



FLORIDA TRANSPORTATION COMMISSION

Minutes of Meeting

Date: November 7, 2024

Time: 9:03 AM

Location: FDOT Burns Auditorium, Tallahassee

Welcome and Call to Order

Chairman Ron Howse called the meeting to order.

In Attendance

Chairman Ron Howse, Vice-Chairman David Genson, Commissioners John Browning, Richard Burke, Julius Commissioner Davis, Alex Lastra, and Rusty Commissioner Roberts.

Florida Department of Transportation Performance and Production Review

Presented by Ralph Yoder, Executive Director

- **History of Performance Measures:**
Executive Director Yoder provided a brief overview of the history behind FDOT's performance measures.
- **Performance Measure Scorecard:**
He presented the FY 23-24 Performance Measure Scorecard, detailing areas where targets were not achieved.
- **Secretary's Response:**
Chairman Howse invited FDOT Secretary Jared Perdue to address the review, focusing on the performance measures that the Department did not meet.

FDOT Secretary's Agency Update

Jared W. Perdue, P.E., FDOT Secretary

- **Emergency Response Efforts:**
Secretary Perdue emphasized FDOT's significant emergency response efforts during 2024.
- **Partner Engagements & Notable Events of 2024:**
He provided an overview of recent collaborations with various stakeholders.
 - Congressional testimony to the House Transportation Infrastructure Committee.
 - Secretary Perdue's appointment to the ITS America Board.
 - Design and installation of the refreshed Florida Welcome Sign.
 - Participation in the Governor's *Freedom Summer Initiative*, featuring signature bridges illuminated in red, white, and blue.
 - Involvement in the Farnborough International Airshow Trade Mission, led by Lt. Governor Nunez, the Florida Department of Commerce, and Select Florida.

- **Legislative Update:**
Secretary Perdue reviewed outcomes from the 2024 Legislative Session.
- **Workforce Development:**
He discussed progress in the Department's *Workforce Development* initiatives and the ongoing *Defining Culture* program aimed at shaping organizational culture.

Questions from the Commission

- **Emergency Response Funding:**
 - Vice Chairman Genson asked how FDOT is funded during emergency responses.
 - Secretary Perdue explained that when the Governor declares an emergency, FDOT initially utilizes the State Transportation Trust Fund (STTF). Additional funding sources and reimbursable mechanisms are activated under the emergency declaration.
- **Worker Salary Reimbursement:**
 - Chairman Howse inquired if FDOT is reimbursed for worker salaries during debris removal efforts.
 - Secretary Perdue responded that FDOT uses a time accounting system that assigns a specific storm code to track costs, enabling reimbursement requests.
- **Impact of Storm Response on Performance:**
 - Chairman Howse expressed concern that storm response activities might hinder FDOT's performance and production.
 - Secretary Perdue agreed, emphasizing that FDOT continually refines its strategies to ensure readiness for effective storm responses.
- **Reimbursement Levels:**
 - Commissioner Lastra asked if FDOT receives full reimbursement for emergency expenditures.
 - Secretary Perdue clarified that the federal reimbursement process is complex, lengthy, and does not always result in full reimbursement.
- **Heavy Equipment Readiness:**
 - Commissioner Browning raised concerns about the readiness and replacement of heavy equipment.
 - Secretary Perdue noted that legislative appropriations over the past three years have funded heavy equipment replacement, but full replacement will require several more years. FDOT is resourceful and appreciative of the legislative support received thus far.
- **Opportunities for Small Businesses:**
 - Chairman Howse observed that large contractors and consultants are managing full project portfolios and recommended FDOT consider small businesses for local projects.
 - Secretary Perdue acknowledged this and highlighted FDOT's small business program, which aims to provide opportunities for smaller firms.

- **Legislative Support:**

- Chairman Howse requested a white paper summarizing FDOT's legislative packet once it is finalized, so Commissioners can effectively support the Department's initiatives.

FDOT Secretary's Response to the Performance & Production Review

Jared W. Perdue, P.E., FDOT Secretary

- **Performance Metrics Highlights:**

- **Safety:**

- The Department has experienced a positive trend in reducing serious injuries and fatalities.
- Successful implementation of the *Wrong-Way Driver Detection System*, with numerous success stories.

- **Bridge Structures Condition Rating:**

- Bridges are inspected every two years, with dedicated resources for maintenance, rehabilitation, or replacement through the maintenance and preservation program.

- **Construction Contracts – Time:**

- Industry efforts focus on completing projects early to free up resources for future initiatives.

- **Metrics Not Met:**

- **Construction Contracts – Cost Adjustments:**

- Performance fell just under 2% of the target due to economic volatility and federally driven inflation, causing fluctuations in commodity supply and cost.
- Long-duration projects present challenges in cost prediction.

- **Construction Contracts – Dollar Amount Let vs. Planned Amount:**

- Public infrastructure costs have risen 30-40% over the past three years.

- **Consultant and Construction Contracts Let vs. Planned:**

- Consultant and construction contracts often track together.
- FDOT strategically opted not to award certain projects due to limited competition or high bid prices.
- Leadership rescaled and divided multiple projects into smaller segments to foster more competition.
- Permits under the Clean Water Act (CWA) Section 404 from the Army Corps of Engineers (ACOE), instead of the Florida Department of Environmental Protection (FDEP), have caused delays.

- **Roll Forward:**

- The increase in roll forward is linked to deferred construction and consultant contracts, which carry over into the next fiscal year.

- **Innovations to Address Challenges and Enhance Strategies:**

- Modified Phased Design-Build Contracting Process
- Aggregate Grant Program
- Florida Rail Safety Coalition
- Forecasting & Trends Office

- **Federal Transportation Funding:**
 - The next reauthorization of federal transportation policy occurs in 2026, with 25% of FDOT funding federally sourced.
 - Current authorization introduced restrictive new formula programs, despite an overall increase in funding.
 - FDOT advocates for a return to traditional formula programs in the next reauthorization.
- **FDOT's 2025 Legislative Session Priorities:**
 - Workforce Development
 - Research & Innovation
 - Advanced Air Mobility

Questions from the Commission

- **Permit Program under CWA Section 404:**
 - Commissioner Browning asked if FDOT would benefit from 404 permitting remaining with the Army Corps of Engineers (ACOE) to avoid further delays.
 - Secretary Perdue responded that the permitting process had been functioning well under the Florida Department of Environmental Protection (FDEP) since its delegation to the state.
- **Relevance of Performance Metrics:**
 - Vice Chairman Genson inquired whether FDOT's performance metrics remain relevant or should be reassessed.
 - Secretary Perdue affirmed the relevance of the metrics but suggested periodic reviews, particularly during times of economic volatility, to ensure their continued applicability.
- **Request for Metric Summary:**
 - Vice Chairman Genson requested that FTC staff compile a summary of performance metrics from recent years, alongside corresponding inflation rates and material cost indices.
- **Private Sector Comparisons:**
 - Chairman Howse observed that the private sector faces similar challenges with inflation, supply chain disruptions, and economic fluctuations.
- **Need for Metric Reviews:**
 - Chairman Howse suggested that performance metrics might need adjustments to reflect economic fluctuations.
 - Secretary Perdue emphasized that performance metrics are valuable tools for guiding strategic business decisions.
- **Understanding the Challenges:**
 - Vice Chairman Genson commended the metrics for their clarity, noting his understanding of FDOT's challenges.
- **Economic Pressures:**
 - Chairman Howse acknowledged that during the upcoming fiscal year, FDOT would likely face similar challenges due to ongoing economic and inflationary pressures.

- Secretary Perdue shared an optimistic note, stating that recent months have shown a trend of leveling commodity prices, indicating a positive outlook.

SunRail Presentation Highlights

John E. Tyler, P.E., FDOT District 5 Secretary and CEO of SunRail

- **Historical Overview:**
District Secretary Tyler provided a comprehensive historical perspective on SunRail's development and evolution.
- **Core Values:**
He emphasized that *Connecting Communities* remains a cornerstone of SunRail's mission and operations.
- **Transit-Oriented Development:**
Secretary Tyler highlighted SunRail's ongoing Transit-Oriented Development (TOD) construction projects.
- **Planned Transition:**
 - FDOT initially planned to oversee SunRail for seven years; however, the involvement has extended to ten years.
 - Transition negotiations have been completed, with the transition agreement finalized on **March 28, 2024**.
 - Starting **January 1, 2025**, financial responsibility for SunRail's operations will shift to local governments, while FDOT continues to manage train operations.
 - A phased operational transition will unfold over the next three years, ensuring a smooth handover.

Questions from the Commission

- **Historical Perspective and Oversight:**
 - Commissioner Roberts reflected on the rail system's history, highlighting Congressman Mica's vision for the project.
 - He suggested that SunRail be brought under FTC oversight, recommending a review of South Florida Regional Transportation Authority's operational model to assess its applicability to Central Florida, including potential statutory alignment for the Central Florida Rail Commission (CFRC).
- **Expansion to the Airport:**
 - Commissioner Roberts inquired about plans to extend SunRail to the airport.
 - Secretary Tyler explained that while the proposed Sunshine Corridor, an East/West route serving the airport, convention center, and Disney, is a priority, it remains unfunded.
 - FDOT's *Transit Concept Alternatives Report (TCAR)* identified the need over a year ago.
 - The next step, a *Project Development and Environment Study (PD&E)*, which will likely be initiated in 2025.
- **Extension to Lakeland:**
 - Commissioner Roberts asked about plans to extend SunRail service to Lakeland.

- Secretary Tyler acknowledged local interest and mentioned an ongoing PD&E study led by District 1.
 - He noted Polk County residents' enthusiasm, supported by a feeder bus route connecting Polk County to the Poinciana Station.
- **Operational Costs:**
 - Commissioner Roberts asked about current operational costs.
 - Secretary Tyler stated the operational costs total \$80 million annually, with a net cost of \$65 million.
 - He clarified that FDOT will retain ownership of all capital assets, including real estate, rolling stock, and track infrastructure. These will be conveyed to the CFRC as an easement, contingent on continued operation of the system. Revenue from tenant railroads and federal funds will support the CFRC to offset operating cost.
- **FTC Oversight in the Transition Plan:**
 - Chairman Howse asked whether FTC oversight is included in the transition plan or requires legislative action.
 - Secretary Tyler confirmed that FTC oversight is not currently part of the transition agreement.
- **Transition Cost Calculation:**
 - Vice Chairman Genson asked how local partners' proportionate share in the transition is determined.
 - Secretary Tyler explained that the formula, established in a local funding agreement, combines two factors: ridership (for operating costs) and track mileage (for maintenance costs).
- **Ridership Revenue:**
 - Commissioner Lastra inquired about annual ridership revenue.
 - Secretary Tyler reported that annual ridership revenue is approximately \$2.5 million

MPOAC Overview and Update

Mark Reichert, Executive Director, MPOAC

- **Structure and Mission:**
 - Executive Director Reichert provided a brief overview of the MPOAC's organizational structure and its mission to support transportation planning across Florida.
- **Legislative Requirements:**
 - He discussed the legislative directive from *HB 425 (2023)*, which requires the MPOAC to present an annual report to the Florida Transportation Commission (FTC).
- **Long-Range Transportation Plans (LRTP):**
 - Reichert defined LRTPs as strategic planning documents that guide regional transportation investments.
 - He noted that MPOs currently updating their LRTPs are aligning their goals with the existing *Florida Transportation Plan (FTP)*.

- **LRTP Adoption Schedules:**
 - He reviewed the adoption timelines for LRTPs, emphasizing their importance in shaping long-term transportation strategies.
- **Streamlined Review Process:**
 - The MPOAC is conducting a review of LRTPs and will implement an online survey to streamline the process and improve coordination among MPOs statewide.

LUNCH BREAK

Approval of Consent Agenda

On a motion by Commissioner Browning and seconded by Vice Chairman Genson the consent agenda was unanimously approved, which included the minutes from August 21-22, 2024.

FDOT District Secretary Reports

District Secretaries (or their designee), as well as the Executive Director of the Florida Turnpike Enterprise, presented updates on projects and construction in their respective district.

Public Comment

The Chairman opened the meeting to public comment. There were no public comments.

Approval of the Florida Department of Transportation Performance and Production Review

- On a motion by Vice Chairman Genson and seconded by Commissioner Lastra the FY 23-24 FDOT Performance and Production Review was unanimously approved.
- The Chairman thanked FDOT for the presentations and graphs.

FTC Business

Executive Director Ralph Yoder thanked the Department for their support and assistance in providing FTC staff with the data for this review and the District Secretaries for their presentations. He also expressed appreciation to Bill Cobb and FTC Staff for the performance and production review and the report development. Lastly, he shared a proposed 2025 meeting schedule.

Public Comment

The Chairman opened the meeting to public comment. There were no public comments.

Adjourn

With no other business to address, Chairman Howse adjourned the meeting at 4:36 pm