

FLORIDA TRANSPORTATION COMMISSION

MINUTES OF MARCH 2, 2004

MEETING NUMBER 142

The one hundred and forty-second meeting of the Florida Transportation Commission was held Tuesday, March 2, 2004 at the Florida Department of Transportation Auditorium, 605 Suwannee Street, Tallahassee, Florida. Chairman Durden called the meeting to order at 8:30 a.m.

ATTENDANCE

Members in attendance were: Commissioners Earl Durden, Bob Namoff, Janet Watermeier, Sidney Calloway, Heidi Eddins and David Straz. Absent were: Commissioners Holton, Brown and Lazzara

MINUTES

Minutes of the January 29, 2004 Commission Meeting were approved.

CHAIRMAN'S REPORT

Chairman Durden reported:

- Commissioner Brown has resigned to accept an appointment to the University of Florida, Board of Trustees.
- Norman Mansour was presented a plaque for his four years of dedicated service on the Transportation Commission.
- On February 11th Chairman Durden met with Senator Nelson to discuss the reauthorization of the federal transportation bill. Secretary Abreu and Assistant Secretary Clary also attended the meeting. They discussed how to improve Florida's position at the federal level. It was made very clear that Florida wants to get 95% and if there are going to be discretionary projects, Florida has to be included.
- On February 26th Chairman Durden was the keynote speaker at the Florida Trucking Association meeting held in Tampa. The Trucking Association is working very close with Commissioner Namoff to convince the Federal Motor Carrier Safety Administration that Florida meets the exemption requirements of 350.345 Code of Federal Regulations, so that the Motor Carrier Compliance Office is eligible for an additional \$3.5 million a year.
- Commissioner Namoff met with Congressman Mario Diaz-Balart this past month to discuss a variety of transportation issues including the reauthorization of the transportation bill. **Chairman Durden** mentioned that one of the goals of the Commission was to be an advocate for transportation funding, both at the state and federal level. The Commission works very hard in that regard and will continue to do so.
- On February 27th, Secretary Abreu, District Secretary Prescott and Chairman Durden attended the opening of the St. George Island Bridge.

- The 2nd Quarter Performance and Production Report has been sent out. The performance of the Department is tracking well so far.
- The source data used to calculate construction performance measures are being audited for accuracy. The results of the audit should be available by September, 2004.
- On February 11th, Chairman Durden met with Department officials to review the initial draft of the FDOT Strategic Investment Plan.
- The entire Commission held a workshop yesterday afternoon to review and evaluate the policies associated with the Department's Investment Plan. The Commission has a few recommended changes to the Investment Plan. The suggested changes are: 1) The Florida Department of Transportation should develop a finance strategy that balances the priorities of the Strategic Intermodal System (SIS) and Emerging Strategic Intermodal System (SIS) Areas; 2) Proposed legislation should include allowance for competitive match incentives to fund and advance SIS and Emerging SIS capacity projects; 3) The Florida Department of Transportation should look at a more incentive based approach to the base level of funding of the SIS and Emerging SIS. Commissioner Watermeier moved to adopt the Department's Investment Plan with the changes. Commissioner Calloway seconded the motion. The motion was carried.
- The Chairman asked for a motion to send the High Speed Rail Resolution drafted by the Commission to the Governor. Commissioner Watermeier suggested minor changes to the format of the Resolution. Commissioner Calloway had already discussed his suggestions with Staff. Commissioner Eddins made a motion to approve the Resolution as modified in accordance with Commissioner Watermeier. Commissioner Calloway seconded the motion. The motion was carried.
- Individuals wishing to address the Commission at the conclusion of the Work Program Review should submit a completed public comment card to Commission staff. The cards can be found in the lobby of the auditorium.

LEGISLATIVE UPDATE

Sally Patrenos gave the legislative update.

Budget – the Governor's recommendation is for \$6.5 billion for FY 04/05, though it does sweep \$100 million from State Transportation Trust Fund (STTF).

Chairman Russell's staff is drafting a proposed bill which will encompass elements of the Florida Transportation Commission's proposed legislation, the MPOAC recommendations, and the DOT recommendations. It is set to be "work shopped" on March 9. Chairman Sebesta, on the other hand, is taking a bit of a wait-and-see approach at this time.

WIRELESS PUBLIC SAFETY NETWORKS

Mohan Pundari, Engineering Technology of America, Inc. made a brief presentation on Intelligent Transportation Communication Systems in Florida.

EXECUTIVE COMPENSATION STUDY

Mr. Reichert gave a brief update on the Executive Compensation study. Questions were raised regarding how the \$180,000 salary for the Secretary was determined. Commissioner Calloway wants an economic analysis of the impact of the increased salaries. Commissioner Eddins recommended a more thorough explanation of the recommended increases. Commissioner Straz moved to adopt the study with the recommended changes, Commissioner Calloway seconded the changes. The additional information will be provided to the Commissioners and a teleconference will be set up for a vote. The motion carried to have clarification and a vote to adopt the report by way of teleconference.

FLORIDA DEPARTMENT OF TRANSPORTATION REPORT

Secretary Abreu gave the agency report.

- Departures from the Department are: Assistant Secretary Ken Morefield retired after 32 years with the Department; Major David Browning of Motor Carrier Compliance Office has retired; Leroy Irwin, Manager, Environmental Management Office has retired; and, District Secretary Mike Snyder has resigned.
- Investment Policy Changes – Secretary Abreu appreciates the Commission's support and endorsement of the Policy.
- Secretary Abreu met with Chairs of the House and Senate Committees, and other Legislators personally going over the Investment Policy and the good news is – they understand it and understand what the Department is trying to do. Most of them agree the Policy change is a good one and it needs to be done, the debate will be the financing portion.
- Governor's Budget Recommendations – Most of the Department's legislative budget request is contained in the Governor's recommendations. In addition to the tentative work program; he's recommending funding for a Law Enforcement/800 megahertz joint dispatch facility in West Palm Beach and an Operations Center in Defuniak Springs, which continues our Organizational Efficiency Plan (4th year of a 5-year plan).
- TEA-21 Reauthorization – they are still under the two month time extension and there are still many outstanding issues to resolve.
- Update on Transit Plan – Major commitment to Miami/Dade (\$100 million Earlington Heights). Developed finance plans for projects that have local funding support – North Corridor project, East West project; working on finance plan for Jacksonville, Tampa; continuing to work with Orlando – local funding sources need to be identified.
- The Department is continuing to work toward getting projects included in Reauthorization.

- The Department is assisting the Florida Public Transit Agencies in their efforts to secure federal grants for bus and bus facilities.

STATEWIDE PUBLIC HEARING: DEPARTMENT'S TENTATIVE WORK PROGRAM FOR 2004/2005-2008/2009

(Please refer to the Review of Department of Transportation Tentative Work Program FY 2004/05 – 2008/09 Report for detailed information).

Mark Reichert briefly described the process of the hearing. This review will be in three parts; first the overview of the Work Program; second compliance with laws and policies and third, public comment.

Overview/New Programs Implemented

Mr. Reichert briefed the Commission on the report. This Work Program covers the period of July 1, 2004 through June 30, 2009. The Tentative Work Program totals \$26.6 billion, \$1.4 billion larger than last year's. \$22.0 billion is planned in Product and Product Support. The Work Program will add 1,014 additional lane miles to the highway system; it will resurface 11,907 lane miles; it will repair 1,007 bridges and replace 28 bridges. There is \$2.47 billion set aside for public transportation. There are 7,691 projects in this Work Program and 22,400 project phases.

Construction letting levels were increased in this Tentative Work Program over what was programmed in the Adopted Work Program by about \$1.6 billion. This was possible based on funding increases from Congress for federal fiscal years 2003 and 2004, increased state revenues, and passage of Senate Bill 24 A that raised the Turnpike Bond Cap and approved Toll and SIB Bonding.

\$520 million is designated to the Transportation Outreach Program over the Tentative Work Program period. The 2004/05 fiscal year allocation of \$100 million will be transferred to the state's general revenue account to address other statewide priorities.

\$73.2 million is programmed for the State Infrastructure Bank in FY 04/05, a program that provides loans to help fund transportation projects that will otherwise be delayed or not built. An additional \$36.8 million is programmed in reserve for future bond backed SIB loans.

The Department's policy has been to allocate any new discretionary capacity funds 50/50 between (FIHS) and districts. Congressional action in 2003 indicated that additional federal transportation funding may be available in FY 2004/05. Seventy-five percent of the anticipated increase is allocated for FIHS/Strategic Intermodal System (SIS) capacity projects and 25 percent for arterial roads.

Transportation Rural Initiatives Program (TRIP) – Governor Bush has recommended the creation of the TRIP to assist rural economically distressed county governments in the resurfacing or reconstruction of county roads. This will be funded by the consolidation

of the Small County Road Assistance Program and the Small County Outreach Program. \$163.5 million currently allocated for these programs will be shifted to the TRIP.

There is a comparison of last year's tentative and this year's tentative work programs. As already mentioned, the total program amount is \$26.6 billion, a 5.7% increase over last year. The only categorical decreases were in Public Transportation which dropped up to 6% and bridge construction that dropped about 2.7%.

Financial Soundness

Assistant Secretary Clary briefed the Commission on the Financial Soundness of the Work Program. Mr. Clary went over the statutory requirements of the Work Program. The Department agrees with the Commission's staff findings.

Each District Secretary and the Executive Director of the Turnpike Enterprise gave a brief presentation to the Commission on projects scheduled in the Tentative Work Program as it relates to their area.

Stability of Project Schedules

Mark Reichert briefly reviewed the stability of the Work Program. He found that 89.8% of the project phases experienced no change in schedule or were advanced to an earlier fiscal year. The Department's objective is 80%.

Linkage with Long Range Goals and Short Range Objectives

Mr. Reichert briefly reviewed the linkage of the Work Program with long-range goals and short-range objective of the Florida Transportation Plan. The Department met all five of the short-range objectives.

Production Capacity

Mr. Reichert stated that he concluded that the preliminary engineering consultant funding levels are higher in each year of the Tentative than in the Adopted Work Program for a total net increase of \$311.28 million. Therefore, resources should be adequate to produce the Tentative Work Program.

Compliance with Approved Local Government Comprehensive Plans

Mr. Reichert stated the Department of Community Affairs (DCA) reviews the Tentative Work Program and provides to the Commission a list of those projects in the Work Program, which are inconsistent with approved local government comprehensive plans. The Commission no longer has to consider the DCA list as part of its evaluation of the Tentative Work Program, however, DCA is still required to submit the list. The Commission acknowledged receipt of the list and checked to be sure that the Department worked with the affected local governments and appropriate MPOs to resolve the inconsistencies. The results of the DCA Review were received after this book was

published. In its transmittal letter, DCA stated it found no inconsistencies with any local comp plan.

Metropolitan Planning Organization Objections & Requests

Mr. Reichert stated the Metropolitan Planning Organizations (MPO's) or boards of county commissioners may file an objection of any project rescheduled or deleted from the Work Program that was included in their Transportation Improvement Plan. We found there were no objections filed, however, there were eleven comments and requests from five planning organizations made for further consideration of projects. We verified that the districts reviewed and acknowledged all comments and requests submitted and are satisfied the issues were adequately addressed.

County Transportation Programs

Mr. Reichert stated the County Incentive Grant Program (CIGP) provides grants to counties to improve a transportation facility located on the State Highway System or relieves traffic congestion on the State Highway System. The Small County Outreach Program (SCOP) assists county governments in resurfacing or reconstructing county roads or in constructing capacity or safety improvements to county roads. There is also a Small County Road Assistance Program (SCRAP) to assist small county governments in resurfacing or reconstructing county roads. \$25 million annually from the State Transportation Trust Fund is set aside for funding SCRAP. SCRAP benefits small counties that have exhausted their tax base for local road improvements. All three grant programs have specific criteria for evaluating candidate projects. The County Incentive Grant Program and Small County Outreach Program were originally funded through FY 2002/03 by an annual non-recurring general appropriation of \$125 million. However, there was no mechanism to fund these two programs in FY 2003/04 and 2004/05. Future funding will be derived from the service charge that had been collected on the proceeds from the local option fuel tax. Projects have not yet been identified for funding from these programs, but the money is "boxed" for FY 2005/06 through FY 2008/09. The \$25 million per year for the Small County Road Assistance Program has been boxed. The Governor's recommended budget for FY 2004/05 includes the creation of the Transportation Rural Initiatives Program funded by the consolidation of the Small County Outreach Program and the Small County Road Assistance Program to assist rural economically distressed county governments in resurfacing or reconstructing county roads. Therefore, the funds for SCOP and SCRAP are boxed in this Tentative Work Program.

Transportation Outreach Program

Mr. Reichert stated the Transportation Outreach Program (TOP) is dedicated to funding projects of a high priority based on preserving the existing transportation infrastructure; enhancing Florida's economic growth and competitiveness; and improving travel choices. The law requires the Department to allocate a minimum of \$60 million each year. The Program is on hold pending the Governor's Budget recommendation. However, the TOP item in the Tentative Work Program reflects \$520 million in funding for future projects. This is in excess of the \$60 million minimum.

Florida Intrastate Highway System Funding

Mr. Reichert stated the Work Program plans to commit far in excess of the amounts required by statute totaling over \$4.8 billion over the five years (this does not include Turnpike funds).

Public Transportation Funding

Mr. Reichert stated a minimum of 15% of all state revenues deposited into the State Transportation Trust fund shall be committed annually for public transportation projects. 16.0% is programmed for public transportation projects in this Work Program.

Fund Distribution

Mr. Reichert stated that funds allocated to each district were allocated according to the statutory requirements. Also, the Tentative Work Program is planned so that 112.03% of Turnpike tolls collected in South Florida remain in South Florida.

State Comprehensive Enhanced Transportation System Tax Distribution

Mr. Reichert stated State Comprehensive Enhanced Transportation System Tax Distribution (SCETS) tax proceeds were allocated to each district according to statutory requirements and to the maximum extent feasible were programmed in the county where collected.

Compliance With Other Applicable Laws and Policies

Mr. Reichert stated the law directs the Commission to conduct the evaluation of the Tentative Work Program for compliance with applicable laws and Department policies. To verify this compliance, Commission staff developed a series of questions keyed to requirements. Appendix A provides a copy of the questions along with the Department's responses.

Mr. Reichert stated that with the exception of public comment, the Commission staff is confident the Tentative Work Program for FY 2004/05 through 2008/09 is in compliance with applicable state laws and Departmental policies.

Mr. Reichert stated an important function of the public hearing is to identify projects that have been added, advanced, deferred, moved out or deleted from the Tentative Work Program after the public hearings were conducted in the district. A list of those projects are included in the report.

Mr. Reichert extended his gratitude to the Work Program and Financial Development Offices staff for their partnership with this Tentative Work Program and Brian Caskey for his assistance with the presentations.

Commissioner Watermeier moved for adoption of the Tentative Work Program Review. Commissioner Namoff seconded. The Tentative Work Program Review was approved.

PUBLIC COMMENTS

There were no public comments.

The next Commission meeting will be May 11th in St. Augustine.

The meeting adjourned at 11:45 a.m.

MINUTES APPROVED _____AS READ_____AS AMENDED

THIS 11th DAY OF MAY 2004

CHAIRMAN

NOTE: If further detail of these proceedings is required, please contact Commission staff at 850-414-4105 or write to 605 Suwannee Street, Mail Station 09, Tallahassee, Florida 32399-0450. Meetings of the Florida Transportation Commission are recorded on video and audiotape.