

Performance and Production Review of the Florida Department of Transportation FY 2011/2012



A REPORT BY THE
FLORIDA
TRANSPORTATION
COMMISSION

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Tallahassee, Florida 32399-0450

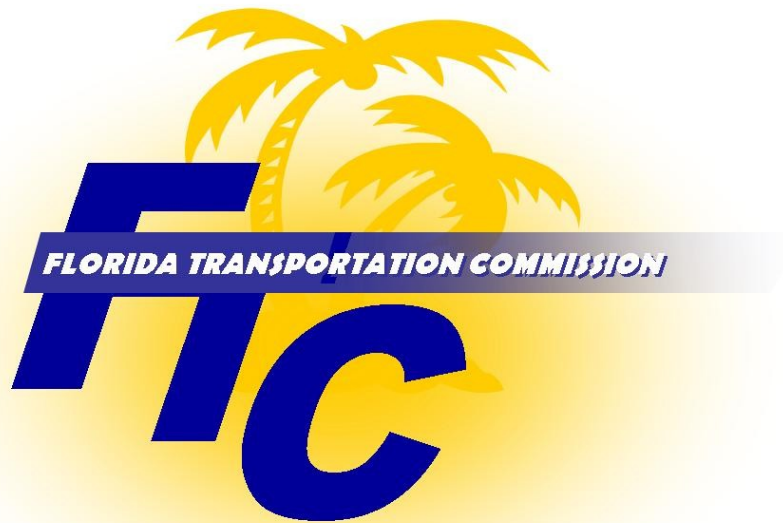
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OCTOBER 18, 2012



Performance and Production Review of the Florida Department of Transportation



**Fiscal Year
2011/2012**

October 18, 2012



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FLORIDA TRANSPORTATION COMMISSION

*Ronald Howse, Chairman
Jay Trumbull, Vice-Chairman
Manuel Maroño, Secretary
Donnie Ellington
Maurice Ferré
Katherine Frazier
Beth Kigel
Ned Lautenbach
Andy Tuck*



**Rick Scott
Governor**

October 18, 2012

The Honorable Rick Scott, Governor
State of Florida
The Capitol, 400 South Monroe Street
Tallahassee, Florida 32399-0001

Dear Governor Scott:

At its public meeting on September 20, 2012, the Florida Transportation Commission conducted the statutorily required *Performance and Production Review of the Florida Department of Transportation (FDOT) for Fiscal Year 2011/12* (copy enclosed). FDOT Secretary Ananth Prasad, the FDOT district secretaries and the Turnpike Enterprise Executive Director were present and participated in the review.

This marks the twenty-first year the Commission has conducted this evaluation of the Department's performance. Fiscal Year 2011/12 was another exceptional year for the Department. The Commission uses 37 measures - 20 primary and 17 secondary - to evaluate the Department's performance. The 20 primary measures are metrics that assess major Departmental functions, measure an end product or outcome, with results that are, with few exceptions, within the Department's control. The Department met or exceeded 18 of the primary measures for the second consecutive year. The two primary measures not met were in the areas of construction contract cost adjustments and lane miles of capacity improvement projects. Actual FY 2011/12 results for these measures were 84.9 percent and 89.7 percent, respectively, compared to an objective of greater than or equal to 90%.

The Department was successful in beginning construction on 250 lane miles of additional roadway to the State Highway System (SHS). It also let to contract 2,479 lane miles of roadway to be resurfaced on the SHS. The Department was successful in beginning construction on 113 bridge repair and 18 bridge replacement projects. By the end of the fiscal year, the Department closed out 385 construction projects with a total dollar value of \$2.09 billion and let \$2.36 billion in new construction contracts.

The Department continues to make significant strides in producing projects within their original time and cost. In the area of construction contract adjustments, for the 385 projects completed last year, the Department completed 89.4 percent within 20 percent of their original estimated time (the objective is 80 percent).

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The Honorable Rick Scott, Governor
October 18, 2012
Page Two

As stated above, the Department also completed 84.9 percent within ten percent of their original cost; a very challenging benchmark for the Department to meet.

The health of the SHS remains in great shape with nearly 91 percent of lane miles and over 95 percent of bridges rated either excellent or good, both measures exceeding their respective objectives.

The Department is keeping administrative costs under control, is managing its finances in accordance with statute and has committed 100 percent of its federal highway funds. In addition, the Department received \$64.9 million in redistributed federal funds from states not able to commit their federal funds.

The Toll Revenue Variance continues to meet the objective of less than five percent of toll users violating payment provisions, and this is a reflection of continuing enforcement efforts by the Turnpike Enterprise. The Turnpike Enterprise also met the objective of containing toll collection costs as a result of aggressive cost cutting and improvements in violation processing.

The Commission is confident that this performance evaluation process is working well and yielding valid results. As areas of concern are recognized, data is gathered, causes are identified and corrective actions are taken by the Department to improve performance on a continuous basis. The end result is that the Department is committed to improving the products and services it provides to the citizens of the State of Florida. Based on this assessment, the Florida Transportation Commission can assure you the Department is managing its operations in an efficient, cost effective, and business-like manner.

Our goal is for this report to be meaningful and clear. An Executive Summary of performance is provided beginning on page 15 of the enclosed report.

If you have any questions regarding this review, please do not hesitate to contact me or the Transportation Commission staff at (850) 414-4105.

Sincerely,



Ronald Howse, Chairman
Florida Transportation Commission

Enclosure

cc: Ananth Prasad, Secretary, Florida Department of Transportation
Honorable Jack Latvala, Chairman, Senate Committee on Transportation
Honorable Lizbeth Benacquisto, Chairman, Senate Budget Subcommittee on Transportation,
Tourism and Economic Development Appropriations
Honorable Rachel Burgin, Vice Chairman, House Transportation and Economic
Development Appropriations Subcommittee
Honorable Brad Drake, Chairman, Transportation and Highway Safety Subcommittee



Florida Department of Transportation

RICK SCOTT
GOVERNOR

605 Suwannee Street
Tallahassee, FL 32399-0450

ANANTH PRASAD, P.E.
SECRETARY

September 26, 2012

Mr. Ronald Howse
Chairman
Florida Transportation Commission
605 Suwannee Street, MS 9
Tallahassee, Florida 32399-0450

Dear Chairman Howse:

Thank you for the opportunity for the department to provide a response on its performance for Fiscal Year 2011/2012. We truly appreciate your leadership and the leadership of the Commission, working as a partner in addressing the transportation needs of this state.

I am proud to report the Department not only executed 98% of the planned contract lettings (414 of 421), but advanced or added another 86 contracts to take advantage of a competitive market and deliver much needed improvements much sooner than originally planned. The Department also executed not only contracts for 98% of the planned consultant projects (979 of 1002), but advanced or added another 145 projects. We continue to provide a strong maintenance program which ensures investments we have made to date are safe and reliable – that is why we can boast that less than 1% of our bridges on the state highway system are considered in need of repair and/or replacement, for which we have a plan in place to correct the deficiencies.

I am pleased to report of the 20 measures the Commission reviewed this past fiscal year; the Department met or exceeded the objectives for 18 measures. I want to recognize the hard work and commitment of Department staff in helping us deliver the work program. Let me address the two measures where the Department did not meet the objective.

1. Construction Contract Costs Adjustments

Primary Measure: Of all the construction contracts completed during the fiscal year, the percentage of those contracts that were completed at a cost within 10 percent above the original contract amount.

Results: For the 385 construction contracts completed during FY 11/12, 84.9% were completed within 10% of their original contract amount. This measure is 5.1% shy of the objective.

Cost adjustments can almost always be expected, as there is no perfect set of plans or contract without unexpected issues. The majority of construction cost adjustments adds value to a project, is necessary, and typically are unavoidable.

Projects closed out in FY 2012 are used to determine performance and include contracts let to construction as far back as 2003. The Department strives to improve its contract documents

Chairman Ronald Howse
Florida Transportation Commission
September 26, 2012
Page 2

and overall contract management. Better quality plans, established partnerships with contractors, and the use of various methods of alternative contracting tools have led to the continual reduction of both cost and time increases in our contracts. This is evident in looking at active project cost increases.

I am very confident the Department is on the right track and will make progress in meeting this objective in the future.

2. Capacity Improvement: Highways

Primary Measure: The number of lane miles of capacity improvement projects on the SHS let compared against the number of lane miles of capacity improvement projects planned on the SHS during the fiscal year.

Results: For FY 11/12 of 186.1 lane miles of capacity improvement projects planned for construction, 166.9 lane miles or 89.7% of the plan were let; thereby not meeting the objective. The Department advanced 3.1 lane miles that had been planned for capacity improvements in future fiscal years, and let an additional 79.9 lane miles of capacity improvement projects not included in the original plan for the year, thus increasing SHS capacity by 249.9 lane miles.

For Fiscal Year 11/12, 186.1 lane miles of capacity improvement projects planned for construction, 166.9 lane miles or 89.7% of the plan were let; thereby not meeting the 90.0% objective. The Department advanced 3.1 lane miles that had been planned for capacity improvements in future fiscal years, and let an additional 79.9 lane miles of capacity improvement projects not included in the original plan for the year, thus increasing SHS capacity by 249.9 lane miles.

Of the 19.2 miles that were not met of the plan:

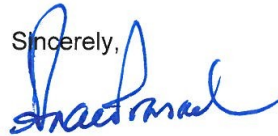
- 1.9 miles were due to adjustments in the beginning or end mileposts of 9 different projects.
- The remaining 17.3 miles were related to three projects
 - One 5.6 mile project in District 3, a Local Agency (LAP) project, was deferred. It has been added to a US 331 design build project scheduled for a Fiscal Year 12/13 letting
 - Another 3.1 mile LAP project in District 4, a Local Agency (LAP) project, was deleted as requested by the City of Boca Raton and Palm Beach County.
 - The final 8.6 mile project was on the Turnpike was part of a larger project that was split out for letting. Bids were too high for this portion and led to the project being deferred to a later letting.
 - If the adjustments for the change to begin and end projects were excluded, the Department would have accomplished 90.7% of the planned Capacity Projects meeting the 90.0% target.

Chairman Ronald Howse
Florida Transportation Commission
September 26, 2012
Page 3

In addition to continuing a positive trend by achieving a high level of performance, the Department will continue looking for efficiencies and strategies to reduce costs. Recent cost savings initiatives include leveraging technology, improved designs/specifications, and optimizing processes/functions.

I thank the Commission and staff for your efforts to ensure the Department meets its mission of providing a safe and reliable transportation system that effectively and efficiently moves people and goods throughout this great state.

Sincerely,



Ananth Prasad, P.E.
Secretary

AP/bb



Table of Contents

<u>Section</u>	<u>Page</u>
Preface	11
Purpose of this Report	13
Executive Summary	15
Overview of Performance	15
FDOT State and District Profiles	19
FY 2011/12 Department of Transportation Performance	22
Cost Efficient & Effective Business Practices: Production	25
Consultant Acquisition	26
Right of Way Acquisition	30
Construction Contracts	36
Construction Contract Adjustments	40
Local Agency Program (LAP)	49
Preservation of Current State Highway System	57
Bridges	58
Pavement	62
Routine Maintenance	65
Capacity Improvements: Highway & All Public Transportation Modes	67
Capacity Improvements: Highways	68
Capacity Improvements: Public Transportation Modes	70
Intelligent Transportation Systems (ITS)	72
Cost Efficient & Effective Business Practices: Finance & Administration	77
Commitment of Federal Funds	78
Obligation Authority	80
Management of Administrative Costs	82
Cash Management	84
Minority & Disadvantaged Business Programs	87
Minority Business Enterprise Program	88
Disadvantaged Business Enterprise Program	89
Safety Initiatives	91
Safety Initiatives	92
Turnpike Enterprise	93
Management of Toll Facility Operational Costs	94
Toll Revenue Variance	96
SunPass Participation	97

Cover Photos: Gantry used to construct bridges, Siesta Key Bridge night work, Port of Miami Tunnel entry.



View of Tunnel Boring Machine Trailing Gear



Inside Port of Miami Tunnel

Preface

The Florida Transportation Commission was established in 1987 by the Florida Legislature and is responsible for reviewing, evaluating, and monitoring the Florida Department of Transportation's policies, transportation systems, and budgets. The nine members of the Commission are appointed by the Governor to serve four-year terms. Commissioners must have private sector business managerial experience and must represent transportation needs of the state as a whole and may not place state needs subservient to those of any particular area. The Transportation Commission could be compared to a private corporation's board of directors.

Commission Members



Ronald Howse, P.E., Chairman, Cocoa. President of Real Deal Development Group, an Engineering and Land Planning company. Former Councilman for the City of St. Cloud, Board Member of the East Central Florida Regional Planning Council, Board Member of the Kissimmee/Osceola County Chamber of Commerce, and Assistant Director of Public Works for the City of Altamonte Springs. Involved with many civic organizations over the years.



Jay N. Trumbull, Vice Chairman, Panama City. President/Owner of Trumbull Bottled Water, Inc. Owns and operates six Culligan dealerships from Tallahassee to Mobile, Alabama. Currently serves on the Bay County Planning Commission, Panama City Housing Authority, Bay Medical Board Foundation, and the Board of Directors for Bay Bank and Trust.



Manuel (Manny) L. Moróño, Secretary, Sweetwater. Mayor of the City of Sweetwater, Florida. President of Southeast Towing Company. Board memberships include Second Vice-President on the Florida League of Cities, President of the Miami-Dade League of Cities, Executive Board member of the Beacon Council, and founding Board member of the Florida League of Mayors.



Donnie Ellington, Gainesville. Mr. Ellington is a retired civil engineer. From 1994-2007, he was the co-owner of Causseaux and Ellington. He was a member of the National Society of Professional Engineers from 1987 to 2009 and Florida Engineering Society from 1987-2009. He received his bachelor's and master's degrees from the University of Florida.



Maurice Ferré, Miami. Former six-term mayor of the City of Miami. Began his career in public service as a member of the Florida House of Representatives and then went on to be elected a commissioner of the City of Miami. He served as the Mayor of Miami from 1973 until 1985.



Katherine Frazier, Tampa. Attorney with Hill Ward Henderson since 1992 and serves on the executive council of the Real Property, Probate and Trust Law Section of the Florida Bar. Frazier received a bachelor's degree from the University of Virginia and a law degree from the University of Florida.



Beth Kigel, West Palm Beach. President and CEO of Northern Palm Beach County Chamber of Commerce in Jupiter, Florida. Kigel received a bachelor's degree in Business Administration from the University of Florida and Master of Business Administration from the University of Central Florida.



Ned Lautenbach, Naples. Mr. Lautenbach is a retired partner with Clayton, Dubilier and Rice, Inc. Previously he worked for IBM for 30 years and was Senior Vice President of sales and service. Lautenbach received a bachelor's degree from the University of Cincinnati and a Master of Business Administration degree from Harvard University.



Andy Tuck, Sebring. Production Manager at C. Elton Crews, Inc., since 2008. Previously, he was an account executive at Ben Hill Griffin, Inc. from 2004-2008. Tuck received his bachelor's degree from Florida Southern College.

Purpose of this Report

The mission of the Florida Department of Transportation is to “provide a safe transportation system that ensures the mobility of people and goods, enhances economic prosperity, and preserves the quality of our environment and communities.” This is a daunting task; one which the Florida Department of Transportation takes very seriously as it moves forward with thousands of projects and project phases in the Five Year Work Program. However, the challenges associated with addressing the transportation needs of the state are complicated and require dedicated leadership.

The State of Florida, along with the rest of the nation, is facing a transportation crisis. The ability of the state transportation system to meet its capacity needs is no longer achievable in many urban areas. In order to meet the mobility needs on just the Strategic Intermodal System through 2040, an additional \$131.2 billion is required. Therefore, it is generally understood that we will never be able to adequately address all of the state’s mobility needs. In FY 11/12, the State of Florida budgeted about \$7.9 billion on transportation services and facilities – one of the state’s largest taxpayer expenditures. It is imperative that the Florida Department of Transportation uses the funds it has available in the most efficient and effective manner possible. It is the responsibility of the Florida Transportation Commission to ensure this occurs and to protect the state’s transportation investment through oversight and performance evaluation.

"What gets measured gets managed." This often-repeated maxim recognizes that performance measurement can focus the attention of decision-makers, practitioners, and the public on the operating performance of the transportation system. Performance measures are an important mechanism for increasing awareness of management and operations methods and provide a means to link a transportation agency's perspective with the experience of those who use the transportation system.

This task was made the responsibility of the Florida Transportation Commission in 1990, when the Florida Legislature created s. 334.045, Florida Statutes, which directed the Commission to develop transportation performance and productivity measures. At the core of this performance assessment is public accountability, ensuring that taxpayer dollars are directed toward the development of tangible transportation products that provide the greatest mobility benefit. Of equal importance is the assurance that the Department keeps its commitment to building the projects found in its Five Year Work Program, adhering to schedule and budget constraints. (The Department’s five-year work program represents the highest priority project phases, as determined by the Department in coordination with the metropolitan planning organizations and/or county commissions, and that it is balanced to available funds and budget.)

The Transportation Commission is further charged with developing measures that are both quantitative and qualitative and, to the maximum extent possible, assessing those factors that are within the Department’s control. After each annual evaluation, the Commission submits its findings to the Governor and the legislative transportation and appropriations committees. If the Commission finds that the Department failed to perform satisfactorily

under the measures, working with the Department, it recommends actions to be taken to improve performance.

This *Performance and Production Review of the Florida Department of Transportation* is an annual report produced by the Florida Transportation Commission that evaluates how effectively the Department has addressed the transportation needs of our state through the implementation of its work program.

The performance measures presented here have been derived through years of effort by a cross-functional Working Group composed of representatives from the Transportation Commission, the Department, the transportation industry, and the citizens of Florida. Though the membership has changed over the years, this Working Group continues to meet on a periodic basis to address revisions to the performance measures process, based on new and improved data and the changing dynamics of the transportation industry.

What's Next in Measuring Performance?

The Transportation Commission is currently undertaking a *Study of Cost Savings for Expressway Authorities*, which includes the Turnpike Enterprise. This study will be completed by December 31, 2012. We anticipate that recommendations will be presented calling for revisions to some of the metrics we currently use to measure the performance of the Turnpike Enterprise, as well as some additional measures. In addition, while conducting the analysis for this Review, the Department's exceptional performance in certain areas calls for taking another look at the objectives that have been set for those measures. Therefore, it is our intention to reconvene the Performance Measures Working Group to address these issues.

As stated in last year's Review, we will continue to work with the Department towards developing "outcome" based measures to address whether the Department is making progress towards improving mobility for both people and freight movements.



Alico Road in Ft. Myers

Executive Summary

No one can dispute the impact Florida's transportation system has on the state's economy. The commercial exchange of goods and services and the movement of people are most efficient with a seamless, multi-modal, and intermodal transportation system. The economy depends on our roads, transit systems, railways, seaports, and airports, which provide businesses, residents and visitors with connections to each other, the country, and to the rest of the world.

During these times of limited public resources, practicing good business sense in maximizing the return on investments (getting the most "bang for the buck") is essential. The quality and accessibility of the state's transportation system impact heavily on Florida's prospects for economic growth. A September 2009 macroeconomic impact study of the Department's \$37.1 billion FY 08/09 through 12/13 Five Year Work Program identified an expected yield of \$139.2 billion in economic benefits over the following 25 years. It also calculated that every dollar spent by the Department returns \$4.92 to Florida's economy in the form of user benefits and additional productivity. Industries such as retail, construction, business services, restaurants, agriculture and professional services, among others, are highly dependent upon and benefit from a seamless and intermodal transportation system. They rely on transportation for timely delivery of materials and products and for access to labor, markets, and customers.

Overview of Performance

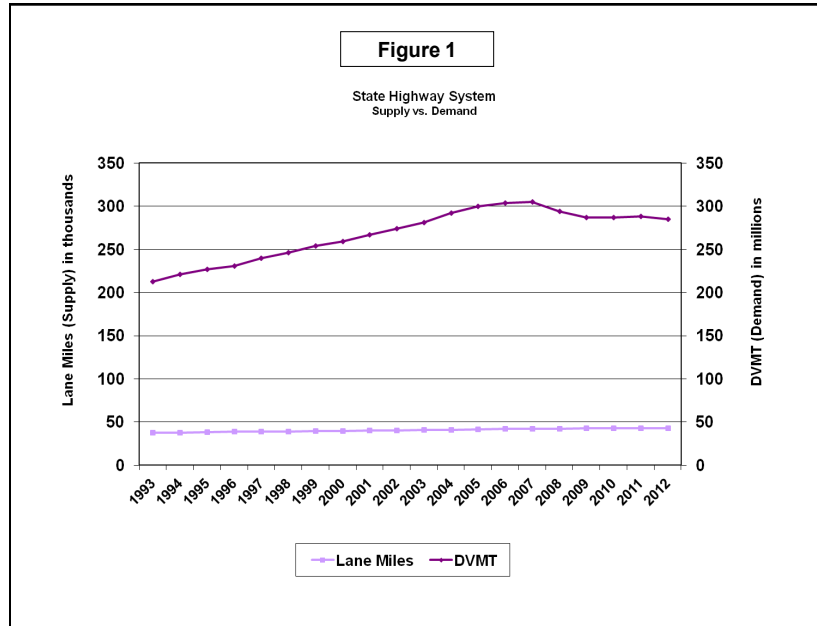
The Department's overall performance this past year was again exceptional and continues a long-standing positive trend. There are 37 performance measures the Commission uses to evaluate the Department's performance; 20 primary measures and 17 secondary. Primary measures are ones that assess major Department functions, measure an end product or an outcome, and are, to the greatest extent possible, within the Department's control. Secondary measures are those considered sufficiently important to be reported, yet meet the primary criteria to a lesser degree or are more informational in nature. The focus of this review is on meeting the objectives of the 20 primary measures. During FY 2011/12, the Department met or exceeded the objectives of 18 of the 20 primary measures.

The two primary measures not met were construction contract costs and capacity improvement projects. Actual FY 2011/12 results for these measures were 84.9% and 89.7%, respectively, compared to an objective of greater than or equal to 90%. ***Based on the results of this Review, the Florida Transportation Commission remains confident the Department is managing its operations in an efficient and effective manner and is committed to meeting the needs of the traveling public and the business community.***

During FY 2011/12, the Florida Department of Transportation continued to meet one of its greatest challenges; meeting the state's mobility needs in a time of diminishing tax revenue. Since November 2006, due to the protracted economic recession, the Revenue Estimating Conference has reduced estimates of the Department's traditional transportation (fuel taxes, tag fees, rental car surcharge) and documentary stamp revenue. These actions

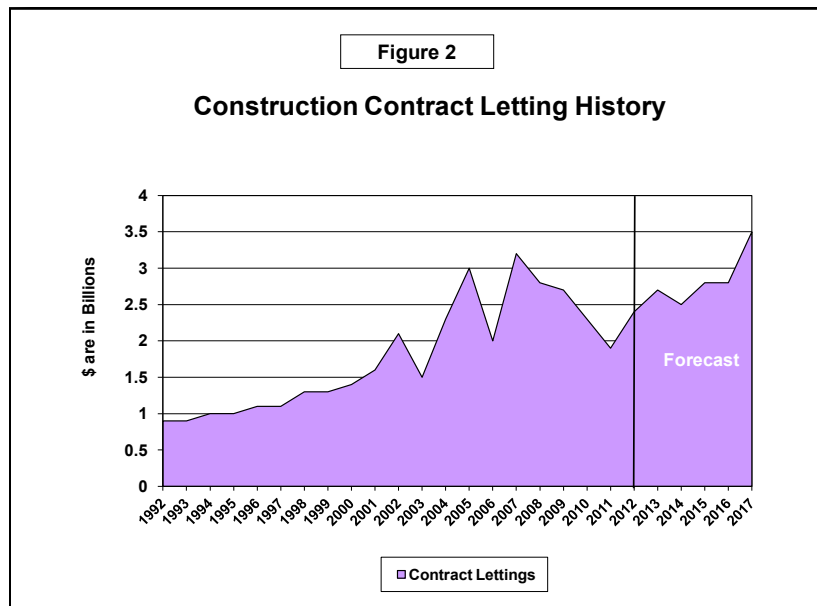
have resulted in a cash loss to the work program of \$8.3 billion and a loss of \$11.6 billion in project commitments through 2017. However, the construction market continues to be competitive in FY 11/12; construction contracts were executed at an award amount averaging 13.8 percent below the Department's official estimate.

In FY 2011/12, the Department began construction on 250 lane miles of additional roadway to the State Highway System (SHS). Demand on the system, Daily Vehicle Miles Traveled (DVMT), decreased by 3.1 million miles. Again in FY 11/12, the Department made progress towards relieving congestion (see figure 1). The Department also let to contract 2,479 lane miles of roadway to be resurfaced on the SHS.



The Department executed a total of 500 construction contracts during the year valued at \$2.362 billion. This included 86 contracts that were not in the original plan, but added during the year. There were 113 bridge repair and 18 bridge replacement projects. The Department also processed 114 local agency program (LAP) construction contracts valued at \$128.5 million. The Department executed 1,124 consultant contracts (for preliminary engineering, design, right of way, and construction engineering and inspection services) valued at \$787.5 million. By the end of the fiscal year, the Department closed out 385 construction projects with a dollar value of \$2.089 billion. Of the 385 construction contracts, 89.4 percent were completed within 20 percent of their original contract time and 84.9 percent were completed within 10 percent of their original contract amount.

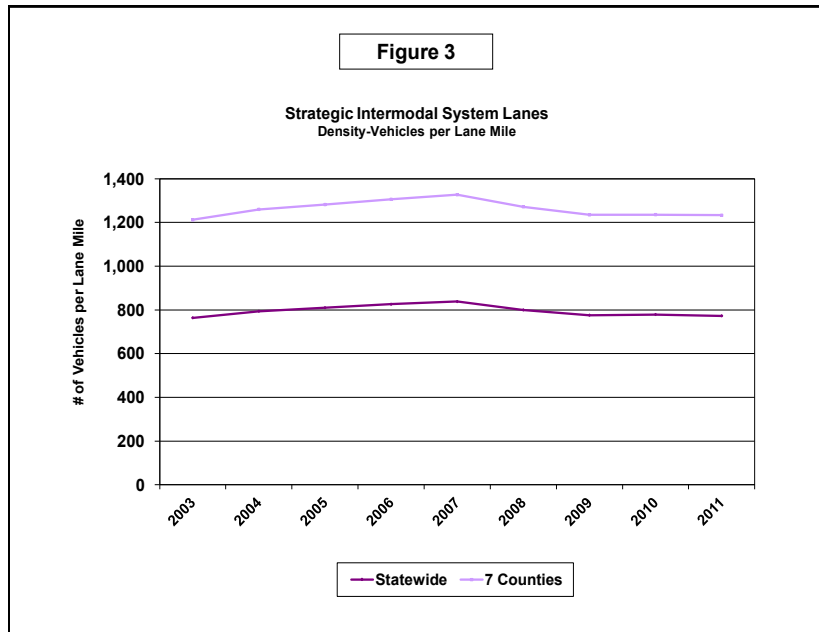
The state's investment in its transportation infrastructure has increased significantly over the years, growing from \$836.4 million in FY 1991/92 to this year's \$2.362 billion (see Figure 2). Although signifi-



cantly less than the record \$3.2 billion in FY 2006/07, transportation investment is expected to increase to \$3.5 billion in FY 2016/17 based on allocations in the current Adopted Work Program. The increase in transportation investment is primarily due to major projects that include I-75 Managed Lanes, Palmetto Managed Lanes, I-4 Managed Lanes, Wekiva Parkway and I-75 Widening.

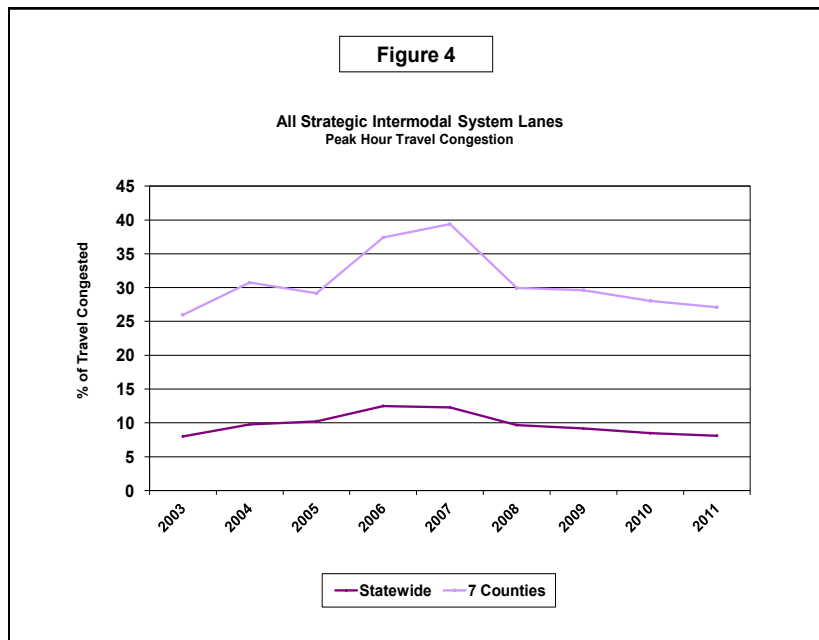
However, even with these new investments, along with the rest of the country, Floridians love their personal freedom and their automobiles. As the economy recovers, congestion levels will once again continue to increase with no end in sight, especially in our metropolitan areas. The following charts don't paint a very rosy picture of our "mobility."

Figure 3 illustrates the growth in the number of vehicles per lane mile during the peak hour of travel (5:00 pm to 6:00 pm) on the Strategic Intermodal System (SIS) and also on SIS highways located within the seven largest counties in population (Miami-Dade, Broward, Palm Beach, Orange, Hillsborough, Pinellas, and Duval). Congestion levels on the SIS continued to increase each year until the recession began in 2007.



The economic downturn has actually had a positive impact on congestion levels; dropping density nearly to the levels observed in 2003. We expect this trend to reverse as the economy recovers.

Not only has the number of vehicles on the roadway decreased over the past few years, but also the percentage of our travel time that is spent in congested conditions has fallen to a level not seen since 2004. Figure 4 is another example of the level of congestion during the peak hour of travel. It shows that on the SIS highways in the seven largest metropolitan areas the



percentage of time we spend driving in congested conditions has decreased approximately 31 percent since it peaked in 2007. There has been a corresponding decrease of 34 percent on the SIS statewide.

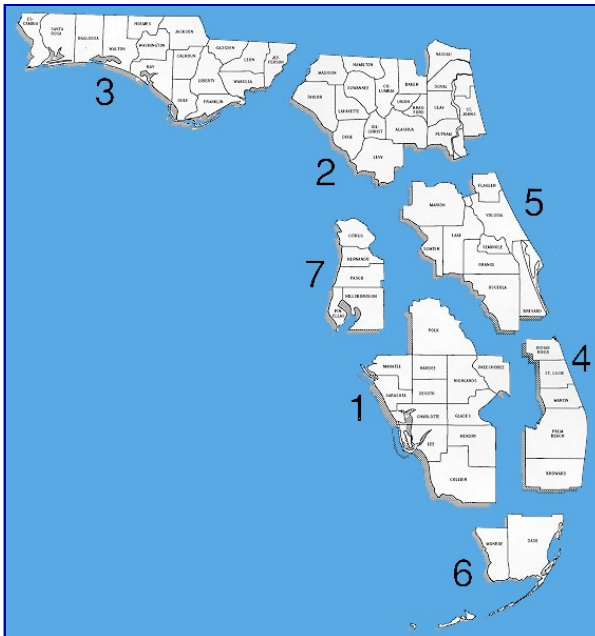
Each year the Texas Transportation Institute at Texas A&M University publishes its *Urban Mobility Report*. The September 2011 annual report addresses congestion and mobility issues by analyzing 29 years of data from generally available data sources to provide information about mobility trends at the urban level of 101 metropolitan areas of varying sizes. The study ranks Miami and Orlando as the fifteenth most congested areas in the country based on annual delay per traveler. The Tampa-St. Petersburg and Jacksonville areas rank twenty-seventh and forty-second, respectively.

Addressing the state's transportation needs is a formidable task. However, it is a task that must be undertaken with diligence if Florida is to maintain its economic strength. The Florida Transportation Commission, through its oversight responsibility and by charting a new course of seeking alternative funding mechanisms, will ensure that the Department of Transportation continues to address the state's needs effectively and efficiently.



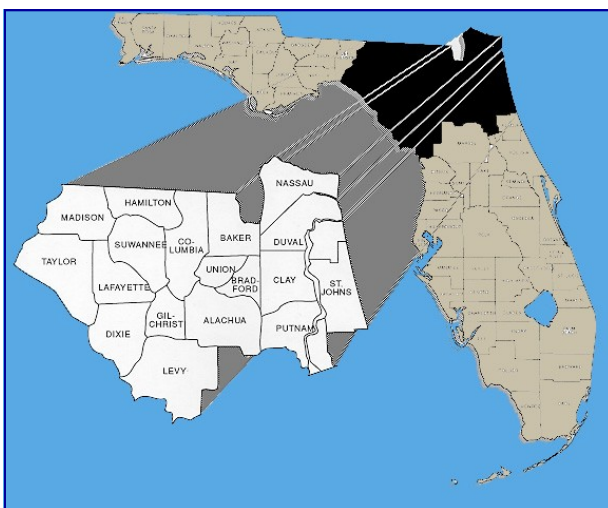
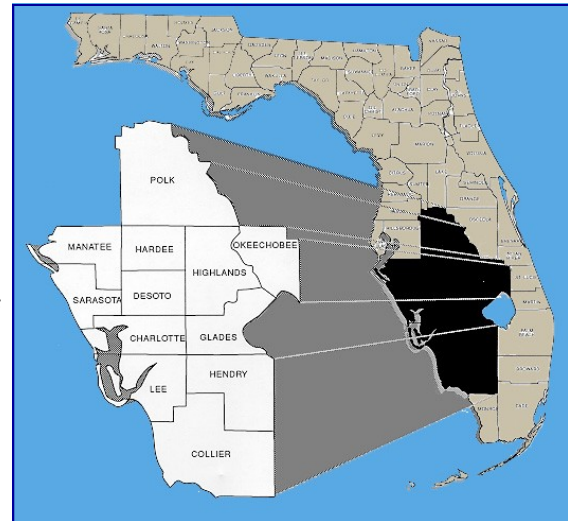
Polk Parkway

State and District Profiles

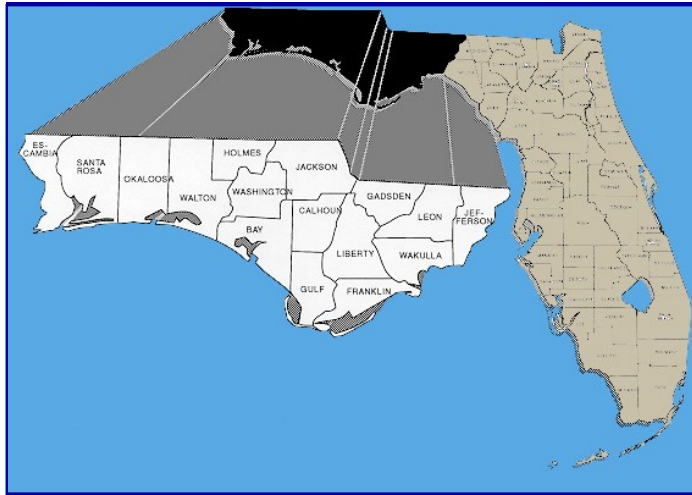


Overview of the State: Florida, with a population of approximately 18.9 million residents, covers an area of 54,157 square miles, representing 67 counties. The State Highway System is composed of 43,138 lane miles with 6,266 bridges, including 93 movable bridges. There are 29 public transit systems; 780 active aviation facilities, including 129 open to the public, 19 of which have commercial service; 2,786 railway miles; and 14 deep-water ports.

Overview of District One: District One, with a population of approximately 2.7 million residents, covers an area of 11,629 square miles, representing 12 counties in Southwest Florida. The State Highway System in the District is composed of 6,202 lane miles with 914 bridges including 15 movable bridges. There are six transit agencies, 157 aviation facilities, three of which offer commercial service, four major rail lines and one deep-water port.

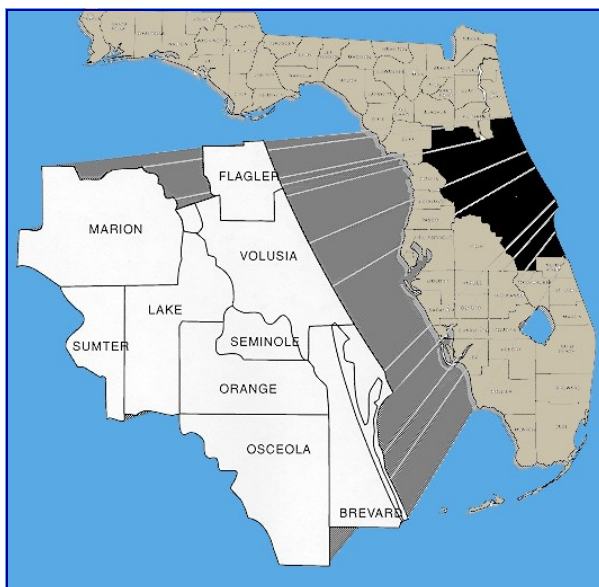
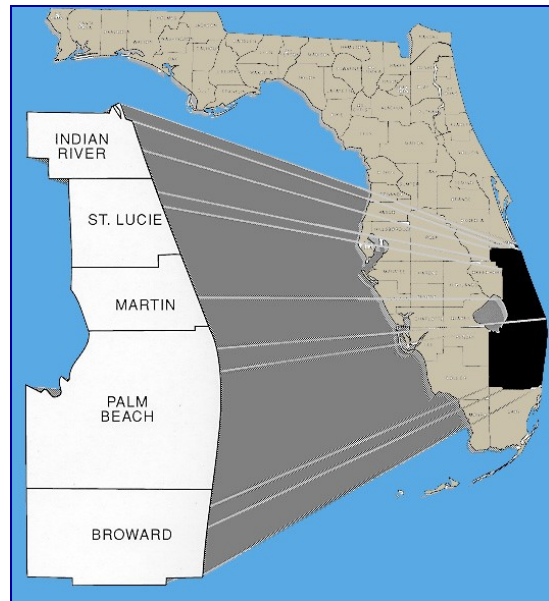


Overview of District Two: District Two, with approximately 2.0 million residents, covers an area of 11,865 square miles, representing 18 counties in Northeastern Florida. The State Highway System in the District is composed of 8,224 lane miles with 1,203 bridges including six movable bridges. There are three transit agencies, 140 aviation facilities, two of which offer commercial service, seven major rail lines, two deep-water ports and a space port.

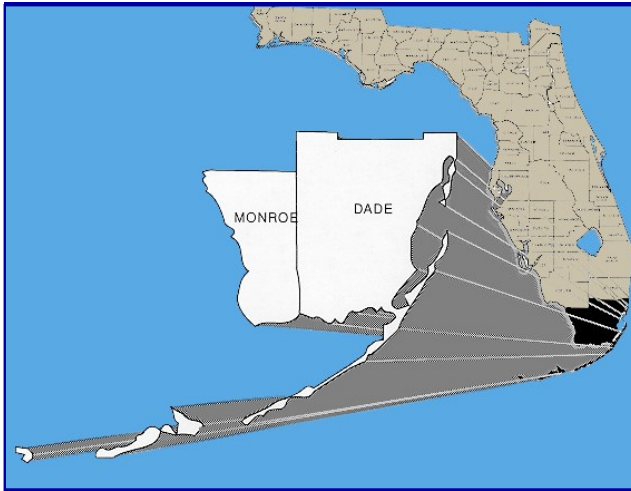


Overview of District Three: District Three, with a population of approximately 1.4 million residents, covers an area of 11,378 square miles, representing 16 counties in Florida's Panhandle. The State Highway System in the District is composed of 6,669 lane miles with 792 fixed bridges. There are four transit agencies. There are 126 aviation facilities, four of which offer commercial service, five major rail lines and three deep-water ports.

Overview of District Four: District Four, with approximately 3.6 million residents, covers an area of 4,837 square miles, representing five counties in Southeastern Florida. The State Highway System (SHS) in the District is composed of 6,353 lane miles with 752 bridges including 37 movable bridges. There are six public transit agencies, 90 aviation facilities, two of which offer commercial service, three major rail lines and three deep-water ports. District Four also maintains the only tunnel on the SHS.

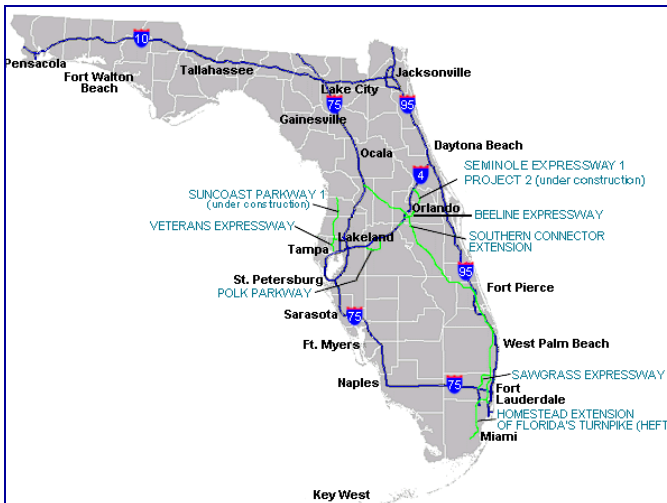
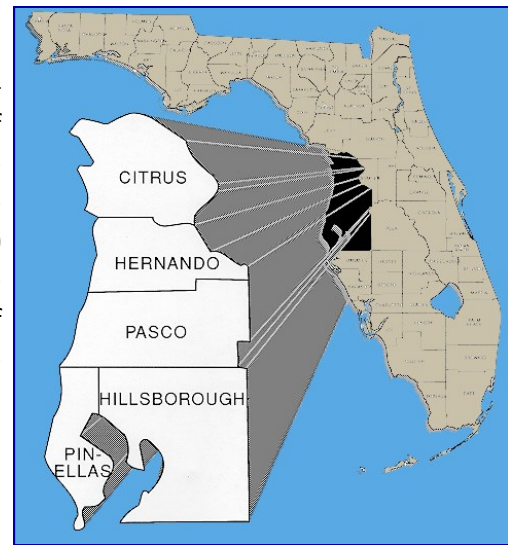


Overview of District Five: District Five, with a population of approximately 3.7 million residents, covers an area of 8,282 square miles, representing nine counties in Central Florida. The State Highway System in the District is composed of 8,224 lane miles with 750 bridges including eight movable bridges. There are five transit agencies, 155 aviation facilities, four of which offer commercial service, four major rail lines, one deep-water port and a space port.



Overview of District Six: District Six, with a population of over 2.6 million residents, covers an area of 2,989 square miles, representing Miami-Dade and Monroe Counties in Southeastern Florida. The State Highway System in the District is composed of 3,005 lane miles with 456 bridges including 15 movable bridges. There is one transit agency, 48 aviation facilities, two of which offer commercial service, one major rail lines and two deep-water ports.

Overview of District Seven: District Seven, with approximately 2.9 million residents, covers an area of 3,177 square miles, representing five counties in the Tampa Bay area. The State Highway System in the District is composed of 4,462 lane miles with 700 bridges including 12 movable bridges. There are four transit agencies, 64 aviation facilities, two of which offer commercial service, one major rail line and two deep-water ports.



Overview of Turnpike Enterprise: Florida's Turnpike is a 456-mile system of limited access toll highways that passes through 16 counties in Florida. The Turnpike System is composed of 2,124 lane miles with 699 fixed bridges and eight service plazas. The Turnpike also collects tolls for eight off-system facilities.





FY 2011/2012 Department of Transportation Performance








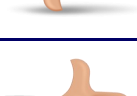




Fiscal Year 2011/12 marks the twenty-first year the Florida Transportation Commission has conducted this evaluation of the Department of Transportation's performance.





The Commission uses 20 primary and 17 secondary measures to evaluate the performance of the Department. Primary measures assess major departmental functions, measure an end product or an outcome, and are, to the greatest extent possible, within the Department's control. The primary measures are the measures on which the Commission places the most weight. Secondary measures are those considered sufficiently important to be reported, yet meet the primary criteria to a lesser degree and/or are used for informational purposes. The Commission's focus is on the Department meeting or exceeding the objective of the 20 primary measures.

The following table presents a summary of the results of the Commission's evaluation of the Department's performance in meeting the objectives of the primary measures during fiscal year 2011/12. The Department met 18 of the 20 primary measures. The two primary measures not met were on construction contract costs and capacity improvement projects, two measures with objectives requiring exceptional performance. Actual FY 2011/12 results for these measures were 84.9% and 89.7%, respectively, compared to an objective of greater than or equal to 90%.

Primary Performance Measure Summary Table

Measure	Objective	FY 11/12 Results	Meets Objective
The number of consultant contracts actually executed compared against the number planned. (See page 26)	≥ 95%	97.7%	
The number of ROW projects certified compared to the number scheduled for certification. (See page 30)	≥ 90%	100%	
The number of construction contracts actually executed compared against the number planned. (See page 36)	≥ 95%	98.3%	
For all construction contracts completed during the year, the percentage of those contracts that were completed within 20% above the original contract time. (See page 40)	≥ 80%	89.4%	

Measure	Objective	FY 11/12 Results	Meets Objective
For all construction contracts completed during the year, the percentage of those contracts that were completed at a cost within 10% above the original contract amount. (See page 44)	≥ 90%	84.9%	
The number of Local Agency Program (LAP) consultant contracts actually executed compared against the number planned. (See page 50)	≥ 80%	94.1%	
The number of LAP construction contracts actually executed compared against the number planned. (See page 53)	≥ 80%	95.9%	
The percentage of bridge structures on the State Highway System having a condition rating of either excellent or good. (See page 58)	≥ 90%	95.4%	
The percentage of bridge structures on the State Highway System with posted weight restrictions. (See page 59)	≤ 1%	0.11%	
The percentage of lane miles on the State Highway System having a Pavement Condition Rating of either excellent or good. (See page 62)	≥ 80%	90.6%	
Achieve a Maintenance Rating of at least 80 on the State Highway System. (See page 65)	≥ 80	87	
The number of lane miles of capacity improvement projects on the State Highway System let compared against the number planned. (See page 68)	≥ 90%	89.7%	
The public transit ridership growth rate compared to the population growth rate. (See page 70)	≥ 1.12%	6.31%	
Of the federal funds subject to forfeiture at the end of the federal fiscal year, the percent that was committed by the Department. (See page 78)	100%	100%	
The Department's dollar amount of administrative costs as a percent of the total program. (See page 82)	<2%	0.93%	
Adopt a balanced work program and manage cash within the statutory requirements. (See page 84)	Yes	Yes	

Measure	Objective	FY 11/12 Results	Meets Objective
The annual dollar amount of MBE utilization. (See page 88)	Annual Increase	12.2% Increase	
Average amount of each toll transaction dedicated to covering operational costs. (See page 94)	<16¢	14.1¢	
The revenue variance expressed as a percentage of indicated revenue. (See page 96)	≤5%	2.6%	
The number of SunPass transactions as a percentage of total transactions. (See page 97)	>75% by June 30, 2012	77.6%	



MacArthur Causeway Bridge Widening



1. Cost-Efficient and Effective Business Practices: Production

- 1a. Consultant Acquisition**
- 1b. Right of Way Acquisition**
- 1c. Construction Contract Lettings**
- 1d. Construction Contract Adjustments**
- 1e. Local Agency Program (LAP)**

Each year, the Department develops a detailed plan (Work Program) of the transportation projects it has committed to undertake during the next five year period. 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 a responsible bidder, the construction firm that will actually build the facility, whether it is a road, bridge or other structure.

1a. CONSULTANT ACQUISITION

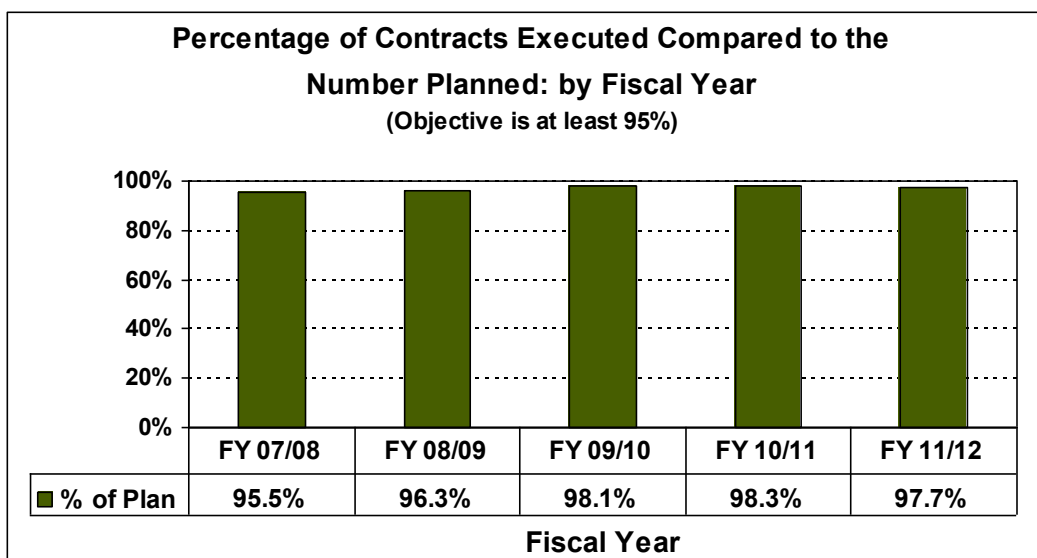
The production cycle of a road or bridge begins with the preliminary engineering and design phases, followed by right of way acquisition, and then construction engineering and inspection (CEI) activities. Although the Department employs engineers and other staff who perform these functions, it also contracts with private-sector engineering and right of way consultants to produce approximately 83% of design plans, 59% of right of way activities, and 85% of CEI activities. Unlike the traditional 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 the quality of the technical proposal submitted. Once a consultant has been selected, the price of the contract is then negotiated.

In order for a project to progress on schedule to construction, the design and right of way consultant contracts must be negotiated and executed in a timely manner. Further, delays in the production process usually result in increased project costs.

PRIMARY MEASURE: The number of consultant contracts actually executed compared against the number of consultant contracts planned to be executed during the year.

OBJECTIVE: Although there are valid reasons for not executing some consultant contracts, the Department's objective is to let no less than 95% of those consultant contracts planned to be let during the year.

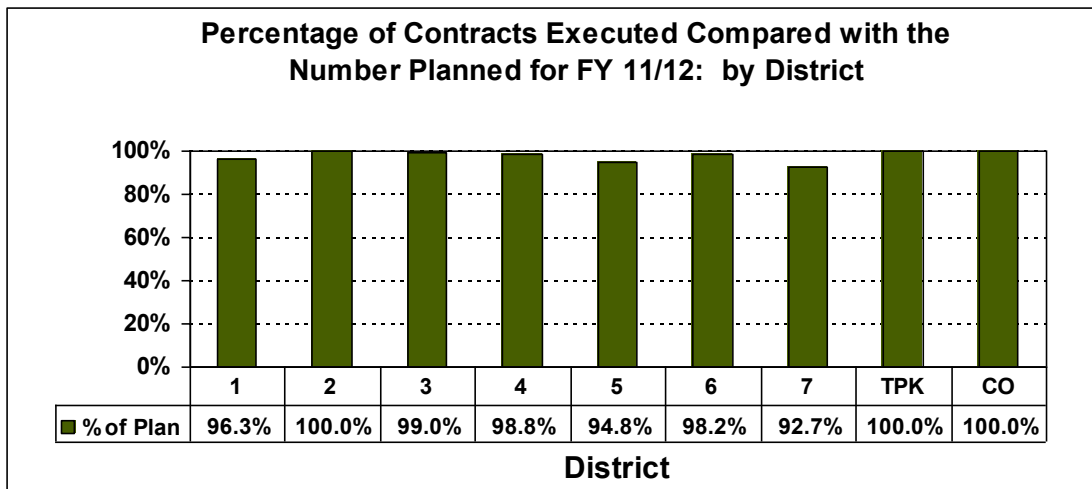
RESULTS: For FY 2011/12, the Department achieved 97.7% of its plan, having executed 979 of the 1,002 contracts planned to be executed during the year. The Department also executed an additional 145 consultant contracts that were not included in the original plan.



Five-Year Statewide Consultant Contract Data

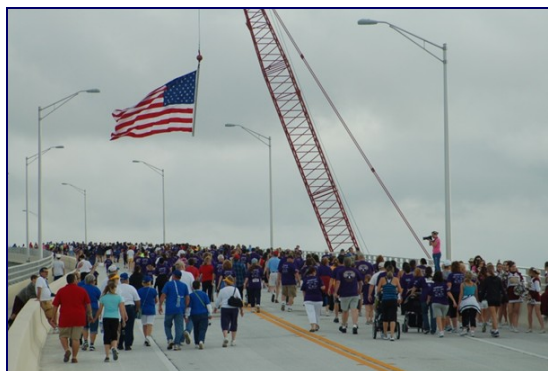
	Fiscal Year				
	FY 07/08	FY 08/09	FY 09/10	FY 10/11	FY 11/12
Plan	775	802	879	760	1,002
Actual	740	772	862	747	979
% of Plan	95.5%	96.3%	98.1%	98.3%	97.7%
Additions	61	66	124	159	145
Total	801	838	986	906	1,124

District information regarding consultant acquisition contracts is presented below.



District Consultant Contract Data for FY 2011/12

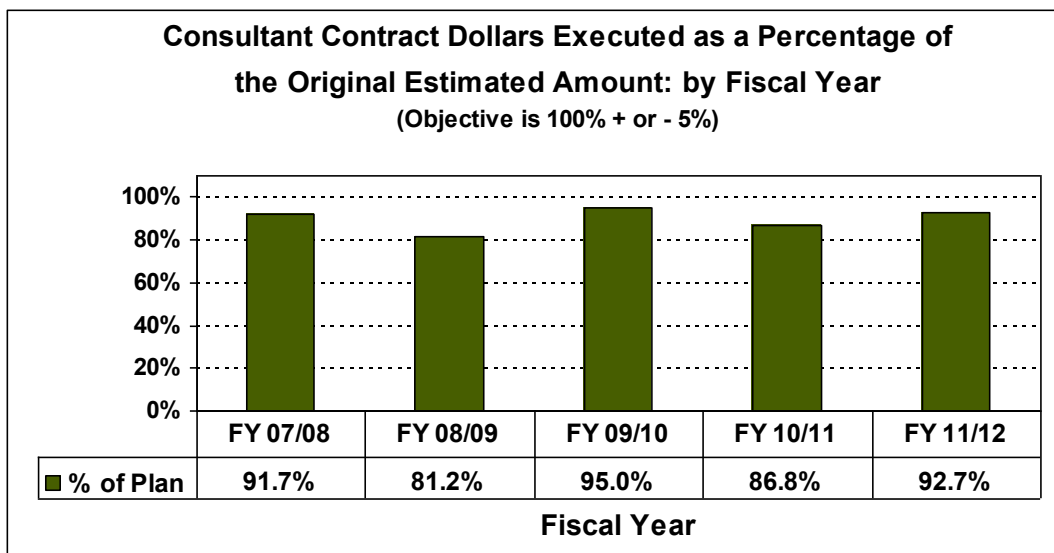
	District								
	1	2	3	4	5	6	7	TPK	CO
Plan	161	150	96	169	97	168	82	69	10
Actual	155	150	95	167	92	165	76	69	10
% of Plan	96.3%	100.0%	99.0%	98.8%	94.8%	98.2%	92.7%	100.0%	100.0%
Additions	0	9	9	23	34	55	14	1	0
Total	155	159	104	190	126	220	90	70	10



A. Max Brewer Bridge – 2012 Winner America's Transportation Awards

SECONDARY MEASURE: The following chart and table compare the dollar value of the consultant contracts executed during the year with their original estimated value. This information is an indicator of how well the Department develops its financial plan and negotiates the contract amount. For instance, if the percentage of the dollar value of contracts executed is tracking below 100%, then contracts were negotiated at a price less than what the Department had planned. If the percentage tracks too far below 100%, then the Department is not effectively developing its financial plan. A contract negotiated above the estimate utilizes additional funds and budget.

RESULTS: The total dollar value of the consultant contracts executed during FY 11/12 is \$695.4 million. This figure is \$54.9 million less than the Department's estimate of \$750.3 million. Therefore, the actual total contract dollar amount is 92.7% of the Department's total estimated contract value. The Department also executed additional consultant contracts totaling \$92.1 million that were not included in the original plan.



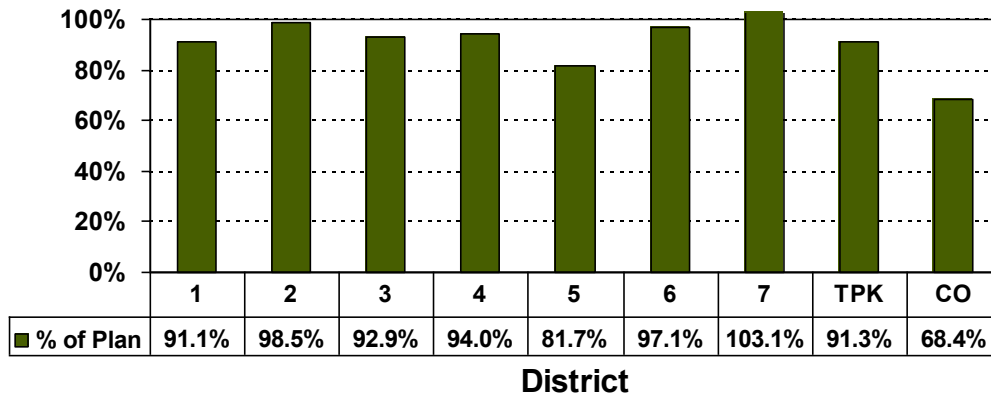
The following table shows the original total estimated dollar value of executed consultant contracts and the negotiated dollar value of those contracts for each of the last five fiscal years. These numbers make up the chart presented above.

Statewide Consultant Contract Dollars – Estimate vs. Actual

\$ in millions	Fiscal Year				
	FY 07/08	FY 08/09	FY 09/10	FY 10/11	FY 11/12
Estimate	\$672.4	\$659.0	\$527.1	\$588.2	\$750.3
Actual	\$616.7	\$535.0	\$500.7	\$510.7	\$695.4
% of Plan	91.7%	81.2%	95.0%	86.8%	92.7%

District information regarding consultant contract estimates compared against the actual amount is presented on the next page.

Consultant Contract Dollars Executed as a Percentage of the Original Estimated Amount: by District



District Consultant Contract Dollars – Estimate vs. Actual

\$ in millions	District								
	1	2	3	4	5	6	7	TPK	CO
Estimate	\$137.0	\$80.1	\$60.3	\$98.3	\$90.4	\$73.2	\$88.4	\$101.7	\$20.9
Actual	\$124.8	\$78.9	\$56.0	\$92.4	\$73.9	\$71.1	\$91.1	\$92.9	\$14.3
% of Plan	91.1%	98.5%	92.9%	94.0%	81.7%	97.1%	103.1%	91.3%	68.4%



US 98 at CR 540A – Boy Scout Ranch Road in Lakeland



1b. RIGHT OF WAY ACQUISITION

An efficient right of way program is an essential component of achieving high levels of productivity. No construction contract is let, with the exception of design-build and some Turnpike Enterprise contracts, until all right of way parcels needed for the project are acquired and certified as "clear" (ready for construction to proceed). On design-build and some Turnpike Enterprise contracts, the right of way necessary for construction of the project must be certified as "clear" prior to the start of construction activities, not the contract letting.

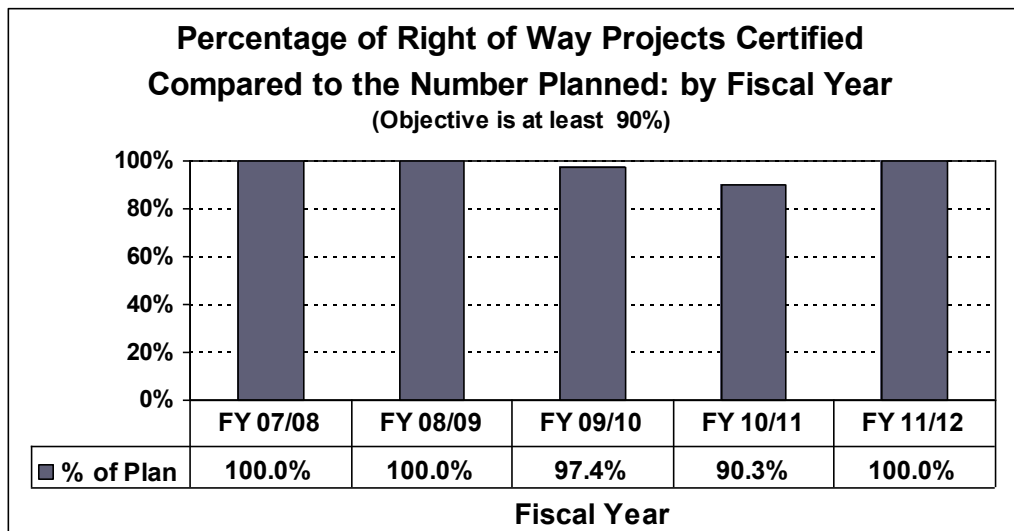
Although the Department successfully negotiates the purchase of many right of way parcels, costly and lengthy condemnation proceedings must be pursued on other parcels. Federal and state constitutional provisions, as well as state statutes, provide safeguards for the property owner whose land is being taken, including payment of attorney fees and costs, and the right to a 12-member jury trial to determine just compensation.

In the usual production cycle of a road or bridge project, the necessary right of way is acquired prior to the start of construction. 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. Failure to certify all parcels on schedule for a given project may delay the project and increase project cost.

PRIMARY MEASURE: The number of projects certified compared to the number of projects scheduled for certification, expressed as a percentage.

OBJECTIVE: The Department's objective is to certify no less than 90% of those projects planned for certification during the year.

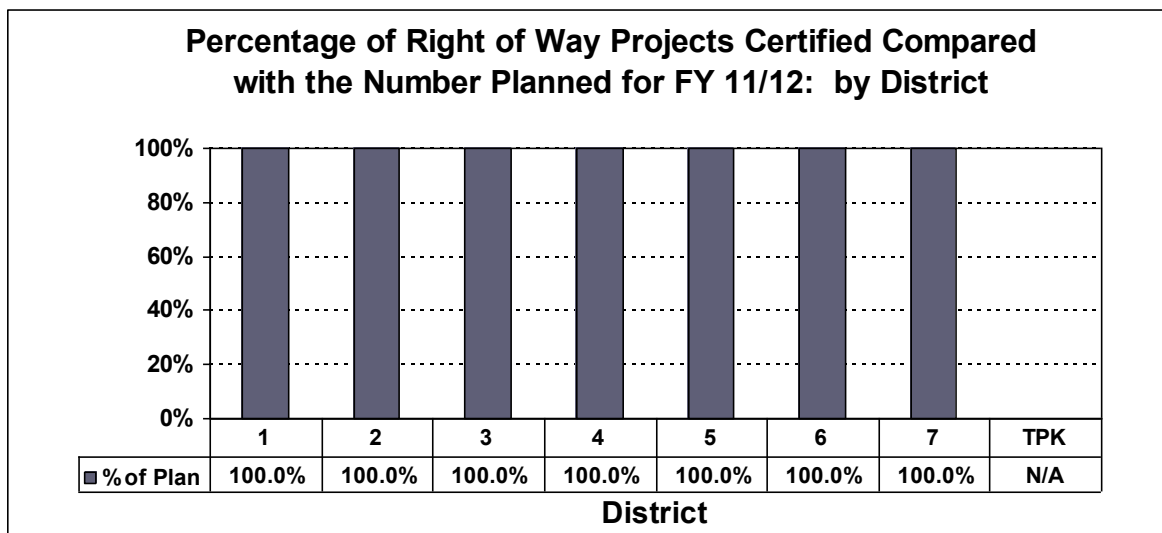
RESULTS: The Department achieved 100% of its plan, having certified right of way on 39 of 39 projects planned for FY 11/12. Sixteen projects not in the current or future plans were added and certified during the year.



Five-Year Statewide Right of Way Certification Data

	Fiscal Year				
	FY 07/08	FY 08/09	FY 09/10	FY 10/11	FY 11/12
Plan	34	42	38	31	39
Actual	34	42	37	28	39
% of Plan	100.0%	100.0%	97.4%	90.3%	100.0%
Additions	9	28	20	16	16
Total	43	70	57	44	55

District Right of Way Certification Information (the Turnpike did not have a certification plan: in FY 11/12):



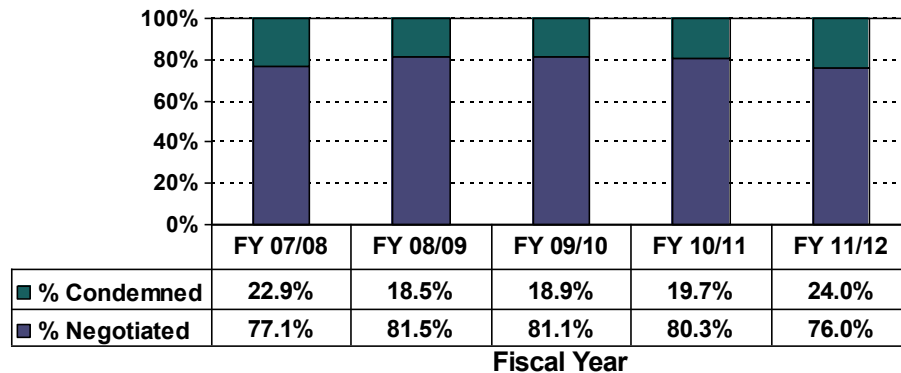
District Right of Way Certification Data for FY 11/12

	District							
	1	2	3	4	5	6	7	TPK
Plan	5	6	10	3	4	5	6	0
Actual	5	6	10	3	4	5	6	0
% of Plan	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	100.0%	N/A
Additions	2	7	1	1	1	3	1	0
Total	7	13	11	4	5	8	7	0

SECONDARY MEASURE: The number of parcels acquired through negotiation compared with the number acquired through condemnation. It is the Department's intent to negotiate the sale of all parcels.

RESULTS: The Department was successful in negotiating the sale of 76% of the parcels it acquired during the year. This is sixteen percentage points higher than the Department's target of at least 60%.

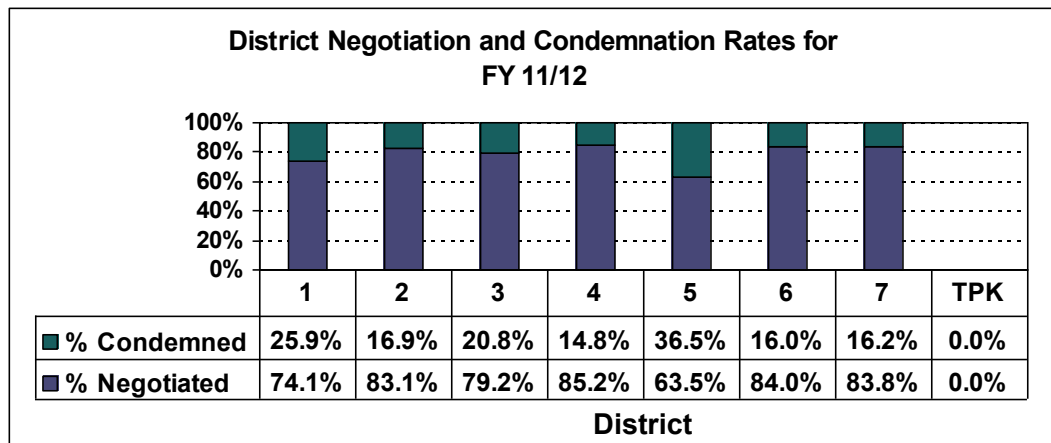
**Negotiated and Condemned Parcels as a Percentage of all
Parcels Acquired: by Fiscal Year**
(Objective is at least 60%)



Five-Year Statewide ROW Negotiation and Condemnation Trend Data

	Fiscal Year				
	FY 07/08	FY 08/09	FY 09/10	FY 10/11	FY 11/12
# Negotiated	688	692	514	490	771
# Condemned	204	157	120	120	243
Total Parcels	892	849	634	610	1,014
% Negotiated	77.1%	81.5%	81.1%	80.3%	76.0%
% Condemned	22.9%	18.5%	18.9%	19.7%	24.0%

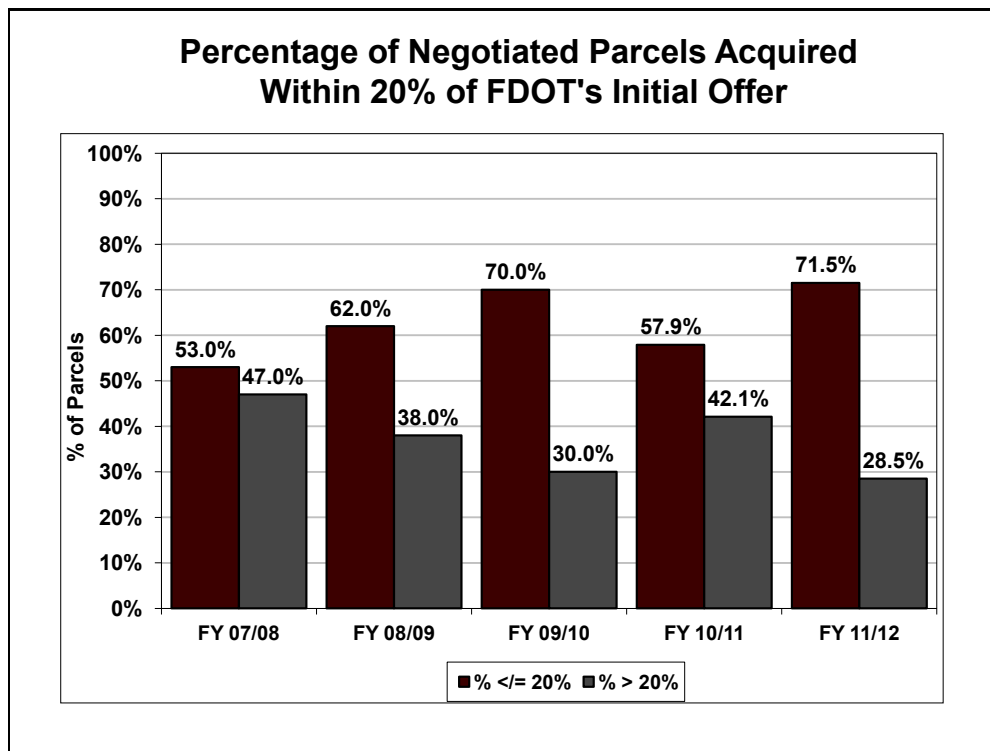
District ROW Negotiation and Condemnation Data for FY 11/12



	District							
	1	2	3	4	5	6	7	TPK
# Negotiated	80	226	99	98	195	42	31	0
# Condemned	28	46	26	17	112	8	6	0
Total Parcels	108	272	125	115	307	50	37	0
% Negotiated	74.1%	83.1%	79.2%	85.2%	63.5%	84.0%	83.8%	NA
% Condemned	25.9%	16.9%	20.8%	14.8%	36.5%	16.0%	16.2%	NA

SECONDARY MEASURE: Percent of parcels negotiated within 20 percent of the Department's initial offer. The intent is to show that the Department is prosecuting the acquisition of parcels in good faith and that its first offer is the best offer. Presumably, if the Department is prosecuting the acquisition of parcels in an effective and efficient manner, then the percentage of parcels acquired within 20 percent of the initial offer should be substantial.

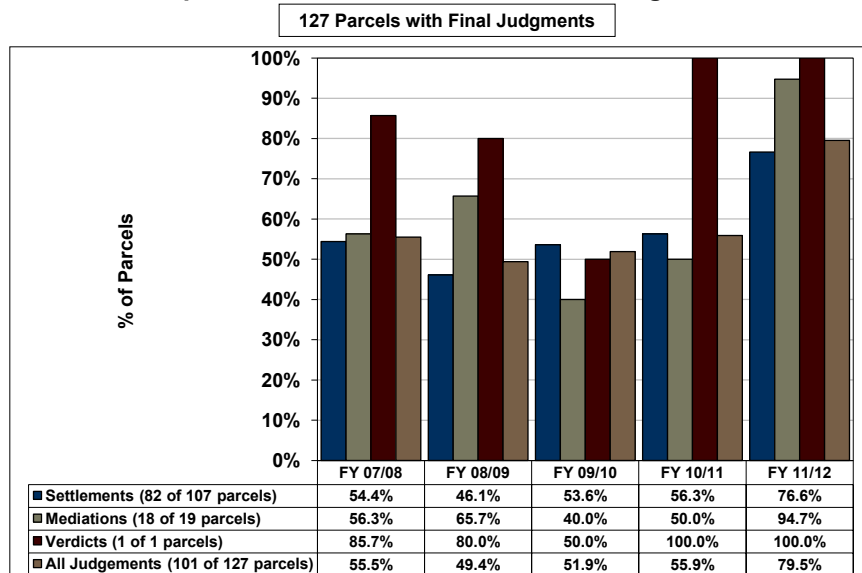
RESULTS: For FY 11/12 the percentage of parcels negotiated within 20 percent of the Department's initial offer is 71.5%.



SECONDARY MEASURE: Of the condemned parcels acquired; the percentage of final judgments that were equal to or less than one-half of the range of contention between the Department and the landowner. Presumably, if the outcome of a final judgment is an even split in the range of contention between the Department and the landowner, then both parties gave and gained something. More success on the part of the Department should result in a greater percentage of final judgments on the Department side of the range of contention.

RESULTS: For FY 11/12, the percentage of condemned parcels acquired with final judgment amounts equal to or less than one-half the range of contention between the Department and the landowner is 79.5%.

Percent of Condemned Parcels Acquired with Final Judgment Amounts Equal to or Less than One-half the Range of Contention



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 third party mediator.

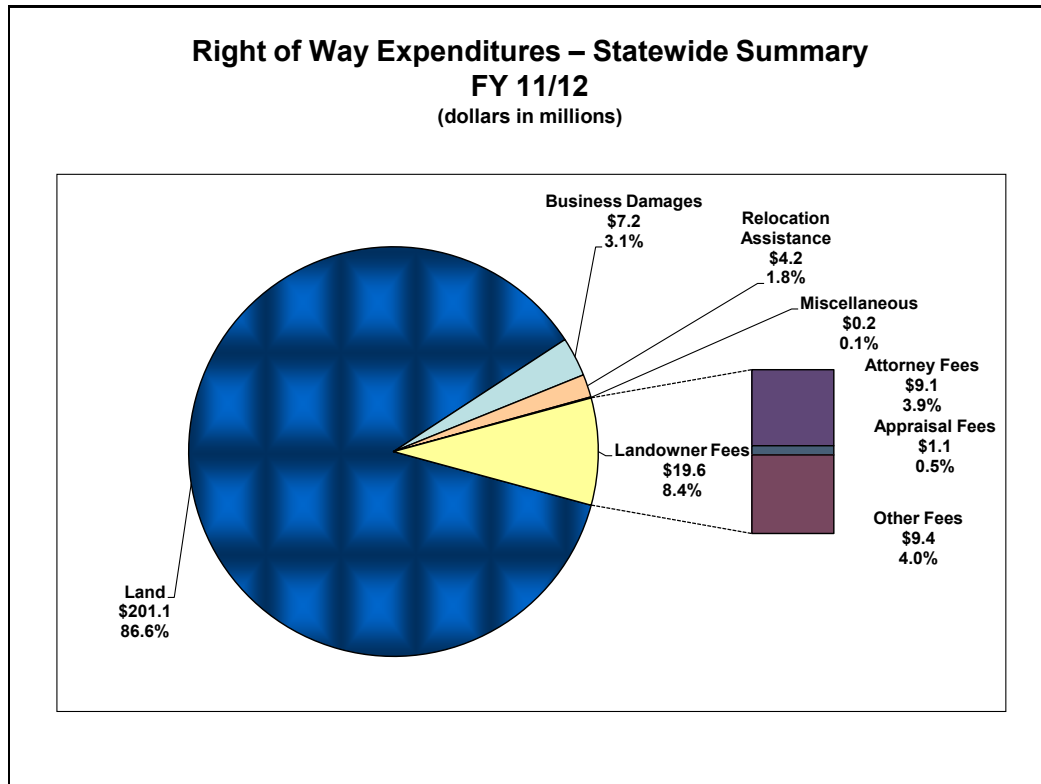
Verdict— is a final judgment following a trial.

SECONDARY MEASURE: The following table and chart break down ROW expenditures in an effort to identify how much money was actually used to purchase land and how much was used for ancillary ROW expenditures. A successful ROW Program is one that balances cost avoidance strategies with the need to acquire parcels in a timely, yet, cost-effective manner. The greatest percentage of expenditures should be for the purchase of land. Land expenditures should account for no less than 75 percent of total ROW expenditures.

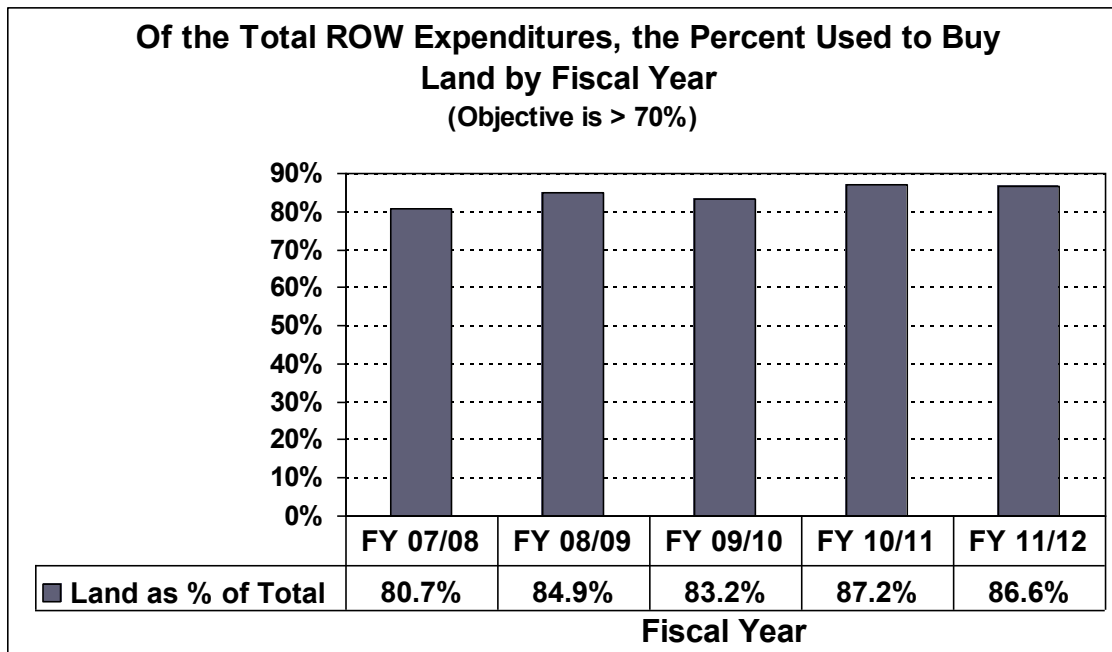
RESULTS: Right of way expenditures totaled \$232.3 million during FY 11/12. Of that total, 86.6% (or \$201.1 million) purchased land compared to 87.2% in FY 10/11. 8.4% (or \$19.6 million) paid landowners' fees and costs, \$9.1 million of that being paid to landowners' attorneys.

Right of Way Expenditure Data Compared to Expenditure Data from FY 10/11.

ROW Expenditures Statewide	FY 10/11		FY 11/12		Change	
	\$	%	\$	%	\$	%
Land	\$130.3	87.2%	\$201.1	86.6%	\$70.8	54.3%
Business Damages	\$2.9	2.0%	\$7.2	3.1%	\$4.3	147.5%
Landowner Fees	\$12.5	8.3%	\$19.6	8.4%	\$7.1	57.3%
Relocation Assist.	\$3.2	2.2%	\$4.2	1.8%	\$1.0	29.5%
Miscellaneous	\$0.5	0.4%	\$0.2	0.1%	-\$0.3	-63.3%
Total	\$149.5	100.0%	\$232.3	100.0%	\$82.8	55.4%



The chart below illustrates the five-year trend of ROW expenditures used to purchase land.



1c. CONSTRUCTION CONTRACT LETTINGS

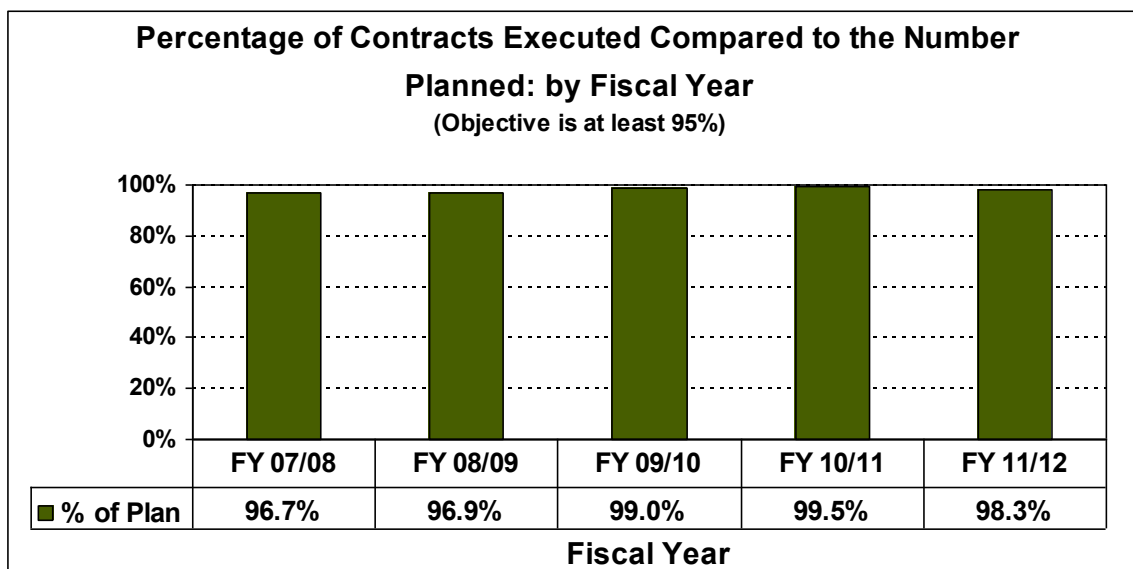
The construction phase cannot begin until the Department lets the project (carries out the bidding process) and awards a construction contract to the construction firm that will actually build the facility. The Florida Department of Transportation, Central Contracts Administration Office advertises and awards road and bridge construction contracts. Most state funded construction contracts less than \$10 million and maintenance contracts are handled by the individual District Contracts Offices. Contractors must be prequalified to bid on road and bridge construction contracts over \$250,000.

The construction phase results in the final, tangible product of the Department. The construction program comprises about 52% of total dollars in the work program. The public's foremost concern is "Is the Department building the projects it committed to build, and is it doing so in the time promised?" The following measure and data assess the Department's performance in keeping its commitments to initiate the construction of planned roads, bridges and other transportation facilities.

PRIMARY MEASURE: The number of construction contracts actually executed compared against the number of construction contracts the Department planned to execute during the year.

OBJECTIVE: Although there are valid reasons for not executing some construction contracts, some of which are out of the Department's control, the objective is to execute no less than 95% of those contracts planned to be let during the year.

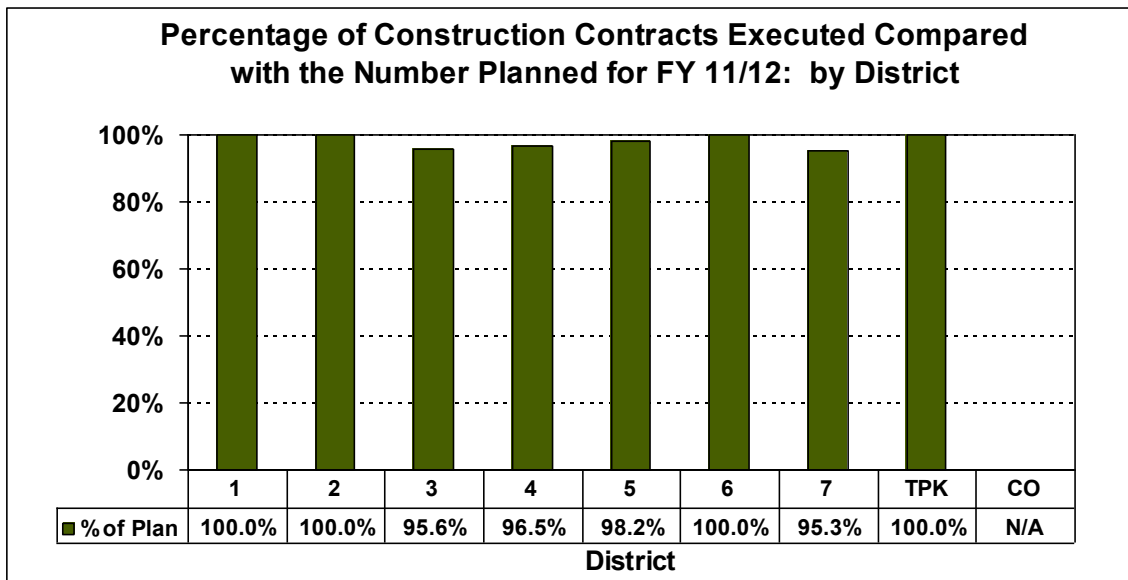
RESULTS: For FY 11/12, the Department achieved 98.3% of its plan, having executed 414 of the 421 projects it planned to execute during the year. The Department also executed an additional 86 projects that were not included in the current or future plans.



Five-Year Statewide Construction Contract Data

	Fiscal Year				
	FY 07/08	FY 08/09	FY 09/10	FY 10/11	FY 11/12
Plan	388	449	516	387	421
Actual	375	435	511	385	414
% of Plan	96.6%	96.9%	99.0%	99.5%	98.3%
Additions	55	59	111	127	86
Total	430	494	622	512	500

District Construction Contract letting data is presented below. (Note: There were no Central Office let construction contracts for FY 11/12.)

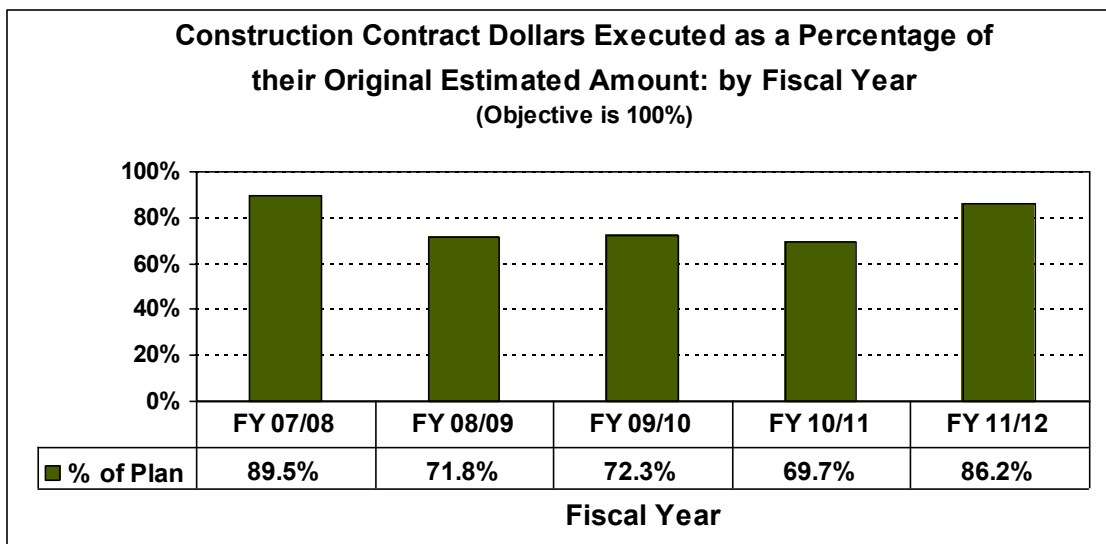


District Construction Contract Data for FY 11/12

	District								
	1	2	3	4	5	6	7	TPK	CO
Plan	79	53	45	57	56	59	43	29	0
Actual	79	53	43	55	55	59	41	29	0
% of Plan	100.0%	100.0%	95.6%	96.5%	98.2%	100.0%	95.3%	100.0%	0.0%
Additions	17	15	13	8	8	6	17	2	0
Total	96	68	56	63	63	65	58	31	0

SECONDARY MEASURE: The following chart and table compare the dollar value of the construction contracts executed during the year with their original estimated value. This information is an indicator of how well the Department develops its financial plan and estimates the contract amount. For instance, if the percentage of the dollar value of contracts executed is tracking below 100%, then contracts were executed at a price less than what the Department had planned. If the percentage tracks too far below 100%, then the Department is overestimating project amounts, which ties up dollars in its financial plan that could be allocated toward other projects or for other purposes. Contracts awarded above 100% require additional funds and budget.

RESULTS: The 414 projects that were in the plan and let during the year were estimated to cost a total of \$2,102.1 million, and were let at an actual cost of \$1,811.7 million, or at 86.2% of their estimated cost. The Department also executed additional construction contracts totaling \$550.1 million that were not included in the original plan.

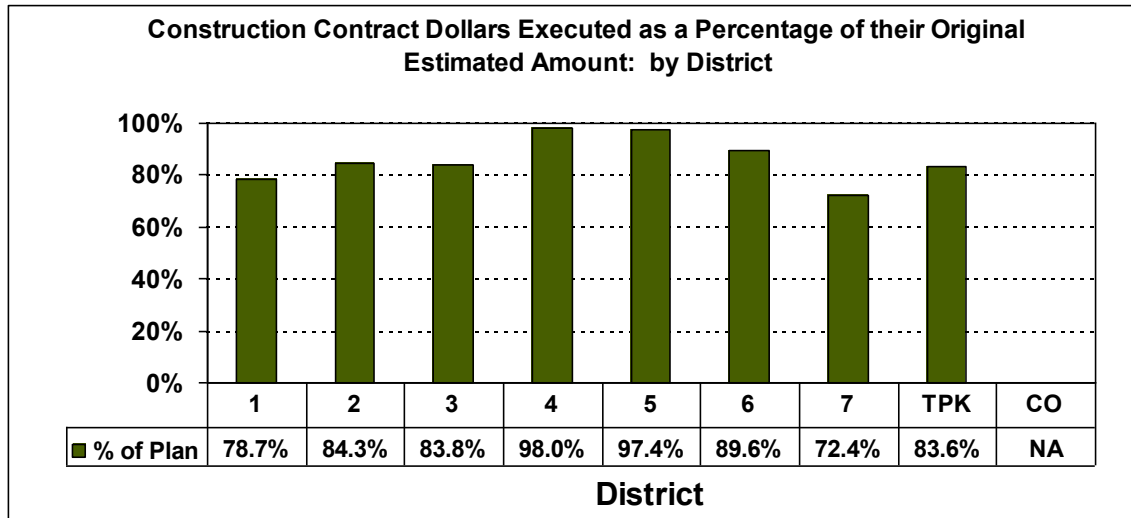


The following table shows the original estimated dollar value of executed construction contracts and the actual executed dollar value of those contracts for each of the last five fiscal years. These numbers make up the chart above.

Statewide Construction Contract Dollars – Estimate vs. Actual

\$ in millions	Fiscal Year				
	FY 07/08	FY 08/09	FY 09/10	FY 10/11	FY 11/12
Estimate	\$2,235.3	\$3,303.5	\$2,894.1	\$1,867.6	\$2,102.1
Actual	\$2,001.2	\$2,372.5	\$2,091.1	\$1,302.0	\$1,811.7
% of Plan	89.5%	71.8%	72.3%	69.7%	86.2%

District Construction Contract dollar data is presented on the following page. (Note: There were no Central Office designated construction contracts let for FY 11/12.)



District Construction Contract Dollars: - Estimate vs. Actual for FY 11/12

\$ in millions	District								
	1	2	3	4	5	6	7	TPK	CO
Estimate	\$301.9	\$358.9	\$194.7	\$122.9	\$501.9	\$167.5	\$273.5	\$180.8	\$0.0
Actual	\$237.6	\$302.5	\$163.1	\$120.4	\$489.1	\$150.0	\$197.9	\$151.1	\$0.0
% of Plan	78.7%	84.3%	83.8%	98.0%	97.4%	89.6%	72.4%	83.6%	NA



District 6 – Interchange Reconstruction Project

1d. 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 the successful contractor's 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. Although there are justifiable reasons for extending the contract time on a project, the Department's objective is to keep time adjustments to a minimum and complete the project as soon as possible to reduce construction impacts to the traveling public. 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.

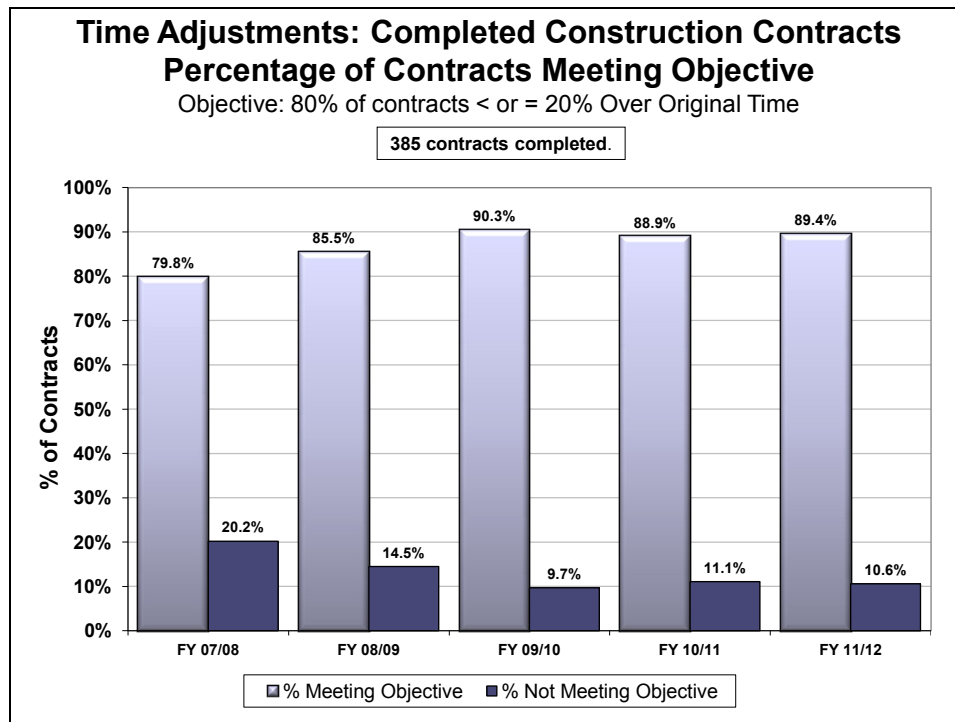
CONSTRUCTION CONTRACT TIME ADJUSTMENTS

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 as mentioned above. 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. 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.

PRIMARY MEASURE: For all the construction contracts completed during the fiscal year, the percentage of those contracts that were completed within 20 percent above the original contract time.

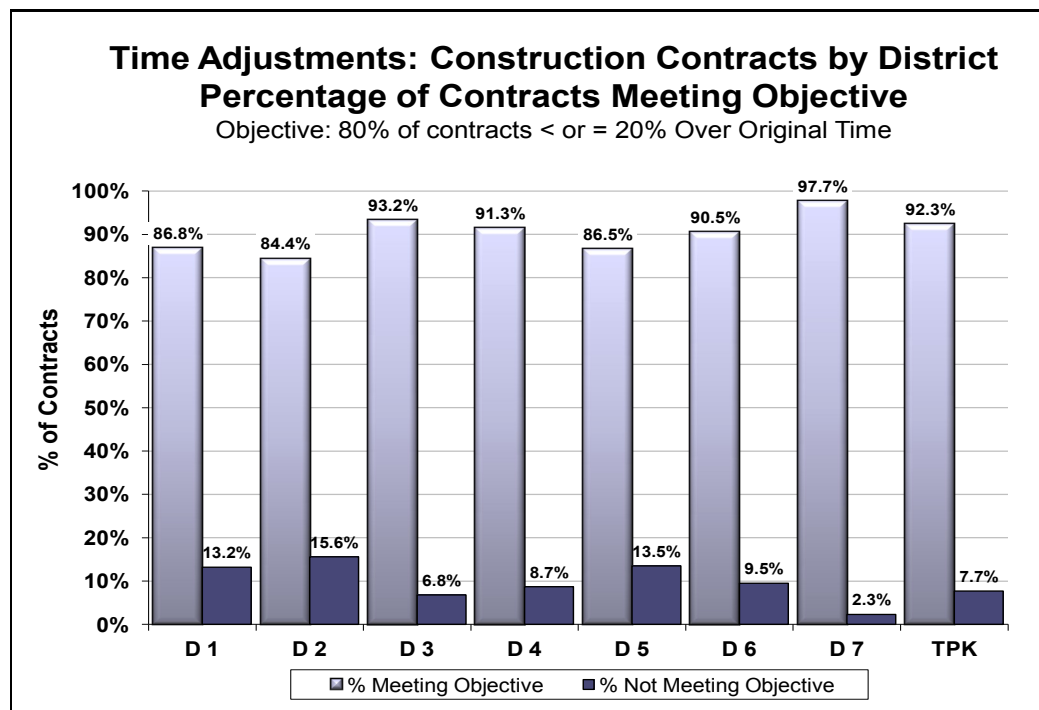
OBJECTIVE: No less than 80 percent of completed construction contracts meeting the 20 percent threshold.

RESULTS: For the 385 construction contracts completed during FY 11/12, 89.4% were completed within 20% of their original contract time.



Five Year Construction Contract Time Data

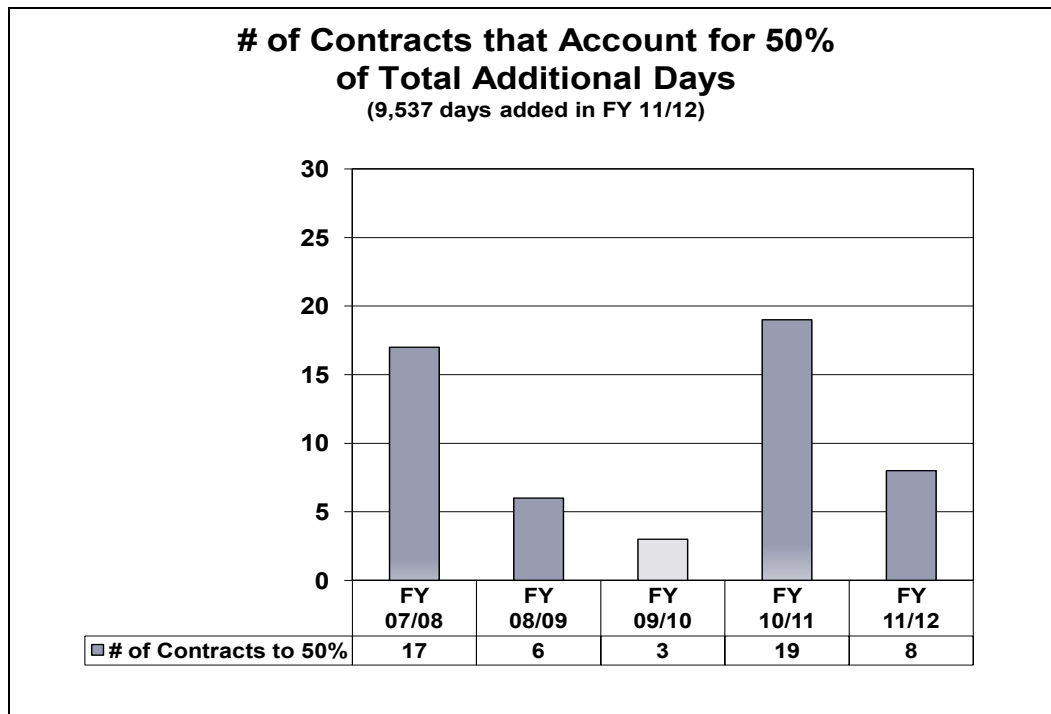
	# of Contracts	# < or = to 20%	% < or = to 20%	# > 20%	% > 20%
FY 11/12	385	344	89.4%	41	10.6%
FY 10/11	451	401	88.9%	50	11.1%
FY 09/10	372	336	90.3%	36	9.7%
FY 08/09	394	337	85.5%	57	14.5%
FY 07/08	440	351	79.8%	89	20.2%



District Construction Contract Time Data for FY 11/12

District	# of Contracts	# < or = to 20%	% < or = to 20%	# > 20%	% > 20%
1	68	59	86.8%	9	13.2%
2	77	65	84.4%	12	15.6%
3	44	41	93.2%	3	6.8%
4	46	42	91.3%	4	8.7%
5	52	45	86.5%	7	13.5%
6	42	38	90.5%	4	9.5%
7	43	42	97.7%	1	2.3%
TPK	13	12	92.3%	1	7.7%

There were 385 construction contracts completed during FY 11/12. The total aggregate original time allowed for completion of those 385 contracts was 93,719 days. There were 9,537 additional days used in the completion of those contracts (does not take into consideration contracts finished early). Only eight contracts accounted for 50 percent of the additional days.



The 8 contracts are identified on the next page.

District	Contract #	Project Description	Original Days	Additional Days	Total Days	% Over
06	T6045	SR A1A / Indian Creek, intersection improvements	380	1,720	2,100	552.6%
01	E1E73	Fort Myers RTMC, software and system integration	720	745	1,465	203.5%
01	T1173	SR 72, guardrail	470	691	1,161	247.0%
01	T1022	US 41, add lanes and rehabilitate pavement	720	554	1,274	176.9%
01	T1305	Cocohatchee River bridge replacement	240	323	563	234.6%
02	T2090	I-10/I-95 interchange improvements	2,034	280	2,314	113.8%
05	T5368	Lois Dr Bridge replacement (Tavares)	190	213	403	212.1%
03	T3021	SR 8A (I-110), add lanes and reconstruct	1,400	192	1,592	113.7%



The Brandy Branch Bridge in Naussau County was washed out by floodwaters from Tropical Storm Debby.

CONSTRUCTION CONTRACT COST ADJUSTMENTS

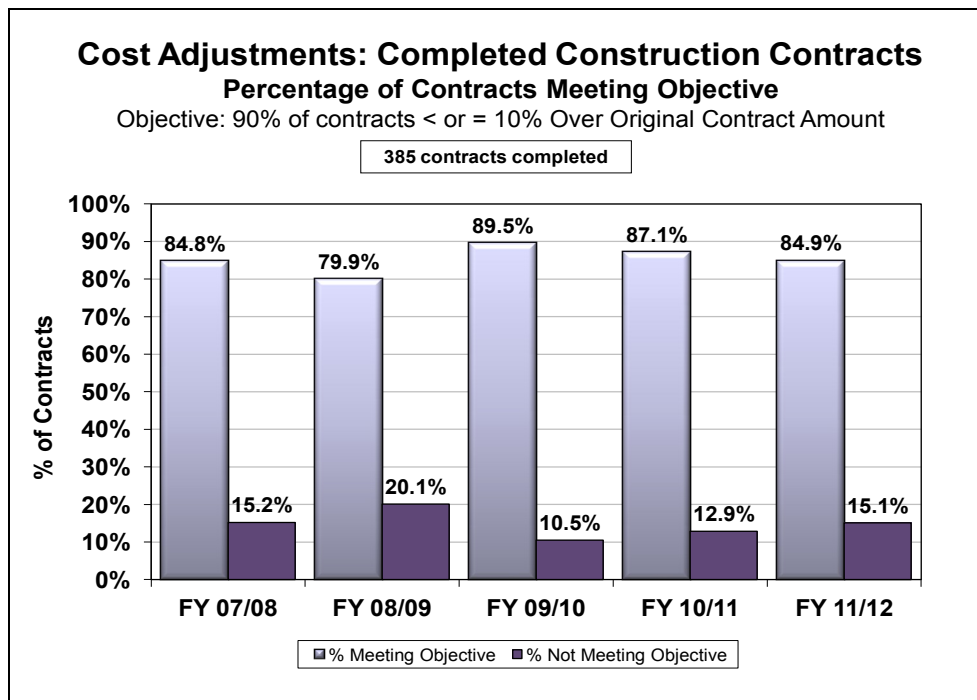
It is generally accepted in the construction industry that the contract amount will increase by a small percentage of the original bid amount due to a variety of unanticipated conditions and unexpected events. Even though a small percentage increase in cost is generally expected, and the Department reserves funds for this purpose, significant cost increases could result in delaying other planned projects and could indicate a problem in quality of design plans and specifications or in contract management.

Cost increases are authorized by "supplemental agreement" (a 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. Also, individual work items on a contract may be increased up to five percent as a minor cost overrun. Minor cost overruns are expected due to the difficulty of estimating the exact quantities of individual work items required on a project. Anything over a five percent increase must be authorized through a supplemental agreement.

PRIMARY MEASURE: Of all the construction contracts completed during the fiscal year, the percentage of those contracts that were completed at a cost within 10 percent above the original contract amount.

OBJECTIVE: No less than 90 percent of the completed construction contracts meeting the 10 percent threshold.

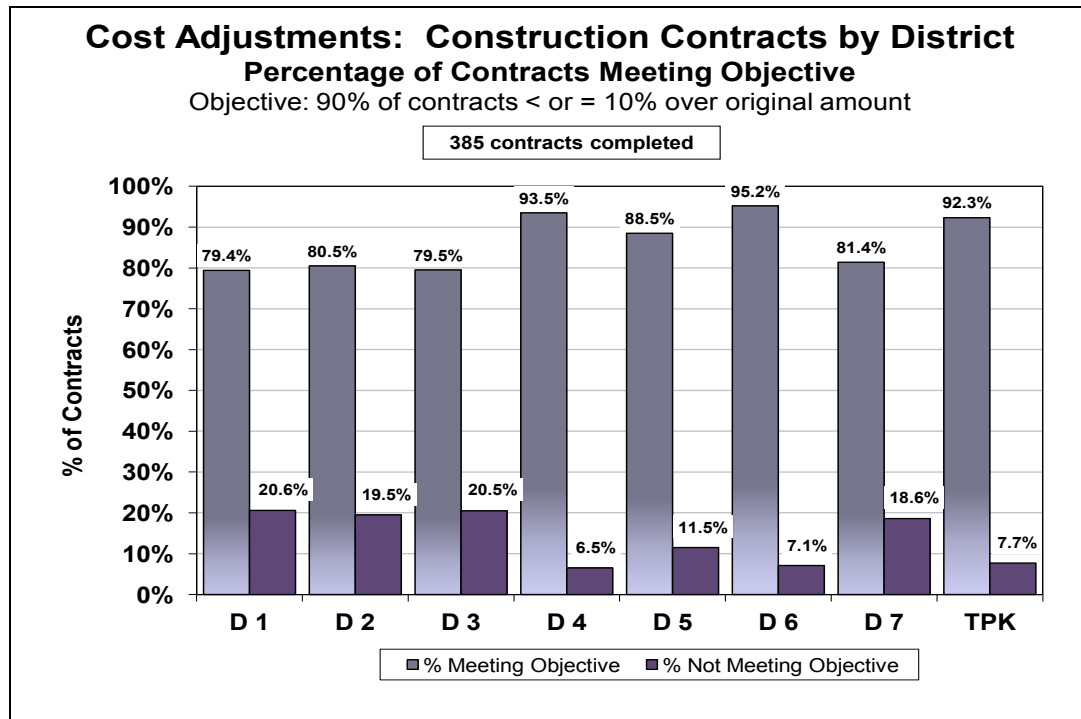
RESULTS: For the 385 construction contracts completed during FY 11/12, 84.9% were completed within 10% of their original contract amount.



Five Year Construction Contract Amount Data

	# of Contracts	# < or = to 10%	% < or = to 10%	# > 10%	% > 10%
FY 11/12	385	327	84.9%	58	15.1%
FY 10/11	451	393	87.1%	58	12.9%
FY 09/10	372	333	89.5%	39	10.5%
FY 08/09	394	315	79.9%	79	20.1%
FY 07/08	440	373	84.8%	67	15.2%

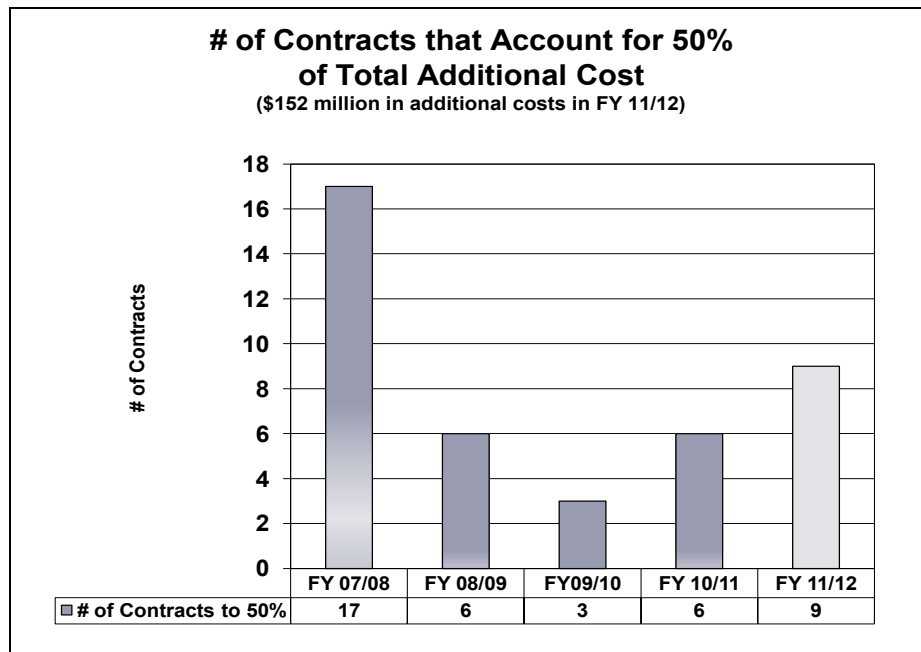
District Cost adjustment data is presented below.



District Construction Contract Cost Data for FY 11/12

District	# of Contracts	# < or = 10%	% < or = to 10%	# > 10%	% > 10%
1	68	54	79.4%	14	20.6%
2	77	62	80.5%	15	19.5%
3	44	35	79.5%	9	20.5%
4	46	43	93.5%	3	6.5%
5	52	46	88.5%	6	11.5%
6	42	40	95.2%	2	4.8%
7	43	35	81.4%	8	18.6%
TPK	13	12	92.3%	1	7.7%

There were 385 construction contracts completed during the year. The total aggregate original contract dollar amount allowed for completion of those 385 contracts was \$1.946 billion. There were \$152 million in additional costs in the completion of those contracts. Only nine contracts accounted for 50 percent of the additional costs.



The nine contracts are identified below.

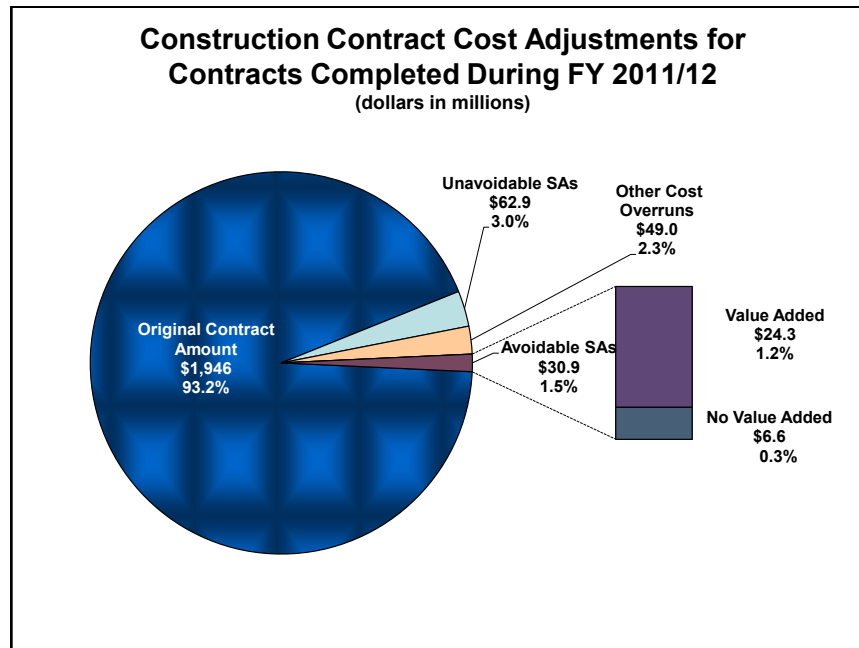
District	Contract #	Project Description	Original Amount	Additional Amount	Total Amount	% Over
01	T1173	SR 72, guardrail	\$18,698,752	\$13,390,764	\$32,089,516	171.6%
02	T2091	Bridge of Lions Rehabilitation	\$76,660,675	\$12,054,568	\$88,715,243	115.7%
02	T2090	I-10/I-95 interchange improvements	\$147,853,197	\$11,160,826	\$159,014,023	107.5%
03	T3021	SR 8A (I-110), add lanes and reconstruct	\$53,760,046	\$7,754,781	\$61,514,827	114.4%
01	T1022	US 41, add lanes and rehabilitative pavement	\$17,778,705	\$7,270,692	\$25,049,397	140.9%
02	T2196	SR 23 (Brannon Field Chafee Rd), new road construction	\$60,672,108	\$6,972,225	\$67,644,333	111.5%
03	T3091	SR 8 (I-10), add lanes and reconstruct	\$54,187,956	\$6,907,246	\$61,095,202	112.7%
08	E8116	Widen Turnpike from Hemple Rd to Beulah Rd	\$52,532,406	\$5,677,929	\$58,210,335	110.8%
04	T4032	I-95/SR-9 from N of SR 80 to N of Congress Avenue, add special use lane	\$75,555,017	\$4,850,484	\$80,405,501	106.4%

The Explanatory Data presented on the next two pages provide insight into the reasons for cost increases that are attributable to supplemental agreements and are used by the Department to target areas for improvement. Supplemental agreements comprise 65.7 percent of the cost adjustments to the construction contracts closed out in FY 11/12. Minor cost overruns and innovative contracting payments make up the remainder. Nearly all supplemental agreements add value to the project because they purchase additional labor and materials that are necessary for the transportation facility to function properly when 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 monetary recovery in those cases where the amount subject to recovery makes legal action a cost-effective remedy.

SECONDARY MEASURE: The following chart and tables identify the part of the total final amount paid on completed construction contracts that was attributable to supplemental agreements that were avoidable (i.e., should have been foreseen). That portion is broken down further to reflect the amount of supplemental agreements that added value to the project and the amount that did not add value and can be presumed to be “wasted” money.

RESULTS: Of the total final amount paid on the 385 completed construction contracts during FY 11/12 of \$2.089 billion, a total of \$30.9 million (or 1.5%) was deemed avoidable supplemental agreements. Of the \$30.9 million avoidable supplemental agreement amount, \$24.3 million (or 1.2% of the grand total) added value to the completed projects.

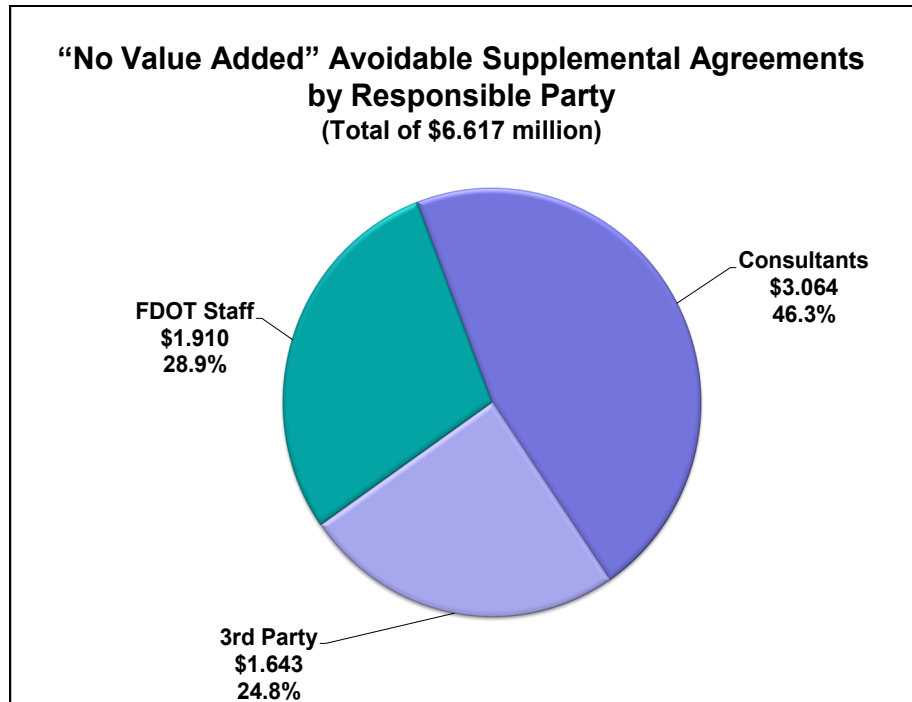


	Amount	%
Original Contract Amount	\$1,945,686,048	93.2%
Unavoidable SAs	\$62,899,795	3.0%
Avoidable SAs	\$30,885,177	1.5%
Other Cost Overruns	\$49,035,934	2.3%
Total Final Amount Paid	\$2,088,506,954	100.0%

Avoidable SAs		
Value Added	\$24,267,991	1.2%
No Value Added	\$6,617,186	0.3%
Total	\$30,885,177	1.5%

The chart and table above indicate that of the total amount paid for construction contracts in FY 11/12 (including supplemental agreements and other cost overruns), only \$6,617,186 (or 0.3%) of that amount went to pay for supplemental agreements that did not add any value to projects and can be considered money that was wasted. The Department should focus on these supplemental agreements to identify areas of improvement.

The next chart and graph identify the party responsible for the supplemental agreements that were avoidable and did not add any value to the project.



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

Responsible Party	Amount	%
3rd Party	\$1,643,116	24.8%
Consultants	\$3,064,353	46.3%
FDOT Staff	\$1,909,718	28.9%
Total "No Value Added" Amount	\$6,617,186	100.0%



1e. LOCAL AGENCY PROGRAM (LAP)

The Department has historically contracted with other governmental agencies to develop, design, acquire right-of-way, and construct transportation facilities and to reimburse these governmental agencies for services provided to the traveling public. When the Department contracts with Local Agencies for reimbursement to the Local Agencies using Federal funds administered by the Federal Highway Administration (FHWA), the Department is held accountable to ensure that Certified Local Agencies comply with all applicable Federal statutes, rules and regulations. Locals must be LAP-certified before entering into a LAP Agreement.

The Local Agency Program (LAP) is administered in each District by a District LAP Administrator designated by the District Secretary. Project-level direction and oversight are provided through the District Offices of Planning, Environmental Management, Design, Right-of-Way, Policy Planning, Federal Aid, Contracts Administration, Equal Opportunity, Comptroller, and Program Development. The Central Office LAP Administrator chairs the standing committee on standards and practices for local agencies.

LAP projects are programmed in the Work Program, but responsibility for these projects is passed to local governments. In previous years, LAP projects were included in the Consultant Acquisition and Construction Letting measures previously discussed. However, the Performance Measures Working Group (PMWG) determined that the relatively small number of LAP contracts was skewing the results of the consultant and construction contract measures. The PMWG felt strongly that LAP contracts should continue to be a primary measure, but that LAP contracts should be measured separately since much of the control over the execution of LAP contracts rests with local governments.



Odis Yarborough Road in Baker County
Small County Road Assistance Program

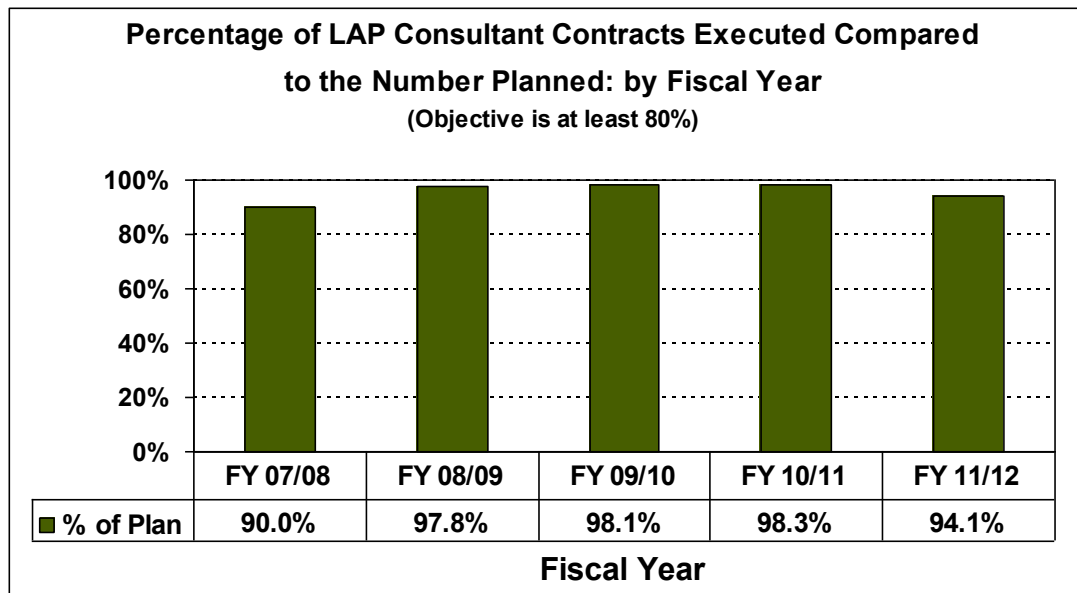


LAP CONSULTANT ACQUISITION

PRIMARY MEASURE: The number of LAP consultant contracts actually executed compared against the number of LAP consultant contracts planned to be executed during the year.

OBJECTIVE: The Department's objective is to let no less than 80% of those LAP consultant contracts planned to be let during the year.

RESULT: The Department achieved 94.1% of its plan, executing 80 of 85 LAP consultant contracts planned at a value of \$29.6 million. The Department also executed an additional 17 contracts not in the plan that were valued at \$7.2 million.



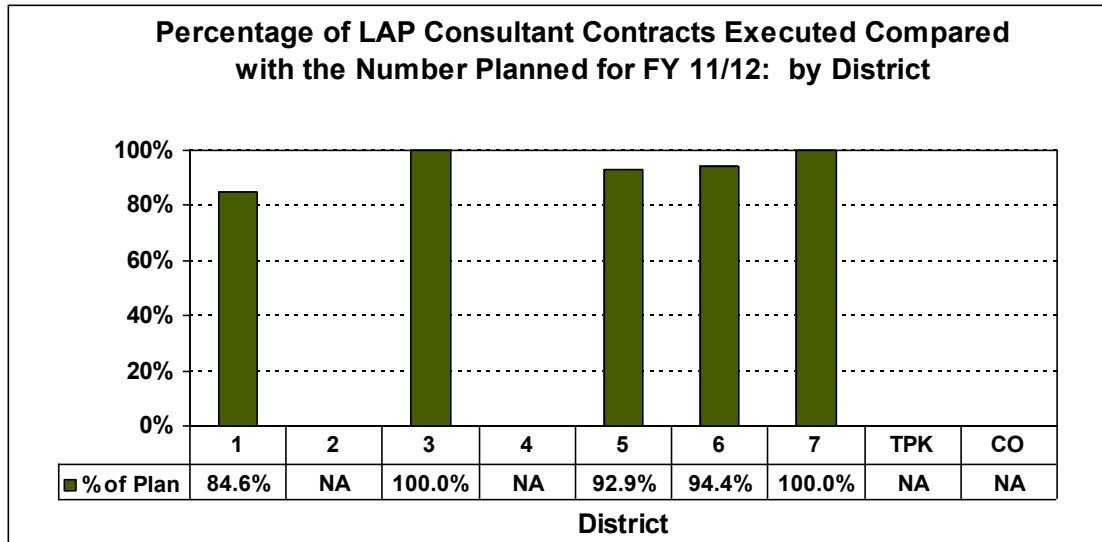
Five-Year Statewide LAP Consultant Contract Data

	Fiscal Year				
	FY 07/08	FY 08/09	FY 09/10	FY 10/11	FY 11/12
Plan	60	46	154	60	85
Actual	54	45	151	59	80
% of Plan	90.0%	97.8%	98.1%	98.3%	94.1%
Additions	19	6	31	25	17
Total	73	51	182	84	97

NOTE: Includes planning, preliminary engineering and construction engineering inspection (CEI) consultants.

District information regarding LAP consultant acquisition contracts is presented below.

All Districts met the goal of 80% for the third year in a row. Districts 2, 4, the Turnpike Enterprise and Central Office had no LAP projects for FY 11/12.



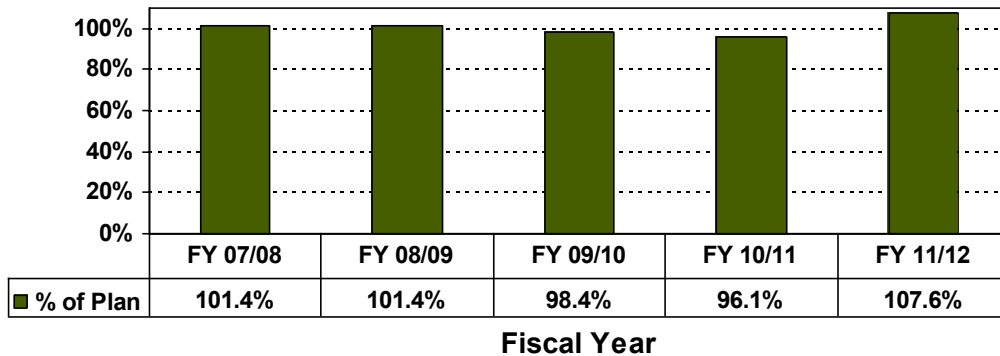
District LAP Consultant Contract Data for FY 11/12

	District								
	1	2	3	4	5	6	7	TPK	CO
Plan	13	0	16	0	28	18	10	0	0
Actual	11	0	16	0	26	17	10	0	0
% of Plan	84.6%	NA	100.0%	NA	92.9%	94.4%	100.0%	NA	NA
Additions	0	0	5	0	9	1	2	0	0
Total	11	0	21	0	35	18	12	0	0

SECONDARY MEASURE: The following measure is an indicator of how well the Department manages its finances in the LAP consultant contract estimating and negotiation process. The closer to the estimate the price is negotiated, the better utilization of finances. A contract negotiated above the estimate utilizes additional funds and budget; more than 5% under the estimate could result in under utilization of resources and ineffective cash management.

RESULT: The Department executed \$29.6 million of LAP consultant contracts, which was \$2.1 million more than the estimate of \$27.5 million, or 107.6 % of estimate. The Department also executed additional LAP consultant contracts totaling \$7.2 million that were not included in the original plan.

**LAP Consultant Contract Dollars Executed as a Percentage
of the Original Estimated Amount: by Fiscal Year**
(Objective is 100% + or - 5%)

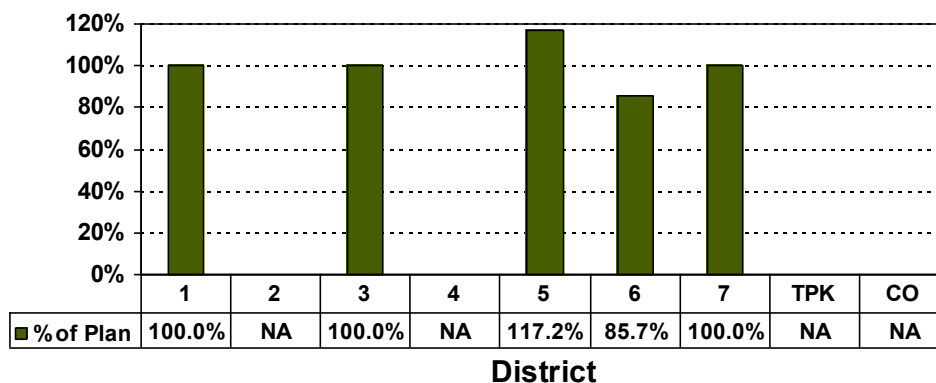


Five-Year Statewide LAP Consultant Contract Data

\$ in millions	Fiscal Year				
	FY 07/08	FY 08/09	FY 09/10	FY 10/11	FY 11/12
Estimate	\$14.6	\$7.2	\$12.9	\$12.9	\$27.5
Actual	\$14.8	\$7.3	\$12.7	\$12.4	\$29.6
% of Plan	101.4%	101.4%	98.4%	96.1%	107.6%

District information regarding LAP consultant acquisition contracts is presented below.

**LAP Consultant Contract Dollars Executed as a
Percentage of the Original Estimated Amount: by District**



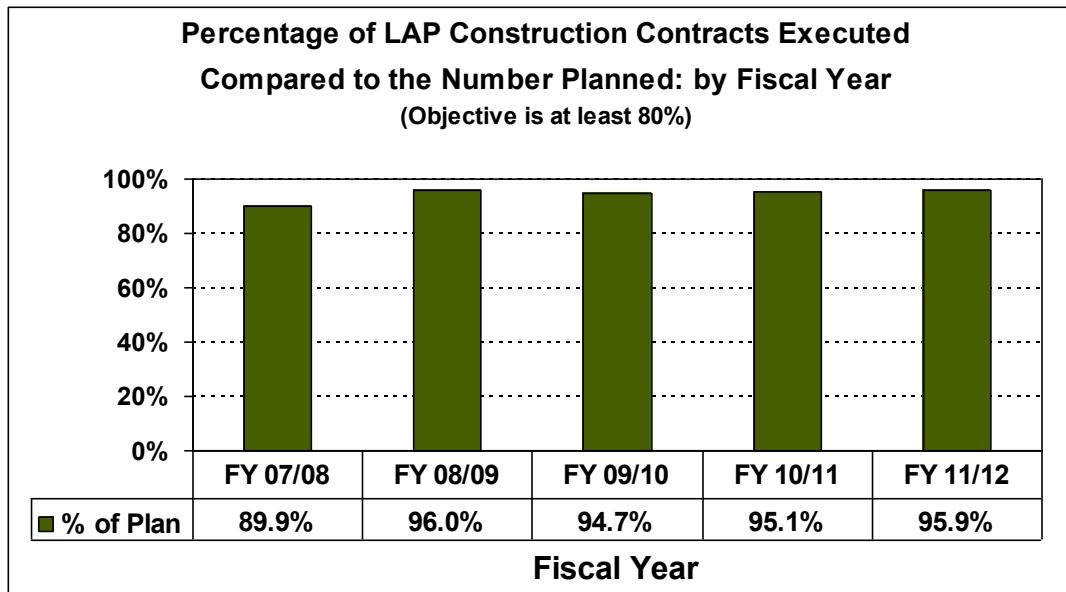
\$ in millions	District								
	1	2	3	4	5	6	7	TPK	CO
Estimate	\$1.1	\$0.0	\$4.2	\$0.0	\$14.5	\$2.8	\$4.9	\$0.0	\$0.0
Actual	\$1.1	\$0.0	\$4.2	\$0.0	\$17.0	\$2.4	\$4.9	\$0.0	\$0.0
% of Plan	100.0%	NA	100.0%	NA	117.2%	85.7%	100.0%	NA	NA

LAP CONSTRUCTION LETTINGS

PRIMARY MEASURE: The number of LAP construction contracts actually executed compared against the number of LAP construction contracts the Department planned to execute during the year.

OBJECTIVE: The objective is to execute no less than 80% of those contracts planned to be let during the year.

RESULT: The Department achieved 95.9% of its plan, executing 93 of 97 planned projects valued at \$101.5 million. The Department added and executed 21 projects that were not in the plan valued at \$27.0 million for a total of \$128.5 million of projects placed in production.

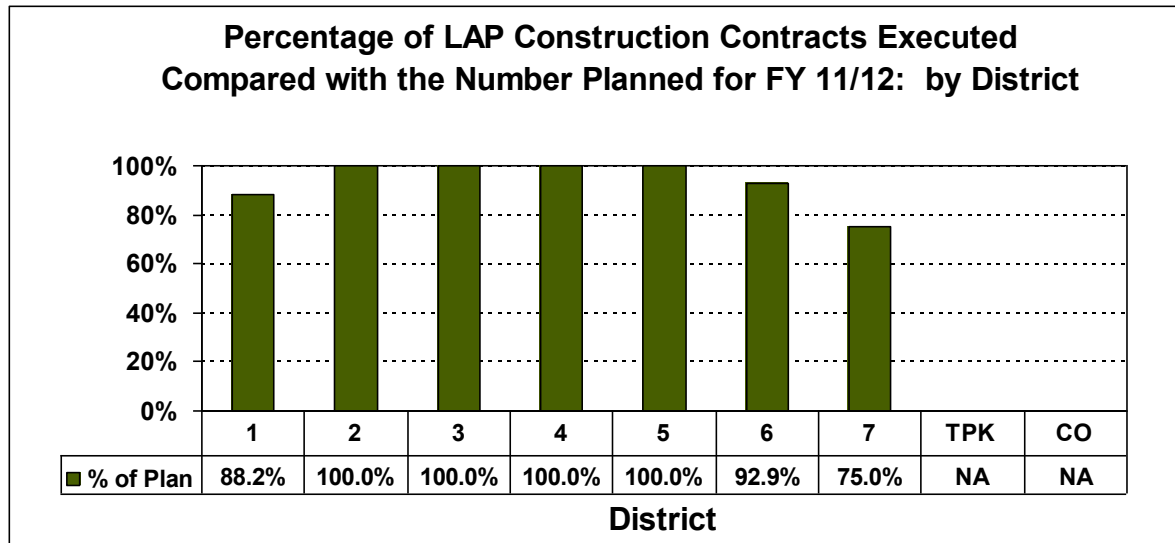


Five-Year Statewide LAP Construction Contract Data

	Fiscal Year				
	FY 07/08	FY 08/09	FY 09/10	FY 10/11	FY 11/12
Plan	119	99	412	123	97
Actual	107	95	390	117	93
% of Plan	89.9%	96.0%	94.7%	95.1%	95.9%
Additions	26	12	76	50	21
Total	133	107	466	167	114

District information regarding LAP construction contracts is presented below.

Central Office and the Turnpike Enterprise did not have any LAP construction contracts in FY 11/12.



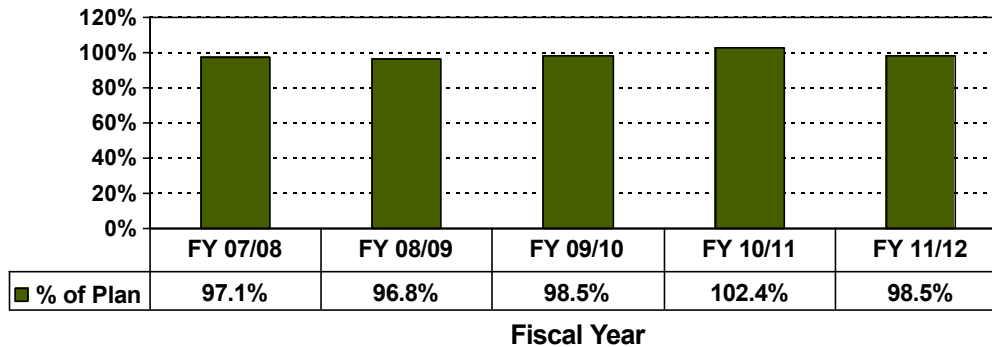
District LAP Construction Contract Data for FY 11/12

	District								
	1	2	3	4	5	6	7	TPK	CO
Plan	17	2	10	17	33	14	4	0	0
Actual	15	2	10	17	33	13	3	0	0
% of Plan	88.2%	100.0%	100.0%	100.0%	100.0%	92.9%	75.0%	NA	NA
Additions	1	0	1	2	12	2	3	0	0
Total	16	2	11	19	45	15	6	0	0

SECONDARY MEASURE: The following measure is an indicator of how well the Department manages its finances in the contract estimating and negotiation process. The closer to the estimate the price is negotiated, the better the Department is utilizing its finances. A contract negotiated above the estimate utilizes additional funds and budget; under the estimate could result in under utilization of resources and ineffective cash management.

RESULT: The 93 LAP construction contracts the Department executed during the year were executed at a total cost of \$101.5 million, which was \$1.5 million less than the estimated cost of \$103 million, or at 98.5% of their estimated cost. The Department also executed additional LAP construction contracts totaling \$27.0 million that were not in the original plan.

**LAP Construction Contract Dollars Executed as a Percentage of the
Original Estimated Amount: by Fiscal Year**
(Objective is 100%)

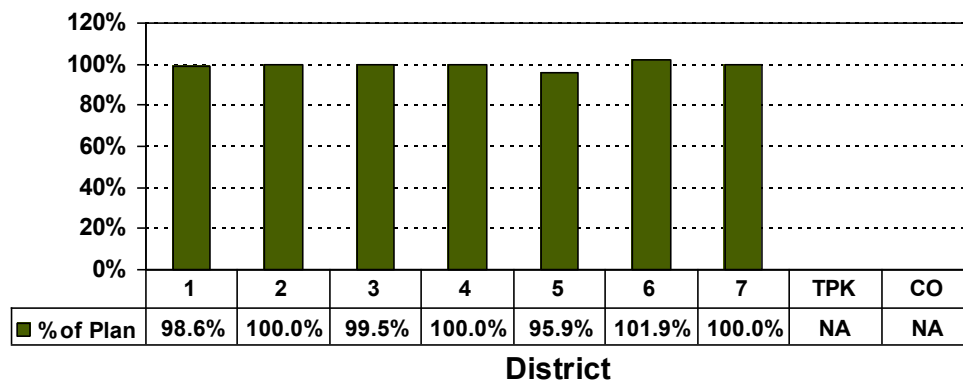


Five-Year Statewide LAP Construction Contract Data

\$ in millions	Fiscal Year				
	FY 07/08	FY 08/09	FY 09/10	FY 10/11	FY 11/12
Estimate	\$89.1	\$109.9	\$369.2	\$106.9	\$103.0
Actual	\$86.5	\$106.4	\$363.7	\$109.5	\$101.5
% of Plan	97.1%	96.8%	98.5%	102.4%	98.5%

District information regarding LAP construction contracts is presented below.

**LAP Construction Contract Dollars Executed as a
Percentage of the Original Estimated Amount: by District**



\$ in millions	District								
	1	2	3	4	5	6	7	TPK	CO
Estimate	\$6.9	\$0.2	\$21.8	\$17.2	\$39.4	\$16.1	\$1.4	\$0.0	\$0.0
Actual	\$6.8	\$0.2	\$21.7	\$17.2	\$37.8	\$16.4	\$1.4	\$0.0	\$0.0
% of Plan	98.6%	100.0%	99.5%	100.0%	95.9%	101.9%	100.0%	NA	NA



US 17 in Gardner



SR 87 South to North View



2. Preservation of Current State Highway System

2a. Bridges

2b. Pavement

2c. Routine Maintenance

Billions of taxpayer dollars have been invested over many years in constructing Florida's roads, bridges and other transportation facilities. Our transportation infrastructure is an asset serving every Floridian on any given day, either directly or indirectly. 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 consequences. 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 functionally 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 costly major reconstruction.

2a. BRIDGES

There are 11,987 bridges in Florida, and 6,266 of these are the responsibility of the Florida Department of Transportation. 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 Programs monitor the need for repair, rehabilitation and replacement of FDOT maintained bridges. *No bridge is allowed to become unsafe for the traveling public.*

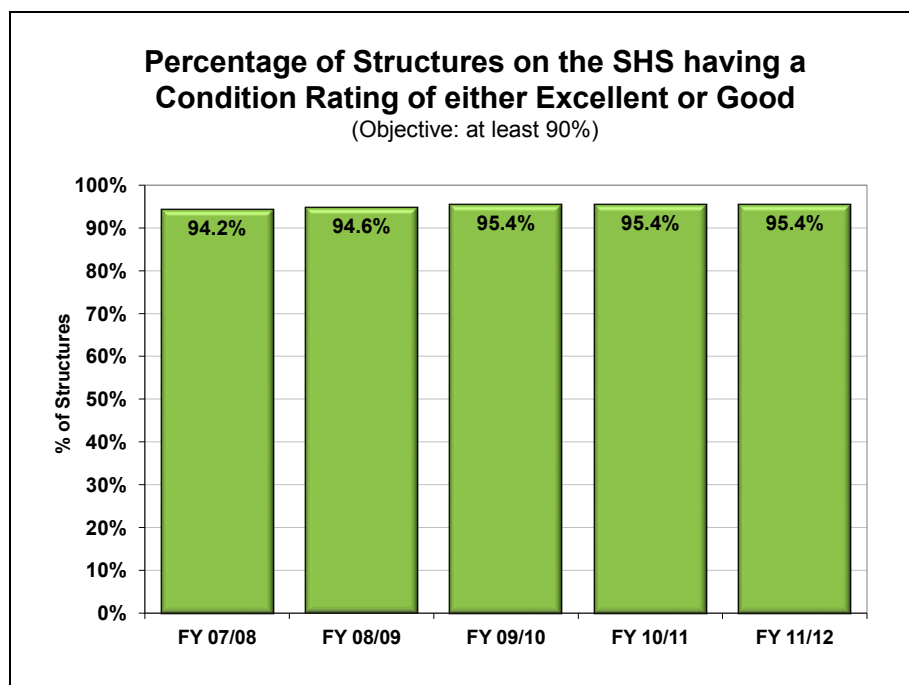
Florida law requires the Department to meet the annual needs for repair and replacement of bridges on the system. The Department's strategy is to preserve the life of Florida's bridges by making cost effective repairs or through preventive maintenance. When repair is not justified by life-cycle cost considerations, bridges are replaced.

Bridge Condition

PRIMARY MEASURE: The percentage of bridge structures on the State Highway System having a condition rating of either excellent or good - for bridge components of substructure, superstructure and deck – or the culvert condition rating. (The measure does not include bridges on the Miami-Dade Expressway Authority and the Orlando-Orange County Expressway Authority systems since they are not maintained by the Department, but it does include bridges on the Tampa-Hillsborough County Expressway Authority system, which are.)

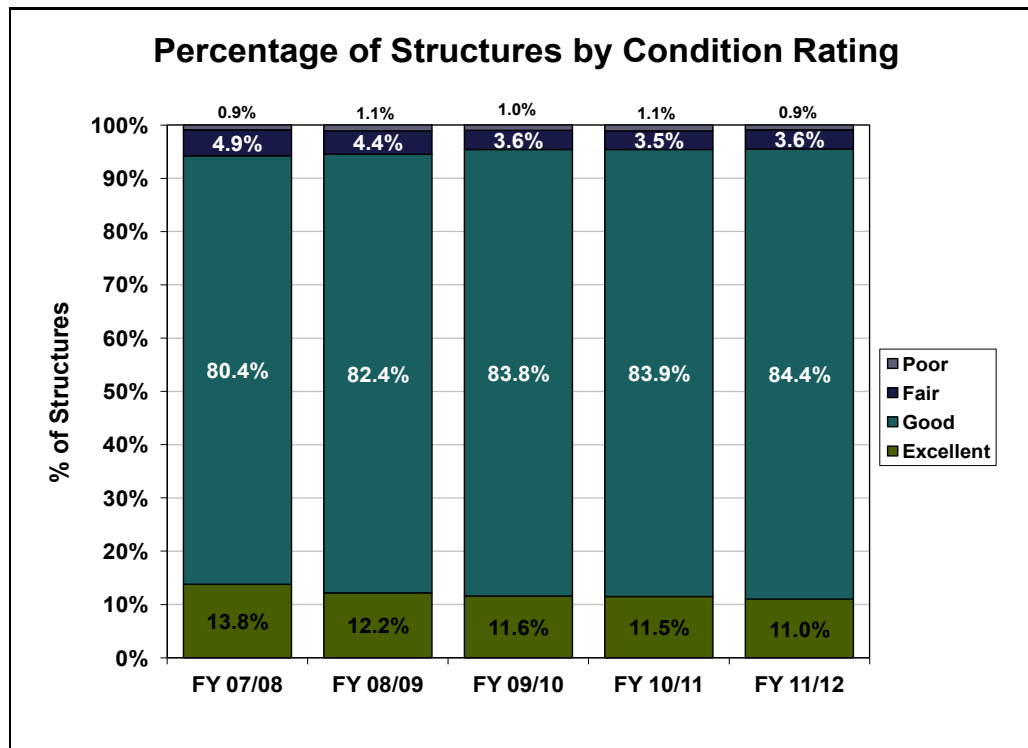
OBJECTIVE: At least 90 percent of all bridge structures on the State Highway System having a condition rating of either "excellent" or "good."

RESULTS: For FY 11/12, the percentage of state-maintained bridges having a condition rating of either "excellent" or "good" was 95.4%, exceeding the Department's objective of 90%.



Statewide Bridge Condition Data

FHWA Rating	Condition Rating	# of Bridges	% of Total
8 or 9	Excellent	689	11.0%
6 or 7	Good	5,291	84.4%
5	Fair	228	3.6%
0 to 4	Poor	58	0.9%
Totals		6,266	100.0%



Restricted Bridges

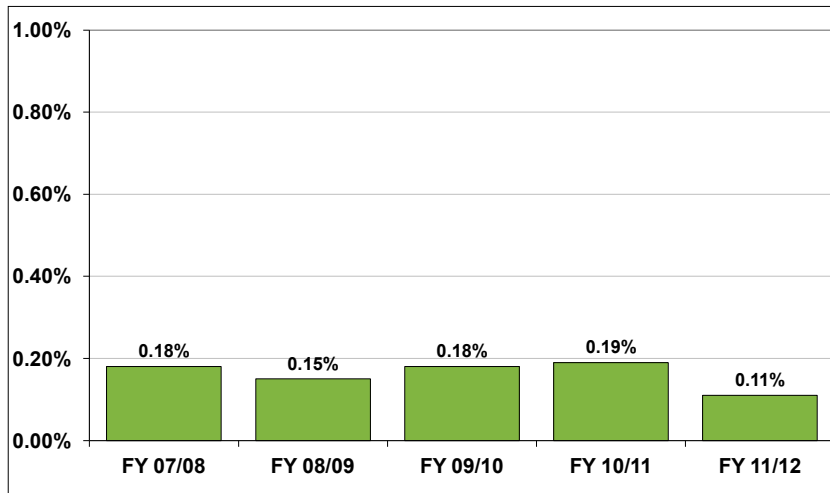
PRIMARY MEASURE: The percentage of bridge structures on the State Highway System with posted weight restrictions. (The measure does not include bridges on the Miami-Dade Expressway Authority or Orlando-Orange County Expressway Authority systems since they are not maintained by the Department, but does include bridges on the Tampa-Hillsborough County Expressway Authority system, which are.)

OBJECTIVE: No more than one percent of all bridge structures on the State Highway system with posted weight restrictions.

RESULTS: For FY 11/12, the number of bridges on the State Highway System with posted weight restrictions is 7 out of 6,266 state maintained bridges. This equates to 0.11% of bridges.

Percentage of Structures on the SHS with Posted Weight Restrictions

(Objective: no more than 1%)



Bridge Repair Projects

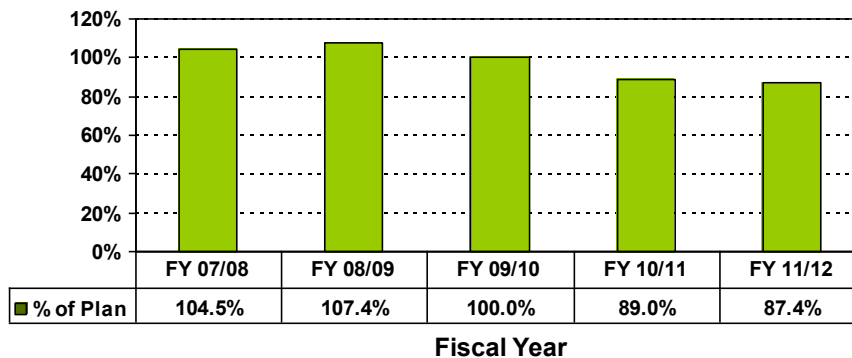
SECONDARY MEASURE: The number of bridge repair projects that were planned to be executed during the year compared with the number of projects actually executed during the year. (Note: A construction contract may include more than one bridge repair job. Also, a bridge repair job can be included as part of a road project.)

OBJECTIVE: The Department's objective is to let to contract no less than 95% of those bridge repair contracts that were planned to be let during the year.

RESULTS: For bridge repair projects, the Department achieved 87.4% of its FY 11/12 plan; having executed 90 bridge repair projects of 103 planned. During the year the Department also executed an additional 14 bridge repair projects that were not in the current or future plans and advanced and let nine projects planned for letting in a future fiscal year.

Percentage of Bridge Repair Projects Executed Compared to the Number Planned: by Fiscal Year

(Objective is at least 95%)



Five-Year Statewide Bridge Repair Project Data

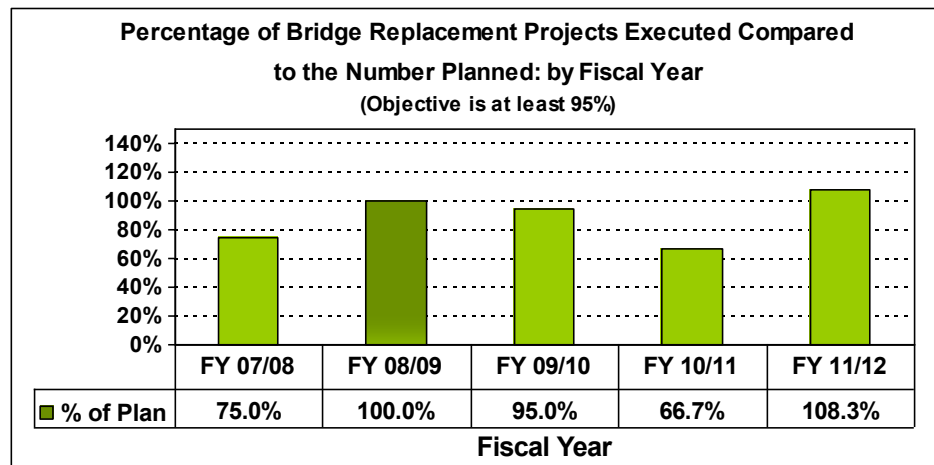
	Fiscal Year				
	FY 07/08	FY 08/09	FY 09/10	FY 10/11	FY 11/12
Plan	67	68	100	82	103
Actual	70	73	100	73	90
% of Plan	104.5%	107.4%	100.0%	89.0%	87.4%
Additions	5	17	27	38	14
Advanced	0	2	4	9	9
Total	75	92	131	120	113

Bridge Replacement Projects

SECONDARY MEASURE: The number of bridge replacement projects that were planned to be executed during the year compared with the number of bridge replacement projects actually executed during the year. (See Note under Bridge Repair Projects.)

OBJECTIVE: The Department's objective is to let to contract no less than 95% of those bridge replacement projects planned to be let during the year.

RESULTS: For bridge replacement projects, the Department achieved 108.3% of its FY 11/12 plan, having executed 13 bridge replacement projects out of 12 planned. In addition, during the year the Department let to contract three bridge replacement projects not in the current or future plans and advanced two projects planned for letting in a future fiscal year.



Five-Year Statewide Bridge Replacement Project Data

	Fiscal Year				
	FY 07/08	FY 08/09	FY 09/10	FY 10/11	FY 11/12
Plan	16	19	20	12	12
Actual	12	19	19	8	13 *
% of Plan	75.0%	100.0%	95.0%	66.7%	108.3%
Additions	0	2	5	6	3
Advanced	0	2	0	0	2
Total	12	23	24	14	18

*Due to a coding error, an existing project bridge count was increased by one bridge.

2b. PAVEMENT

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. 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 Five Year Work Program. Priority scheduling is accorded to roads with the most severe deficiencies.

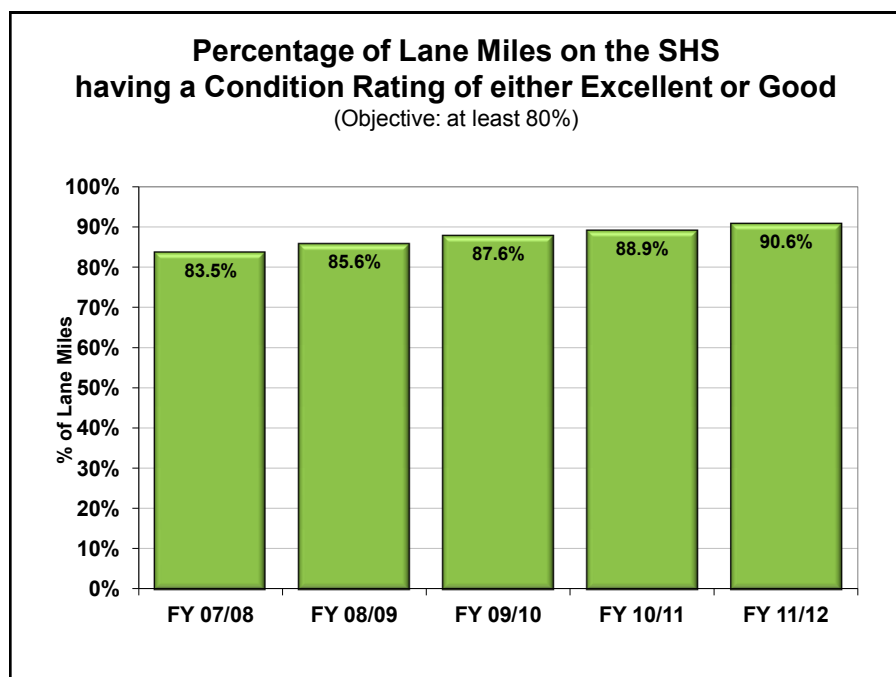
Florida law requires the Department to meet the annual needs for resurfacing of the State Highway System through regular maintenance, which avoids high repair bills and prolongs the useful life of transportation facilities.

Pavement Condition

PRIMARY MEASURE: The percentage of lane miles on the State Highway System having a Pavement Condition Rating of either "excellent" or "good." Pavement meeting Department standards is defined as pavement for which each of the three rating factors (ride quality, crack severity and rutting) was scored 6.5 or above on a ten-point scale.

OBJECTIVE: The Department's objective is for 80 percent of all lane miles on the State Highway System have a Pavement Condition Rating of either "excellent" or "good."

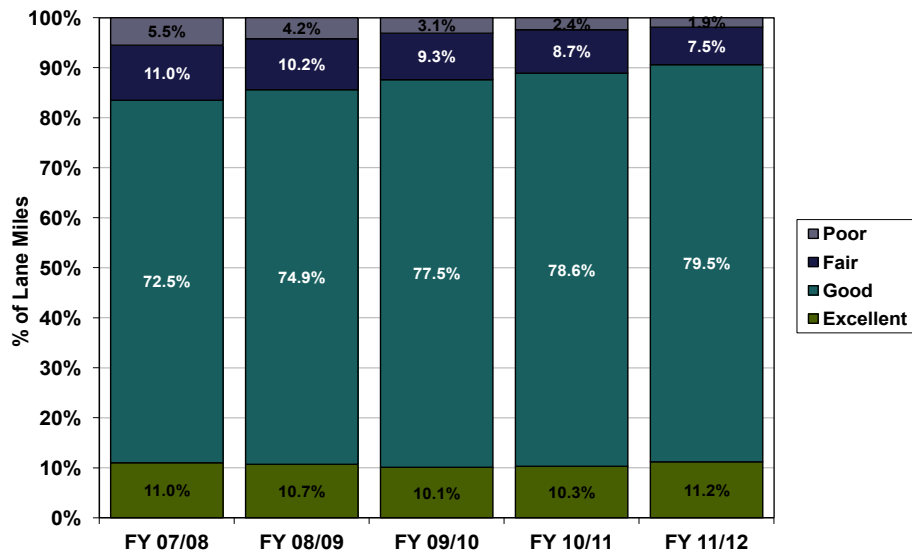
RESULTS: For FY 11/12, the percentage of lane miles on the State Highway System with a pavement condition rating of either "excellent" or "good" is 90.6%.



Statewide Pavement Condition Rating (PCR) Data for FY 11/12

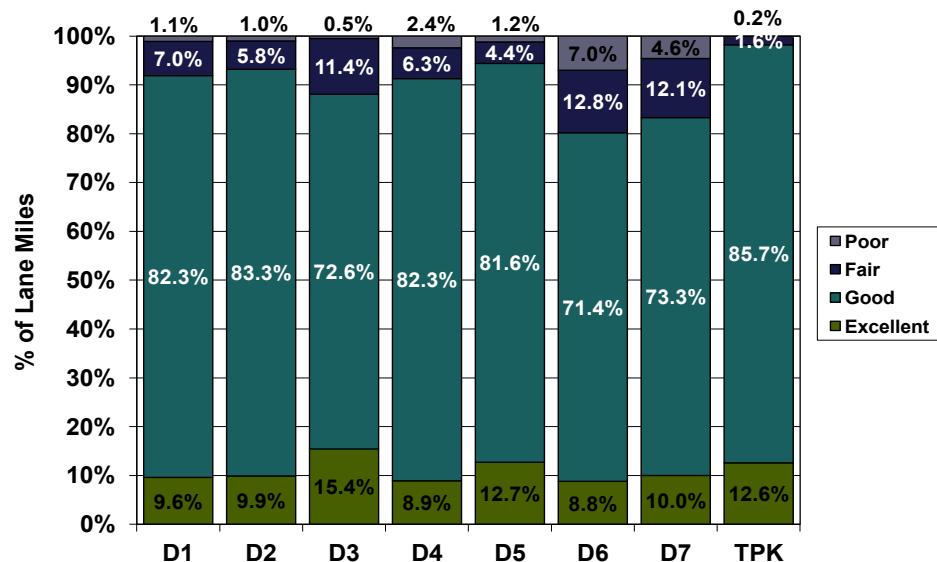
PCR	Condition Rating	# of Lane Miles	% of Total
8.5 to 10	Excellent	4,792	11.15%
6.5 to 8.4	Good	34,148	79.48%
4.5 to 6.4	Fair	3,230	7.52%
0 to 4.4	Poor	796	1.85%

Percentage of Lane Miles by Condition Rating



Percentage of Lane Miles by Condition Rating

by District



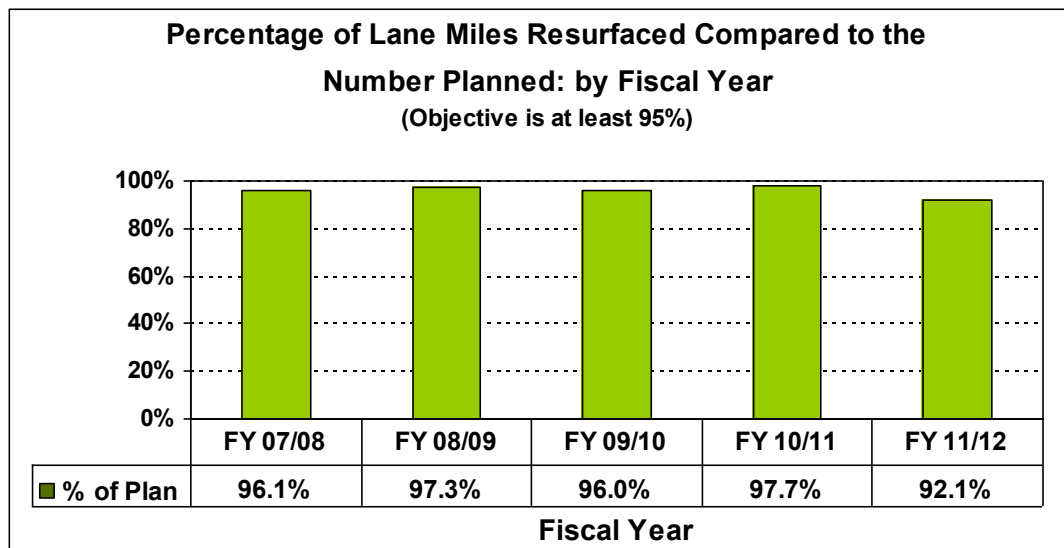


Lane Miles Resurfaced

SECONDARY MEASURE: Of the number of lane miles on the State Highway System planned for resurfacing during the year, the number actually resurfaced (let to contract).

OBJECTIVE: The Department's objective is to let to contract no less than 95% of the number of lane miles on the State Highway system planned for resurfacing during the year.

RESULTS: The Department achieved 92.1% of the FY 11/12 plan, having resurfaced 2,114 of 2,294 lane miles planned. In addition, the Department advanced and resurfaced 235 lane miles that had been planned for future fiscal years and added and resurfaced 202 lane miles that were not in the current or future plans. (Note: The above data includes 72 lane miles of resurfacing projects on roads off the State Highway System.)



Five-Year Statewide Resurfacing Data

	Fiscal Year				
	FY 07/08	FY 08/09	FY 09/10	FY 10/11	FY 11/12
Plan	1,792.0	2,582.0	2,751.8	2,077.0	2,294.1
Actual	1,722.0	2,511.0	2,643.0	2,029.0	2,113.8
% of Plan	96.1%	97.3%	96.0%	97.7%	92.1%
Additions	164.8	383.0	428.7	502.0	201.7
Advanced	0.0	0.0	0.0	262.0	234.9
Total	1,886.8	2,894.0	3,071.7	2,793.0	2,550.4

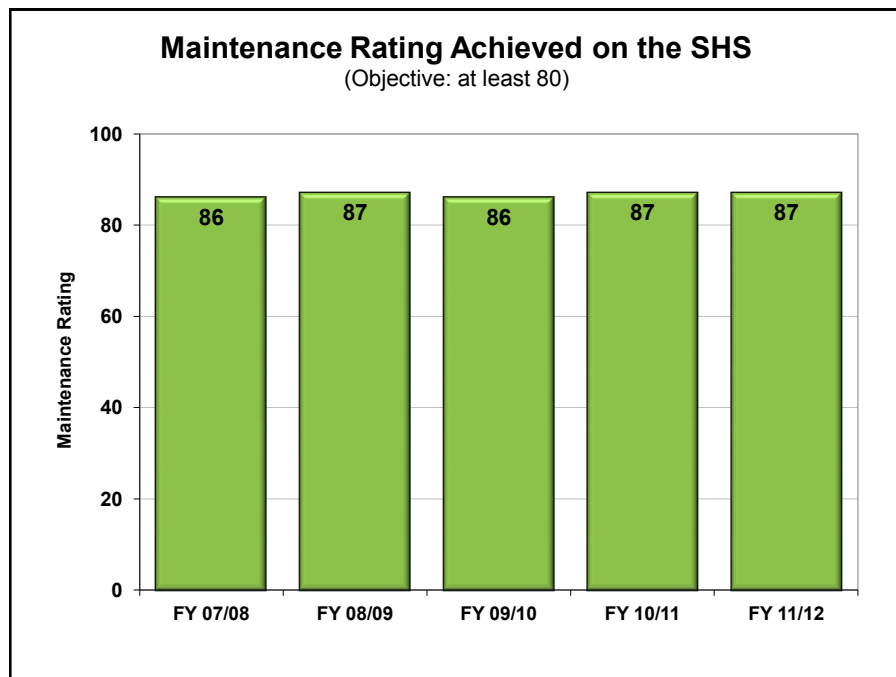
2c. ROUTINE MAINTENANCE

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.

PRIMARY MEASURE: Achieve a Maintenance Rating of at least 80 on the State Highway System. The "maintenance rating" goal of 80, referred to above, is based on the Department's evaluation of its performance using the Maintenance Rating Program (MRP). This system grades five maintenance elements and arrives at a composite state score, based on a scale of 1 to 100, with a score of 80 being the acceptable standard.

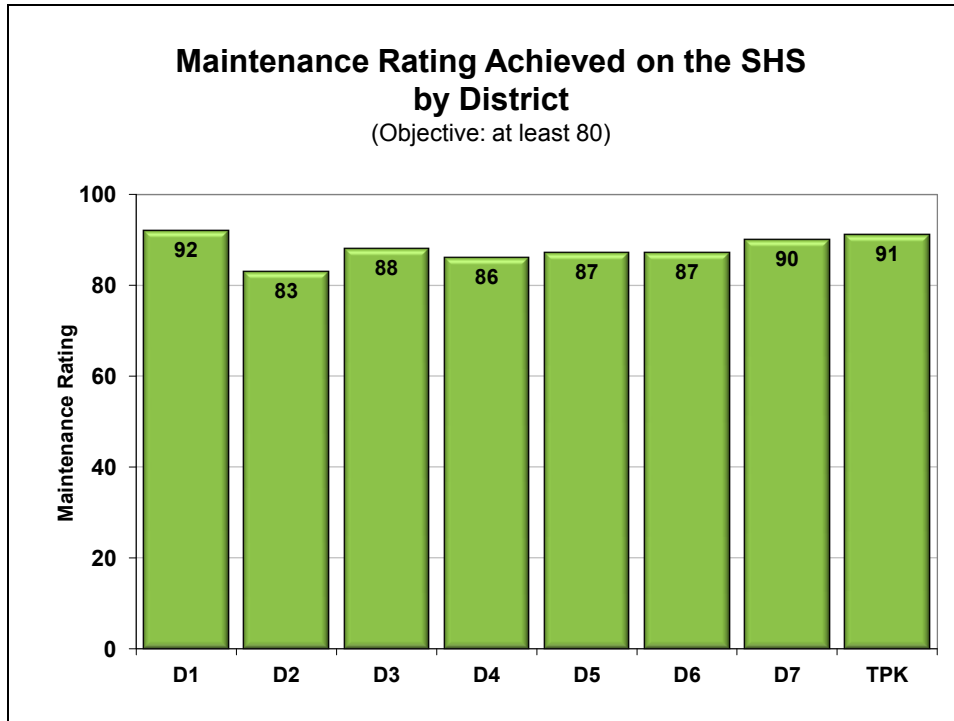
OBJECTIVE: The Department's objective is to achieve at least an 80 maintenance rating on the State Highway System.

RESULTS: For FY 11/12, the Department achieved an MRP of 87, or 108.8% of the objective of a system-wide maintenance rating of 80.



Five-Year Statewide Maintenance Rating Data

	Fiscal Year				
	FY 07/08	FY 08/09	FY 09/10	FY 10/11	FY 11/12
Rating Goal	80	80	80	80	80
Actual Rating	86	87	86	87	87
% of Goal Achieved	107.5%	108.8%	107.5%	108.8%	108.8%



Maintenance work along US 90 in Baker County



3. Capacity Improvements: **Highway and All Public** **Transportation Modes**

3a. Capacity Improvements: Highways

3b. Capacity Improvements: Public Transportation

3c. Intelligent Transportation Systems (ITS)

Highest funding priority is accorded to the preservation of existing highways, bridges, and other transportation facilities. The first priority with 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 such as intersection improvements, signal timing, etc.] have been accorded secondary priority. 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 because of competing preservation priorities for limited funding.

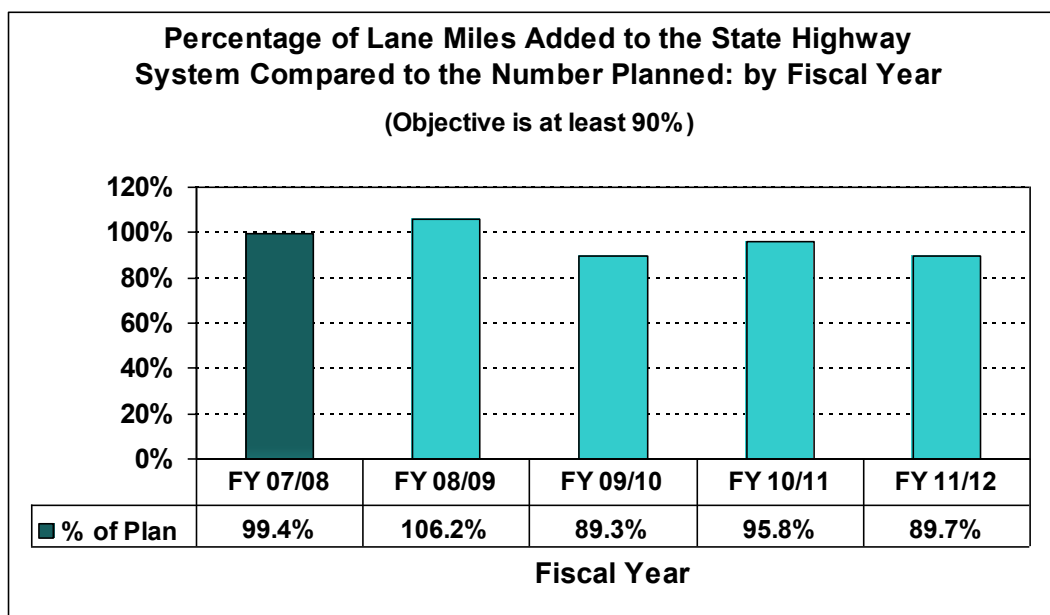
3a. CAPACITY IMPROVEMENTS: HIGHWAYS

Currently, there are approximately 121,759 centerline miles of public roads within the state. The Department has primary jurisdiction over the State Highway System (SHS). The SHS comprises about 10 percent, or 12,076, of the total centerline miles. This equates to 43,138 lane miles of roadway. The SHS carries two-thirds of the traffic in the state. The handling capacity and efficiency of the SHS are critical determining factors to Florida's economic future, enabling the state to compete for new and expanding domestic and international markets and to maintain its tourism industry. Established standards for improved capacity and control on the SHS, and the ability of the Department to implement these standards will determine the extent to which the Department is successful in maintaining, improving, and expanding the SHS.

PRIMARY MEASURE: The number of lane miles of capacity improvement projects on the SHS let compared against the number of lane miles of capacity improvement projects planned on the SHS during the fiscal year.

OBJECTIVE: The Department's objective for this measure is to let to contract no less than 90% of the lane miles of highway capacity improvement projects planned for letting during the fiscal year.

RESULTS: For FY 11/12, of 186.1 lane miles of capacity improvement projects planned for construction, 166.9 lane miles or 89.7% of the plan were let; thereby not meeting the objective. The Department advanced 3.1 lane miles that had been planned for capacity improvements in future fiscal years, and let an additional 79.9 lane miles of capacity improvement projects not included in the original plan for the year, thus increasing SHS capacity by 249.9 lane miles.



Five-Year Statewide Highway Capacity Lane Miles Data

	Fiscal Year				
	FY 07/08	FY 08/09	FY 09/10	FY 10/11	FY 11/12
Plan	215.2	167.2	129.0	119.0	186.1
Actual	213.9	177.6	115.2	114.0	166.9
% of Plan	99.4%	106.2%	89.3%	95.8%	89.7%
Additions	26.9	12.5	39.0	116.0	79.9
Advanced	0.0	38.7	22.5	77.0	3.1
Total	240.8	228.8	176.7	307.0	249.9



District One – 60 West Road Grading

3b. CAPACITY IMPROVEMENTS: PUBLIC TRANSPORTATION

MODES

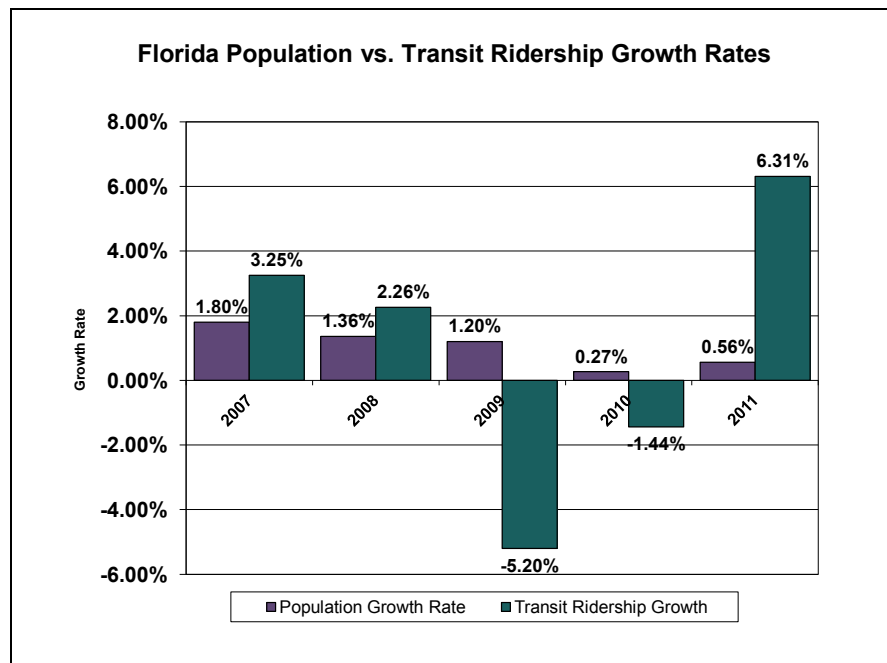
Transportation needs cannot be met by highways alone. Limitations on the state's resources for highway expansion make it necessary to focus on additional means of travel. Although the automobile is expected to continue to be the dominant means of travel for the foreseeable future, the use of other modes must increase significantly to maintain air and water quality and to provide travel choices.

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 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.

PRIMARY MEASURE: The public transit ridership growth rate compared to the state population growth rate.

OBJECTIVE: The goal is to increase transit ridership at twice the average rate of population growth.

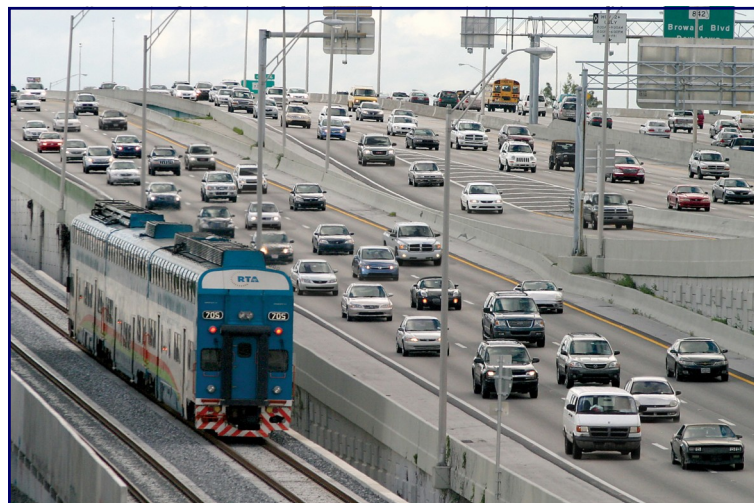
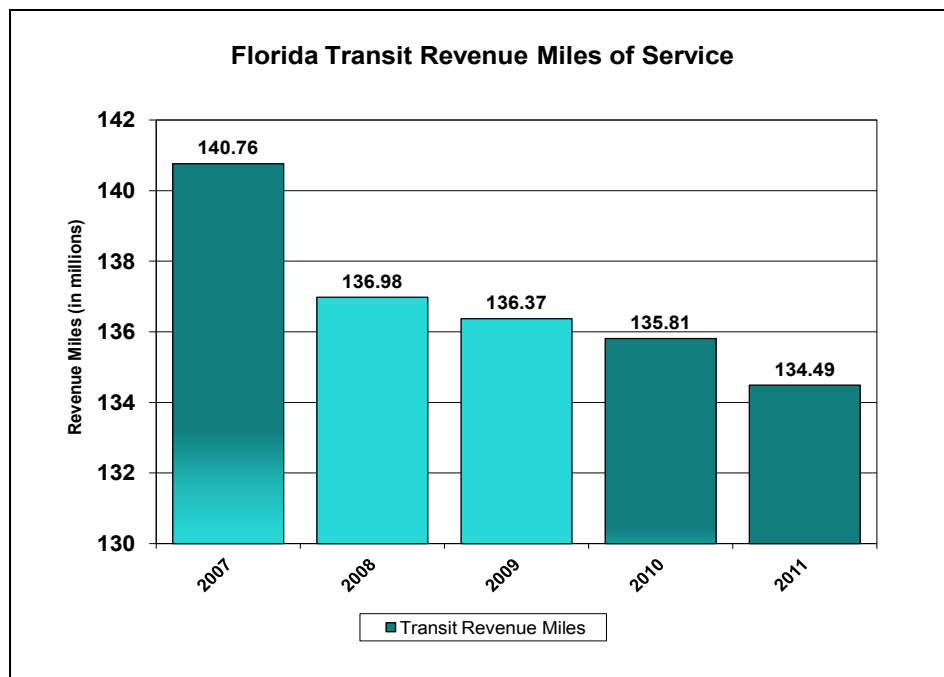
RESULTS: Florida's population growth rate for 2011 was 0.56%, therefore, transit ridership growth would have to meet or exceed 1.12% in order to meet the objective. Florida's transit ridership growth rate for 2011 was 6.31%; thus meeting the objective.



SECONDARY MEASURE: Annual growth in transit revenue miles of service. Revenue miles are the number of miles transit vehicles are in transit service. Revenue miles increase when transit systems increase the area of service covered, when frequency is increased, or when the daily start or end times of service are extended.

OBJECTIVE: The goal is to see an annual increase in revenue mile of service. A specific annual growth rate has not yet been established.

RESULTS: For FFY 2011, transit revenue miles of service experienced a decrease of 0.97% compared to revenue miles in FFY 2010. (Results are presented by Federal Fiscal Year.)



Tri-Rail and Interstate 95



3c. INTELLIGENT TRANSPORTATION SYSTEMS (ITS)

In order to better accommodate the State's rapid growth in population, tourism, and commerce, the Florida Department of Transportation is committed to developing and deploying sophisticated, fully-integrated, statewide Intelligent Transportation Systems (ITS) in a cost-efficient manner. ITS represents the application of real-time information systems and advanced technologies as transportation management tools to improve the movement of people, goods and services.

In prior years, the Commission measured the Department's performance by reporting on the number of ITS contracts let compared to the number planned. This measure was in place until the ITS program was operational in a majority of Districts where outcome performance measures data could be captured and reported.

Incident Duration

For FY 2009, the Commission adopted a measure of the time it takes to clear an incident or "Incident Duration." The SunGuide system, the Traffic Management Center (TMC) software that captures this information, reports incident duration data in Districts 1, 2, 4, 5, 6, 7 and the Turnpike Enterprise. In 2008, the terminology for reporting incident duration was modified to more closely align with National Traffic Incident Management definitions. The Incident Duration timeline includes the following components: Notification/Verification time, Response time and Open Roads time. The Open Roads time is defined as the time that begins with the arrival of the first responder, either Florida Highway Patrol (FHP) or FDOT, and ends when all mainline travel lanes are cleared. The Open Roads time is directly comparable with Florida's Open Roads Policy of clearing all travel lanes in 90 minutes or less.

SunGuide uses the incident information entered in the system by District TMC staff to calculate the incident duration. In previous years, SunGuide conducted incident duration calculation using only data provided on Road Ranger assisted incidents. During FY 2012, the SunGuide software reporting module was enhanced to include FDOT Maintenance, Asset Maintenance contractors and FHP assisted incidents in the calculations.

Florida has a very active Statewide Traffic Incident Management Program. There are four major components to Florida's program:

- ◆ Road Ranger Service
- ◆ Open Roads Policy
- ◆ Rapid Incident Scene Clearance (RISC) Program
- ◆ Traffic Incident Management (TIM) Teams

FDOT began funding the Road Rangers program in December 1999. The Road Rangers service patrols are roving vehicles that patrol congested areas and high-incident locations of urban freeways, and provide highway assistance services during incidents to reduce delay and improve safety for the motoring public and responders. The primary mission of the

Road Rangers service patrols is to support emergency response personnel during incidents by establishing maintenance of traffic for the incident and providing other assistance as needed for the incident. Providing quick response and clearance reduces the number of secondary incidents and returns the roadway to capacity sooner. All Districts and Florida's Turnpike Enterprise currently operate Road Rangers Programs. However, the specific services provided, hours of operation, fleet size and area of coverage differs among these entities.

The Florida Open Roads Policy is an agreement between the Florida Department of Transportation and the Florida Highway Patrol. This agreement was signed by both agencies in November 2002. The agreement states that it is the policy of FHP and FDOT to expedite the removal of vehicles, cargo and debris from state highways and to restore, in an urgent manner, the safe and orderly flow of traffic on Florida's roadways. Both agencies agreed to work together to clear roadways as soon as possible. A goal was set to clear incidents from the roadway within 90 minutes of the arrival of the first responding officer.

The Rapid Incident Scene Clearance (RISC) Program is a highly innovative incentive-based program to meet the goal of safely clearing major highway incidents and truck crashes. This program pays bonuses of \$2,500 to wrecker operators with specialized heavy equipment for successful removal of all wreckage and roadway re-opening within 90 minutes of being given a Notice-to-Proceed. Additionally \$1,000 is paid to the wrecker company if additional specialty equipment is approved for use during the incident cleanup. As a further incentive, if the travel portion of the roadway is not cleared in three hours, the wrecker company can be assessed a penalty of \$10/minute (\$600/hour) until the roadway is reopened. Most of the seven FDOT Districts and the Florida Turnpike Enterprise have adopted this program.

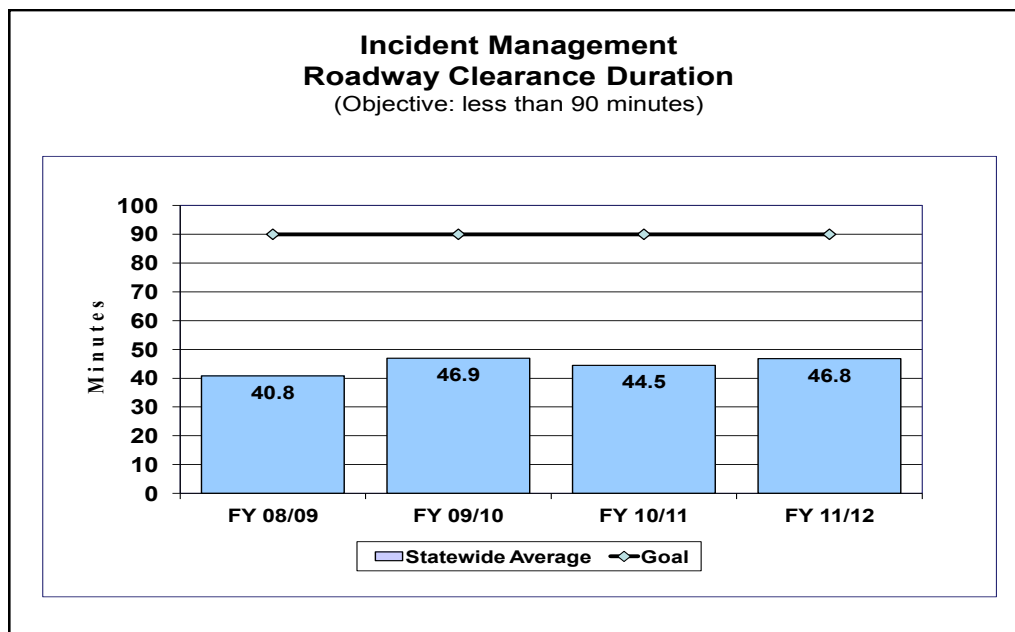
Traffic Incident Management (TIM) Teams bring together all agencies involved in clearing an accident, including FHP and local law enforcement, fire departments, emergency medical personnel, towing companies, spill response firms, FDOT TMC operators, FDOT Road Rangers and FDOT maintenance crews. The TIM Teams may be District-wide or they may be local to one county. These teams strive to reduce the time needed to reopen travel lanes and get traffic moving again by reviewing past response actions, exploring ways that incident management can be improved and coordinating upcoming planned events or planning for unplanned events such as hurricanes, wildfires and floods. Most TIM Teams have four program areas: incident detection, verification and response, incident clearance, and communications and training. TIM Teams are currently active in most of the FDOT Districts.

With the investment of hundreds of millions of dollars in the development and operation of TMC's, the Commission felt that a better measure of performance was warranted. The Commission, therefore, adopted Incident Duration as a measure and "less than 90 minutes," as an objective.

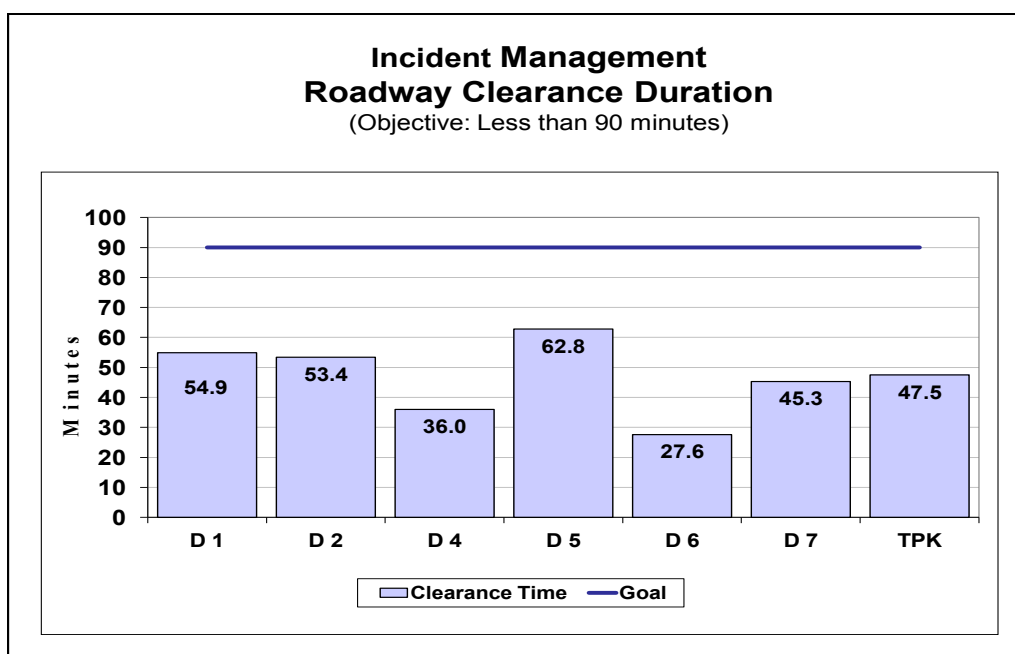
SECONDARY MEASURE: The average time it takes to clear an incident.

OBJECTIVE: The Department's objective is to clear an incident in less than 90 minutes.

RESULT: The Department achieved an average incident clearance time of 46.8 minutes.



District specific results (District 3 did not have a Roadway Clearance Program in FY 11/12):



Travel Time Reliability

The Commission also adopted a performance indicator to review the ITS programs impact on improving mobility and decreasing congestion. Travel time reliability measures the variability or uncertainty in the performance of a facility over time. With investments in ITS, as well as investments in construction of new lanes, travel time reliability can be used to measure the outcomes of these investments.

There are two metrics to measure travel time reliability and congestion. One is the travel time index (TTI), which measures congestion. This is the ratio of average peak travel to off-peak travel. A TTI of 1.20 means the peak travel time is 20 percent longer than the off-peak travel.

Another metric, the Buffer Time Index measures the reliability of travel service and is calculated as the difference between the 95th percentile travel time and the average travel time divided by the average travel time. For example, a BTI of .4 means that a traveler should budget an additional 8 minute buffer for a 20-minute peak trip to ensure 95 percent on-time arrival.

In FY 10/11, Districts 2, 4, 5, 6 and 7 were able to capture this information on instrumented Interstates. The Districts capture this information at a very granular level, but for the purposes of this report, the indicator will be for the entire Interstate, by system, within each reporting District. In FY 11/12, Districts 1 and 3 added instruments to roadway segments on I-75, I-10 and I-110. However, Districts 1 and 3 did not experience significant congestion on any roadway segments during FY 11/12 and therefore are not reflected in the following tables.

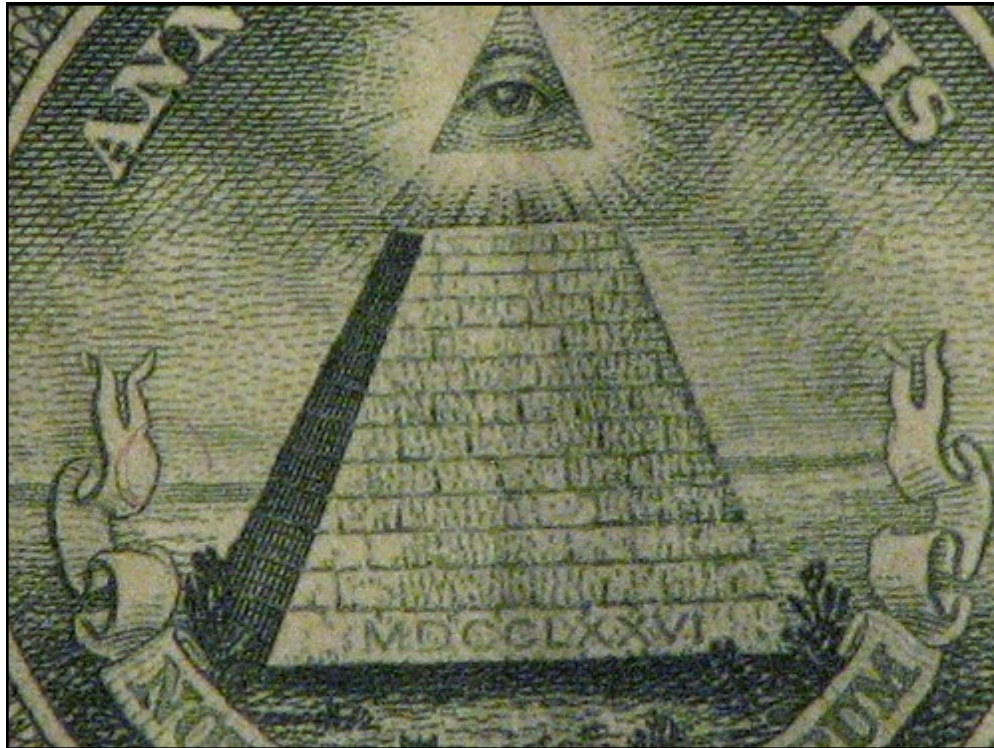
Buffer Time Index Range by District and Roadway

FY 11/12	I-95	I-295	I-595	I-4	SR 826	I-75	I-195	I-275	I-10
D 2	.03 to .21	0 to .16							.04 to 1.09
D 4	.09 to .44		0 to .23			0 to .17			
D 5				.04 to .51					
D 6	.16 to .52				.07 to .55	0 to .52	.14 to .84		
D 7				0 to .28		0 to .35		0 to .54	

FY 10/11	I-95	I-295	I-595	I-4	SR 826	I-75	I-195	I-275	I-10
D 2	0.04 to 0.34	0.00 to 0.12							
D 4	0.10 to		0.00 to						
D 5	0.00			0.05 to 0.48					
D 6	.				0.25 to 0.49		0.02 to 0.57		
D 7				0.00 to 0.31				0.00 to 0.41	



District Four Construction



4. Cost-Efficient and Effective Business Practices: Finance and Administration

- 4a. Commitment of Federal Funds**
- 4b. Obligation Authority**
- 4c. Management of Administrative Costs**
- 4d. Cash Management**

A financially sound and balanced financial plan requires the full use of all Federal funds, control of administrative costs, and an effective cash forecasting and management system. The Department of Transportation is the only state agency that operates on a “cash flow” basis. That is, for most transportation projects in Florida, the Department begins design and construction before the total amount of cash is available to fund the project. The Department anticipates that future revenues will be available to finance current projects in much the same way that a family anticipates future earnings to pay for a mortgage. Other Florida agencies require the entire contract amount to be on hand in the same year work begins. The method used by Florida’s transportation agency requires an effective and timely forecasting process to calculate future revenues.

4a. COMMITMENT OF FEDERAL FUNDS

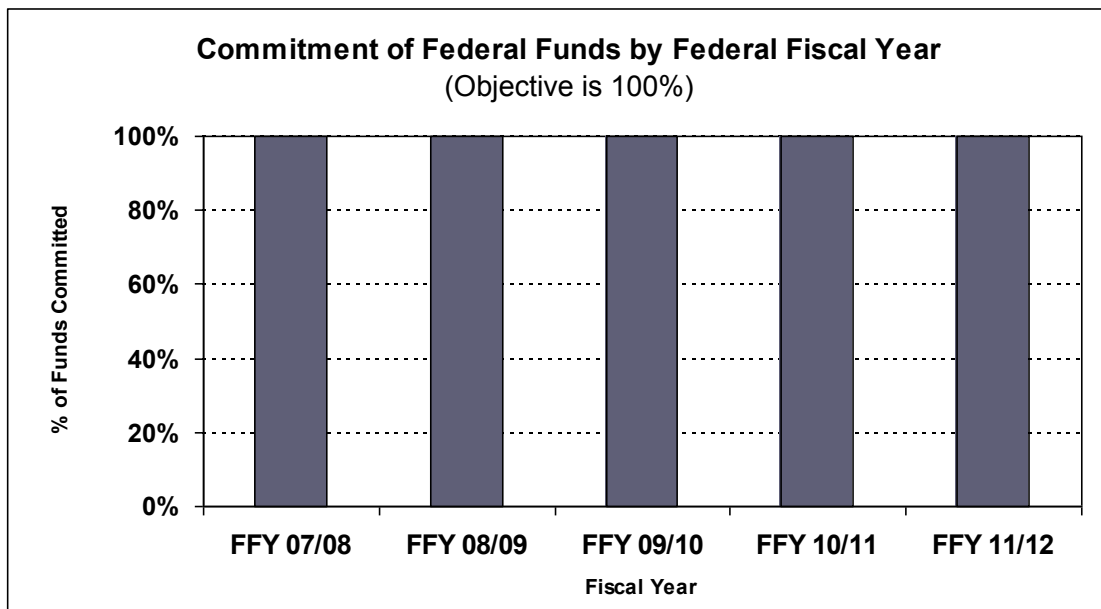
Federal motor fuel taxes paid by Floridians and visitors are deposited in the Federal Highway Trust Fund, and a portion of the total tax amount deposited is returned to Florida as federal funds to be matched by state revenues and used for transportation purposes (e.g., the matching share for interstate highway construction is 80% federal funds, 20% state funds). Today, federal funds comprise about 33% 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 manages federal funds in such a manner as to avoid forfeiture.

PRIMARY MEASURE: Of the federal funds that are subject to forfeiture at the end of the federal fiscal year (September 30th), the percent that was committed by the Department.

OBJECTIVE: The Department's objective is to commit 100% of the federal funds that are subject to forfeiture at the end of the federal fiscal year.

RESULTS: The Department is on track to commit 100% (\$1.891 billion) of the federal funds that are subject to forfeiture at the end of the federal fiscal year (September 30, 2012) if not committed. The Department also received an additional \$64.9 million in redistributed federal funds from the \$100 million requested.



Five Year Federal Commitment Data

\$ in millions	Fiscal Year				
	FY 07/08	FY 08/09	FY 09/10	FY 10/11	FY 11/12
Planned Commitments	\$1,457.4	\$1,522.6	\$1,629.4	\$1,948.7	\$1,890.7
Actual Commitments	\$1,457.4	\$1,522.6	\$1,629.4	\$1,948.7	\$1,890.7
% of Plan Achieved	100.0%	100.0%	100.0%	100.0%	100.0%



I-4 Selmon Expressway Connector Project



West at North Interchange of I-4 Connector Corridor

4b. OBLIGATION AUTHORITY

Congress and the Federal Highway Administration (FHWA) allocate federal budget authority, or “obligation authority” each federal fiscal year to commit federal funds. When a project moves forward it is “authorized” for federal participation and obligation authority is assigned. As expenses are incurred, the FHWA reimburses the Department and obligation authority assigned to the project is drawn down.

Projects which become financially inactive are not expending the assigned obligation authority in a timely manner. These financially inactive projects have unexpended obligation balances which could be used to finance other federal aid projects and are routinely monitored by the Department to ensure obligation authority is efficiently utilized. The Department strives to minimize both the number of financially inactive projects as well as the amount of unexpended obligation balances on the projects.

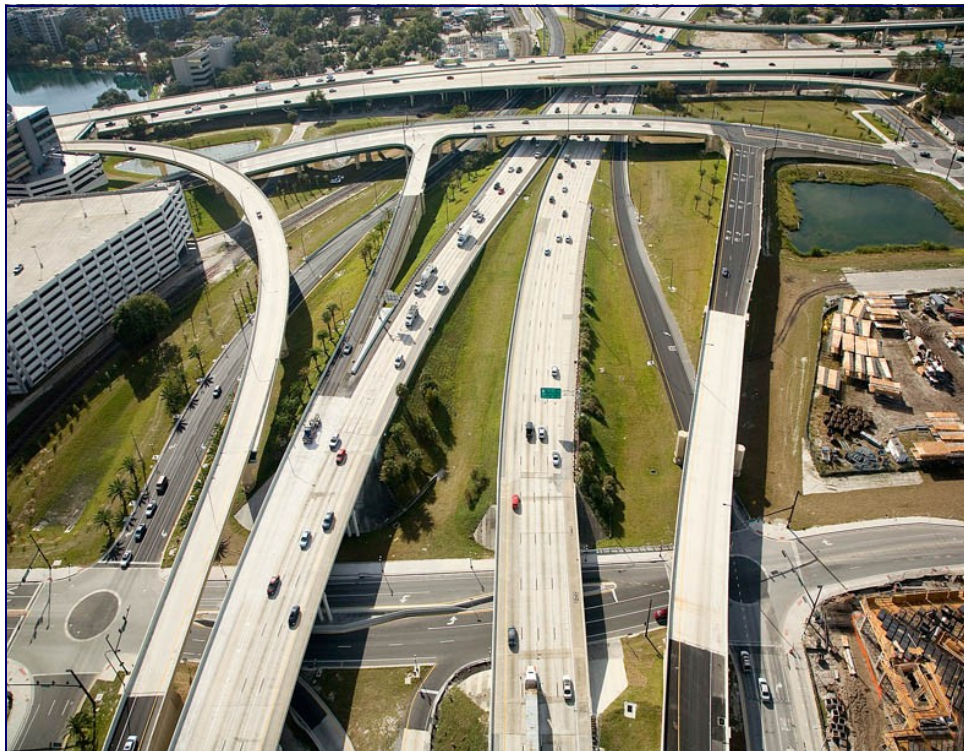
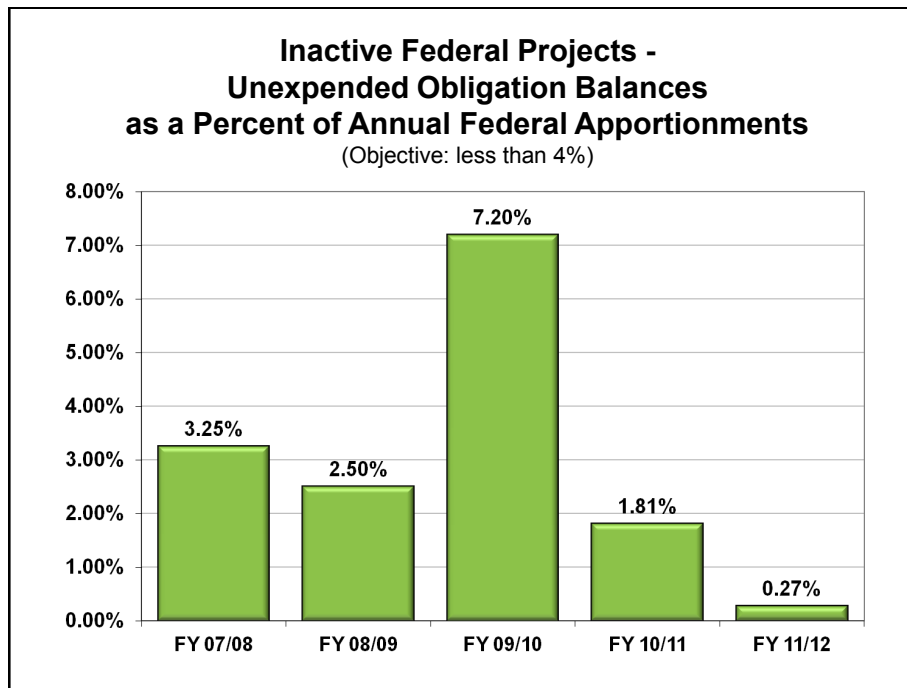
The Performance Measures Working Group approved a change to this measure, effective in FY 2012, in order to be consistent with what the FHWA already uses to measure all state DOTs regarding the effective utilization of federal funds. (The previously reported measure was “the average age, and amount, of obligation authority balance under commitment, but not yet consumed.”)

SECONDARY MEASURE: Of inactive federal projects, the unexpended obligation balances as a percentage of annual federal apportionments.

OBJECTIVE: Maintain unexpended obligation balances on inactive federal projects to less than four percent of annual federal apportionments. Inactive projects are defined as projects with:

- Unexpended balances (UB) greater than \$500,000 with no financial activity for at least 12 months.
- UB between \$50,000 and \$500,000 with no financial activity for at least 24 months.
- UB between \$0 and \$50,000 with no financial activity for at least 36 months.

RESULTS: On June 30, 2012, unexpended obligations on inactive federal projects (96 projects totaling \$4.9 million) represents 0.27 percent of the annual federal apportionment (\$1.8 billion). Current year results represent improvement from the 1.81 percent reported last year. The significant spike in unexpended obligation balances in FY 09/10 is attributed to many ARRA Local Agency Program (LAP) projects reaching the one year mark in their life, with no invoices having been received from local governments. Of the amount of unexpended federal funds on June 30, 2010, approximately half were on LAP projects.



I-4/408 Interim Interchange



4c. MANAGEMENT OF ADMINISTRATIVE COSTS

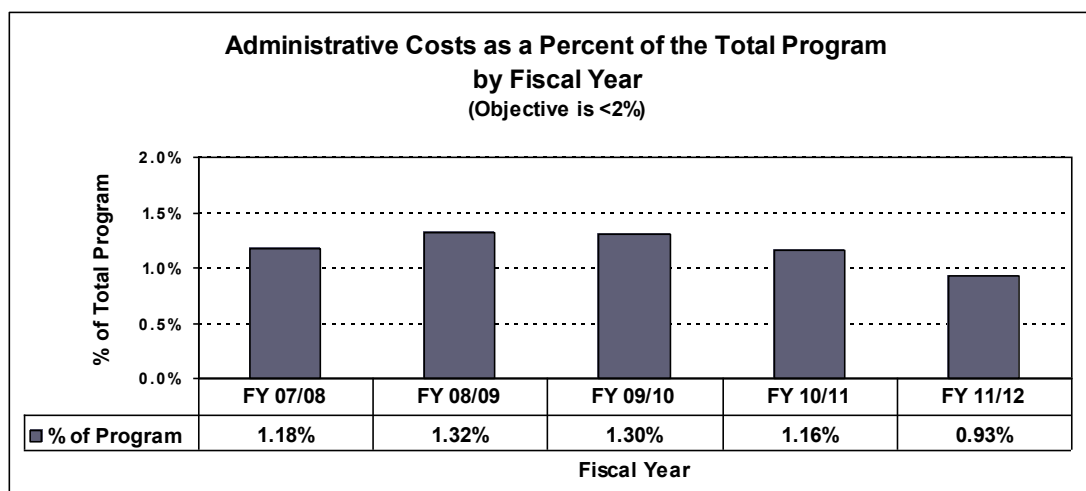
Administrative Costs include direct support to the production functions of the Department -- senior management (Central Office and Districts), legal and audit staff, public information and government liaison staff, comptroller's office, budget staff, personnel and purchasing staff, procurement and minority programs, and commission staffs. Excluded from Administrative Costs are: fixed capital outlay; risk management insurance; transfers to the Departments of Community Affairs and Revenue and the Division of Administrative Hearings; refunds; transfers; and legislative relief bills.

The Department is one of few state agencies that produce 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. Therefore, a direct comparison of Department overhead costs with those of the private sector is not recommended.

PRIMARY MEASURE: The Department's dollar amount of administrative costs measured as a percent of the dollar amount of the total program.

OBJECTIVE: The Department's objective is to keep administrative costs below two percent of the total program amount.

RESULTS: Administrative costs were 0.93% of the total program for FY 11/12, or \$63.7 million out of a total program of \$6.9 billion. Based on actual dollar amounts of administrative costs, there was a 10.4% decrease (from \$71.1 million to \$63.7 million) in administrative costs in FY 11/12 compared to FY 10/11.



Five Year Administrative Cost Data

\$ in millions	Fiscal Year				
	FY 07/08	FY 08/09	FY 09/10	FY 10/11	FY 11/12
Administrative Costs	\$78.4	\$75.6	\$74.7	\$71.1	\$63.7
Total Program	\$6,627.7	\$5,745.9	\$5,752.3	\$6,127.9	\$6,873.1
% of Total Program	1.18%	1.32%	1.30%	1.16%	0.93%





4d. CASH MANAGEMENT

Operating on a “cash flow” basis, the Department is not required to have all cash on hand to cover all existing obligations. It may continue to enter into contractual obligations as long as future revenues are forecast to be sufficient to cover anticipated expenditures. 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.

PRIMARY MEASURE: This measure was revised with the 2009 report. Rather than measuring the output—variance of forecast to actual receipts and disbursements—the intent is to measure the outcome of the management of cash. “Did the Department adopt a financially balanced work program, and did the Department manage its financial planning and budgeting processes so as to maintain a cash balance of at least 5% of outstanding obligations or \$50 million, whichever is less, at the end of each quarter?”

OBJECTIVE: The objective is to respond affirmatively. The outcome is to maintain the statutorily required cash balance while meeting obligations.

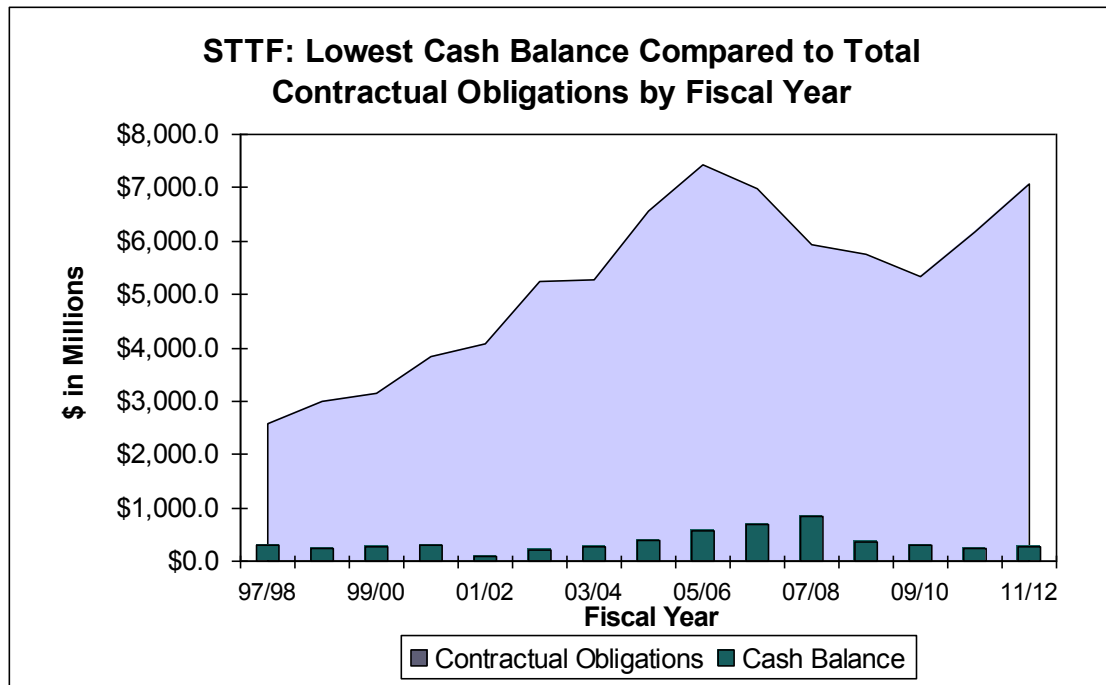
RESULTS: The Department did, in fact, manage its cash such that it was able to meet all outstanding obligations, produce its program as planned and adopted a financially balanced program on July 1, 2011. The variance in receipts is mostly due to lower than forecast motor vehicle fees and fuel tax receipts. The variance in disbursements is due to lower Construction, Right of Way and Public Transportation expenditures.

State Transportation Trust Fund

Cash Receipts (\$ in millions)	
Forecast of July 2011	\$5,483.4
2011/12 Actual	\$5,380.6
\$ Variance	-\$102.8
% Variance	-1.9%

Cash Disbursements (\$ in millions)	
Forecast of July 2011	\$5,701.2
2011/12 Actual	\$5,258.9
\$ Variance	-\$442.3
% Variance	-7.8%

The lowest cash balance in the State Transportation Trust Fund was in July, 2011. The balance was \$260.0 million while project commitments (contractual obligations) were \$7.081 billion.



Historical Annual Lowest Cash Balance Compared to Contractual Obligations

Fiscal Year	Lowest Cash Balance (\$ in Millions)	Contractual Obligations (\$ in Millions)	Cash as % of Obligations
1997/98	\$304.0	\$2,588.0	11.7%
1998/99	\$226.0	\$3,000.0	7.5%
1999/00	\$282.4	\$3,152.0	9.0%
2000/01	\$301.2	\$3,824.7	7.9%
2001/02	\$94.0	\$4,066.0	2.3%
2002/03	\$199.0	\$5,241.7	3.8%
2003/04	\$256.9	\$5,276.2	4.9%
2004/05	\$384.9	\$6,567.5	5.9%
2005/06	\$580.3	\$7,438.2	7.8%
2006/07	\$700.6	\$6,986.7	10.0%
2007/08	\$843.5	\$5,947.4	14.2%
2008/09	\$349.6	\$5,750.7	6.1%
2009/10	\$312.0	\$5,318.4	5.9%
2010/11	\$234.0	\$6,186.4	3.8%
2011/12	\$260.0	\$7,081.3	3.7%



I-595 Construction





5. Minority and Disadvantaged Business Programs

5a. Minority Business Enterprise Program

5b. Disadvantaged Business Enterprise Program

The Florida Department of Transportation is dedicated to continued success and improvement in achieving diversity in contracting opportunities in its transportation program. Both state and federal laws address the utilization of socially and economically disadvantaged business enterprises in Department contracts for the construction of transportation facilities. The Department was actively encouraging minority business participation even before the passage of the Minority Business Assistance Act of 1985. Under the *One Florida Initiative*, emphasis was shifted to tracking total expenditures with minority businesses with the goal of increasing such expenditures annually through aggressive outreach and encouragement efforts. The Department also intends to expend at least 8.1 percent of federal fund receipts with small business concerns owned and controlled by socially and economically disadvantaged individuals. The Department plans to obtain this expenditure through continuation of its race and gender-neutral program.

5a. MINORITY BUSINESS ENTERPRISE PROGRAM

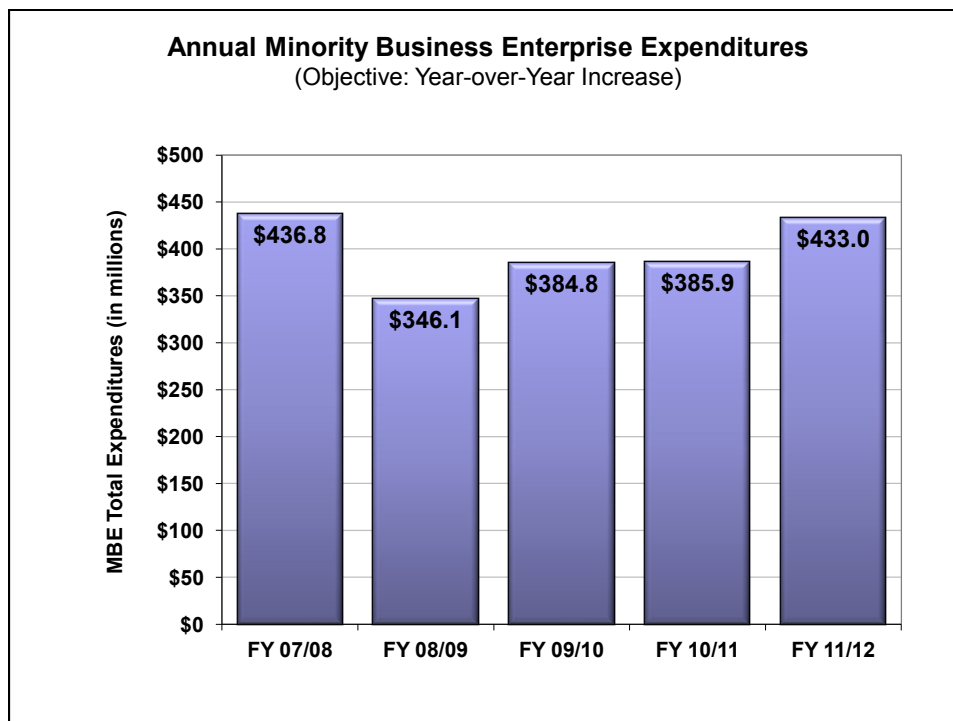
The Department strives to improve economic opportunities for the state's women and minority owned businesses by ensuring equity in the execution of contracting provisions.

The current Minority Business Enterprise (MBE) program began with the "Small and Minority Business Assistance Act of 1985." This established state agency goals for the percentage of expenditures with certified minority businesses. The goals were set according to industry group: construction, architecture and engineering, commodities, and contractual services. Criteria for certification as an MBE were also detailed. These included ethnic group, business size, and being a Florida business owned by minority Florida residents. There have been refinements over the years, but the essence of the Act is still in place in Chapter 287, F.S. Under the *One Florida Initiative*, emphasis has shifted from tracking percentage goals by industry type to tracking total expenditures with MBEs and the increase in such expenditures annually. As the work program size increases, the MBE expenditures are expected to increase correspondingly. In addition, *One Florida* has de-emphasized the use of set-asides or price preferences for MBEs in favor of aggressive outreach and encouragement.

PRIMARY MEASURE: The annual dollar amount of MBE expenditures compared against the prior year expenditures.

OBJECTIVE: The objective is to experience an increase in MBE expenditures over the prior year.

RESULTS: The MBE expenditure level for FY 11/12 was \$433.0 million, an increase of \$47.2 million (or 12.2 percent) from FY 10/11.



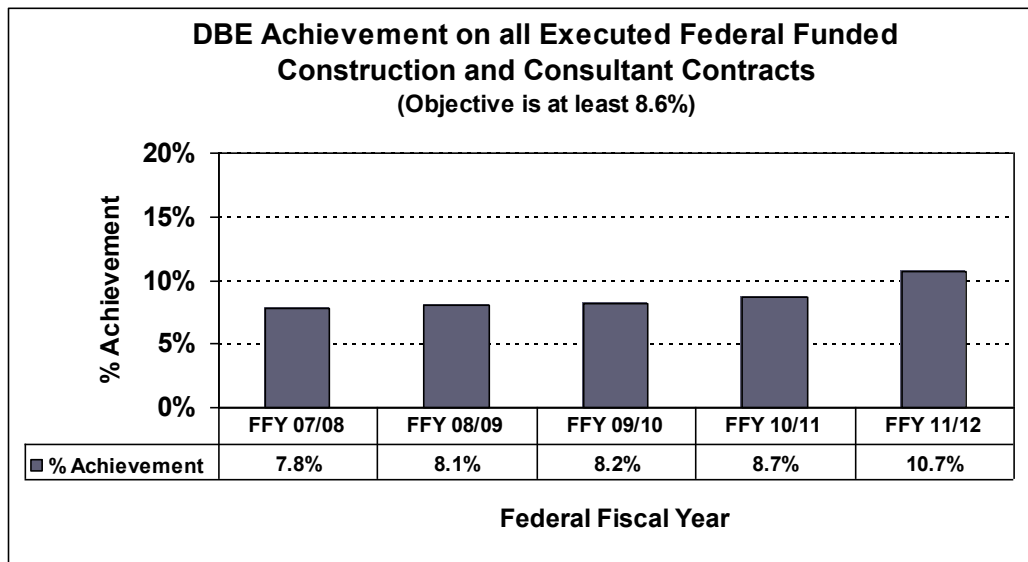
5b. DISADVANTAGED BUSINESS ENTERPRISE PROGRAM

Under new federal guidance, the Department initiated on January 1, 2000 a race and gender-neutral Disadvantaged Business Enterprise (DBE) program for all consultant and construction contracts, which are in part funded with federal aid. This program is based on demonstrable evidence of local market conditions and availability of DBEs. The definition of DBE is different from MBE mainly in firm size and the requirement for being based in Florida. Both Federal and State laws address utilization of socially and economically disadvantaged business enterprises in Department contracts for the construction of transportation facilities. The Department ensures that DBEs have an equal opportunity to receive and participate in these contracts.

SECONDARY MEASURE: The dollar volume of Disadvantaged Business Enterprise participation as a percentage of all executed Federal/State construction and consultant contracts.

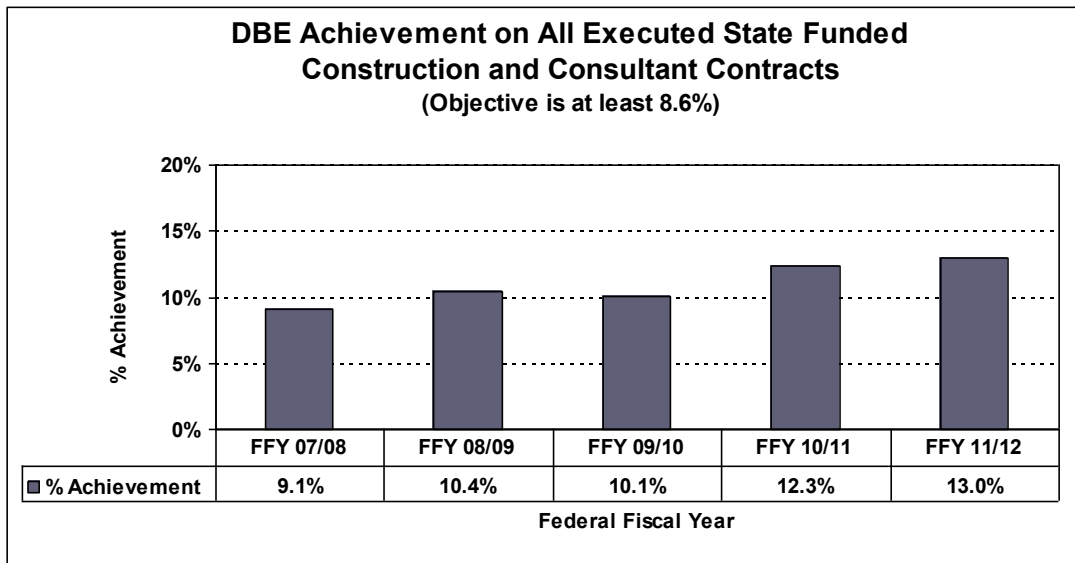
OBJECTIVE: The Department has set a goal of 8.6 percent participation for all consultant and construction contracts, partially funded with federal aid. The Department applies this same standard to 100 percent state funded contracts.

RESULTS: For all construction and consultant contracts financed in part by federal funds, through August 31st of the *Federal Fiscal Year* (October 1st through September 30th) DBE participation is 10.7%. For all construction and consultant contracts that are 100% state funded, DBE participation is 13.0%.



* The Federal Fiscal Year does not conclude until September 30th. The data in the chart represents performance through August 31st.

Although it's not a federal requirement, the Department also tracks DBE participation on 100% state funded construction and consultant contracts and uses the same 8.6 percent objective as its goal. The result is presented on the next page.



* State DBE Achievement is also reported by the Federal Fiscal Year. Therefore, data in the chart above represents performance starting October 1 through August 31st.





6. Safety Initiatives

Highway safety has always been the highest priority of the Florida Department of Transportation. Its programs and activities strive to reduce the unacceptable numbers of traffic crashes and the resulting injuries and fatalities. Improved safety requires coordination with many state and local agencies, since the Department has limited control over factors such as driver skill or impairment, presence and use of safety equipment, vehicle condition, local roads and weather conditions.

The federal transportation act of 2005, “Safe, Accountable, Flexible, and Efficient Transportation Equity Act: A Legacy for Users” (SAFETEA-LU), places more emphasis on funding for highway safety than prior acts. Each state transportation department is required to develop and implement a Strategic Highway Safety Plan (SHSP). The resulting state SHSP must:

- *Address all of the 4E’s (Engineering, Enforcement, Education and Emergency Services) as key factors in evaluating highway projects;*
- *Identify and analyze safety problems and opportunities;*
- *Include a crash data system that can perform problem identification and countermeasure analysis;*
- *Establish strategic and performance-based goals that focus resources on areas of greatest need;*
- *Advance state traffic records data collection, analysis and integration with other safety data sources; and*
- *Establish an evaluation process to assess results.*

6a. SAFETY INITIATIVES

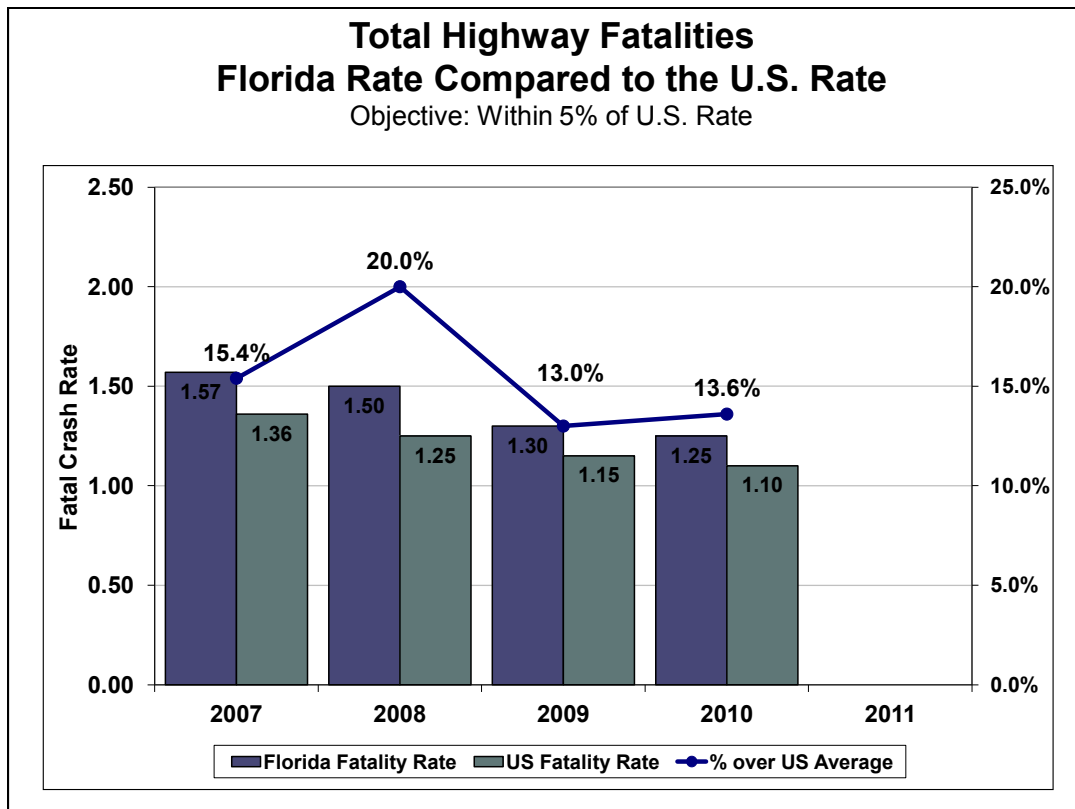
Florida's SHSP is focusing on four Emphasis Areas that are targeted towards reducing the rate of fatalities and serious injuries. The goal of the SHSP is "to improve the safety of Florida's surface transportation system by *achieving a five percent annual reduction in the rate of fatalities and serious injuries beginning in 2007.*"

Increased use of safety belts, better roadway lighting, guard rails and increased enforcement have resulted in a reduction in fatalities. The recession, job losses, and the high price of gasoline are also significant factors in reducing fatalities. Vehicle miles traveled on Florida's public roads have decreased for the last four years (2008, 2009, 2010 and 2011).

SECONDARY MEASURE: The rate of fatalities per 100 million vehicle miles traveled (VMT) on all public roads in Florida compared to the national average.

OBJECTIVE: Reduce the rate of fatalities on Florida's public roads to a level within 5% of the national average.

RESULTS: The 2010 fatality rate on all of Florida's public roads was 1.25 per 100 million VMT, which is a decrease of 3.8% from the 2009 rate of 1.30. Actual highway fatalities decreased from 2,563 in 2009 to 2,444 in 2010, a drop of 119 fatalities. (Note: the 2011 Florida and U.S. fatality rate was not available at press time.)





7. Turnpike Enterprise

7a. Management of Toll Facility Operational Costs

7b. Toll Revenue Variance

7c. SunPass Participation

House Bill 261, passed during the 2002 Florida Legislative Session, changed Florida's Turnpike District into the Turnpike Enterprise. The change allows the Department of Transportation to leverage the financial capabilities of the state's largest revenue producing asset. It also allows the Enterprise to use private-sector best practices to improve the cost-effectiveness and timeliness of project delivery, increase revenues, improve the quality of services to customers, and expand the capability of the Turnpike's capital program. Florida's Turnpike Enterprise now has the capability to operate more like a business, yet at the same time, by remaining a public sector entity, the Enterprise will continue to operate in the public interest.

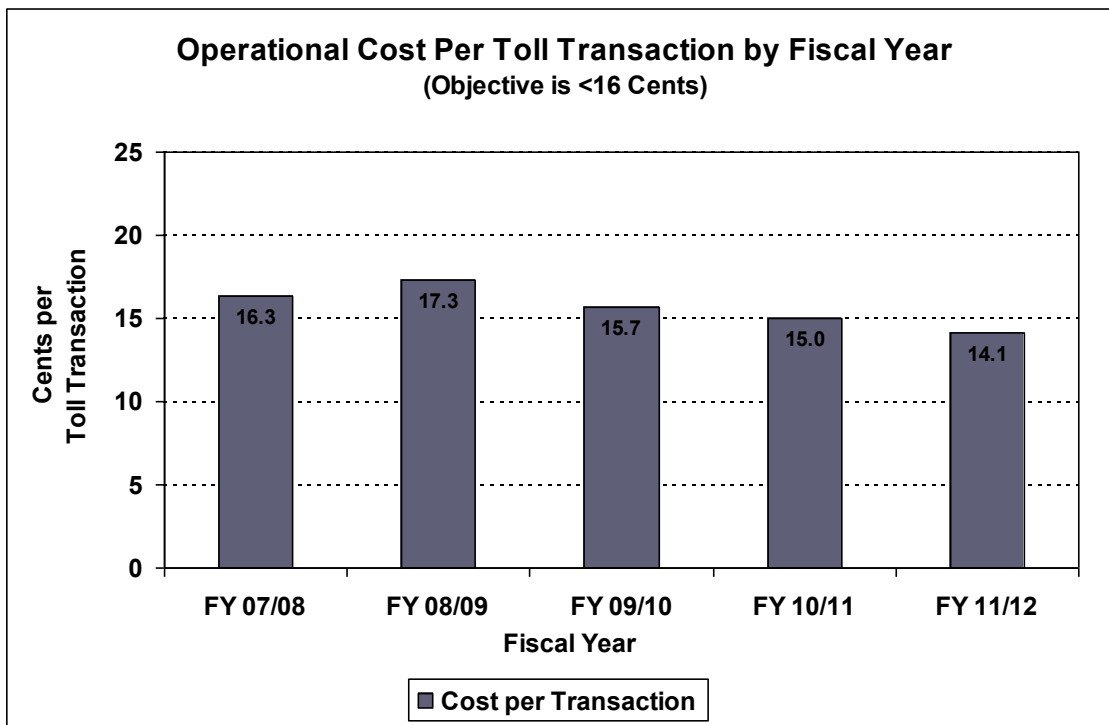
7a. MANAGEMENT OF TOLL FACILITY OPERATIONAL COSTS

Tolls are fees paid by facility users who have an expectation that the maximum amount of revenue collected be used to pay off the debt or for other transportation improvements, therefore, toll collection costs should be contained and carefully managed. The collection of tolls on Florida's Turnpike and seven Department owned or operated toll facilities across the state of Florida is the responsibility of the Turnpike Enterprise. By far, the largest and highest revenue-producing toll facility is the Florida Turnpike. Net toll revenues (i.e., gross toll revenue less operating and maintenance expenses) are used to pay debt service on bonds issued for construction or improvement of a facility. When operational costs (e.g., salaries of toll collectors, utilities, building maintenance) to collect tolls increase, there is less toll revenue available for debt service or other purposes.

PRIMARY MEASURE: The average amount of each toll transaction collected from all toll facilities, either owned or operated by the Turnpike Enterprise that is dedicated to covering operational costs.

OBJECTIVE: The objective of the Turnpike Enterprise is to keep the amount of each toll transaction that is dedicated towards covering the toll operational costs at a level below 16 cents per transaction.

RESULTS: For FY 2011/12, the Department's cost to operate all Turnpike Enterprise toll facilities was 14.1¢ per toll transaction.



Five Year Toll Transaction Data

Operational Costs and Transactions in millions		Fiscal Year				
		FY 07/08	FY 08/09	FY 09/10	FY 10/11	FY 11/12
All Transactions	Operational Costs	\$131.9	\$133.1	\$123.9	\$116.6	\$111.5
	# of Toll Transactions	810.7	771.1	787.6	776.7	788.5
	Cost Per Transaction	\$0.163	\$0.173	\$0.157	\$0.150	\$0.141



The Pace Road interchange on Polk Parkway

7b. TOLL REVENUE VARIANCE

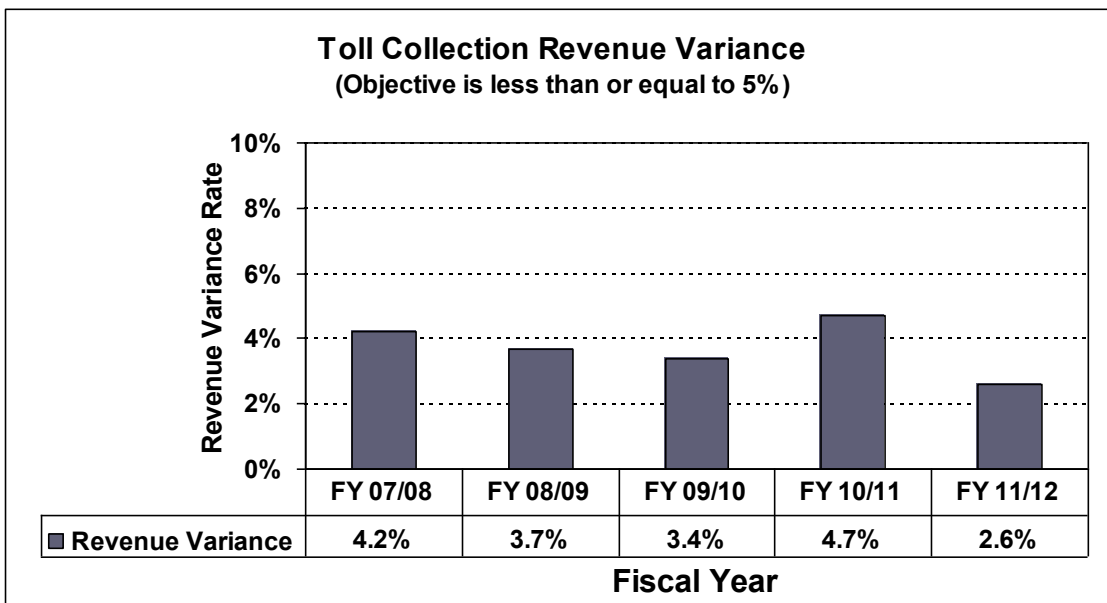
Toll revenues are dictated by the number of vehicles traveling on the road and the amount of toll they pay. The term *indicated revenue* refers to the amount of money that should be collected from all vehicles that utilize a Turnpike Enterprise managed toll facility. Vehicles are counted by automated systems as they pass through a toll plaza using sophisticated technology. However, due to the diverse and complex nature of the toll collection process, *indicated revenue* may sometimes be different than *actual revenue* collected and deposited in the bank. The difference is defined as *revenue variance*.

Revenue loss is a part of every business. The biggest challenge is to control and mitigate such loss using the most efficient and cost effective methods. The toll industry is no exception to this norm. The revenue variance measure provides Turnpike Enterprise management with the opportunity to monitor and reconcile traffic and revenue. Prompt analysis of revenue variance allows management to identify areas of improvements in toll collection to ensure the integrity of revenues and to safeguard bondholder interest.

PRIMARY MEASURE: The revenue variance expressed as a percentage of indicated revenue for all toll facilities owned and managed by the Turnpike Enterprise.

OBJECTIVE: The objective of the Turnpike Enterprise is to keep the average revenue variance from all Turnpike Enterprise managed toll facilities at the lowest possible rate in order to minimize revenue loss (no greater than five percent of the indicated revenue).

RESULTS: For FY 2011/12, the average revenue variance for all Turnpike Enterprise managed toll facilities was 2.6 percent. This translates to a collection efficiency rate of 97.4 percent.



7c. SUNPASS PARTICIPATION

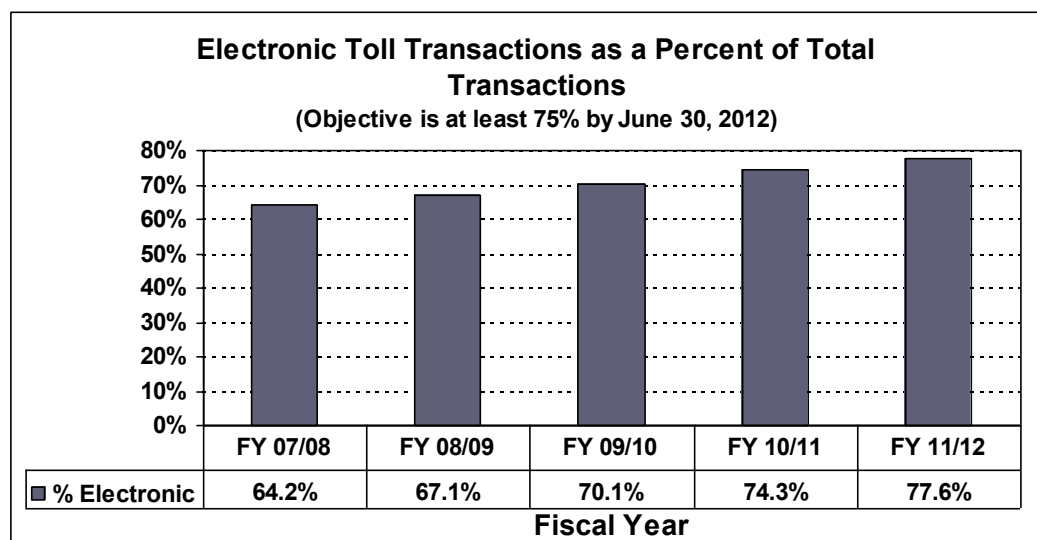
SunPass is the statewide Electronic Toll Collection (ETC) system utilized by the Department of Transportation owned and operated toll facilities and is interoperable with other toll facilities in the state. ETC systems save commuters time and money and provide for maximum throughput at toll plazas and better utilization of toll road capacity. Dedicated SunPass lanes can process up to 1,800 vehicles per hour, about 300 percent more than a manual lane with a toll attendant. A small device called a transponder is attached inside the windshield of the vehicle which communicates with special toll plaza antennas. As the vehicle passes through the toll plaza, the equipment electronically deducts the toll charge from the customer's prepaid account.

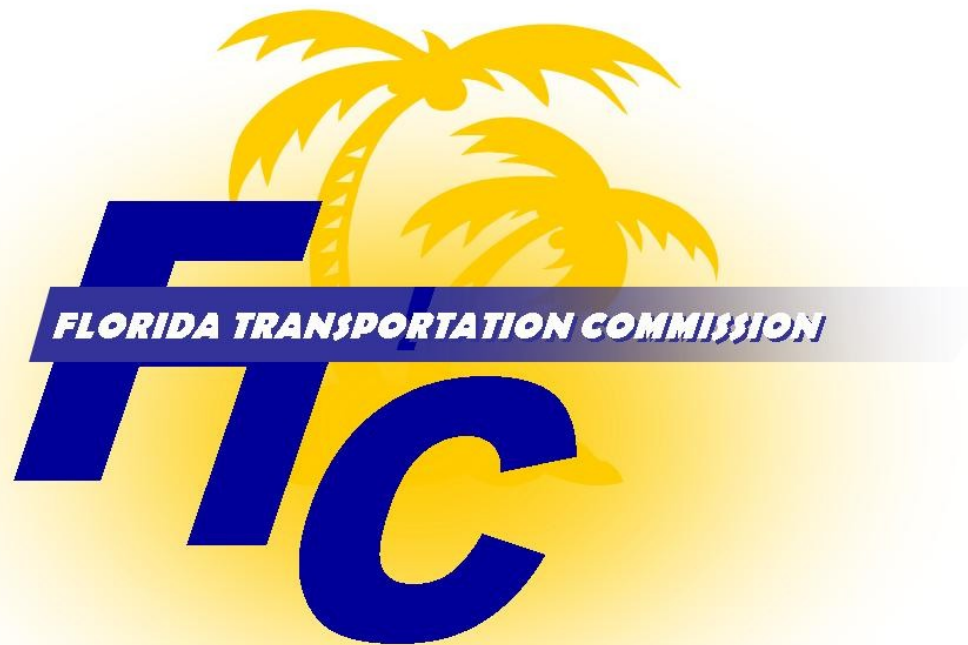
The success of the Turnpike Enterprise will largely depend on continuing advancements in SunPass operations and efforts to increase participation levels. Increasing SunPass usage accomplishes three things: 1) fewer vehicles stop to pay a toll, thereby reducing delays and congestion and improving overall roadway capacity and operations for all customers; 2) improving capacity results in the savings of hundreds of millions of dollars that otherwise would be spent on adding new toll lanes at existing plazas; and 3) the Enterprise will be better positioned for the next generation of toll collection. The future includes scenarios that rely on exclusive use of electronic toll collection.

PRIMARY MEASURE: The number of SunPass transactions expressed as a percentage of the number of total transactions from all Turnpike Enterprise owned or managed facilities.

OBJECTIVE: The objective of the Turnpike Enterprise is to increase the percentage of SunPass transactions to at least 75 percent by June 30, 2012.

RESULTS: For FY 2011/12, the percentage of all transactions attributed to SunPass usage on all toll facilities either owned or managed by the Turnpike Enterprise is 77.6 percent.





**A Report by the Florida Transportation Commission
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