Integrating Private Company Principles into a Government Department

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About Boone County

- 764 total centerline miles of roadway
  - 426.4 Miles of hard surface
  - 337.6 Miles of gravel
- 300 small structures
- 191 bridges
- County population 58,000
30 Staff Positions
- 1 Engineer/Director
- 1 Operations Manager
- 1 Office Manager
- 1 Inspector
- 3 Team Leaders
- 1 Pipe Foreman
- 1 Traffic Services Foreman
- 2 Mechanics
- 14 Truck Drivers
- 5 Operators

*Note: In 1990, the Boone County Highway Department had 35 employees*
To the public, perception is reality

- Bad news travel fast
- Actions by one tarnish the entire department
- Everyone has a camera and social media
- First impressions are critical
Initial Goals

- Improve image
  - From public
  - From within Boone County Government
  - By other City/County Governments
- Improve morale within Department
- Improve efficiencies
- Increase funding
Craig’s Disclaimer

“The Perfect Boone County Storm”
- Good Governance
- Large cash balances
  - MVH
  - LRS
  - Cumulative Bridge
- High level of support
- Relationship with Commissioners (Trust)
- Tenured staff (Diamonds in the rough)
- Coinciding energy at State House for Transportation Funding
- No way to go but Up!
Principle of Time Zones

- Zone 1: High Impact, Low Time
- Zone 2: High Impact, Medium Time
- Zone 3: High Impact, Extensive Time
- Zone 4: Low Impact, Low Time
- Zone 5: Low Impact, Medium Time
- Zone 6: Low Impact, Extensive Time

Time Required To Execute
Principle of Time Zones

- **ZONE 1**: High Impact, Low Time
- **ZONE 2**: High Impact, Medium Time
- **ZONE 3**: High Impact, Extensive Time
- **ZONE 4**: Low Impact, Low Time
- **ZONE 5**: Low Impact, Medium Time
- **ZONE 6**: Low Impact, Extensive Time

**Quick “Win”** (Low Hanging Fruit)

Time Required To Execute
Zone 3
High Impact
Extensive Time

Zone 6
Low Impact
Extensive Time

Zone 2
High Impact
Medium Time

Zone 5
Low Impact
Medium Time

Zone 1
High Impact
Low Time

Zone 4
Low Impact
Low Time

Crazy Cycle of Lost Opportunities (Busy but not effective)

Time Required To Execute
Zone 3
High Impact
Extensive Time

Zone 6
Low Impact
Extensive Time

Zone 2
High Impact
Medium Time

Zone 5
Low Impact
Medium Time

Zone 1
High Impact
Low Time

Zone 4
Low Impact
Low Time

Time Required To Execute

Poor Governance (i.e. Bad Politics)
Principle of Time Zones

Impact

ZONE 1
High Impact
Low Time

ZONE 2
High Impact
Medium Time

ZONE 3
High Impact
Extensive Time

ZONE 4
Low Impact
Low Time

ZONE 5
Low Impact
Medium Time

ZONE 6
Low Impact
Extensive Time

Time Required To Execute

Long Term Goals & Vision

Boone County
Highway Department
The effectiveness of an organization will be directly proportional to its allocation of time.

- Some time in Zones 4 and 5 is inevitable.
- Be intentional to spend time in Zones 1-3.
- Accept when Zone 6 exists.
- “Throttle Up” when Zones 1-3 are encouraged by leadership.
Culture Transformation

- Human Capital (i.e. Staff)
- Capital
  - Facilities
  - Assets (Roads / Bridges)
  - Equipment
- Systems (i.e. processes and execution)
2015 Staff

- Low morale
- “That’s the way we have always done it”
- Never ask “why”
- High performers were “rewarded” with more work and same annual pay increase as low performers
- “Good Ol’ Boy” System
- Well tenured workforce
  - Institutional knowledge
  - Experienced
  - Many coasting to retirement
Human Capital - Performance Evaluations

- Changes made to the evaluation form and process
  - Performance scored on 10 categories
  - Summary narrative includes development plan
  - Employee completes a section
- First year emphasized importance of attitude
Human Capital - Performance Evaluations

- Using the percentage increase of salary line to reward high performers
  - Gives value to Performance Evaluations
  - Substantial attitude improvement department wide
  - Addition by subtraction

- Performance Improvement plans
  - Written follow-up if score on any category is below 3
  - Lay out detailed plans
- 10 resign or retire since 2014
- Modified hiring processes
  - Re-worked application
  - Advertisement changes
  - 2-step interview process
  - Created a Hiring Committee (Buy-in)
  - Modified requirements
- Hired 25 people to retain 13 employees since 2014 with a staff of 30 total
- Motto – “Get the right people on the bus…arrange the seats later.”

**Human Capital – Staff Changes**

![Diagram of people in a doorway, suggesting a hiring process]

**Boone County Highway Department**
Human Capital – Staff Changes

Before 2015

- Supervisor
  - Office Manager
  - Foreman
  - Foreman
  - Foreman
  - 6 Operators
  - 15 Drivers
  - 1 Sign Man
  - 2 Mechanics

ZONE 1 High Impact
ZONE 2 High Impact
ZONE 3 High Impact
ZONE 4 Low Impact
ZONE 5 Low Impact
ZONE 6 Low Impact
Human Capital – Staff Changes

January 18, 2017

Diagram showing the organizational structure of the County Engineer & Highway Director, Office Manager, Operations Manager, Inspector, Team Leaders, Area Teams, Pipe Foreman, Traffic Services Foreman, and Shop Mechanics.
Human Capital – Staff Development

- Commitment to Learn
  - We are developing leaders of leaders
  - We are eager to teach others and share our knowledge
- Leadership Staff
  - Leadership Retreat
  - Networking is a must
  - Established Goal - Minimum 3 trainings
- Staff performance-based awards
  - Mental attitude
  - Perfect attendance
  - Safety

Our Vision
We remain committed to learning, growing, teaching and improving ourselves, our staff, our management team, our department and our industry.
Before...
- Paper, Paper, Paper
- “Little Black Box” imposed fear
- Email Communication skills limited at best

After....
- Excel and GIS trained office staff
- Outlook used extensively
- All data saved on County’s Server
- Streamlined payroll process
- Installed CHARTS database system
- Work-order system
  - Improved responsiveness
  - Track all citizen and in-house complaints
  - Improved follow-through
- Asset Inventories
  - PASER Rating
  - Bridges
  - Culverts
  - Signs
- Summer Road Program
- Snow Routes
Systems – Department Communication

- Regular Staff Meetings
  - Engineer weekly meetings with team members
  - Operations weekly meetings with team leaders
  - Team Leader daily huddles with staff
- All-Staff Meetings
  - Annual Report
  - Season/operations changes
- Annual “Year in Review” given to Council & Commissioners
Before...

- Annual Resurfacing Projects
  - Used material bids exclusively
  - Lawsuit history with process
- Bridge Projects
  - Used contract formats provided by designer
- No Consistency

After....

- Developed standardized front-end documents
- Expedited legal review
- No more shared responsibility for construction
**Results....**

- Resurfacing projects can be developed in-house
  - GIS plans
  - Project specifications
  - Culvert information
  - Item Quantities & Cost Estimates
- Increased contractor response & competition
  - Reduced risk - reduce project cost
  - Reduces hidden costs
  - Establishes project timeline
Before...
- Previous “Brand” was tired and worn out
- Difficult to see on red trucks

After....
- New, “fresher” look
- Green and Blue colors chosen to subtly illustrate commitment to environment
- Recognizable / High retention of image
Capital – Image Overhaul

- Developed staff appearance standards
  - Proud of who we are and what we do
  - Uniform appearance is important
- Initiated facility improvements
  - Cleaned front office spaces
  - Removed walls
  - Painted
  - New floor finishes (carpet & tile)
  - Developed a professional conference room
  - Worn out exterior fencing relocated and replaced
Before...

- Utilized MVH for operations and “leftover” funding for road program
  - Submitted highway budget did not include road program
  - Additional appropriations in April/May
  - “You get what you get”
- Expenditures often held off until last quarter
- Appropriations often went unspent
- Maintained extremely large MVH, Cumulative Bridge & LRS fund balances
  - Funds are intended for use on infrastructure
  - Does no good for taxpayer to hold onto their money
- Apparent lack of trust between Council and Highway Department
Capital – Long Range Planning

After….

- Developed 5 Year Plans
  - Road Maintenance
  - Bridge
  - Fleet / Equipment
- Spent down cash balances in 2016-2017
- Goal - Maintain 20%-25% at end of year
- Created Sources & Uses Sheets
  - Balance funding with substantiated needs
  - Helps guide Council decisions
- Built trust with County Council – Annual reports
- 372.6 miles in four years
- Represents 86% of our paved roads
- Council’s approved budget increasing annually
- Developed merit-based conversion program

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<td>Bridges (each)</td>
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Leveraging Dollars
- Federal Funds since 2015
  - MPO – $1.2M
  - Group IV – $3M
- Community Crossings
  - 2016 - $1M
  - 2017 - $436,000
- Town of Zionsville Partnership
  - 2016 - $410,000
  - 2017 - $366,000
- US Aggregates – 1.75 miles of conversion
**Capital – New Equipment**

- Over $2 Million of new equipment purchases 2015-2018
  - 2 SUV
  - 4 Light duty trucks
  - 4 Tandems
  - 1 Gradall
  - 1 Distributor truck
  - 1 Bucket truck
  - 1 Mulcher attachment
  - 1 Paver
  - 4 Slide-in salt beds
  - 1 Power broom
  - 4 Plows
  - 1 Chip spreader
  - 1 Tractor
  - 1 Chip spreader

- Priority based on ability to improve department efficiency
- Utilize online auction services to maximize sale of existing equipment
- Many used lease-to-own option
What is next?

Human Capital

- Refine team structure, create hierarchy of teams
- Evaluate abilities of all staff, identify future leaders
- Additional leadership training
- Additional technical training to all staff
- Sharing knowledge
  - Become teachers of teachers
  - Cross trained staff
- Additional staff
What is next?

Systems

- Refine the road conversion program
- Streamline permitting process
- Update construction standards
- Complete GIS Based asset management
- Improved time/material tracking processes
What is next?

Capital

- Sustain funding for road conversions
- Investigate additional funding sources for bridge maintenance and construction needs
- Plan and fund added capacity projects
- Sustain equipment funding
Questions?