Interim Report of the

# Transportation Accountability Commission

TO THE GOVERNOR AND
THE GENERAL ASSEMBLY OF VIRGINIA

May 2007

# Preface

In October 2006, Governor Timothy M. Kaine issued Executive Order 37, creating Virginia's Transportation Accountability Commission. The Commission's primary responsibilities are to (i) review existing methods used to measure transportation system and agency performance and accountability, and (ii) recommend improvements to ensure that the transportation system delivers the maximum value to taxpayers and transportation agencies are held accountable for their performance. The Commission is required to provide an interim report to the Governor and the General Assembly on May 30, 2007 and a final report on October 1, 2007. This report addresses the requirement for an interim report.

To accomplish the two major charges to the Commission, Outcome Measures and Performance Standards Subcommittees were established. The Outcome Measures Subcommittee focused on the outcome measures and performance of the transportation system; whereas, the Performance Standards Subcommittee focused on the agency performance outcomes and agency executive accountability. The full Commission has met twice and both of the subcommittees have met separately twice. A web presence has been established at: **http://www.transportation.virginia.gov/Initiatives/TransportationAccountability/** to allow interested parties to track the Commission's progress.

The 21-member Commission is comprised of a diverse and geographically dispersed group of leaders from business, associations and local governments as listed below.

**James Squires** (Chairman), Executive Vice President of Finance, Norfolk Southern Corporation;
**Young Ho Chang** (Vice Chairman and Chairman of the Outcome Measures Subcommittee), Senior Vice President of ATCS, PLC;
**Mark B. Goodwin** (Chairman of the Performance Standards Subcommittee), Senior Vice President of Overnite Transportation Company;
**The Honorable Charles C. Allen**, Vice Mayor of the City of Newport News;
**Georjeane L. Blumling**, Vice President of Marketing and Public Affairs for AAA Tidewater Virginia;
**The Honorable Henry L. Connors Jr**., member of the Spotsylvania County Board of Supervisors and Vice President of Government and Public Affairs for CIT;
**Mortimer L. Downey III,** Chairman of PB Consult, Inc.;
**Kimberly A. C. Enochs**, SPHR, Senior Vice President of Rutherfoord;
**Douglas R. Fahl**, Executive Vice President of Dewberry & Davis, LLC;
**Gary W. Fenchuk**, President of East West Partners of Virginia, Inc.;
**Geraldine Holmes**, State Coordinator for Advocacy, AARP Virginia, State Office;
**Thomas G. Jewell**, President and Owner of Carter Braxton Real Estate;
**John M. Lewis Jr**., Chief Executive Officer of the GRTC Transit System;
**Mark R. Merhige**, President of Shockoe Properties, Inc.;
**Hugh E. Montgomery Jr**., Executive Director of the Institute for Defense and Homeland Security;
**Dr. Rosemarie A. Pelletier**, President and founder of Public Private Solutions, Inc.;

**M. Siddique Sheikh**, Owner of the Alexandria Service Center, Inc.;
**The Honorable Sally H. Thomas**, Member of the Albemarle County Board of Supervisors;
**The Honorable Hunter R. Watson**, First Vice President, Davenport Company LLC and former member of the Prince Edward County Board of Supervisors;
**James C. Wheat III**, Managing Partner of Colonade Capital, LLC;
**Blair Williamson**, President of S.L. Williamson Company, Inc.

The Commission received presentations from the Department of Motor Vehicles, Department of Aviation, Department of Planning and Budget, Department of Rail and Public Transportation, Department of Transportation, Virginia Port Authority and U.S. Department of Transportation. Insights into best practices were provided by Dr. Lance Newmann, President of Cambridge Systematics and Chairman of the Transportation Research Board's Committee on Performance Measures. The Commission was also kept apprised as to transportation initiatives under consideration by the 2007 General Assembly through periodic briefings.

Staff to the Commission is provided by the Office of the Secretary of Transportation (Ralph M. Davis), the Multimodal Transportation Planning Office (Dr. Mary Lynn Tischer and Katherine Graham), and the Virginia Department of Transportation (Michael L. Garrett and Keith R. Wandtke). The principal writers of this report are Michael L. Garrett and Keith R. Wandtke.

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# EXECUTIVE SUMMARY

In recent years, Virginia has initiated several reforms designed to increase the accountability and transparency of state government. Most recently, Governor Timothy M. Kaine created the Transportation Accountability Commission to review and evaluate existing methods to measure transportation system performance, as well as the performance of the transportation agencies and their executives, and to make recommendations to increase performance and accountability. The Commission reviewed Virginia's modal agencies, including the main duties of the three transportation policy boards, reviewed and evaluated existing methods used to measure performance and accountability, and discussed the state of the practice in other states and the U.S. Department of Transportation (USDOT).

Transportation performance management in Virginia is governed by seven distinct but interrelated systems. Three address transportation system performance; four address agency and executive performance. The Commission's interim findings and recommendations are as follows:

## *Transportation System Performance*

***Finding 1 - Transportation agencies and policy boards should adopt and embrace overarching goals.***

***Finding 2 - Overarching goals should be established prior to identifying performance measures.***

***Finding 3 - The goals identified in VTrans2025 and the Virginia Transportation Performance Report - 2006 are reasonable and sufficiently broad to be used as a starting point.***

***Finding 4 - Virginia's transportation agencies have already implemented several performance management initiatives.***

***Finding 5 - In addition to presenting information based on existing resources, it is also important to indicate what could be achieved if more resources were made available.***

## *Transportation Executive and Agency Accountability and Performance*

***Finding 6 - Several of the current performance measures are outside the "line-of-sight" or purview of an individual agency head (for example, number of fatalities).***

> ***Recommendation 1 - Develop shared objectives and performance measures among multiple agency heads when a performance measure is beyond the span of control of an individual agency head.***

***Finding 7 - Performance measurement targets have been established for many of Virginia's key measures, but they are typically set for 2010. Effective targets will have both short-term and long-term milestones. Without incremental milestones against which progress can be***

***measured, long-term targets may never be met. Commission members further indicated that stretch targets/goals should be created without punishment for failure of full achievement.***

> ***Recommendation 2 – Develop stretch targets for agency heads and set interim performance targets.***

***Finding 8 - The process used to evaluate the performance of agency executives captures agency operations and outcomes but does not directly address agency heads' leadership abilities.***

> ***Recommendation 3 - Include a qualitative leadership component in the agency head performance review process. Leadership includes but is not limited to:***
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> - ***Champions Governor's priorities; understands the importance of goals and relationships***
> - ***Communicates the agency's mission, vision and shared values***
> - ***Leads by example***
> - ***Acts in a professional and ethical manner within and outside the agency***
> - ***Manages shifting priorities; makes tough calls; delivers on promises***
> - ***Interacts effectively with diverse constituency groups, including General Assembly members, board(s) and public and government officials***
> - ***Promotes client/customer service***

***Finding 9 - Executive pay incentives should be given greater consideration as a performance management tool. The Commission acknowledged that government agency heads are motivated by the desire to do well and to be reappointed. There was also recognition, based on their collective experiences, that bonus pay might also play an important role.***

> ***Recommendation 4 - Utilize or amend provisions currently available in the Appropriation Act to provide opportunity for additional compensation and incentives when executive performance expectations are exceeded.***

***Finding 10 - Whether pertaining to executive or agency performance goals, lessons learned frequently are not carried forward because of the one-term gubernatorial system in Virginia.***

> ***Recommendation 5 - Develop legislative or administrative plans to foster longevity in performance measurement processes and lessons learned. Institutionalizing lessons learned will create staying power from one administration to another.***

Performance management is defined as "a way of monitoring progress toward a result or goal" and represents a tool for establishing and maintaining accountability and, therefore, credibility. It also provides opportunity to communicate to various stakeholders. Key features of best practices garnered from presentations and a survey of other states include the following:

***Key Feature/Best Practice 1 - Effective performance management links performance measures to specific policy goals and strategies to achieve those goals.***

***Key Feature/Best Practice 2 - Effective performance management will focus on a few key performance measures when reporting to the public and key stakeholders. More detailed measures can be used to support the higher-level measures. At a system level, the number of performance measures should be relatively small.***

***Key Feature/Best Practice 3 - Effective performance management should distinguish between output measures and outcome measures. Agencies typically have more control over output measures.***

***Key Feature/Best Practice 4 - Effective performance management will develop performance measures that are "realistic" in terms of the resources used and that are justified by their utility to managers and decision makers.***

***Key Feature/Best Practice 5 - Begin with existing data and identify what should be collected in the future. The development of performance management will evolve over time, and experience may dictate different performance measures as time progresses. Waiting for perfect measures will delay the process.***

***Key Feature/Best Practice 6 - Transportation agencies are encouraged to take advantage of and learn from benchmarking and peer comparisons.***

# I. INTRODUCTION

In October 2006, Governor Timothy M. Kaine issued Executive Order 37 creating Virginia's Transportation Accountability Commission. The primary responsibilities of the Commission as identified in Executive Order 37 are:

1. Reviewing Virginia's existing methods of promoting accountability and performance in transportation.
2. Identifying and recommending national best practices in accountability and performance for transportation.
3. Recommending quantifiable outcome measures for the major elements of the state's transportation program, including measures that incorporate effective land-use and transportation coordination.
4. Recommending performance standards for state transportation executives and agencies.

A copy of Executive Order 37 is included in Appendix A to this report.

During the past several years, Virginia has been a leader in advancing initiatives to reform government and increase the accountability of state government agencies and their executives. The Virginia Department of Transportation (VDOT) has significantly increased the number of projects that are completed on-time and on-budget. There has also been significant progress in improving the transparency of transportation agencies through the development of tools such as the nationally recognized Dashboard, which is a web-based system that presents detailed schedule information for every project.[1]

While acknowledging previous accomplishments, Governor Kaine identified the need for continuous reform and increased accountability for transportation agencies:

> *"We remain committed to a comprehensive strategy for transportation that includes a continued focus on reform and increased accountability for our transportation agencies. The members of this new Transportation Accountability Commission will recommend additional reform measures, and help us create a framework for the continuous evaluation of our transportation programs." (Governor's News Release, December 28, 2006)*

Executive Order 37 addresses accountability in terms of the outcomes or results from the performance of the transportation system and agencies. While a more comprehensive definition of accountability could include financial accountability, the charge to the Commission was more narrowly defined since financial accountability is already assessed by several independent oversight agencies. The Auditor of Public Accounts (APA), for example, conducts financial and operational audits and is responsible for auditing agency financial statements. The Joint Legislative Audit and Review Commission (JLARC) performs agency operational reviews and

[1] The Dashboard received first place in the 2006 Code Charge Studio Developer awards and the Center for Digital Government's 2005 Best of the Web award. The Dashboard has been reviewed in multiple state and national publications including the article "Red Light, Green Light," in the June 2003 issue of *Government Technology* magazine.

conducts agency and program efficiency studies. Finally, all agencies are required to prepare either Comprehensive Annual Financial Reports (CAFR) or supply financial reports for a statewide CAFR for review by the public.

This interim report summarizes the Commission's deliberations to date and establishes a framework for new transportation accountability and performance methods with emphasis on outcomes. The current practices are reviewed and gaps between the Commission's expectations and current practice are identified throughout the report in "Findings" and/or "Recommendations."

The section that immediately follows this one presents an overview of the transportation organization. Section III presents various methods used to measure transportation system and agency executive performance in Virginia. A review of best practices in other states and the system used by USDOT are described in Section IV. The final section outlines the expectations for the final report. Details on the creation of the Commission and the state of the practice in transportation performance measurement are provided in the appendices.

# II. OVERVIEW OF THE TRANSPORTATION ORGANIZATION

## *Transportation Mission*

The mission for Virginia's transportation system was adopted from the Council on Virginia's Future and is prominently displayed on the Secretary of Transportation's website. It is:

> *To ensure that Virginia has a transportation system that is safe, enables easy movement of people and goods, enhances the economy and improves our quality of life.*

The mission indicates the importance of transportation in the Commonwealth and provides direction for the development of agency goals and performance measures. The mission statement also serves as the singular statement against which each transportation agency's success is ultimately evaluated.

## *Office of the Secretary of Transportation*

Today, the Commonwealth's transportation organization is a Cabinet-level function with five major transportation agencies reporting to the Secretary of Transportation. The agencies are: the Department of Aviation (DOAV), the Department of Motor Vehicles (DMV), the Department of Rail and Public Transportation (DRPT), the Department of Transportation (VDOT),) and the Virginia Port Authority (VPA). (Two other agencies, the Motor Vehicle Dealer Board and the Board for Towing and Recovery Operations, also report to the Secretary of Transportation but are not included in this report because they are small and narrowly focused.) These agencies employ over 12,000 people and operate with a combined budget of $4.9 billion. With the exception of DMV, each agency reports to a policy board.

## *Transportation Agencies*

**Department of Aviation**
DOAV has an authorized employment level of 33 and a FY07 budget of $37.1 million. The mission of the agency is to cultivate an advanced, market driven aviation system that is safe, secure and provides for economic development; promote aviation awareness and education; and provide executive flight services for the Commonwealth Leadership. DOAV's vision is that the Virginia Aviation System will be the model Transportation Gateway, providing economic development opportunities for all communities throughout the Commonwealth; and that DOAV will be the standard of excellence among state aviation agencies.

**Department of Motor Vehicles**
DMV has an authorized employment level of 1,943 and a FY07 budget of $261.3 million. The agency's mission is to promote security, safety, and service through the administration of motor vehicle and tax-related laws. DMV's vision is peak performance – everyone, every time.

The agency's core functions include:

- Issuing licenses and credentials
- Providing transportation safety services
- Informing Virginians about motor vehicle laws
- Enforcing motoring and vehicle and fuel tax laws
- Collecting transportation-related revenues

DMV faces a unique challenge with the passage of the unfunded federal Real ID Act, which is designed to provide additional security in the provision of licenses The Real ID Act is likely to significantly increase customer transaction times and DMV plans to initiate a massive information campaign to inform customers of this impending challenge and its impact on DMV transactions.

**Department of Rail and Public Transportation**
DRPT has an authorized employment level of 55 and a FY07 budget of $506 million. DRPT partners with over 130 public and private organizations including: 12 railroads, 56 public transportation agencies, 50 human service transportation agencies and 14 commuter assistance agencies.

DRPT's mission is to improve the mobility of people and goods while expanding transportation choices in the Commonwealth. To accomplish its mission, DRPT:

- Develops policies to improve mobility and transportation choices
- Advocates for rail and public transportation
- Develops plans and programs related to public transportation and rail and travel demand management

**Department of Transportation**
VDOT currently has an employment level of approximately 8,800 and a FY07 budget of $3.8 billion. VDOT manages 58,000 miles of state maintained roads, 20,000 bridges/culverts, six tunnels, three ferry tolls, 41 safety rest areas, and 107 commuter parking lots.

VDOT's mission is to plan, develop, deliver, operate and maintain, on-time and on-budget, the best possible transportation system for the traveling public. VDOT envisions a transportation system that is safe, enabling efficient movement of people, goods and services, while enhancing the economy, and contributing to improvements in the quality of life for the citizens of the Commonwealth of Virginia.

**Virginia Port Authority**
VPA has an authorized employment level of 167 and a FY07 budget of $77.9 million. The agency owns four general cargo terminals - Norfolk International Terminals, Portsmouth Marine Terminal, Newport News Marine Terminal, and the Virginia Inland Port in Front Royal - which are operated by its affiliate, Virginia International Terminals, Inc. The Port is the second busiest on the East Coast and services more than 45 steamship lines. Throughput increased from 1.232 million units in 1997 to over 2.046 million units in FY06.

VPA's mission is to foster and stimulate the commerce of the Ports of the Commonwealth, promote the shipment of goods and cargoes through the ports, secure necessary improvements of navigable tidal waters within the Commonwealth and, in general, perform any act or function which may be useful in developing, improving, or increasing the commerce, both foreign and domestic, of the Ports of the Commonwealth.

## *Transportation Policy Boards*

**Commonwealth Transportation Board**
The Commonwealth Transportation Board (CTB) is comprised of 17 members who are appointed by the Governor and approved by the General Assembly. The CTB is a policy board with duties including, but not limited to, determining location of highway routes, approving highway construction contracts, developing a statewide transportation program for highways, transit and rail, and approving maintenance contracts. The Secretary of Transportation serves as chairman and the VDOT Commissioner serves as vice-chairman. The DRPT Director also serves as a member of the Board. The CTB is required to adopt a Six-Year Improvement Program by July 1 of each year.

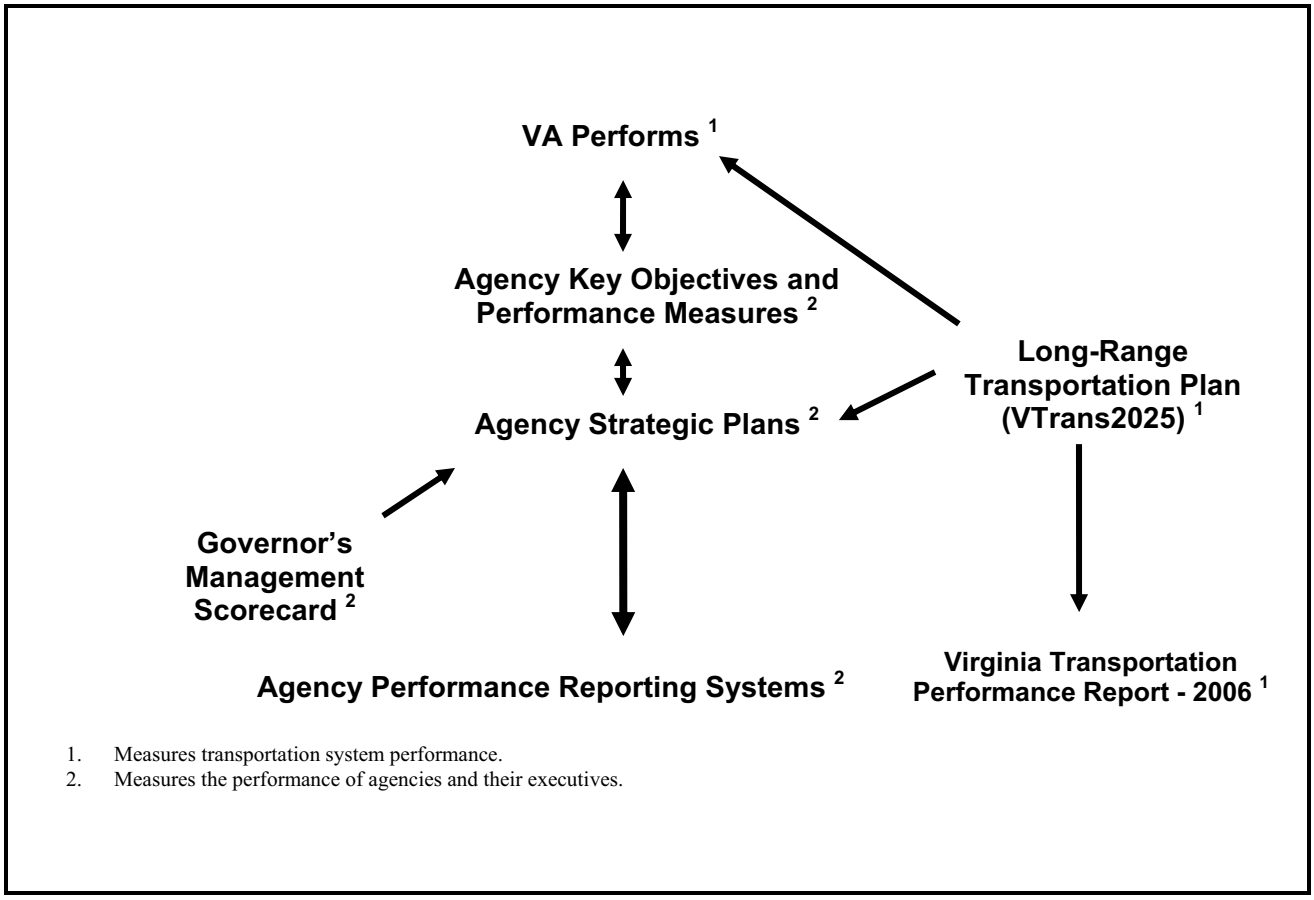
**Virginia Aviation Board**
The governing policy board for DOAV is the Virginia Aviation Board (VAB). The VAB is comprised of a chairman and seven members. Members of the VAB are appointed by the Governor to serve a four-year term. The VAB is responsible for allocating funds for planning, development, and promotion of the 67 public use airports. The VAB also promulgates regulations relating to airports, aircraft, airspace, aviation safety and operations. Additionally, the VAB advises the Governor, the Secretary of Transportation, and the DOAV Director on matters relating to aviation policies and programs.

**Virginia Port Authority Board of Commissioners**
A 12-member Board of Commissioners governs VPA. The Board consists of the State Treasurer and 11 other members who are appointed by the Governor. The Executive Director of the Virginia Port Authority, who is appointed by the Board of Commissioners, is responsible for the daily operations of VPA.

# III. OVERVIEW OF CURRENT ACCOUNTABILITY AND PERFORMANCE MANAGEMENT PROCESSES

Transportation performance management in Virginia is governed by seven distinct but interrelated processes or elements. Three address transportation system performance and four address the performance of agencies and their executives. Figure 1, which is discussed in detail below, presents a schematic of the current processes and their interrelationships.

**Figure 1. Performance Management Processes**




1. Measures transportation system performance.
2. Measures the performance of agencies and their executives.

## *Transportation System Performance*

### Virginia Performs

Virginia Performs is a website that was created by the Council on Virginia's Future to identify the vision of Virginia's future and track progress in meeting long-term goals across the main sectors affecting the quality of life and performance of government in the Commonwealth. The Council was established by the General Assembly in 2003 and is comprised of 18 members, including two cabinet secretaries, ten legislators and five citizens. It is chaired by the Governor.

The long-term overarching statewide goals established by the Council and monitored by Virginia Performs are as follows:

- To be recognized as the best managed state in the nation (Citizen and Government)
- To be a national leader in the preservation and enhancement of the state's economy (Economy)
- To elevate the levels of educational preparedness and attainment of our citizens (Education)
- To inspire and support Virginians toward healthy lives and strong and resilient families (Health and Family)
- To protect the public's safety and security, ensuring a fair and effective system of justice and providing a prepared response to emergencies and disasters of all kinds (Public Safety)
- To protect, conserve and wisely develop our natural, historic and cultural resources (Natural Resources)
- **To ensure that Virginia has a transportation system that is safe, enables easy movement of people and goods, enhances the economy and improves our quality of life (Transportation)**

Outcome measures are also identified in order to assess progress towards accomplishment of the goals. The transportation outcome performance measures established by the Council are: traffic congestion, infrastructure condition and land use/transportation coordination.

Virginia Performs is linked to other transportation performance and accountability processes in several ways. First, the transportation goal – "*to ensure that Virginia has a transportation system that is safe, enables easy movement of people and goods, enhances the economy and improves our quality of life"* a) is a product of the long-range transportation plan (VTrans2025), and b) has been adopted as the mission for the Secretary of Transportation and VDOT. Second, the transportation outcome performance measures reported on Virginia Performs are also key outcome measures for VDOT. Finally, Virginia Performs provides a one-stop link to two other state performance management processes: Key Outcome and Performance Measures and the Governor's Management Scorecard.

**Long- Range Transportation Plan (VTrans2025*)***
In 2002 Virginia's General Assembly passed an amendment to § 33.1-23.03 of the *Code of Virginia* directing the Commonwealth Transportation Board (CTB) to develop a statewide multimodal long-range transportation plan which was later called VTrans2025. VTrans2025 sets a vision (Safe, Strategic and Seamless) and overarching goals for the Commonwealth's transportation system. The goals are: a safe and secure system; preservation and management;

mobility, accessibility and connectivity; economic vitality; quality of life and environmental stewardship and fiscal responsibility.

All of the major transportation agencies were involved in developing VTrans2025 and the VTrans2025 Final Report was approved and adopted by Virginia's three transportation boards in November 2004. While the policy boards have adopted the report, the overarching goals have not been fully embraced and utilized to assist in making policy decisions. (Note: As this Interim Report is being finalized, plans are to include the VTrans2025 goals in the CTB's 2008-2013 Highway Improvement Program Guidelines.)

***Finding 1 - Transportation agencies and policy boards should adopt and embrace overarching goals.***

***Finding 2 - Overarching goals should be established prior to identifying performance measures.***

**Virginia Transportation Performance Report – 2006**

The overarching transportation goals established in the *VTrans2025* Final Report are the basis for the recently published *Virginia's Transportation Performance Report – 2006.* The goals and associated performance measures are provided in Table 1. The Transportation Performance Report is the first of its kind for Virginia and will serve as the basis for a more comprehensive accountability and performance report that will result from the work of the Transportation Accountability Commission.

Each section of the report is devoted to an overarching goal and presents performance and condition data as well as strategies to achieve the goals. At the end of each section there is a performance summary indicating whether the measures are trending in the desired direction.

***Finding 3 - The goals identified in VTrans2025 and the Virginia Transportation Performance Report - 2006 are reasonable and sufficiently broad to be used as a starting point.***

***Finding 4 - Virginia's transportation agencies have already implemented several performance management initiatives.***

***Finding 5 - In addition to presenting information based on existing resources, it is also important to indicate what could be achieved if more resources were made available.***

States such as Ohio and Washington have laid a foundation for additional funding by using the performance management process to show their effectiveness in managing resources. One approach used by several states was to display performance that could be achieved with available resources and then compare that performance with the potential performance given an increase in funding. A valuable byproduct of this exercise was the improved communication about various aspects of system performance.

**Table 1. Virginia's Transportation Performance Report**
**Transportation Goals and Performance Measures**

| **Goal: Safety and Security** | **Goal: Economic Vitality** |
|---|---|
| — Number and Rate of Fatalities<br>— Number and Rate of Injuries<br>— Compliance with the Maritime Transportation Security Act<br>— Percentage of Updated Emergency, Disaster, and Evacuation Plans<br>— Percentage of Airports Participating in the Voluntary Security Certification Program | — Per Capita Income<br>— Unemployment Rate<br>— Annual Percent Change in Employment<br>Business Climate |
| **Goal: Preservation and Management** | **Goal: Land Use and Quality of Life** |
| — Percentage of Interstate and Primary Road Pavement in Need of Repair<br>— Percentage of Bridges that Need Repair or Rehabilitation<br>— Percentage of Transit Vehicles that Exceed Replacement Age<br>— Average Clearance Time for Highway Incidents<br>— Average Service Wait Time<br>— Increase Port Capacity of Cargo per Acre | — Tons of Transportation-Related Emissions<br>— Fuel Usage per Capita<br>— Percentage of Roads with Capacity Deficiency<br>— Annual Hours of Delay per Year per Traveler<br>— Acreage of Land Preserved |
| **Goal: Mobility, Accessibility, and Connectivity** | |
| — Transit Ridership<br>— Transit Vehicle Revenue Miles<br>— Percentage of Congested Lane Miles<br>— Number of Enplanements at Air Carrier Airports<br>— Twenty-Foot Equivalent Units (TEUs) Shipped Through the Port of Virginia | |

## *Transportation Executive and Agency Accountability and Performance*

**Agency Key Objectives and Performance Measures**

Agency Key Objectives and Performance Measures are one of four performance processes used to evaluate and measure the performance of all state agencies and their executives – including transportation agency heads. The key objectives and performance measures resulted from a review of the state's performance management process by a panel of nationally recognized government management experts. The panel noted the measures in use at the time tended to address the operations of the agency and recommended that operations should continue to be measured but agency outcomes or results should be measured as well. In response, Governor Kaine required all state agencies to develop three to five key objectives and associated outcome measures.

Key Objectives are the desired outcomes for the agency's major programs or activities and Key Measures are indicators of how well an agency program is performing on the activities that reflect the agency's primary mission.

The measures were to be based on anticipated products/results of transportation system performance. They were also to be measurable. The agencies were to develop baselines for their measures and establish targets to improve agency performance. These measures are used by the Governor in budget decisions and the data summarizing each agency's measures are reported on the Virginia Performs website. Performance targets and target dates (typically 2010) are set for each of the measures. The measures are updated quarterly or annually depending on the specific measure.

The key objectives and performance measures currently used by each of Virginia's transportation agencies are presented in Table 2.

***Finding 6 - Several of the current performance measures are outside the "line-of-sight" or purview of an individual agency head (for example, the number of fatalities).***

> ***Recommendation 1 - Develop shared objectives and performance measures among multiple agency heads when a performance measure is beyond the span of control of an individual agency head.***

***Finding 7 - Performance measurement targets have been established for many of Virginia's key measures, but they are typically set for 2010. Effective targets will have both short-term and long-term milestones. Without incremental milestones against which progress can be measured, long-term targets may never be met. Commission members further indicated that stretch targets/goals should be created without punishment for failure of full achievement.***

> ***Recommendation 2 - Develop stretch targets for agency heads and set interim performance targets.***

**Table 2. Agency Key Objectives and Performance Measures**

| Agency | Objectives | Measures |
|---|---|---|
| **VDOT** | Improve Highway Safety | Number of Fatalities |
| | Manage Congestion | Annual Hours of Delay |
| | Improve Quality of Projects | Construction Quality Index |
| | Complete Projects On-time and On-budget | % Projects Completed On-time and On-budget |
| **DMV** | Decrease Number of Traffic Fatalities | Number of Fatalities |
| | Provide Reasonable Customer Service Wait-time | Wait-time for Majority of Customers |
| | Reduce Number of Interactions Between Citizen and DMV | Average Number of Interactions to Complete a Single Transaction |
| **Aviation** | Increase Aviation Utilization | Number of Enplanements Economic Activity Generated |
| | Provide Financial Assistance for Airport Development | Ratio of Grants Executed to Allocation |
| **DRPT** | Manage Congestion | Public Transportation Trips/Person |
| | Retain, Improve, Develop Railways | % Rail Enhancement Projects On-time and On-Budget |
| | Facilitate Dulles Metrorail Corridor Project | Timely Execution of Phase 1 |
| **VPA** | Enhance Port-Related Business | Number of Port Related Jobs |
| | Increase Business Through Port | Number of Containers |
| | Enhance Cargo Handling Capability | Cargo Per Acre/Per Year |

**Governor's Management Scorecard**

The second performance process used to measure the performance of agencies and their executives is the Governor's Management Scorecard. This performance management tool was implemented beginning in 2004 and provides performance information on the administrative operations of the agency. Performance is measured in six operational categories:

- Human Resource Management
- Government Procurement
- Financial Management
- IT/Enterprise Architecture Initiatives

- Performance Management
- Environmental & Historic Resource Stewardship

There are a total of 20 goals across the six categories and the rating for each goal is: Meets Expectations; Progress Towards; or, Below Expectations.

The Governor's Management Scorecard can be found on the Virginia Performs website.

***Finding 8 - The process used to evaluate the performance of agency executives captures agency operations and outcomes but does not directly address agency heads' leadership abilities.***

> ***Recommendation 3 - Include a qualitative leadership component in the agency head performance review process. Leadership includes but is not limited to:***
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> - ***Champions Governor's priorities; understands the importance of goals and relationships***
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***Finding 9 - Executive pay incentives should be given greater consideration as a performance management tool. The Commission acknowledged that government agency heads are motivated by the desire to do well and to be reappointed. There was also recognition, based on their collective experiences, that bonus pay might also play an important role.***

> ***Recommendation 4 - Utilize or amend provisions currently available in the Appropriation Act to provide opportunity for additional compensation and incentives when executive performance expectations are exceeded.***

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> ***Recommendation 5 - Develop legislative or administrative plans to foster longevity in performance measurement processes and lessons learned. Institutionalizing lessons learned will create staying power from one administration to another.***

**Agency Strategic and Service Area Plans**

Virginia's efforts in performance management can be traced as far back as the 1980s with program budgeting. That program has evolved into *Agency Strategic and Service Area Plans*, launched in concurrence with development of the 2006-2008 Biennium Budget. Current law requires all executive level agencies to develop and publish strategic plans. Among other items,

the plans include each agency's goals, key objectives and performance measures. Each of the goals is tied to the Virginia Performs key goals. The plans typically include the Agency Key Objectives and Performance Measures. Additionally, an aggregated version of the Governor's Management Scorecard is included as a performance measure.

Objectives and measures are developed for each of the agency's program expenditure categories, called Service Areas. There are 98 measures for transportation. These are found on the Virginia Performs website.

**Agency Performance Reporting Systems**

The final processes used to measure the performance of agencies and their executives are the agency reporting systems which measure and report on programmatic, management and internal operations. VDOT's Dashboard and Quarterly Report Card are examples. Both the Dashboard and the Quarterly Report Card are available to the public using VDOT's public website. Both instruments are used to track and report VDOT's performance on core business outcomes such as construction and maintenance contracts completed on time and on budget. DRPT provides DRPT Connections which tracks performance of projects. Similar types of performance reporting systems are utilized by the other transportation agencies.

# IV. BEST PRACTICES FOR ACCOUNTABILITY AND PERFORMANCE MONITORING SYSTEMS

Several presentations were made to both the Outcome Measures and the Performance Standards Subcommittees on performance management trends and practices at the state and federal levels.

**A Review of Best Practices in the Use of Performance Measures**
Defined as "a way of monitoring progress toward a result or goal" (Cambridge Systematics, Inc., 2006, p. iii), performance measures are receiving increased attention in the literature and in transportation agencies. Over the years, transportation agencies have used various performance measures, but in recent years "performance management" has emerged as a practice that is both accepted and expected.

Performance management is a key tool for establishing and maintaining accountability and, therefore, credibility. It also provides opportunity to communicate to various stakeholders. The focus for most performance measurement efforts has been in four areas:

1) Measuring system performance
2) Identifying agency performance
3) Providing accountability in delivering the program
4) Determining customer satisfaction

Performance measurement is used:

- as an aid in defining goals in long-range plans and programs and determining if they are met
- in real-time reporting of system conditions
- in periodic performance reporting of the "state-of-the-state" or region
- in guiding resource allocation and budgeting decisions
- to drive results throughout an agency

**State of the Practice across the Nation**
A 2004 scan of best practices[2] identified Virginia as one of eleven states having notable applications of performance measures. Key features of the use of performance measures by six of those states – Arizona, Florida, Michigan, Minnesota, Oregon, and Washington - are summarized below. A summary of their key goals and performance measures can be found in Appendix C**.**

***Key Feature/Best Practice 1- Effective performance management links performance measures to specific policy goals and strategies to achieve those goals.***

[2] The Washington State Department of Transportation Strategic Assessment Office published a study on performance measures in 2006 titled *"State of the Practice" Inventory March 2004—Learning From Others* (Washington State Department of Transportation Strategic Assessment Office, Olympia, 2006, http://www.wsdot.wa.gov/accountability/library/State%20Inventory%20Handout.pdf.)

An essential feature of the effective use of performance measures is the linkage between performance measures and policy goals. Since what gets measured gets done, it is imperative to have measurements linked to key goals of the department or agency. Simply stated, it does not make sense to measure what is not important. Washington State uses a well-known "Gray Notebook" that contains performance measures associated with one of six strategic initiatives, their set of overarching transportation goals. One initiative is to "manage and operate state transportation facilities to improve the safety and reliability of state transportation systems for the benefit of travelers, shippers, and communities."

Washington State also has different policy goals established by or for different constituencies. The six strategic initiatives were established by the Governor, but the legislature has codified a series of nine transportation "benchmarks" and these also have specific performance measures associated with them.

***Key Feature/Best Practice 2 - Effective performance management will focus on a few key performance measures when reporting to the public and key stakeholders. More detailed measures can be used to support the higher-level measures. At a system level, the number of performance measures should be relatively small.***

This best practice indicates that there should be a relatively small number of goals. There are no rules for determining the appropriate number of performance measures although at a system level, the number of performance measures should be relatively small. One could start with a few and then add measures, incrementally. One weakness in Michigan's process is the large number of goals and measures which the Michigan Department of Transportation itself reports as "too many."

Even though most states produce a relatively large number of measures, many use a much smaller number for reporting to the public at large. Typically, the smaller number of measures are indicators for the key goals and objectives defined for the agency or the system as a whole while there may be a myriad of measures used to manage operations, track production and efficiency, and to ensure transparency. Minnesota compares its system to a pyramid. System wide measures are the highest level of the pyramid and relate to the goals that guide the modal plans. The modal plans are supported by an even larger number of operational performance measures. These operational measures typically use a planning horizon of one year or less.

The Oregon Department of Transportation has identified 28 "key" measures spanning the major impact areas that other states have also examined, such as safety, congestion, program delivery, environmental factors, and economic development, but another set of performance measures has been identified with a comparable level of detail in each impact area. Michigan DOT has identified 14 core performance measures that correspond with impact areas identified in many other states.

The challenge for transportation professionals is to design a performance management system that is broad enough to ensure appropriate emphasis on all of the key areas. If the emphasis is too narrow, the agency could produce unexpected and undesirable outcomes.

Virginia currently uses five measures to report on its goal of safety and security and six measures to report on its goal of preserving and managing the existing transportation system. A discussion of Virginia's system wide goals and measures is presented in Section III, under *Transportation System Performance*.

***Key Feature/Best Practice 3 - Effective performance management should distinguish between output measures and outcome measures. Agencies typically have more control over output measures.***

In the lexicon of performance management there is an important distinction between outcome measures and output measures. Generally, output measures are directly controlled by the state agency (e.g., number of lane miles repaired) and indicate the level of activity of an agency. Output measures are useful in tracking overall efficiency, at least in terms of the overall activity generated by a given budget level. The data are more readily accessible, and the measurement is simpler than outcome information.

Outcome measures reflect the ultimate performance of the system (e.g., safety as measured by number of fatalities). They provide a better indication of the effectiveness of strategies developed to achieve particular goals, and they better communicate the success in meeting stated goals and objectives. Outcome measures will tend to be more meaningful to key stakeholders and the public but, in general, are more difficult to measure and will often be more difficult to link directly to actions of the agency. For example, safety is a good outcome performance measure but a transportation agency has less control over individual driving habits than it does over how many licenses it issues or miles it paves.

***Performance that is the easiest to achieve is the one over which the agency has direct control.*** This might indicate that output measures are the better performance measures, but the state of the practice involves both types of measures. Many states link their output measures to more understandable outcome measures for reporting to the public and key stakeholders. As an example, by linking the outcome of system preservation with number of bridges repaired, both measures become much more valuable as performance management tools.

Minnesota, a state with substantial experience in the use of performance measures, is now beginning to emphasize output measures at lower levels of the organization. Those output measures are used to support the outcomes at higher levels.

The Commission mainly focused on outcome measures currently in use to address the Commonwealth's transportation system and the state of the practice in system performance management process.

***Key Feature/Best Practice 4 - Effective performance management will develop performance measures that are "realistic" in terms of the resources used and that are justified by their utility to managers and decision makers.***

When developing performance targets, it is important that they relate to the resources available. It is not helpful to project a future that cannot be achieved with existing funding although the

Commission members indicated they were interested in "stretch" targets without creating punishment for failure of full achievement.

***Key Feature/Best Practice 5 - Begin with existing data and identify what should be collected in the future. The development of performance management will evolve over time and experience may dictate different performance measures as time progresses. Waiting for perfect measures will delay the process.***

The literature suggests it is wise to take advantage of existing data sources. It is better to begin with what is available and identify improvements along the way. Some states created such large data collection exercises that the effort toppled from its own weight. Additionally, many states have found that they needed to revise their data collection strategies to support effective performance measurement.

***Key Feature/Best Practice 6 - Transportation agencies are encouraged to take advantage of and learn from benchmarking and peer comparisons.***

Historically, this has been a sensitive area. In the words of one presenter, "Every agency perceives that it is unique." Nonetheless, peer comparisons are unavoidable and so the agency should seek to control the agenda; i.e., agencies should choose and provide peer comparisons using measures appropriate for the issues and challenges facing their transportation systems.

**The Federal Performance and Accountability Report**

The Commission was charged with reviewing both state and federal best practices and received a presentation from Irene Rico of the Federal Highway Administration's (FHWA). Ms. Rico reviewed the Performance and Accountability Report that is produced by the USDOT. USDOT's Performance and Accountability Report is a comprehensive national summary of performance and financial information that assists the Congress, the President, and the public to assess the performance of the Department relative to its mission. The Report provides a summary of the most important performance results and challenges for the fiscal year; a brief analysis of financial performance; a brief description of systems, controls, and legal compliance; and information on the Department's progress in implementing the President's Management Agenda. The Report also addresses the management challenges identified by the USDOT's Inspector General and a summary of the Inspector General's audit report.

The report covers each Operating Agency in the Department. The performance section of the report provides discussion and performance measures in the following five key Department-wide strategic areas:

- Safety
- Mobility
- Global Connectivity
- Environmental Stewardship
- Security

The report provides at least four years of actual performance information focused on outcome orientations. For the report year, actual performance is compared with targets. Where performance goals were not achieved, explanation is provided. There is also a presentation of plans and schedules to meet future goals.

# V. THE NEXT STEPS FOR THE COMMISSION

During the past four months, the Commission has reviewed existing methods for promoting accountability and performance in transportation and identified best practices used in other states and by the USDOT. The Commission also reviewed and made recommendations on the performance standards for transportation executives.

As the Commission moves into the second half of its mission, several tasks outlined in Executive Order 37 remain to be completed. The final report due October 1, 2007, will contain:

- Recommendations for overarching transportation system goals and performance measures
- Recommendations for the agency outcome measures
- Recommendations for quantifiable outcome measures for linking economic and land use and transportation
- A discussion as to whether there are quantifiable ways to measure a transportation project's positive or negative community impacts

The Commission will also address several issues that were identified in Executive Order 37. House Bill 3202, which was enacted by the 2007 General Assembly and approved by the Governor as Chapter 896 of the 2007 Acts of the Assembly, requires certain quantifiable measures and achievable goals to be included in statewide and regional transportation plans. The Commission will address these measures and goals in its final recommendations.

Additionally, other critical accountability and performance issues identified during the Commission's deliberations will be discussed and recommendations made where appropriate. Finally, the Commission will solicit input from the Commonwealth Transportation Board, other transportation policy boards and the public prior to issuing a final report.

## Appendix A.

## Executive Order 37 (2006)

### Executive Order 37 (2006)

# Creating the Transportation Accountability Commission

## Importance of the Issue

Virginians face a transportation crisis. Too many of our citizens spend too much of their time gridlocked in traffic, at the cost of time with their families and time at work. Our aging transportation infrastructure is increasingly expensive to maintain. Current development patterns increase demand for additional highways and roads and are not fiscally sustainable over the long-term. Public transportation options are not as widely available as needed for Virginia's seniors, the disabled, and those who seek convenient alternatives to sitting in traffic. Throughout Virginia, our people are eager for improvements in transportation to increase mobility and safety. Such improvements require that transportation decisions be better linked with local land use planning. Collaboration between the state and local government in transportation planning needs to be a high priority.

Significant additional public and private investments are needed in the upgrading of Virginia's transportation system. Prudence and accountability demand that these funds be used in the most efficient and effective manner possible. Great strides have been made during the past four and a half years in increasing the percentage of on-time and on-budget transportation projects. Tremendous progress has also been made in making transportation projects more transparent, through VDOT's Dashboard Program and other means. The establishment of an Intermodal Office is improving multi-modal planning and coordination.

However, more remains to be done to ensure that Virginia has a transportation system that delivers the maximum value for the money paid by taxpayers, implements rigorous management standards, adheres to appropriate free market principles and promotes wise investments. We must ensure that all transportation dollars are spent wisely and that our transportation agencies are held accountable for their performance.

Accordingly I am calling together leaders from the Commonwealth to address this critical challenge.

## Creation of the Commission

By the power vested in me by Article V of the Constitution of Virginia, and Section 2.2 of the Code of Virginia, and mindful of the critical importance of this issue, I hereby create the Transportation Accountability Commission (the Commission) and direct it to begin work immediately. The Commission will be composed of 15 members, including local government leaders, legislators, business leaders, and community leaders. Additional members may be appointed at the Governor's discretion. In addition, the Secretaries of Transportation, Finance, and Natural Resources will serve as ex officio members of the Commission. The Governor shall designate a chair and vice chair of the Commission.

The Commission will have the following responsibilities:

1. Reviewing Virginia's existing methods of promoting accountability and performance in transportation.
2. Identifying and recommending national best practices in accountability and performance for transportation.
3. Recommending quantifiable outcome measures for the major elements of the state's transportation program, including measures that incorporate effective land-use and transportation coordination.
4. Recommending performance standards for state transportation executives and agencies.

In recommending outcome measures, the Commission will consider whether there are quantifiable ways to measure a transportation project's positive or negative community impacts.

I direct the Commission to make an interim report to the Governor and General Assembly by May 30, 2007, and a final report by October 1, 2007. Staff support for the Commission will be provided by the Office of the Secretary of Transportation, the Office of the Governor, the Virginia Department of Transportation, the Virginia Department of Rail and Public Transportation, the Department of Planning and Budget, and other agencies as may be designated by the Governor. All executive branch agencies shall cooperate fully with the Commission and provide any assistance necessary, upon request of the Commission or its staff.

This commission shall be considered a gubernatorial advisory commission. Direct costs for the commission shall not exceed $10,000, exclusive of staff time.

## Effective Date of the Order

This Executive Order shall become effective upon its signing and shall remain in full force and effect until October 1, 2007, unless amended or rescinded by further executive order. It is my intent to renew this commission, as provided for by law, at this time next year.

Given under my hand and under the Seal of the Commonwealth of Virginia this 10th day of October, 2006

**/s/ Timothy M. Kaine, Governor**

**Attest:**

**/s/ Secretary of the Commonwealth**

## Appendix B.

## Summary of Tasks Assigned to TAC Subcommittees

### Outcomes Measures (OM) Subcommittee

1. Review and assess current transportation accountability and performance methods.
2. Identify and recommend national best practices in accountability and performance for transportation.
3. Recommend quantifiable outcome measures for the major elements of the state's transportation program, including measures that incorporate effective land-use and transportation coordination.

    - Identify and recommend key strategic goals and associated outcome measures

4. Recommend quantifiable ways to measure a transportation project's positive or negative community impacts

### Performance Standards (PS) Subcommittee

1. Review, discuss and recommend performance standards for state transportation executives and agencies.

    - Review existing standards for transportation executives
    - Make recommendations for improvements, as needed

2. Review, discuss and recommend additional reform measures.

## Appendix C.

## Review of Best Practices in Selected Peer States

Arizona

The mission of the Arizona Department of Transportation (ADOT) is to provide products and services for a safe, efficient, cost-effective transportation system that links Arizona to the global economy, promotes economic prosperity and demonstrates respect for Arizona's environment and quality of life. ADOT has developed 8 specific goals. The table below lists ADOT's performance measures grouped according to the relevant goal. Mobility and Economic Competitiveness are grouped together since performance measures for those factors apply to both of those goals:

| |
|---|
| **GOAL #1: Mobility**<br><br>**GOAL #2: Economic Competitiveness**<br>• Percent of Person-Miles Traveled by Level of Service<br>• Average Delay Per Trip |
| **GOAL #3: Connectivity**<br>• Passing Ability<br>• Intercity Travel Time Connectivity |
| **GOAL #4: Preservation**<br>• Reconstruction Need<br>• Pavement Condition<br>• Vehicle Miles Traveled by Pavement Condition<br>• Bridge Condition<br>• Vehicle Trips by Bridge Condition |
| **GOAL #5: Reliability**<br>• Additional Unexpected Delay |
| **GOAL #6: Safety**<br>• Accidents Per 100 Million Vehicle Miles Traveled by Functional Class<br>• Anticipated Change in Fatalities/Injuries |
| **GOAL #7: Accessibility**<br>• Park-and-Ride Spaces |

- Bus Turnouts
- Bike Suitability

**GOAL #8: Resource Conservation**

- Total Mobile Source Emissions
- Percentage of Air Quality Improvement Projects Selected
- Noise Exposure
- Projects Listed in Regional Transportation Plans
- Fuel Consumption

Florida

The mission of the Florida Department of Transportation (FDOT) is to provide a safe transportation system that ensures the mobility of people and goods, enhances economic prosperity, and preserves the quality of Florida's environment and communities. FDOT has developed 5 primary goals and associated outcome measures related to each of the goals. FDOT's list of goals and the associated performance measures are listed below.

**GOAL #1: A Safer and More Secure Transportation System**

- Highway fatality rate per 100 million vehicle miles traveled
- Bicyclist fatality and serious injury rate per 100,000 population
- Pedestrian fatality and serious injury rate per 100,000 population
- Motorcyclist fatality and serious injury rate per 1,000 registered motorcycles

**GOAL #2: Enriched Quality of Life and Responsible Environmental Stewardship***

**GOAL #3: Adequate and Cost-Efficient Maintenance and Preservation of Transportation Assets**

- Percent of pavement on the State Highway System meets Department standards
- Percent of FDOT maintained bridges that meet Department standards
- Percent of the acceptable maintenance standard on the State Highway System achieved

**GOAL #4: A Stronger Economy Through Enhanced Mobility for People and Freight**

- Average growth rate in person-hours of delay on the Florida Interstate Highway System
- Percent of Florida's counties that have entered into regional partnerships to compete for Transportation Regional Incentive Program (TRIP) funds
- Number of commercial vehicle crashes on the State Highway System per 100 million vehicle miles traveled
- Intelligent Transportation Systems technology deployed on critical state corridors
- Transit ridership

**GOAL #5: Sustainable Transportation Investments for Florida's Future**

- Percent of discretionary capacity funds programmed to the Strategic Intermodal System

** Florida's long term transportation plan did not include any measures for this specific goal.*

Minnesota

The mission of the Minnesota Department of Transportation (Mn/DOT) is to improve access to markets, jobs, goods, and services and improve mobility for Minnesotans by focusing on priority transportation improvements and investments that help Minnesotans travel safer, smarter, and more efficiently. Below is a table of 10 policies from the Mn/DOT long range transportation plan, including performance measures that Mn/DOT has established for each.

**POLICY #1: Preserve Essential Elements of Existing Transportation Systems**

- **Customer Ride Quality (Highway Pavement):** Lane-miles of highway pavement that have good and poor ride quality as measured statewide by Present Serviceability Rating
- **Physical Condition (Airport Pavements)**
- **Physical Condition (Highway Pavement)**
- **Physical Condition (Bridges)**
- **Physical Condition (Transit Fleet Life)**

**POLICY #2: Support Land Use Decisions that Preserve Mobility and Enhance the Safety of Transportation Systems**

- **Consistency of Local Plans and Ordinances with Access Management Guidelines (Highways)**
- **Airspace or Land that is Protected (Airports):** Percent of airports for which airspace or land have been protected to meet safety, noise, and height clearance requirements and expansion plans as identified in Master Plans or Airport Layout Plans
- **Right-of-Way that is Protected (Highways):** Percent of Interregional Corridor and bottleneck removal projects that have been identified in the 10-Year Work Plan for which rights-of-way have been protected, either through purchase, official mapping or zoning
- **Right-of-Way that is Protected (Transit Infrastructure):** Percent of Transit Advantages projects that have been identified in the 10-year construction program for which rights-of-way have been protected, either through purchase, official mapping or zoning

**POLICY #3: Effectively Manage the Operation of Existing Transportation Systems to Provide Maximum Service to Customers**

- **Travel Time Reliability (Incident Clearance Time on Urban Freeways)**
- **Travel Time Reliability (Ice and Snow Removal)**: Number of hours it takes to achieve bare lanes after a weather event ends
- **Travel and Flow Management (Highways):** Percent of Principal Arterial corridor-miles in Regional Trade Centers 0 and 1 that are highly, moderately or minimally managed

## POLICY #4: Provide Cost-Effective Transportation Options for People and Freight

- **Amount of Facilities/Services Provided (Scheduled Air Service)**
- **Amount of Facilities/Services Provided (Pedestrian and Bicycle Facilities on IRC Crossings)**
- **Amount of Facilities/Services Provided (Dedicated Alignment Transitways)**
- **Amount of Facilities/Services Provided (Greater Minnesota Passenger Bus Service Hours)**
- **Transit Advantages on Trunk Highways (Bus-only Shoulders)**
- **Amount of Travel (Non-Auto Trips):** Number of commuter person trips in Regional Trade Centers 0 and 1 that use modes other than auto
- **Amount of Travel (Auto Occupancy):** Average auto occupancy in Regional Trade Centers 0 and 1 during peak periods
- **Access between Ports/Terminals/Major Generators and Transportation Corridors (Airport):** Percent of airports with scheduled service that have appropriately designed access to Interregional Corridors
- **Access between Ports/Terminals/Major Generators and Transportation Corridors (Ports and Terminals):** Percent of major freight generators with appropriately designed roadway connections to Interregional Corridors and other major rail and water corridors. Major freight generators include commercial water ports and terminals, rail terminals, truck terminals, intermodal facilities, and other major freight generating facilities and transfer points

## POLICY #5: Enhance Mobility in Interregional Transportation Corridors Linking Regional Trade Centers (RTCs)

- **Travel Speed (Highways – Interregional Corridors):** Percent of Interregional Corridor miles that meet minimum speed targets
- **Travel Time Reliability (Highways – Peak Period):** Percent of peak period travel that takes no longer than an acceptable travel time. That is, no longer than an "expected" travel time plus some additional buffer time

## POLICY #6: Enhance Mobility Within Major Regional Trade Centers

- **Travel Time (Twin Cities – Peak to Off-Peak Periods):** Twin Cities ranking among metropolitan areas for peak to off-peak travel times as reported by the (Texas Transportation Institute) Travel Rate Index. This measure applies only to the Twin Cities metropolitan area
- **Travel Time Reliability:** Percent of peak weekday travel that takes no longer than an acceptable travel time. That is, no longer than an “expected” travel time plus some additional buffer time
- **Duration and Extent of Congestion:** Percent of directional urban freeway miles in Regional Trade Centers 0 and 1 that are congested or severely congested

## POLICY #7: Increase the Safety and Security of Transportation Systems and Their Users

- **Crash Rate (Highways, Passenger Service and Freight):** Annual crash rate on state trunk highways using three-year averages
- **Total Crashes (General Aviation):** Average total general aviation crashes (three-year average) as reported to and defined by the Federal Aviation Administration (FAA)
- **Total Crashes (At-Grade Railroad Crossings):** Average total crashes occurring at at-grade railroad crossings as reported by the Department of Public Safety (three-year averages)
- **Total Fatalities (Highways, Passenger Service and Freight):** Annual roadway-related fatalities using three-year averages
- **Total Fatalities (General Aviation):** Average annual general aviation fatalities as reported by the FAA for Minnesota

## POLICY #8: Continually Improve Mn/DOT's Internal Management and Program Delivery

- **Construction Project Timeliness:** Percent of Mn/DOT projects in the first year of the State Transportation Improvement Program that are let for construction in that same planned year
- **Construction Project Cost Deviation – Preconstruction:** Percent variation in major projects' cost from estimates when projects first enter the State Transportation Improvement Program (STIP) to actual cost when let for construction
- **Administrative Support Rate:** General Administrative expenditures as a percent of total expenditures

## POLICY #9: Inform, Involve and Educate All Potentially Affected Stakeholders in Transportation Plans and Investment Decision Processes

- **Perceived Reliability of Mn/DOT Information:** Percent of customers satisfied with the reliability of Mn/DOT's communications

## POLICY #10: Protect the Environment and Respect Community Values

- **Air Pollutants – Federal Compliance Standards:** Outdoor levels of ozone, nitrogen dioxide, carbon monoxide and particulate matter as a percent of the National Ambient Air Quality Standards (NAAQS)
- **Carbon Dioxide Emissions:** Estimated carbon dioxide emissions from motor vehicles in Minnesota
- **Cleaner Fuels:** Percent of Mn/DOT fuel consumption defined as cleaner fuels
- **Compliance with Erosion Control:** Percent of National Pollution Discharge Elimination System Mn/DOT permits that have violations
- **Wetlands Affected and Replaced**
- **Wetland Success Criteria:** Percent of replaced wetlands where wetland types are as planned
- **Land Acres Replanted with Native Species**
- **Conversion of Undeveloped Land:** Number of undeveloped acres converted to another land use
- **Streamlining of Environmental Process:** Time to complete Environmental Impact Statement, Environmental Assessment, Environmental Assessment Worksheet per project

Oregon

The Oregon Department of Transportation (ODOT) has developed 28 Key Performance Measures that were used during fiscal year 2005-2006. The 28 measures directly support ODOT goals. The measures affect all modes of transportation. The agency's focus on customer service is highlighted, as are measures that affect Oregonians' livability and the state's environment. ODOT's goals have been articulated in the agency's Strategic Direction, drafted by senior management in 2000 and confirmed again in 2006. ODOT's mission is to provide a safe, efficient transportation system that supports economic opportunity and livable communities for Oregonians. Below is a matrix of ODOT goals and the associated performance measures that ODOT has adopted for each goal.

**GOAL #1: Improve Travel Safety in Oregon**

- **Traffic Fatalities**
- **Traffic Injuries**
- **Safe Drivers:** Percent of drivers who avoided traffic violations and accidents for the prior three years
- **Impaired Driving-Related Traffic Fatalities**
- **Use of Safety Belts**
- **Large Truck At-Fault Crashes**
- **Rail Crossing Incidents**
- **Derailment Incidents**
- **Travelers Feel Safe:** Percent of public satisfied with transportation safety

## GOAL #2: Move People and Goods Efficiently

- **Special Transit Rides:** Average number of special transit rides per each elderly and disabled Oregonian annually
- **Travel Delay:** Hours of travel delay per capita per year in urban areas
- **Passenger Rail Ridership:** Number of state-supported rail service passengers
- **Alternatives to One-Person Commuting:** Percent of Oregonians who commute to work during peak hours by means other than Single Occupancy Vehicle
- **Traffic Volume:** Vehicle Miles Traveled per capita in Oregon metropolitan areas for local non-commercial trips
- **Pavement Condition**
- **Bridge Condition**

## GOAL #3: Provide a Transportation System that Supports Livability and Economic Prosperity

- **Fish Passage at State Culverts:** Number of high priority ODOT culverts remaining to be retrofitted or replaced to improve fish passage
- **Intercity Passenger Service:** Percent of Oregon communities of 2,500 or more with intercity bus or rail passenger service
- **Bike Lanes and Sidewalks:** Percent of urban state highway miles with bike lanes and pedestrian facilities in "fair" or better condition
- **Jobs from Construction Spending:** Number of jobs sustained as a result of annual construction expenditures
- **Timeliness of Projects Going to Construction Phase:** Percent of projects going to construction phase within 90 days of target date
- **Construction Project Completion Timeliness:** Percent of projects with the construction phase completed within 90 days of original contract completion date
- **Construction Projects On Budget:** Percent of projects completed on or under projected preliminary engineering, right-of-way and construction costs
- **Certified Businesses (Disadvantaged, Minority, Women, and Emerging Small Businesses):** Percent of ODOT contract dollars awarded to disadvantaged, minority, women, and emerging small businesses

## GOAL #4: Provide Excellent Customer Services

- **Customer Service Satisfaction:** Percent of customers rating their satisfaction with the agency's customer service as "good" or "excellent": overall, timeliness, accuracy, helpfulness, expertise, availability of information

- **DMV Customer Services** –
    - DMV Field Office Wait Time (in minutes)
    - DMV Phone Wait Time (in seconds)
    - DMV Title Wait Time (in days)

- **Maritime License Processing Timeliness**

- **Economic Recovery Team Customer Satisfaction:** Percentage of local participants who rank ODOT involvement with the Economic Recovery Team as good or excellent

Washington

The mission of the Washington State Department of Transportation (WSDOT) is to keep people and business moving by operating and improving the state's transportation systems vital to their taxpayers and communities. The WSDOT long range transportation plan has established five guidelines for investment action. Below is a listing of these five areas as well as some examples of performance measures that WSDOT uses to address these areas:

| |
|---|
| **GUIDELINE #1: Preservation**<br>• Percent of interstate and state highway miles in "poor" condition<br>• Percent of bridges in at least "fair" structural condition |
| **GUIDELINE #2: Safety**<br>• Annual number of fatal collisions<br>• Frequency and severity of disabling collisions in areas where cable median barrier has been installed (before and after)<br>• Number of collisions related to driver behavior |
| **GUIDELINE #3: Economic Vitality*** |
| **GUIDELINE #4: Mobility**<br>• Actual overall clearance times for incidents on state highways<br>• Rate of drive alone trips<br>• Peak travel times<br>• Number of slow traffic days<br>• Amount of lost throughput efficiency |
| **GUIDELINE #5: Environmental Quality and Health**<br>• Number of fish passage barriers removed<br>• Percent reduction in the use of herbicides<br>• Control of noxious weeds<br>• Achievement of greater slope stability<br>• Preservation of sight distance<br>• Percentage of successful replacement wetlands<br>• Percent net loss of wetlands |

** The WSDOT long range transportation plan did not identify any core performance measures specific to the "Economic Vitality" investment guideline.*