

Stakeholder Partnering: Transforming transportation at the local level

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The FHWA's Every Day Counts (EDC) initiative began in 2010 as an effort to help states and local agencies deliver transportation projects smarter and faster, and much of this focus has been on promoting technologies. However, EDC also includes initiatives that promote effective and flexible program administration strategies and options. One such strategy is “stakeholder partnering.” Stakeholder partnering, which launched as part of the second round of EDC in 2012 and is continuing under the third round that began in late 2014, is an effort that is bringing state, local and federal agencies together to create a more efficient federal-aid process and give innovators an edge.

A stakeholder partnership involves representatives from state, local and federal government meeting regularly to discuss and resolve key program-level issues affecting federally-funded transportation projects. It is not a new idea; some states have had formal partnerships operating successfully for years. In fact, this is why it was chosen for EDC, because the EDC initiative is about helping states implement proven concepts.

Why stakeholder partnering?

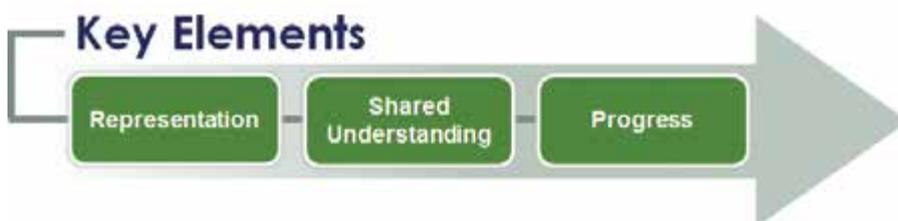
About 20 percent of the federal-aid program goes to fund local agency projects every year. That amounts to roughly \$8 billion. Given the size of the program and its broad national impact, the FHWA has embraced stakeholder partnering as a means to make programmatic improvements and speed up project delivery.

“We think that the key players at each level of government should be involved to help make sure we are using the funding dollars, regardless of source, as effectively as possible,” said Robert Wright, the FHWA Local Programs Manager. “Ultimately, the goal is effective and efficient project delivery.”

“On the local agency side, we often hear that federal projects take too long and cost too much,” said Wright, “and from the state’s perspective, there are staffing resource challenges in helping local agencies manage these projects and stay in compliance. Since lengthy delivery timeframes can significantly add to project costs, stakeholder partnering can be an effective tool to explore improving project delivery.”

Wright said that the idea behind stakeholder partnering is simple: bring transportation professionals from different agencies together at one table to talk and to listen.

“Talking begets working on processes together,” he said, “and talking leads to collaboration and cooperation. This



The key elements of stakeholder partnering are representation from federal, state and local agencies; shared understanding; and progress on issues of concern.

is not about project-level partnering. That is something that most owner-agencies and contractors do already on specific projects. We want to be able to deal, at a programmatic level, with the range of issues that come up across a majority of projects.”

How it works

Stakeholder partnering is a representative process, and not every local agency needs to be involved. Locals can stay abreast of what is happening through representatives on the committee who feed information back to them.

This is where organizations such as the National Association of County Engineers (NACE) and the American Public Works Association (APWA) can contribute. Rather than reaching out to each county for a representative to be on the committee—some states have more than 100 counties—states can enlist representatives from their NACE affiliate and APWA chapters and take

advantage of existing communication structures.

Brian Roberts, NACE’s Executive Director, said that if states connect with their NACE affiliate, or transportation liaisons in APWA, these representatives will in turn reach out to the other counties or the other APWA professionals.

“That is how states can take what might be 1,000 agencies they could potentially deal with and narrow it down to a manageable number,” said Roberts. “That is why it is important to work with national organizations.”

Roberts is one of stakeholder partnering’s strongest proponents. In fact, NACE and APWA teamed in submitting stakeholder partnering for consideration for the second round of EDC, known as EDC-2. Stakeholder partnering was part of a three-pronged EDC-2 strategy, along with certification programs and consultant services flexibilities, to improve locally administered federal-aid projects. It then moved forward as a singular effort under the third round (EDC-3).

Stakeholder partnering committees can be shaped to fit the size and structure of local agency programs in each state. Even states that do not have a designated local agency program still have opportunities to benefit from it, as well as metropolitan planning organizations, regional transportation authorities, and others who administer federal-aid projects.

Roberts said that while some states, such as California, have large stakeholder partnering programs that have been in place for years, those that are smaller or just starting have been successful as well.

“These programs evolve over time,” he said. “It is important to start somewhere and grow from there. Each stakeholder partnering committee will be different, because each state is different.”

Results

Stakeholder partnering is improving processes by first creating a better understanding by all involved of what is needed for highway projects at each level, and better understanding equals better outcomes.

Jean Mazur, FHWA California Division, presented an FHWA perspective on stakeholder partnering at the EDC-3 Summit in Sacramento, California. She said California’s stakeholder partnership, the Transportation Coop Committee, provides her Division with insights on local level project delivery challenges, which they then use to examine how federal requirements are administered and look for opportunities to streamline.

“Stakeholder partnering gives us an opportunity to make sure local agencies understand what the requirements are and what is expected of them,” she said, “and if we have a specific requirement we have to implement, it helps us do it in a way that is least burdensome to the state and the local agency.”

“We all have competing priorities, and some may wonder if we really have time to sit around a table and talk. But the time spent up front saves a lot of time over the long run,” said Mazur. “It’s worth it!”

Mazur provided a recent example of how California’s Transportation Coop Committee benefits all involved.

“Federal Highways and the state had decided to make what we felt



Brian Roberts, NACE’s Executive Director, speaking about stakeholder partnering during the EDC Summits

were some small tweaks to the Disadvantaged Business Enterprise program. We brought that to the stakeholder partnering group and talked to them about it, and it became clear pretty quickly that the local agencies would have a hard time with one of the two changes that we wanted to make,” she said. “We decided to implement the first change and allow time to determine the results, then, go back to our stakeholder partnering group and decide if implementing the second change is needed.”

“This is the point of stakeholder partnering; it gives FHWA and the state a better understanding of local issues. When everyone participates, it gives us information we can use to administer the most efficient and effective federal-aid program possible.”

Caltrans Local Assistance Division Chief Ray Zhang, also a presenter at the Summit, described the Transportation Coop Committee as a way to convert stakeholders into partners.

“We don’t always have to agree at the end of the meeting, but through this process we develop an understanding of both sides of the situation, and each side’s limitations, so that, moving

forward, there’s more cooperation. Understanding each other’s perspective helps us all, collectively, to do our jobs better,” said Zhang.

Roberts was also a presenter at the EDC-3 Summits, helping spread the word about the stakeholder partnering effort and its impacts on local projects.

“Stakeholder partnering brings all three parties together and gives us an equal say at the table,” he said. “When we go home, things may be different, but at that meeting we all feel like we have an equal say, and that’s how we’re going to have progress.”

“We have a lot of success stories out there,” said Roberts. “I don’t know of any endeavor that hasn’t been successful for stakeholder partnering. We have got nothing to lose and everything to gain by doing this.”

“At the end of the day, we all want the same things and have the same goals. Whether you work for a city, a county, an MPO, the state or Federal Highways, we all want a safe, efficient transportation network. And, we want to do it as quickly and cost effectively as we can.”

Resources

The FHWA EDC team recently produced a new video on stakeholder partnering that provides a basic overview of the program and addresses commonly asked questions. It is available on YouTube at <https://youtu.be/YNAkgG97XuA> and has been added to the library of informational videos available on the Federal-aid Essentials website at <http://www.fhwa.dot.gov/federal-aidessentials>. Feel free to share the video with a stakeholder you feel could benefit from this type program.

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Stakeholder Partnering: State of the Practice

Just over half of all states currently employ some form of stakeholder partnering. Every Day Counts (EDC) has identified seven states with mature programs that could be helpful to others as models. Two of these states, California and Virginia, have volunteered to be “champion” states and share their methods for success with others. Another 16 states are on board and have developed State Implementation Plans, including three states, Ohio, Michigan and Arizona, which launched Stakeholder Committees in 2014.

Several states have not yet developed an Implementation Plan but have indicated an interest in doing so. APWA and NACE and their state affiliate members are working to encourage participation in remaining states that do not yet have a program.



More information on stakeholder partnering is available in a new video produced by the Federal Highway Administration’s Every Day Counts team. <https://youtu.be/YNAkgG97XuA>