

## FLORIDA TRANSPORTATION COMMISSION

MINUTES OF MARCH 3, 2009

MEETING NUMBER 171

The one hundred and seventy-first meeting of the Florida Transportation Commission was held March 3, 2009 at the Florida Department of Transportation, 605 Suwannee Street, Auditorium, Tallahassee, Florida. Chairman Marcos Marchena called the meeting to order at 1:00 p.m.

### ATTENDANCE:

Members in attendance were: Chairman Marcos Marchena, Commissioners Calloway, Conrecode, Criser, Pullum, and Rose. Commissioners Lanahan, Walton and Mazurkiewicz were unable to attend.

### MINUTES:

Minutes of the January 14, 2009 Commission Meeting were approved.

### CHAIRMAN'S REPORT

Chairman Marchena reported on the following:

- A few of the legislative issues, in addition to the budget, the Commission will be tracking this year are:
  - 41 Safety bills relating to such issues as raising the age when kids get a driver's license (to 17); using cell phones while driving; primary seat belt legislation; synchronization of traffic signals; traffic light cameras; bicycle helmet usage; restriction of street racing; etc.
  - Public-Private Partnerships – must demonstrate public benefits to the state, the counties where tolls are collected or facility is to be located; DMS and a state agency or local government can receive unsolicited proposals for public works infrastructure;
  - Taxation (drivers license fee increases, exemptions for certain P3s from certain taxes, Charter County Surtaxes-expands eligibility to levy surtax to all charter counties, etc.);
  - Jacksonville Transportation Authority (JTA) expands the scope of the JTA to function more like other regional authorities – also brings the JTA under the FTC oversight;
  - Commuter Rail – the Commission has long supported the efforts to offer more modal transportation options for travelers.
- Commissioners reported on the following activities:
  - Commissioner Pullum has been representing the FTC on the SIS Update Leadership Council and reported on their recent meeting.

- Commissioner Calloway has been representing the FTC on the Seaports Strategic Plan Update committee. Commissioner Calloway also participated in a briefing at the Miami Airport with Secretary Kopelousos and USDOT Secretary LaHood regarding all modes of transportation and the Federal Economic Stimulus Package.

## **AGENCY REPORT**

Kevin Thibault, Assistant Secretary for Engineering and Operations reported on the following:

- The Chief of Staff position has been filled with Jon Bussey.
- The State Transportation Planner has been filled with Brad Thoburn.
- Over the last two years, the Department has had to make numerous adjustments to their Budget. Since that time, the Department has reduced commitments to the Work Program by \$7.2 billion. During the Special Legislative Session in January, the Department's current year appropriation was reduced by \$3.5 million. The Legislature recognizes the significant role transportation plays in the economy and has chosen not to touch the Work Program. The Department has submitted an Amended Budget Request totaling \$7.1 billion, which highlights the Governor's priorities of relieving congestion, maintaining and improving the state's transportation system and helping to drive the state's economy.

### Public-Private Partnerships (P3's) Update

- I-595 – financial close is expected soon.
- Alligator Alley – Proposals are due May 8, 2009.
- First Coast Outer Beltway – procurement is on hold pending resolution of property tax issue (legislative action pending).
- I-95 Express Phase 1 – tolling began on December 5, 2008.

## **FEDERAL ECONOMIC STIMULUS PLAN DISCUSSION**

Kevin Thibault briefed the Commission on what the American Recovery and Reinvestment Act (ARRA) federal economic stimulus plan means for Florida.

- Airports – Florida is expecting \$50 million.
- Transit – the larger systems will get \$290 million directly through the formula grant program. The rural systems will get \$20 million through FDOT. The Miami urbanized area, which includes Metro Dade, and SFRTA (Tri-Rail) will get \$5.3 million for fixed guideway modernization. Jacksonville and Tampa will get \$35,000 and \$34,000 respectively.
- Highways – Florida will get \$1.347 billion.
- Up for grabs - \$1.5 billion for discretionary grants that can be use for highway, transit, rail and seaport projects and \$8 billion for High Speed Rail Corridors and Passenger Rail.

## **INDUSTRY PERSPECTIVE ON STIMULUS**

Bob Burleson, President, Florida Transportation Builders Association briefed the Commission on the Industries Perspective of the ARRA stimulus plan. He said they are excited and ready to go.

## **TRANSPORTATION AUTHORITY REPORT**

Rick Gallant, FTC Special Projects Coordinator, provided a brief overview of the Authorities Monitoring which was discussed at length during a workshop on March 2.

Chairman Marchena asked for the adoption of the report. Commissioner Calloway moved to adopt the report; Commissioner Conrecode seconded and the report was adopted unanimously with the following language for Santa Rosa Bridge Authority: The Commission recommends that the Department working closely with the Commission Staff, take a closer look at the Santa Rosa Bay Bridge Authority situation and come back within 30 days to the Commission with options on how to deal with the Authority to help them to succeed. The Commission will hold a teleconference following the 30 days to discuss the Department's recommendations for Santa Rosa Bay Bridge Authority.

## **TENTATIVE 5-YEAR WORK PROGRAM REVIEW PUBLIC HEARING**

Mark Reichert, Assistant Executive Director, provided the results of the *Review of the FDOT Tentative Work Program (TWP) for FY 2009/10 through 2013/14* and reported the following:

The purpose of the Commission's review is to provide assurance to the public, The Governor, and the Legislature that the TWP was developed in compliance with all applicable federal and state laws and policies. The Work Program represents those project specific commitments that will be made in the short-term that implement the policies adopted in the Florida Transportation Plan, based on the funding and program levels established in the FDOT Program and Resource Plan. It fulfills the Department's commitment to the local governments for stability and long term planning.

Beginning with the Revenue Estimating Conference (REC) of November 2006 through the latest one in November 2008, there have been significant adjustments made to the forecast of transportation revenue both to the traditional transportation revenue sources dedicated to the STTF and to the doc stamp revenue deposited into the Fund. Legislative action in 2008 also negatively impacted revenue deposited into the STTF. The total impact of these adjustments in revenue to this TWP was a cash reduction of \$3.5 billion, resulting in a reduction in project commitments of \$5.2 billion. The REC is meeting again March 6 to revise its transportation estimates once more. We are not expecting to see a reversal of the recent downward trend.

The Department's commitment to P3s in this Tentative Work Program totals approximately \$965 million in state funds. This amount includes funding for the Port of Miami Tunnel project, even though that project is currently being reevaluated by the Department.

The Growth Management Act of 2005 dedicated a portion of documentary stamp revenue to transportation. Although the amount of funding from this source has decreased recently due to

the downturn in the housing market, there is still \$2.1 billion in project commitments funded in this TWP with GM funds.

The Florida Department of Transportation stands to receive approximately \$1.4 billion from the “American Recovery and Reinvestment Act of 2009.” All of these funds will be added to the current year of the Adopted Work Program through a work program amendment, so they are not reflected in this TWP.

The Commission found this Tentative Work Program to be based on a balanced five-year financial plan and 36-month cash forecast of receipts and expenditures. The Department is statutorily required to maintain an available cash balance of not less than \$50 million, or five percent of the unpaid balance of all State Transportation Trust Fund obligations, whichever is less, at the close of each quarter. The lowest projected end-of-quarter cash balance is \$95.5 million, which complies with the statutory minimum. The *average annual* low point cash balance is projected to be only 2.3% of the forecasted average outstanding obligation of \$6.1 billion.

As part of the review of the Tentative Work Program, the Commission is required to conduct an annual assessment of the progress made by the Department and its transportation partners to realize the goals of the Strategic Intermodal System (SIS). These goals are: to support economic development, to improve mobility, and to increase intermodal connectivity.

The Tentative Work Program has a total of \$9.5 billion programmed on the SIS for capacity improvements. Of this \$9.5 billion, \$8.1 billion is programmed for highway capacity improvements, and \$400.9 million for aviation, \$250.8 million for seaports, \$615.2 million for rail, and \$121.7 million for intermodal capacity improvements. The Department’s total investment in the SIS since the System’s designation on July 1, 2003, including actual and planned investments through this Tentative Work Program, is approximately \$22.7 billion.

The Department’s benchmark for stability is to have at least 80% of project phases remain unchanged or advanced to an earlier fiscal year. Stability of project schedules in this Tentative Work Program decreased 2.2 percentage points from last year’s, with 85.9% of project phases experiencing no change in schedule or being advanced to an earlier fiscal year.

The Department is required to develop the TWP within the policy framework provided by the Short Range Objectives of the Florida Transportation Plan and must comply with the program funding levels contained in the program and resource plan. The objectives contained in the 2006 Short Range Component of the 2025 Florida Transportation Plan were used to demonstrate linkage between this tentative work program and long-range goals. The Department met three of the four short-range objectives that are measured directly through the work program. The four short range objectives cover pavement condition, bridge condition, maintenance standards, and capacity funding on the SIS. The one objective not met is on SIS capacity programming. The objective is to program 75% of discretionary capacity funds on the SIS by FY 2015. The percentage of discretionary capacity funds on the SIS actually goes down from a high of 72.1% in FY 12 to 64.1% in FY 14.

The Transportation Regional Incentive Program (TRIP) provides funds to improve regionally significant transportation facilities. We found that funds were allocated to the districts by statutory formula with a total of \$352.1 million allocated statewide. This compares to \$675 million allocated to this program in the last tentative work program.

The Department has programmed \$195.2 million for the County Incentive Grant Program (CIGP) and \$135.4 million for the Small County Outreach Program (SCOP). The Department has programmed \$25.3 million for the Small County Road Assistance Program (SCRAP), which is set to expire after FY 09/10.

By federal mandate, a minimum of 15% of all state transportation funds deposited into the State Transportation Trust Fund must be committed annually for public transportation projects. An average of 21.2% of current state transportation funds is programmed for public transportation projects.

The Law requires that funds for new construction be based on equal parts of population and motor fuel tax collections. Funds for resurfacing, bridge repair and rehabilitation, many public transit projects, and other programs with quantitative needs assessments must be programmed based on the results of these needs assessments. Funds for public transit block grants are programmed by grant application. We reviewed the allocation spreadsheets and concluded that all funds were allocated in accordance with the respective statutory requirement.

The level of Turnpike commitments in Palm Beach, Broward and Miami-Dade Counties will exceed the 90% requirement through the end of the Tentative Work Program period by 13.7%.

Secretary Kopelousos commented in regards to the statewide work program. She was followed by each of the district secretaries and the Turnpike Executive Director who presented an overview of their respective work programs. (Gus Pego, District Six Secretary, whose flight to Tallahassee was cancelled did not present. Kevin Thibault, Assistant Secretary for Engineering and Operations, presented in his place.)

Mr. Reichert concluded the Tentative Work Program for FY 2009/10 through 2013/14 was developed in compliance with all applicable federal and state laws and Departmental policies. He also stated that the law requires that the Commission, as part of this public hearing, hear all comments offered by the public and turned the public hearing back over to Chairman Marchena to preside over the public comments phase of the hearing. No public comments were made.

By unanimous vote of the Commission, the TWP was found in compliance with all Laws and Departmental policies and Chairman Marchena instructed Commission staff to forward the Review to Governor Crist and the Legislature.

[Please see this and all presentations made before the Commission on the Florida Transportation Commission web site at [www.ftc.state.fl.us](http://www.ftc.state.fl.us).]

The next Commission meeting will be held the afternoon of May 8, 2009 in Jacksonville.

The Florida Transportation Commission meeting adjourned at 5:00 p.m.

MINUTES APPROVED       ✓       AS READ                      AS AMENDED

THIS 8<sup>th</sup> DAY OF MAY, 2009

  
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CHAIRMAN

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