
*PERFORMANCE AND
PRODUCTION REVIEW
OF THE
DEPARTMENT OF TRANSPORTATION
YEAR-END FY 1994/95*



FLORIDA TRANSPORTATION COMMISSION

Malcolm Kirschenbaum, Chairman
Burnett Bloodworth
John Browning, Jr.
Art Kennedy
David Kerr
Jim Kimbrough
Dick Nunis
Herminio San Roman
Lee Vause



Lawton Chiles
Governor

October 2, 1995

Honorable Lawton Chiles
Governor
The Capitol
Tallahassee, Florida

Honorable Jim Scott
President of the Senate
Room 409, The Capitol
Tallahassee, Florida

Honorable Peter Wallace
Speaker of the House
Room 420, The Capitol
Tallahassee, Florida

Dear Governor Chiles, President Scott and Speaker Wallace,

At its public meeting on August 31, 1995, the Commission conducted the *FY 1994/95 Performance and Production Review of the Department of Transportation*. Secretary Watts and all eight district secretaries were present and participated in the review.

For the fourth consecutive year, the Commission found Department performance was excellent in most major areas. A notable area of improvement was right of way acquisition, with the Department certifying right of way complete on 92% of plan -- five percentage points higher than the previous year, with a bigger plan this year.

In managing revenues to maximize production, the Department exhibited sound financial management strategies. The Department's cash on hand at year-end of \$454 Million was 19% of its total contractual commitments of \$2.4 Billion. This amount of cash would only pay Department bills for less than two months, and is universally misunderstood as representing a "surplus."

In last year's report we expressed concern with upward trends in construction contract time and cost, which we measure by comparing *original* contract time and cost with *final* time and cost. Our Performance Measures Working Group,

Performance and Production Review

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working with the Department, improved data monitoring and reporting methods reflected in this year's report, including explanations for contracts with highest time and cost increases. This year, upward trends continued: time increased by 28.7% (excluding "weather days") and cost increased by 10.8%. We agree with the Department that the underlying causes are several and complex -- and warrant immediate attention. Having achieved and sustained high levels of productivity, the Department needs to place more emphasis on the construction phase and containment of time and cost increases. Secretary Watts has initiated efforts that should lead to improvements and we will closely monitor progress.

The Commission is also concerned with trends in right of way negotiations: of all parcels acquired this year, 56% were negotiated purchases, a slight gain over the previous year, but still significantly lower than desired. Of those parcels negotiated, 53% were purchased within 10% of the Department's appraised value, a steady decline from four years ago when 67% of parcels were purchased within the 10% margin.


In part, negotiation rates and purchase rates have been negatively impacted by annual growth in the right of way program and necessary emphasis on meeting production schedules. However, as program size stabilizes, Department efforts to improve should reverse recent trends. Moreover, impacts of the recent law limiting property owner attorney fees may not be fully realized.

While these areas are of concern, they should not detract significantly from what was the Department's fourth consecutive year of excellent overall performance.

Each area evaluated is summarized in the Executive Synopsis which follows. Complete detail and comparisons with prior years' performance are shown in the body of the report.

We hope you find this report both meaningful and clear. We would welcome your comments or suggested improvements.

Respectfully,



Florida Transportation Commission
Malcolm R. Kirschenbaum, Chairman

Performance and Production Review

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cc: Honorable Buddy MacKay, Lieutenant Governor
Honorable Mario Diaz-Balart, Chairman, Senate Ways and Means
Honorable Buzz Ritchie, Chairman, House Appropriations Committee
Honorable Malcolm Beard, Chairman, Senate Transportation Committee
Honorable Kelley Smith, Chairman, House Transportation Committee
Members, Senate Transportation Committee
Members, House Transportation Committee
Honorable Rick Dantzler, Chairman, Senate Ways and Means Sub A
Honorable Alzo Reddick, Chairman, House Appropriations, Transportation
& Economic Development Subcommittee
Members, Senate Ways and Means Sub A
Members, House Appropriations, Trans. & Economic Development Sub
State Senators
State Representatives
Mr. Ben G. Watts, Secretary, Department of Transportation
Mr. Jim Skinner, Division Administrator, Federal Highway Administration

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EXECUTIVE SYNOPSIS
FY 1994/95

Consultant Acquisition: The statewide plan was to execute 559 consultant contracts. During the year, a total of 532 were executed, 95% of the total planned. A total of 31 consultant contracts were added to the plan and executed during the year. The plan was 11% larger than in FY 1993/94 and achievement of plan was 4% higher.

Actual dollar commitments of \$267.4 M. were 96% of the total consultant acquisition plan of \$277.7 M., leaving \$10.3 M. uncommitted. However, additions totaling \$11.6 M. were executed.

Right of Way Acquisition: The statewide right of way plan was to certify 108 projects. During the year, a total of 99 projects were certified, 92% of the total planned. Of the 9 projects not certified on schedule, three (3) have resulted in delays to the planned contract letting date. Eight (8) projects were advanced from future years and certified during the year. The plan was 16% larger than the plan for FY 1993/94, and achievement of plan was 5% higher than in FY 1993/94.

Of total parcels acquired during the year, 56% were negotiated purchases, which is 3% higher than the negotiation rate in FY 1993/94. Of parcels acquired by negotiation, 53% were acquired within 10% of the Department's appraised value, 8% lower than in FY 1993/94.

Of total right of way expenditures of \$303.5 M., slightly over 75% purchased land. About 19% or \$58.6 M. paid landowner fees and costs, of which \$35 M. was paid to landowners' attorneys.

Construction Contract Lettings: The statewide construction plan was to let 539 contracts. During the year, a total of 522 contracts were let, 97% of the total planned. Twenty-nine (29) contracts were advanced from future years to letting during the year, and 14 projects were added to the plan and let during the year. The plan was 0.2% smaller than the plan for FY 1993/94 and achievement of plan was 2% higher than in FY 1993/94.

The 522 projects let were estimated to cost a total of \$881.3 M., and were let at an actual cost of \$872.3 M., or 1% under estimated cost.

In dollars, the Department achieved 92% of plan, letting \$872.3 M. of a planned \$952.6 M. in construction, leaving \$80.3 M. uncommitted. Advanced and added projects let (totaling \$96.1 M.) increased the year's letting to a grand total of \$968.4 M., a decrease of 0.3% from the amount let in FY 1993/94.

Construction Contract Time Adjustments: For the 244 contracts completed during the year, the original contract time increased by 40.5% during the life of the contracts due to added days. Of that 40.5%, 11.8% was due to weather conditions and 28.7% was attributable to other additional time granted by the Department.

Excluding days added due to weather conditions --

On 49.2% of contracts completed, original time increased less than 20%;

On 21.3% of contracts completed, original time increased by 20% to <40%; and

On 29.5% of contracts completed, original time increased by 40% or more.

The percentage increase in original contract time of 28.7% due to additional time granted (excluding weather days) is 4.1% higher than in FY 1993/94.

Construction Contract Cost Adjustments: For the 244 contracts completed during the year, the total original contract amount of \$469.4 M. increased 10.8% due to supplemental agreements, for a total contract amount of \$519.9 M.

On 67.2% of contracts completed, original cost increased less than 10%;

On 19.7% of contracts completed, original cost increased by 10% to <20%; and

On 13.1% of contracts completed, original cost increased by 20% or more.

The percentage increase in original contract amount of 10.8% was 0.9% higher than in FY 1993/94.

Disadvantaged Business Enterprise (DBE) Achievement: For all construction and consultant contracts financed in part by federal funds, DBE participation was 16.4%, exceeding the 10% statutory goal. This performance was 1.3% lower than in FY 1993/94.

For all consultant contracts (including 100% state funded), DBE participation was 16.5%, exceeding performance for FY 1993/94 by 0.4%.

Value Engineering: Cost-savings resulting from implementation of value engineering recommendations totaled \$126.8 M. during the year (the cost of

administering the VE program is \$1.5 M. annually). This savings was a 150% increase from FY 1993/94, when \$50.8 M. in savings were achieved.

Commitment of Federal Funds: As of August 31, 1995, the Department had committed 100% (\$509 M. of a total of \$509 M.) of federal funds subject to forfeiture at federal fiscal year end (September 30th) if not committed.

The Department requested an additional \$70 M. in federal funds and received \$7.5 M. of the total requested.

Management of Administrative Costs: Department administrative costs were 2.0% of the total program for the year, or \$63.5 M. of a total program of \$3.2 B. Although administrative costs as a percentage of total program did not change in FY 1994/95, based on actual dollar amounts of administrative costs, there was an 8.5% increase in FY 1994/95 compared to FY 1993/94.

Cash Management: The year end cash balance of \$454 M. was 19% of total outstanding contractual obligations of \$2.4 B., 3% lower than in FY 1993/94.

Management of Toll Facility Operational Costs: The Department's cost to operate toll facilities during the year was 14.3 cents per toll transaction. This operational cost is 0.3 cents lower than in FY 1993/94.

Bridge Repair and Replacement: The actual year-end backlog of bridges needing repair was 2.7% lower than anticipated, indicating that the Department made good progress toward attaining the objective of 1,145 bridges needing repair by FY 1999/2000.

The actual year-end backlog of bridges needing replacement was 1.0% higher than anticipated, indicating that the Department did not make progress toward attaining the objective of 278 bridges needing replacement by FY 1999/2000.

Resurfacing: The actual year-end backlog of roads needing resurfacing was 11.1% higher than anticipated, indicating that the Department did not make progress toward attaining the objective of 5,020 lanes miles needing resurfacing by FY 1996/97.

Routine Maintenance: The Department achieved 104% of the objective of a system-wide maintenance rating of 80 by FY 1994/95, thus exceeding the objective.

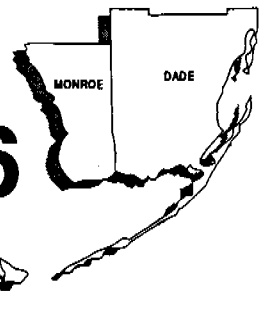
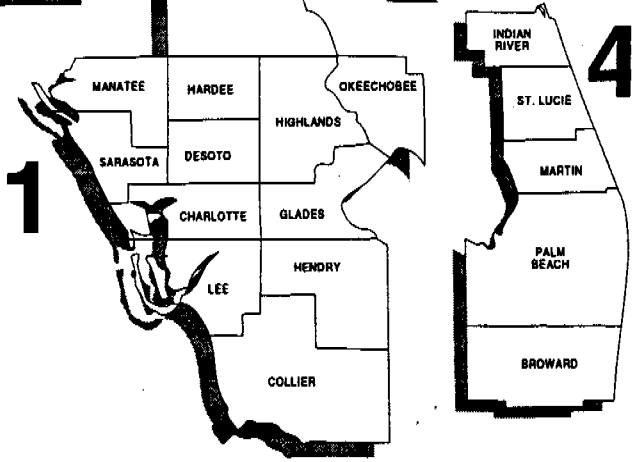
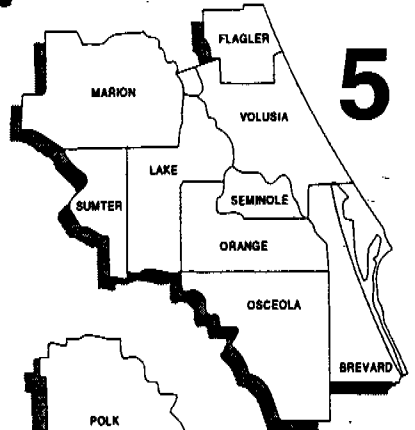
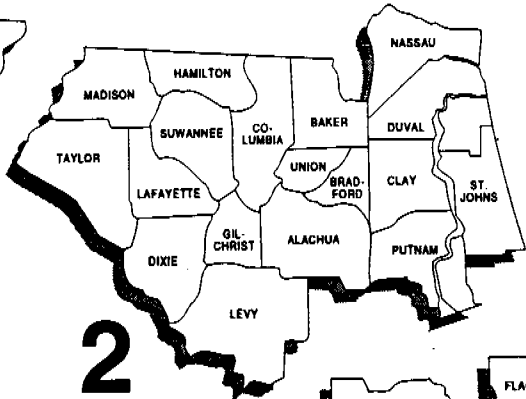
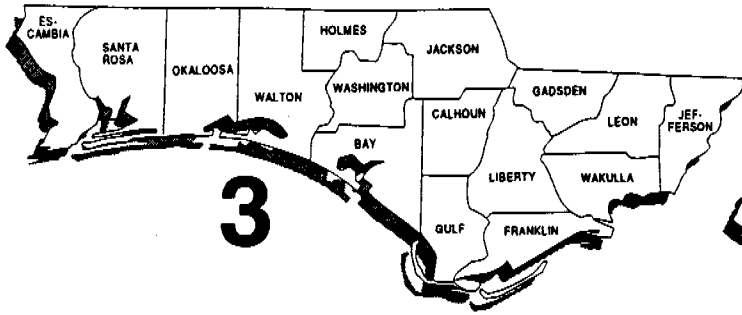
Safety: For the State Highway System, the preliminary CY 1994 fatal crash rate was 1.80 fatal crashes per 100 million vehicle miles traveled, exceeding the preliminary national rate of 1.55. This fatal crash rate was a decrease of 7% over CY 1993. Florida's rate exceeds the national rate by 16%.

Capacity Improvements, Highway: Of 290 lane miles of capacity improvement projects planned for letting, 288 lane miles or 99% were let. In addition, 39 lane miles were advanced to letting from future years and 5 lane miles were added to the plan and let.

Of 888 miles of the Florida Intrastate Highway System not meeting minimum lane standards as of July 1, 1993, 25 miles (3%) were let to construction in FY 1994/95 for improvement from 2 to 4 lanes. This brings a total of 53 miles (6%) of the 888 miles of 2 lane roads up to the 4 lane standard.

Capacity Improvements, Public Transportation: The Department achieved 78% of plan, committing \$194.5 M. of a total plan of \$248.0 M. in public transportation capacity improvement projects. Added projects totaling \$72.5 M. increased commitments to a total of \$267.0 M. The plan was 37% larger than in FY 1993/94 and achievement of plan was 7% lower than in FY 1993/94.

Customer Satisfaction Survey: The first survey of selected clients and partners of the Department resulted in an overall performance rating of 7.3 for the Department as a whole (rating of 1 is worst, rating of 10 is best). Regarding changes in Department performance over the last year, 38% of survey respondents felt that it had improved, 51% felt it had stayed the same, and 9% felt it had gotten worse.



DISTRICT 1

- Charlotte
- Collier
- De Soto
- Glades
- Hardee
- Hendry
- Highlands
- Lee
- Manatee
- Okeechobee
- Polk
- Sarasota

DISTRICT 2

- Alachua
- Baker
- Bradford
- Clay
- Columbia
- Dixie
- Duval
- Gilchrist
- Hamilton
- Lafayette
- Levy
- Madison
- Nassau
- Putnam
- St. Johns
- Suwannee
- Taylor
- Union

DISTRICT 3

- Bay
- Calhoun
- Escambia
- Franklin
- Gadsden
- Gulf
- Holmes
- Jackson
- Jefferson
- Leon
- Liberty
- Okaloosa
- Santa Rosa
- Wakulla
- Washington

DISTRICT 4

- Broward
- Indian River
- Martin
- Palm Beach
- St. Lucie

DISTRICT 5

- Brevard
- Flagler
- Lake
- Marion
- Orange
- Osceola
- Seminole
- Sumter
- Volusia

DISTRICT 6

- Dade
- Monroe

DISTRICT 7

- Citrus
- Hernando
- Hillsborough
- Pasco
- Pinellas

***COST-EFFICIENT &
EFFECTIVE BUSINESS
PRACTICES:
PRODUCTION***

CONSULTANT ACQUISITION

The production cycle of a road or bridge begins with the preliminary engineering and design phases. Although the Department employs engineers who perform these functions, it presently contracts with private-sector engineering consultants to produce approximately 65% of design plans. Unlike the construction contracting process in which the firm submitting the lowest responsible bid receives the contract, the consultant acquisition process is carried out pursuant to state law requiring competitive negotiations. Selection of consultants is based on quality of the technical proposal submitted. Following selection, price is negotiated.

In order for a project to progress on schedule to right of way acquisition and construction, the design consultant contract must be negotiated and signed (executed) in a timely manner. Further, delays in right-of-way acquisition and construction usually mean increased project cost.

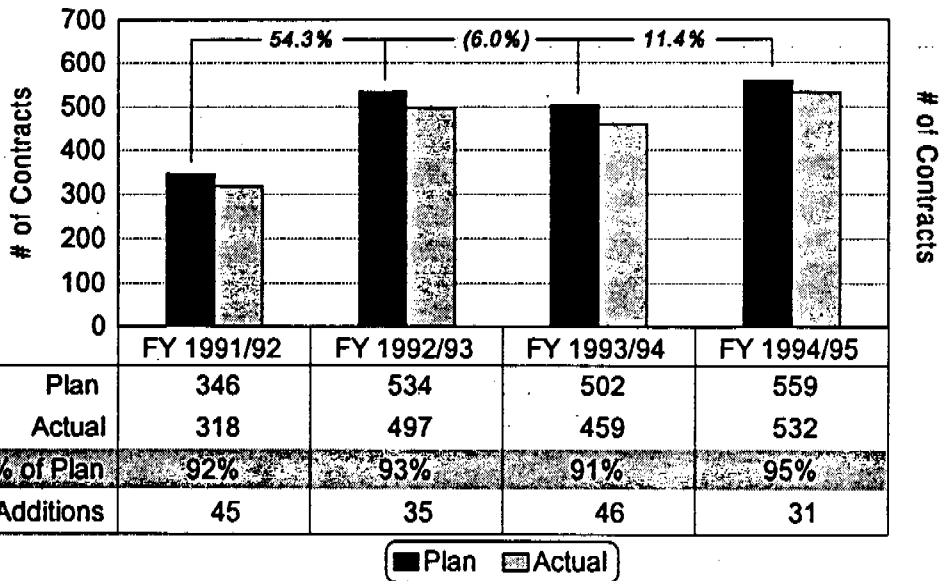
Measure	Number of Consultant Contracts Executed vs. Total Contracts Planned.
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This Measure assesses Department performance in initiating project engineering and design in accordance with the schedule committed to in the work program.

Performance:

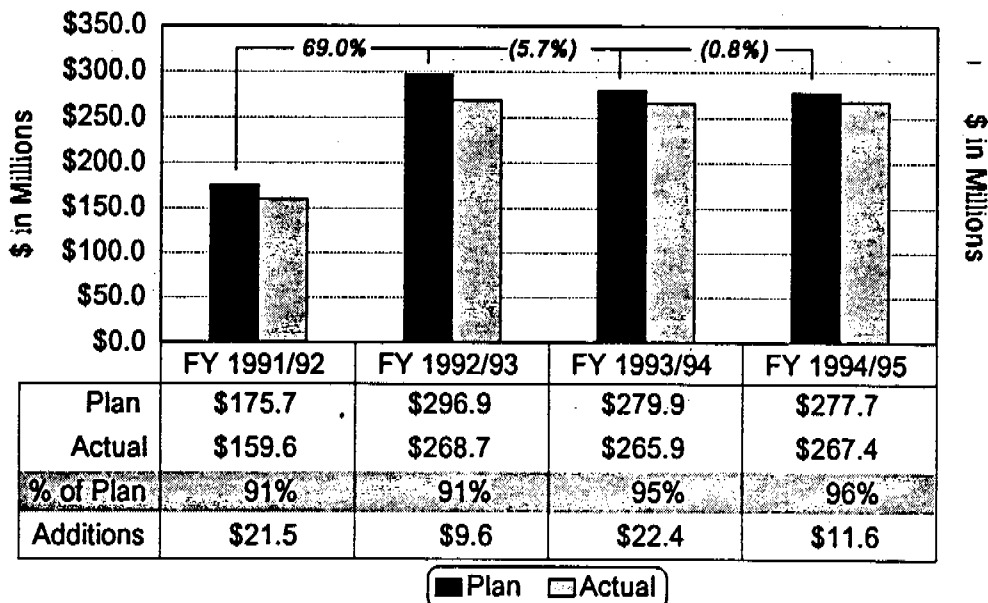
- The Department achieved 95% of plan, having executed 532 of 559 contracts planned for the year. A total of 31 consultant contracts were added and executed during the year.
- Actual dollar commitments of \$267.4 M. were 96% of the total consultant acquisition plan of \$277.7 M. A total of \$11.6 M. in contracts were added to the plan and executed during the year.
- The plan for FY 1994/95 was 11% larger than the plan for FY 1993/94.
- Department achievement of plan was 4% higher in FY 1994/95 than in FY 1993/94.

STATEWIDE CONSULTANT ACQUISITION # of Contracts by Fiscal Year



Consultant Acquisition Includes: Design, R/W Support, and Construction Engineering Inspection (CEI)

STATEWIDE CONSULTANT ACQUISITION \$ Amount by Fiscal Year



Consultant Acquisition Includes: Design, R/W Support, and Construction Engineering Inspection (CEI)

CONSULTANT ACQUISITION
Fiscal Year 1994/95 - Summary by District

District 1: The district planned to execute 59 consultant contracts, of which 59 were executed during the year, 100% of the total number planned. Actual dollar commitments of \$29.4 M. were 98% of planned commitments totaling \$30.0 M.

District 2: The district planned to execute 58 consultant contracts, of which 57 were executed during the year, 98% of the total number planned. Actual dollar commitments of \$19.4 M. were 91% of planned commitments totaling \$21.2 M.

Explanation of 1 Planned Contract (\$0.6 M.) Not Executed:

- One design contract to enlarge rest area delayed after public involvement decision was made to redesign rest area to same size as existing rest area. This action delayed the need to execute consultant contract.

District 3: The district planned to execute 132 consultant contracts, of which 124 were executed during the year, 94% of the total number planned. Actual dollar commitments of \$36.3 M. were 111% of planned commitments totaling \$32.6 M.

Explanation of 8 Planned Contracts (\$2.1 M.) Not Executed:

- One PD&E/design contract for I-110 extension delayed pending completion of I-10 Master Plan.
- Two design contracts for bridge rehabilitation delayed due to insufficient funds. Both contracts executed July, 1995.
- Two design contracts to add bike paths delayed due to consultant's price proposal being much higher than the Department's estimated cost.
- One PD&E/design contract to add a bike path and sidewalk to county road delayed due to change of scope of the project by the county.
- One PD&E/design contract to add a bike path and sidewalk to county road deleted due to problem of unforeseen structures within the right of way.
- One CEI contract delayed due to insufficient funds. Contract executed July, 1995.

District 4: The district planned to execute 78 consultant contracts, of which 72 were executed during the year, 92% of the total number planned. Actual dollar commitments of \$38.7 M. were 90% of planned commitments totaling \$42.9 M.

Explanation of 6 Planned Contracts (\$2.2 M.) Not Executed:

- One design contract for bridge widening project deferred at the request of local government.
- One design contract delayed due to one local government not providing local matching funds as required and another local government providing the matching funds. This action delayed Department execution of the contract.
- Three CEI contracts delayed until early FY 1995/96 to be closer to the construction letting date.
- One CEI contract deleted because the bridge rehabilitation project may not be needed if the replacement of the controversial project is let in the near future.

District 5: The district planned to execute 60 consultant contracts, of which 59 were executed during the year, 98% of the total number planned. Actual dollar commitments of \$29.0 M. were 97% of planned commitments totaling \$29.9 M.

Explanation of 1 Planned Contract (\$0.1 M.) Not Executed:

- One design contract to renovate a train station was deleted at the request of local government.

District 6: The district planned to execute 37 consultant contracts, of which 35 were executed during the year, 95% of the total number planned. Actual dollar commitments of \$14.3 M. were 71% of planned commitments totaling \$20.3 M.

Explanation of 2 Planned Contracts (\$8.9 M.) Not Executed:

- One CEI contract delayed due to insufficient funds.
- One CEI contract delayed because construction letting was held up pending permit approval.

District 7: The district planned to execute 78 consultant contracts, of which 78 were executed during the year, 100% of the total number planned. Actual dollar commitments of \$48.8 M. were 113% of planned commitments totaling \$43.4 M.

Turnpike: The district planned to execute 55 consultant contracts, of which 46 were executed during the year, 84% of the total number planned. Actual dollar commitments of \$49.7 M. were 89% of planned commitments totaling \$55.5 M.

Explanation of 9 Planned Contracts (\$0.6 M.) Not Executed:

- Eight right of way support contracts for the Suncoast Parkway delayed due to redesign being required as a result of change in revenue projection.
- One CEI contract not necessary due to rejection of bids on the construction contract.

Central Office:

The Central Office planned to execute 2 consultant contracts, of which 2 were executed during the year, 100% of the total number planned. Actual dollar commitments of \$1.9 M. were 103% of planned commitments totaling \$1.8 M.

RIGHT OF WAY ACQUISITION

Since no construction contract is let until all right of way parcels needed for the project are acquired and certified as "clear" (ready for construction to proceed), an efficient and economically effective right of way program is an essential component of productivity.

Although the Department successfully negotiates the purchase of about 56% of right of way parcels, costly and lengthy condemnation proceedings must be pursued on the remaining 44% of needed parcels (title to a parcel is acquired by the State a few months after filing suit allowing construction to commence; however, court proceedings to determine the amount of compensation to be paid to the property owner may occur 2 or 3 years later). Federal and state constitutional provisions, as well as state statutes, provide safeguards for the property owner whose land is being taken, including payment of his attorney fees and costs, and the right to a 12-member jury trial to determine just compensation. The timing of required court proceedings and the amount ultimately paid for the property are subject to many factors beyond the Department's control.

A successful right of way program is one that maximizes cost avoidance strategies during negotiation and condemnation, and completes parcel acquisition in a timely manner, avoiding delays in letting the project to construction.

In the usual production cycle of a road or bridge referred to above, the necessary right of way is acquired immediately prior to the start of construction. By contrast, the Department's "advance acquisition" program, approved by voters as a constitutional amendment and subsequently authorized by the 1990 Legislature, allows the Department to acquire right of way several years in advance of the proposed construction date.

Using bond proceeds to finance the program, the Department will buy now, rather than later when value has appreciated, land that will be needed for planned future roads or for widening existing roads. In many cases, not only will the State receive the benefit of today's lower prices, but it will also buy needed land before commercial or residential development has occurred, thereby avoiding large sums paid to property owners in damages and relocation expenses.

Measure	Number of Projects Certified vs. Number of Projects Scheduled for Certification.
Explanatory Data	<p>This Measure assesses how well the Department performs in certifying as "clear" or ready for construction, all parcels needed for construction letting. Failure to certify on schedule all parcels for a given project may delay the project and therefore increase project cost.</p> <p>Number of Parcels and dollar value of parcels acquired by negotiation vs. condemnation.</p> <p>Actual land value negotiated vs. DOT appraised value: Number and dollar value of parcels acquired at appraised value, over 0-10% above appraisal, over 10-20% above, and over 20% and above.</p> <p>Final judgment amount vs. total DOT estimated compensation vs. total property owner's claim.</p> <p>Of total right of way expenditures, the percent and dollar value used to purchase land vs. percent and dollar value expended for associated land acquisition costs.</p>

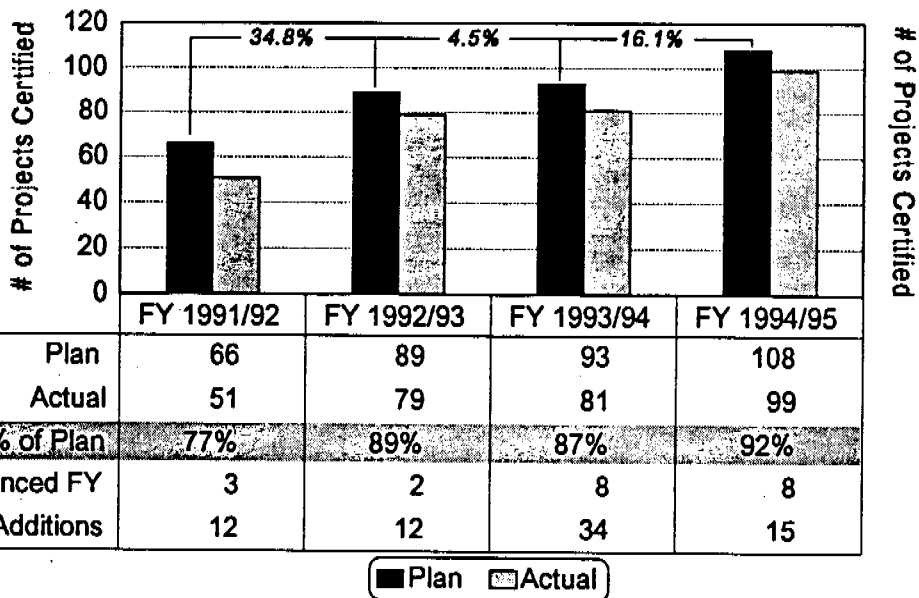
Performance:

- The Department achieved 92% of plan, having certified right of way on 99 of 108 projects planned for the year. Of the 9 projects not certified, 3 have delayed planned construction lettings. Eight (8) projects planned for certification in future years were advanced to certification. Fifteen (15) projects were added and certified during the year.
- The plan for FY 1994/95 was 16% larger than the plan for FY 1993/94. Department achievement of plan was 5% higher in FY 1994/95 than in FY 1993/94.
- Of the total parcels acquired, 56% were negotiated purchases, which is 3% higher than the negotiation rate in FY 1993/94 of 53%.
- Of parcels acquired by negotiation during FY 1994/95, 53% were acquired at or within 10% of the Department's appraisal, 8% lower than FY 1993/94, when 61% were acquired at or within 10% of Department appraisal.

- From the standpoint of where final judgment amounts fell in the spread between the Department's appraised value and the landowner's appraisal or demand, the following occurred during FY 1994/95:
 - For the average settlement, the final judgment was 35% of the spread;
 - For the average mediation, the final judgment was 41% of the spread;
 - For the average verdict, the final judgment was 35% of the spread.
- Comparing with prior year performance:
 - For the average settlement, final judgments were 2% more toward the landowner's demand than in FY 1993/94 when they were 33% of the spread.
 - For the average mediation, final judgments were 17% more toward the Department's appraisal than in FY 1993/94 when they were 58% of the spread.
 - For the average verdict, final judgments were 18% more toward the Department's appraisal than in FY 1993/94 when they were 53% of the spread.
- Right of Way expenditures totaled \$303.5 M. Of that total, slightly over 75% purchased land. About 19% or \$58.6 M. paid landowners' fees and costs, 60% or \$35 M. of that being paid to landowners' attorneys.
- Percentage of landowner's fees and cost paid to landowner attorneys increased 10%, from 50% in FY 1993/94 to 60% in FY 1994/95.

STATEWIDE RIGHT OF WAY ACQUISITION

of Projects Certified by Fiscal Year



"Certified" is when all parcels are acquired on a project and the construction phase is ready to proceed.

RIGHT OF WAY CERTIFICATION
Fiscal Year 1994/95 - Summary by District

District 1: The district planned to certify right of way for 16 projects, of which 15 were certified during the year, 94% of the total number planned.

Explanation of 1 Planned Project Not Certified:

- One project delayed due to the county not acquiring the one parcel as planned.

District 2: The district planned to certify right of way for 12 projects, of which 9 were certified during the year, 75% of the total number planned.

Explanation of 3 Planned Projects Not Certified:

- One project (right of way for weigh station) delayed due to site problem (wetlands).
- One project not certified due to longer than planned (60 days built into plan) setting of Order of Taking hearing.
- One project (enhancement project to purchase railroad right of way) delayed due to railroad requesting that the Department purchase the entire parcel instead of a portion of the parcel. This action required an updated appraisal report.

District 3: The district planned to certify right of way for 19 projects, of which 19 were certified during the year, 100% of the total number planned.

District 4: The district planned to certify right of way for 7 projects, of which 7 were certified during the year, 100% of the total number planned.

District 5: The district planned to certify right of way for 26 projects, of which 22 were certified during the year, 85% of the total number planned.

Explanation of 4 Planned Projects Not Certified:

- One project delayed due to Florida Cabinet denying the Department a submerged land easement required to replace bridge. To obtain the required easement the bridge has to be redesigned from 9' elevation to 12' elevation.

- One project delayed due to redesign as result of MPO lane change from 4 to 3 lanes.
- One project to widen from 2 to 6 lanes not certified. The Department has acquired all 175 parcels needed but the permit (from Water Management District) has expired. New permit will require additional property.
- One project delayed due to project being redesigned to benefit both the Department and property owner (avoid damage to remainder of property).

District 6: The district planned to certify right of way for 7 projects, of which 7 were certified during the year, **100%** of the total number planned.

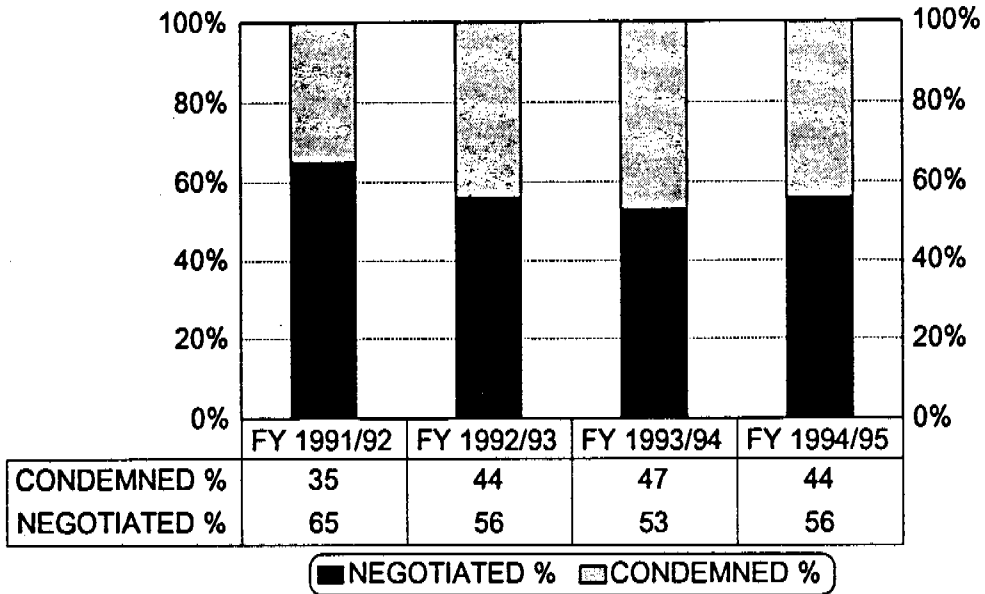
District 7: The district planned to certify right of way for 20 projects, of which 19 were certified during the year, **95%** of the total number planned.

Explanation of 1 Planned Project Not Certified:

- One project delayed. The Department has acquired 52 of 53 parcels needed. The remaining parcel is the site of a historic school house which has lengthened the acquisition process. The Department is working with the owner, Hillsborough County, to resolve the issues and should certify the project by the end of September.

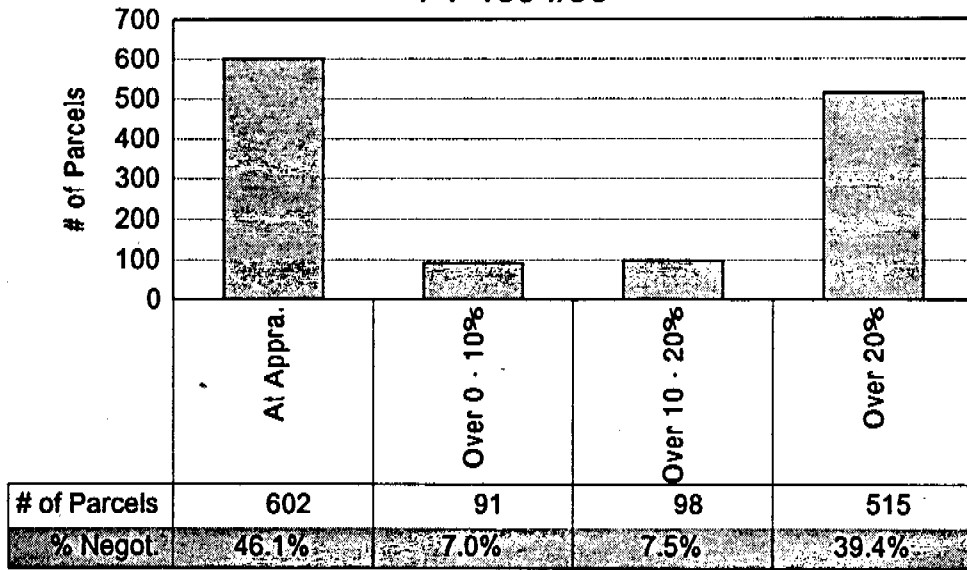
Turnpike: The district planned to certify right of way for 1 project, of which 1 was certified during the year, **100%** of the total number planned.

**NEGOTIATED AND CONDEMNED PARCELS
PERCENTAGE RATES
by Fiscal Year**



Note: Includes parcels acquired by donation.
Does not include voided parcels.

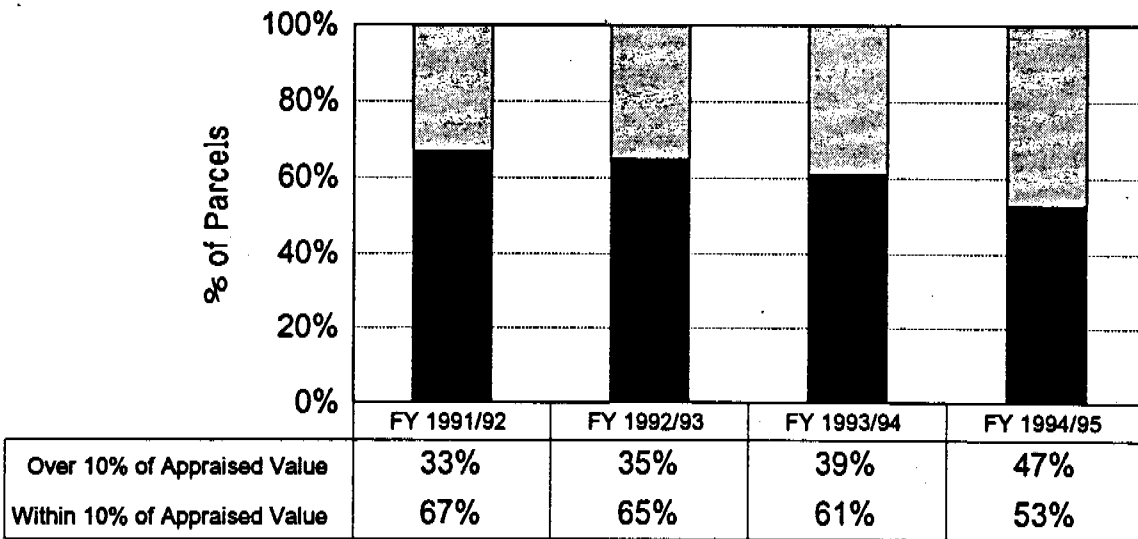
RIGHT OF WAY LAND ACQUISITION
Parcels Negotiated vs. DOT Appraised Value
FY 1994/95



1,306 Parcels Negotiated

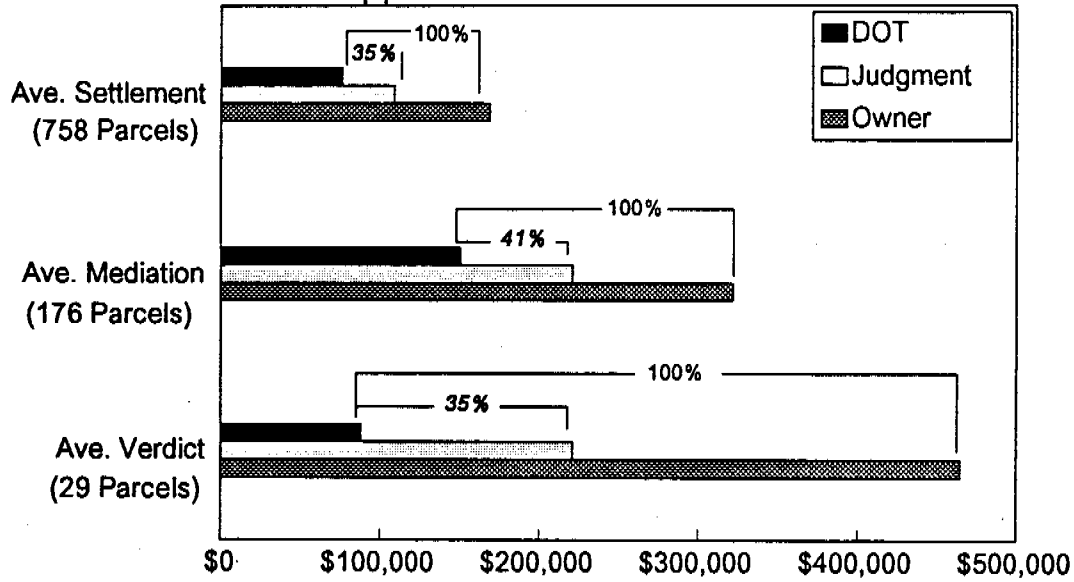
Note: In addition, 174 parcels were acquired by donation.

PARCELS NEGOTIATED WITHIN 10% OF DOT APPRAISED VALUE
Percentage Rates by Fiscal Year



■ Within 10% of Appraised Value
 □ Over 10% of Appraised Value

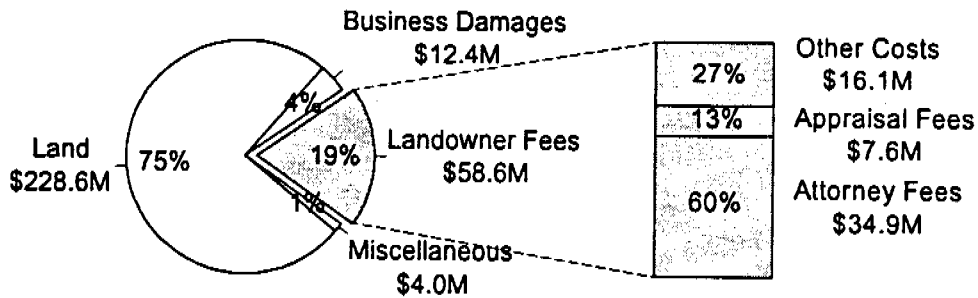
AVERAGE FINAL JUDGMENT
as % of Spread Between
DOT Appraisal and Owner's Demand



Note: "Settlement" is a final judgment wherein all interests in a parcel are resolved prior to trial and outside mediation. "Mediation" is a settlement achieved during a formal session mediated by an approved 3rd party mediator. "Verdict" is a final judgment following trial.

	DOT	Judgment	Landowner
Average Settlement	\$ 76,445	\$108,824	\$169,098
Average Mediation	\$150,990	\$221,529	\$322,228
Average Verdict	\$ 88,335	\$221,404	\$464,673

RIGHT OF WAY EXPENDITURES
STATEWIDE SUMMARY
Fiscal Year 1994/95



Statewide Total = \$303.5 M

R/W Expenditures	FY 1993/94		FY 1994/95		Change	
	\$	%	\$	%	\$	%
Statewide						
Land	\$194.5	76%	\$228.6	75%	\$34.1	(1%)
Business Damages	\$ 12.5	5%	\$ 12.4	4%	(\$0.1)	(1%)
Landowner Fees	\$ 45.5	18%	\$ 58.6	19%	\$13.1	1%
Miscellaneous	\$ 3.1	1%	\$ 4.0	1%	\$ 0.9	0%
Total	\$255.6		\$303.5		\$47.9	

Landowner Fees	FY 1993/94		FY 1994/95		Change	
	\$	%	\$	%	\$	%
Statewide						
Attorney Fees	\$ 22.5	50%	\$ 34.9	60%	\$12.4	10%
Appraisal Fees	\$ 6.5	14%	\$ 7.6	13%	\$ 1.1	(1%)
Other Costs	\$ 16.5	36%	\$ 16.1	27%	(\$ 0.4)	(9%)
Total	\$ 45.5		\$ 58.6		\$13.1	

CONSTRUCTION CONTRACTS

Each year, the Department develops a detailed plan (work program) of the transportation projects it has committed to undertake during the next and ensuing 4 years. The Department schedules each project by phase (e.g., design, right-of-way, construction) and estimates the cost of each phase. The construction phase cannot begin until the Department lets the project (carries out the bidding process) and awards a construction contract to the lowest responsible bidder, the construction firm that will actually build the facility, be it a road, bridge or other structure.

The construction phase results in the final, tangible product of the Department and the construction program comprises 39% of total dollars in the work program. The public's foremost concern is "Did the Department build the projects it committed to build, and did it do so *when* it promised to?" The following measure and data, collectively, assess the department's performance in keeping its commitments to initiate the construction of planned roads, bridges and other transportation facilities.

Measure	Number of Projects Let vs. Planned for Letting
	This Measure assesses how well the Department performed in letting construction contracts on the projects it committed to let to construction during the year.
Explanatory Data	Actual Contract Amount of Projects Let vs. Total Plan Amount

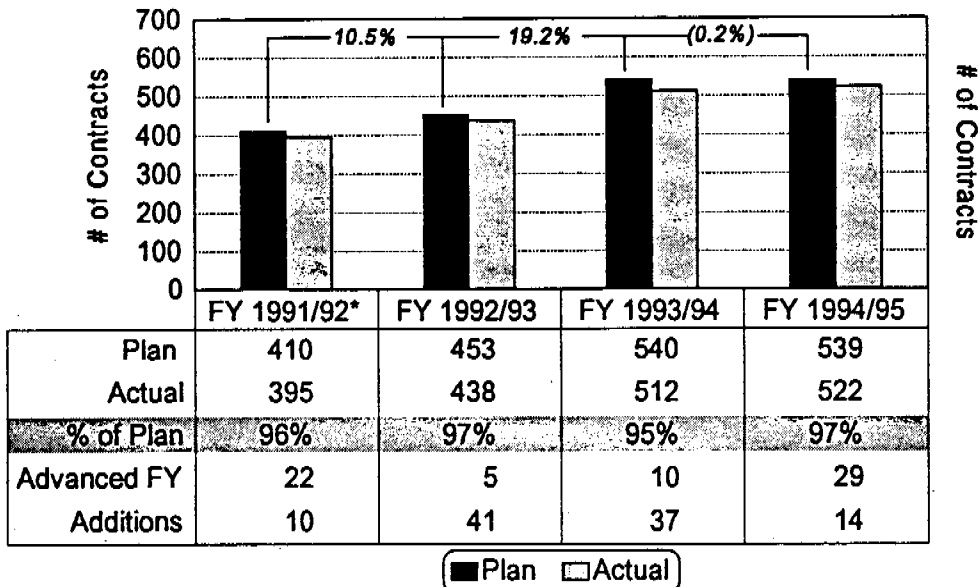
Performance:

- The Department achieved 97% of plan, having let 522 of 539 projects planned for the year. Twenty-nine (29) projects were advanced from future fiscal years to letting. Fourteen (14) projects were added and let during the year.
- Dollar commitments of \$872.3 M. were 92% of total planned construction lettings of \$952.6 M., leaving \$80.3 M. uncommitted. However, \$65.6 M. in projects were advanced from future years to letting in FY 1994/95 and \$30.5 M. in projects were added to the plan and let during the year, increasing total lettings to \$968.4 M.

- The 522 projects let were estimated to cost a total of \$881.3 M., and were let at an actual cost of \$872.3 M., or 1% under estimated cost.
- The plan for FY 1994/95 was 0.2% smaller than the plan for FY 1993/94. Department achievement of plan was 2% higher in FY 1994/95 than in FY 1993/94.
- From a dollar standpoint, the plan for FY 1994/95 was 3.6% larger than the plan for FY 1993/94.
- The total dollar volume let (includes additions and advances) during FY 1994/95 (\$968.4 M.) was a decrease of 0.3% from the amount let in FY 1993/94 (\$971.8 M.).
- With regard to advancements, the Department advanced 29 projects during FY 1994/95 compared to 10 projects advanced to letting from future years in FY 1993/94.

STATEWIDE CONTRACT LETTINGS

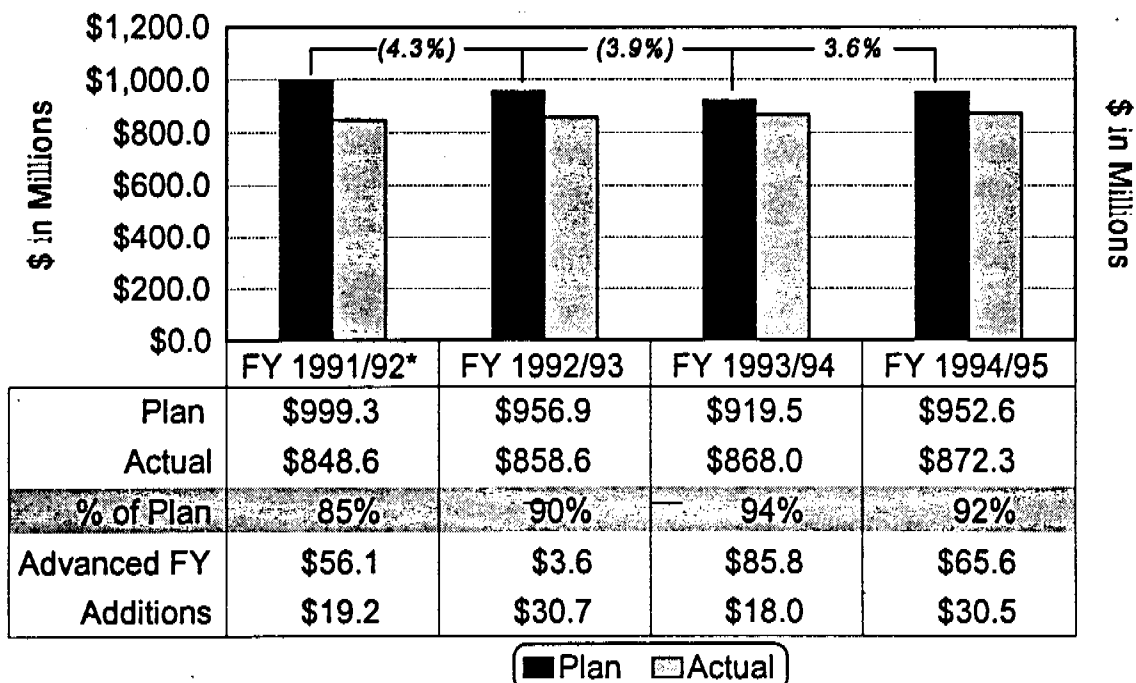
of Contracts by Fiscal Year



* Number of contracts (FY 1991/92) adjusted to include those with an estimated value of less than \$250,000.

STATEWIDE CONTRACT LETTINGS

\$ Amount by Fiscal Year



CONSTRUCTION CONTRACT LETTINGS
Fiscal Year 1994/95 - Summary by District

District 1: The district planned to let 60 contracts, of which 59 were let during the year, 98% of the total number planned. Actual dollar commitments of \$80.2 M. were 94% of planned construction lettings of \$85.5 M.

Explanation of 1 Planned Contract (\$12.2 M.) Not Let:

- One bridge replacement contract delayed due to lengthy process of obtaining dredge and fill permit from Department of Environmental Protection and objections filed during Chapter 120 process.

District 2: The district planned to let 88 contracts, of which 85 were let during the year, 97% of the total number planned. Actual dollar commitments of \$79.8 M. were 90% of planned construction lettings of \$88.8 M.

Explanation of 3 Planned Contracts (\$0.3 M.) Not Let:

- One ferry dock repair contract delayed due to change in scope of the project to meet the terms of an agreement to turn ferry operation over to the local government.
- One "Rails to Trails" contract delayed at the request of local government to consolidate two projects. The original plan was to split this project over 2 years.
- One contract delayed due to right of way certification delays. The Department had to negotiate a flooding agreement for the remainder of the parcel. Flooding agreements is a new area and complicated the appraisal.

District 3: The district planned to let 103 contracts, of which 97 were let during the year, 94% of the total number planned. Actual dollar commitments of \$171.5 M. were 97% of planned construction lettings of \$177.1 M.

Explanation of 6 Planned Contracts (\$2.3 M.) Not Let:

- One intersection improvement contract delayed due to need for additional right of way.
- One intersection improvement contract, entered into plan at request of local government, delayed at the request of local government.

- One contract to add "family rest rooms" at Interstate rest areas delayed due to insufficient funds to design the project.
- One lighting contract delayed due to protracted negotiations with design consultant regarding contract amount.
- One bike path contract delayed due to problems with developing the design plans.
- One bike path contract, entered into plan at request of local government, deleted at the request of local government when plans were in Tallahassee being processed for letting.

District 4: The district planned to let 62 contracts, of which 62 were let during the year, 100% of the total number planned. Actual dollar commitments of \$96.5 M. were 107% of planned construction lettings of \$90.5 M.

District 5: The district planned to let 92 contracts, of which 87 were let during the year, 95% of the total number planned. Actual dollar commitments of \$152.2 M. were 91% of planned construction lettings of \$167.9 M.

Explanation of 5 Planned Contracts (\$9.6 M.) Not Let:

- One contract delayed due to redesign as result of MPO lane change from 4 to 3 lanes.
- One contract delayed due to Florida Cabinet denying the Department a submerged land easement required to replace bridge. To obtain the required easement the bridge had to be redesigned from 9' to 12' elevation.
- One bridge repair contract delayed due to scope being increased during design phase to accommodate additional needs.
- One bridge replacement contract delayed due to an objection filed on the permit requested from the Water Management District.
- One contract to add "family rest rooms" at Interstate rest areas delayed due to project design being transferred from the Central Office to District. The District did not complete the design in time to let the project this Fiscal Year.

District 6: The district planned to let 38 contracts, of which 36 were let during the year, 95% of the total number planned. Actual dollar commitments of \$65.2 M. were 63% of planned construction lettings of \$103.9 M.

Explanation of 2 Planned Contracts (\$46.7 M.) Not Let:

- One contract deleted since the local government did not obtain the required right of way as agreed upon. The Department moved the funds to another project.
- One bridge replacement contract delayed due to pending permit approval and objections by residents in the nearby area.

Note: A priority change by the MPO resulted in addition of a \$24.2 M. project.

District 7: The district planned to let 69 contracts, of which 69 were let during the year, 100% of the total number planned. Actual dollar commitments of \$189.4 M. were 100% of planned construction lettings of \$189.0 M.

Turnpike: The district planned to let 26 contracts, of which 26 were let during the year, 100% of the total number planned. Actual dollar commitments of \$37.4 M. were 75% of planned construction lettings of \$49.7 M.

**Central
Office:**

The Central Office planned to let 1 contract, of which 1 was let during the year, 100% of the total number planned. Actual dollar commitments of \$0.2 M. was 100% of planned construction letting of \$0.2 M.

CONSTRUCTION CONTRACT ADJUSTMENTS

After the Department and construction firm contract for construction of a road or bridge project and work commences, the contract time (number of days to complete the project established by the Department) and contract amount (cost of the project established by lowest responsible bid) may be adjusted due to a variety of factors. These factors include time lost due to rain or other inclement weather conditions, unanticipated environmental or soil conditions (e.g., discovery of hazardous waste on a site), design plan defects or omissions, and economic or workforce-related problems of the construction contractor.

Some extension of time beyond the original contract time is anticipated due to unfavorable weather conditions. However, when a contractor fails to complete the project within the original contract time plus any authorized time extensions, he is declared delinquent by the Department and must pay liquidated damages for each day he is delinquent.

It is generally accepted in the construction industry that the contract amount will increase by a small percentage of the original low bid amount due to a variety of unanticipated conditions and unexpected events. Such cost increases are authorized by "supplemental agreement" (contract amendment authorizing contractor to perform additional work and to receive additional payment). In the event that the Department disagrees with a request for additional payment by the contractor, the contractor files a claim, which when resolved (through administrative or legal channels), may be paid in part or in full and may also add to project cost.

The public expects that a project will be delivered "within budget and on schedule." It is important to assess how well the Department manages its construction contracts as it relates to containment of cost and schedule overruns. As explained above, however, some causes of overruns are beyond the Department's control.

On the following pages, Contract Time Adjustments and Contract Cost Adjustments are covered in detail.

CONTRACT TIME ADJUSTMENTS

The original contract time will predictably increase due to time extensions granted for inclement weather conditions. Beyond "weather days," additional time is granted for a variety of other reasons, including extra work, special events (parades, etc.), plan or design errors, material testing delays, and utility relocation delays. Additional days are granted by the Department through time extensions, which grant additional time only, and through supplemental agreements, which authorize additional work and often necessitate additional days. The bulk of added days are authorized through supplemental agreements.

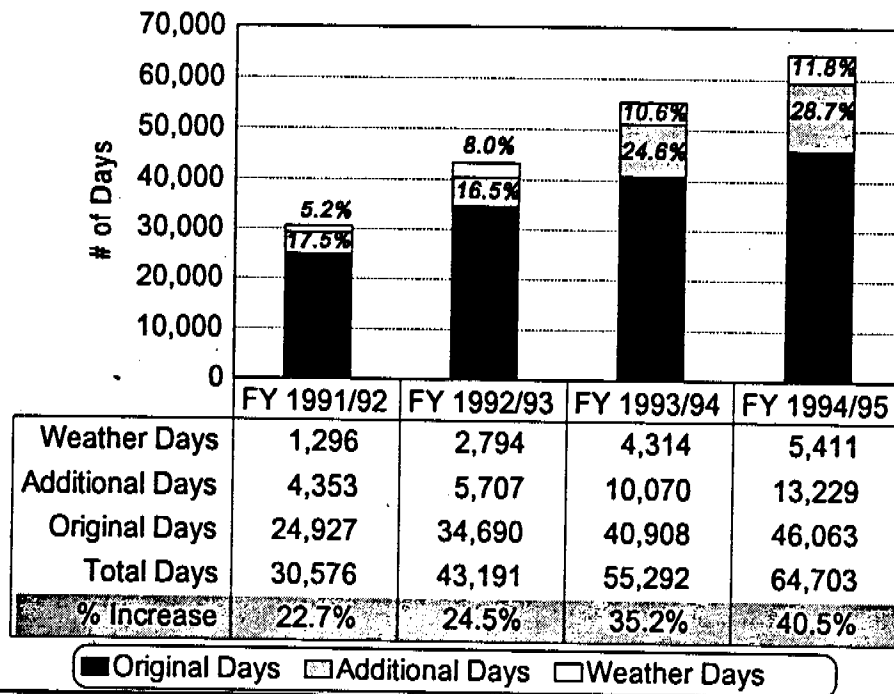
Measure	For all Construction Contracts Completed during the Fiscal Year, the Original Contract Time vs. Final Contract Time.
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This Measure assesses the Department's performance in containing schedule overruns and indicates, for those factors within the Department's control, where Department performance can improve.

Performance:

- For the 244 contracts completed during FY 1994/95, the original contract time increased by 40.5% as a result of added days. Of that 40.5%, weather days accounted for 11.8% of the increase. The remaining 28.7% increase in time was due to time extensions and supplemental agreements granted by the Department.
- The percentage increase in original contract time of 28.7% due to additional days granted (excluding weather days) is 4.1% higher than in FY 1993/94.
- Weather days increased 25.4% over the prior year and other additional days increased by 31.4%.
- On 49.2% of all contracts completed during the year, the original contract time increased by less than 20% as a result of additional days granted (excluding weather days); on 21.3%, the original contract time increased by at least 20% but less than 40%; and on 29.5% of all contracts completed, the original contract time increased by 40% or more.

CONTRACT TIME ADJUSTMENTS: Contracts Completed
Original Contract Time vs. Final Contract Time, *By Fiscal Year*



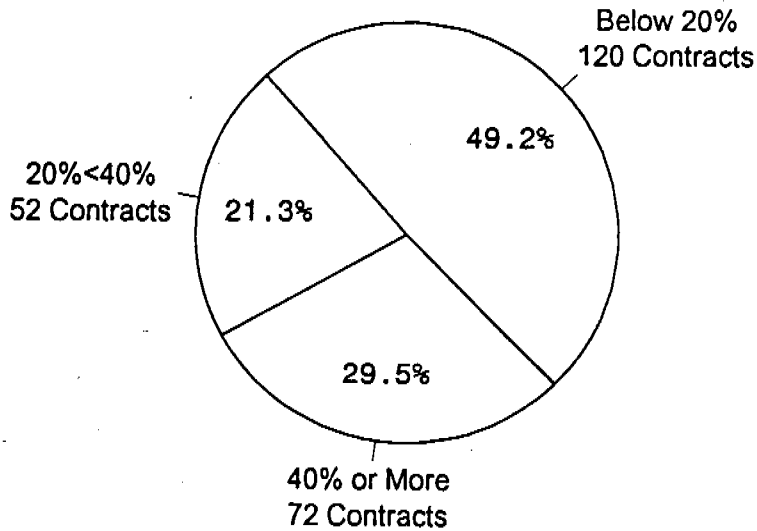
Detail: Comparison of Time Increases by Fiscal Year

Days	FY 1993/94	FY 1994/95	% Change
Weather Days	4,314	5,411	25.4%
Additional Days	10,070	13,229	31.4%
TOTAL	14,384	18,640	29.6%
Number of Contracts	216	244	

Notes:

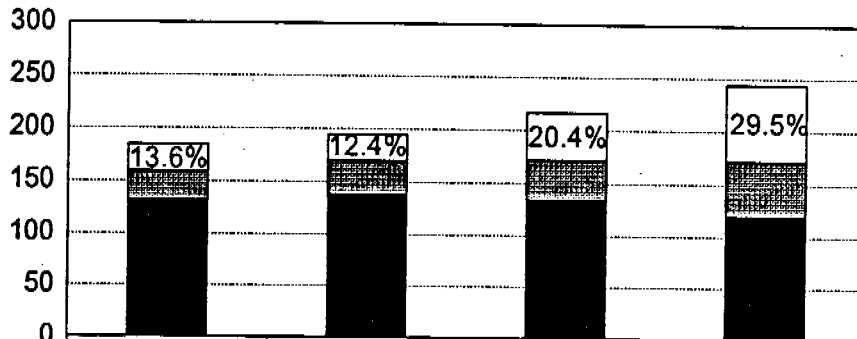
- o "Contracts completed" are contracts on which final estimate was completed, all known claims were settled and documentation passed to the Comptroller's Office for final payment during the fiscal year.
- o "Additional days" are days, other than weather days, authorized by the Department by time extensions or supplemental agreements.
- o A one time adjustment in prior year data has been made to reflect improvements in data collection methods implemented this year.

CONTRACT TIME ADJUSTMENTS: Contracts Completed
Number of Contracts vs. Percentage Over Original Time
FY 1994/95



Excludes weather days

CONTRACT TIME ADJUSTMENTS: Contracts Completed
Number of Contracts vs. Percentage Over Original Time
By Fiscal Year



	FY 1991/92	FY 1992/93	FY 1993/94	FY 1994/95
40% or More	25	24	44	72
20% < 40%	27	32	38	52
Below 20%	132	138	134	120
Total	184	194	216	244

Below 20%
 20% < 40%
 40% or More

Excludes weather days

CONTRACT TIME ADJUSTMENTS
Fiscal Year 1994/95 - Summary by District

District 1: Of a total of 30 construction contracts completed during the year, the district had 9 contracts (30%) where time adjustments increased the original contract time by at least 40%. Of those nine contracts, five had 90 or more added days and are explained below:

- A Bascule Bridge rehabilitation project with a scope of work that included structural steel, control house renovation, fender system repair and painting had an **original contract time of 90 days**. This was extended by **154 days (171.1%)** due to additional work, delays associated with differing site conditions, unforeseen conditions and weather related impacts.
- A contract consisting of resurfacing along with upgrading the existing signalized intersections had an **original contract time of 90 days**. The contract was extended by **126 days (140%)** due to revisions of the signalization plans which necessitated additional shop drawings, time for fabrication, and additional work not anticipated by the original plans.
- A project consisting of the installation of microwave towers and Motorist Aid Call Boxes had **205 original contract days**. The contract was extended by **247 days (120.5%)** due to additional items to connect the new Highway Patrol Office to the motorist aid call boxes, revise the break-a-way couplings to meet standards, repair lightning damage, and upgrade the lightning protection system.
- A project consisting of widening the existing two lanes, adding shoulders, and resurfacing with an **original contract time of 195 days** was extended by **133 days (68.2%)** due to changes in front slopes which were too steep to construct and added pegged sod, and to resolve conflicting test results of limerock base.
- A project for the reconstruction of a two lane facility into a five lane facility with an **original contract time of 435 days** was extended by **268 days (61.6%)**. The time extensions were due to a change in specifications, additional work, unforeseen conditions, and a claim settlement. The original contractor defaulted and the surety provided a new contractor to complete the work.

District 2: Of a total of 42 construction contracts completed during the year, the district had 7 contracts (16.7%) where time adjustments increased the original contract time by at least 40%. Of those seven contracts, three had 90 or more added days and are explained below:

- A contract for milling, resurfacing, and upgrading traffic signals with an original contract time of 92 days was extended by 123 days (133.7%) due to delays in the approval of signal equipment, utility delays, and adding latex to the friction course.
- A contract for multi-lane reconstruction with an original contract time of 345 days was extended by 240 days (69.6%) due to additional time needed to construct a flex base test section recommended by the District Two Materials Lab. It was also extended because the project was constructed in an extremely wet environment necessitating underdrain and sod to prevent erosion.
- A multi-lane reconstruction project with an original contract time of 345 days was extended by 182 days (52.8%) because the project was constructed in an extremely wet environment causing additional days to be added to the contract for underdrain and sod to prevent erosion. Additionally, crumb rubber was added to the friction course.

District 3: Of a total of 35 construction contracts completed during the year, the district had 9 contracts (25.7%) where time adjustments increased the original contract time by at least 40%. Of those nine contracts, six had 90 or more added days and are explained below:

- A contract consisting of refurbishing a rest area wastewater plant with an original contract time of 120 days was extended 219 days (182.5%) because of work to clean and repair cracks in sewage treatment holding tanks.
- Another contract for refurbishing a rest area wastewater plant with an original contract time of 120 days was extended by 177 days (147.5%) due primarily to extra work caused by an overrun for conduit, delays caused by shop drawing approval, tank design changes, and DOT Maintenance keeping the rest area open through the July 4th holiday.
- A contract consisting of removal of existing pavement, excavation and stabilization, and milling and reconstruction with an original contract time of 120 days was extended by 109 days (90.8%) for the removal and replacement of extra slabs and extra grinding that was required to meet specifications.

- A contract consisting of the removal and replacement of the fender system and construction of dolphins on a bridge had an **original contract time of 180 days**. The contract was extended **161 days (89.4%)** for the utilization of turbidity control measures, removal of underwater obstructions, realign a section of the existing fender system, and to repair impact damage.
- A contract for the removal of existing pavement, milling, and reconstruction with an **original contract time of 130 days** was extended by **90 days (69.2%)** for the rehabilitation of existing paved shoulder along the project, to document overruns, and to settle claims.
- A contract consisting of the removal of existing pavement, excavation, milling, and reconstruction with an **original contract time of 180 days** was extended by **95 days (52.8%)** for the extra removal and replacement of slabs and extra grinding that was required to meet specifications.

District 4: Of a total of 36 construction contracts completed during the year, the district had 19 contracts (52.8%) where time adjustments increased the original contract time by at least 40%. Of those nineteen contracts, eleven had 90 or more added days and are explained below:

- A milling and resurfacing project with an **original contract time of 110 days** was extended by **226 days (205.5%)** due to a plan error involving asphalt concrete leveling and a specification error requiring additional pay items for overhead signing and lighting.
- A contract for intersection modifications that had an **original contract time of 155 days** was extended by **255 days (164.5%)** due largely to DOT response time, conflicts with existing utilities and roadway survey grades, and final settlement of negotiated claims.
- A contract for milling, widening, and resurfacing that had **70 original contract days** was extended by **91 days (130%)** due to material acquisition problems, extra work, and plan errors.
- Another contract for intersection modifications with an **original contract time of 75 days** was extended **91 days (121.3%)** due to modifications to the drainage system and an increase in plan quantity for sodding.
- A contract consisting of lighting, milling, and resurfacing with an **original contract time of 145 days** was extended **136 days (93.8%)** due to an error in the manhole plan quantity, replacement of damaged signal controller, and sign structures modifications.
- A landscaping project with an **original contract time of 270 days** was extended by **162 days (60%)** caused by the maintenance of

trees during the establishment period and a delay in planting trees during uncommonly cold weather and trucking strike.

- A bridge construction contract with an **original contract time of 200 days was extended by 119 days (59.5%)** due to extra work, plan quantity changes in excavation, establishment of new pay items, modifications to the traffic signalization plans, and the addition of a drainage system, pavement markings, and sod.
- A contract for road reconstruction with **270 original contract days was extended by 141 days (52.2%)** because of extra work, additional pay items, overruns of maintenance of traffic items, revision of signalization and installation of interconnect cables, and to provide payment to the contractor for settlement of negotiated claims.
- Another road reconstruction with **285 original contract days was extended by 131 days (46%)** because of extra work, changes due to South Florida Water Management District permit requirements, installation of rubble rip rap and driveway turnouts, additional muck removal, and relocation of warning signs and end anchorage.
- A contract to construct a park and ride lot had an **original contract time of 300 days. The contract was extended by 132 days (44%)** due to the establishment of new pay items, provide additional drainage for storm water overflows, and extend the project limits. Other reasons for the extension include revision of pedestrian signals, and claim settlement for the north ditch delay, ramp repairs, relocation of sprinklers, and mitigation delays.
- A milling, widening, and resurfacing project that had an **original contract time of 425 days was extended by 181 days (42.6%)** primarily because of additional work for the installation of a lighting system and new composite base, relocation of water mains and sanitary sewer, the installation of yard drains, and additional pay items.

District 5: Of a total of 39 construction contracts completed during the year, the district had 8 contracts (20.5%) where time adjustments increased the original contract time by at least 40%. Of those eight contracts, one had 90 or more added days and is explained below:

- A contract for the addition of two lanes and roadway reconstruction had an **original contract amount of 240 days. The contract was extended by 158 days (65.8%)** because of utility delays, watermain acceptance, and settlement of a claim involving utility facilities.

District 6: Of a total of 19 construction contracts completed during the year, the district had 8 contracts (42.1%) where time adjustments increased the original contract time by at least 40%. Of those eight contracts, three had 90 or more added days and are explained below:

- A contract for the landscaping of a Causeway to Miami Beach with 115 original contract days was extended by 92 days (80%) for additional work. The median had not been originally included in the contract, but was added for aesthetics by supplemental agreement.
- A contract for the widening and reconstruction of a section of US-1 in Monroe County that included the construction of twin bridges with 420 original days was extended by 258 days (61.4%). The majority of time extensions were for the addition of gravity walls, fencing, and other changes necessary to blend the project with adjacent properties. Hurricane Andrew also impacted this project.
- A contract involving the reconstruction of a widened bridge over a main section of the CSX Railroad had 270 original contract days. Time extensions adding 121 days (44.8%) to the original contract time were to allow for work necessary to resolve design conflicts and to accomplish work omitted from the design, but necessary to the project.

District 7: Of a total of 31 construction contracts completed during the year, the district had 9 contracts (29%) where time adjustments increased the original contract time by at least 40%. Of those nine contracts, six had 90 or more added days and are explained below:

- A contract for widening and resurfacing a roadway with an original contract time of 105 days was extended by 262 days (249.5%) due to overruns and additional time required for the Department to review and determine disposition of the friction course.
- A project that included widening and resurfacing the roadway and the addition of paved shoulders with an original contract time of 105 days was extended by 225 days (214.3%) because of design revisions due to drainage issues.
- A project consisting of the addition of turn lanes and installation of lights with an original contract time of 70 days was extended by 100 days (143.9%) to correct yielding subgrade material and for ditch redesign.
- Another contract for widening and resurfacing the roadway had an original contract time of 195 days. The contract was extended by 158 days (81%) due to additional work for cleaning and resealing bridge deck joints.

- A contract for the reconstruction of a weigh station with an **original contract time of 185 days was extended by 116 days (62.7%)** for additional work to seal access pits in the weigh station. Additional time was also granted for the correction of a plan error to provide proper drainage at the scales and acceleration lanes.
- A contract for multi-lane reconstruction with an **original contract time of 435 days was extended by 219 days (50.3%)** because additional work items not included in the original plans included drainage modifications, drives, and waterline changes. There was also additional work overruns for piling, preformed pile holes, maintenance of traffic items, and base material.

Turnpike: Of a total of **12** construction contracts completed during the year, the district had **3** contracts (**25%**) where time adjustments increased the original contract time by at least **40%**. Of those three contracts, three had 90 or more added days and are explained below:

- A contract involving the construction of a toll plaza with **287 original days was extended by 321 days (111.8%)** due to the removal of on-site disposal of muck, to provide for on-time completion by the contractor, and for canopy roof repairs.
- A project involving the renovation of toll plazas with **450 original contract days was extended by 333 days (74%)** as the result of delays caused by design of the structural steel and Hurricane Andrew and for additional work due to a change in the guardrail requirement.
- A project consisting of the construction of a street interchange with **640 original contract days was extended by 330 days (51.6%)** due primarily to the repair and replacement of previously constructed toll plazas damaged by Hurricane Andrew and for the construction of a force main sewer system instead of the original septic tank system.

CONTRACT COST ADJUSTMENTS

Supplemental Agreements

The measure below compares original project cost to final project cost. Increases in cost frequently occur due to authorization of additional work as the project progresses and due to payment, in part or in full, of claims filed by the contractor. Even though a small percentage increase in cost is generally expected (less than 5%), and the Department reserves contingencies for cost increases, significant cost overruns could result in delaying planned projects to cover prior overruns and could indicate a problem in quality of design plans and specifications or in contract management.

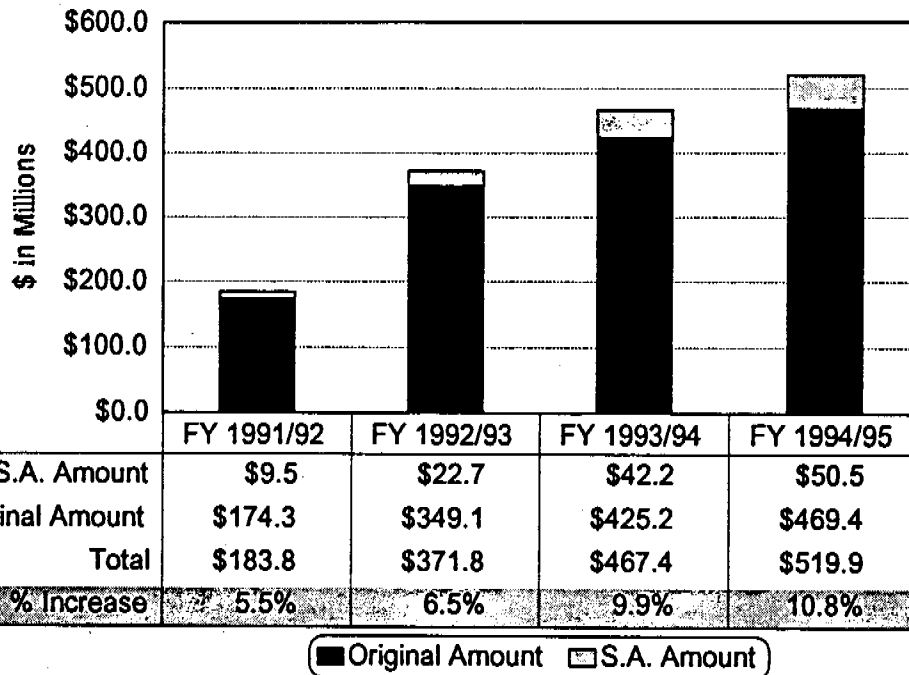
Measure	Original Contract Amount vs. Final Amount Paid on all Construction Contracts Completed during the Fiscal Year.
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This Measure assesses contract management from a cost standpoint by comparing the original contract amount with the contract amount following acceptance of work by the Department and final payment to the contractor. The data shows the percentage increase in cost due to supplemental agreements.

Performance:

- For the 244 contracts completed during FY 1994/95, the total original contract amount of \$469.4 M. increased by 10.8% due to supplemental agreements, for a total contract amount of \$519.9 M.
- Data indicate that 72% of supplemental agreements were necessary due to "plan errors," "changed conditions" and "claim settlements."
- The percentage increase in original contract amount due to supplemental agreements for FY 1994/95 was 0.9% higher than in FY 1993/94.
- On 67.2% of all contracts completed during the year, the original contract amount increased by less than 10% as a result of supplemental agreements; on 19.7%, the original contract amount increased by at least 10% but less than 20%; and on 13.1% of all contracts completed, the original contract amount increased by 20% or more.

CONTRACT COST ADJUSTMENTS: Contracts Completed
Original Contract Amount vs. Supplemental Agreements (S.A.)
By Fiscal Year



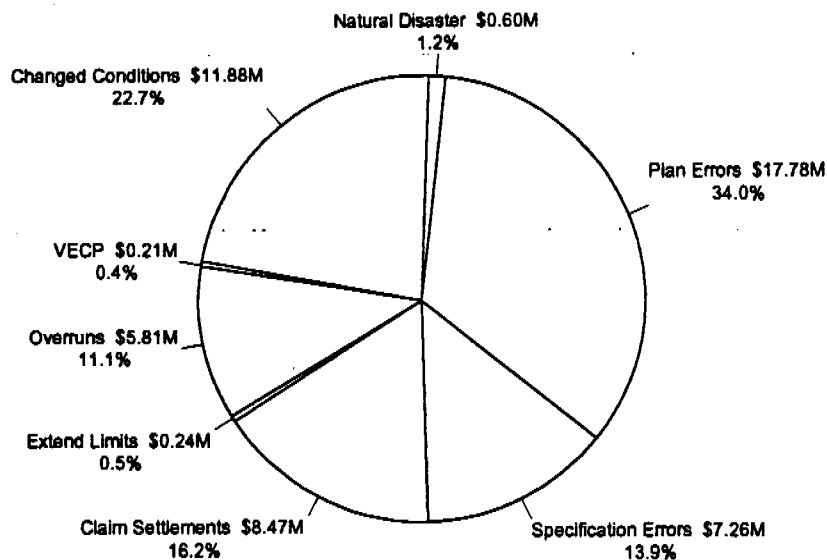
	FY 91/92	FY 92/93	FY 93/94	FY 94/95
Number of Contracts	184	194	216	244

Notes:

- o "Contracts completed" are contracts on which final estimate was completed, all known claims were settled and documentation passed to the Comptroller's Office for final payment during the fiscal year.
- o A one time adjustment in prior year data has been made to reflect improvements in data collection methods implemented this year.

SUPPLEMENTAL AGREEMENTS

Total - \$50,466,057

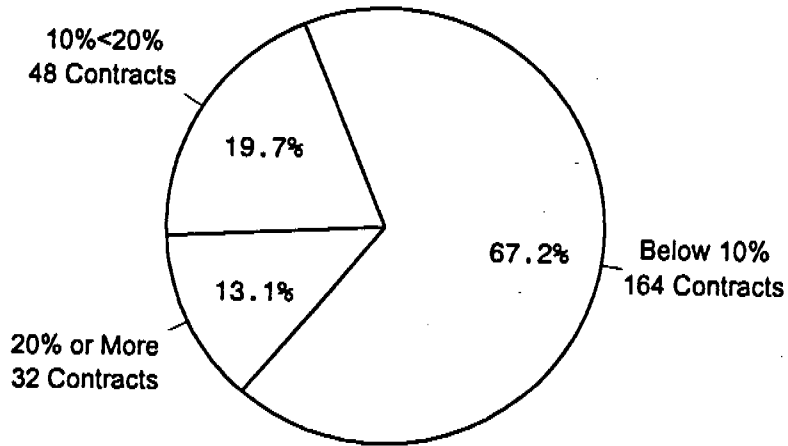


Note: Not shown are \$2,287,475 of negative dollar supplemental agreements and \$612,918 of contingency supplemental agreements.

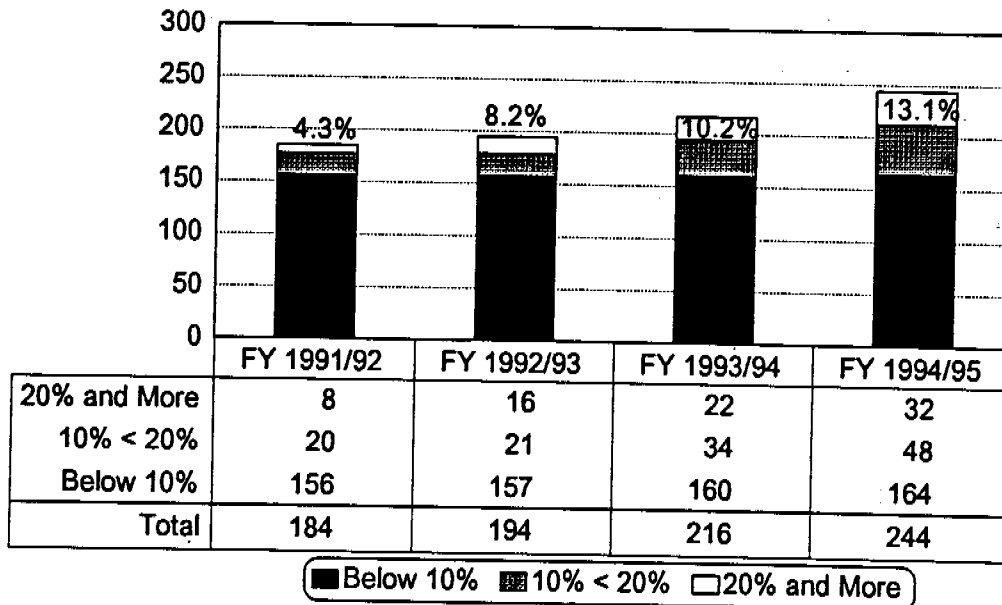
REASONS FOR SUPPLEMENTAL AGREEMENTS

Changed Conditions	Physical conditions or changes encountered that could not have reasonably been anticipated in the contract such as discovery of unsuitable subsoil materials, subsurface changes such as hidden utility conflicts or other similar unanticipated changes.
Natural Disaster	Pay items that are added to defray cost of impacts to the contractor in delays and materials as a result of a natural disaster.
Plan Errors	Necessary pay items, permits or quantities missing or incorrect, feature locations inaccurate or insufficient and incorrect information or methods indicated that require correction in order to construct the projects as intended.
Specification Errors	Specifications incomplete or missing to describe, direct and pay for work necessary to construct the project with the intended scope.
Claim Settlements	Payment for negotiated or arbitrated settlement of claims that often include both time and money.
Extend Limits	Cost associated with extending the project limits in accordance with current state statute.
Minor Changes/Overruns	Minor changes in the contract amounting to less than five (5) percent of the original contract amount that <i>do not</i> require changes to specifications or new pay items or changes to the scope of the contract.
VECP	Payment for costs associated with a Value Engineering Change Proposal submitted by the contractor and adopted by the department.

CONTRACT COST ADJUSTMENTS: Contracts Completed
Number of Contracts vs. Percentage Over Original Cost
FY 1994/95



CONTRACT COST ADJUSTMENTS: Contracts Completed
Number of Contracts vs. Percentage Over Original Cost
By Fiscal Year



Excludes weather days

SUPPLEMENTAL AGREEMENTS
Fiscal Year 1994/95 - Summary by District

District 1: Of a total of 30 construction contracts completed during the year, the district had 3 contracts (10%) where supplemental agreements increased the original contract amount by at least 20%.

Reasons for supplemental agreements on the 3 contracts:

- A Bascule Bridge rehabilitation project with a scope of work that included structural steel, control house renovation, fender system repair and painting had an original contract amount of \$371,983. This was exceeded by \$254,444 (68.4%) due to additional work, delays associated with differing site conditions, unforeseen conditions and weather related impacts.
- A project consisting of adding rumble strips to the paved shoulders with an original contract amount of \$211,223 was increased by \$69,299 (32.8%) due to necessary corrective actions caused by unforeseen conditions and attendant claim settlement.
- A contract consisting of resurfacing along with upgrading the existing signalized intersections had an original contract amount of \$770,734. The contract was increased by \$178,817 (23.2%) due to revisions of the signalization plans which necessitated additional shop drawings, time for fabrication, and additional work not anticipated by the original plans.

District 2: Of a total of 42 construction contracts completed during the year, the district had 5 contracts (11.9%) where supplemental agreements increased the original contract amount by at least 20%.

Reasons for supplemental agreements on the 5 contracts:

- A project involving the construction of a sidewalk and the addition of a turn lane had an original contract amount of \$278,560 which was supplemented by \$85,781 (30.8%) due to the addition of borrow material to complete shoulder work and to obtain density on the shoulder subgrade.
- A contract for the construction of a sidewalk with an original contract amount of \$94,657 was increased by \$25,500 (26.9%) due to an agreement between the Department, prime contractor, and bonding company to use the money to pay subcontractors and suppliers.

- A project involving multi-lane reconstruction with an **original contract amount of \$3,437,115** was increased by **\$908,089 (26.4%)** due to overruns in the borrow material, maintenance of traffic, Type S asphalt, and subsoil excavation and a claim settlement related to lost efficiency in grading stabilization. Signs were also added to the project, and the friction course had crumb rubber added to it.
- Another project involving multi-lane reconstruction had an **original contract amount of \$3,428,905**. This amount was supplemented by **\$793,450 (23.1%)** due to the addition of crumb rubber, plugging water wells not shown on the plans, temporary reflective pavement markings, relocation of impact attenuators, and the addition of signs. It also included a claims settlement over lost efficiency in grading stabilization and limerock base operations.
- A project involving a minor intersection with an **original contract amount of \$118,815** was increased by **\$24,253 (20.4%)** due to overruns on the maintenance of traffic and regular excavation. The pavement was also widened for a turn lane.

District 3: Of a total of 35 construction contracts completed during the year, the district had 4 contracts (11.4%) where supplemental agreements increased the original contract amount by at least 20%.

Reasons for supplemental agreements on the 4 contracts:

- A project consisting of the removal and replacement of the fender system and construction of dolphins on a bridge had an **original contract amount of \$675,022**. The contract was increased by **\$523,496 (77.6%)** due to the addition of an item for float silt barrier, realignment of existing fender system to match the new dolphin construction, repair damage to fender system after construction began, and an unforeseen site condition (the new dolphin conflicted with an old existing bridge pier).
- A contract for the removal of existing pavement, milling, and reconstruction of the roadway with an **original contract amount of \$1,144,147** was supplemented by an additional **\$803,665 (70.2%)** because the shoulders deteriorated when subjected to traffic and had to be overlaid with asphalt. Other costs were added for an overrun of slab replacement, on-site law enforcement officer, and claim settlements for unforeseen site conditions.

- A project involving the rehabilitation of a rest area sewer system with an original contract amount of \$118,970 was increased by \$73,955 (62.16%) because the existing tanks were cracked and leaking effluent. They needed to be pumped and cleaned to provide in-tank inspection. Costs were also added for repairs to the existing tanks.
- A contract consisting of roadway widening, leveling, resurfacing, and the construction of paved shoulders with an original contract amount of \$528,218 was increased by \$130,606.12 (24.73%) to document overruns for material for driveways, hay, borrow, subsoil excavation, ditch bottom inlet, and side drains. Also, an underdrain was utilized in pumping areas and pay items were added.

District 4: Of a total of 36 construction contracts completed during the year, the district had 5 contracts (13.9%) where supplemental agreements increased the original contract amount by at least 20%.

Reasons for supplemental agreements on the 5 contracts:

- A project involving highway lighting and safety modifications with an original contract amount of \$412,805 was supplemented by an additional \$202,843 (49.1%) to provide for overruns, material acquisition due to upgrades to current standards, addition of modified guardrail attachment, and pay item revision.
- A contract for roadway milling, widening, and resurfacing had an original contract amount of \$8,941,991. This amount was increased by \$2,699,088 (38.2%) primarily due to additional work for the installation of a lighting system and new composite base. Costs also increased because of an incentive to complete the project by a specific date, the installation of yard drains and irrigation sleeves, the removal and reconstruction of a sidewalk, and the installation of sleeves for an irrigation system.
- A contract for roadway reconstruction with an original contract amount of \$290,562 was supplemented by \$85,908 (29.6%) due primarily to drainage revisions, additional milling, and realignment of concrete strain poles.
- A contract for intersection modifications with an original contract amount of \$405,558 was increased by \$94,880 (23.4%) due to modifications to the drainage system and an increase in plan quantity for sodding.

- A reconstruction project with an **original contract amount of \$1,938,976** was supplemented by **\$416,314 (21.5%)** due primarily to the addition of a pay item for 6" striping and a systems communication unit. There were also additional costs due to a revision of the signalization and installation of an interconnect cable, overruns to maintenance of traffic, and claims settlements.

District 5: Of a total of **39** construction contracts completed during the year, the district had **2** contracts (**5.1%**) where supplemental agreements increased the original contract amount by at least **20%**.

Reasons for supplemental agreements on the 2 contracts:

- A project consisting of resurfacing the roadway and the addition of shoulders had an **original contract amount of \$2,017,901**. The contract amount was increased **\$473,975 (23.5%)** due to water in the base causing a drainage redesign and increases in base thickness. The project was also suspended 85 days for special event traffic.
- A project consisting of resurfacing, adding shoulders, and drainage improvements had an **original contract amount of \$927,513** which was increased by **\$213,748 (23.1%)** due to 26 days of delays caused by a redesign to resolve drainage conflicts. A heavy rain caused damage to completed work.

District 6: Of a total of **19** construction contracts completed during the year, the district had **7** contracts (**36.8%**) where supplemental agreements increased the original contract amount by at least **20%**.

Reasons for supplemental agreements on the 7 contracts:

- A widening and reconstruction project with an **original contract amount of \$2,939,235** was supplemented by **\$1,900,858 (64.7%)** due to cost overruns associated with design adjustments for guardrail, cross slopes, shoulder improvements, maintenance of traffic improvements, and clearing and grubbing.
- On a project that involved widening the road from four lanes to six and the reconstruction of seawalls, the **original contract amount was \$11,786,721**. This amount was increased by **\$5,751,833 (48.8%)** due to quantity errors in the plans and a requested acceleration of the project by local authorities.

- A contract for the milling and resurfacing of the roadway and the addition of new lighting had an original contract amount of \$1,089,828. The contract was supplemented by \$452,294 (41.4%) due to additional conduit and pull boxes for future lighting and landscaping adjustments to accommodate the local government.
- A reconstruction of a major intersection, as part of the overall improvement to the roadway, with an original contract amount of \$436,166 was supplemented by \$170,799 (39.2%). Before the project was completed, Hurricane Andrew caused extensive damage to the completed work. The additional time and cost were to repair the damage to the project.
- A contract for the landscaping of a causeway to Miami Beach with an original contract amount of \$1,279,484 was increased by \$467,647 (36.6%) for additional work. The median had not been originally included in the contract, but was added for aesthetics by supplemental agreement.
- A project consisting of widening, adding shoulders to and resurfacing a section of roadway had an original contract amount of \$2,650,355. The contract was supplemented by \$527,040 (24.8%) due to the addition of ground tire rubber and staked silt fence, adjustments to fix quantity errors, and to amend the shoulder design.
- A project consisting of the reconstruction of an intersection had an original contract amount of \$282,983 which was supplemented by \$66,930 (23.7%) due to an extension of the project work limits to provide a better functional transition to the existing pavement.

District 7: Of a total of 31 construction contracts completed during the year, the district had 5 contracts (16.1%) where supplemental agreements increased the original contract amount by at least 20%.

Reasons for supplemental agreements on the 5 contracts:

- A contract consisting of roadway widening and resurfacing and the construction of paved shoulders had an original contract amount of \$1,059,130. This amount was supplemented by \$568,053 (53.6%) due primarily to a delay claim caused by drainage redesign and earthwork omissions.

- A contract consisting of the addition of turning lanes and installation of lights had an original contract amount of \$324,479. The contract was increased by \$113, 208 (34.9%) primarily because of a claim settlement when the subgrade yielded due to a high water table not considered in the plans. There were also additional pay items to the contract.
- A project involving the rehabilitation of a bridge and the construction of a fishing pier had an original contract amount of \$2,400,466. The contract was supplemented by \$625,681 (26.1%) primarily to account for overruns for beam repair, restoring spalls, and crack injection and seal. There were also additional pay items for pile jackets.
- A contract for concrete pavement replacement and milling and resurfacing with an original contract amount of \$3,820,681 was increased by \$914,849 (23.9%) primarily because of cost overruns for off-duty law enforcement, signs, Hi-lights, and pavement joint seal. Costs also increased due to additional pay items and to settle a delay claim when the project was extended for new concrete mix.
- A contract for multi-lane reconstruction with an original contract amount of \$6,902,659 was supplemented by \$1,571,756 (22.8%). The primary causes for the increase in cost were a claim settlement for prolonged time for trenching, pipe, and bridge construction, and overruns for piling, preformed pile holes, barricades, and optional base. There were also increased costs due to the addition of a mitigation pond and pay items.

Turnpike: Of a total of 12 construction contracts completed during the year, the district had 1 contract (8.3%) where supplemental agreements increased the original contract amount by at least 20%.

Reasons for supplemental agreements on the 1 contract:

- A contract involving the construction of the toll facilities on an expressway had an original contract amount of \$9,505,800 which was supplemented by \$1,940,047 (20.4%) caused primarily by the settlement of claims to revised plaza availability dates, unavailability of water and electric service at construction start, and to provide for furnishing and installation of Automatic Vehicle Identifiers conduit system.

***DISADVANTAGED &
MINORITY BUSINESS
PROGRAMS***

DISADVANTAGED/MINORITY BUSINESS PROGRAMS

Both Federal and State law address utilization of socially and economically disadvantaged business enterprises (DBE) in Department contracts for construction of transportation facilities. Specifically, for all consultant and construction contracts which are in part funded with federal aid, at least 10% of the total contract amount must be spent on small businesses owned and controlled by socially and economically disadvantaged individuals, as defined by law. Failure to attain this goal results in withholding of federal funds.

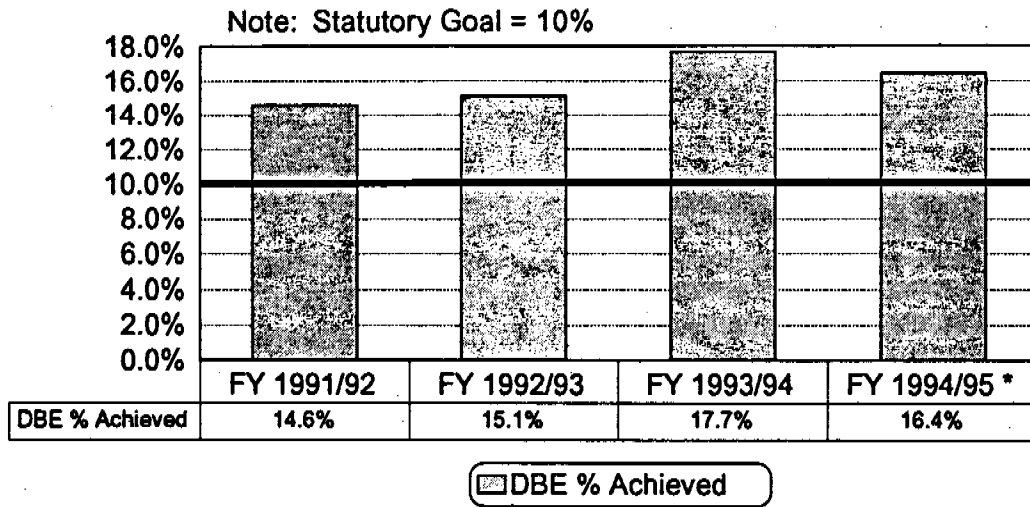
State law also provides maximum opportunity for increased participation by minority business enterprises (MBE) in State purchases of commodities and contractual services. All agencies, including the Department, are subject to varying goals geared to specific minority groups.

Measure	Dollar Volume of Disadvantaged Business Enterprise Utilization as a Percentage of Total Federal Funded Contracts (10% Statutory Goal).
Indicator	Progress Toward Attaining Statutory Goals for Individual Minority Business Categories in Four Work Type Areas; Reported as Goal vs. Actual.

Performance:

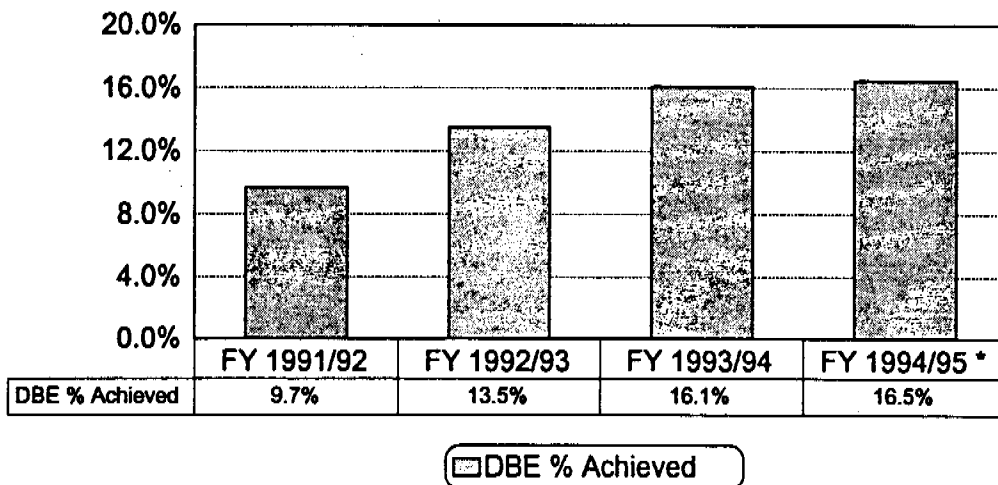
- For all construction and consultant contracts financed in part by federal funds, DBE participation was 16.4%, exceeding the 10% goal.
- For all consultant contracts (including 100% state funded), DBE participation was 16.5%.
- DBE participation rate for FY 1994/95 was 1.3% lower than in Federal FY 1993/94 for all construction and consultant contracts financed in part by federal funds.
- DBE participation rate for FY 1994/95 was 0.4% higher than in FY 1993/94 for all consultant contracts.
- In each of the 4 work areas, the Department exceeded statutory goals for utilization of MBE's, for a collective achievement of 150% of goal.

DBE ACHIEVEMENT ON EXECUTED FEDERAL FUNDED CONTRACTS *By Fiscal Year **



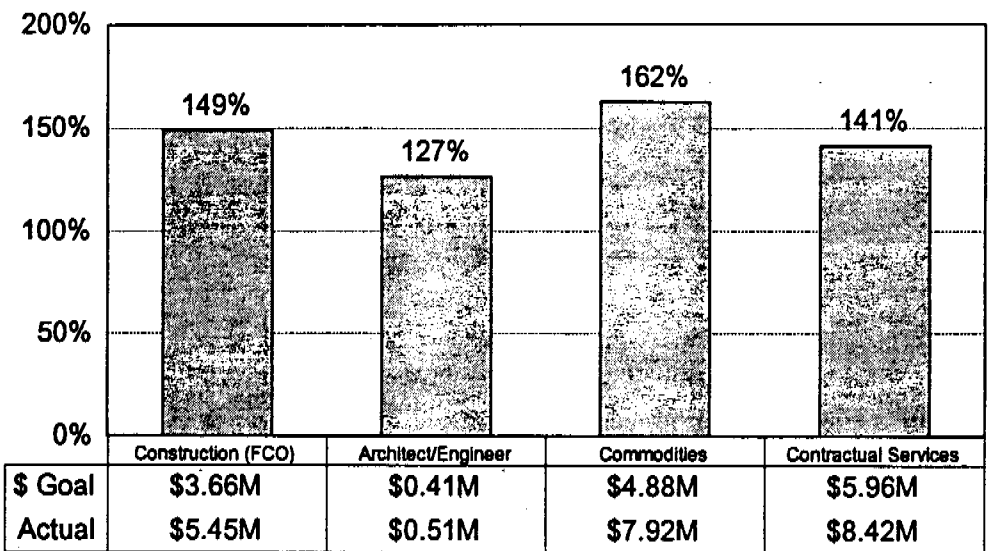
* 1994/95 is reported by State Fiscal Year (July 1st thru June 30th); the three previous years are reported by Federal Fiscal Year (Oct. 1st thru Sept. 30th).

DBE ACHIEVEMENT ON ALL EXECUTED CONSULTANT CONTRACTS *By Fiscal Year **



* 1994/95 is reported by State Fiscal Year (July 1st thru June 30th); the three previous years are reported by Federal Fiscal Year (Oct. 1st thru Sept. 30th).

**MINORITY BUSINESS ENTERPRISE
EXPENDITURES - FY 1994/95**
By Category



Total Goal	\$14,908,573	% of Goal
Total Actual	\$22,314,250	
Total % of Goal	150%	

***QUALITY & COST-
SAVING INITIATIVES:
PRODUCTION***

QUALITY & COST-SAVING INITIATIVES: PRODUCTION

Not only is it important that the Department design and build the transportation projects it has committed to in the work program and that it do so according to schedule and within budget, it is equally important that the resulting product be a quality one, using the best engineering knowledge and materials available. It is essential that the Department have in place, provide strong management support to, and give continuing high priority to, programs whose purpose is improvement of transportation products and the standards, procedures, and decision-making processes that support production activities.

The following four activities improve quality and often lower costs by: evaluating projects in early development phases for cost-saving engineering changes, continuing opportunities for improvement during construction and finally, reviewing recently completed projects to identify Department methods and processes used in production that need improvement on future projects or ones that worked well and should be incorporated in future projects. Thus, quality of products, processes and methods receives attention throughout the production cycle.

VALUE ENGINEERING

Value Engineering (VE) uses multi-disciplinary teams (design engineer, construction engineer, maintenance engineer, right-of-way agent, etc.) to evaluate significant projects during preliminary engineering and design to determine if, strictly from an engineering standpoint, a quality product can be achieved at less cost. If potential cost savings are identified, recommendations are made to the District Secretary. The District Secretary sometimes elects not to implement a VE recommendation due to non-engineering considerations (e.g., a cost-saving design change might be rejected due to an adverse impact on the community).

Where possible, improvements made as a result of VE reviews are incorporated as standard business practice and may involve permanent revisions to the Department's standard specifications and design standards.

During FY 1994/95, a total of 92 projects were reviewed by VE teams, a 35% increase from FY 1993/94 when 68 projects were reviewed. Of the total recommendations acted on during the year, 54% were implemented, 15% higher than in FY 1993/94 when 47% were implemented.

FY 1994/95 total cost savings due to implemented recommendations was \$126.8 Million, a 150% increase from FY 1993/94 when savings of \$50.8 Million were achieved. By contrast with savings achieved, the cost of administering the VE Program is \$1.5 Million annually or for every \$1 spent the department realized \$85 in project savings.

Indicator	Savings attributable to VE reviews vs. cost of administering VE program.
Indicator	Percent of VE recommendations implemented.

PARTNERING

In 1992, the Department initiated the partnering process on major projects. Partnering is a structured process whereby parties with differing interests are brought together at the beginning of the construction phase of a project in order to facilitate open and productive working relationships.

Partnering fosters a climate in which project-related issues are discussed and resolved at the lowest practical level of responsibility. A typical partnering group includes Department employees, federal highway employees, contractors, sub-contractors, local government representatives and utility companies. Key goals of partnering are creation of a cooperative team spirit, trust among members of the "construction team," and a step-by-step problem identification and resolution process -- aimed at reducing the number and complexity of disputes during the project.

Through June, 1995, the Department has conducted 125 partnering workshops on projects valued in excess of \$1.1 Billion in construction. There have been few claims (disputes going to arbitration or court) and communications/coordination between all parties has improved significantly on projects that have gone through the partnering process.

VALUE ENGINEERING CHANGE PROPOSALS

This cost-saving mechanism is not new, but is one that has been given new life following introduction of the partnering process. Value engineering change proposals (VECP's) are cost reduction proposals initiated and developed by the construction contractor to contribute to design cost-effectiveness or significantly improve the quality of the end result. If a VECP is approved by the Department, the contractor receives one-half of the savings.

In FY 1994/95, 58 VECP's were submitted compared to 53 VECP's submitted in FY 1993/94, or an increase of 9%.

In FY 1994/95, 59 VECP's (48 submitted in FY 1994/95 and 11 submitted FY 1993/94) were reviewed, of which 34 were approved for implementation for a 58% approval rate. The anticipated savings of the 34 VECP's approved is estimated to be \$3.4 million, a 12.8% decrease from FY 1993/94 when estimated saving for approved VECP's was \$3.9 million.

POST-CONSTRUCTION REVIEWS

In FY 1990/91, the Department instituted this critical quality improvement initiative. Post-construction review of transportation facilities is a *process and method* improvement technique and as such, its focus is not monetary savings (improvements may increase costs in some cases and cut costs in others). Districts randomly select completed projects for review -- about a year and a half after completion in order to allow time for them to get "broken in." A multi-disciplinary department team then evaluates the project to determine how well it is serving its intended purpose. Is it performing as well as anticipated? e.g., is the drainage working properly? Are turn lanes and median openings functioning as intended?

The post-construction review team identifies: (1) opportunities for improvement, either in district processes or in statewide standards; and (2) outstanding areas -- those things that worked well and merit incorporation in future projects as well. These reviews ensure continual improvement of transportation products and services and the processes by which they are planned, designed and constructed.

During FY 1994/95, a total of 39 post-construction reviews were conducted, resulting in 166 improvements to district and statewide processes. This was a 160% increase in improvements from FY 1993/94, when 37 reviews resulted in 64 improvements.

Of total improvements initiated during FY 1994/95, ten were identified as being of statewide significance.

***COST-EFFICIENT &
EFFECTIVE BUSINESS
PRACTICES:
FINANCE & ADMINISTRATION***

COMMITMENT OF FEDERAL FUNDS

Federal motor fuel taxes paid by Floridians and visitors are deposited in the Federal Highway Trust Fund. A portion of the total tax amount deposited is returned to Florida as federal funds to be matched by state revenues and used for transportation purposes (e.g., the matching share for Interstate highway construction is 90% federal funds, 10% state funds).

Today, federal funds comprise about 30% of Florida's total transportation revenues and thus play an important role in the State's ability to meet transportation needs.

With few exceptions, the Department is responsible for ensuring that all available federal funds are committed to qualifying projects in a timely manner and that all federal requirements are met.

Federal funding must be committed to projects within a specified time period; otherwise, unused funds are forfeited, pooled, and "redistributed" to states that have exhausted their federal funds and have the ability to use additional funds.

With transportation needs that far exceed available revenues, it is imperative that the Department manage federal funds in such a manner as to avoid forfeiture.

Measure	Of Federal Funds Subject to Forfeiture at the End of the Federal Fiscal Year, the Percent that was Committed.
	This measure assesses how well the Department manages federal funds to avoid forfeiture of such funds.
Explanatory Data	Amount of redistributed federal funds requested during the Federal fiscal year and amount received, if any.

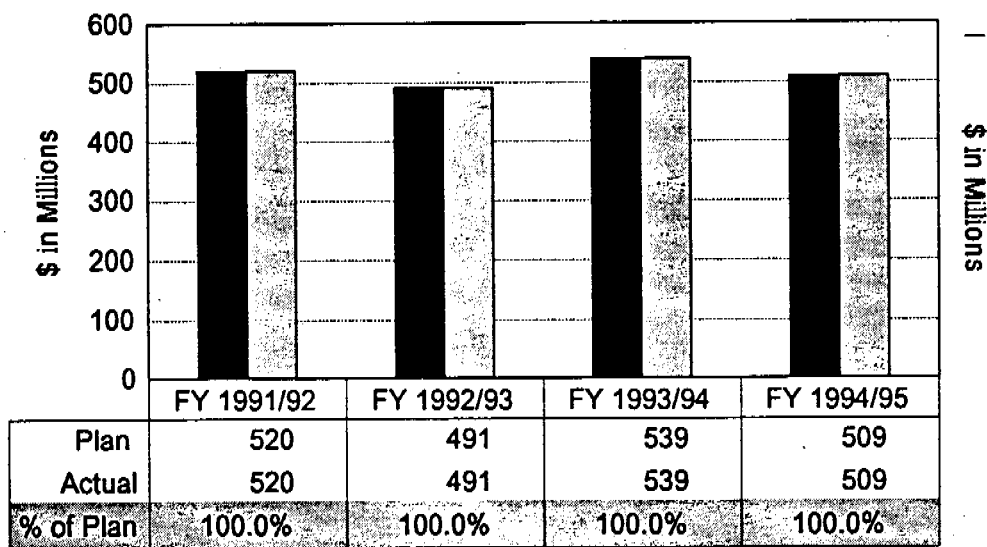
Performance:

- As of August 31, 1995, the Department had committed 100% (\$509 M. of a total of \$509 M.) of federal funds subject to forfeiture at federal fiscal year end if not committed.
- The Department requested an additional \$70 M. in federal funds and received \$7.5 of the total requested.

COMMITMENT OF FEDERAL FUNDS

By Federal Fiscal Year

As of 8/31/95



■ Plan □ Actual

Note: Requested an additional \$70 M. in federal funds and received \$7.5 M. of the total requested.

MANAGEMENT OF ADMINISTRATIVE COSTS

The Department is one of few state agencies that produces a tangible product -- a transportation system composed of roads, bridges, and other ancillary facilities.

The Florida taxpayer, who funds construction and maintenance of the state transportation system, has a legitimate expectation that the Department will strive to maximize tax dollars put into transportation product by containing administrative overhead and product support costs to the extent possible.

It must be recognized, however, that the Department, as a public agency, is directed by the Legislature to perform many services and activities not required of private sector firms performing similar functions. Thus, a direct comparison of Department overhead costs with those of the private sector is not recommended.

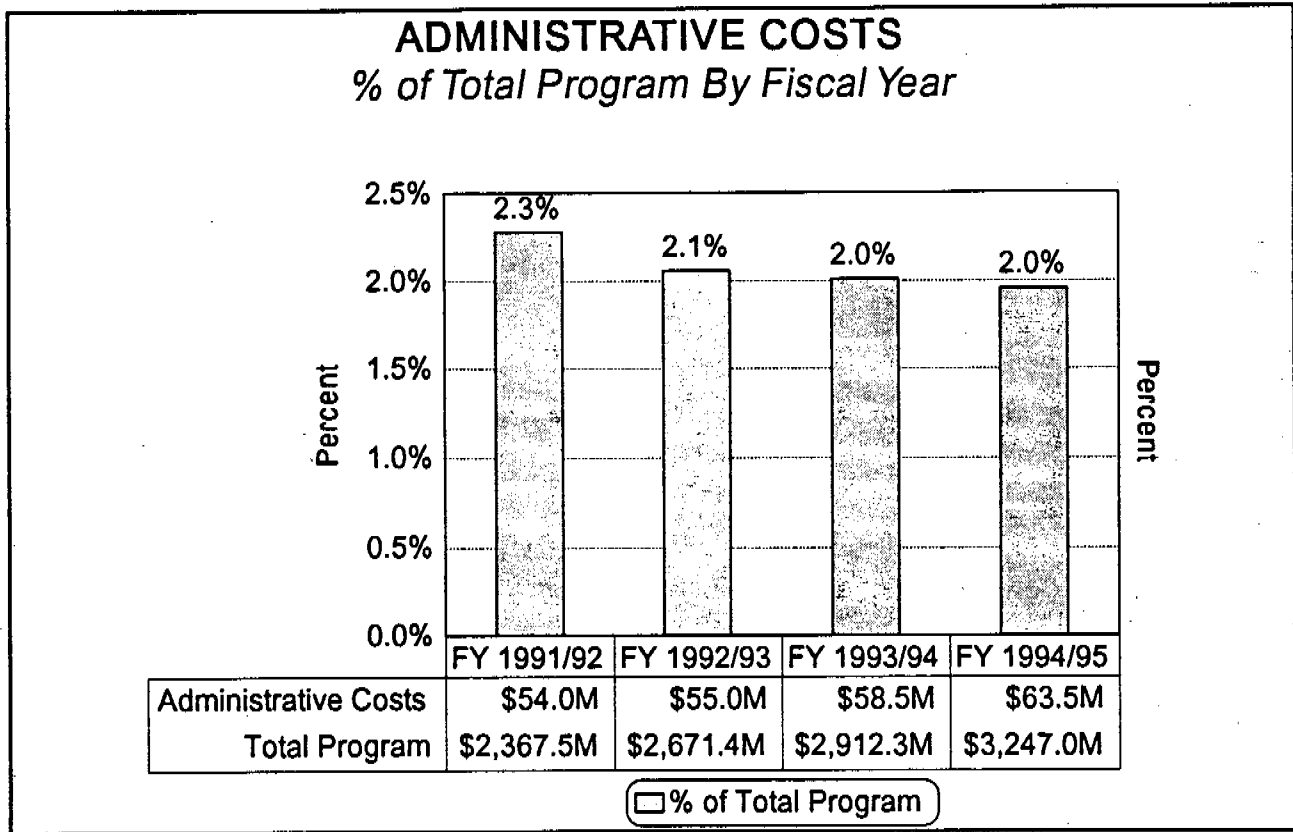
Measure	Administrative Costs as a Percent of Total Program. Dollar Amount of Administrative Costs vs. Dollar Amount of Total Program.
	<p>This measure tracks administrative costs as a percent of the total program (product, product support, operations, maintenance, and administration) and by actual dollar amounts. The measure allows evaluators to assess the reasonableness of administrative costs over time, and where increases occur, to review the administrative budget in greater detail. Since the administrative cost percentage will automatically increase or decrease when total program size is reduced or increased, respectively, absolute dollar amounts must also be reviewed.</p>

Note: Administrative Costs includes direct support to the production functions of the Department -- top management (central office and districts), legal and audit staff, public information and government liaison staff, comptroller's office, budget staff, personnel and purchasing staff, contractual services and minority programs, safety office, commission staffs.

Excluded from Administrative Costs (\$15.5 M.) are: Fixed capital outlay, risk management insurance, transfers to the Departments of Community Affairs and Revenue and Division of Administrative Hearings, refunds, transfers, and legislative relief bills.

Performance:

- Total Administrative costs were 2.0% of the Total Program for FY 1994/95, or \$63.5 M. of a total program of \$3.2 B.
- Although administrative costs as a percentage of total program has not changed in FY 1994/95 from FY 1993/94, based on actual dollar amounts of administrative costs, there was a 8.5% increase in administrative costs in FY 1994/95 compared to FY 1993/94.



CASH MANAGEMENT

The Department is the only state agency that operates on a "cash flow" basis; that is, the Department is not required to have funds "on hand" to cover all existing contractual obligations and it may let contracts against revenue it expects to receive in the future. The advantage of the cash flow method is that transportation tax collections are returned to the taxpayer in the form of transportation facilities much sooner than would be possible using the more traditional "encumbrance" financing method -- under which all funds for a project must be "in the bank" at the time the contractual obligation is incurred.

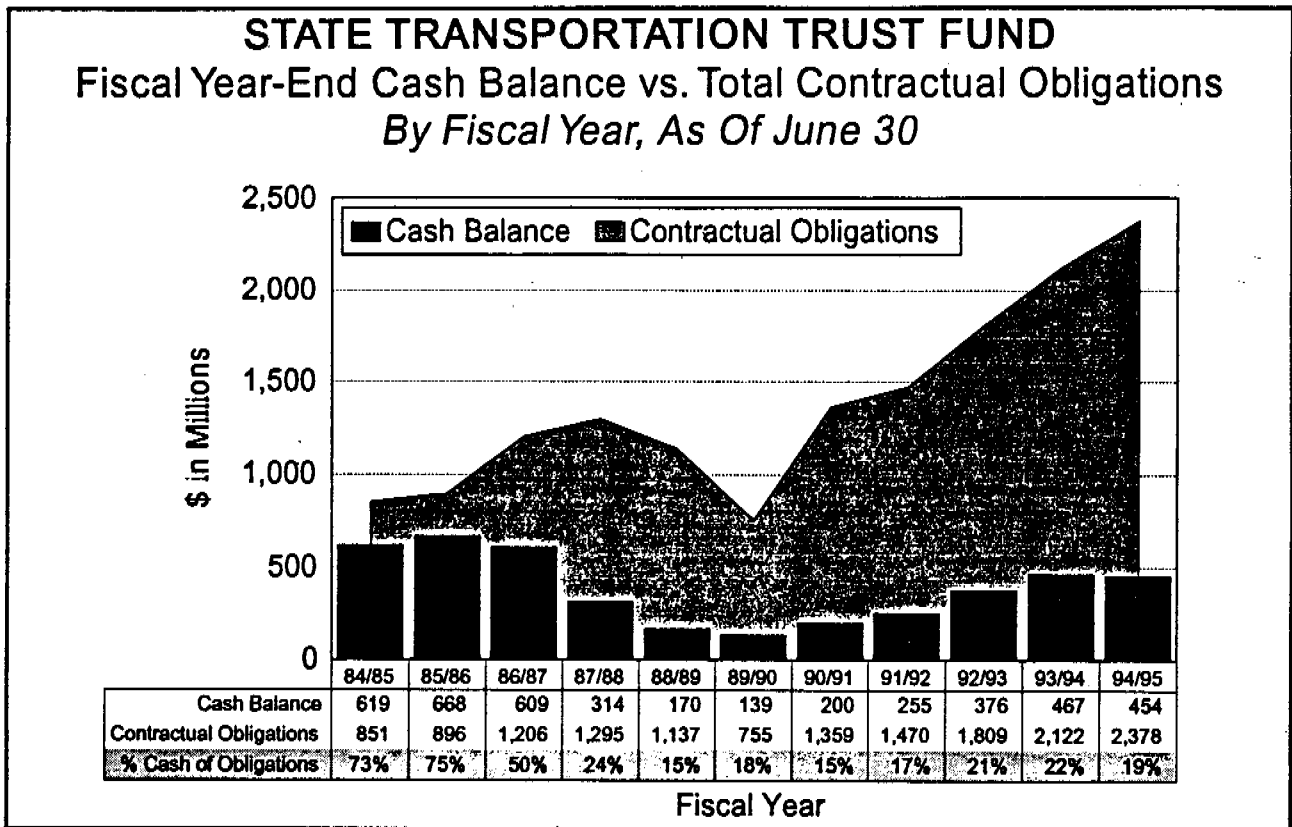
State law requires that the Department maintain a minimum cash balance in the State Transportation Trust Fund of 5% of outstanding obligations or \$50 million, whichever is less. In order for the Department to maintain a lawful cash balance and pay its bills promptly under the cash flow method where contractual obligations far exceed available cash, it must carefully forecast future incoming revenues and future expenditures and frequently revise forecasts based on new information. For instance, when economic factors negatively impact gas tax revenues, the Department must adjust its cash forecast to reflect less incoming revenue, which may, in turn, necessitate deferral of projects in the work program. Periodic fine tuning of forecasts of revenues and expenditures is essential to sound financial management.

Measure	Year-end Cash Balance vs. Total Contractual Obligations.
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	This measure assesses the effectiveness of Department cash management in maximizing the ability to deliver transportation product as early as possible. For instance, a rising cash balance and a stable or slight decline in the amount of contractual obligations indicates that forecasting assumptions may be too restrictive and that a higher level of commitment is possible -- allowing delivery of transportation products to be accelerated.
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Performance:

- At the end of FY 1994/95, the Department cash balance of \$454 Million was 19% of its total outstanding contractual obligations of \$2.4 Billion, 3% lower than in FY 1993/94 when the ending cash balance was 22% of total contractual obligations.



MANAGEMENT OF TOLL FACILITY OPERATIONAL COSTS

The collection of tolls on 62 of Florida's toll facilities is the responsibility of the Department. By far, the largest and highest revenue-producing toll facility is the Florida Turnpike, which is managed by the Department.

Toll revenues are used to pay debt service on bonds issued for construction and maintenance of a facility. If the bonds are paid off, toll revenues are used for facility maintenance and other transportation purposes. To the extent that operational costs (e.g. salaries of toll collectors) to collect tolls increase, less net toll revenue is available for debt service or other purposes.

Since tolls are fees paid by toll facility users who have an interest that the maximum amount of tolls collected be used to pay off the debt or for other transportation improvements, toll collection costs should be contained and carefully managed.

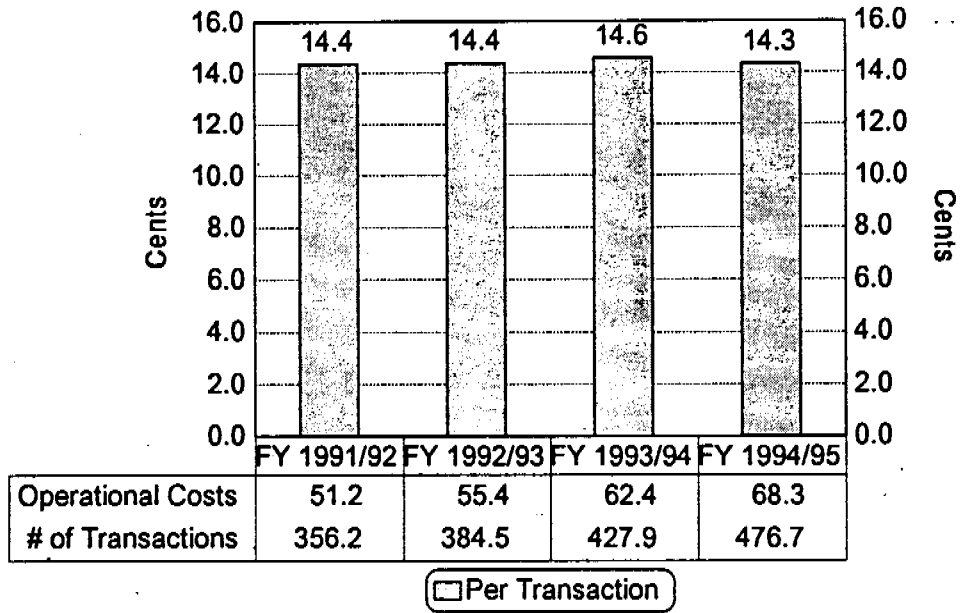
Measure	Operational Costs per Toll Transaction
	This measure provides the evaluator with the "cost per transaction" by dividing total operational costs (for toll collectors, supervisors, management) by the number of toll transactions. The cost per transaction can then be monitored over time and will provide the basis for measuring improved efficiency.

Performance:

- For FY 1994/95, the Department's cost to operate toll facilities was 14.3 cents per toll transaction.
- The cost to operate toll facilities for FY 1994/95 was 0.3 cents lower per toll transaction than in FY 1993/94.

OPERATIONAL COST PER TOLL TRANSACTION

Excludes Indirect Overhead



Costs and Transactions in Millions

*PRESERVATION OF
CURRENT STATE SYSTEM*

PRESERVATION OF CURRENT STATE SYSTEM

Billions of taxpayer dollars have been invested over many years in constructing Florida's roads, bridges and other transportation facilities. Our transportation "infrastructure," as it is frequently called, is an asset serving nearly every Floridian on any given day.

Failure to adequately maintain our transportation assets would not only allow deterioration of a costly investment, but also would adversely impact the State's economy, jeopardize the safety of the traveling public, and accelerate deterioration of motor vehicles, to name just a few. With limited revenues, it is not possible to maintain every road and bridge in "like new" condition, or immediately replace or upgrade every facility that becomes obsolete. However, the public has a right to expect structural deficiencies to be corrected before safety is threatened and before damage is allowed to become so severe as to necessitate major reconstruction.

BRIDGE REPAIR & REPLACEMENT

There are over 11,000 bridges in Florida and 6,124 of these are the responsibility of the Department. All bridges maintained by the Department are inspected for structural deficiencies at least once every two years (bridges with certain identified deficiencies are inspected more frequently). The Department's Bridge Repair and Replacement Program monitors the need for repair, rehabilitation and replacement of deficient bridges.

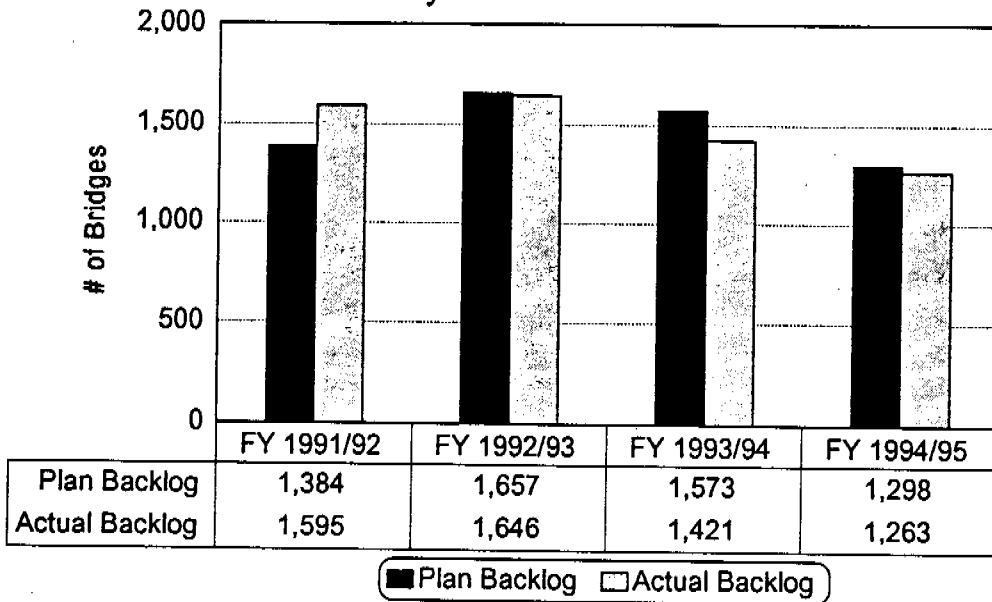
Florida law requires the Department to "meet the annual needs for ... repair and replacement of bridges on the system." The Department objective set by the Legislature in 1990 establishes the acceptable backlog of deficient bridges.

Measure	Reduce the Backlog of Bridges on the State Highway System Requiring Repair to the 1983 Level (1,145 bridges) by the End of FY 1999-2000.
Measure	Reduce the Backlog of Bridges on the State Highway System Requiring Replacement to the 1983 Level (278 bridges) by the End of FY 1999/2000.

Performance:

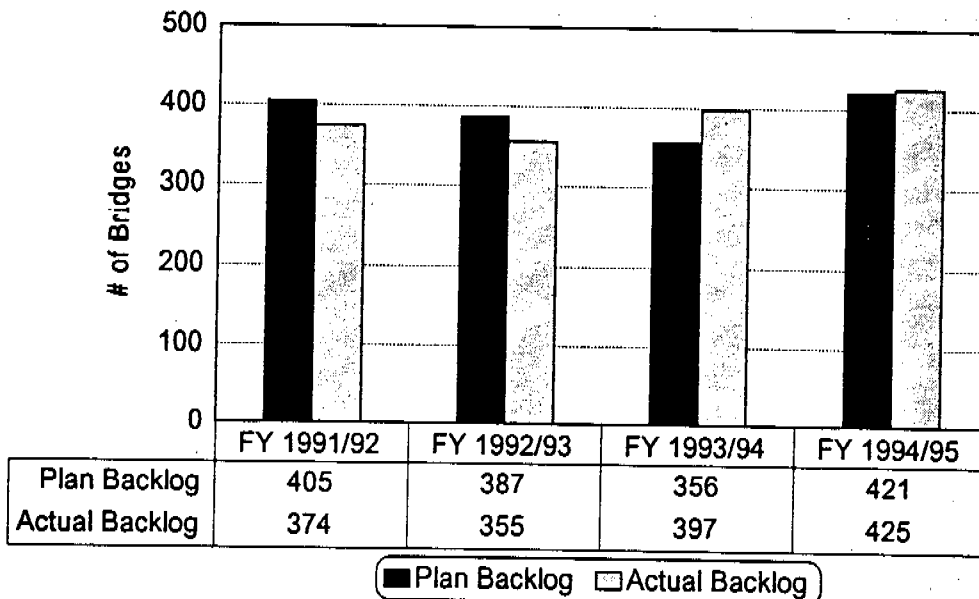
- Bridge Repair - For FY 1994/95, the actual year-end backlog of bridges needing repair was 2.7% lower than anticipated, indicating that the department made good progress toward attaining the objective by FY 1999/2000.
- Bridge Replacement - For FY 1994/95, the actual year-end backlog of bridges needing replacement was 1.0% higher than anticipated, indicating that the department did not make progress toward attaining the objective by FY 1999/2000.

BRIDGE REPAIR By Fiscal Year



Note: "Plan Backlog" is arrived at by estimating the number of bridges that will be added to the backlog because they are in need of repair and subtracting those bridges repaired during the year.

BRIDGE REPLACEMENT By Fiscal Year



Note: "Plan Backlog" is arrived at by estimating the number of bridges that will be added to the backlog because they are in need of replacement and subtracting those bridges replaced during the year.

RESURFACING

Road pavements require periodic resurfacing; however, the frequency of resurfacing depends on the volume of traffic, type of traffic (heavier vehicles cause more "wear and tear") and weather conditions to which a road pavement is subjected.

Resurfacing preserves the structural integrity of highway pavements and includes pavement resurfacing, pavement rehabilitation and minor reconstruction. Failure to timely resurface a road results in damage to the road base, necessitating costly reconstruction work in addition to resurfacing. The Department measures the condition of road pavements on an annual basis. Road segments that do not measure up to predefined pavement condition standards are considered deficient and are subsequently scheduled for repair in the Department's 5-Year Work Program. Priority scheduling is accorded to roads with the most severe deficiencies.

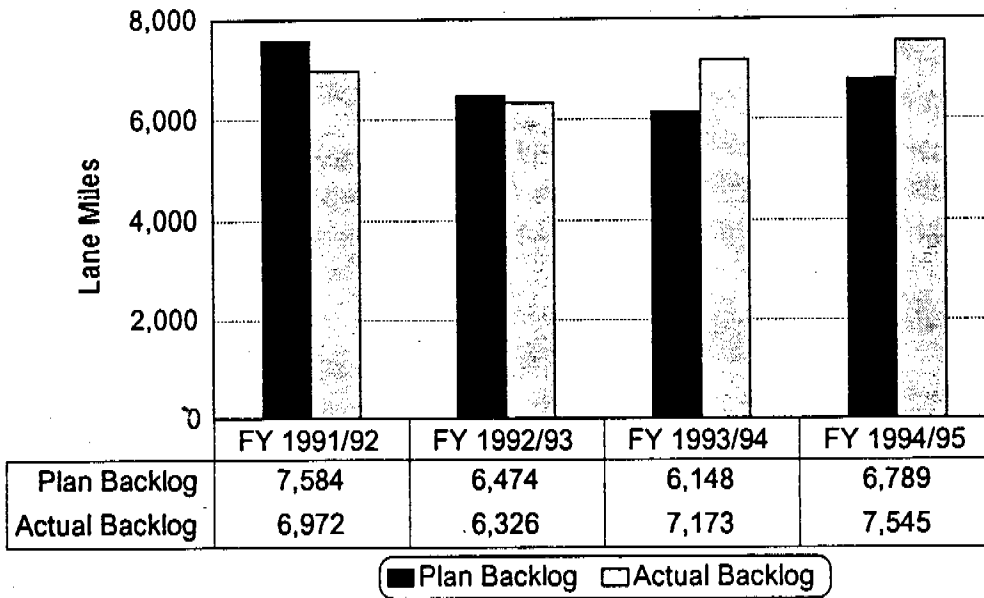
Florida law requires the Department to "meet the annual needs for resurfacing of the state highway system...." The Department objective set by the Legislature in 1990 is used to establish the acceptable backlog of structurally deficient roads.

Measure	Reduce the Backlog of Structurally Deficient State Highways to the 1983 Level (5,020 lane miles) by the End of FY 1996/97.
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Performance:

- For FY 1994/95, the actual year-end backlog of roads needing resurfacing was 11.1% higher than anticipated, indicating that the department did not make progress toward attaining the objective by FY 1996/1997.

RESURFACING By Fiscal Year



Note: "Plan Backlog" is arrived at by estimating the number of lane miles that will be added to the backlog because they are in need of resurfacing and subtracting those lane miles resurfaced during the year.

ROUTINE MAINTENANCE

Routine maintenance encompasses highway repairs (repairing potholes, patching, etc.), roadside upkeep (mowing, litter removal), drainage management, and traffic services (road signs, re-striping). Adequate, uniform road maintenance on a statewide basis is essential from structural and safety standpoints and is important for aesthetic and environmental reasons.

Florida law requires the Department to provide routine and uniform maintenance of the State Highway System. The measure below is the Department's current operating policy implementing the statutory provision.

Measure	Achieve a Maintenance Rating of 80 on the State Highway System in FY 1994/95.
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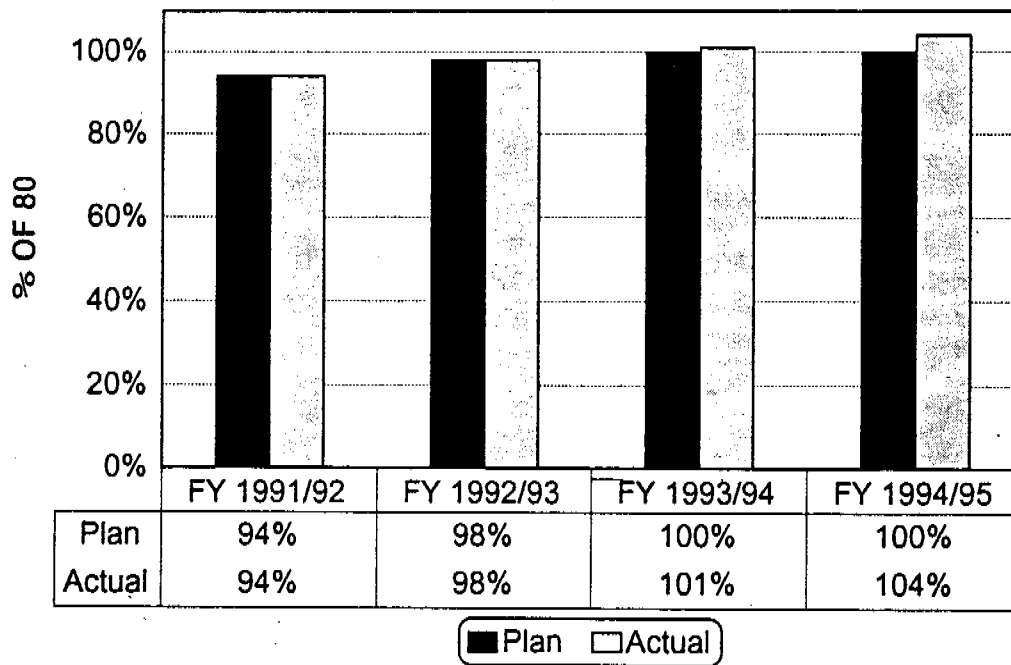
Note: The "maintenance rating" goal of 80 referred to is based on the Department's evaluation of its performance using the Maintenance Rating Program. This system grades five (5) maintenance elements and arrives at a composite state score based on a scale of 1 to 100.

Performance:

- For FY 1994/95, the Department achieved 104% of the objective of a system-wide maintenance rating of 80 by FY 1994/95.

ROUTINE MAINTENANCE

By Fiscal Year



SAFETY
INITIATIVES

SAFETY INITIATIVES

Although the Department's role in safety of the traveling public is limited to those programs it administers or funds, its safety activities are comprehensive and far reaching. Certain programs are applicable to any public road in the state. The Highway Safety Grant Program provides funding for state and local government safety programs in a number of areas relating to engineering, traffic law enforcement, public information and education, and emergency medical services.

The transportation system component over which the Department exercises most control is the State Highway System. The Department is responsible for designing, constructing and maintaining the approximately 12,000 miles of state roads (an additional 96,000 miles of road are the responsibility of cities and counties).

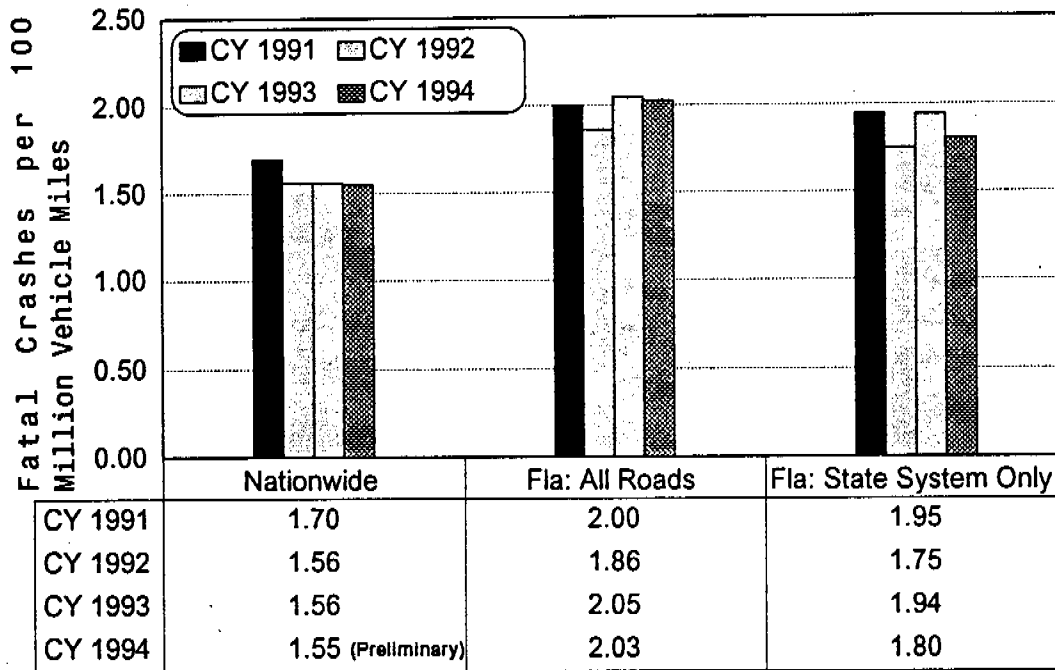
The Department's ability to reduce the number of traffic-related injuries and fatalities is limited by contributing factors over which it has little control, e.g., driver skills or impairment, presence and use of safety equipment, vehicle condition, and weather conditions.

Indicator	Florida's fatal crash rate per 100 million vehicle miles traveled (VMT) and fatal crash rate per 100 million VMT for State Highway System only vs. National average rate.
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Performance:

- Florida's 1994 fatal crash rate for all roads (state, county and city) was 2.03 fatal crashes per 100 million vehicle miles traveled (VMT), a decrease of 1% from 1993. Compared to the 1994 national rate of 1.55 fatal crashes per 100 million VMT, Florida's 1994 rate is 31% above the national rate of 1.55.
- For the State System only, the preliminary 1994 fatal crash rate was 1.80 fatal crashes per 100 million VMT, an decrease of 7% over 1993. The 1994 State System rate of 1.80 fatal crashes per 100 million VMT is 16% over the projected national rate of 1.55.

FATAL CRASHES PER 100 MILLION VEHICLE MILES
 National, Statewide, and State Highway Systems
 By Calendar Year



The Department is responsible for the administration of the Highway Safety Grant Program, which awards federal grants to both state and local agencies for safety programs in the areas of occupant protection, alcohol and drug countermeasures, police traffic services, traffic records, emergency medical services, pedestrian/bicycle safety, motorcycle and roadway safety, as well as Community Traffic Safety Programs. During FY 1994/95, ninety-two (92) grants totaling over \$6.5 million were awarded to state and local governmental agencies, and non-profit organizations. Grants were awarded for a variety of traffic safety purposes such as speed enforcement training, alcohol countermeasures, youth alcohol enforcement initiatives, pedestrian/bicycle safety, motorcycle safety, promotion and enforcement of safety belt and child safety seat usage, and expansion of local Community Traffic Safety Programs. In addition, this program promotes safety through ongoing information and education activities statewide.

The Corridor Safety Improvement Program was initiated in 1991 to provide a community-based, comprehensive approach to reducing crashes, fatalities and injuries in high risk corridors. These projects combine engineering, enforcement, education and emergency services in a coordinated locally based effort involving several jurisdictions. This program has expanded into Community Traffic Safety Programs (CTSP's) which are underway in 13 counties and are planned in others. Florida is considered a leader in implementing safety programs that integrate the "4 E's" of safety and was awarded the 1993 Federal Highway Administrator's Safety Award. CTSP's are an integral part of Florida's Safety Management System.

Because of Florida's standing as a leading state in both pedestrian and bicyclist fatalities, the Department initiated safety awareness programs in both areas. Bicycle and pedestrian programs provide traffic education training for children in grades K through 5. Specific programs were developed and targeted to reduce trauma to school-age children and older adults. These programs are comprehensive, addressing planning, engineering, education and law enforcement.

Florida is the first state to have full time staff and trainers to teach basic skills to school crossing guards: the School Crossing Guard Training Program has proven to be highly successful. Over 3,000 regional trainers have been trained in FY 1993/94 and 1994/95. In turn, they are training local crossing guards. In counties with populations over 75,000, all crossing guards are required to be trained under the new guidelines.

Through these activities involving all levels of government and the private sector and incorporating education, engineering and enforcement strategies, the Department pursues goals of reducing the frequency of crashes and the severity of injuries sustained in those crashes that do occur.

CAPACITY IMPROVEMENTS

HIGHWAYS & ALL PUBLIC

TRANSPORTATION MODES

CAPACITY IMPROVEMENTS

Highways

Highest funding priority is accorded to preservation of existing highways, bridges, and other transportation facilities. With an existing backlog of preservation needs, highway capacity improvement needs -- including new road construction, adding lanes to existing roads, and traffic operations improvements (intersection improvements, signal timing, etc.) -- have been accorded secondary priority. Thus, although Florida law mandates that the Department "reduce congestion on the state transportation system" through new construction, expansion of existing facilities and traffic operations improvements, these capacity improvement programs have not been comprehensively addressed due to competing preservation priorities for limited funding.

Notwithstanding funding constraints, in its long-range 2020 Florida Transportation Plan, the Department places priority on completing improvements to the Florida Intrastate Highway System (FIHS). The FIHS is a network (4,171 miles of the 11,935 mile State Highway System) comprised of Florida's key interstate, intercity and interregional highways for high-volume, high speed movement of commerce and people. The handling capacity and efficiency of these roads will be a critical factor in Florida's economic future, as the state competes to capture new and expanding international markets and maintain its tourism trade. Standards for the FIHS have been established both for improved capacity and control of access. To the extent that these standards are implemented, the FIHS will contribute to Florida's enhanced economic competitiveness into the 21st Century.

The degree to which capacity improvements yield the desired result of increased mobility (i.e., movement of people and goods in greater volume or reduced trip time) is affected by many factors over which the Department has little or no control. These factors include extent and location of growth, local government zoning and land development decisions, and changing travel patterns.

The measures below acknowledge funding limitations and appropriately focus on activities under the Department's control rather than attempting to measure the desired result (reduced congestion/increased mobility) which is subject to factors beyond the Department's control.

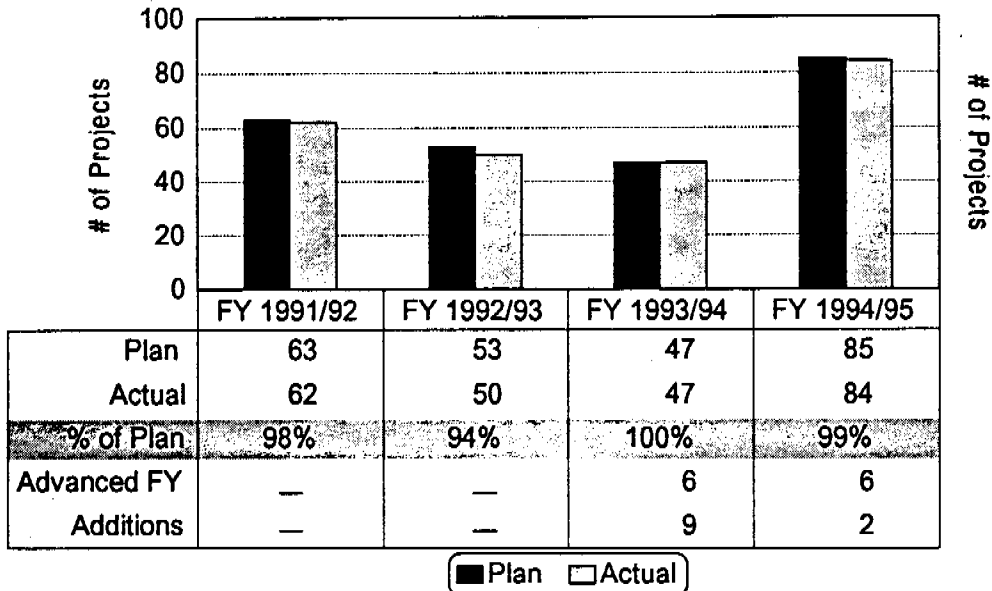
Measure	Capacity Improvement Projects Let vs. Capacity Improvement Projects Planned
Measure	Lane Miles of Capacity Improvement Projects Let vs. Lane Miles of Capacity Improvement Projects Planned
Measure	Number of centerline miles on the Florida Intrastate Highway System (FIHS) that do not meet the minimum FIHS standard of 4 lanes vs. number of miles brought up to standard (Let to contract for improvement from 2-lane to 4-lane) during the fiscal year.
	This measure assesses the Department's progress toward fulfilling the legislative mandate to develop and implement the Florida Intrastate Highway System to provide high volume, high speed statewide and interregional movement of people and goods.

Performance:

- The Department achieved 99% of plan, having let 84 of 85 highway capacity improvement projects planned for the year.
- Of 290 lane miles of capacity improvement projects planned, 288 lane miles or 99% were let. In addition, 39 lane miles were advanced from future years and 5 lane miles were added to the plan and let.
- Of 888 FIHS miles not meeting the minimum lane standard on July 1, 1993, 25 miles or 3% were let to contract during FY 1994/95 for improvement from 2 to 4 lanes. This brings a total of 53 miles or 6% of the 888 miles of 2-lane roads up to the 4-lane standard.

CAPACITY IMPROVEMENT PROJECTS HIGHWAY

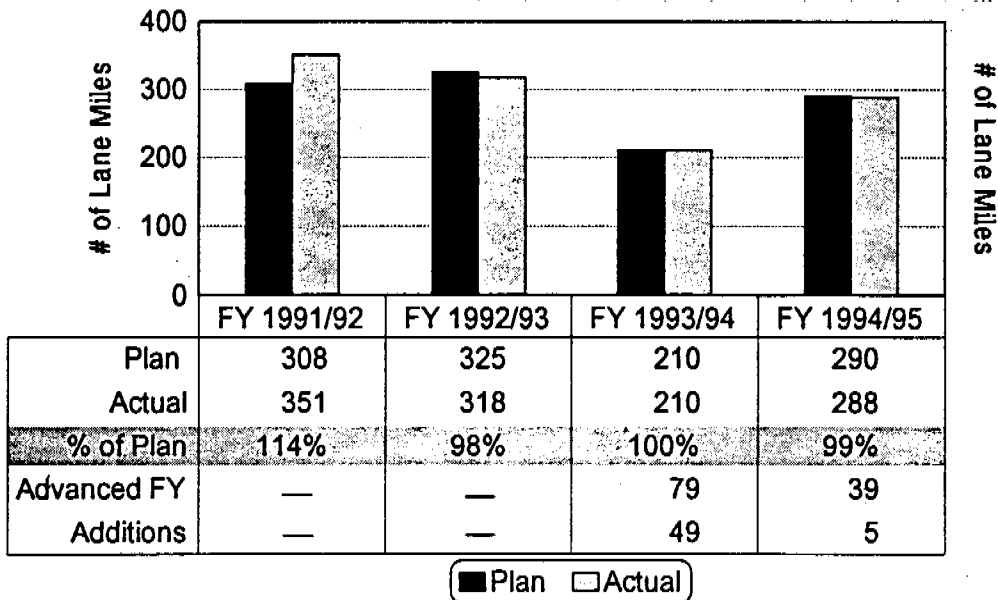
of Projects By Fiscal Year



New corridor construction and major reconstruction projects adding lanes.
 Note: FY 1991/92 and FY 1992/93 "Actual" includes advances and additions.

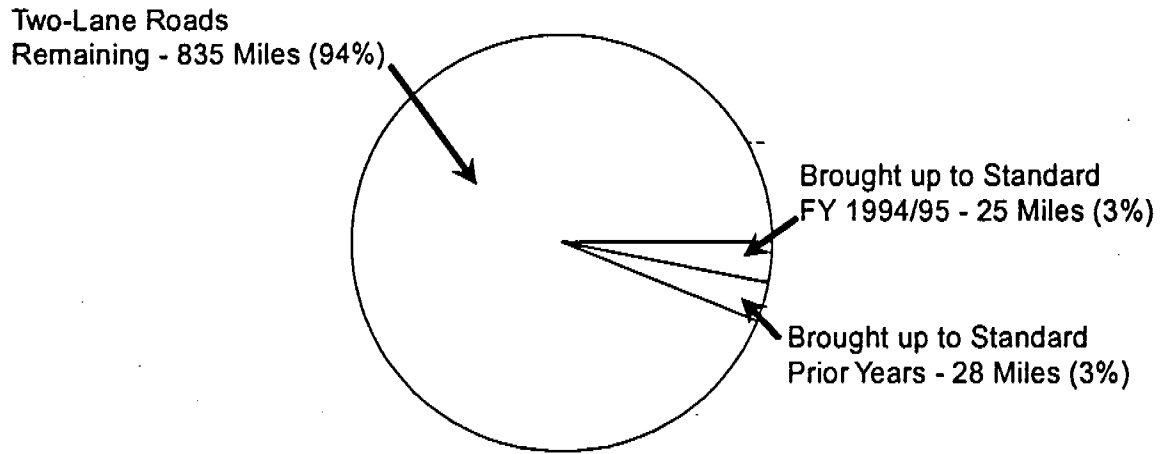
CAPACITY IMPROVEMENT PROJECTS HIGHWAY

of Lane Miles By Fiscal Year



Note: FY 1991/92 and FY 1992/93 "Actual" includes advances and additions.

THE FLORIDA INTRASTATE HIGHWAY SYSTEM
Centerline Miles Improved from 2-lane to 4-lane
Let to Contract FY 1994/95



On July 1, 1993, the number of 2-lane roads on FIHS was 888 centerline miles.

CAPACITY IMPROVEMENTS

Public Transportation Modes

Public Transportation capacity improvements include airports, seaports, rail, bus transit, intermodal development (projects enhancing connectivity of various transportation modes) and commuter assistance (carpooling, vanpooling, park & ride, etc.). The Department's role is generally limited to providing funding and technical support. Public transportation facilities and, therefore, projects to improve facility capacity are, with few exceptions, owned and operated by local government or private-sector entities, with state assistance limited to grants, other funding assistance and technical support.

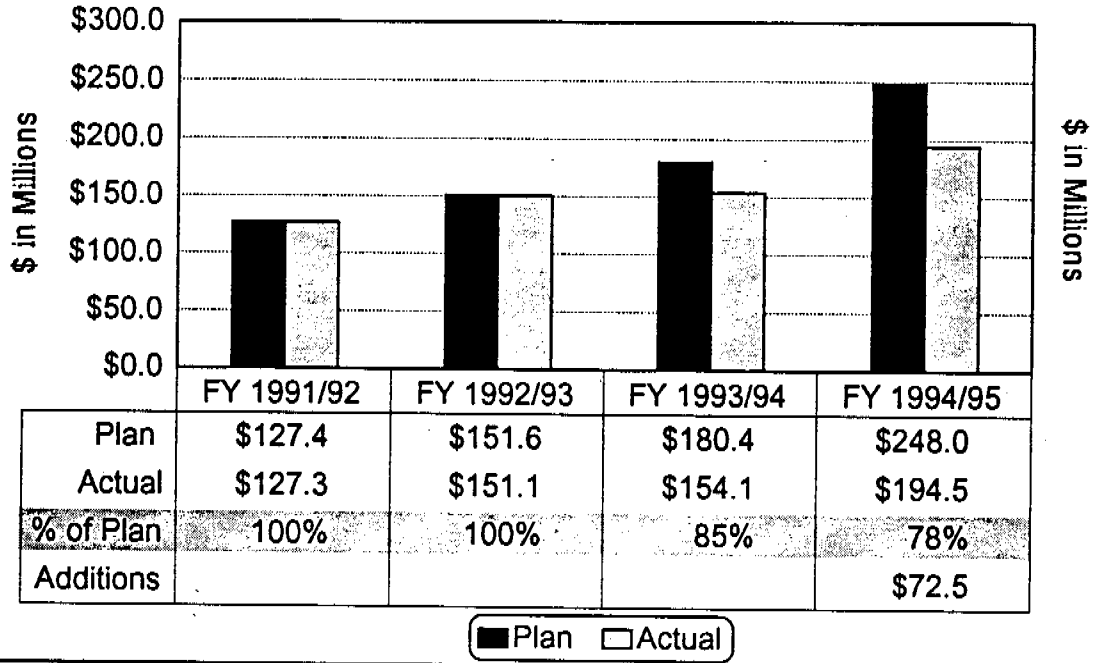
Measure	Dollar Amount Committed to Public Transportation Capacity Improvement Projects vs. Dollar Amount Planned
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Performance:

- For FY 1994/95, the Department achieved 78% of plan, committing \$194.5 M. of a plan of \$248.0 M. in public transportation capacity improvement projects. However, \$72.5 M. in projects were added to the plan and let during the year, increasing total commitments to \$267.0 M.
- The plan for FY 1994/95 was 37% larger than the plan for FY 1993/94. Department achievement of plan was 7% lower in FY 1994/95 than in FY 1993/94.

CAPACITY IMPROVEMENT PROJECTS PUBLIC TRANSPORTATION

\$ Amount By Fiscal Year



CUSTOMER
SATISFACTION
SURVEY

CUSTOMER SATISFACTION SURVEY

Development and implementation of Department programs and activities involve a variety of working relationships with other levels of government and private sector businesses and industries. Transportation planning in Florida is characterized by partnerships with regional, county and city governments, metropolitan planning organizations (MPOs), transit agencies, and airport, seaport and expressway authorities.

The Department contracts with the private sector for all or a portion of many work activities, including road and bridge construction, engineering and design, toll collection, and maintenance of transportation facilities. In its regulatory role, the Department issues permits, including permits for overweight/oversize vehicles and loads, access (driveway) permits, and outdoor advertising permits.

These groups and others not mentioned here are the Department's clients and partners. Their assessment of Department performance as experienced in working relationships with Department employees is an important feature of a comprehensive performance assessment.

In order to assess client/partner satisfaction with the Department, a mail survey was conducted with assistance from the Center for Urban Transportation Research. The survey instrument was designed so that respondents would rate the performance of the Department overall and in functional areas they work with most often. Two slightly different surveys were developed. One survey was tailored towards MPOs, local governments and various transportation authorities. A total of 685 of these surveys was mailed out, of which 223 (32%) were returned and analyzed. A second survey was targeted towards contractors, consultants, permittees and vendors of the Department. A total of 5,878 surveys was mailed to this group, of which 993 (18%) were returned and analyzed.

Indicator	Results of customer survey mailed to identified Department clients and partners soliciting their assessment of Department performance.
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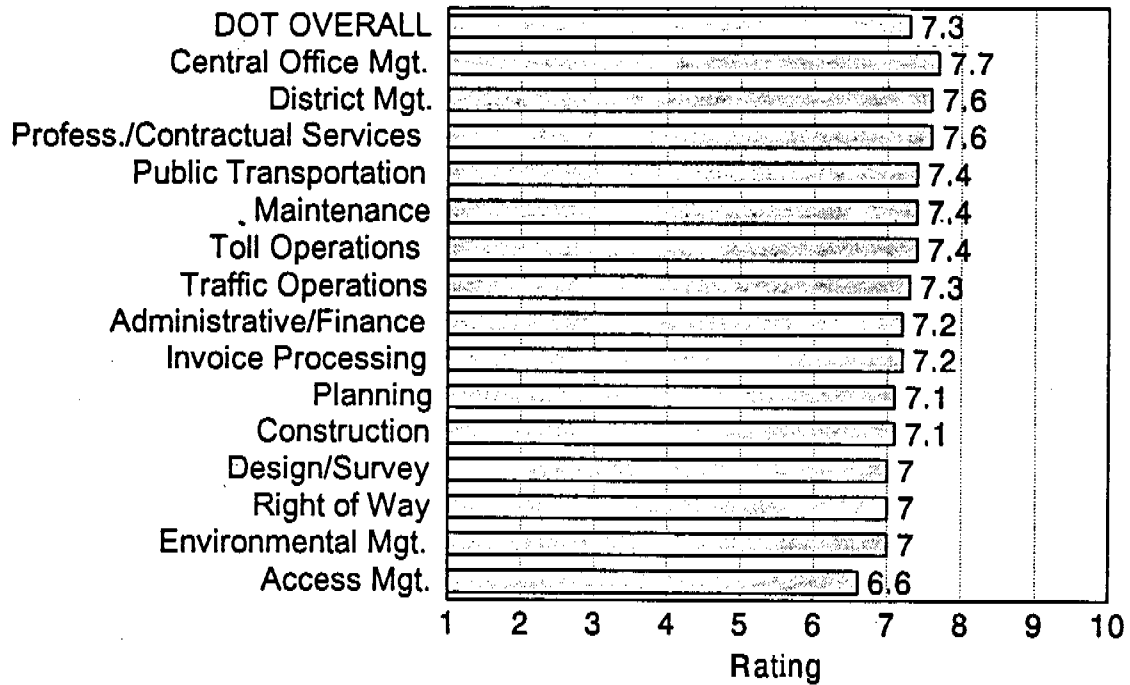
Complete survey results are provided to the Department as a tool for improving working relationships where indicated and may be useful in identifying areas that warrant further analysis.

Performance:

- Survey results indicate that the Department's clients and partners are generally satisfied with the overall performance of the Department although results indicate there is room for improvement with individual functions within the Department.
- On a performance rating scale of 1 (worst) to 10 (best), the Department received an overall performance rating of 7.3. Individual Department functions (15 total) received ratings ranging from a high of 7.7 (Central Office management) to a low of 6.6 (Access Management).
- With regard to employee performance in the Department function worked with most often by the respondent, the overall rating was 7.5. Highest ratings were for professional attitude and courtesy (8.1) and lowest for timeliness of response to requests/questions (7.4).
- In response to whether the respondent had major problems in working with the Department over the last year, 78% indicated having no major problems, 6% had problems that were resolved and 16% said they had unresolved problems.
- When asked whether Department performance had improved over the last year, 38% of respondents said performance had improved, 51% said performance had stayed about the same, and 9% said it had gotten worse.

RATING OF OVERALL PERFORMANCE

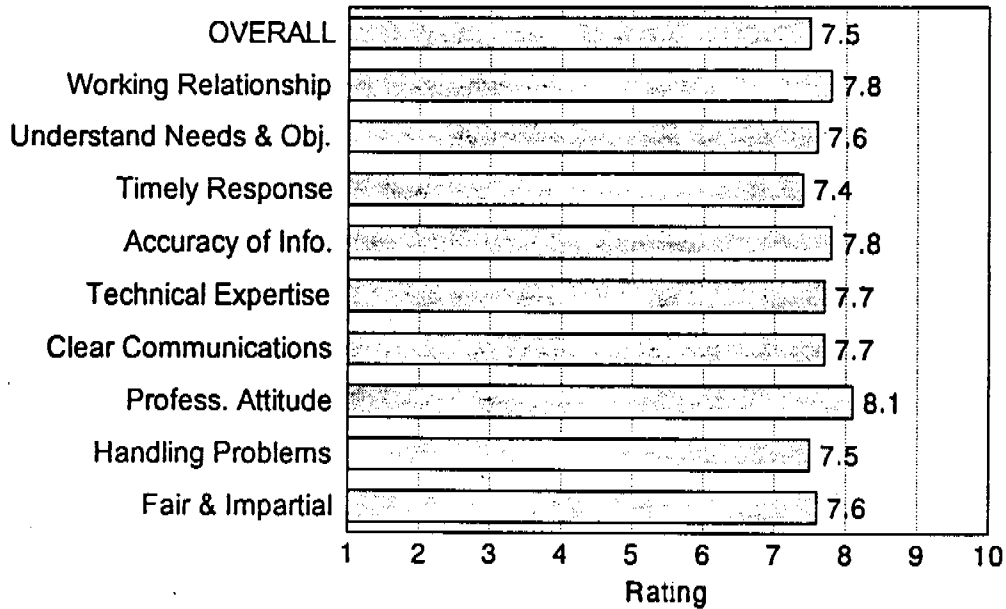
All respondents (All Districts Combined)



Rating Scale of 1 (worst) to 10 (best)

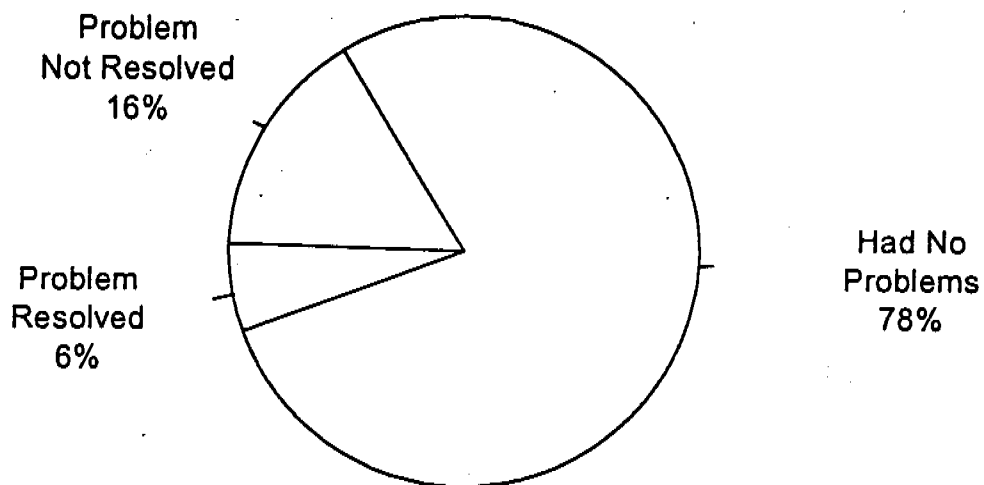
CLIENT/PARTNER SATISFACTION WITH DOT FUNCTION WORKED WITH MOST OFTEN

All respondents (All Districts and DOT Functions Combined)



Rating Scale of 1 (worst) to 10 (best)

INCIDENCE OF PROBLEMS AND PROBLEM RESOLUTION





The Florida
Transportation
Commission