

## DEVELOPMENT / OPERATIONS PARTNERSHIP MEETING

Wednesday, May 28, 2008  
8:00 – 4:00 p.m.

### **Participants**

Al Zubi; Barry Crockett; Bill Harmon; Bill Hurguy; Bruce Eilerts; Bruce Vana; Chris Cooper; Cynthia Mills; David Duffy; Doug Forstie; Floyd Roehrich; Greg Gentsch; Irene Higgs; Jean Nehme; Jerry Barnes; Jim Delton; John Carr; John Harper; John Lawson; Julio Alvarado; Larry Langer; Lynn Johnson; Marwan Aouad; Matthew Burdick; Maysa Hanna; Michael Kondelis; Michael Traubert; Michael Zimmick; Mickie Franklin; Mike Bruder; Mike Manthey; Paul Burch; Paul O'Brien; Pe-she Yang; Rakesh Tripathi; Robert Samour;; Sabra Mousavi; Sam Elters; Sam Maroufkhani; Scott Nodes; Safi Hasan; Steve Beasley; Thor Anderson; Todd Williams; Vincent Li; Vivian Lattibeaudiere; Bruce Fenske; Bahram Dariush; Gary McRae; Lonnie Hendrix; Raul Amavisca; James Young; Evonne Aldana; Patty Stansfield; Michael Carter; Michelle Fink; Linda Peterson

### **Welcome and Purpose of Meeting**

**Sam Elters**

Sam welcomed the group and informed all participants that the purpose of the meeting is to share ideas, communicate, address issues, work together and get to know each other. He brought up the budget issues and informed everyone to watch their expenditures and do the right thing. Sam explained the reason why we were in a limited area room was due to budget cuts. The State Engineer's Office is practicing what they preach. It is being smart and adapting to current conditions and being responsible. He hopes that everyone understands the conditions we are in. He confirmed that management is doing what they can to figure things out. It is team work that makes things happen when things are good and when things are not so good. He encourages anyone who has suggestions or concerns to share them with management.

Sam announced he resignation from ADOT. He has accepted an opportunity with the Transportation Corridor Agency in Irvine, California. He went on to say that working with ADOT has been very rewarding. He announced that it has been a privilege and honor to serve the state at this level and a privilege to work with each of you and provide his best guidance and leadership he knew.

### **Housekeeping and Agenda Review**

**James Young**

James filled everyone in on the housekeeping. He reviewed the agenda with the group and asked the group to provide feedback in order to provide quality meetings in the future.

### **Announcements, Introductions and Recognition**

**Senior Leaders**

Mike Manthey announced Al Zubi will be leaving and Raul Amavisca will be in charge of this area; they lost a manager for the Phoenix team, due to hiring freeze they will not be filling the position, Reed Henry was appointed into this position.

Sam announced that everyone in the room deserves recognition. The construction program is creeping up to the \$1.4 billion dollar mark; we are currently at \$1.4 billion. He believes we will hit the \$1.5 billion mark this summer. We are doing this with a hiring freeze and a downward turn, seems like every decision needs to be justified and every expenditure is scrutinized. He said they are getting through this by hard effort through everyone in this room. It is recognized and fully understood by management. Management continues to add more to people's plates that are already full and yet the work gets done. It shows the character and hard work of everyone in the room. Everyone is recognized for the remarkable job they are all doing.

Everyone in the meeting stood up and introduced themselves by giving their name, department they work in and if they are in Development or Operations.

## **Review Charter, Ground Rules and Past PEP Results**

**Doug Forstie**

Doug Forstie provided the PEP results to the group.

To view the PEP results, go to <http://www.azdot.gov/ccpartnerships/Partnering/DevOps.asp>.

## **Administrative and Budget Update**

**Cynthia Mills**

- **Direct bill** late payments continue to be monitored: May 15 report showed no late invoices; discuss at staff meetings with employees; employees will have privilege suspended if abused; disciplinary action for administrative staff and traveler may apply
- **PDQ** to be current within 3 years: ITD still has outstanding positions that need updated; ASOs needing cooperation to complete
- **ITD Recruiter** – Judith Rindner submitted resignation today is last day, Cindy Arenas will assist until position filled
- **Human Resources** developed a team to review the hiring process, provide any ideas or issues to me and/or Patty to take back to the team
- **Phoenix Indian Center** requests training for personnel - Administrative
  - Entry level individuals entering work force; volunteer signs ADOA Risk Management form; volunteer receives payment from Phoenix Indian Center; complete request for training personnel; center will match request with resumes; center will provide resumes to supervisor to conduct interviews for selection; can work 3 to 4 months; supervisor signs time sheets and provides evaluation monthly; available part time or full time; if District / Group interested ASO will work through SEO/HR
- **AzGU No Show and Late Cancellation** Monthly Report
  - Director's office requesting reasons to be provided; reasons will be reviewed; letters will be requested to submit to AzGU for reimbursement; reimbursements can not be requested when employee is sick. Replacements should be considered. Substitutes are to sign in on the line of the person for which they are a substitute by crossing out the other person's name and writing in their name and EIN. This is important so that the person is not viewed as a "walk-in."
- **Hiring Freeze** is expected to last to end of FY2008 and into FY2009 indefinitely – no word when it will be lifted
  - Exempt positions: Highway Operations Technicians; Traffic Operations Center Operators, Supervisor, and Shift Supervisor; Traffic Signal / Lighting Tech I & II; Traffic Signal / Lighting Operations Unit Manager I and II; Bridge Inspection positions
  - Mission Critical positions submit format letter to SEO for review
    - HR has 3 step review; Director's office review; to extend special detail and extend clerical pool requires e-mail only– No fiscal impact. Don't revert to previous position when expired if request is pending; group of positions are submitted for review: EIT positions, Summer Engineering Program, Engineer Positions, and Transportation Construction Technicians
  - HR reports there have been 268 mission critical requests submitted
    - Out of 268 submitted agency wide HR approved 10 and forwarded to ADOA
    - 5 were approved from ADOA; 2 were denied; 3 are pending
  - Opportunity to cross train staff to assist where needed
  - Do not allow all inclusive duties of higher classification
  - Offer assistance among District / Group between orgs
- **FY2008 Budget** Adjustment
  - \$18.1 M State Aviation Fund
  - \$5.4 M Motor Vehicle Liability Insurance Enforcement Fund
  - \$2.0 M Economic Strength Project Fund
  - \$3.1 M ADOT Equipment Revolving Fund

- \$1.1 M Vehicle Inspection and Title Enforcement Fund \$2,000 from General Fund allocation
  - \$42 M from State Highway Fund Statewide Transportation Acceleration Needs Account (STAN)
  - Budget Office anticipating additional savings from hiring freeze from other funds (not Highway). This will not affect ITD.
  - **Under direction to reduce spending. No year-end expenditures.**
  - **Directed to leave money to revert back.**
  - **Maintenance – do not purchase materials. Need to wait to end of June to evaluate balance.**
- **FY2009 Budget**
    - Projected deficit of \$1.8 Billion
    - ADOT Budget Office is preparing for 5% to 10% to 15 % reduction per conversations held with budget analysts
    - Budget Issues Pending
      - Legislative Operating Recommendation:
        - New Features / Material Cost Increases
      - Executive and Legislative Capital Recommendations:
        - Vehicle Wash Systems, Statewide
        - Far Southeast Valley Multi-Use Facility
        - De-Icer Storage Buildings / Tanks, Statewide
        - Asphalt Storage Tanks, Statewide
- **FY2010 Budget Issues**
    - Reviewing at Division level to prioritize
    - Meeting with Budget Office
    - Determination will be made at Agency level how many issues to submit
    - Issues:
      - 1) Program Delivery and Preservation Pay
      - 2) Technical Environmental Services
      - 3) New Features / Material Cost Increases
      - 4) Highway Infrastructure – Signals & Lighting
      - 5) Tonopah Maintenance Org
      - 6) Southeast Valley Maintenance Facility
      - 7) Tucson Traffic Operations
      - 8) Consultants to FTEs

### **Engineering Consultants Section Update**

**Vivien Lattibeaudiere**

Refer to Dev-Ops Presentation2–Vivien presentation on website at

<http://www.azdot.gov/ccpartnerships/Partnering/DevOps.asp>.

Vivien provided handouts to the group and provided a presentation.

### **Construction Issues and Audit**

**Julio Alvarado**

Refer to Construction Issues & Audit - Julio presentation on website at

<http://www.azdot.gov/ccpartnerships/Partnering/DevOps.asp>.

Julio stated that better planning needs to occur, lots of change orders are being written, everyone needs to watch the budget. He emphasized that everyone needs to remember to do budget close outs. When close outs do not occur, we are keeping money in the budget and it can't get moved where needed. Share information on lessons learned so mistakes don't repeat themselves. There are too many reoccurring audit findings. When there is an audit you must come up with a plan so findings do not happen time and time again. Everyone makes mistakes but we need to figure out

how we not repeat those mistakes over and over. Utilize the PEP, use cost analyst, review certificate of insurance for expiration, re-test to make sure material does not fail, complete receipts, process in a timely manner the supplemental agreements – time is money, not enough testing being done, do more testing.

### **Framework Studies**

**Victor Mendez**

Refer to Framework Studies presentation on website at <http://www.azdot.gov/ccpartnerships/Partnering/DevOps.asp> for additional details.

Everyone receive an e-mail regarding political activities and such. We, at ADOT, need to make sure we are not perceived of taking part in any facts and figures and objective assessment of strategies on this initiative. There is currently a campaign on this initiative that is being managed by the TIME Coalition. The State Transportation Board will certify a plan. These plans will be revealed at three public hearings: Flagstaff, Marana, and Phoenix. The Board will listen to public comments on the plan during the hearings. The Board will ratify the plan based on public comment. Gas tax was frozen in the early 1990's, what we are trying to do is deliver a system for the future based on 1990's money. If our revenue stream does not change, three programming cycles will have zero dollars available. Within the initiative, included is the authorization for public/private partnerships.

### **Multi-Modal Planning Division Updates**

**Rakesh Tripathi**

Rakesh introduces himself as the new Director of the newly formed Multi-Modal Planning Division; he replaces Dale Buskirk who retired a few months ago. This new division is the merger of two former divisions, Transportation Planning Division and Public Transportation Division, this division is a new approach to planning. He gave a brief summary of the new division focusing on multi-modal transportation planning that includes highways, toll roads, public transportation, project management, funding, design, construction and professional engineering, also looking into freight and commuter rail studies, air quality and clean air programs, bikeway and pedestrian programs.

### **Project Development Process Manual Update**

**Vincent Li**

Refer to presentation Project Development Process Manual Update presentation on website at <http://www.azdot.gov/ccpartnerships/Partnering/DevOps.asp>.

### **Construction Change Orders**

**Julio Alvarado**

Refer to Construction Change Orders - Julio presentation on website at <http://www.azdot.gov/ccpartnerships/Partnering/DevOps.asp>.

### **Quality Improvement of Project Deliverables**

**Irene Higgs**

Refer to Stage Deliverables Presentation – Irene Higgs on website at <http://www.azdot.gov/ccpartnerships/Partnering/DevOps.asp>

Irene walked through her presentation with the group. Discussion included the quality improvement of project deliverables for right of way. She discussed the problems, targeted major projects and the criteria; interim recommendation overview with recommendations and benefits. Irene also discussed the consolidation steps with their long-term actions and benefits. She reviewed the target major projects along with their criteria; she identified three immediate improvements, three long-term improvements to be piloted and six recommendations. Next steps: final review of TO BE stages checklist, select pilots in May; stage deliverable checklist procedure executed; action plans/implementation strategies being finalized in May; and team to present progress at July Quality Management Review.

### **Table Group Presentations**

**James Young**

Senior Leaders Respond to Issues, Determine Need for New Teams and Assign Team Leaders

New issues only, if it was discussed previously, it will not be discussed again. New issues will be limited to one per table. Each table group will reach consensus about any new issue they wish to present and assign a person to scribe, watch the time, and speak for their group.

ISSUE: Lead Base Paint and Stripe Removal – this issue continues to come up time and time again. We have inspectors who are S1-S6 who are not trained in lead base abatement.

Todd's response: this is a very important issue to the State Engineer's Office; we see this as an immediate issue and is being dealt with. Mike Manthey, Sonya Herrera, Todd Williams, Doug Forstie, Jim Delton, Floyd Roehrich, Ed Green, and Thor Anderson have formed a team on this issue. We will be testing a few areas around the state to test potential exposure to lead as millings are actually happening. It has been argued that when you are milling just a stripe there is an increase in exposure to our workers. We will also look into a full milling where there is removal of the asphalt. Dilution is not the solution to pollution. We will also look at policy type decision when it comes to milling operations where we give millings to cities, counties, towns; we want to make sure they are being used for transportation purposes only. We are also looking to see what other DOTs use for striping and removal.

ISSUE: Bridge Design/Build Costs – if we go with the cheaper costs to build and maintain then we are looking to replace/maintain a lot sooner than if we spend a little more money to have a quality built project.

Floyd Roehrich's response: the State Engineer's Office feels this is all about a greater need to improve quality; we have taken an internal initiative to move forward; we have a quality summit with the contracting industry and it is time to move that into the private consulting industry as well. We need to put together a team to ensure we have all the steps in place and we know how to formalize the process on how we will handle the information that is being gathered to get implementation. We need to look into getting a professional team together that consist of project managers, ECS, CNS, maintenance, and construction. We have invited ACEC to bring a representative on board of this initiative to improve the quality. Floyd stated he is moving this issue forward to develop a team through the leadership.

ISSUE (same issue reported by 3 teams): Include life-cycle maintenance and operations cost into project scoping documents for use and selecting alternatives. Investigate possible creating an escrow account to cover future maintenance and operation costs.

Sam Elter's response: would like to break this into two parts: 1) Project scoping – use towards selecting alternatives; plans should be going to construction and maintenance for review. 2) Investigate escrow account – we have this in place now and is evaluated every year; it is designed to maintain and operate the system through budget issues and requests.

### **DEV/OPS Accomplishments and Recognition**

**Sam Elters**

We currently have 12 issues that are underway, either just initiated or just completed. Food for thought: Implementation and resolution is critical; tracking is essential. More than 75 issues from 1999 to present have been implemented, tracked and resolved with quality work through this partnership. This year the partnership came up with computer bags as a recognition award for this group.

### **Determine Next Steps, Meeting Date/Location**

**James Young**

James informed the group that because of the current budget issue, the next meeting date and location will be determined at a later date.

## **Closing Comments**

**Sam Elters**

Sam spoke about the progress this partnership has made. When he first sat in this meeting back in 2000, he said it was a culture shock. Great improvements have been made and he is proud of everyone. This group always lands on their feet regardless of how busy you are, everyone always follows through and the outcome is great. He said it was great working with everyone and believes that you are as great as the people you work with. He thanked everyone and wished everyone the best of luck.

Sam adjourned the meeting at 4:00 p.m.

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## **Closing Comments, Meeting Feedback and PEP**

28 Meeting Feedback forms were submitted

### **1. What was the most valuable for you?**

Issues

Reports from previous teams

Victor's presentation on transportation investment

Being with the entire group

Some of the presentations

Networking

The ability to do networking and discuss projects with section heads

Presentations were nicely done and very beneficial

Victor's talk on the Framework Studies at the beginning of meeting

Listening to teamwork that is occurring through this partnership to improve processes throughout ITD & other divisions

Getting together

Good discussions on current issues

New issue to address errors and omissions was well over due

Updates to items such as budget both division & state

Problem resolution/discussion by groups and leadership

Ask questions and raise issues during breaks

Unfortunately I had to miss the morning session which contained the most important updates

Reports from ongoing issues being addressed

Meeting with all areas within department to hear and discuss issues

New information

Budget and staffing update

ECS presentation

Construction issue and audit issues clarified

Hearing all of the updates and seeing the progress made on important issues

Networking with folks you don't see everyday

Update on on-going issues

This was my first DevOps meeting; it was good to be exposed to a number of the team presentations; it was also valuable to hear the current issues raised by each of the table discussions; finally a very valuable part of this meeting is the face to face interaction

Solving, identifying and working on real issues; networking with peers; cornering management for answers to questions; expression of concerns, etc.

Seeing progress; tracking issues items being resolved after several years

Updates

Discussions and networking

Generate new issues and resolve them

Good info from the presenters

Project development manual update

## **2. What would you suggest that would help future meetings to be more successful?**

I won't mention the room size

Set up back up plan for next meeting in case of budget issues

Head out of town again for the June meeting

A lot more time for the presentations allowing for more discussions allowing for more discussion between presenter and attendees

Time keeper may be a idea to think about

Less items – more time for presenters

Continue to ask for input by those here; it is wonderful to be heard and our comments/issues taken forward

Have a Q & A session like we do during L-team, etc.

Better floor plan – much too close

½ day

Phoenix meeting worked well

Presentations need to be limited to 10 minutes

More dialogue and small group interaction

Time for Q & A session

Agree with comments voiced at end of meeting e.g. Q & A item on agenda and summary of historical issues resolved

Some the info from the table we put aside

Doug can serve ice cream sandwiches

## **3. Overall comments and rating of the meeting: 3.16**

3 = 14; 3.5 = 2; 3.7 = 1; 3.8 = 1; 4 = 8; no rating = 2

COMMENTS:

Great meeting

Meeting accommodations were great, nice job to the Partnering group for hosting the meeting; there is also a lot of good information exchanged

Always well run and informative

Great job by partnering staff

Accommodations and refreshments/food were good; kudos to Partnering office

Phoenix is May is ok with me

May is better than June and Phoenix worked fine for location

Times of year works good

Good meeting

My water was too warm; great job; food was good and plentiful

Good meeting

Great job from partnering rroup

Great food