Findings

Based on the input from 57 LPA Program stakeholders and an analysis of the LPA program value stream map (Figures 5.1 through 5.6 in the report), there appear to be two major opportunities for significant improvement and several additional areas for minor improvements.

The first major area is in helping small LPAs to hire a well-qualified consultant earlier in the process. This will help ensure that small LPAs (who may only do 1 LPA project every 2–4 years) and who have less experienced ERCs are not at such a disadvantage when running their projects.

The second major area is making the entire LPA Program scalable based upon the specifics of the project and the expertise of the LPA/MPO.

The recommendation section of this report outlines several ideas to address these two major areas and offers several other ideas to make incremental improvements in other areas of the LPA Program.

Implementation

Hiring Consultants Earlier in the Process

The State of Kentucky has three different options for LPAs to hire a consultant. The first method is similar to the way the INDOT LPA Program Guidance Document instructs LPAs to advertise, score, and select consultants. However, Kentucky also allows LPAs to use consultants who have a statewide contract with KDOT. In addition, for projects where fees for professional services are expected to be below $50,000, Kentucky allows LPAs to enter into price contracts with consulting firms.

Appendix B to the report contains more detail on the Kentucky Statewide Contracts Model. According to Pam Drach, who has experience with Kentucky projects.
in her role with the Evansville MPO, this option can save as much as 6 months off a project timeline.

**Scalability**

One of the most requested changes to the LPA Program was to make it scalable or flexible to better fit the size of the project and the expertise of the LPA/MPO. Several LPA stakeholders said that paying 100% of the project as a local project was cheaper than paying 20% of the cost of a Federal-aid project. Figure 8.1 in the report shows a suggested “Pathways model” that would allow different approaches for different projects based upon the project details and the experience/comfort level of the LPA/MPO.

Under the Pathways model, qualifying projects could use Option 1, which is a federal funds exchange authorized by Indiana law (see Appendix C to the report). Under this option, INDOT would in essence “buy back” federal transportation dollars from LPAs for “not less than $0.75 per dollar.” This would greatly reduce the burden on small projects and LPAs by removing federal requirements from the project.

This law was passed in 2013, but according to several stakeholders interviewed, to date this option has only been used on rare occasion.

Option 2A under the Pathways model would be to continue using the current LPA Program with a few of the minor improvements recommended in this section (i.e., planning tools, consultant selection and negotiation training, etc.)

Options 2B and 2C would also continue to use the current LPA Program with minor improvements, with the exception of how consultants are selected and hired. Option 2B would use statewide contracts like Kentucky, and Option 2C would use price contracts (see Appendix B to the report for more details).

Option 3 would largely remove INDOT from the LPA Program and turn the administration of the project over to the LPA/MPO. Appendix A to the report shows how Kentucky has already implemented this option, and Appendix D shows a form letter used by the State of Washington to assign administration responsibility to LPAs. Additionally, Appendix E contains a PowerPoint presentation created by FHWA regarding a study it conducted on LPA-administered projects. This study highlights some areas for concern as well and lists resources for best practices when states opt to allow LPAs to administer their own projects.

**Other Recommendations**

The stakeholders interviewed made several other incremental suggestions for INDOT:

- Host an annual district meeting for LPAs to give feedback on what is and is not working well in the LPA Program.
- Allow LPAs to hire a contract ERC.
- Assist LPAs/MPOs in driving accountability for unresponsive utilities “like they do for state projects.”
- Create and deliver consultant selection training (including contract negotiation training) for LPAs.
- Create a project planning tool (like a Gantt chart) that lists all project tasks, the estimated durations, and their dependencies so the overall timeline can be better understood and shared among all stakeholders.

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