MEMORANDUM

TO: Phillip Rosell  
Office of State Budget Director

COPY TO: Kara Smothermon, Policy and Budget Analyst  
Office of State Budget Director

FROM: Greg Thomas, Secretary  
Kentucky Transportation Cabinet

DATE: August 28, 2018

SUBJECT: Fiscal Year 2017-2018 Strategic Plan Progress Report

The Kentucky Transportation Cabinet has prepared a Strategic Plan Progress Report for Fiscal Year 2017-2018, provided in accordance with KRS 48.810. Although not statutorily required, we invite you to post this report on the Governmental Services Center website to update the status of ongoing programs and activities within the Transportation Cabinet. As demonstrated by the focused efforts and achievements discussed in this report, the Cabinet continues to move towards achieving each goal outlined in our strategic plan.

Please address any questions you may have to The Office of Budget and Fiscal Management at (502) 564-4550.

Thank you.

Attachment
GOAL 1 — Improve Mobility and Access

We commit to maintain and operate a safe and efficient transportation system for all Kentuckians. We will:

Objective 1.1
Reduce the number of transportation-related fatalities and injuries through cooperative engineering, education, enforcement and emergency response.

Performance Indicator 1.1.1
The Kentucky Department of Aviation (KDA) sponsored seminars necessary for pilots and flight instructors to maintain their certification and to provide cooperative education opportunities. Sponsored and hosted seminars included (eight) Aircraft Owners and Pilots Association Safety Seminars and (two) Certified Flight Instructor Seminar.

Performance Indicator 1.1.2
The Office of Transportation Delivery (Transportation Delivery) oversees and promotes public transportation services in Kentucky. Transit drivers routinely receive defensive driver’s training. Ridership is approximately 30 million trips annually, resulting in less traffic and fewer fatalities and injuries. The Human Service Transportation Delivery (HSTD) regulations have been strengthened in order to continue to provide safer non-emergency medical transportation for Kentucky’s most vulnerable citizens.

Performance Indicator 1.1.3
The Office of Information Technology (OIT), with the Division of Maintenance’s Intelligent Transportation Systems group, has continued to enhance the real time information management system used to gather, integrate, analyze, and communicate road hazards. This tool is being used to assist in coordinating winter storm efforts across state agencies (KYTC & Emergency Management), as well as, with local and federal entities. In order to inform the public quickly and efficiently, the tool was created to publish information to Waze (Waze is the world's largest community-based traffic and navigation app) as well as to a general Public Incident Map (GoKY.Gov). To further enhance the value of the data, the team has added additional data sets, including data from HERE, KY Mesonet, RWIS, and Waze Alerts in the first 2 months of 2018. Since then they have added Twitter and a version of TOC Incident Manager.

Performance Indicator 1.1.4
The Department of Highways, in conjunction with the Federal Highway Administration and the Kentucky Transportation Center, administered the Traffic Incident Management program providing valuable training to law enforcement, fire and rescue, towing and recovery, EMS, DOT/Transportation Organizations and other disciplines. This training focuses on increased communication and coordination during highway incidents; increasing safety of both responders and the travelling public.

As of July 26, 2018, this program has provided training to 56.8% of responders (second only to Oklahoma). By the end of calendar year 2018, all Emergency Medical Technicians and Paramedics in Kentucky will have received the training; 8,789 responders have received the training in a classroom setting, and 1,277 have received it online.
Performance Indicator 1.1.5
The Division of Materials conducted tests on approximately 585 sections of pavement to ensure adequate skid resistance in these areas. Pavements with adequate skid resistance help reduce the number of wet-weather crashes.

Performance Indicator 1.1.6
The Division of Planning provided data from its Highway Information System to Kentucky State Police for its use in the Kentucky Open Portal Solution collision reporting system. The data will help ensure accurate reporting of crash information and therefore provide improved accuracy for traffic safety reporting and analysis. Data provided included Access Type, Number of Lanes, Road Type, Speed Limit, Surface Type, Traffic Count, and Type of Operation.

Performance Indicator 1.1.7
The Division of Traffic Operations administers the Highway Safety Improvement Program (HSIP). HSIP is a federal program that requires a data-driven, strategic approach to improve highway safety on all public roads through the funding of infrastructure improvements. The average annual apportionment of HSIP funds provided to Kentucky via the FAST Act is approximately $41.1 million. In FY2017, HSIP staff obligated approximately $36.5 million in highway safety projects. The level of annual obligation increased to $38.8 million in FY2018.

The Division of Traffic Operations developed a standard design for the Intersection Conflict Warning System (ICWS) devices. The devices have been installed at numerous intersections throughout the state. The ICWS warns drivers of cross traffic conflicts at an intersection; this has shown promising results in reducing intersection-related crashes.

Performance Indicator 1.1.8
The Division of Highway Safety Programs (Highway Safety) focuses on education, outreach and marketing activities. Highway Safety is responsible for the development, implementation and evaluation of the Strategic Highway Safety Plan.

For a better evaluation of long-term trends, KYTC traditionally looks at safety performance measures based on five-year moving averages. Performance targets are established through collaboration between the Kentucky Office of Highway Safety (KOHS) and the Highway Safety Improvement Program (HSIP). KOHS and HSIP share identical safety performance targets for number of serious injuries, number of fatalities, and fatality rate.

During this reporting period, the five-year moving average of serious injuries was lowered from 3,289 in 2016 to 3,125 in 2017. This represents a 5% reduction and extends the recent history of a steady, downward trend in the serious injury metric. Unfortunately, the five-year moving average for highway fatalities slightly increased during the same time-period. The five-year moving average for the fatality metric went from 730 in 2016 to 737 in 2017, which represents an increase of less than one percent. However, in terms of annual numbers, fatalities did decrease from 834 in 2016 to 782 in 2017 (7.3% reduction). The five-year moving average for fatality rate remained steady at 1.52 from 2016 to 2017.

Highway Safety also monitors Kentucky's seatbelt usage rate. During this period, the observed seatbelt usage rate increased to 90.3%, which is an increase of 3.5% usage statewide. However, it must be pointed out that 56.7% of fatal crashes in Kentucky involved unrestrained occupants at the time of the crash.

Performance Indicator 1.1.9
District offices collaborated with the Cabinet's Highway Safety Improvement Program (HSIP) staff in the Division of Traffic Operations (Traffic) to identify and improve high crash areas through engineering, maintenance work and traffic improvements.
The district offices worked in collaboration with the Highway Safety Improvement Program to plan, program, develop and construct low cost safety improvements. In FY17, 127 projects with an approximate cost of $59 million were delivered and in FY18, 109 projects with an approximate cost of $52 million were delivered to reduce serious injuries and fatalities on the Commonwealth's highways. The district offices and Public Affairs staff worked in partnership with Highway Safety and local stakeholders to deliver 61 events in 19 of the top 40 high-risk counties, with 9,126 participants attending.

The district offices and Highway Safety continue to work with their local community stakeholders, emergency response community and other partners in coordinating training and responses for the mitigation of serious injuries and fatalities on Kentucky's roadways.

Objective 1.2
Preserve and renew our transportation system infrastructures.

Performance Indicator 1.2.1
Governor Bevin and our Legislature dedicated $18,750,000 over the next two fiscal years (FY2019 and FY2020) to Kentucky Department of Aviation to be spent exclusively on airport pavement maintenance projects at general aviation airports in Kentucky. This follows $20,000,000 granted in the previous biennium and highlights our commitment to preserve our vital airport infrastructure. Maintenance projects were identified and prioritized in accordance with findings from a Statewide Pavement Analysis updated in 2018.

Performance Indicator 1.2.2
Kentucky Department of Aviation (KDA) has assessed the condition and physical appearance of the hangars and terminals across the state. KDA worked with airport boards and local elected officials to address essential repairs and upgrades. Representing the seat of state government, Capital City Airport has completed projects to improve the appearance and functionality of several hangar facilities. While similar projects were carried out across the Commonwealth, of particular note was the construction of a new terminal building for Breckinridge County Airport. Boasting a 4,000-foot concrete runway, the lack of a terminal represented a significant handicap in allowing the community to realize the full benefit of their airport.

Performance Indicator 1.2.3
Kentucky Department of Aviation (KDA) has initiated the last of a three-phased Statewide Airport Approach Obstruction Survey using LIDAR. The results of this survey will identify hazardous airport obstructions throughout the Commonwealth. KDA will utilize the findings of this survey to plan obstruction removal projects to ensure safety standards are met across the Commonwealth.

Performance Indicator 1.2.4
The Department of Rural & Municipal Aid (Rural & Municipal Aid) administers a variety of programs designed to help revitalize and improve the quality of life in communities throughout Kentucky. The County Road Aid Cooperative Program disbursed $123,270,322 to 118 counties for construction, reconstruction, and maintenance of county roads and bridges. The program disbursed $3,915,045 for 71 emergency projects such as bridge repair/replacements, culverts, slide repair, and flood damage repair. The program also disbursed $1,365,591 for the County Road Aid Non-Cooperative Program. The Municipal Road Aid Cooperative and Non-Cooperative Program disbursed $54,046,583 to 465 cities and "unincorporated urban places" for construction, reconstruction, and maintenance of urban roads and streets. The program disbursed $227,390 for seven emergency projects, such as bridge repair, slide repair, and flood damage repair. The Rural Secondary Program disbursed $56,485,660 for routine maintenance and traffic operations on 12,811 miles of state maintained rural secondary highways. Examples of these operations include pavement striping, mowing right-of-ways, and pothole patching. Additionally, KYTC funded resurfacing, strip patching, slide repairs and replacement of guardrails of state maintained rural secondary and county maintained...
roads of $93,495,843. Funding for emergency projects authorized through the Rural Secondary Program totaled $14,341,759.

**Performance Indicator 1.2.5**
In addition to formula funding for capital purchases, the Office of Transportation Delivery (OTD) was awarded $3,600,000 through a nationally competitive grant from U.S. DOT’s Federal Transit Administration to purchase 73 transit vehicles for agencies operating in rural areas of the state. Of the 453 total applications submitted, OTD’s was one of only twenty state agencies to receive a grant.

**Performance Indicator 1.2.6**
The Office of Information Technology’s $3M Capital Project for TEDII was approved for the biennium. This critical upgrade allowing the integration of big data for over two dozen systems and sources. The enhancement of spatially enabled information supporting project locations for detailed design/planning/construction provides a more complete picture to local, state, and federal agencies. This project will provide for real-time data reporting, customer service, and emergency and traffic information on demand.

**Performance Indicator 1.2.7**
With work constantly underway to construct, maintain and operate Kentucky’s transportation infrastructure, all 12 Chief District Engineers oversee a wide variety of projects throughout the year. Some examples of the work done by the districts include: redesign of interchanges, resurfacing projects, emergency response to landslides, snow and ice removal, right-of-way mowing, tree trimming and cutting, upkeep of bridges and other structures, graffiti removal, replacement and maintenance of drainage structures, and sign, signal and pavement marker maintenance. A partial list of equipment purchased to support these works include: dump trucks, backhoes, lawn mowers, excavators, trailer-mounted message centers, loaders, welders, hopper spreaders, snowplows and concrete saws.

**Performance Indicator 1.2.8**
The Division of Maintenance is responsible for the prioritization and programming of resurfacing projects on state primary, secondary and supplemental route networks. The Division also prioritizes the Six Year Plan Projects for asset management of the interstate and parkway systems. Additionally, the Division administers the preventive maintenance program that prioritizes and programs lower cost treatments to extend the good service life on state primary, secondary and supplemental route networks. During this period, these prioritization initiatives resulted in preservation and rehabilitative projects to address over 2,300 lane miles of highways on these systems.

**Performance Indicator 1.2.9**
The Division of Highway Design designed or managed the design work of 15 projects that led to the rehabilitation of nearly 70 miles of pavement on Kentucky’s major arterials and freeways valued at $100 million.

**Performance Indicator 1.2.10**
The Division of Maintenance Bridge Preservation branch was responsible for prioritization and development of 75 bridge rehabilitation projects, 60 preventive maintenance projects and the completion of load ratings for all bridges in the state.

**Performance Indicator 1.2.11**
The Division of Maintenance Materials Fabrication Section was responsible for production of over 55,000 highway signs that were distributed to district maintenance crews for installation on state roadways.

**Performance Indicator 1.2.12**
The Division of Structural Design provided design plans for many types of structures that will be built as a part of the Department of Highways’ system of roads. These structure types included bridges, reinforced concrete box culverts, retaining walls, sign supports and other various items. The Division also prepared plans for repairs of existing structures for the Division of Maintenance and
the **District Offices**. The Division also acts as subject matter experts for **County Governments**. The Division launched a new set of Standardized bridge design for the Cabinet during the fiscal year. The **Geotechnical Branch** within the division worked extensively on roadway projects, as well as structure projects, providing expertise in the area of fill and cut slope geometry, slope stability analysis, landslide repairs and foundation recommendations for the design of structures. The Division provides structure and geotechnical expertise to all twelve districts, county governments and other governmental agencies for any type project that is required. Some of the deliverables for the Division for the fiscal year were.

**Structure Designs:**
- Bridges – 31 completed plan sets
- Box Culverts – 36 completed plan sets
- Walls – Three completed plan sets
- Other - Two completed plan sets

**Geotechnical:**
- Planning Studies: 9 reports
- Roadway Engineering Reports and Addendums – 54 reports
- Structure Foundation and Wall Engineering Reports and Addendums: 122 reports
- Landslide Investigations: 78 reports

**Performance Indicator 1.2.13**
The **Division of Materials** certified the materials utilized on approximately 650 projects to ensure quality materials and products were used in the preservation, renewal, improvement and expansion of highways and bridges.

The division performed tests on various materials and products utilized in the preservation, renewal, improvement and expansion of highways and bridges in the state. These tests ensured that the materials satisfied the minimum quality level and conformed to the applicable specifications. The following number of tests were performed in FY2018:

- Aggregate Section – 3,933 tests
- Asphalt Mixtures Testing Section – 1,132 tests
- Chemical Section – 3,216 tests
- Concrete/Cement/Physical Section – 3,246 tests
- Liquid Asphalt Section – 1,735 tests

**Performance Indicator 1.2.14**
For over two decades, the **Division of Planning** has maintained the Unscheduled Needs List (UNL) containing over 2,500 potential roadway improvements suggested from the **Highway District Offices**, Area Development Districts, Metropolitan Planning Organizations, local officials, legislators and the general public. In 2017, the Strategic Highway Investment Formula for Tomorrow (SHIFT), a data-driven process relying on quantitative data and input from state and local transportation leaders, was implemented by KYTC and used to score and prioritize transportation projects. The resulting prioritized projects were recommended as candidates for scheduled and potentially funded transportation improvements to be included in the 2018 State Transportation Plans (Six-Year Highway Plan).

**Performance Indicator 1.2.15**
There were 131 active Capital Projects during FY2017 and FY2018 that the **Division of Facilities Support** and the **Division of Maintenance** were actively involved in completing. The projects included: new section offices, major repairs on section offices, KYTC garage repairs, state park restorations, rest area maintenance and repairs, including the renovation of Hart County Rest Area due to a fire. The Hart County Rest Area renovation costs were covered by insurance. The construction and repairs of maintenance facilities and salt structures and the completion of the new District Office in Breathitt County. Two capital projects were bond funded projects and are still ongoing/completed –
KAVIS (under the guidance of Vehicle Regulation and OIT) and completion of the C-1 garage for Facilities Support.

**Performance Indicator 1.2.16**  
The Division of Motor Carriers (DMC) as of August 16, 2018 has deployed 16 Kentucky Automatic Truck Screening (KATS) systems across the state. The automated screening improves DMC’s ability to ensure carriers are in compliance with safety, tax and permitting laws and regulations.

**Objective 1.3**  
Improve traffic flow and freight movement.

**Performance Indicator 1.3.1**  
The Office of Audits (Audits), Division of Road Fund Audits, in conjunction with the Division of Motor Carriers, will be hosting four training events. Each session is designed to update and instruct carriers on record keeping requirements in accordance with Kentucky statutes and administrative regulations. Carriers will gain a better understanding of the current laws, which enables them to remain compliant. In addition to the training, Audits updated two audit assistance manuals and wrote one additional manual. The first manual focuses on the International Fuel Tax Agreement (IFTA), the Kentucky Intrastate Tax (KIT), and the Kentucky Weight Distance Tax (KYU). The second manual focuses on the International Registration Plan (IRP), also known as apportioned registration. The third manual focuses on U-Drive-It permit holders and their record keeping requirements. All three manuals are distributed directly to motor carriers through the Kentucky Trucking Association and KYTC’s Division of Motor Carriers. All three manuals can be downloaded from KYTC’s website.

**Performance Indicator 1.3.2**  
District Office’s and the Division of Traffic Operation’s personnel continue to evaluate, adjust and maintain traffic signal timing throughout the state. In FY2017 and FY2018, more than thirty corridors were reviewed and signal timing updated. This figure represents 22% of state maintained coordinated signal systems. Signal system timing was adjusted based on the maximum efficient flow of traffic along the arterials by personnel from central office and various districts. Almost half of the corridors were retimed by consulting firms. Several major corridors were reviewed in McCracken, Christian, Daviess, Barren, Bullitt, Oldham, Boone, Campbell, Kenton, Scott, Russell, Boyd, and Whitley Counties.

**Performance Indicator 1.3.3**  
The Division of Traffic Operations along with OIT continued the operation and maintenance of hardware and software that allowed remote collection of travel time information. The data collected was utilized to provide a better understanding of corridors prior to physically visiting the sites, as well as to help identify times of heavy congestion and other safety and efficiency issues. The Division continues to increase and improve remote communication to traffic signals. The Division increased communication to approximately 72% of state maintained traffic signals (approximately 1,636 locations). Part of this effort included the replacement of 200 obsolete cellular routers with routers utilizing newer, more secure, technology.

The Division of Traffic Operations, along with District Office personnel, began installing the next generation of traffic signal controller. The new controllers have more functionality than older models and allow for implementation of more complicated signal operation and phasing when necessary. The Division also procured an Advanced Traffic Management System (ATMS), which will be utilized to maintain and monitor traffic signals from a central location. With advanced implementation, the ATMS will facilitate the collection of large amounts of data that can be utilized to evaluate the efficiency of signals and signal systems through evaluation of performance measures.

**Performance Indicator 1.3.4**  
District 9 assisted and coordinated with the Commercial Vehicle Enforcement and the Kentucky State Police in the reconstruction of the new weigh station and inspection facility on I-64 in Rowan County
Performance Indicator 1.3.5
The Division of Planning continues to use monthly updates of the National Performance Measure Research Data Set for the National Highway System in Kentucky. The Division of Planning received, processed, and reported network reliability metrics for all vehicles as well as freight-specific metrics. These metrics were compared with previous annualized results to observe how system congestion and travel time reliability changed. With the annualized results, changes resulting from system improvements were quantified and progress gauged.

Objective 1.4
Improve motor vehicle licensing and permitting service to customers.

Performance Indicator 1.4.1
The Office for Civil Rights and Small Business Development (OCRSBD) drafted the Kentucky Transportation Cabinet’s (KYTC) first Language Access Plan (LAP). Title VI requires that recipients of Federal funds provide access to services and activities to individuals who are limited in their English proficiency. OCRSBD expects that implementation of the LAP will increase the quality of services available to Limited English Proficient Individuals by providing better access to interpreters and translated documents.

Performance Indicator 1.4.2
The Kentucky Motor Vehicle Commission (MVC) has developed and implemented software to handle renewals on-line. In 2017, new car dealers were transitioned to use the on-line renewal process. In 2018, all used car dealers will be transitioned to use the on-line renewal process. The software allows dealers to receive a sales license at point of sale. In the first two months, over 400 renewals took place and over 5400 salespersons were renewed with over $200,000 in revenue collected online. This process has greatly streamlined the processes within MVC and provided an improved service for the dealerships in the Commonwealth.

Performance Indicator 1.4.3
Division of Motor Carriers along with OIT are working to implement a new Over-Weight / Over-Dimensional (OWOD) permitting system, Superload. This project will move current OWOD permitting operations from an in-house, mainframe based system to a web-enabled system that incorporates OWOD Permitting, Restrictions management and a public facing Website. This 24/7 Website enables Customers to schedule, route, and pay for OWOD trips online. Superload will also have the capability of pre-approval and auto-issue permits for selected thru-routes. Implementation of Superload will vastly improve the effectiveness and efficiency of the OWOD permitting process, improve safety and awareness through consolidated restrictions management, and give customers the ability to apply and pay for OWOD permits from virtually any location.

Performance Indicator 1.4.4
The Division of Motor Carriers (DMC) along with OIT created a web-based Kentucky Motor Carrier Portal for internal employees and external customers. Currently, external customers may view the status of their federal and state issued credentials without having to contact the DMC, purchase temporary credential permits such as KYU, IFTA, KIT, and non-receipts, apply for a KYU online/update their inventory and apply for a customer number. Recently, the addition of Metal Commodities and Chicken Feed permits have been incorporated into the portal.

The web base application to allow carriers to self-issue annual and temporary permits to haul metal commodities provides the convenience of self-administration and an interactive map to assist carriers with routing in order to protect Kentucky infrastructures. The efficiencies of this product has reduced the number of incoming calls, walk-in and snail mail permit request and provided a convenience of 24/7 availability to the metal commodity industry.
The web based application also allows carriers to self-issue an annual Feed Certificate to haul livestock feed. This process was also developed as a customer facing web application, provides an interactive map to provide routing options, and includes a calculator, which is based on the Federal Bridge Formula to ensure preservation of the infrastructures of the Commonwealth.

Performance Indicator 1.4.5
On May 2, 2016, OIT, in conjunction with Vehicle Regulation, launched a new online application that allows motorists to renew standard, specialty and personalized Kentucky license plates. The new application is easy to use and has a built in mobile-friendly framework that allows motorists to access the renewal application from any device. Additionally, multiple license plates may be renewed in one transaction, provided the license plates are all issued in the same county.

OIT, in conjunction with the Department of Vehicle Regulation, launched a new online application that allows motorists to renew all Kentucky military license plates. The new application is easy to use and has a built in mobile-friendly framework that allows motorists to access the renewal application from any device. Additionally, multiple license plates may be renewed in one transaction, provided the license plates are all issued in the same county.

Performance Indicator 1.4.6
The Department of Vehicle Regulation and Office of Information Technology has successfully deployed the KAVIS Point of Sale Application to all Kentucky counties. From January 1, 2018 through May, KAVIS processed over 8,000,000 sale items, collecting over $438 M in revenue.

Performance Indicator 1.4.7
In July 2018, the bond mandates of the Kentucky weight distance tax (KYU) and fuel taxes (under KRS 138.670), administered by the Division of Motor Carriers, and was repealed. This repeal allows motor carriers to pay a flat penalty fee, in lieu of a bond, to reinstate delinquent accounts.

Performance Indicator 1.4.8
Division of Motor Vehicle Licensing has completed the process for issuing new and improved Handicap Placards. House Bill 81, passed in the 2018 Legislative Session, will offer several improvements and changes relating to the issuance of disabled parking placards. Expected to launch September 17, 2018, permanent and temporary disabled placards will be linked to the applicant instead of vehicle, eliminating the need for additional placards for multiple vehicles the disabled person may use. However, initial placards will still be issued at no cost, replacement and duplicate placards will cost $10. Temporary placards will remain valid for three months, yet permanent placards will now be valid for six years. Both will expire in the placard holder’s birth month.

Performance Indicator 1.4.9
Implementation of the new, comprehensive, Department of Vehicle Regulation website - drive.ky.gov. The new website provides more convenience to Kentucky motorists as all driver, vehicle, and permit information is found on one site. It enhances customer convenience, efficiency, allowing personal, business and government agencies to conduct business online, which reduces the number of customer phone calls. The website provides a secure, mobile-friendly platform for public access to DVR information. The Department of Vehicle Regulation has developed a robust social media campaign to include Twitter, Facebook and Instagram to better disseminate information to the citizens of the Commonwealth.

Performance Indicator 1.4.10
The Motor Vehicle Licensing sections that process standard titles and rebuild titles are experiencing upward trends in volume. In response, the division in pursuing process efficiencies, technological advancements, management and structural improvements and legislative changes to increase the processing speed and quality control.
GOAL 2 — Deliver Economic Opportunities

We recognize that economic opportunities improve the standard of living and quality of life for all Kentuckians. We will:

Objective 2.1
Improve and expand Kentucky’s transportation systems.

Performance Indicator 2.1.1
District 1: Continued widening of US68/KY80 from Aurora, KY to Cadiz, KY, including the opening of a new basket-handle tied arch bridge (Henry Lawrence Bridge) over Lake Barkley on February 12, 2018; in total, approximately $375 Million has been invested along the corridor. Continued to upgrade the Julian Carroll Purchase Parkway for conversion to Interstate 69 in Marshall, Graves, Hickman & Fulton Counties, including the completion of three critical interchanges at Calvert City, Benton and Mayfield on July 1, 2018; in total, approximately $75 Million has been invested along the corridor. Additional design work is ongoing along the future I-69 corridor from Mayfield to Fulton. Right of Way acquisition continues on the reconstruction of the Interstate 24/US-60 interchange to a double-crossover diamond configuration. Design work and Right of Way acquisition continues on the reconstruction of the $55 Million Cumberland River bridge near Smithland, KY.

District 2: The NEPA document for the construction of a new I-69 bridge over the Ohio River between Henderson & Evansville is expected to be finalized fall of 2018. The Natcher Parkway is under construction to upgrade to interstate standards for the conversion to I-165 spur between Owensboro and Bowling Green. The Henderson County US 60 widening project was completed between KY 452 to the Henderson Community College. Eight bridge replacement projects were completed in District 2 since spring 2017.

District 3: The first phase of the I-65-to-US-31W Connector Road in Warren County opened to traffic on July 6, 2017 ($28 million). The project included a new interchange (Exit 30) on I-65. The second phase of the project remains under construction ($18.3 million). The last phase of the Russellville Bypass in Logan County opened to traffic on November 7, 2017 ($12.8 million). Several major pavement rehabilitation projects were completed during FY18 ($16.2 million total): I-65 from MP 25.2 to MP 35.2; Natcher Parkway from MP 2.6 to MP 9.2; KY-446 from US-31W to I-65. The Grade & Drain contract for the East Tompkinsville Bypass in Monroe County was let to construction in September 2017 ($7.6 million). Several Highway Safety Improvement Program projects were initiated during FY18, including KY-100 spot improvements in Simpson County ($1.5 million) and the completion of the district’s second roundabout at the intersection of KY-526 at KY-1320 ($353 thousand).

District 4: Reconstruction of I-65 continues from mile point 82 to 91, this work will be finished in the fall of 2018 and will complete the final segment of the 6-lane widening of the corridor in KY. Starting construction for the widening of KY 313 in Hardin County from Patriot Parkway to Meade County line to four lanes using 12.3 million in BRAC funds. Continue additional improvements to the KY-49 corridor in Marion County. Construction of US-68/KY-61 intersection and other corridor improvements in Green County to be completed by fall 2018. Started smaller portion of US 150 reconstruction with the bridge replacement project at the interchange with Bluegrass Parkway in Bardstown.

District 5: Construction was completed on the $13.8 million LaGrange Parkway project in Oldham County. This 2.25 mile project completes the connection from KY 53 to Commerce Parkway around LaGrange. Work was ongoing on the $42.7 million KY 61 widening project in Bullitt County. This 3.5 mile project completes the four-lane widening from the Jefferson County Line to Shepherdsville.

KYTC has partnered with Louisville Metro and FHWA to design and construct the region’s first bus rapid transit (BRT) system on Dixie Highway in Jefferson County. Set to be complete in December 2019, the BRT system will include distinctive TARC buses and high-visibility shelters to help move thousands of
people daily and better define the 14-mile corridor. The project includes funding from federal, state and local sources, including a $16.9 million federal TIGER grant, $5.28 federal funds through KIPDA, $12 million in state funds, and $600,000 from Louisville Metro.

District 5 has partnered with Trees Louisville to plant trees at several interchanges around the Louisville area. Besides tree planting, the plan is for pollinator plots and monarch way stations. Federal beautification funds are being used for the plantings. These new areas will improve the overall aesthetics of our roadside rights-of-way. KYTC and Trees Louisville will work side by side to plant, water, and mulch the trees in the first few years to get them established. Plantings have already been done on I-265 (Gene Snyder Freeway) at the KY 146 and I-65 interchanges. Future plans are subject to funding availability.

**District 6:** Completed the reconstruction of US 42 in Carroll County around North American Stainless. Continued widening and reconstructing KY-536 in Boone County. Completed construction of a connector road from Johns Hill Road to Three Mile Road around Northern Kentucky University (NKU). The last phase of KY-9 extension into Newport is currently under construction. Preparing for construction of two double crossover diamond interchanges along I-75 at Richwood Road and Mt. Zion Road; these will be the second and third constructed in the state.

**District 7:** KY-4 widening and re-construction in Fayette County recently began between Boardwalk Drive and Georgetown Road, this will include two new interchanges at Georgetown Rd and Newtown Pike. Continuing work on the following projects: Kennedy Mills Bridge replacement over Herrington Lake at the Mercer/Garrard Co line, US-68 reconstruction in Nicholas Co north of Millersburg, and first section of the East Nicholasville Bypass in Jessamine County. The US 460 reconstruction project at Lucky Stop Hill was recently let to contract and will be starting soon.

**District 8:** Construction is nearing completion on the widening of I-75 (64.5 to 69.0 MP) in Rockcastle County. This project takes I-75 from four lanes to six lanes to increase level of service by increasing capacity. Work is continuing on the widening of I-75 (55.75 to 64.5 MP) in Rockcastle County to increase capacity and improve level of service by increasing the number of lanes from four to six with 2020 completion date.

Russell County realignment of KY 76 at KY 80, a Highway Safety Improvement Program (HSIP) project, corrected a sight distance problem to improve safety for the traveling public, including transport vehicles from area industries. Russell County US 127 relocation is currently under construction from the previously completed Jamestown Bypass to the North bank of the Cumberland River. The next section of US 127 (from North bank of Cumberland River to south of Mannstown Road) will be let this fall. Russell County KY 910 and LBN Parkway interchange (70.3 – 71.24 MP) is currently being constructed and will provide improved regional access to Russell, Casey, and Pulaski Counties. Cumberland County KY 61 and KY 90 bridges over the Cumberland River are currently under contract for rehabilitation. These routes are vital for the economic development for Cumberland and Clinton County.

McCreary County KY 92 (20.34 to 24.84MP) will be let in August 2018. This relocation of KY 92 from KY 592 to East of Whitley/McCreary County will improve safety and connectivity providing a detour route for I-75 with its connection to US 27. Projects that are active in the design phases are Pulaski KY 461/KY 80 Interchange, including the widening of KY 461 to Buck Creek (submitted for a BUILD Grant candidate), Lincoln County US 27 widening in Stanford including Goshen Road, Clinton/Russell County US 127 from south of Mannstown Road to north of KY 3063, Wayne County KY 90 (17.691 - 19.500) to improve safety and reduce congestion.

Projects currently in planning study phases are Lincoln County US 27 Hall’s Gap and Pulaski County railroad crossing safety project in Science Hill.
**District 9:** Completed rehabilitation projects on I-64 in Rowan County. Completed the reconstruction of the AA Highway in Mason County expanding to four lanes, reconstruction of KY 7 in Elliott County, currently reconstructing 6.2 miles of US in Nicholas County. The completion of $10.3 million of HSIP funded projects throughout district improving safety. Initiating and coordinating the widening of KY 67 (Industrial Parkway) in Greenup County enhancing safety, capacity, and connectivity for the $1.7 billion dollar Braidy Industries Aluminum Facility under construction. The District continues to work with local leaders and the Economic Development Cabinet on supplying transportation information, schedules, and budget estimates to assist in attracting growth opportunities for existing businesses and new businesses.

**District 10:** Mountain Parkway widening to four lanes from Campton to Prestonsburg is progressing. Widening KY-15 in Perry County, north of Hazard, with plans to widen to four lane ultimately from Hazard to the Mountain Parkway at Campton. Reconstructing KY-30 from KY-11 at Booneville to the Jackson County Line. Continuing work on safety improvements at intersections in the district, the top 50 intersections needing improvements have been identified by our multi-disciplinary Highway Safety Improvement Program (HSIP) Team. All of these projects significantly increase public safety and regional connectivity.

**District 11:** The major construction projects ongoing include: Manchester Memorial Drive Project in Clay County at a construction cost $13.2 million for improvements and access to hospital and schools. US 25E in Knox county $12 million dollar construction cost to improve access management, safety, and efficiency of the US 25E corridor through Corbin in Knox County. Reconstruction of KY-92 from Williamsburg west toward McCreary County is adding an improved $40 million modern roadway, which enhances safety and increases economic development along Kentucky’s southern border. Over $4 million in Preventive Maintenance projects are ongoing in the District including, micro surfacing, thin lift, cape seal, chip, and seal. Normal resurfacing of both MP routes and rural secondary is being completed. Work is also beginning on 16 miles of new asphalt pavement and rehabilitation of the Hal Rogers Parkway in Clay County at a cost of $5.3 million. Major work is ongoing from February 10, 2018 storms and flooding with over $16 million in declared FEMA and FHWA Emergency Response repair work. Additionally staff are assisting with future projects including US 25 in London Laurel County to improve safety and reduce congestion improving economic development from Levi Jackson State Park to London, widening of I-75 to 6 lanes in Laurel and Whitley counties, US 25E widening in Laurel County, and Bridging Kentucky program with 53 bridge replacement projects ongoing in this biennium. Additionally the Highway Safety Improvement Program is continuing to seek funding for intersections and corridors to improve safety in critical locations.

**District 12:** Several sections of US 23 (from Lawrence County to Floyd County) are currently being resurfaced. The last completed construction section of KY 680 (Minnie to Harold) extending to the Little Mud Creek area, the surfacing operations are currently ongoing. Realignment of US-460 through Pike County construction continues to progress. Widening of US-119 in Letcher County (US 23 to Whitesburg) the first section was recently let to construction, near Letcher County High School, and is ongoing. The reconstruction of the intersection of KY 256S and CR 1529 in Louisa in Lawrence County was recently let to construction and slated to begin in the near future. New bridge construction and overlays are currently ongoing throughout the district.

The **Division of Highway District Office** administered the design of two projects from the Kentucky Highway Plan that widened and improved ten miles of Interstate highways and two interchanges valued at $81 million.

**Performance Indicator 2.1.2**
**Kentucky Department of Aviation** (KDA) oversaw 97 airport improvement projects in FY18. Projects included: runway and taxiway extensions, apron expansions, lighting system rehabilitations, and navigational aid repairs. Additionally, these projects included major maintenance to runways such as asphalt overlays, crack repair projects, and pavement reconstruction.
Performance Indicator 2.1.3  
**Kentucky Department of Aviation (KDA)** competed a State Aviation System Plan (SASP). The SASP will provide a roadmap to assist in the creation and prioritization of future projects to best maintain and improve the entire Aviation System.

Performance Indicator 2.1.4  
**Kentucky Department of Aviation (KDA)** is working with the FAA and the local governments of Gallatin County on the development of a new GA airport in Gallatin County (Sparta, KY). Land has been acquired via bond issue, with debt service payments made by KDA and final environmental studies should be completed in late summer, 2018. Construction is scheduled to begin in summer 2019. This airport will fill a void in northern Kentucky along the I-71 corridor; the KY Aviation System will be stronger and better able to serve the citizens of the region and the state.

Performance Indicator 2.1.5  
**Kentucky Department of Aviation (KDA)** will purchase land in Letcher County to facilitate construction of a GA airport. This will fill another hole identified in our recently completed statewide system plan and open the door to vital economic development opportunities in the region.

Performance Indicator 2.1.6  
**Transportation Delivery** utilized grants to purchase transit buses, bus shelters, GPS devices, vehicle camera systems, software upgrades, mobile swipe readers, and paved a parking lot at an Administrative Facility. Rural transit agencies, also, updated two phone systems, purchased desktop computers and a copier, and replaced windows in an Administrative Facility. There is, now, an additional route in Frankfort, KY to accommodate riders in a less served area of the city, and Madisonville, KY, now, has a Deviated Fixed Route to serve its residents. In Paducah, KY, the Deviated Fixed Route expanded by adding a route that travels further out of the city limits, and they, now, offer Paratransit services to county residents.

Performance Indicator 2.1.7  
The **Division of Planning** 2014 Kentucky Long Range Statewide Transportation Plan developed by KYTC Central Office, KYTC Highway District Office, Area Development District, and Metropolitan Planning Organization personnel with input from stakeholders from all sectors of transportation, set the vision for the maintenance and improvement of the state's transportation system over the next 20 years. Since the document's release, it has been under continual evaluation with no changes to the existing plan.

Performance Indicator 2.1.8  
**OIT** has improved construction project processes through a capital project upgrade of web-based preconstruction software. AASHTOWare Project 3.01 is a Vendor-hosted, web-based solution that has been implemented for Project Pre-Construction and will improve the efficiency and effectiveness in management of roadway Construction Projects. Project 3.01 also contains a new Construction and Materials solution that will replace SiteManager for improved administration of active Roadway Projects. A new Estimation Module in Project 3.01 will enhance the Construction Estimate Process and expand the process to allow cradle to grave tracking of the Estimate process.

**Objective 2.2**  
Maximize intermodal freight opportunities on our roads, rivers, air corridors and railroads.

Performance Indicator 2.2.1  
**Kentucky Department of Aviation (KDA)** has collaborated with the staff and board members of the Northern Kentucky/Cincinnati Airport as well as elected officials serving the region to foster the arrival of Amazon's first and only Air Cargo Distribution Hub. The arrival of Amazon and expansion at DHL has
driven CVG to realize a 27% increase in cargo shipments. This equates to more than two billion pounds of cargo.

**Performance Indicator 2.2.2**
The Division of Planning completed an update to the 2015 Kentucky Statewide Rail Plan to make it compliant with the Passenger Railroad Investment and Improvement Act of 2008.

The Kentucky Freight Plan, completed in 2016, was updated in September 2017 to comply with the Fixing America’s Surface Transportation (FAST) Act thereby, qualifying Kentucky for $20 million/year of dedicated freight funding.

**Railroads:** The Division of Planning implemented $3.2 million for Kentucky Short line Railroads as part of the FY 2017-2018 Budget. Developed and implemented $1.6 million per year for Kentucky Short line Railroads’ crossing and safety improvements. Recommended for approval 18 railroad-crossing grants for full crossing renewal and three crossings for signal upgrades.

**River-ports:** With guidance from the Water Transportation Advisory Board, The Division of Planning completed four river-port improvement projects and seven river-port improvement grants were awarded for projects across Kentucky.

**Ferries:** The Division of Planning administered two federal grants: one to improve the ramps at the Rochester Ferry and the other for the restoration of the ferry car barge at the Valley View Ferry.

**Performance Indicator 2.2.3**
The Division of Planning oversaw annual contracts totaling nearly $2.1 million for seven ferryboat operations: Augusta Ferry, Valley View Ferry, Turkey Neck Bend Ferry, Cave in Rock Ferry, Dorinha-Hickman Ferry, Rochester Ferry, and Reeds Ferry. The Division of Planning maintained an annual agreement with Missouri and Illinois Departments of Transportation to support two ferryboat operations at the state borders. Ferry Boat Program funding was utilized in support of two ferryboat improvements, administered by Planning. A restoration and preservation of a ferry car barge was conducted at a cost of $80,000 for the Valley View Ferry on the Kentucky River at KY-169. Ferryboat ramps were improved at a cost of $110,700 for the Rochester Ferry on the Green River at KY-369. The Division of Planning conducted site visits all 10 ferries (seven public, two federal, and one private) operating in Kentucky.

**Objective 2.3**
Promote sound environmental practices.

**Performance Indicator 2.3.1**
The Office of Support Services, Division of Facilities Support (Facilities) continues to identify and implement solutions for reducing the Cabinet’s environmental impact. Examples include: eight maintenance garages installed oil water separators, six new salt storage buildings were constructed to prevent water runoff, high efficiency heating and cooling systems were installed in ten facilities, energy efficient lighting was implemented in twelve facilities, and Facilities installed seven thermo-plastic roof installations to increase the insulation R-value of the facilities while protecting the interior of the buildings – all via capital projects.

**Performance Indicator 2.3.2**
Kentucky Department of Aviation (KDA) champions environmental protection at all 57 airports by providing guidance and training to airport boards in accordance with Kentucky Division of Water requirements on permitting and best practices for keeping documentation current. Additionally, Aviation supports the FAA’s continued oversight of all environmental aspects of airport development projects, even when FAA funding is not provided.
Performance Indicator 2.3.3
The Office of Legal Services (Legal Services) works in coordination with FHWA to provide timely and complete construction projects within the environmental parameters set forth by federal and state law.

Performance Indicator 2.3.4
Transportation Delivery encourages the purchase of alternative fueled vehicles, the use of greenhouse practices in building construction projects, the addition of solar panels to bus shelters, adding bike racks to transit buses to promote bicycling and keep more vehicles off the road. The parking facility construction in Hindman, KY will be constructed using Leadership in Energy and Environmental Design (LEED) and will have an energy star rating. Recycled materials will be used when applicable to the design, and solar panels will be installed for energy conservation. The project will include room for bus parking, rider parking, and a waiting room for riders. Connections will be made at this facility for other routes, including intercity connections. The parking facility will have a walkway (outdoor walking track) around its perimeter with the dual purpose of connecting to the transit facility and/or to the city sidewalks and giving transit staff and citizens a place to walk for health.

Performance Indicator 2.3.5
The Division of Materials continues to inspect and approve asphalt mixing plants to produce warm-mix asphalt, a lower-temperature alternative to conventional hot-mix asphalt. Warm-mix asphalt requires less energy to produce and results in fewer emissions. Approximately 1.9 million tons of warm-mix asphalt were placed in Kentucky during the past fiscal year.

The Division evaluated and approved approximately 1,170 asphalt mix designs containing reclaimed asphalt pavement or reclaimed asphalt shingles. These mixtures involved the use of approximately 1.8 million tons of reclaimed asphalt pavement and approximately 22,000 tons of reclaimed asphalt shingles. Utilizing these reclaimed materials in asphalt pavements provides an economically superior alternative to disposing of these materials in a landfill.

Performance Indicator 2.3.6
The Division of Environmental Analysis promoted sound environmental practices throughout project development and delivery programs. Environmental documentation was developed in strict conformance with KYTC and FHWA policies and procedures.

Performance Indicator 2.3.7
The Division of Facilities Support coordinated with the Division of Environmental Analysis to perform environmental impact studies of new properties prior to purchase.

Performance Indicator 2.3.8
Office of Information Technology developed a mobile Pollinator Plot application. This tool captures and manages land plots where investments are made to promote specific species. The application allows environmental and maintenance staff to see where plots are located, what is planted, and guidance on how to manage them. It includes inspection results of the plots. This allows staff to track the creation, development and maintenance of these plots. It also helps communicate to contractors where mowing restrictions and other maintenance activities need to be modified to protect environmental investments.

Objective 2.4
Support all modes of passenger transportation.

Performance Indicator 2.4.1
Transportation Delivery provided approximately 30 million one-way passenger trips which encompassed commuter services to employment, intercity services to connect the rural public with...
larger urban areas and larger connections, general public for medical, education, employment, and shopping purposes, and specialized services for elderly persons and persons with disabilities, as well as non-emergency medical services for eligible Medicaid recipients.

Transportation for veterans, the military, wounded warriors and their families is receiving increased emphasis. Transportation Delivery works with the Department for Veterans Affairs to assist in serving all military and the estimated 302,000 veterans in the Commonwealth. Transportation Delivery will continue to assist transit systems in reaching out to Limited English Proficient (LEP) populations using diverse resources and interpreted information on the buses and in the facilities so they may have improved access to jobs, education, doctors and shopping.

**Performance Indicator 2.4.2**

As part of the development of the Long-Range Statewide Transportation Plan, Transportation Delivery Planning engaged stakeholders involved in all modes of transportation across the state to determine the current status of the entire system (represented by the one-page “Transportation at a Glance”). These stakeholders were further involved in the development of the narratives for each of the modes engaged in moving people and goods across the state.

**Performance Indicator 2.4.3**

The Division of Planning oversaw annual contracts totaling nearly $2.1 million for seven ferryboat operations: Augusta Ferry, Valley View Ferry, Turkey Neck Bend Ferry, Cave in Rock Ferry, Dorena-Hickman Ferry, Rochester Ferry, and Reeds Ferry. The Division of Planning maintained an annual agreement with Missouri and Illinois Departments of Transportation to support two ferryboat operations at the state borders. Ferry Boat Program funding was utilized in support of two ferryboat improvements, administered by Planning A restoration and preservation of a ferry car barge was conducted at a cost of $80,000 for the Valley View Ferry on the Kentucky River at KY-169. Ferryboat ramps were improved at a cost of $110,700 for the Rochester Ferry on the Green River at KY-369. The Division of Planning conducted site visits to all 10 ferries (seven public, two federal, and one private) operating in Kentucky.

**Performance Indicator 2.4.4**

The Pedestrian and Bicycle Program within the Division of Planning works with communities to create master plans and evaluate individual projects that consider design, construction, and maintenance of sidewalks, bike lanes, multi-use paths, and various other facilities and treatments. These facilities, signs, and treatments are the result of the combined efforts and work by different Highway District Offices, KYTC divisions, state cabinets, and other organizations to expand the growing mode of non-motorized passenger transportation. The Division of Environmental Analysis works with Local Public Agency (LPA) and federally funded projects to insure the NEPA requirements are fulfilled.

These projects entailed:

- Working with 25 communities to create new Bike/Ped Master Plans
- Working with seven communities to update Bike/Ped Master Plans
- Helping review and coordinate five Transportation Alternates Program/LPA Bike/Ped projects
- Helping The Kentuckiana Regional Planning & Development Agency create an online Bike/Ped resource document
- Coordinating the AASHTO establishment of two new US Bike Routes (US 21 and US 23)
- Participating on the planning committee and presenting at the 2018 KY Bike/Walk Summit
- Completing a Share the Road signage recommendation for northwest Oldham County
- Completing a Share the Road sign recommendation for central and northeast Woodford County
- Presenting to State Legislative Committees for the 3' Safer Passing Bill which ultimately became law
- Continued coordinating and managing the Kentucky Bicycle and Bikeways Commission
- Completing five Pedestrian and Bicycle Accommodation reviews with forecast model reports
- Coordinating the final construction and maintenance plan for the Dawkins Line Trail
Objective 2.5
Enhance the beauty of Kentucky's highways.

Performance Indicator 2.5.1
The Office of Public Affairs (Public Affairs) oversaw the Adopt-a-Highway program, a beautification program which utilizes volunteers to clean litter from state Right-of-Way. Public Affairs promoted the Adopt-a-Highway program with a poster contest for students across Kentucky, receiving nearly one thousand poster entries for the contest for calendar year 2017. The program registered 72 new volunteer groups (Jan. 2017 – Dec. 2017), bringing the total number of groups participating to 694, with volunteer hours totaling 3,100. The number of miles adopted, including community service activities, totaled 3,387. The Adopt-a-Highway program is in the process of modernizing the registration and participation aspects of the program. Groups will be able to find available sections of highway on the program website, submit paperwork and report cleanup outings on the website. Program administrators will be able to manage the program on the Cabinet’s intranet to contact groups electronically, streamline data management and share information.

Legal Services works with the Division of Permits to implement and enforce the Billboard Act to monitor and regulate advertising devices that may impact Kentucky's highways.

District Offices worked closely with the Adopt-a-Highway program and the Scenic Byway program. They oversaw roadway landscaping projects, implemented billboard and permitting regulations, and enforced sign ordinances across the state.

Performance Indicator 2.5.2
The Division of Environmental Analysis and the Division of Highway Design continued to review construction plans for harmony with the surrounding environment. Context Sensitive Design/Solution concepts were integrated throughout the KYTC decision-making process and resulted in projects that complement their surroundings. For example, the Louisville Ohio River Bridges project incorporated numerous enhancements to the surrounding environment including streetscape improvements along Market and Main Streets in Louisville, incorporation of decorative railings, and the use of form liners and landscaping to blend the project with its surroundings. In Scott County, improvements to US 460 impacted several hundred feet of dry stone masonry walls constructed in the mid-19th century. The project incorporated measures to mitigate the impact and reconstructed or restored the dry stone walls to maintain the pastoral setting of the surrounding environment. In Breathitt County, a project to replace the KY 3193 bridge at Wolverine, one of a dwindling population of a steel truss structures in the state, was reconsidered and the bridge was instead rehabilitated. The bridge was one of only three of its kind (Whipple Truss) remaining in the State and had originally served the Ohio and Kentucky Railroad. Rehabilitation of the structure maintained an important link to the county’s railroad history while preserving the historic setting of the area.

GOAL 3 – Continually Improve Organizational Performance

We constantly strive to do better...to learn from our experience and the experience of others. We will:

Objective 3.1
Attract, develop, involve, and retain a qualified and diverse workforce.

Performance Indicator 3.1.1
Kentucky Department of Aviation (KDA) is cross-training one of the two experienced airplane pilots to fly helicopters. Because Aviation has only one full-time helicopter pilot, cross training will enhance mission support capabilities and maximize the utilization of the current pilot workforce.
Performance Indicator 3.1.2
Kentucky Department of Aviation (KDA) worked with KYTC OHRM and the Personnel Cabinet to secure pay raises for the Commonwealth’s only four aircraft mechanics. With a nationwide shortage of aircraft mechanics and pilots, our flight mechanics as well as pilots are presented with considerable financial gain by leaving state service and taking their invaluable experience to the private sector. While the pay raises do not match what they are being offered by the private sector, they do demonstrate the state’s desire to keep these highly trained and talented employees.

Performance Indicator 3.1.3
Office of Human Resource Management (OHRM) oversaw the addition of 145 permanent full-time employees to the Cabinet’s staff. The Cabinet continued to recognize the accomplishments and abilities of its workforce, with 320 internal promotions and 124 reclassifications being approved for current staff members. This represented approximately 23% of the KYTC workforce.

Performance Indicator 3.1.4
OHRM continued to provide or coordinate training courses dependent upon Cabinet needs and to track licensure requirements to ensure compliance with class specifications. Employees continued to have the opportunity to apply for and participate in the Cabinet’s Advanced Leadership Academy, a two-year program designed to develop leadership skills essential to the future operation and success of the Cabinet. The program provides a way for the Cabinet to grow its own leaders and managers when succession of key leaders is needed. Employees also have the opportunity to apply for and participate in the Cabinet’s Guiding Potential Supervisors (GPS) training program, consisting of six classes designed for employees aspiring to become future leaders and managers, as well as the Roadmap training program, which consists of 11 courses for entry to mid-level employees. Furthermore, newly appointed management must attend the STAR program to acquaint themselves with the fundamental policies and procedures of managing our Cabinet employees. In addition to these initiatives, the Cabinet also developed three new Professional Certifications for Administrative and Supervisory Professionals; Certified Administrative Professional (CAP), Certified in Supervisory Proficiency (CSP), and Certified Professional Supervisor (CPS). The Cabinet also launched a tremendous training initiative for all of its Highway Technicians, reaching over 2,500 employees with up to 6 classes each within a nine-month period.

The Cabinet partnered with Personnel Cabinet to institute the MyPurpose Talent Management System. With this system, the Cabinet can provide, promote, track, and celebrate incredibly diverse employee training opportunities.

Performance Indicator 3.1.5
Through OHRM new employees are required to complete the “Title VI: What You Need to Know,” “Discrimination Complaint Procedures,” and “Overview of Executive Branch Ethics” training within the first six months of employment.

Performance Indicator 3.1.6
In an effort to reduce employee injuries, OHRM conducted OSHA 10-Hour Safety Awareness Training for over 930 employees statewide and certified nearly 1,013 employees in Red Cross First Aid and CPR.

Performance Indicator 3.1.7
The Department of Highways coordinated and participated in many training programs designed to improve core competency throughout the department. Some of these programs included: the Road Scholar and Road Master programs for Highway Superintendents with over 200 graduates from each program year in FY2015, FY2016, and FY2017; the Kentucky Lifesavers Conference which provides safety training for personnel involved in highway safety education, engineering, emergency response and enforcement; the Partnering Conference which provides project development training to over 300 KYTC staff each year; the Project Manager Boot Camp which trains KYTC project managers to deliver projects within the scope, schedule and budget allotted; the Section Engineer Meetings which provide
training construction and maintenance training to field staff, as well as numerous certification and licensure courses.

**Performance Indicator 3.1.8**
The Division of Materials coordinated the qualification or requalification of approximately 1,830 engineers and technicians in various disciplines of materials sampling and testing. These areas include aggregate, asphalt mixtures, bridge coatings, concrete, and pavement markings.

**Performance Indicator 3.1.9**
Office of Information Technology provided all Project Managers and Business Analysts with Ideal Team Player Training and offered a Project Management Institute – Agile Certified Practitioner course to the same group to improve consistency of processes and to provide a basic understanding for all staff managing Information Technology Projects.

**Performance Indicator 3.1.10**
Employees of KYTC’s Office of Information Technology received two of five “Best of Kentucky Awards” at the Kentucky Digital Summit on April 17, 2018. Heather Stout received the Visionary Award, given to a government manager demonstrating vision, leadership, and support of technology initiatives. Travis Wagers received the Most Innovative Award, given to individuals who demonstrate a creative, unique, and resourceful use of technology in government.

**Performance Indicator 3.1.11**
The Department of Vehicle Regulation employees have many opportunities to attend additional training opportunities. All employees have opportunities to participate in following training programs the Cabinet offers: Advanced Leadership Academy (ALA); Certified Public Manager program; Grooming Potential Supervisors (GPS) program; the Roadmap program; the STAR program and the Customer Relations Manager program.

**Performance Indicator 3.1.12**
The Department of Vehicle Regulation collaborated with the Office of Civil Rights and Small Business on an Internship Program to seek ways to employ disadvantaged interns.

**Performance Indicator 3.1.13**
The Division of Customer Service in the Department of Vehicle Regulation is investigating ways to further reduce Customer Service Professional turnover (currently at more than 100% annually). Potential remedies include pay increases, limited benefits, and/or working toward making some or all-existing positions full-time state employees.

**Objective 3.2**
Develop transparent, fair and consistent administrative and personnel procedures.

**Performance Indicator 3.2.1**
Legal Services received and processed 1,101 open records requests for FY2018. The average turnaround time on the majority of requests was well within the 3-day timeframe required by KRS 61.

**Performance Indicator 3.2.2**
OHM assisted manual owners in maintaining, updating, and distributing existing manuals, both in hard-copy and online formats, including the following manuals: Accounts, Construction, Field Operations Guide, General Administration and Personnel (GAP), Kentucky Methods, Maintenance, Materials Field Sampling, Purchases, and Traffic Operations. Revised GAP Manual policies and procedures concerning: confidential and sensitive information, commercial driver's licenses, Minority Internship Program, monitoring sub-recipients of federal awards, professional licenses & certifications, time reporting, and voting and election leave.
Performance Indicator 3.2.3
KYTC developed the first District Transportation Plan (DTP) in 2011 to provide an overview of the transportation network and needs across the state, evaluate goals and objectives and evaluate potential projects to meet those needs and for consideration in the next highway plan. The DTP was updated in 2013 and again in 2015 with no substantial changes in format. In 2017, KYTC reconfigured the DTP to provide an overview of the new data driven Strategic Highway Investment Formula for Tomorrow (SHIFT) program. The reconfigured DTP described SHIFT criteria and processes to identify, sponsor, score and prioritize projects to address our transportation needs, goals and objectives.

In the fall of 2015, KYTC solicited comments and suggestions for a period of 60 days from 572 regional transportation committee members including mayors, judge executives, and other local officials in non-metropolitan counties and urban areas on the effectiveness of the regional transportation-planning program. KYTC received a total 186 responses from 82 counties and was pleased to see an overall positive response to the effectiveness of the rural planning program. This solicitation must be conducted at least every five years as required by 23 CFR 450.210(b) (1). The next update will be completed no later than Feb 21, 2021. During the 2017-2018 reporting period, the Cabinet has continued to communicate and work with its partnering agencies, officials and stakeholders to identify and address needs in the rural areas.

Performance Indicator 3.2.4
Office of Information Technology implemented several web-based applications in 2017 – 2018 that reduced the amount of manual processing and provided transparency to stakeholders and users while identifying best practices across business areas. The applications implemented include Personnel New Hire request, eConstruction Change Orders, and Out-of-State Travel Requests. These applications provide electronic tracking, approvals, workflows, and online forms to reduce manual paperwork and provide users notification at every step of the process.

Objective 3.3
Foster a professional, efficient and effective management structure.

Performance Indicator 3.3.1
OHRM assisted hiring managers within the Cabinet by participating in the hiring process as interview panelists; revised and maintained official internal and external Cabinet forms (651 in total); and maintained online organizational charts, Information Guide, and internal Cabinet listings, making helpful information easily accessible to all KYTC employees. And processed an official reorganization of the Office of Support Services.

Performance Indicator 3.3.2
OHRM continued to conduct numerous training programs designed to enhance and expand management-level staff’s knowledge of the selection and hiring and employee evaluation processes, time and attendance reporting, ADA, FMLA, employee compliance, merit law, and workplace conduct.

Performance Indicator 3.3.3
Office of Information Technology reorganized their branch structure to pull all Project Managers, Business Analysts and Quality Assurance Testers into a single branch with a focus on quality project management processes. This reorganization encourages better collaboration between similar roles and ensure improved management oversight on their key project efforts.
Objective 3.4
Ensure fiscal resources are properly managed and protected.

Performance Indicator 3.4.1
One of the primary responsibilities of the Office of Inspector General (OIG) is to detect waste, fraud, and abuse within the Cabinet and among those doing business with the Cabinet. In FY2018, the OIG logged 186 cases arising from complaints, requests for assistance, and proactive inquiries. Among other benefits, these investigations resulted in the recovery of state property and corrective actions for employee misconduct and misuse of state resources.

Performance Indicator 3.4.2
To ensure that the Cabinet had appropriate internal controls in place, the Internal Audit Branch conducted audits and other engagements of 35 Cabinet programs and operations, and completed 203 desk reviews of audits performed on sub-recipients who received Federal funds passed through from KYTC.

The External Audit Branch performed audits of or approved overhead rates for 130 architectural and engineering firms; performed 93 compilations of lump sum contracts; performed 10 post audits of cost plus contracts; and conducted six special audits; designed to improve Cabinet estimates and identify and receive reimbursement for overbillings and unallowable costs incurred by consultants and contractors. On average, the audited overhead rate was 4.69% lower than the firm had submitted overhead rate. These findings resulted in substantial savings for the Cabinet.

The Contract Audit Branch completed 11 audits on various contracts the Cabinet has with third party entities to ensure the contractor is complying with terms of the agreement, as well as, to ensure the Cabinet is monitoring the contract appropriately.

For the calendar year 2015, the Division of Road Fund Audits completed 90 KIT audits, 185 KYU audits, 112 IFTA audits, 125 IRP audits and 13 UDI audits, including 268 tax return adjustments, with receipts realized from audit collections totaling $1,796,960. For calendar year 2018 to date, the Division completed 17 KIT audits, 100 KYU audits, 10 U-Drive-It audits, 76 IRP audits, and 92 IFTA audits, including 96 tax return adjustments, with receipts realized from audit collections totaling approximately $1,115,812.

Performance Indicator 3.4.3
The Department of Vehicle Regulation has developed an ongoing constructive working relationship with the Office of Internal Audits and the Office of the Inspector General to create a fully transparent and accountable system of revenue collection through the Division of Motor Carriers. These relationships are producing concrete recommendations for improvements in financial transaction processing, accountability and transparency.

Performance Indicator 3.4.4
The Division of Construction oversaw $1 billion dollars of road and bridge construction. The Division is tasked with ensuring that projects are built within current standards and specifications. This includes testing of materials, administering, and making payments on over 600 projects. In addition, all change orders are reviewed on multiple levels to ensure any additional work is necessary, properly documented, and the most fiscally responsible.

The Division of Highway Design conducted 183 constructability reviews and 85 check plan reviews as a means of developing biddable documents for Kentucky Highway Plan projects going to construction. These reviews reduced the number of issues and errors that could have led to construction claims. Per federal regulation, the Division of Highway Design the Quality Assurance Branch conducted 53 constructability reviews for projects in FY2018.
The Division of Equipment established a Buyback Program in 2006 and continues to utilize this program for the procurement of 10 Front End Loaders annually. These units are procured with a guaranteed buyback at the end of a 12-month period. This program recovered total procurement cost and in addition, generated $104,010.00 in revenue for FY2017 and $83,510.00 in revenue for FY2018.

Performance Indicator 3.4.5
Office of Information Technology pursued and received final authority from the Commonwealth Office of Technology (COT) to move AASHTOWare Construction and Materials to vendor-hosted, cloud based solution. This migration will result in decreased man-hours in hardware and software maintenance and an increase in system stability, availability, and disaster recovery preparedness.

Performance Indicator 3.4.6
Office of Information Technology continued to provide mobile applications to support the Division of Maintenance’s annual road surveys. This included mobile applications for the Maintenance Rating Program, Interstates and Parkways survey (INPK), and the State Resurfacing Surveys.

Additionally, mobile applications were developed to capture assets including: Right of Way Pedestrian facilities with Inspections and Pollinator Plates. Also Sign Management and Pipe and Culvert Inventory applications were updated.

A mobile Rest Area Inspections application was developed that allowed district staff to streamline the inspection and reporting on rest areas. This includes a web map that allows central office a statewide view of status.

Performance Indicator 3.4.7
Office of Information Technology is migrating their spatial data to a new repository that provides improved performance, failover to remove a single point of failure, and a streamlined future upgrade path. To date, they have migrated over 900 tables with minimal disruption to customers dependent on the data.

Performance Indicator 3.4.8
The transition of all data enabled devices, other than iPhones, via the AT&T Control Center will right-size data plans to actual usage and offer additional security benefits. It is already proving to reduce costs and is predicted to save KYTC up to $35,000 monthly with no loss of service or value to the Cabinet when fully implemented.

Performance Indicator 3.4.9
KYTC has engaged with AT&T on their buyback program, which is bringing in thousands in revenue each year.

Performance Indicator 3.4.10
The Office of Budget and Fiscal Management (OBFM) monitored the Cabinet’s operating budget appropriation of approximately $2.4 billion annually and the capital budget of $20.6 million over the biennium. OBFM staff provided monthly, weekly, and/or daily expenditure and encumbrance reports, and quarterly reports were provided to the Legislative Research Commission. A six-month analysis was performed each year of the biennium for most on-budget accounts to identify potential budgetary problems and bring them to management’s attention. Closely monitored reports provided managers with a timely review of what had been expended, encumbered and the balance available in each program, giving internal and external decision makers the information necessary to make sound fiscal policy decisions.
Objective 3.5
Apply technology to improve organizational effectiveness and efficiency.

Performance Indicator 3.5.1
Kentucky Design & Print Services (KDPS - a Division of Support Services) acquired new latex technology, a wide format printer along with a plotter cutter, allowing the Division to expand the product offering to areas such as outdoor media and vehicle graphics. KDPS procured new production color printers. The new production color printers have provided a much-needed service to the Commonwealth allowing KPDS to provide better service for our customers. KPDS now provides engraving services for the Commonwealth, for plaques, trophies, etc. The new equipment offers a noticeable savings to the Commonwealth while expanding product offerings and increasing capacity.

Performance Indicator 3.5.2
Division of Facilities Support’s ARCHIBUS continues to track and record costs for all maintenance and new construction costs for over 1,400 buildings statewide. Security Cameras have been installed at six locations to address theft problems at KYTC facilities. Security Cameras have been purchased for Transportation Cabinet Office Building to replace and upgrade the current cameras.

Performance Indicator 3.5.3
Kentucky Department of Aviation (KDA) upgrade every aircraft in the state fleet with Automatic Dependent Surveillance Broadcast (ADS-B) equipment. The ADS-B equipment provide aircrews with real-time, electronic tracking of all aircraft flying nearby. In addition to significantly enhancing safety and situational awareness, the new systems have put the Commonwealth of Kentucky in compliance with FAA required equipment two years ahead of the mandate.

Performance Indicator 3.5.4
Kentucky Department of Aviation (KDA) has worked with Office of Information Technology to enhance the tracking of aircraft maintenance status. After extensive research to determine requirements, OIT worked to modify the organization’s current program to provide a more comprehensive and real-time overview of the condition of our aircraft. This dramatically increases safety.

Performance Indicator 3.5.5
Kentucky Department of Aviation (KDA) – Unmanned Aircraft Systems (UAS) continues in its role as the statewide clearinghouse for UAS operations. The state’s lead UAS Engineer has assembled and maintains a functional working group of UAS operators from a variety of Cabinets. The working group is able to capitalize on the experience of other users. This increases productive and safety while reducing costs and losses due to mishaps. KDA also uses it expertise in UAS operations and policy to educate state workers and advise elected officials.

Performance Indicator 3.5.6
The Office for Civil Rights and Small Business Development launched an online certification portal for applicants seeking to apply to be a Disadvantaged Businesses Enterprise (DBE), streamlining the process for qualified women- and minority-owned businesses to become certified as DBEs with the Cabinet. No external cost to the Cabinet was incurred to develop this portal due to KYTC’s collaboration with the Indiana Department of Transportation.

Performance Indicator 3.5.7
The Kentucky Motor Vehicle Commission has focused on reducing the need for paper and costs of mail by implementing the on-line renewal project. This project improved efficiency for both the dealers and county clerk’s as renewals occur each year. The dealer number will remain the same.

Performance Indicator 3.5.8
The Kentucky Motor Vehicle Commission has focused on visiting each licensed facility at least once on an annual basis. The Commission continues to achieve this goal. Five inspectors focus on
facility deficiencies, misuse of temporary tags, proper temporary tag log maintenance, failure to post dealer license and salesperson license within the dealership, failure to post FTC Buyer's Guides on the inventory, adequacy of lot surface, and conduct special investigations regarding individuals selling without a license. Inspectors file charges in jurisdictions as necessary to protect consumers from illegal sales. The Commission addresses 10 calls each day related to consumer protection. For greater effectiveness, communication is received in writing by mail, email, or facsimile. While governments have moved away from using facsimile, the general public still utilizes this mode of communication the most.

Performance Indicator 3.5.9
Internal Audits utilized a software package (ACL) designed to make the audit process more effective and efficient. This package was used to streamline sample selection, as well as, search through large volumes of data for certain “red flags” without having to manually go through each item one by one. Additionally, the Internal, Contract, and External Audit Branches utilized advanced capabilities within Microsoft Excel to analyze data.

In addition, the Office of Audits has integrated a paperless strategy and is utilizing an electronic audit software package called Teammate. This has helped increase the efficiency and productivity of the entire audit process. Teammate is also used by other State Departments of Transportation.

The Division of Road Fund Audits used EZ-Tap to obtain odometer readings on Motor Carriers which helped determine more accurate MPG measurements for audit purposes. In addition, the audit staff used wand scanners while in the field to capture necessary records.

Performance Indicator 3.5.10
OHRM published every Cabinet form (currently 651 in total) in a variety of formats to ensure customer accessibility; served as Cabinet email postmaster, distributing information (such as policy and procedure updates, electronic system outages, etc.) to management and employees; and transferred all external, OHRM-related webpages to new Cabinet website.

Performance Indicator 3.5.11
Public Affairs uses Granicus to distribute press releases which provides open-rate analytics. It also allows district Public Information Officers to create and update their media contact lists online which improves efficiency by allowing central office to issue press releases on a PIOs behalf. All district offices now how Twitter accounts to allow for real-time updates across the state. All district PIOs and central office staff received training from OIT on how to make edits to the KYTC website so information can be posted to the public. The Finance Cabinet is working to secure a contract with a media monitoring vendor that KYTC will pay to have access to. This will allow for better tracking of transportation news stories and social media discussions.

Performance Indicator 3.5.12
The Division of Vehicle Regulation will continue to work with and through Kentucky Interactive to further enhance the website (Drive.ky.gov) and increase customer traffic flow through the use of multiple online resources. Will also continue to partner with the Office of Public Affairs for use of social media resources to raise public awareness of this website and increase use/traffic flow. Will move toward eventual expansion of online resources through this website, including online chat and self-help.

Performance Indicator 3.5.13
The Division of Equipment completed Operation Management System (OMS) enhancements to improve fleet operations and performance reporting. A systems fuel interface with the Commonwealth's fuel provider (WEX), was developed in FY2018 and will be placed into production with OMS in FY2019. This fuel interface will provide fueling data to support OMS vehicle preventative maintenance schedules and assist with enhanced vehicle operational cost reports. In addition, this will assist the Division of
Equipment with reporting the following five AASHTO EMTSP National Performance Metrics:

1) Preventive Maintenance Compliance
2) Replacement Recommended
3) Utilization
4) Availability

Performance Measure Compliance is an established activity designed to meet recommended service needs, extending vehicle or equipment operational life. Replacement recommended analysis functionality is aimed at measuring the extent to which a fleet asset is within or exceeds established replacement criteria, such as: maximum age, maximum usage, repair costs, life to date downtime etc. Fleet asset utilization is a measure of actual fleet usage compared to the maximum availability of fleet assets in a month/year. Availability/Downtime is the time when equipment is unavailable primarily due to maintenance or repair and will assist with identifying unit availability. This will provide the Division with the ability to more efficiently manage and address fleet operations.

Performance Indicator 3.5.14
The Division of Planning provided up-to-date GIS road centerlines and associated roadway data for state-maintained roads by processing modifications caused by over 110 road construction projects. The Division of Planning also provided up-to-date GIS road centerlines for local-maintained roads by processing over 4,700 updates to road centerline locations and attributes.

The Division of Planning utilized highway design files, Photolog data obtained by the Division of Maintenance, and other in-office electronic resources to update Highway Information System data in conjunction with field-collection activities.

Performance Indicator 3.5.15
The Division of Professional Services has reduced the time it takes to procure consultant-engineering services utilizing additional technology solutions. Previously, it would routinely take more than nine months on average to procure consultant engineering services; however, they have cut that schedule in half, and the average time to procure services is now less than four months, all while procuring more contracts than ever before.

The Division of Professional Services is also developing a consultant submittal portal with the Office of Information Technology, which should further reduce procurement time. When complete, the inclusion of additional data resources should enable Project Managers with the ability to better scope projects within the available budget and deliver services on schedule.

Performance Indicator 3.5.16
Office of Information Technology supported the effective and expanded use of technology in the following ways:

1. Built new mobile apps including:
   o Right of Way Pedestrian facility Inspection Mobile Application (ADA) and services

2. Developed the TOC Incident Manager Application.

3. Developed interactive maps for
   o Bridge Weights Limits Interactive Map and services for Divisions of Maintenance and Motor Carriers
   o Type 4 Interactive Map and services for Divisions of Maintenance and Motor Carriers
   o Feed Certificate Permit Interactive Map and services for Motor Carriers
   o View and Edit Quarry Locations Interactive Map and services for Division of Materials.
   o Photo Log Alternative Interactive Map and services for Division of Maintenance.
Performance Indicator 3.5.17
The Office of Information Technology works in conjunction with all business areas in KYTC to provide mobile options to increase productivity in the workplace. In addition, all KYTC users have been migrated to the Office 365 platform providing access to the Microsoft Office Online products and enabling KYTC users to perform work remotely with ease and accessibility.

The Division of Construction in conjunction with the Office of Information Technology provided 100 iPads to Highway District personnel with the primary goal of expanded use of the Mobile Inspector Application. The majority of these new devices were assigned to field inspection staff with the goal of increasing productivity and efficiency by allowing the employee to complete Daily Work Reports while in the field and sync them wirelessly with AASHTOware SiteManager. With these additional devices, the total number of KYTC personnel making use of the Mobile Inspector Application is at nearly 300.

Performance Indicator 3.5.18
The KYTC website was re-launched on January 15, 2018. The Office of Information Technology improved the appearance and navigation of the website and offered a mobile-friendly design to better serve visitors. This was the first overhaul of the site in seven years.

Performance Indicator 3.5.19
The Division of Driver Licensing along with the Circuit Court Clerks will roll out a new credential-issuing program starting in January 2019. This change was started by the passing of HB410 in 2017 in which Kentucky began the process of becoming compliant with the REAL ID Act of 2005 by creating a State maintained program. The goal is to have a smooth transition into this new project with the assistance of the Office of Public Affairs and vendor, IDEMIA, who will be providing guidance in our communication plan to the Commonwealth.

Performance Indicator 3.5.20
Each year the Division of Motor Carriers collaborates with Kentucky Commercial Vehicle Enforcement, a Division of Kentucky State Police, to participate in the Annual International Fuel Tax Agreement (IFTA) Blitz with the focus on IFTA compliance. During the 2018 detail 10,449 trucks were screened, 109 inspections were performed and 131 violations cited; largely related to safety issues, in addition to the collection of $18,526.00 in delinquent road fund taxes. Kentucky CVE rate the highest in enforcement of the IFTA tax within the entire IFTA community.

Performance Indicator 3.5.21
As of 2018, the Division of Motor Carriers has installed two self-service Kiosk at the One Stop Shop. The Motor Carrier staff utilize the Kiosk to introduce and train customers on the various on-line services available for the Motor Carrier credentials, taxes and licenses.

**GOAL 4 – Strengthen Customer and Stakeholder Relationships**

*We appreciate what is important to our customers, and we value their involvement in what we do. We will:*

**Objective 4.1**
Ensure fairness, consistency and competitiveness in our contracting procedures.

Performance Indicator 4.1.1
The Office for Civil Rights and Small Business Development has entered into the DBE Exchange agreement with INDOT to allow certified Disadvantaged Business Enterprises from both states to work on federally funded road construction projects with significantly reduced red tape. One of the intended consequences of this agreement is to increase competition among both prime and sub-contractors.
Performance Indicator 4.1.2
One of Legal Services' primary goals is to ensure that all KYTC contracts have legal authority in order to provide fairness, consistency, and competitiveness in contracting procedures. Legal Services reviews all Cabinet contracts submitted to our office.

Performance Indicator 4.1.3
A Market Analysis Team (MAT) led by Audits is able to evaluate methods for increasing competition and keeping prices low. In prior years, the group performed in-depth market analysis in order to: better understand economic markets, bring about conditions designed to increase competition, detect, investigate and deter anticompetitive contractor and subcontractor behaviors, and assist management and award committees in assessing bids and awarding contracts. Suspicious bidding patterns were scrutinized to identify problem areas such as territorial bidding, bid suppression, complementary bidding, bid rotation, and subcontracting designed to inflate contractor pricing. Numerous preliminary recommendations were made and investigations were started as a result of the team's work. MAT will run an additional analysis in the near future.

Performance Indicator 4.1.4
The Division of Construction Procurement ensures the Cabinet has qualified solvent contractors bidding on highway construction contracts. The Division currently has 602 prequalified highway contractors.

The Division of Construction Procurement utilizes electronic bidding software to obtain bids from prequalified contractors each letting. Every month, the Division prepares an Engineer's Estimate for each project. After the letting, each project is reviewed and the low bid is evaluated and compared to the Engineer's Estimate to determine if it is in the best interest of the Cabinet to reject or award the contract. During the 2017 Calendar Year, 657 projects were advertised and the Cabinet received 1,479 bids.

Performance Indicator 4.1.5
Office of Information Technology is working with the Division of Professional Services, to improve usability and functionality of the current Professional Services application. This enhanced application (to be fully implemented in April 2019) will provide the Division of Professional Services to expedite the delivery of signed contracts for roadwork by reducing the amount of time spent manually entering estimates on each contract and by sending automated task reminders to consultant and KYTC users to prevent project stagnation. Proving a consultant portal will allow consultants to electronically sign documents, view contract status, respond to advertisements, and submit applications for prequalification. This provides clarity for consultant-owned tasks and will reduce process delays.

Improving the data structure to focus on the availability of data across the enterprise will provide more complete information to the Division of Professional Services for reports, such as the Production Hour Estimate Comparisons. This will allow the Division of Professional Services to reduce costs during contract negotiation.

This project will continually improve organizational performance by applying technology to support a more efficient business process for selecting and negotiating contracts with consultants for highway projects. It will also strengthen customer and stakeholder relations by providing expedited selection and contract negotiation processes for highway project consultants, provide consistent, transparent evaluation information to highway project consultants, provide a consultant portal to allow consultants to electronically sign documents, view contract status, respond to advertisements, and submit applications for prequalification.

The Division of Professional Services has prequalified 197 firms for 70 different engineering services. Through qualifications-based selections, they have procured engineering contracts for 81 different firms for the Cabinet's 556 open contracts. The Division has also analyzed historic contract fees and coordinated with each of our 12 Districts to determine appropriate production-hour ranges to maximize and ensure equitable contract fees during negotiation.
Performance Indicator 4.1.6
Effective August 1, 2017, the Partner Support Center was convened to enable the Division of Motor Vehicle Licensing to provide better support to our partners in County Clerk offices across the Commonwealth. To implement this initiative, our phone system was programmed to recognize calls from County Clerk offices and route them directly to the Partner Support Center; by-passing the Department's Call Center. This effort has decreased misrouted calls, minimized hold times and reduced the number of transferred calls. Team members in the Partner Support Center have received a broader range of training to ensure the best, most efficient customer service possible.

Performance Indicator 4.1.7
Of the 282 competitive solicitations issued by the Division of Purchases (Purchases) during FY2017-18, only 5, or 1.77% were protested by competing vendors. All protests were denied by the Finance and Administration Cabinet (FAC), affirming that Purchases followed procurement laws and regulations consistently and accurately throughout the year. The Division of Purchases won 100% of the protests in FY2017-18.

Objective 4.2
Communicate accurate and timely traffic information to motorists and emergency responders.

Performance Indicator 4.2.1
OHIM continued to require signature acknowledgments from all KYTC employees for the receipt of any highly significant policy change, such as annual acknowledgement of Confidential and Sensitive Information and Anti-harassment/Anti-discrimination policy awareness.

Performance Indicator 4.2.2
OHIM published numerous new policies and procedures to address changes in various federal and state laws and regulations. Policies were also revised to address changes in Cabinet procedures to ensure consistent and proper stewardship of state resources, such as those pertaining to fixed asset tracking, inventory, property loss control, surplus property, and Transportation Cabinet Office Building access.

Performance Indicator 4.2.3
The Kentucky Transportation Cabinet, led by the Division of Maintenance, is collaborating with Waze through the Connected Citizens Program to gather process and share real-time travel data with Kentucky's citizens and partners. One example of this is KYTC's Roadway Advisory Map, which communicates information about roadway conditions during snow and ice removal, treatment applications and locations of connected snowplows. Work in this area and expansion of this program is ongoing.

Objective 4.3
Identify and participate in new federal partnership opportunities.

Performance Indicator 4.3.1
Through the use of Federal On-The-Job Training Funds the Office for Civil Rights and Small Business Development created a Transportation Construction certificate program. Gateway Community & Technical College's Workforce Solutions and the University of Kentucky will administer the program and offer a 96-hour program to provide the knowledge, skills and abilities necessary for successful entry into the Transportation Construction field.
Performance Indicator 4.3.2
Through the use of Federal Supportive Services Funds the Office for Civil Rights and Small Business Development created an Entrepreneurial Development Institute (EDI) to increase the utilization of DBEs on KYTC projects. EDI will provide mentor protégé opportunities, training and other resources to business small women and minority owned businesses.

Performance Indicator 4.3.3
The State Highway Engineer’s Office in partnership with the Division of Program Management (as well as other Divisions) has identified and participated in new federal partnership opportunities with the United States Department of Transportation and the Federal Highway Administration through the following programs:
- Mountain Parkway Extension Transportation Investment Generating Economic Recovery (TIGER) grant providing $24,000,000 to widen a section of the Mountain Parkway (amongst the largest ever awarded)
- Regional Truck Parking Information and Management System TIGER grant, a multistate, regional partnership to increase safety by informing truck drivers of available parking to rest
- Laurel County Roundabout Accelerated Innovation Deployment (AID) grant contributing $1,000,000 towards construction of this safety and congestion improvement
- Intelligent Compaction AID grant contributing $1,000,000 towards the implementation of Intelligent Compaction on Kentucky’s highways increasing the quality and life of the infrastructure
- Technology improvements to the Kentucky Utilities and Rail Tracking System (KURTS) and the e-Construction process State Transportation Innovation Council grants contributing $200,000 to these efforts
- Strategic Highway Research Program 2 (SHRP2) Implementation Assistance Program awards for the following projects totaling $1,155,000:
  o Reliability Data and Analysis Tools (L02/L05/L07/L08/C11)
  o Pavement Renewal Solutions (R23)
  o Identifying and Managing Utility Conflicts (R15B)
  o 3D Utility Location Data Repository (R01A)
  o Railroad-DOT Mitigation Strategies (R16)
  o Nondestructive Testing for Concrete Bridge Decks (R06A)

The State Highway Engineer’s Office Division of Program Management $24,000,000
- $1,000,000

Performance Indicator 4.3.4
Office of Information Technology and the Division of Maintenance are engaged in a data sharing partnership with the National Weather Service in order to gather weather information to better support winter-weather operations. This is part of a larger data integration effort to fuse local, state, federal and private data to better understand challenges to the transportation network and communicate with our staff and customers.

Performance Indicator 4.3.5
Office of Information Technology continues to maintain and update the KYTC DataMart, a single web portal that gives the public direct access to many details of road and bridge projects, traffic counts, highway crash data, fiscal information, some vehicle information and organization performance measures (mentioned in national publications including The Washington Times and the ITS Midwest newsletter). The DataMart promotes transparency and accountability within the Cabinet.
Objective 4.4
Continually incorporate strong ethical standards in everything we do.

Performance Indicator 4.4.1
The Kentucky Motor Vehicle Commission has adopted Governor Matthew Bevin’s promotion to allow convicted citizens to have a second chance and the opportunity to be employed. The Commission recognizes the dealership as employer and as such the approval to hire a convicted citizen as their choice and responsibility. Ethical standards are enforced through the administrative hearing process for immoral and unethical issues.

Performance Indicator 4.4.2
High ethical standards in all aspects of legal matters is of utmost importance to Legal Services. Ethics training is provided to all attorneys through the Kentucky Bar Association. All non-attorney personnel are provided training through the Office of Human Resource Management. Legal Services has implemented and fostered an open-line of communication to discuss ethics issues that may arise relative work-related activities. Additional training is provided by the Executive Branch Ethics Commission and by the Legal Services Ethics Officer. All Legal Services and KYTC personnel are encouraged to discuss any ethics issue with management. Executive Staff attended Sexual Harassment Training in January 2018 that was provided by the Executive Branch Ethics Commission. All Legal Services personnel conducted the Overview of Executive Branch Ethics online in February 2018.

Performance Indicator 4.4.3
The Office of Inspector General (OIG) refers relevant findings from its investigations to the Executive Branch Ethics Commission (EBEC) for review and consideration of action and participates in a work group organized by the EBEC comprised of other internal investigators in state government.

Performance Indicator 4.4.4
Audits, Division of Audit Services’, professional staff members are required by professional auditing standards to engage in ethical behavior in the work they do. Auditors obtain 80 hours of continuing professional education every two years, with much of the training being related to ethical standards. Training also focuses on recognizing and combating waste, fraud, and abuse. Every audit performed includes assessments of risks related to fraud, and recommendations are made to management on how to ensure internal controls are in place that will keep honest people honest. Having an independent audit function helps serve as a deterrent to prevent and reduce unethical behavior by both Cabinet staff and contractors.

Performance Indicator 4.4.5
Public Affairs District Public Information Officers notify the media of scheduled maintenance work, as well as any unexpected incidents that impact motorist travel, through the distribution of traffic advisories, social media posts, weekly "road show" emails and news releases. The Office of Public Affairs tweets traffic alerts and updates on the KYTC and KYTCGoKY accounts during weekday work hours if the incident impacts travel on an interstate or parkway. The Office of Public Affairs is working with the Division of Maintenance IT Consultant to explore if Traffic Operations Center incident reports can be automatically tweeted to KYTC twitter accounts to allow around-the-clock traffic information updates.

The Cabinet used GoKY and the Waze app as a resource for travelers to get real-time traffic updates. Traffic information is also shared through variable message boards.

Performance Indicator 4.4.6
It has been determined by the business units, in order to be more efficient in meeting KRS 176, there is a need to develop an enterprise data approach of gathering and maintaining project data from the KYTC District Offices and from the KYTC Central Office Divisions. This effort will require the creation of a "Core” database, a comprehensive data structure designed for integrating and managing project information from inception to completion, to support the KRS 176 mandates, to provide short-
term and long-term needs of project identification and project prioritization, and serve as the basis for producing the Six Year Highway Plan (SYP) document.

The Six Year Highway Plan Data System (SYP-DS) is comprised of the “Core” database and a suite of applications, which allow relevant data to be gathered and maintained. The next step in the completion of the SYP-DS is the addition of functionality to support the creation and management of the Recommended Highway Plan and the Enacted Highway Plan.

These series of projects will continually improve organizational performance by reducing redundant data entry between applications, apply technology to support organization effectiveness and efficiency to support a more efficient business process for managing highway projects, getting them open to the public faster, and strengthen customer and stakeholder relations by providing accurate and transparent highway project status information.

The SYP Data System – CHAF project completed on January 24, 2018. There are currently to projects in process SYP Data System – Funding Authorization and SYP – PRECON, which will be completed by April 2019.