# PERFORMANCE & PRODUCTION REVIEW

# OF THE DEPARTMENT OF TRANSPORTATION

# YEAR END FY 1998/99


## BY THE FLORIDA TRANSPORTATION COMMISSION

## AUGUST 26, 1999

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# EXECUTIVE SUMMARY

EXECUTED 97% OF PLANNED CONSULTANT CONTRACTS

**CONSULTANT ACQUISITION:** The statewide plan was to execute 291 consultant contracts. During the year, a total of 282 were executed, 97% of the total planned. A total of 38 consultant contracts were added to the plan and executed during the year. The plan was 12% smaller than in FY 1997/98 and achievement of plan was one percentage point higher (96% to 97%).

Actual dollar commitments of $157.1 M. were 89% of the total consultant acquisition plan of $175.8 M., leaving $18.7 M. uncommitted. However, additional contracts totaling $21.0 M. were executed.

CERTIFIED 98% OF PLANNED RIGHT OF WAY PROJECTS

**RIGHT OF WAY ACQUISITION:** The statewide right of way plan was to certify 80 projects. During the year, a total of 78 projects were certified, 98% of the total planned. Of the 2 projects not certified, neither resulted in delay to the planned contract letting date. Eight (8) projects were advanced from future years and certified during the year. Twenty-two (22) projects were added and certified during the year. The plan was the same (80 projects) as the plan for 1997/98, and achievement of plan was 5 percentage points higher (93% to 98%).

NEGOTIATED 52% OF RIGHT OF WAY PARCELS ACQUIRED

Of total parcels acquired during the year, 52% were negotiated purchases, which is six percentage points lower (58% to 52%) than the negotiation rate in FY 1997/98. For parcels acquired by negotiation, 66% of the amount paid in purchase price was within 20% of the Department's appraised value, 2 percentage points lower (68% to 66%) than in FY 1997/98.

Of total right of way expenditures of $270.4 M., 70% purchased land. About 22% or $59.0 M. paid landowner fees and costs, of which $29.8 M. was paid to landowners' attorneys.

LET 96% OF PLANNED CONSTRUCTION PROJECTS

**CONSTRUCTION CONTRACTS:** The statewide construction plan was to let 538 contracts. During the year, a total of 516 contracts were let, 96% of the total planned. Eleven (11) contracts were advanced from future years to letting during the year, and 59 projects were added to the plan and let during the year. The plan was 11.2% larger than the plan for FY 1997/98 and achievement of plan was two percentage points lower (98% to 96%).

The 516 projects let were estimated to cost a total of $1,118.7 M., and were let at an actual cost of $1,206.7 M., or 7.9% over estimated cost.

TOTAL LETTINGS EQUALED $1.269 BILLION

In dollars, the Department achieved 100% of plan, letting $1,206.7 M. of a planned $1,202.2 M. in construction contracts. Advanced and added projects let (totaling $63.2 M.) increased the year's letting to a grand total of $1,269.9 M. This total is $11.9 M. more than the amount let in FY 1997/98.

CONSTRUCTION TIME OVERRUNS WERE 28.9%

**CONSTRUCTION TIME ADJUSTMENTS:** For the 357 contracts completed during the year, the original contract time increased by 28.9% during the life of the contracts due to added days (excluding weather days). The percentage increase in contract time (excluding weather days) on completed contracts was 1.7 percentage points lower (30.6% to 28.9%) in FY 1998/99 than in FY 1997/98.

Excluding days added due to weather conditions --
On 59.1% of contracts completed, original time increased less than 20%;
On 17.9% of contracts completed, original time increased by 20% to <40%; and
On 23.0% of contracts completed, original time increased by 40% or more.

CONSTRUCTION COST OVERRUNS WERE 14.2%

**CONSTRUCTION COST ADJUSTMENTS:** For 357 contracts completed during the year, the total contract amount of $1,193.1 M. increased 14.2% due to supplemental agreements, for a total contract amount of $1,362.8 M. The percentage increase in contract cost on completed contracts was 1.9 percentage point higher (12.3% to 14.2%) in FY 1998/99 than in FY 1997/98.

On 68.0% of contracts completed, original cost increased less than 10%;
On 16.0% of contracts completed, original cost increased by 10% to <20%; and
On 16.0% of contracts completed, original cost increased by 20% or more.

1.1% OF FINAL COST DID NOT ADD VALUE TO PROJECTS

Of the final amount paid on completed contracts during 1998/99 of $1,362.8 M., a total of $39.4 M. or 2.9% were avoidable (should have been foreseen) supplemental agreements. Of the $39.4 M. avoidable supplemental agreement amount, $24.8 M. (or 1.8% of the final amount) added value to the projects completed, and $14.6 M. (or 1.1% of the final amount) did not add value to the projects.

DBE PARTICIPATION OF 13.9% FOR FEDERALLY FUNDED CONTRACTS

**DISADVANTAGED BUSINESS ENTERPRISE (DBE) ACHIEVEMENT:** For all construction and consultant contracts financed in part by federal funds, DBE participation was 13.9%, exceeding the 10% statutory goal. This performance was 0.2 percentage point higher (13.7% to 13.9%) than in FY 1997/98.

For all consultant contracts (including 100% state funded), DBE participation was 15.2%. This performance was 0.3 percentage point lower (15.5 to 15.2%) than in FY 1997/98.

FOR EVERY $1 SPENT, VALUE ENGINEERING REALIZED $84 IN SAVINGS

**VALUE ENGINEERING:** Cost-savings resulting from implementation of value engineering recommendations totaled $109.1 M., a decrease from FY 1997/98 when savings of $168.4 M. were achieved during the year (the cost of administering the VE program is $1.3 M. annually).

95% OF FEDERAL FUNDS SUBJECT TO FORFEITURE COMMITTED AS OF 7/31/99.

**COMMITMENT OF FEDERAL FUNDS:** As of July 31, 1999, the Department had committed 95% ($805 M. of a total of $851 M.) of federal funds subject to forfeiture at federal fiscal year end (Sept. 30, 1999) if not committed.

The Department has requested an additional $252.6 M. in federal funds.

ADMINISTRATIVE COSTS 1.8% OF THE TOTAL PROGRAM

**MANAGEMENT OF ADMINISTRATIVE COSTS:** Administrative costs were 1.8% of the Total Program for FY 1998/99, or $65.7 M. of a total program of $3.7 billion. Based on actual dollar amounts of administrative costs, there was a 0.9% increase ($65.1 M. to $65.7 M.) in administrative costs in FY 1998/99 compared to FY 1997/98.

CASH RECEIPTS 0.2% HIGHER THAN FORECAST

**CASH MANAGEMENT:** Actual cash receipts of $3,002.6 M. for FY 1998/99 were 0.2% higher ($6.9 M.) than the Department's August 1998 forecasted receipts amount of $2,995.7 M.

CASH DISBURSEMENTS 1.6% LOWER THAN FORECAST

Actual Cash disbursements of $3,030.1 M. for FY 1998/99 were 1.6% lower ($48.0 M.) than the Department's August 1998 forecasted disbursements of $3,078.0 M.

For FY 1998/99, the Department's lowest end-of-month cash balance was $226 Million or 7.5% of its total outstanding contractual obligations of $3.0 billion.

OPERATIONAL COST: 16.7¢ PER TOLL TRANSACTION

**MANAGEMENT OF TOLL FACILITY OPERATIONAL COSTS:** For FY 1998/99, the Department's cost to operate toll facilities was 16.7¢ per toll transaction. This cost was 0.9¢ higher (15.8¢ to 16.7¢) per toll transaction than in FY 1997/98.

91% OF BRIDGES MET DOT STANDARDS

**BRIDGE REPAIR AND REPLACEMENT:** Of 132 bridge repairs planned for letting, 101 bridge repairs or 77% were let. In addition, the Department repaired 9 bridges planned for future fiscal years. Twenty-five (25) bridges were added and repaired during year.

Of 56 bridge replacements planned for letting, 55 bridge replacements or 98% were let.

91% of state-maintained bridges met DOT standards, exceeding the Department's short range objective of 90% by 1 percentage point.

78% OF STATE ROAD LANE MILES MET DOT STANDARDS

**RESURFACING:** Of the 2,279 lane miles planned for resurfacing, 2,184 lane miles or 96% were let to contract. In addition, the Department resurfaced 33 lane miles that had been planned for resurfacing in future fiscal years. One lane mile was added and resurfaced during the year.

78% of state road lane miles met DOT standards, falling short of the Department's short range objective of 80% by 2 percentage points.

103% OF MAINTENANCE OBJECTIVE ACHIEVED

**ROUTINE MAINTENANCE:** The Department achieved 103% of the objective of a system-wide maintenance rating of 80.

272 LANE MILES OF CAPACITY ADDED

**CAPACITY IMPROVEMENTS, HIGHWAY:** The capacity improvement construction plan was to added 250 lane miles to the state highway system. During the year, 272 lane miles were let.

Twenty-eight (28) miles of the Florida Intrastate Highway System (FIHS) were improved from 2-lane roads to at least 4-lane roads. This leaves 786 miles of 2-lane FIHS roads not meeting the minimum lane standard for the FIHS.

ACHIEVED 55% OF PLANNED PUBLIC TRANSPORTATION

**CAPACITY IMPROVEMENTS, PUBLIC TRANSPORTATION:** The Department achieved 55% of plan, committing $143.5 M. of a plan of $263.0 M. The plan was 29% larger than the plan for FY 1997/98. Department achievement of plan was 17 percentage points lower (72% to 55%) than in FY 1997/98.

CALENDAR YEAR 1998 DATA NOT YET AVAILABLE

**SAFETY INITIATIVES:** Florida's CY 1998 fatal crash rate data is not yet available.

Data not yet available for % of crashes on State Highway System where road conditions were a contributing cause. This data is obtained from accident reports for which the Department of Highway Safety and Motor Vehicles (DHSMV) is responsible for data input. DHSMV is approximately 10 weeks behind schedule, so the data will not be available until late September at the earliest.

# 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 66% 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.

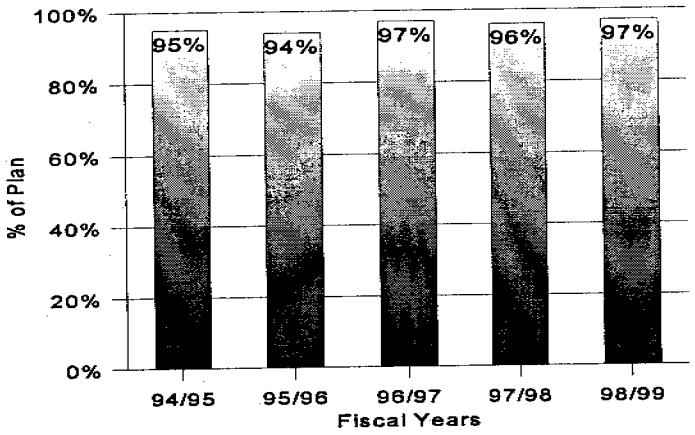
In order for a project to progress on schedule to right of way acquisition and construction, the design consultant contract must be negotiated and signed (executed) in a timely manner. Further, delays in right-of-way acquisition and construction usually mean increased project cost.

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

Statewide Performance:

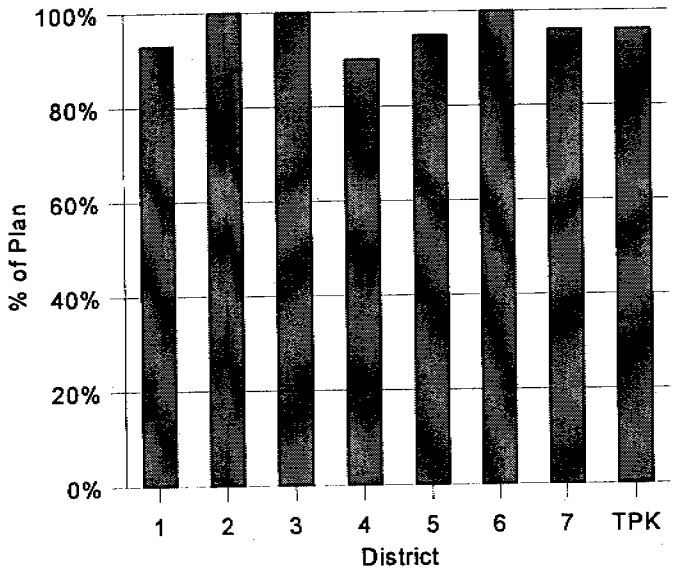
- The Department achieved 97% of plan, having executed 282 of 291 contracts planned for the year. A total of 38 consultant contracts were added and executed during the year.
- The plan for FY 1998/99 was 12% smaller than the plan for FY 1997/98.
- Department achievement of plan was 1 percentage point higher (96% to 97%) in FY 1998/99 than in FY 1997/98.
- Actual dollar commitments of $157.1 M. were 89% of the total consultant acquisition plan of $175.8 M. A total of $21.0 M. in contracts were added to the plan and executed during the year.

## *Number of Contracts Executed VS. Number Planned by Fiscal Year*



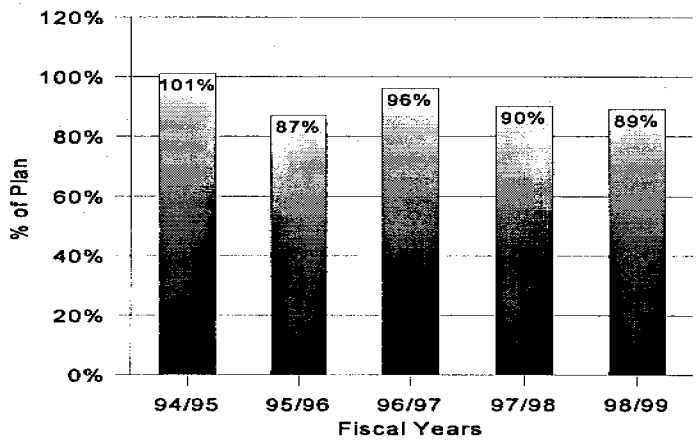

| | Fiscal Year | | | | |
|---|---|---|---|---|---|
| | 94/95 | 95/96 | 96/97 | 97/98 | 98/99 |
| Plan | 390 | 340 | 322 | 326 | 291 |
| Actual | 370 | 319 | 311 | 314 | 282 |
| *% of Plan* | *95%* | *94%* | *97%* | *96%* | *97%* |
| Additions | 16 | 16 | 28 | 22 | 38 |
| Total | 386 | 335 | 339 | 336 | 320 |

## *Number of Contracts Executed VS. Number Planned by District, FY 1998/99*



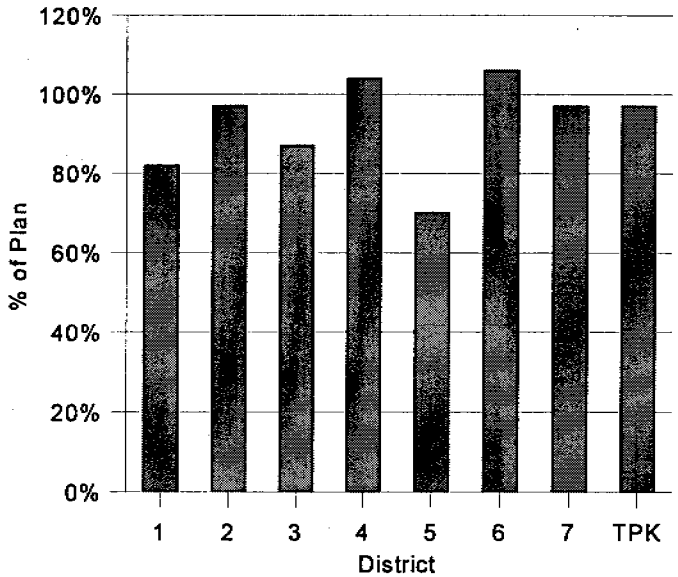

| | District | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | TPK |
| Plan | 28 | 37 | 70 | 31 | 38 | 37 | 23 | 27 |
| Actual | 26 | 37 | 70 | 28 | 36 | 37 | 22 | 26 |
| *% of Plan* | *93%* | *100%* | *100%* | *90%* | *95%* | *100%* | *96%* | *96%* |
| Additions | 2 | 4 | 6 | 2 | 1 | 8 | 4 | 11 |
| Total | 28 | 41 | 76 | 30 | 37 | 45 | 26 | 37 |

## *$ Amount Executed VS. $ Amount Planned by Fiscal Year*




| | Fiscal Year | | | | |
|---|---|---|---|---|---|
| | 94/95 | 95/96 | 96/97 | 97/98 | 98/99 |
| Plan | $184.2 | $195.4 | $156.5 | $199.8 | $175.8 |
| Actual | $186.7 | $170.5 | $149.5 | $180.0 | $157.1 |
| *% of Plan* | *101%* | *87%* | *96%* | *90%* | *89%* |
| Additions | $3.0 | $7.2 | $7.0 | $8.3 | $21.0 |
| Total | $189.7 | $177.7 | $156.5 | $188.3 | $178.1 |

## *$ Amount Executed VS. $ Amount Planned by District, FY 1998/99*




| | District | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | TPK |
| Plan | $18.7 | $17.8 | $29.5 | $15.9 | $31.1 | $11.9 | $18.2 | $32.7 |
| Actual | $15.6 | $17.3 | $25.6 | $16.5 | $21.9 | $12.6 | $17.7 | $29.9 |
| *% of Plan* | *83%* | *97%* | *87%* | *104%* | *70%* | *106%* | *97%* | *91%* |
| Additions | $1.3 | $0.8 | $2.5 | $1.0 | $0.3 | $2.4 | $4.2 | $8.5 |
| Total | $16.9 | $18.1 | $28.1 | $17.5 | $22.2 | $15.0 | $21.9 | $38.4 |

## Explanation of Projects Planned but Not Executed:

District 1:

- One design contract for a new Golden Gate Parkway Interchange (I-75) location delayed until FY 2000/01 due to pending completion of federal approval process.
- One design contract to replace County Road 789/Blackburn Point Bridge delayed to address Coast Guard and local issues relative to bridge clearance.

District 4:

- Two preliminary engineering contracts to provide a regional drainage system delayed due to the scope being redefined to reduce right of way costs along US 1.
- One preliminary engineering contract for a scenic trail (Lake Okeechobee) deleted due to the he US Army Corp of Engineers plans to build the project.

District 5:

- One contract to provide traffic operation studies and traffic engineering tasks was deleted due to these services being provided through other means.
- One design contract for I-4/US 192 Interchange reconstruction delayed. The Department was unable to complete the prerequisite I-4 ultimate configuration PD&E study in time to execute this contract.

District 7:

- One design contract for the widening of SR 682 (Bayway) and the replacement of the existing bascule bridge deferred to FY 1999/00 due to the reconsideration of the bridge type based on new requirements received from the Coast Guard.

Turnpike District:

- One project development and engineering study contract did not need to be undertaken to secure the right of way for the future interchange (HEFT/I-75) expansion. The property owner had the property for sale, and the Department obtained the needed parcel.

# 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 right of way program is an essential component of achieving high levels of productivity.

Although the Department successfully negotiated the purchase of 52% of right of way parcels, costly and lengthy condemnation proceedings must be pursued on the remaining 48% 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. When feasible, the Department acquires needed right of way in advance of construction - purchasing *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.

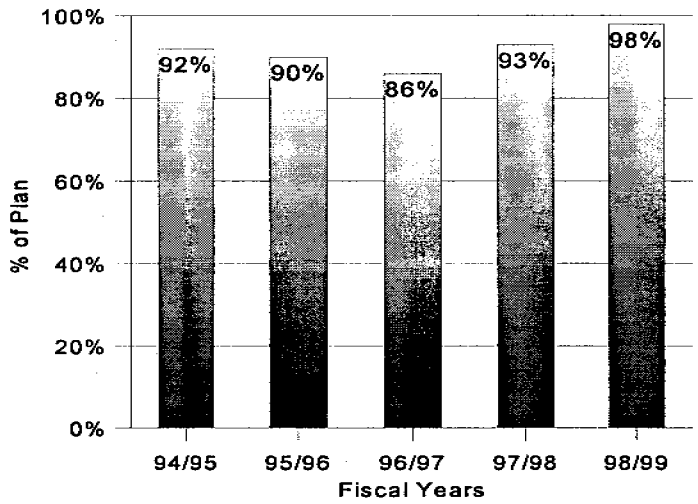
| Measure | Number of Projects Certified vs. Number of Projects Scheduled for Certification |
|---|---|
| This Measure assesses how well the Department performs in acquiring all parcels needed for construction letting of a project. Failure to certify on schedule all parcels for a given project may delay the project and increase project cost. | |
| Explanatory Data | Number of parcels acquired by negotiation vs. condemnation. |
| | For negotiated parcels, the percentage of the total purchase price amount that was within 20% of the Department's appraised value. |
| | For negotiated parcels, purchase agreement amount vs. DOT last appraisal vs. property owner's counter-offer amount. |
| | For litigated parcels, final judgment amount vs. total DOT estimated compensation vs. total property owner's claim. |
| | Of total right of way expenditures, the percent and dollar value used to purchase land vs. percent and dollar value expended for associated costs and fees. |

Statewide Performance:

- The Department achieved 98% of plan, having certified right of way on 78 of 80 projects planned for the year. Of the 2 projects not certified, neither resulted in delay to the planned contract letting date. Eight (8) projects planned for certification in future years were advanced to certification in FY 1998/99. A total of 22 projects were added and certified during the year.
- The plan for FY 1998/99 was the same (80 projects) as the plan for FY 1997/98. Department achievement of plan was 5 percentage points higher (93% to 98%) in FY 1998/99 than in FY 1997/98.
- Of the total parcels acquired during FY 1998/99, 52% were negotiated purchases, which is 6 percentage points lower (58% to 52%) than the negotiation rate in FY 1997/98.
- For parcels acquired by negotiation during FY 1998/99, 66% of the amount paid in purchase price was within 20% of the Department's appraised value. FY 1998/99 is 2 percentage points lower (68% to 66%) than in FY 1997/98.
- For negotiated parcels, the average purchase agreement amount was 56% of the spread between DOT's last appraisal and the property owner's counter-offer.
- 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 1998/99:
  - For the average settlement, the final judgment was 30% of the spread;
  - For the average mediation, the final judgment was 33% of the spread;
  - For the average verdict, the final judgment was 34% of the spread.

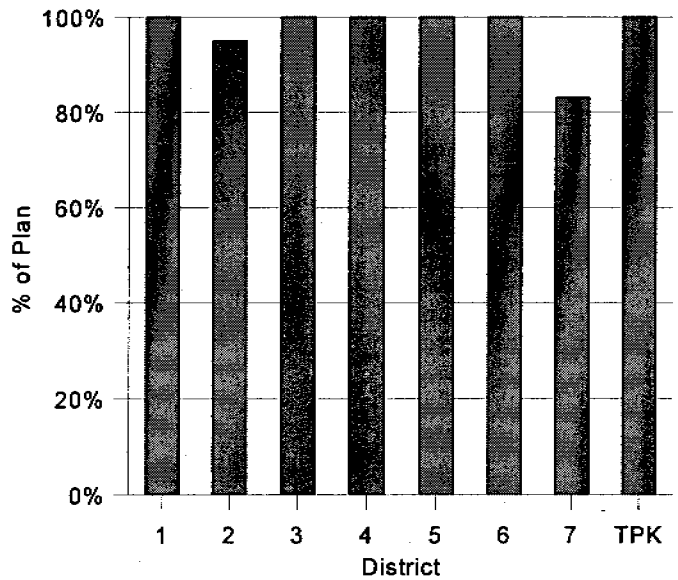
  Comparing with prior year:
  - For the average settlement, final judgments in FY 1998/99 were 6% more toward the landowner's demand than in FY 1997/98 when they were 24% of the spread.
  - For the average mediation, final judgments in FY 1998/99 were 3% more toward the Department's appraisal than in FY 1997/98 when they were 36% of the spread.
  - For the average verdict, final judgments in FY 1998/99 were 14% more toward the landowner's demand than in FY 1997/98 when they were 48% of the spread.
- Right of Way expenditures totaled $270.4 M. during FY 1998/99. Of that total, slightly over 70% purchased land compared to 72% in FY 1997/98. About 22% or $59.0 M. paid landowners' fees and costs, 51% or $29.8 M. of that being paid to landowners' attorneys.

## *Number of Projects Certified VS. Number Planned by Fiscal Year*




| | Fiscal Year | | | | |
|---|---|---|---|---|---|
| | 94/95 | 95/96 | 96/97 | 97/98 | 98/99 |
| Plan | 108 | 87 | 93 | 80 | 80 |
| Actual | 99 | 78 | 80 | 74 | 78 |
| *% of Plan* | *92%* | *90%* | *86%* | *93%* | *98%* |
| Advanced | 8 | 9 | 7 | 14 | 8 |
| Additions | 15 | 11 | 16 | 13 | 22 |
| Total | 122 | 98 | 103 | 101 | 108 |

## *Number of Projects Certified VS. Number Planned by District, FY 1998/99*




| | District | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | TPK |
| Plan | 14 | 19 | 15 | 10 | 12 | 3 | 6 | 1 |
| Actual | 14 | 18 | 15 | 10 | 12 | 3 | 5 | 1 |
| *% of Plan* | *100%* | *95%* | *100%* | *100%* | *100%* | *100%* | *83%* | *100%* |
| Advanced | 3 | 3 | 1 | 0 | 0 | 1 | 0 | 0 |
| Additions | 4 | 5 | 3 | 2 | 6 | 1 | 0 | 1 |
| Total | 21 | 26 | 19 | 12 | 18 | 5 | 5 | 2 |

## Explanation of Projects Planned but Not Certified:

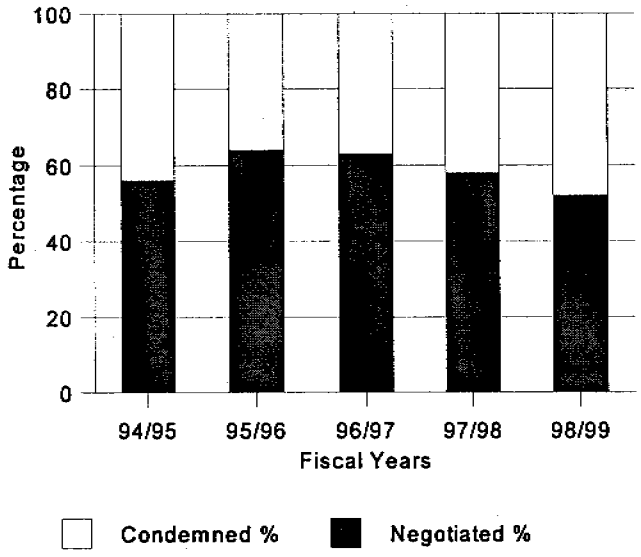
District 2:

- One project (Brannan Field Rd.) not certified due to two parcels to be donated as part of a pending development order. Delays in the donations occurred due to design changes on the project. 91 of 93 parcels have been acquired. The construction phase of this project is not in the Department's work program.

District 7:

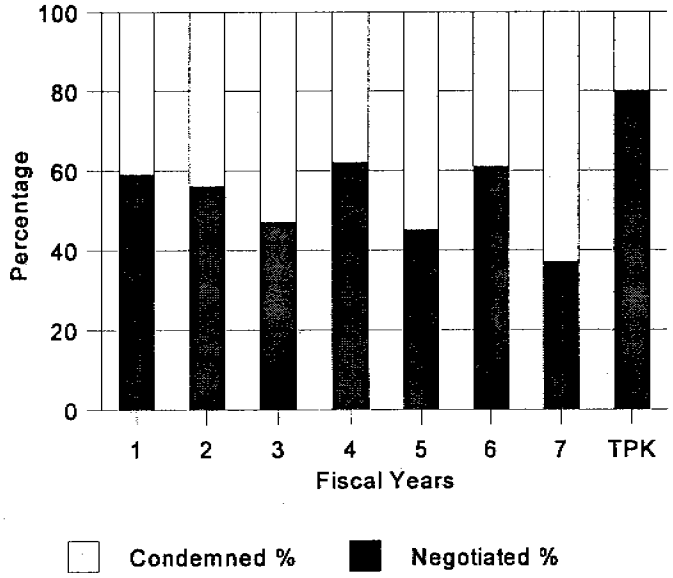
- One project (SR 694/66th Street Interchange) not certified. The owner of the last parcel stipulated to an Order of Taking in June, but the business operating on site still had personal property to be relocated. All 24 parcels have been acquired. The construction phase of this project is scheduled to be let October 1999.

## *Negotiated and Condemned Parcels, Percentage Rate by Fiscal Year*



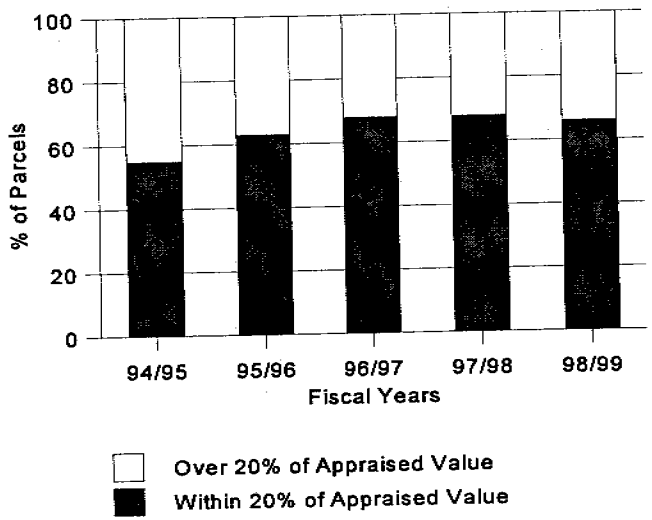

| | Fiscal Year | | | | |
|---|---|---|---|---|---|
| | 94/95 | 95/96 | 96/97 | 97/98 | 98/99 |
| Condemned % | 44% | 36% | 37% | 42% | 48% |
| Negotiated % | 56% | 64% | 63% | 58% | 52% |
| Condemned # | 1,166 | 965 | 830 | 899 | 839 |
| Negotiated # | 1,480 | 1,695 | 1,406 | 1,261 | 912 |

## *Negotiated and Condemned Parcels, Percentage Rate by District, FY 1998/99*



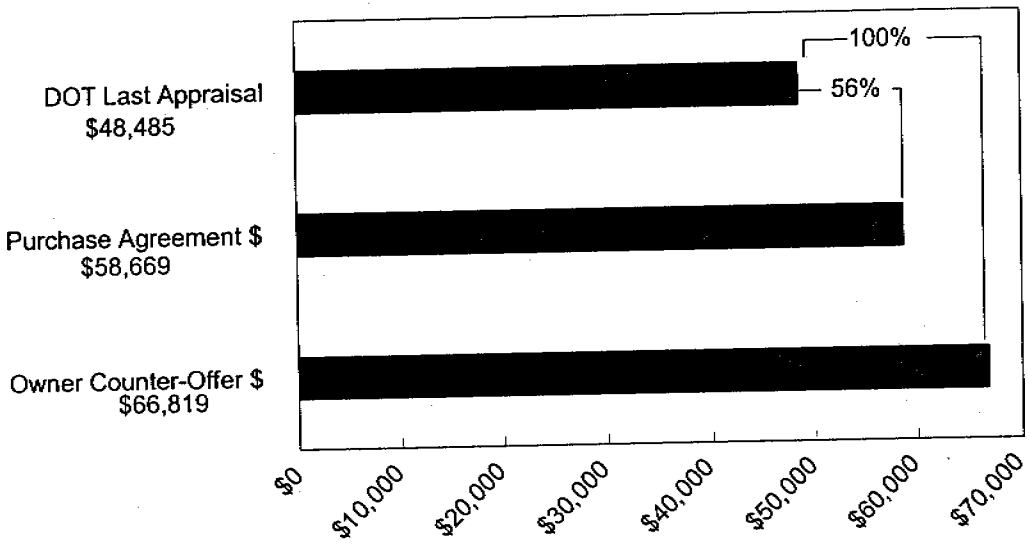

| | District | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | TPK |
| Condemned % | 41% | 44% | 53% | 38% | 55% | 39% | 63% | 20% |
| Negotiated % | 59% | 56% | 47% | 62% | 45% | 61% | 37% | 80% |
| Condemned # | 67 | 193 | 240 | 89 | 109 | 27 | 113 | 1 |
| Negotiated # | 98 | 249 | 217 | 146 | 90 | 42 | 66 | 4 |

## *Parcels Negotiated Within 20% of DOT Appraised Value, Percentage Rates by Fiscal Year*



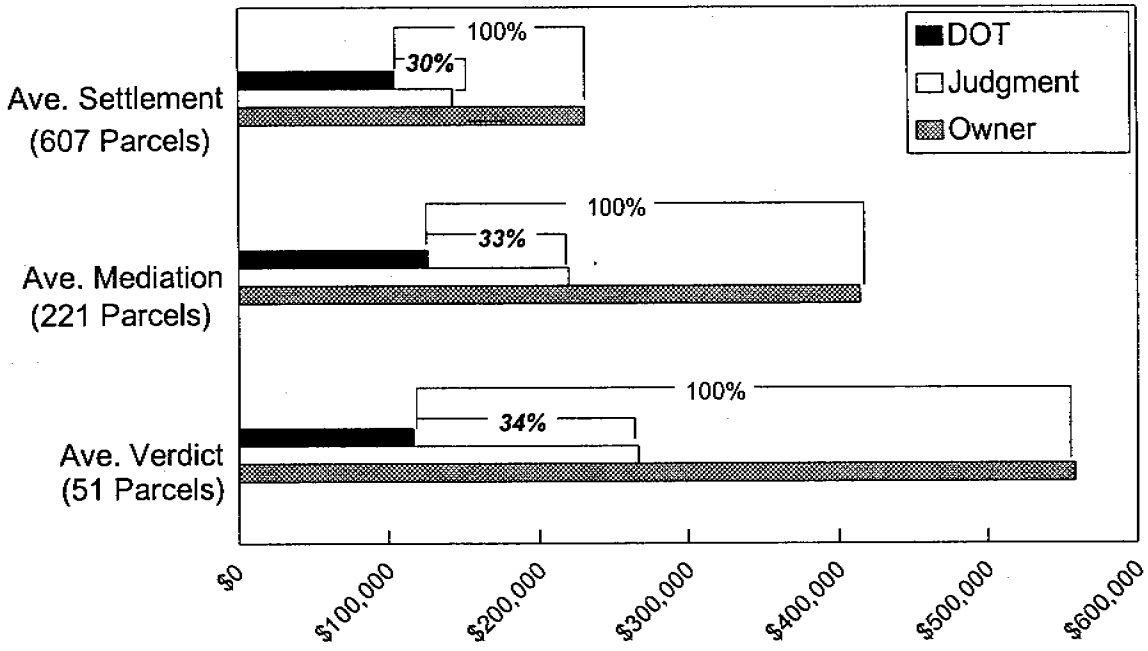

| | Fiscal Year | | | | |
|---|---|---|---|---|---|
| | 94/95 | 95/96 | 96/97 | 97/98 | 98/99 |
| Over 20% | 45% | 37% | 32% | 32% | 34% |
| Within 20% | 55% | 63% | 68% | 68% | 66% |

## *Negotiated Parcels - Average Purchase Agreement Amount as % of Spread Between DOT Appraisal and Owner's Counter-Offer, FY 1998/99*




The average purchase agreement amount for 609 parcels was 56% of the spread between DOT's last appraisal and the property owner's counter-offer.

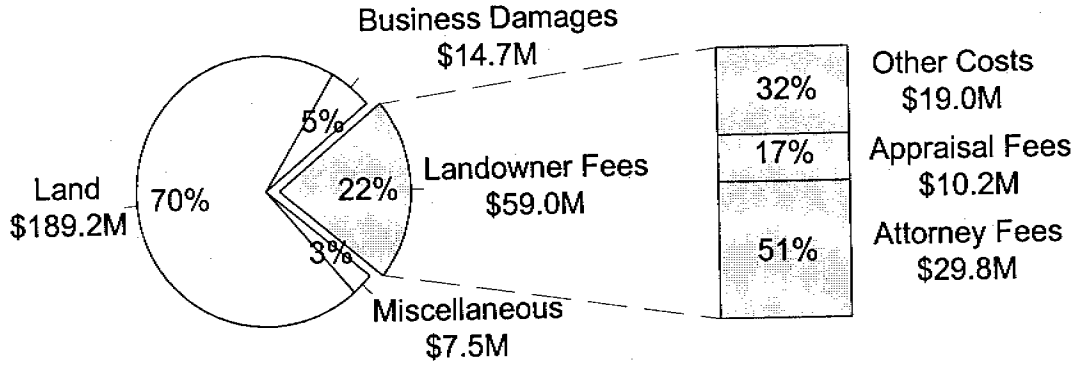
## *Condemned Parcels - Average Final Judgment as % of Spread Between DOT Appraisal and Owner's Demand*




| | # of Parcels | DOT | Judgment | Landowner | % of Spread |
|---|---|---|---|---|---|
| Settlement | 607 | $104,532 | $142,798 | $230,922 | 30% |
| Mediation | 221 | $126,060 | $219,634 | $413,806 | 33% |
| Verdict | 51 | $116,305 | $266,632 | $558,633 | 34% |

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.

## *Right of Way Expenditures*
## *Statewide Summary FY 1998/99*

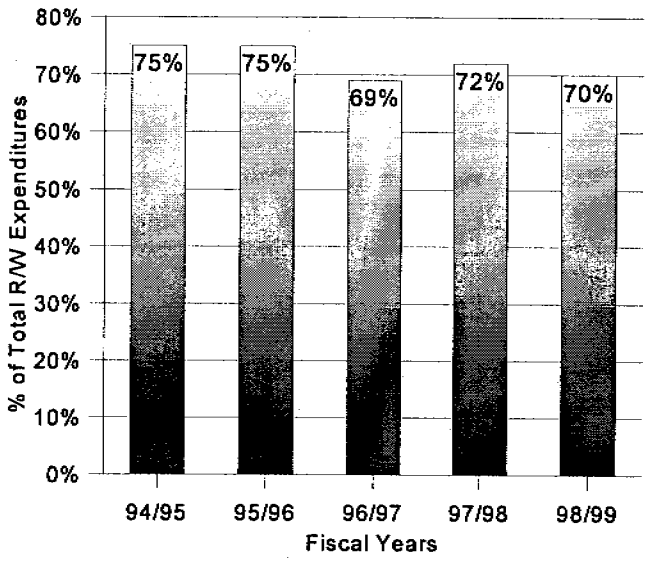



Statewide Total = $270.4 M

| R/W Expenditure | FY 1997/98 | | FY 1998/99 | | Change | |
|---|---|---|---|---|---|---|
| Statewide | $ | % | $ | % | $ | % |
| Land | $254.4 | 72% | $189.2 | 70% | ($65.2) | (2%) |
| Business Damages | $18.8 | 5% | $14.7 | 5% | ($4.1) | 0% |
| Landowner Fees | $63.5 | 18% | $59.0 | 22% | ($4.5) | 4% |
| Miscellaneous | $18.3 | 5% | $7.5 | 3% | ($10.8) | (2%) |
| Total | $355.0 | 100% | $270.4 | 100% | ($84.6) | |

| R/W Expenditure | FY 1997/98 | | FY 1998/99 | | Change | |
|---|---|---|---|---|---|---|
| Landowner Fees | $ | % | $ | % | $ | % |
| Attorney Fees | $34.8 | 55% | $29.8 | 51% | ($5.0) | (4%) |
| Appraisal Fees | $9.3 | 15% | $10.2 | 17% | $0.9 | 2% |
| Other Costs | $19.4 | 30% | $19.0 | 32% | ($0.4) | 2% |
| Total | $63.5 | 100% | $59.0 | 100% | ($4.5) | |

## *Right of Way Expenditures For Land*




| | Fiscal Year ($ in Millions) | | | | |
|---|---|---|---|---|---|
| | 94/95 | 95/96 | 96/97 | 97/98 | 98/99 |
| Land Costs | $228.6 | $243.1 | $203.6 | $254.4 | $189.2 |
| R/W Expenditure | $303.6 | $325.0 | $293.0 | $355.0 | $270.4 |
| % of Total | 75% | 75% | 69% | 72% | 70% |

# 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.

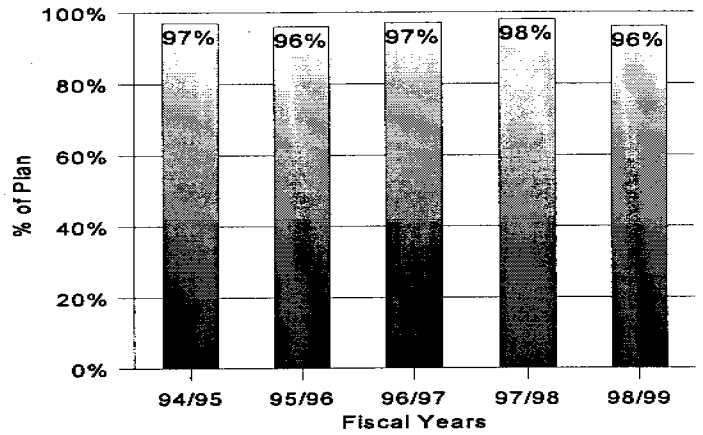
The construction phase results in the final, tangible product of the Department and the construction program comprises 39% of total dollars in the work program. The public's foremost concern is "Did the Department build the projects it committed to build, and did it do so *when* it promised to?" The 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.<br><br>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. |

Statewide Performance:

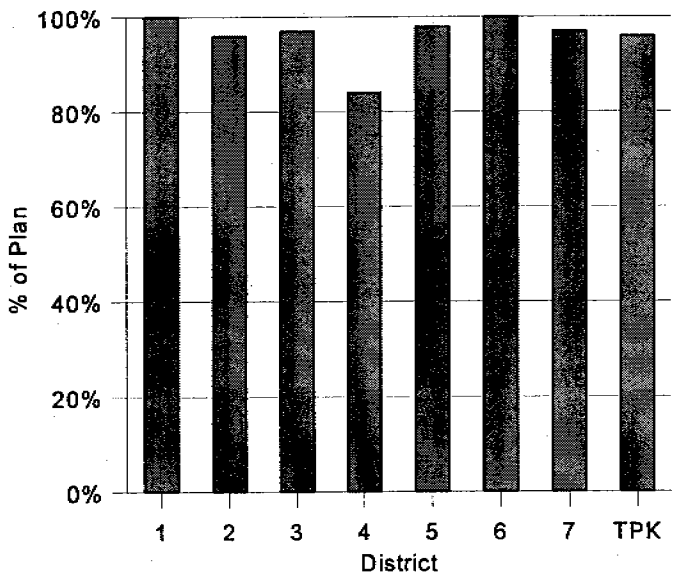
- The Department achieved 96% of plan, having let 516 of 538 projects planned for the year. Eleven (11) projects were advanced from future fiscal years to letting in FY 1998/99. Fifty-nine (59) projects were added and let during the year.
- The plan for FY 1998/99 was 11.2% larger than the plan for FY 1997/98. Department achievement of plan was two percentage point lower (98% to 96%) in FY 1998/99 than in FY 1997/98.
- With regard to advancements, the Department advanced 11 projects during FY 1998/99 compared to 35 projects advanced to letting from future years in FY 1997/98.
- Dollar commitments of $1,206.7 M. were 100% of total planned construction lettings of $1,202.2 M.
- The 516 projects let were estimated to cost a total of $1,118.7 M., and were let at an actual cost of $1,206.7 M., or 7.9% over estimated cost.
- From a dollar standpoint, the plan for FY 1998/99 was 1.6% smaller than the plan for FY 1997/98.
- The total dollar volume let (includes additions and advances) during FY 1998/99 ($1,269.9 M.), was $11.9 M. more than the amount let in FY 1997/98 ($1,258.0 M.).

## *Number of Contracts Let VS. Number Planned by Fiscal Year*



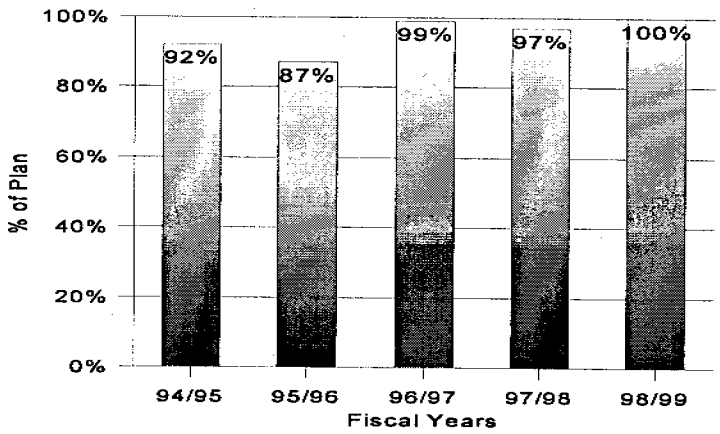

| | Fiscal Year | | | | |
|---|---|---|---|---|---|
| | 94/95 | 95/96 | 96/97 | 97/98 | 98/99 |
| Plan | 539 | 470 | 412 | 484 | 538 |
| Actual | 522 | 450 | 401 | 476 | 516 |
| *% of Plan* | *97%* | *96%* | *97%* | *98%* | *96%* |
| Advanced FY | 28 | 15 | 28 | 35 | 11 |
| Additions | 14 | 37 | 35 | 30 | 59 |
| Total Let | 565 | 502 | 464 | 541 | 586 |

## *Number of Contracts Let VS. Number Planned by District, FY 1998/99*



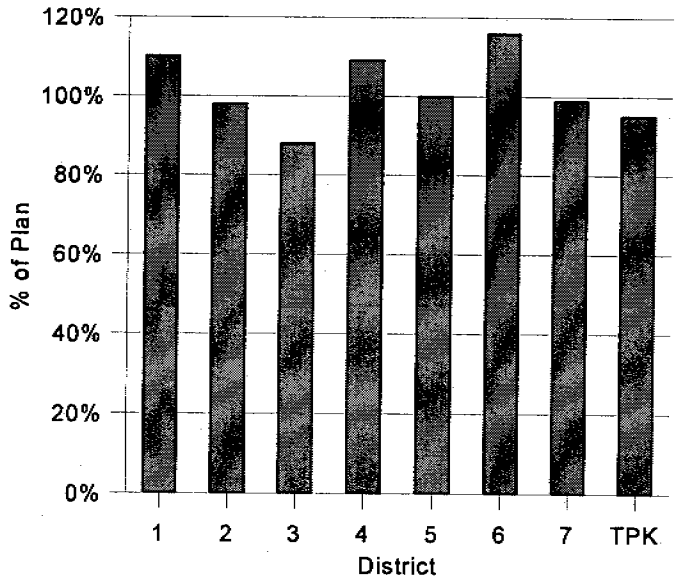

| | District | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | TPK |
| Plan | 80 | 97 | 99 | 62 | 95 | 37 | 53 | 15 |
| Actual | 79 | 94 | 94 | 55 | 93 | 36 | 53 | 12 |
| *% of Plan* | *99%* | *97%* | *95%* | *89%* | *98%* | *97%* | *100%* | *80%* |
| Advanced | 0 | 0 | 4 | 3 | 1 | 2 | 1 | 0 |
| Additions | 5 | 14 | 11 | 5 | 3 | 13 | 5 | 3 |
| Total | 84 | 108 | 109 | 63 | 97 | 51 | 59 | 15 |

## *$ Amount Let VS. $ Amount Planned by Fiscal Year*




| | Fiscal Year | | | | |
|---|---|---|---|---|---|
| | 94/95 | 95/96 | 96/97 | 97/98 | 98/99 |
| Plan | $952.6 | $1,043.0 | $944.9 | $1,222.2 | $1,202.2 |
| Actual | $872.3 | $908.3 | $935.3 | $1,182.6 | $1,206.7 |
| *% of Plan* | *92%* | *87%* | *99%* | *97%* | *100%* |
| Advanced FY | $65.6 | $23.8 | $111.5 | $59.1 | $18.0 |
| Additions | $30.5 | $124.9 | $11.2 | $16.3 | $45.2 |
| Total Let | $968.4 | $1,057.0 | $1,058.0 | $1,258.0 | $1,269.9 |

## *$ Amount Let VS. $ Amount Planned by District, FY 1998/99*




| | District | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | TPK |
| Plan | $136.3 | $147.8 | $281.1 | $196.3 | $133.9 | $94.1 | $138.4 | $74.3 |
| Actual | $150.4 | $144.7 | $248.5 | $213.9 | $133.4 | $108.9 | $136.5 | $70.4 |
| *% of Plan* | *110%* | *98%* | *88%* | *109%* | *100%* | *116%* | *99%* | *95%* |
| Adv. FY | $0.0 | $0.0 | $1.5 | $0.3 | $6.1 | $0.6 | $9.5 | $0.0 |
| Additions | $3.8 | $9.8 | $19.7 | $2.0 | $2.6 | $3.9 | $1.4 | $2.0 |
| Total | $154.2 | $154.5 | $269.7 | $216.2 | $142.1 | $113.4 | $147.4 | $72.4 |

## Explanation of Construction Projects Planned but Not Let:

District 1:

- I-4 resurfacing (from CR 582 to SR 33) deleted. Additional funds to 6-lane I-4 eliminated the need for the project.

District 2:

- A project to construct a wildlife barrier in Paynes Prairie was delayed due to the water level being too high. The project was let in July 1999 when the water level became acceptable.
- A project for the mitigation and demolition of the Nassau Sound Bridge was deferred. The original agreement was that the old Nassau Sound bridge would be removed and placed out to sea for a fishing reef when the new bridge was completed. Upon completion of the new bridge, a local movement convinced the two counties to save the old bridge and give it to the park service for a fishing pier. This required the plan for both the bridge and mitigation to be redone.
- A project to improve the drainage on US 17 was deferred so that more effort could be put forward to work and cooperate with local land owners locating a retention pond. The site of the pond was relocated to an old borrow pit.

District 3:

- A project to widen US 98 way delayed until FY 1999/00. The Department had the plans and right of way ready for a June 1999 letting. However, the Army Corp of Engineers does not have enough staff to process the permit in the time frame DOT anticipated..
- A design/build project to construct a Welcome Station on US 231 was deferred until FY 1999/00. The right of way phase took longer than planned.
- A project to widen US 90 from Capital Circle to Dempsey Mayo was deferred until FY 1999/00. The plans and right of way were ready for an April 1999 letting. The Florida Department of Environmental Protection (DEP) would not issue a permit until the current Capital Circle projects are completed for one year. This was stipulated in the DEP permit for Capital Circle. In the past, DOT has requested and was granted an exception to this requirement. However, this time DEP would not allow the exception.
- A project to widen SR 89 from US 90 to SR 87, and SR 87 from SR 89 to Clear Creek were deferred until 1999/00. The projects required a budget amendment to pay the cost to relocate the City of Milton utilities. This amendment was not approved, therefore, DOT could not receive bids on these projects. In the 1999 Legislative Session a special bill passed allowing DOT to pay the cost of relocating the City of Milton utilities. The projects were let in FY 1999/00.

District 4:

- A project to improve the Broward county Signal System was deleted at the request of the MPO. The funding was shifted to the Smart Highways Project.
- A project on SR 7 was deferred until FY 99/00 because a property owner filed a petition against the water management permit.
- Three related projects on SR 715 were deferred until FY 99/00 because a contractor did not attend the mandatory pre-bid conference and filed a protest to stop the letting.
- A district-wide project for interstate striping was deleted since the district still had an active contract in place.
- A project on Interstate 95 was deferred until FY 99/00 due to the contractors having conflicting plan packages.

District 5:

- Two area-wide pavement marking projects were advertised for letting in the second quarter of the year. A bid protest was submitted that could not be resolved in time to readvertise within FY 98/99. The projects will be let in September of 1999.

District 6:

- A milling and resurfacing project on SR 7 was deferred. Local officials had requested the project be delayed until the local government could utilize a grant to do water and sewer work in advance of construction, thereby preventing tearing up new pavement.

Turnpike District:

- Three projects planned as a public/private partnership with a private developer were delayed. The developer's commitment is to construct a new interchange while the Department constructs the toll plazas and makes ramp modifications. Since the developer has not begun work on the interchange, the Department deferred its efforts until construction begins on the interchange.

# CONSTRUCTION CONTRACT ADJUSTMENTS

After the Department and construction firm contract for construction of a road or bridge project and construction 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 changes or omissions, and equipment, material, or workforce-related problems of the construction contractor.

Some extension of time beyond the original contract time is expected 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 the 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 time increases. As explained above, however, some increases are beyond the Department's control.

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

# CONSTRUCTION TIME ADJUSTMENTS

The original contract time will predictably increase due to time extensions granted for inclement weather conditions. These increases are excluded from the performance measure since they are unavoidable. Beyond "weather days," additional time is granted for a variety of other reasons, including extra work, special events (parades, etc.), plan or design changes, 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 time.

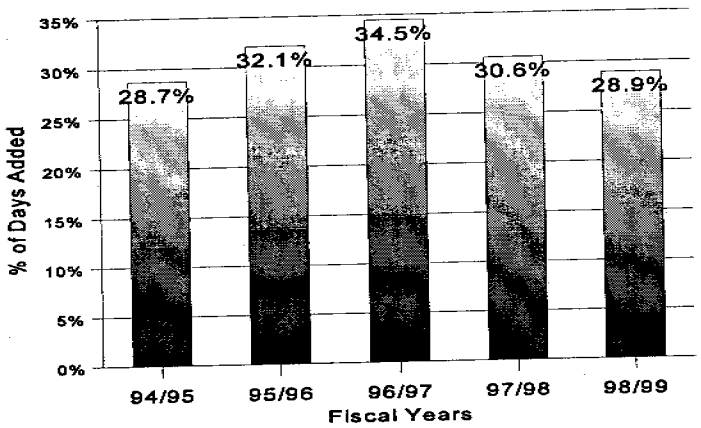
| | |
|---|---|
| Measure | For all Construction Contracts Completed during the Fiscal Year, the Original Contract Time vs. Final Contract Time (excluding weather days). |
| | This Measure assesses the Department's performance in containing contract time increases and indicates, for those factors within the Department's control, where Department performance can improve. |
| Explanatory Data | Contracts completed broken down by percentage over original time: less than 20% over original time; 20% to less than 40% over original time; and 40% or more over original time. |

Statewide Performance:

- For the 357 contracts completed during FY 1998/99, the original contract time increased by 28.9% as a result of added days (excluding weather days).
- The percentage increase in contract time (excluding weather days) on completed contracts was 1.7 percentage points lower (30.6% to 28.9%) in FY 1998/99 than in FY 1997/98.
- On 59.1% 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 17.9%, the original contract time increased by at least 20% but less than 40%; and on 23.0% of all contracts completed, the original contract time increased by 40% or more.

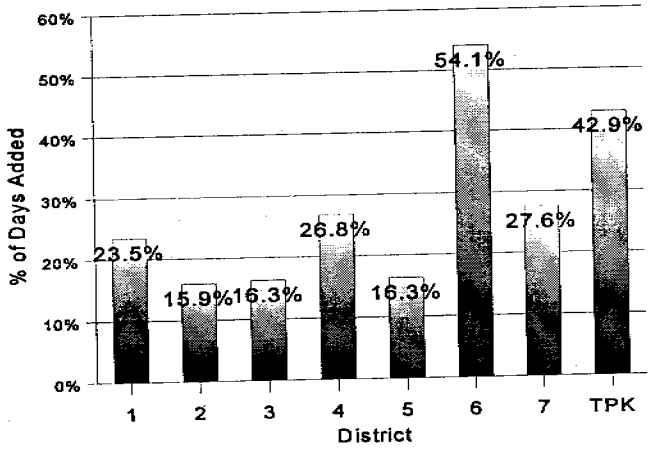
**Note:** "Contracts completed" are contracts on which final estimate was completed, all known claims were settled and documentation passed to Comptroller Office for final payment during the fiscal year.

## *Original Time VS. Final Time by Fiscal Year (Excludes Weather Days)*



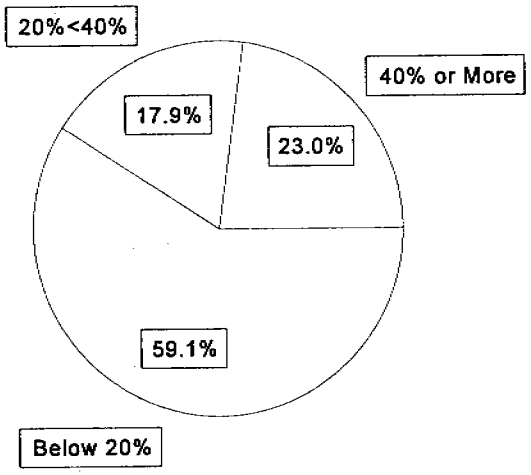

| | Fiscal Year | | | | |
|---|---|---|---|---|---|
| | 94/95 | 95/96 | 96/97 | 97/98 | 98/99 |
| Additional Days | 13,229 | 19,895 | 22,772 | 26,965 | 23,685 |
| Original Days | 46,063 | 62,070 | 65,964 | 88,146 | 81,985 |
| Total Days | 59,282 | 81,965 | 88,736 | 115,111 | 105,670 |
| *% Increase* | *28.7%* | *32.1%* | *34.5%* | *30.6%* | *28.9%* |
| # of Contracts | 244 | 285 | 343 | 377 | 357 |

## *Original Time VS. Final Time by District, FY 1998/99*



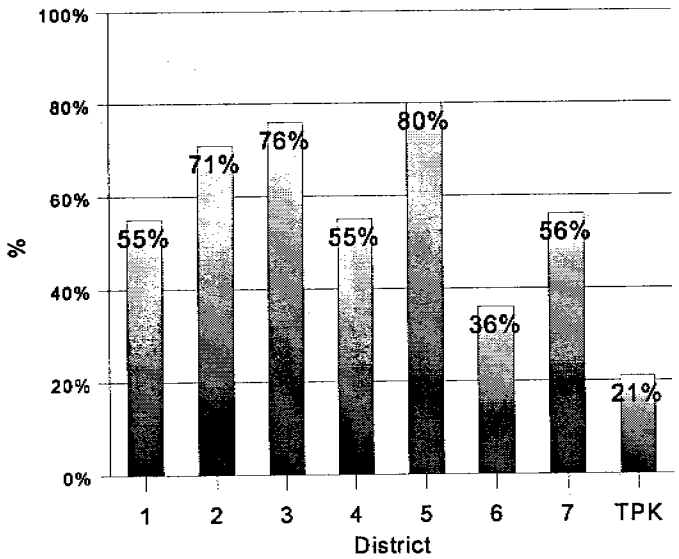

| | District | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| Days | 1 | 2 | 3 | 4 | 5 | 6 | 7 | TPK |
| Additional | 2,854 | 1,747 | 1,104 | 2,614 | 1,912 | 7,983 | 3,228 | 2,243 |
| Original | 11,145 | 10,991 | 6,756 | 9,745 | 11,700 | 14,747 | 11,678 | 5,223 |
| Total | 13,999 | 12,738 | 7,860 | 12,359 | 13,612 | 22,730 | 14,906 | 7,466 |
| *% Increase* | *25.6%* | *15.9%* | *16.3%* | *26.8%* | *16.3%* | *54.1%* | *27.6%* | *42.9%* |

## *Number of Contracts vs. Percentage Over Original Time for FY 1998/99*




| % Over Original Time | # of Contracts | % of Total |
|---|---|---|
| Below 20% | 211 | 59.1% |
| 20% < 40% | 64 | 17.9% |
| 40% or More | 82 | 23.0% |
| Total | 357 | 100.0% |

## *Percentage of Contracts Within 20% of Original Time, By District for FY 1998/99*




| | District | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| # of Contracts | 1 | 2 | 3 | 4 | 5 | 6 | 7 | TPK |
| Under 20% | 31 | 36 | 31 | 21 | 41 | 21 | 27 | 3 |
| Total | 56 | 51 | 41 | 38 | 51 | 58 | 48 | 14 |
| *%* | *55%* | *71%* | *76%* | *55%* | *80%* | *36%* | *56%* | *21%* |

# CONSTRUCTION COST ADJUSTMENTS

## Supplemental Agreements

The measure below compares original contract amount to final project cost. Increases in cost frequently occur due to authorization of additional work as the project progresses. Even though a small percentage increase in cost is generally expected, and the Department reserves funds for this purpose, significant cost increases could result in delaying planned projects and could indicate a problem in quality of design plans and specifications or in contract management.

The Explanatory Data provide insight into the reasons for cost increases and are used by the Department to target areas for improvement. Nearly all supplemental agreements add value to the project in that they purchase additional labor and materials that were necessary for the facility to function properly once completed. There are instances, however, when the Department must pay a higher price for additional material quantities authorized by supplemental agreement, and when "delay costs" are incurred. These costs do not add value to the project and should be eliminated, to the extent they can be avoided. Moreover, to the extent these costs were avoidable and responsible parties are identified, the Department should pursue recovery in those cases where the amount subject to recovery makes legal action a cost-effective remedy.

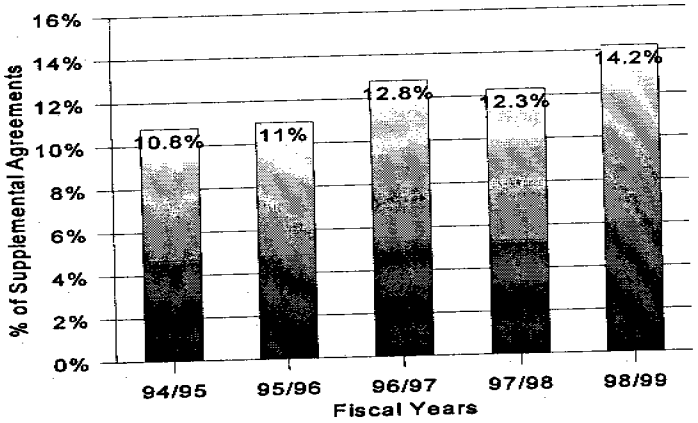
| | |
|---|---|
| Measure | Original Contract Amount vs. Final Amount Paid on all Construction Contracts Completed during the Fiscal Year. |
| | This Measure compares the original contract amount with the final contract amount following acceptance of work by the Department and final payment to the contractor. The data shows the percentage increase in cost due to supplemental agreements. |
| Explanatory Data | Contracts completed broken down by percentage over original cost: less than 10% over original cost; 10% to 20% over original cost; 20% or more over original cost. |
| Explanatory Data | Of the final amount paid on completed contracts, the portion that was avoidable (should have been foreseen) supplemental agreements. That portion is broken down further by "value added" and "no value added." |
| Explanatory Data | Supplemental agreements categorized by reasons for the supplemental agreement. |

Statewide Performance:

- For the 357 contracts completed during FY 1998/99, the total original contract amount of $1,193.1 M. increased by 14.2% due to supplemental agreements, for a total final contract amount of $1,362.8 M.
- The percentage increase in contract cost on completed contracts was 1.9 percentage point higher (12.3% to 14.2%) in FY 1998/99 than in FY 1997/98.
- On 68.0% of all contracts completed during the year, the original contract amount increased by less than 10% as a result of supplemental agreements; on 16.0%, the original contract amount increased by at least 10% but less than 20%; and on 16.0% of all contracts completed, the original contract amount increased by 20% or more.
- Of the total final amount paid on completed contracts during FY 1998/99 of $1,362.8 M., a total of $39.4 M. or 2.9% were avoidable (should have been foreseen) supplemental agreements.
- Of the $39.4 M. avoidable supplemental agreement amount, $24.8 M. or 1.8% added value to the projects completed, and $14.6 M. or 1.1% did not add value to the projects.

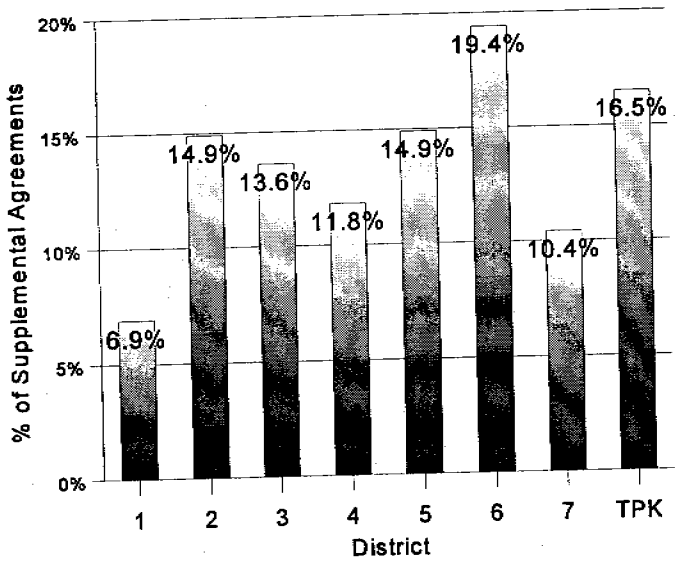
**Note:** "Contracts completed" are contracts on which final estimate was completed, all known claims were settled and documentation passed to Comptroller Office for final payment during the fiscal year.

## *Original Contract Amount vs. Supplemental Agreements (S.A.) by Fiscal Year*



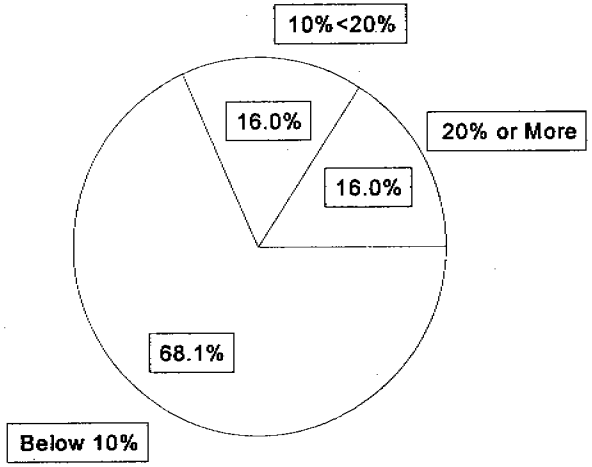

| | Fiscal Year | | | | |
|---|---|---|---|---|---|
| | 94/95 | 95/96 | 96/97 | 97/98 | 98/99 |
| S.A. Amount | $50.5 | $72.5 | $93.3 | $143.8 | $169.7 |
| Original Amount | $469.4 | $657.4 | $729.8 | $1,165.1 | $1,193.1 |
| Total | $519.9 | $730.0 | $823.1 | $1,308.9 | $1,362.8 |
| *% Increase* | *10.8%* | *11.0%* | *12.8%* | *12.3%* | *14.2%* |
| # of Contracts | 244 | 285 | 343 | 377 | 357 |

## *Original Contract Amount vs. Supplemental Agreements (S.A.) by District for FY 1998/99*



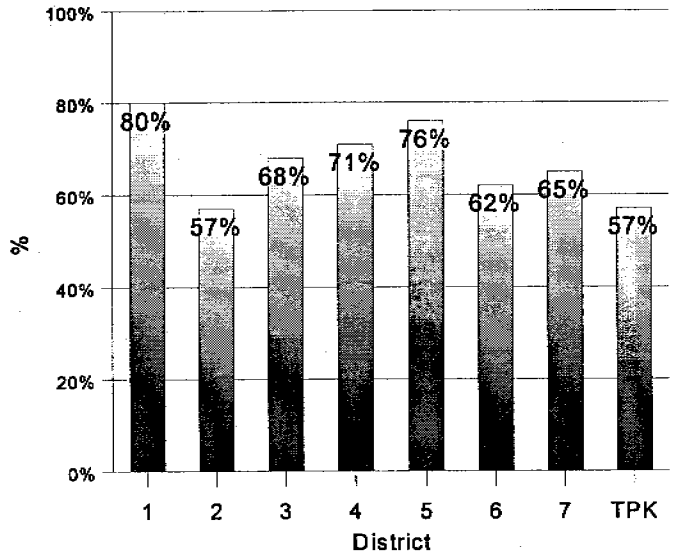

| | District | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| | 1 | 2 | 3 | 4 | 5 | 6 | 7 | TPK |
| S.A. Amount | $6.9 | $25.4 | $10.7 | $12.0 | $35.0 | $41.8 | $17.6 | $20.3 |
| Original $ | $100.0 | $170.4 | $78.5 | $101.8 | $234.3 | $215.5 | $169.5 | $123.1 |
| Total | $106.9 | $195.8 | $89.2 | $113.8 | $269.3 | $257.3 | $187.1 | $143.4 |
| *% Increase* | *6.9%* | *14.9%* | *13.6%* | *11.8%* | *14.9%* | *19.4%* | *10.4%* | *16.5%* |

## *Number of Contracts vs. Percentage Over Original Cost for FY 1998/99*



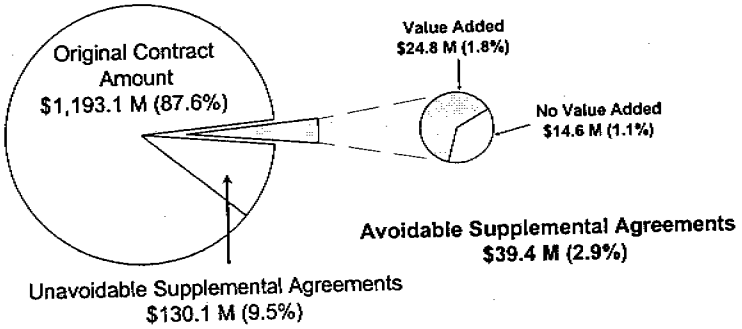

| % Over Original Time | # of Contracts | % of Total |
|---|---|---|
| Below 10% | 243 | 68.1% |
| 10% < 20% | 57 | 16.0% |
| 20% or More | 57 | 16.0% |
| Total | 357 | 100.0% |

## *Percentage of Contracts Within 10% of Original Cost, By District for FY 1998/99*




| | District | | | | | | | |
|---|---|---|---|---|---|---|---|---|
| # of Contracts | 1 | 2 | 3 | 4 | 5 | 6 | 7 | TPK |
| Under 10% | 45 | 29 | 28 | 27 | 39 | 36 | 31 | 8 |
| Total | 56 | 51 | 41 | 38 | 51 | 58 | 48 | 14 |
| *%* | *80%* | *57%* | *68%* | *71%* | *76%* | *62%* | *65%* | *57%* |

## *Contract Cost Adjustments for Contracts Completed FY 1998/99*




| | Amount | % |
|---|---|---|
| Original Contract | $1,193,140,148 | 87.6% |
| Unavoidable S.A. | $130,097,556 | 9.5% |
| Avoidable S.A. | $39,420,347 | 2.9% |
| Final Amount Paid | $1,362,824,598 | 100.0% |

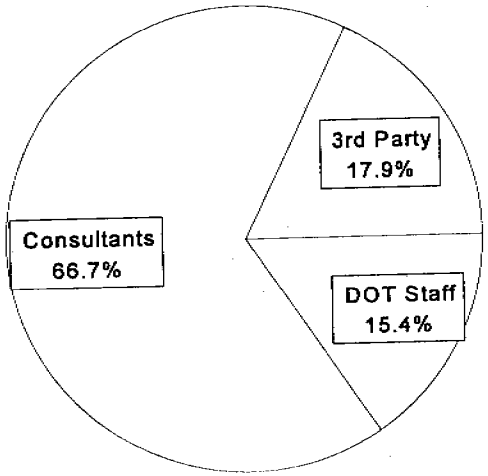
Avoidable S.A.

| | | |
|---|---|---|
| Value Added | $24,773,319 | 1.8% |
| No Value Added* | $14,647,028 | 1.1% |
| Total | $39,420,347 | 2.9% |

Note: $166,547.76 in supplemental agreements were not coded as either avoidable or unavoidable.

* For FY 1997/98 "No Value Added" was $5,515,330 or 0.4% of "Final Amount Paid."

## *Avoidable No Value Added Supplemental Agreements By Responsible Parties*




| Responsible Party | Amount | % |
|---|---|---|
| 3rd Party | $2,617,839 | 17.9% |
| Consultants | $9,773,835 | 66.7% |
| DOT Staff | $2,255,354 | 15.4% |
| Total | $14,647,028 | 100.0% |

Note: "3rd Party" refers to local governments and utility companies.

# 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.

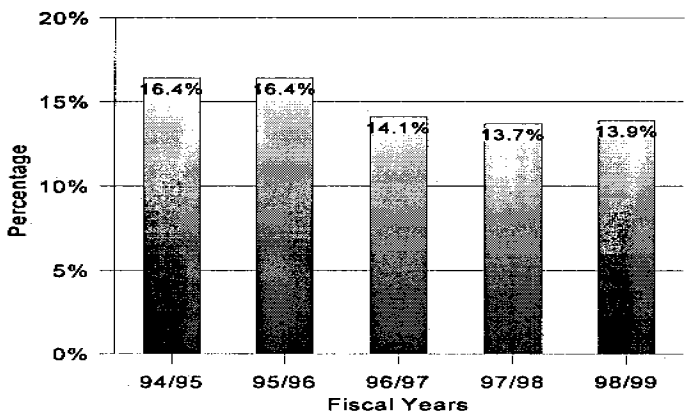
| | |
|---|---|
| Measure | Dollar Volume of Disadvantaged Business Enterprise Utilization as a Percentage of Total Federal Funded Contracts (10% Statutory Goal). |
| Indicator | Progress Toward Attaining Statutory Goals for Individual Minority Business Categories in Four Work Type Areas; Reported as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

Statewide Performance:

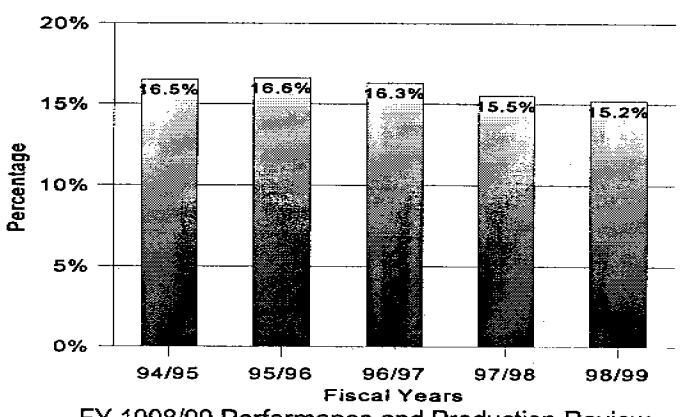
- For all construction and consultant contracts financed in part by federal funds, DBE participation was 13.9%, exceeding the 10% goal.
- For all consultant contracts (including 100% state funded), DBE participation was 15.2%.
- The DBE participation rate for all construction and consultant contracts financed in part by federal funds was 0.2 percentage point higher (13.7% to 13.9%) in FY 1998/99 than in 1997/98.
- The DBE participation rate for all consultant contracts was 0.3% percentage point lower (15.5% to 15.2%) in FY 1998/99 than in 1997/98.
- In each of the 4 work areas, the Department exceeded statutory goals for utilization of MBE's, for a collective achievement of 133% of goal.

***Disadvantaged Business Enterprise Achievement by Fiscal Year***

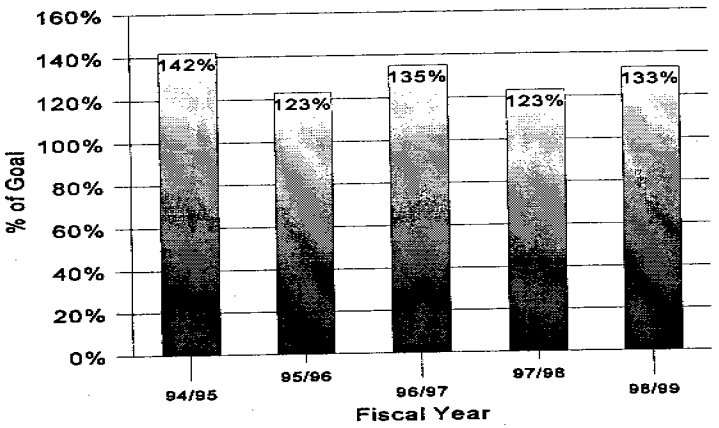
On Executed Federal Funded Contracts




On All Executed Consultant Contracts



## *Minority Business Enterprise Expenditures by Fiscal Year*




| | Fiscal Year | | | | |
|---|---|---|---|---|---|
| | 94/95 | 95/96 | 96/97 | 97/98 | 98/99 |
| $ Goal | $5.67M | $10.15M | $22.28M | $23.97M | $24.69 M |
| Actual | $8.05M | $12.52M | $30.10M | $29.59M | $32.90 M |
| *% of Goal* | *142%* | *123%* | *135%* | *123%* | *133%* |

# 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 three activities improve quality and often lower costs by evaluating projects in early development phases for cost-saving engineering changes and continuing opportunities for improvement during construction.

# VALUE ENGINEERING

The Value Engineering (VE) process uses independent multi-functional teams (design engineer, construction engineer, maintenance engineer, right-of-way agent, etc.) to take a fresh look at complex projects during preliminary engineering and design to determine if improvements can be made which enhance the quality of transportation facilities at a cost savings. 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.

| | |
|---|---|
| Indicator | Savings attributable to Value Engineering reviews vs. cost of administering Value Engineering program. |
| Indicator | Percent of Value Engineering recommendations implemented. |

Statewide Performance:

- During FY 1998/99, a total of 49 projects were reviewed by VE teams, a 12.2% decrease from FY 1997/98 when 55 projects were reviewed. Of the total recommendations acted on during the year, 39% were implemented, a 16.6% decrease from FY 1997/98 when 45% were implemented.
- FY 1998/99 total cost avoidance due to implemented recommendations was $109.1 million, a decrease from FY 1997/98 when savings of $168.4 million were achieved. By contrast with savings achieved, the cost of administering the VE Program is $1.3 million annually; *for every $1 spent the department realized $84 in project savings.*

The following example demonstrates the powerful tool that Value Engineering is, and the cost-saving benefits this tool provides to the public.

VE Case Study #1:

This VE study was one of nine studies performed on the I-4 corridor project. The study was conducted during the Project Development and Environmental (PD&E) phase and focused on the Interstate 4/State Road 408 (East West Expressway) Interchange. The proposed design for this interchange includes direct connectors for all system to system movements as well as local access exits and entrances. The study was conducted by a multi disciplined team consisting of members from FDOT District 5 as well as consultant specialists.

The seven member team came up with eight recommendations, two (2) of which were accepted for a 25% approval rate. Those two recommendations accounted for 48% of the recommended $115 million for a total cost avoidance of $55.6 million. One of the accepted recommendations called for the realignment of a directional ramp for the traffic movement from westbound I-4 to eastbound State Road 408. This realignment eliminates the impact this ramp would have on an electrical substation and thus avoids $54 million in substation relocation costs. The second accepted recommendation reduces the length of Division Ave. over I-4. The structure depth on the proposed 304 foot span is about 13 feet. This large depth creates a profile problem on I-4. If a 4-lane section is provided as required by the projected 2020 traffic, and minimum clear recovery areas are provided, the span can be reduced to 203 feet. This reduces the structure depth to about 8 feet which helps the I-4 profile while avoiding $1.4 million in costs. Although the implementation rate is lower than desired, the innovative ideas' presented by the Value Engineering team reduced the cost of this project by 30%.

VE Case Study #2:
A VE study was conducted during the Project Development and Environmental (PD&E) phase to widen US 27 from State Road 60 to State Road 544 in Polk County, Florida. The project as proposed converts an existing four lane rural facility to a six lane rural facility with a 40-foot median. The project is approximately 13 miles in length and is part of the Florida Intrastate Highway System. The multi discipline team that performed the study included members from FDOT District 1. The FDOT team members were from Maintenance, Construction, Design, Traffic Operations, Planning, and District Value Engineering. The six member team concentrated on issues that affected right of way; specifically design speed, typical section and alignment.

The Florida Intrastate Highway System designation for US 27 dictates the facility be designed with a minimum 70 mph design speed. However, the standards acknowledge that there may be a few isolated sections within existing urbanized areas where a lower design speed would be appropriate. In these limited sections, the design speed can be a minimum of 50mph. The VE team concluded that a few isolated sections through the urban areas would be appropriate for the lower design speed. This would allow typical sections within the existing right of way. Therefore, the team recommended modifying the proposed design through these isolated sections by keeping the proposed alignment but reducing the median widths. This will eliminate the need to purchase additional right of way within these isolated areas while still meeting the design standards of the Florida Intrastate Highway System.

The teams' recommendation was accepted in February 1999 for an implemented savings in excess of $8.5 million.

# 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 1998/99, 26 VECP's were submitted compared to 46 VECP's submitted in FY 1997/98. The Department took action on 23 VECP's of which 18 were approved for a 78.3% implementation rate. The implemented savings from the 18 VECP's approved is estimated to be $2.76 million, a decease from FY 1997/98 when estimated savings for approved VECP's was $6.9 million.

Examples of Value Engineering Change Proposals:

VECP Example #1:
A VECP was submitted in District 4 that involved the replacement of the Evans Crary Bridge in Martin County, Florida. The new structure, comprised of twin parallel bridges, is being built to replace an existing bridge and double the number of travel lanes.

The project was designed as a precast segmental structure erected in a balanced cantilever process. The VECP proposed to change the structure to accommodate a span-by-span erection process. This change in erection process would result in a $400,000 cost savings based on a 90 day time savings, which was guaranteed by the contractor in the supplemental agreement. This VECP resulted in the longest span-by-span bridge constructed in the world and was awarded the 1999 AASHTO Value Engineering Award for the most innovative construction proposal.

VECP Example #2:
District 2 was the source of another VECP. The project consisted of milling, widening, resurfacing and other incidental construction on SR-15 from SR-100 to CR-209. This included lining 844 meters of reinforced concrete pipe (RCP) with flexible polyester felt tubing. In lieu of lining the entire pipe with the felt tubing, the VECP proposed to seal each joint in the pipe with 190 mm wide NPC Internal Seal pipe joint and two (2) stainless steel bands. In addition, the contractor shall replace the 600mm RCP where required. This VECP resulted in a total savings of $287,000.

VECP Example #3:
District 8 (Turnpike) was the source of 35% of the total $2.76 million in implemented VECP savings. One of the approved VECP's was on the construction of a toll facility on State Road 589/Suncoast Parkway Section 3. In this VECP, the contractor proposed to eliminate 257 feet of 66" Jack and Bore Casing and install standard 48" Reinforced Concrete Pipe (RCP) in open cut (with sheeting ). The contractor also proposed to eliminate 90 feet of 36" Jack and Bore Casing and install standard 24" Class II RCP in open cut. These changes resulted in a savings of $216,447. The VECP was accepted in June 1999 based on a revised Maintenance of Traffic (MOT) from the contractor.

The construction of State Road 589/Suncoast Parkway Section 1-b in District 8 was the source of another VECP. This VECP proposed to substitute select fill for specified stone fill in the borrow pit between stations 1071 and 1082. This VECP resulted in a savings $743,000 and was conditionally accepted in January 1999 based on the contractor complying with design criteria set forth by District 8.

# 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 during construction.

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, 1999, the Department has conducted 271 partnering workshops on projects valued in excess of $2.8 billion in construction. Construction project personnel surveyed have responded that Partnered Projects result in fewer conflicts and most disputes have been resolved at the project level. Communications and coordination between all parties have improved significantly through the use of this process.

# 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 and 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 80% federal funds, 20% state funds).

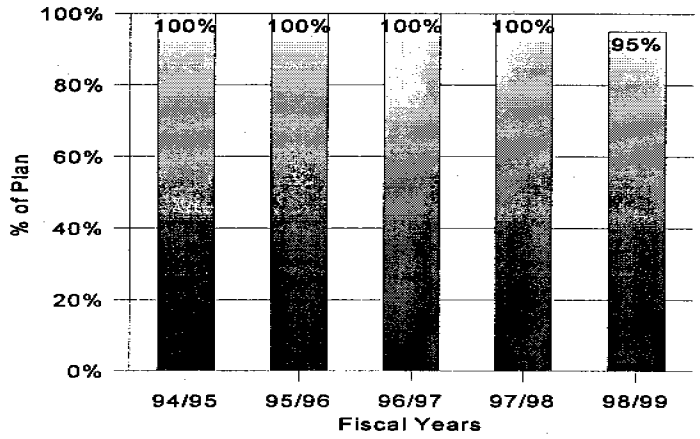
Today, federal funds comprise about 30% of Florida's total transportation revenues and thus play an important role in the State's ability to meet transportation needs. With few exceptions, the Department is responsible for ensuring that all available federal funds are committed to qualifying projects 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. |

- As of July 31, 1999, the Department had committed 95% ($805 M. of a total of $851 M.) of federal funds subject to forfeiture at federal fiscal year end if not committed.
- The Department has requested an additional $252.6 M. in federal funds.

***Commitment of Federal Funds by Fiscal Year***




| | Fiscal Year | | | | |
|---|---|---|---|---|---|
| | 94/95 | 95/96 | 96/97 | 97/98 | 98/99* |
| Plan | $506 | $602 | $761 | $711 | $851 |
| Actual | $506 | $602 | $761 | $711 | $805 |
| *% of Plan* | *100%* | *100%* | *100%* | *100%* | *95%* |

* FY 1998/99 plan calls for committing the remainder the Federal fiscal year (ends Sept. 30, 1999) plus an additional $252.6 million requested in redistribution funds.

# 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 actual 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. |
|---|---|
| | 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. |

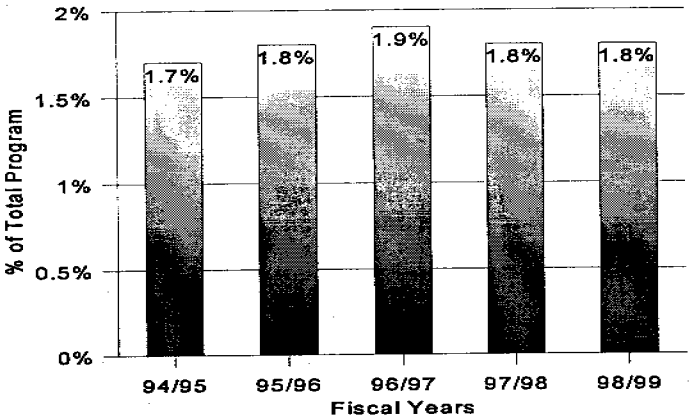
Note: Administrative Costs include direct support to the production functions of the Department -- top management (central office and districts), legal and audit staff, public information and government liaison staff, comptroller's office, budget staff, personnel and purchasing staff, contractual services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

"Administrative Costs" have been adjusted for this year and prior years consistent with an improved methodology achieved by consensus with Commission staff, and Department offices of Comptroller and Inspector General.

Statewide Performance:

- Administrative costs were 1.8% of the Total Program for FY 1998/99, or $65.7 M. of a total program of $3.7 B.
- Based on actual dollar amounts of administrative costs, there was a 0.9% increase ($65.1 M. to $65.7 M.) in administrative costs in FY 1998/99 compared to FY 1997/98.

## *Administrative Costs as a % of Total Program by Fiscal Year*




| | Fiscal Year | | | | |
|---|---|---|---|---|---|
| | 94/95 | 95/96 | 96/97 | 97/98 | 98/99 |
| Administrative Cost | $54.5M | $57.2M | $60.8M | $65.1M | $65.7M |
| Total Program | $3,232.2M | $3,246.3M | $3,238.2 M | $3,633.3M | *3,701.3M |
| *% of Total Program* | *1.7%* | *1.8%* | *1.9%* | *1.8%* | *1.8%* |

* Preliminary, will be finalized prior to August 26th Commission meeting.

# 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 | Actual Cash Receipts vs. Forecasted Cash Receipts. |
| Measure | Actual Cash Disbursements vs. Forecasted Cash Disbursements. |
| Measure | Lowest Annual Cash Balance vs. Total Contractual Obligations. |
| | These measures assess the effectiveness of Department cash management in maximizing the ability to deliver transportation product as early as possible. |

Statewide Performance:

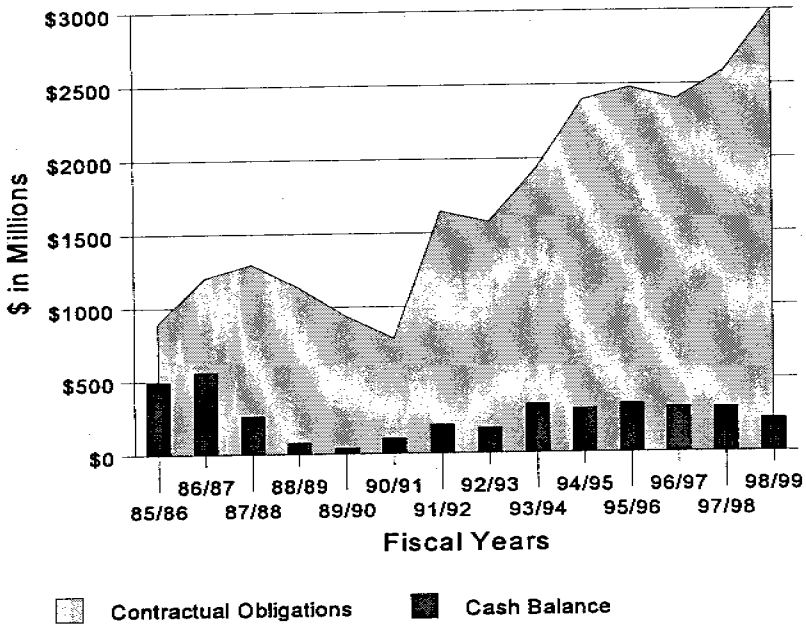
- Actual cash receipts of $3,002.6 M. for FY 1998/99 were 0.2% higher ($6.9 M.) than the Department's August 1998 forecasted receipts of $2,995.7M.
- Actual Cash disbursements of $3,030.1 M. for FY 1998/99 were 1.6% lower ($48.0 M.) than the Department's August 1998 forecasted disbursements of $3,078.0 M.
- For FY 1998/99, the Department's lowest end-of-month cash balance was $226 Million or 7.5% of its total outstanding contractual obligations of $3.0 Billion.

***State Transportation Trust Fund***

| Cash Receipts | |
|---|---|
| Forecast 8/98 | $2,995,700,000 |
| 1998/99 Actual | $3,002,600,000 |
| $ Variance | $6,900,000 |
| % Variance | 0.2% |

| Cash Disbursements | |
|---|---|
| Forecast 8/98 | $3,078,100,000 |
| 1998/99 Actual | $3,030,100,000 |
| $ Variance | $48,000,000 |
| % Variance | 1.6% |

## State Transportation Trust Fund: *Lowest Cash Balance vs. Total Contractual Obligations by Fiscal Year*




| Fiscal Year | Lowest Cash Balance ($ in Millions) | Contractual Obligations ($ in Millions) | % Cash of Obligations |
|---|---|---|---|
| 85/86 | $495 | $896 | 55% |
| 86/87 | $558 | $1,206 | 46% |
| 87/88 | $262 | $1,295 | 20% |
| 88/89 | $77 | $1,137 | 7% |
| 89/90 | $41 | $940 | 4% |
| 90/91 | $105 | $786 | 13% |
| 91/92 | $195 | $1,649 | 12% |
| 92/93 | $171 | $1,574 | 11% |
| 93/94 | $331 | $1,933 | 17% |
| 94/95 | $299 | $2,397 | 12% |
| 95/96 | $332 | $2,478 | 13% |
| 96/97 | $305 | $2,401 | 13% |
| 97/98 | $304 | $2,588 | 12% |
| 98/99 | $226 | $3,000 | 7% |

# MANAGEMENT OF TOLL FACILITY OPERATIONAL COSTS

The collection of tolls on 64 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. After 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, utilities, building maintenance) to collect tolls increase, less net toll revenue is available for debt service or other purposes.

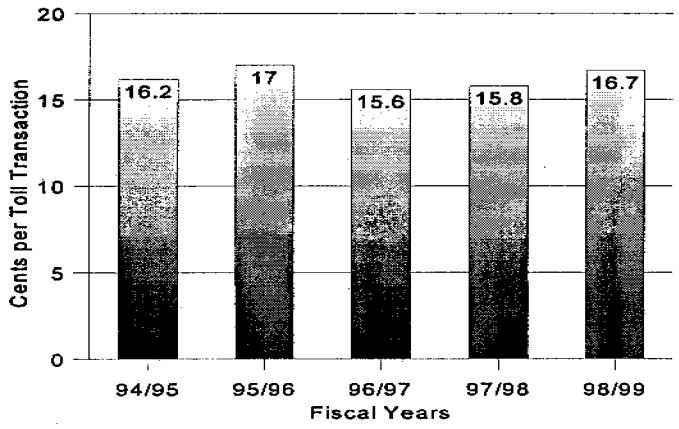
Since tolls are fees paid by toll facility users who have an expectation that the maximum amount of tolls collected be used to pay off the debt or for other transportation improvements, toll collection costs should be contained and carefully managed.

| 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. |

Statewide Performance:

- For FY 1998/99, the Department's cost to operate toll facilities was 16.7 cents per toll transaction.
- The cost to operate toll facilities for FY 1998/99 was 0.9 cent higher (15.8¢ to 16.7¢) per toll transaction than in FY 1997/98.

***Operational Cost Per Toll Transaction by Fiscal Year***




| | Fiscal Year | | | | |
|---|---|---|---|---|---|
| | 94/95 | 95/96 | 96/97 | 97/98 | 98/99 |
| Operational Cost | $75.1M | $68.5M | $66.0M | $72.8M | $81.3M |
| # of Transactions | 464.5M | 401.9M | 421.6M | 459.5M | 486.5M |
| *Cost Per Transaction* | *16.2¢* | *17.0¢* | *15.6¢* | *15.8¢* | *16.7¢* |

# 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 about 11,000 bridges in Florida and 6,213 of these are the responsibility of the Department. All bridges maintained by the Department are inspected for structural deterioration 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 FDOT maintained bridges. No bridge is allowed to become unsafe.

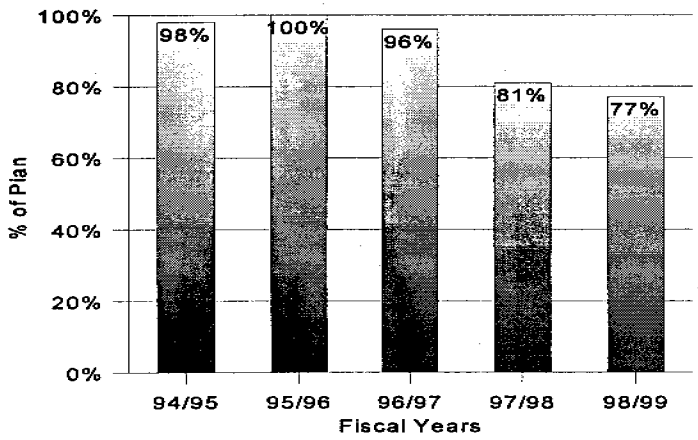
Florida law requires the Department to "meet the annual needs for ... repair and replacement of bridges on the system."

| | |
|---|---|
| Measure | Of the number of bridges planned for repair during the year, the number of bridges actually repaired (let to contract) during the year. |
| Measure | Of the number of bridges planned for replacement during the year, the number of bridges actually replaced (let to contract) during the year. |
| Measure | Of the total number of FDOT maintained bridges, the percentage rated Department standards, i.e., not in need of repair or replacement. Short range objective is 90% of bridges meeting Department standards. It is emphasized that the remaining 10%, while in need of repair or replacement, are safe for use by the public. |

Statewide Performance:

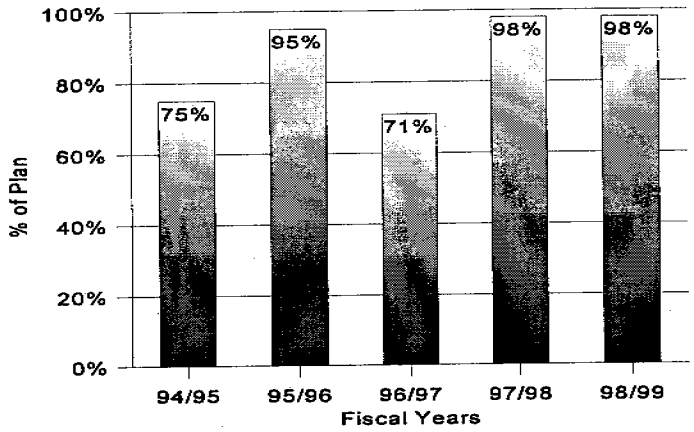
- The Department achieved 77% of plan, having repaired 101 bridges of 132 planned. The Department repaired 9 bridges planned for future fiscal years. Twenty-five (25) bridges were added and repaired during the year.
- The Department achieved 98% of plan, having replaced 55 bridges of 56 planned.
- For FY 1998/99, the percentage of state-maintained bridges meeting standards was 91%, exceeding the Department's short range objective of 90% by 1 percentage point.

## BRIDGE REPAIR - *Number of Bridges by Fiscal Year*



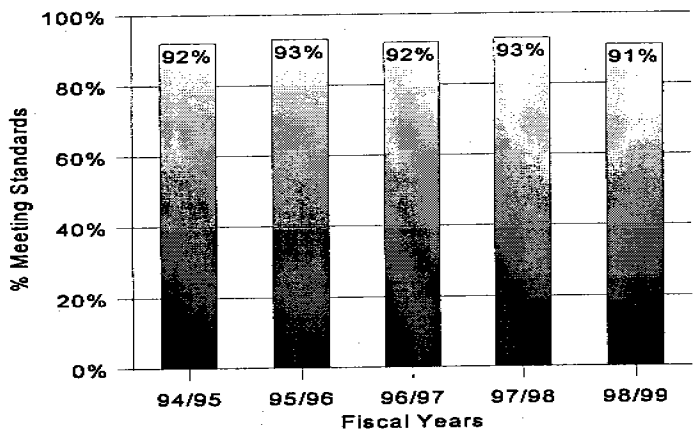

| | Fiscal Year | | | | |
|---|---|---|---|---|---|
| | 94/95 | 95/96 | 96/97 | 97/98 | 98/99 |
| Plan | 260 | 185 | 358 | 237 | 132 |
| Actual | 256 | 185 | 342 | 191 | 101 |
| *% of Plan* | *98%* | *100%* | *96%* | *81%* | *77%* |
| Advanced FY | 2 | 5 | 4 | 43 | 9 |
| Additions | 1 | 9 | 14 | 45 | 25 |
| Total | 259 | 199 | 370 | 279 | 135 |

## BRIDGE REPLACEMENT - Number of Bridges by Fiscal Year




| | Fiscal Year | | | | |
|---|---|---|---|---|---|
| | 94/95 | 95/96 | 96/97 | 97/98 | 98/99 |
| Plan | 16 | 39 | 34 | 43 | 56 |
| Actual | 12 | 37 | 24 | 42 | 55 |
| *% of Plan* | *75%* | *95%* | *71%* | *98%* | *98%* |
| Advanced FY | 1 | 0 | 26 | 0 | 0 |
| Additions | 0 | 7 | 0 | 0 | 0 |
| Total | 13 | 44 | 50 | 42 | 55 |

## *Percentage of FDOT-Maintained Bridges Meeting DOT Standards by Fiscal Year*




| | Fiscal Year | | | | |
|---|---|---|---|---|---|
| | 94/95 | 95/96 | 96/97 | 97/98 | 98/99 |
| # Meeting Standards | 5,650 | 5,740 | 5,718 | 5,794 | 5,623 |
| Total Bridges | 6,124 | 6,183 | 6,199 | 6,200 | 6,213 |
| *% Meeting Standards* | *92%* | *93%* | *92%* | *93%* | *91%* |

Note:
"Meeting Standards" means those bridges not in need of repair or replacement.

# 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. The Department measures the condition of road pavements on an annual basis and 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.

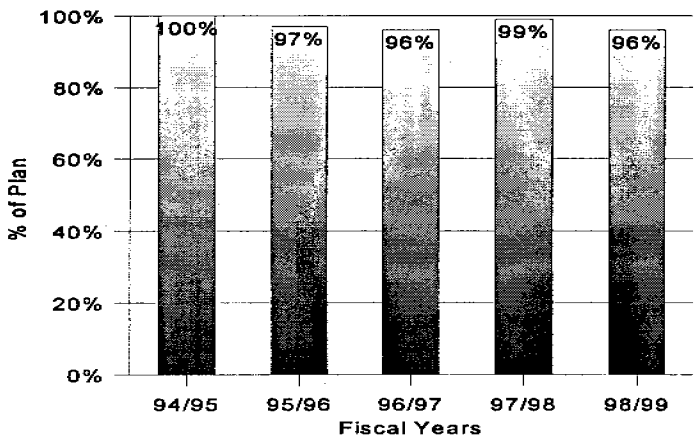
Florida law requires the Department to "meet the annual needs for resurfacing of the state highway system...."

| | |
|---|---|
| Measure | Of the number of lane miles of state roadway planned for resurfacing during the year, the number actually resurfaced (let to contract) during the year. |
| Measure | Of the total lane miles of state roads, the percentage meeting standards. Short range objective is 80% of lane miles meeting Department standards (rated 7 or above in overall pavement condition survey where one is worst and 10 is best). |

Statewide Performance:

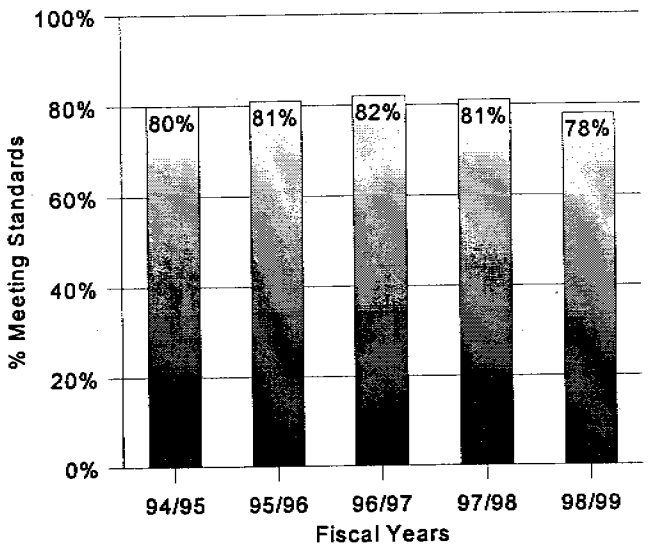
- The Department achieved 96% of plan, having resurfaced 2,184 of 2,279 lane miles planned. The Department advanced and resurfaced 33 lane miles planned for future fiscal years. One (1) lane mile was added and resurfaced during the year.
- For FY 1998/99, the percentage of state road lane miles meeting standards was 78%, falling short of the Department objective of 80%.

## RESURFACING - *Number of Lane Miles by Fiscal Year*




| | Fiscal Year | | | | |
|---|---|---|---|---|---|
| | 94/95 | 95/96 | 96/97 | 97/98 | 98/99 |
| Plan | 2,089 | 1,934 | 1,544 | 1,805 | 2,279 |
| Actual | 2,089 | 1,876 | 1,478 | 1,782 | 2,184 |
| *% of Plan* | *100%* | *97%* | *96%* | *99%* | *96%* |
| Advanced FY | 76 | 8 | 135 | 116 | 33 |
| Additions | 54 | 7 | 13 | 10 | 1 |
| Total | 2,219 | 1,891 | 1,626 | 1,908 | 2,218 |

## *Percentage of Highway Pavement Meeting DOT Standards by Fiscal Year*




| | Fiscal Year | | | | |
|---|---|---|---|---|---|
| | 94/95 | 95/96 | 96/97 | 97/98 | 98/99 |
| # Meeting Standards | 30,623 | 31,396 | 31,863 | 31,814 | 30,761 |
| Total Lane Miles | 38,168 | 38,558 | 38,789 | 39,066 | 39,416 |
| *% Meeting Standards* | *80%* | *81%* | *82%* | *81%* | *78%* |

Note: Meeting Standards" means that pavement was rated 7 or above (scale 1 worst to 10 best) in annual pavement condition survey conducted by the Department.

# 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.

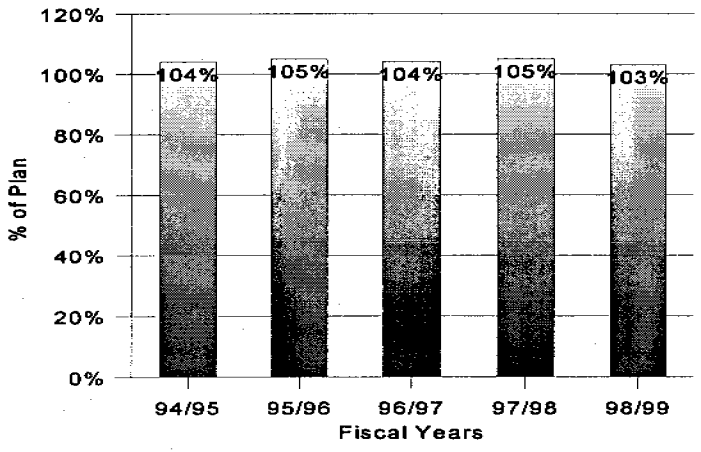
| Measure | Achieve a Maintenance Rating of 80 on the State Highway System. |
|---|---|

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.

Statewide Performance:

- For FY 1998/99, the Department achieved 103% of the objective of a system-wide maintenance rating of 80.

## ROUTINE MAINTENANCE - *Percentage of Maintenance Rating Achieved by Fiscal Year*




| | Fiscal Year | | | | |
|---|---|---|---|---|---|
| | 94/95 | 95/96 | 96/97 | 97/98 | 98/99 |
| Plan Rating | 80 | 80 | 80 | 80 | 80 |
| Actual Rating | 83 | 84 | 83 | 84 | 82 |
| *% Rating Achieved* | *104%* | *105%* | *104%* | *105%* | *103%* |

# 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. First call on transportation revenues is to maintain our transportation assets to standards established and funded by the Legislature. Due to 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 necessarily 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 (currently 3,750 miles of the 11,942 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.

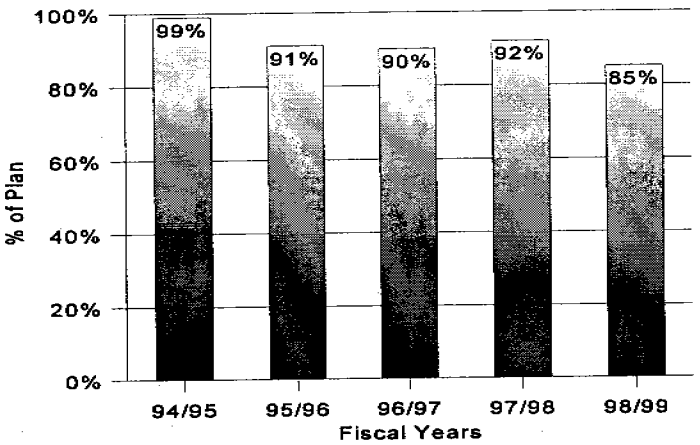
The following measures acknowledge funding limitations and appropriately focus on activities under the Department's control rather than attempting to measure the desired result (reduced congestion/increased mobility) which is subject to factors beyond the Department's control.

| | |
|---|---|
| Measure | 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. |

Statewide Performance:

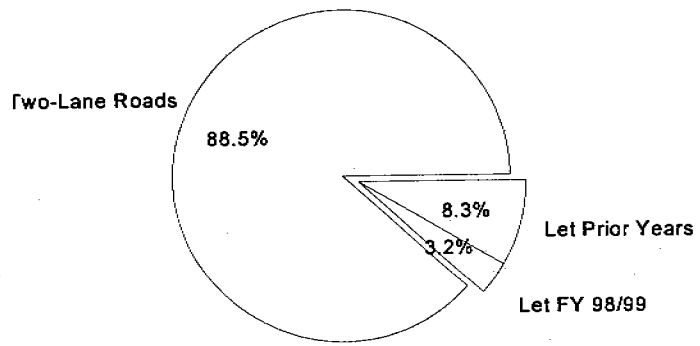
- Of 250 lane miles of capacity improvement projects planned, 212 lane miles or 85% were let. A total of 60 additional lane miles of capacity were let during the year.
- Of 888 FIHS miles not meeting the minimum lane standard on July 1, 1993, 28 miles or 3.2% were let to contract during FY 1998/99 for improvement from 2 to 4 lanes. This brings it to a total of 102 miles or 11.5% of the 888 miles of 2-lane roads up to the 4-lane standard.

## HIGHWAY CAPACITY IMPROVEMENT PROJECTS - *Number of Lane Miles by Fiscal Year*




| | Fiscal Year | | | | |
|---|---|---|---|---|---|
| | 94/95 | 95/96 | 96/97 | 97/98 | 98/99 |
| Plan | 290 | 347 | 317 | 422 | 250 |
| Actual | 288 | 317 | 286 | 387 | 212 |
| *% of Plan* | *99%* | *91%* | *90%* | *92%* | *85%* |
| Advanced FY | 39 | 0 | 21 | 0 | 2 |
| Additions | 5 | 0 | 6 | 0 | 58 |
| Total | 332 | 317 | 313 | 387 | 272 |

## THE FLORIDA INTRASTATE HIGHWAY SYSTEM (FIHS)
### *Centerline Miles Improved from 2-lane to 4-lane, Let to Contract FY 1998/99*




| FIHS Two-Lane Roads | # of Centerline Miles | % of Total |
|---|---|---|
| Let Prior Years | 74 | 8.3% |
| Let FY 98/99 | 28 | 3.2% |
| Two-Lane Roads | 786 | 88.5% |
| Total | 888 | 100.0% |

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

## CAPACITY IMPROVEMENTS
## Public Transportation Modes

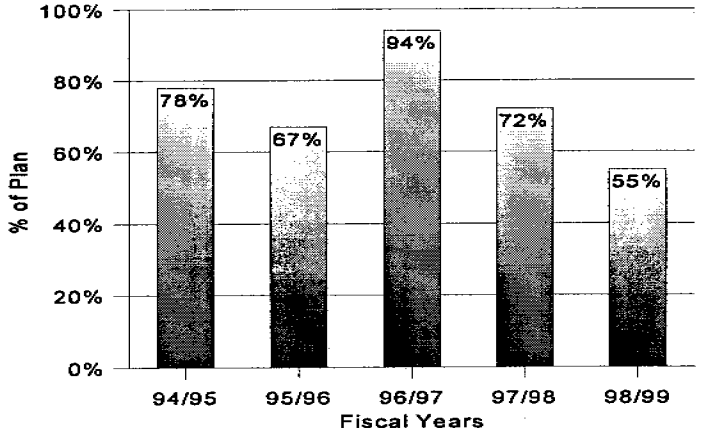
Public Transportation capacity improvements include airports, seaports, rail, bus transit, intermodal development (projects enhancing connectivity of various transportation modes) and commuter assistance (carpooling, vanpooling, park & ride, etc.). The Department's role is generally limited to providing 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. |
|---|---|

Statewide Performance:

- For FY 1998/99, the Department achieved 55% of plan, committing $143.5 M. of a plan of $263.0 M. in public transportation capacity improvement projects.
- The plan for FY 1998/99 was 29% larger than the plan for FY 1997/98. Department achievement of plan was 17 percentage points lower (72% to 55%) in FY 1998/99 than in FY 1997/98.

### PUBLIC TRANSPORTATION CAPACITY IMPROVEMENT PROJECTS - *Dollar Amount by Fiscal Year*




| | Fiscal Year | | | | |
|---|---|---|---|---|---|
| | 94/95 | 95/96 | 96/97 | 97/98 | 98/99 |
| Plan | $248.0 | $229.3 | $158.1 | $203.8 | $263.0 |
| Actual | $194.5 | $154.1 | $148.5 | $146.7 | $143.5 |
| *% of Plan* | *78%* | *67%* | *94%* | *72%* | *55%* |
| Advanced FY | $72.5 | $10.0 | $0.0 | $0.0 | $0.0 |
| Total | $267.0 | $164.1 | $148.5 | $146.7 | $146.5 |

# 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, and 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, in that the Department is responsible for designing, constructing and maintaining the approximately 12,000 miles of state roads (an additional 102,000 miles of roads 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..

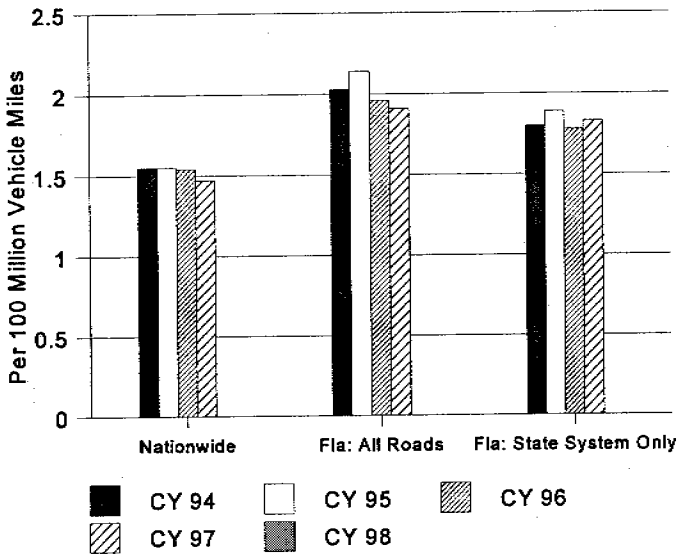
| | |
|---|---|
| Indicator | Florida's fatal crash rate per 100 million vehicle miles traveled (VMT) and fatal crash rate per 100 million VMT for State Highway System only vs. National average rate. |
| Indicator | Percent of crashes on State Highway System where road conditions were a contributing cause, compared to previous year percentage. |

"Fatal crash" means any crash in which a human fatality occurred.

Statewide Performance:

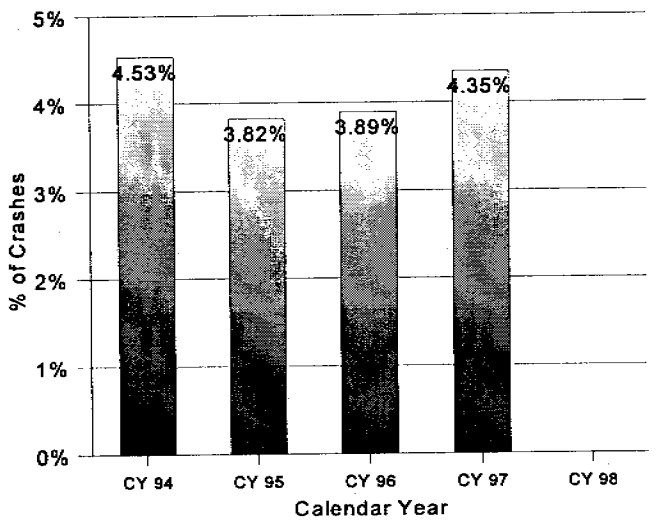
- Florida's CY 1998 fatal crash rate data is not yet available.
- Data not available at this time for % of crashes on State Highway System where road conditions were a contributing cause. This data is obtained from accident reports which the Department of Highway Safety and Motor Vehicles (DHSMV) is responsible for data input. DHSMV is approximately 10 weeks behind schedule, so the data will not be available until late September at the earliest.

## FATAL CRASHES PER 100 MILLION VEHICLE MILES -
### *National, Statewide, and State Highway System by Calendar Year*




| | Calendar Year | | | | |
|---|---|---|---|---|---|
| | 1994 | 1995 | 1996 | 1997 | 1998 |
| Nationwide | 1.55 | 1.55 | 1.54 | 1.47 | Data Not Yet Availalbe |
| Fla: All Roads | 2.03 | 2.14 | 1.96 | 1.91 | |
| Fla: State System Only | 1.80 | 1.89 | 1.78 | 1.83 | |

### *Percentage of Crashes Where Road Conditions Were Contributing Cause*




| Crashes | Calendar Year 1994 | 1995 | 1996 | 1997 | 1998 |
|---|---|---|---|---|---|
| Road Conditions Contributing Cause | 4,983 | 5,045 | 4,997 | 6,310 | Data Not Yet Available |
| Total Crashes | 110,036 | 132,154 | 128,389 | 144,919 | |
| % Where Road Conditions Contributed | 4.53% | 3.82% | 3.89% | 4.35% | |

The Department is responsible for the administration of the Highway Safety Grant Program, which awards federal grants to state and local agencies for traffic safety specific programs. During FY 1998/99 Florida received approximately $12 million and awarded 254 grants for a variety of traffic safety purposes such as speed enforcement, 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 Teams. In addition, this program promotes safety through ongoing information and education activities statewide.

Community Traffic Safety Teams (CTSTs) combine engineering, enforcement, education and emergency services in a coordinated locally-based team approach to address traffic safety problems and reduce traffic crashes, injuries and deaths. The number of Teams has increased from eight in 1993 to 47 CTSTs covering 46 counties through July 1999. Much of this growth is due to the active participation of Departmental employees and increased local agency interest in traffic safety. Although the Department exceeded its initial goal of having 20 CTSTs by October 1996, the remaining 21 counties without CTSTs may be slower to activate. This is based on the fact that of the remaining 21 counties, 18 are more rural in nature and average less than 225 total crashes per year. The only remaining large urban area without a CTST, is all of Dade County, which averages over 45,000 crashes and 300 fatalities per year. There are, however 3 cities within Dade County which have formed CTSTs which are included in the 47 noted above.

The Department will continue to promote CTST expansion through DOT District CTST Coordinators' outreach efforts. These full time CTST Coordinators are housed at six of the DOT Districts, and demonstrate the commitment the Department has made to this unique traffic safety concept. A current list of the CTSTs and their chairpeople is available on the FDOT web site, or from the Safety Office.

Based on 1998 data, these 47 CTSTs cover approximately 80% of the statewide crashes, statewide fatalities, statewide public roads, and the state's population.

The Department has continued its efforts in pedestrian and bicyclist safety awareness programs. The Traffic Ed program has continued to train elementary education teachers to implement the pedestrian and bicycle safety curriculum.

The Pedestrian and Bicycle Program has worked with Bike Florida and the Florida Sports Foundation to develop a motorist, bicyclist and pedestrian awareness campaign targeting the most common causes of crashes. This campaign will involve a statewide media campaign.

The Florida School Crossing Guard Program continues to train Crossing Guard Trainers throughout the state. Counties with populations over 75,000 are required by law to provide training to all school crossing guards. Thirty-five (35) counties are now required to have at least one trained trainer. Twenty-two (22) of the non-mandatory counties now have at least one trained trainer. Ten (10) sessions were held in Florida during FY 1998/99, during which 91 crossing guard trainers were trained. Although on-site evaluations have shown that crossing guards in counties with trained trainers are consistently better equipped and perform better than those in counties without trainers, the training program is being evaluated to determine if any enhancements can be made.

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.

# Florida Transportation Commission

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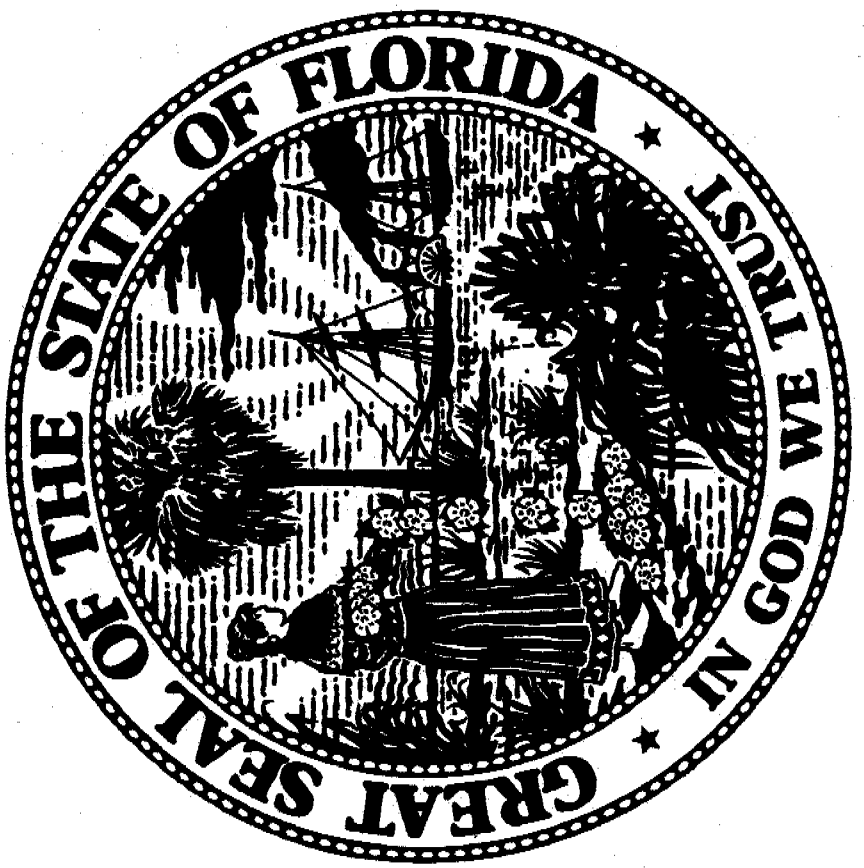
GREAT SEAL OF THE STATE OF FLORIDA
IN GOD WE TRUST