

2010 SCoPM Performance Excellence Award Application Cover Sheet

Team Name	Realty to Roads
Date Team Operating from	January 2009 to June 2012
Organization Name	Missouri Department of Transportation
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The following information is an overview of the project and, if selected for recognition, will be used for publicity. This part of the application is not scored; however, the narrative is used as background information for the application. By submitting this application, the organization agrees to publication of award winning applications.

Team Purpose:

The purpose of the Realty to Roads Program is to 1) Significantly reduce the number of excess parcels held by the Missouri Highways and Transportation Commission, and 2) Generate a significant cash flow from the sale of excess property.

There are fewer opportunities in today's volatile economic recession to deliver construction programs. Therefore, construction programs are progressively becoming maintenance programs. As state departments of transportation transition to maintenance focused programs, they have an opportunity to increase the sales of property which is no longer needed to maintain, operate or expand the highway system and generate dollars from excess properties sold. Property management is one area within a DOT that can generate revenue.

Although the thoughts and expectations of the nation has taken a step back economically, the traveling public expects the same level of customer satisfaction when traveling on our highways as seen in previous years. With fewer resources and funding sources available, MoDOT is striving to meet these expectations through alternative revenue streams. Under the Realty to Roads program, the department can offset a portion of the cost associated with maintaining our roads and bridges, while also realizing a reduction in operating cost to maintaining excess property. Additionally, a secondary benefit to the disposal of excess property is the realization that once the property is sold, it is immediately put back onto the tax rolls generating revenue for municipalities.

Impact of Team's Improvement(s):

MoDOT conveyed 228 parcels in fiscal year 2009, which is more than double the 112 excess parcels conveyed in fiscal year 2008. Revenue through the end of fiscal year 2009 from excess sales totaled \$4,271,783. In fiscal year 2010, MoDOT conveyed 344 parcels, generating revenue of \$4,386,739, resulting in an increase of \$114,956 from fiscal year 2009. In fiscal year 2010, MoDOT conveyed 1,324 acres of property as compared to 886 acres in fiscal year 2009.

Since the inception of the Realty to Roads program in 2009, MoDOT has conveyed 572 properties, and generated revenues of over \$8.65 million, which can be directly applied to projects enhancing our transportation infrastructure.

Category 1 - Customer Focus

1.1. List the key customers of the team

- 1.1.a. MoDOT Senior Management
- 1.1.b. Public
- 1.1.c. Municipalities

1.2. Explain **why you determined that these were key customers**

- 1.2.a. MoDOT Senior Management tasked the Right of Way Division and Realty to Roads team to establish, implement and deploy strategies that enable the department to achieve program goals.
- 1.2.b. Public was determined to be a key customer because they are acquiring the property through negotiations. Revenue generated through negotiated sales will further enable MoDOT to meet the customer's expectations of maintaining our roads and bridges.
- 1.2.c. Municipalities were determined to be a key customer because they are impacted by the sale in both the proposed use of the property and potential tax revenue that may be realized.

1.3. Explain **how the team listened to and collected information from the key customers**

- 1.3.a. Management deployed the Realty to Roads program expectations to staff in January 2009. It provided clear expectations as to the method of program measurement and desired trend.
- 1.3.b. Public feedback surfaced as a result of a survey completed by the ETC Institute who completed a comprehensive statewide customer satisfaction study to evaluate MoDOT's overall performance and identify the transportation services and improvements that are most important to Missourians. The study involved a survey that asked questions to populate five MoDOT Tracker measures and assess the public's support for various ways of raising and appropriating revenue for transportation. ETC Institute obtained a representative sample of each of the 10 MoDOT districts, with a minimum of 350 respondents per district.
- 1.3.c. Municipalities have a role in determining the highest and best use of the property. When zoning issues occur, we include the municipality in the conversation to ensure long range plans of the community mirror our transportation infrastructure plan.

1.4. Explain **how the team turned information collected from the customers into requirements**

- 1.4.a. Guidance provided by Senior Management charged the team to develop and implement strategies to significantly reduce the number of excess parcels, and generate a significant cash flow from the sale of excess parcels. Our success is based on an increased number of excess property conveyed and increased revenue generated from the sale of excess property.
- 1.4.b. As a result of the public survey, MoDOT identified the transportation services and improvements that are most important to Missourians. To facilitate these

infrastructure needs, we recognize the need to identify innovative funding sources necessary to meet these needs.

- 1.4.c. Municipalities reap a secondary benefit to MoDOT's disposal of excess property. When property is put back onto the tax rolls, property taxes generate a new source of continued funding for schools and other public services.

1.5. Explain **how** the team determined both customer satisfaction and dissatisfaction

- 1.5.a. MoDOT, as a part of its performance management process called TRACKER, created two new performance measures that track the number of excess parcels conveyed and the number of dollars generated. The measures are updated quarterly and provided for a much needed roadmap to gauge success or failure and accountability.
- 1.5.b. The ETC Institute completed a comprehensive statewide customer satisfaction study to evaluate MoDOT's overall performance and identify the transportation services and improvements that are most important to Missourians. The study involved a survey that asked questions to populate five MoDOT Tracker measures and assess the public's support for various ways of raising and appropriating revenue for transportation. ETC Institute obtained a representative sample of each of the 10 MoDOT districts, with a minimum of 350 respondents per district. The survey is repeated on an annual basis to measure satisfaction and dissatisfaction.
- 1.5.c. Municipalities reap a secondary benefit to MoDOT's disposal of excess property. When property is put back onto the tax rolls, property taxes generate a new source of continued funding for schools and other public services.

Category 2 - Process Management

2.1. List the process(es) applicable to the team purpose and performance expectations

- 2.1.a. An integral part of the Realty to Roads program success resulted in the integration of planned development. Program expectations lead to defining individual roles. The Realty to Roads Project Director was appointed to oversee the program in April 2009. In addition, each of MoDOT's ten districts designated a Realty to Roads coordinator who has a role and responsibilities in selling excess property

2.2. Describe the steps taken to achieve the purpose of the team

- 2.2.a. MoDOT's Realty to Roads Team implemented various strategies to produce the desired results. The leading strategies are as follows:
 - MoDOT's senior management sparked a culture change within the department resulting in a renewed and sustainable commitment to property management.
 - MoDOT, as a part of its performance management process called TRACKER, created two new performance measures that track the number of excess parcels conveyed and the number of dollars generated. The measures provided for a much needed roadmap to gauge success or failure and accountability.
 - Each district develops an annual work plan that includes a minimum number of parcels to be conveyed within a fiscal year.
 - Two consulting firms are assisting in real estate marketing and consulting services.
 - Land survey strategies were adopted to meet surveying needs.

- The MoDOT “Realty for Sale” web page continues to contribute to the department’s marketing efforts to inform the public about available property. Individuals can sign up to receive an electronic notification of new property listings.
- MoDOT developed virtual tours as a tool to assist in marketing excess properties.
- MoDOT continues to identify highly marketable properties to sell either at auction or by sealed bid in an all-out attempt to sell multiple properties across the state in a short period of time. Each event is labeled as a Realty to Roads Blitz.
- Delegation of authority
- Process reviews
- In order to complete our inventory of excess property and document our records for the retention of future right of way, guidelines were implemented in January requiring a biennial review of future corridors.

2.3. Explain how the steps taken to achieve the purpose of the team affected efficiency, effectiveness, quality, and/or customer satisfaction attributes

2.3.a. Excess land conveyances have generally been considered a lesser priority when competing with State Transportation Improvement Plans (STIP). The inception of the Realty to Roads program elevated the priority and new strategies developed opportunities to focus on process improvement, increased quantity of excess property conveyed, potential revenue and the ability to generate additional tax revenue for municipalities.

2.4. Explain how the team gathered data, analyzed it, and the tools used to make decisions

2.4.a. Explain how you gathered the data and how you analyzed it.

Survey data identifies what highway services that Missouri residents feel are most important is collected annually. Over the last two years, this data reflected the desire of our customers for the MoDOT to focus on keeping highways and bridges in good condition. With depleting revenues, MoDOT’s five-year plan and budgetary direction, it was clear that in order to meet the expectations of our customers; MoDOT must make better use of the available funding sources.

2.4.b. Identify the tools you used from this list: Pareto Chart, Flowchart, Cause and Effect Analysis, Check Sheet, Control Chart, Histogram, and Scatter Diagram

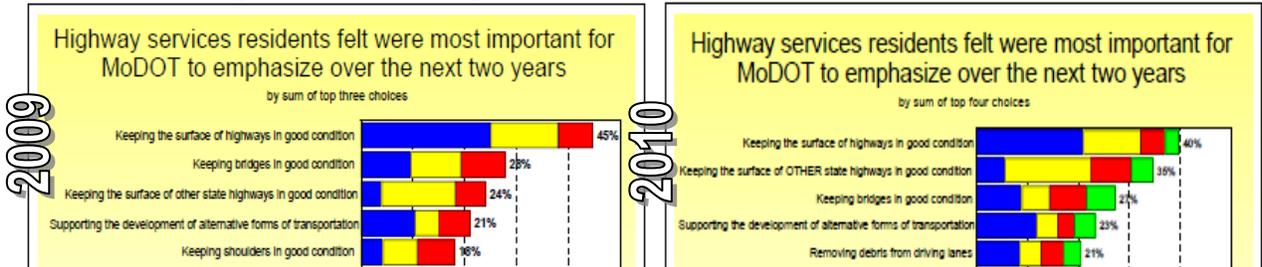
Performance measurement has been embedded into the culture at MoDOT. MoDOT uses performance measures as a tool to gauge successes and failures and increase accountability in areas that are organizationally important to our customer.

The use of the performance measures illustrates the evident results of the strategies implemented by the Realty to Roads team. The number of excess conveyances has more than tripled since the inception of the team, as shown in section 3.2 below.

Category 3 – Results (this section is worth 450 of 1000 point total) Provide one page of graphical results

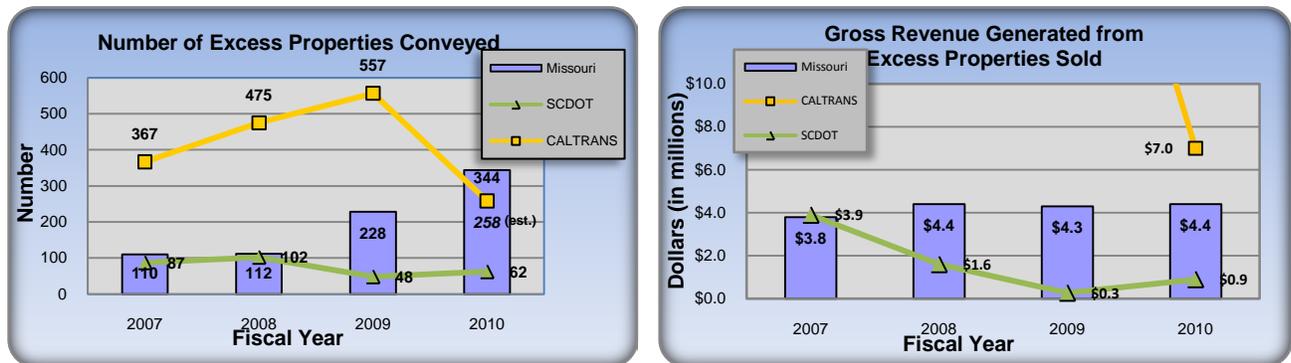
3.1. Provide current levels and trends for customer satisfaction and dissatisfaction

Public survey results show that transportation services and improvements are most important to Missourians. To facilitate these infrastructure needs, we recognize the need to identify innovative funding sources necessary to meet these needs.



3.2. Provide current levels and trends in key measures or indicators for the process(es) listed in Category 2 above

The graphs below show the number of excess parcels conveyed from MHTC ownership and the amount of revenue generated from the sale of excess property.



3.3. Provide current levels and trends in key measures or indicators of effectiveness, efficiency, and/or quality

These results provide direction for pinpointing areas needing analysis of the mechanics of the Realty to Roads program achievements with a goal of identifying best practices and developing strategies to positively influence program results.

