

FLORIDA TRANSPORTATION COMMISSION

MINUTES OF SEPTEMBER 10, 2003

MEETING NUMBER 138

The one hundred and thirty-eight meeting of the Florida Transportation Commission was held Tuesday, September 10, 2003 at the Bay Point Marriott in Panama City, Florida. Chairman Durden called the meeting to order at 9:05 a.m. central time.

ATTENDANCE

Members in attendance were: Commissioners Earl Durden, Jim Holton, Janet Watermeier, Sidney Calloway, Gasper Lazzara, Norman Mansour and Bob Namoff. Commissioner David Brown was unable to attend.

MINUTES

Minutes of the June 13, 2003 Commission Meeting were approved.

CHAIRMAN'S REPORT

- **Chairman Durden** reported that he:
 - Attended a workshop with Department executives on July 9th in Midway to discuss unfunded project priorities and the structure for a future presentation to Governor Bush on transportation needs.
 - Participated in the Floridian's for Better Transportation Leadership Retreat on July 10 and 11.
 - Attended the second joint meeting of the Central Florida Metropolitan Planning Organization Alliance and the Chairmen's Coordinating Committee (Tampa Bay area MPOs) on July 18 to speak about the importance of regional planning. The MPOs are very interested in the regional planning study being performed by the Commission.
 - Along with Commissioner Brown met with Governor Bush to talk about the economic benefits of transportation infrastructure and current unfunded transportation needs. They will meet with Governor Bush again within the next couple of weeks.
 - Attended and spoke at the Florida Transportation Builders Association meeting on August 8.
- **Commissioner Watermeier** reported on her activities with the Strategic Economic Development Planning Committee of Enterprise Florida. The purpose is to chart the future of Florida. Eight (8) meetings are being held around the state to identify each region's priorities. Transportation connectivity is being identified as a prime issue. After all regional meetings are held there will be a meeting in Tallahassee to elevate the issues on a statewide level to identify the priorities of Florida and what ideas will take Florida to the next level.
- **Commissioner Mansour** updated the Commission on High Speed Rail Authority activities. He reported the Authority has met twice since the last Commission meeting. The last Authority meeting was September 8 and the Authority received

presentations from the two competing entities for the design, build, operate, and maintain phases for a system between Orlando and Tampa. The Authority is scheduled to meet again on October 27 for the purpose of selecting a preferred vendor. Also at that time, the Authority is scheduled to make a decision on the route of the system. Bottom-line is the process is moving forward and should, by the end of the year, have a negotiated contract for the preliminary work to be performed by the contractor and working towards the completion of a record of decision for the Federal Government. The Authority also held a public hearing in Orlando to discuss route selection.

FLORIDA DEPARTMENT OF TRANSPORTATION REPORT

Secretary Abreu reported on the following:

- Secretary Abreu attended the Florida Transportation Builder's Association Annual Convention. The meeting provides a forum to discuss challenges and opportunities facing the Department and industry. Safety in work zones was the primary concern. DOT has met with Senator Sebesta, Bob Burleson, the Florida Highway Patrol, the Department of Highway Safety and Motor Vehicles, and the Florida Sheriff's Association and are working to address the issue.
- Attended the ITS of America Board of Directors' meeting and the theme was "promote information technology in transportation, increase safety and efficiency of transportation systems through use of technology." Secretary Abreu was elected to the Board of Directors for a three year term.
- Met with Governor Bush to present the Department's budget. The main issues discussed were:
 - The total Department budget for fiscal year 2004-05 is \$5.7 billion.
 - Operation, maintenance, preservation and other fixed costs are approximately \$1.97 billion or 35% of the Department's budget.
 - The Florida Intrastate Highway System (FHIS) and the Strategic Intermodal System (SIS) are \$1.38 billion or 25% of the Department's budget.
 - Transit is 15% of overall state funding and approximately 9.2% of the Department's overall budget.
 - Other Arterials, (not part of FIHS) is \$740 million or 13% of the Department's budget.
 - Planning, development and product support are \$1.5 billion or 18% of the Department's budget.
 - Privatization and reduction of positions plan; the Department has deleted 2,331 positions during the first three years of the five year plan. In fiscal year 2004-05 the Department proposes to delete 213 positions.
 - Governor Bush is very concerned about the Department's contract letting level dropping down to approximately \$1 billion within the next couple of years.
 - Other issues discussed were; operation centers, the Department's transit plan, Motor Carrier Compliance Office pay issues, and the Governor

reiterated his support for the FIHS and SIS, for the Department to continue to focus on movement of goods and people along major strategic systems, and focus on regional approach to spending.

- Recent personnel appointments:
 - Lowell Clary, Assistant Secretary for Finance and Administration replaces Cris Speer who will be retiring.
 - Ysela Llort, Acting Assistant Secretary for Intermodal Transportation System Development, pending approval of this new position by the Legislature.
- The Department has received \$170 million of new federal obligating authority from the federal government which is less than their “fair share.” The Secretary has designated \$140 million for the Strategic Intermodal System (SIS). **Chairman Durden** stated the Florida Legislature made it clear that they want the SIS emphasized.
- The Department’s Transit plan has been well received. Six points were discussed;
 - Compiling a list of new start projects, 17 projects identified.
 - Tour project sites and receive project briefing.
 - Develop project priorities and recommendations. Initial prioritization involves those projects with committed local revenues and/or demonstrates ability to raise local revenues. Seven projects currently meet these criteria.
 - Coordinating the Department’s plans and lobbying efforts with local governments, transit agencies, metropolitan planning organizations, and regional planning councils.
 - Pursue approval from the Federal Transit Administration (FTA) for prioritized projects. The Department is currently developing detailed finance plans which will be used to assist local agencies in receiving full funding grant agreements from FTA.
 - Work with congressional delegation to maximize funding for Florida. The plan has been presented to key individuals involved in the appropriation process.

Commissioner Calloway asked what is being done to encourage local governments to take more of an active role in planning transit. **Secretary Abreu** answered that it is very tough, that the Department did not want to be seen as “big brother.” **Commissioner Calloway** stated that it is important to work with local government, we have been losing federal money in the transit area due to lack of planning. Hopefully, we can find a way to communicate the idea to local governments the need to focus on public transit as a means as getting more of our “fair share” of transportation dollars. **Secretary Abreu** agreed with the statement but stated we also need to take care of smaller systems.

Commissioner Calloway asked if Broward or Palm Beach have any projects on the list of 17 projects. **Secretary Abreu** responded no to both.

STATE TRANSPORTATION NEEDS UPDATE

Dick Glaze of Glaze and Associates made a presentation to the Commission on *Estimates of State Transportation Needs 2005-2014* (for detailed information see handout).

Questions asked during the presentation were:

- **Norman Mansour** stated that \$2.4 billion for high speed rail (slide 8) is the entire cost of the project not the 10-year period of 2005-2014 that the report covers. Mr. Glaze agreed that the number is overstated and he would meet with Mr. Nazih Haddad, Executive Director of the High Speed Rail Authority, to determine the correct amount.
- **Laura Kelley** asked if the “available revenue” amounts on slide 9 includes additional bonding capacity of the Turnpike or the state infrastructure bank expansion. The Department responded that they are not included.

TEA-21 REAUTHORIZATION UPDATE

Lowell Clary, Assistant Secretary for Finance and Administration made the presentation for the Department. Mr. Clary stated that both the U.S. House and Senate appropriations bills for FY 2004 are moving forward. The bill for highways is \$33.8 billion which is \$2 billion higher than 2003 and \$4 billion higher than the President’s budget recommendation. The President has expressed concern over the higher expenditure in that the additional funds would reduce the highway trust fund balance. Continuing at the higher level the highway trust fund will run out. If the \$33.8 is approved Florida would receive an additional, one time, \$225 - \$275 million. In fiscal year 2003 the Department received an additional \$170 million one time increase. There has been very little activity on the funding side of TEA-21 Reauthorization. For the six year bill, the Administration has proposed a \$247 billion bill for highway, transit, and safety programs. The Senate is at \$311 billion and the House is at \$375 billion. The House plan includes a gas tax increase and indexing the gas tax. The Senate does not seem to be interested in additional taxes. The House Transportation and Infrastructure Committee will draw up a six month extension bill this week to extend TEA-21, the Senate will propose either a three or six month extension. Federal Highway Administration (FHWA) annually redistributes funds that other states have not been able to spend. Florida received \$16 million of the \$435 million redistributed. If Florida had received their “fair share” return of 90.5% Florida would have received an additional \$5 million for a total of \$21 million. The Department has expressed its concerns of not receiving their “fair share” to FHWA.

PERFORMANCE AND PRODUCTION REVIEW FOR FY 02/03

Mark Reichert presented the Performance and Production Review. He reported changes to this year’s report are the addition of two new measures for the Turnpike Enterprise: 1) toll revenue variance, and 2) SunPass Participation.

Mr. Reichert reported there are 35 measures, 20 Primary and 15 Secondary. The focus is on the primary measures. The Department met or exceeded 18 of the 19 primary objectives. There are 20 primary measures, but the objective for meeting the Turnpike Enterprise's SunPass Challenge is based on a date certain outside of the fiscal year in review. Overall, the Department met or exceeded 27 of the 33 measures with objectives. The one primary performance measure that was not met by the Department, on bridge repair contracts, was very close to the state objective. If bridge repair contracts that were added or advanced during the year were counted towards the plan, the Department would also have exceeded this measure. By the end of this past fiscal year the Department let \$1.525 billion in new projects, which is \$572 million less than last year's record of \$2.1 billion. However, last year's record amount included \$564 million in added contracts from the Governor's Economic Stimulus Package.

Mr. Reichert reported on five primary measures where the Department has made considerable improvements over the previous year's performance. The measures are:

- Pavement Condition;
- Construction Contract Time Adjustments;
- Construction Contract Cost Adjustments;
- Minority Business Enterprise Program; and
- Management of Toll Facility Operational Costs

Secretary Abreu responded to the one primary measure (Bridge Repair) not met. He stated that after further review it was found that two of the bridges listed as deferred were let to contract. The 10 remaining bridges deferred were inadvertently programmed for construction prior to completion of an on-going pier protection study. Following completion of the study, the bridges will be re-programmed if the need still exists.

Secretary Abreu presented a statewide overview of the Department's challenges and accomplishments. **Each District Secretary and the Executive Director of the Turnpike Enterprise** took a few minutes to report on the challenges and successes experienced over the past year in their perspective districts. (Please see "FDOT Statewide and District Challenges and Accomplishments" in the Commission's publication *Performance and Production Review of the Department of Transportation Fiscal Year 2002-2003* for details.)

Questions asked by Commissioners during this section were:

- **Commissioner Calloway** asked if we know how much is being saved by electronic toll collection. **Turnpike Enterprise Executive Director Jim Ely** responded that the cost per transaction of toll collections will decrease as the use of transponders increase. He also stated that as more customers use electronic toll collection the Turnpike Enterprise will recognize benefits of savings on infrastructure' e.g., will not have to spend as much on toll plazas and toll booths.
- **Commissioner Mansour** asked about the challenge of developing and implementing an advanced right-of-way process as a strategy to reduce cost. **District Secretary Ken Hartmann** responded typically during the work program process funds are not set aside for opportunity purchases. The process of

opportunity purchase is a lengthy process and needs to be streamlined. This issue has been presented to the Department's Executive Committee and is under further review.

- **Commissioner Holton** asked about the status of the I-4 connector in Hillsborough County. **District Secretary Ken Hartmann** responded that they have not heard anything certain on the federal level but FDOT has set aside funds.
- **Commissioner Holton** asked about hurricane evacuation routes on two lane roads. **District Secretary Edward Prescott** responded that due to funding they can only build small portions working north.

Commissioner Mansour moved to approve the report and Commissioner Watermeier seconded. The motion was approved.

The meeting adjourned at 11:50 a.m. central time.

MINUTES APPROVED _____ AS READ _____ AS AMENDED

THIS 17th DAY OF OCTOBER 2003

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.