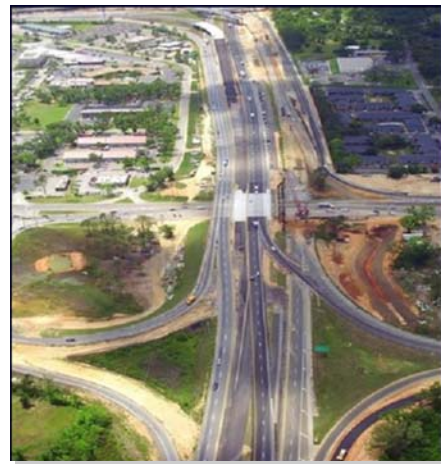


# 15th Annual Performance and Production Review of the Department of Transportation

**Fiscal Year 2005/06**



**October 20, 2006**

# FLORIDA TRANSPORTATION COMMISSION

*James W. Holton, Chairman*  
*Janet Watermeier, Vice Chairman*  
*Sidney Calloway, Secretary*  
*Gabriel Bustamante*  
*Marshall M. Criser, III*  
*Earl Durden*  
*Martha "Marty" Lanahan*  
*Marcos Marchena*  
*David A. Straz, Jr.*



*Jeb Bush*  
*Governor*

October 20, 2006

Honorable Jeb Bush, Governor  
State of Florida  
The Capitol  
Tallahassee, Florida

Dear Governor Bush:

At its public meeting on September 7, 2006, the Florida Transportation Commission conducted the *Performance and Production Review of the Department of Transportation for Fiscal Year 2005/06*. Secretary Stutler, all seven district secretaries and the Turnpike Enterprise Executive Director were present and participated in the review.

Production achievements for FY 2005/06 resulted in beginning construction on 227 lane miles of additional roadway to the State Highway System (SHS). The Department also let to contract 2,358 lane miles of roadway to be resurfaced on the SHS. The Department was successful in beginning construction on 79 bridge repair and 15 bridge replacement projects. By the end of the fiscal year, the Department closed out 297 construction projects with a dollar value of \$1.4 billion and let over \$2 billion in new projects. The health of the SHS improved in the area of Pavement Condition, where 82.1 percent of lane miles were rated either excellent or good, an improvement over last year's rating of 79.7 percent.

Considering some of the issues that arose during the year, the Department performed well in FY 2005/06. Significant increases in contract bid amounts, far exceeding the Department's estimates, meant the rejection of bids by the Department, thereby affecting the number and dollar amount of construction contracts awarded in FY 2005/06. The Department made a conscious business decision to forego meeting a performance measure and not award contracts that would place an undue financial burden on the Department.

In addition, the new Federal Highway Bill, (SAFETEA-LU) Safe, Accountable, Flexible and Efficient Transportation Equity Act: A legacy for Users, was passed subsequent to the Department's development of its financial plans. Not knowing the outcome of the Reauthorization Act, the Department conservatively forecast revenues and expenditures which caused the Department to miss the mark on its cash management performance measure. This measure was also impacted by the conservative estimates built into the financing of hurricane expenditures and reimbursements resulting from the damage inflicted from both the 2004 and 2005 hurricane seasons. By being conservative in its estimates, the Department was assured of having sufficient cash on hand to meet on-going and future obligations.

There was a slight decline in the percent of expenditures with Minority Business Enterprise (MBE) firms from last year. Therefore, the Department did not reach its objective of a year-over-year increase in MBE expenditures. It should be noted, however, that this performance measure was changed in FY 2004/05 and

has not been fully developed.

In the area of Toll Revenue Variance, the Department exceeded the stated limit of 5 percent variance with a 5.2 percent variance between indicated and actual revenue. The increase in revenue variance is due primarily to the increase in SunPass lanes, which while providing increased mobility and travel-time savings, also comes at a cost in increased revenue loss through toll violations. Proposed actions to mitigate this loss would be tighter fine and unpaid toll legislation, roadside enforcement, and better use of technology.

In FY 2004/2005, Commission's Performance Measures Working Group significantly raised the expectations in a number of measures in an effort to continue to challenge the Department and improve performance. If the Commission had continued to measure the Department's performance by FY 2003/04 standards, the Department would have met or exceeded 15 of the 19 primary measure objectives, or approximately 79 percent of the stated goals.

The Department met or exceeded approximately 58 percent of the new, more challenging primary measure objectives established in FY 2004/05. The *primary* measures assess major Departmental functions, measure an end product or outcome, and are, to the greatest extent possible, within the Department's control.

The Commission is confident that this performance evaluation process is working well. As areas of concern are recognized, data is gathered, causes are identified and corrective actions are taken 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.

We hope this report is meaningful and clear. A summary of performance is provided on page eleven of the 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. Your comments are welcomed.

Respectfully,

A handwritten signature in black ink, appearing to read "Jim Holton", with a stylized flourish at the end.

Jim Holton, Chairman  
Florida Transportation Commission

cc: Denver Stutler, Secretary of Transportation  
Honorable Jim Sebesta, Chairman, Senate Transportation Committee  
Honorable Lisa Carlton, Chairman, Senate Committee on Ways and Means  
Honorable Ray Sansom, Chairman, House Transportation Committee  
Honorable Joe Negron, Chairman, House Fiscal Council



## Florida Department of Transportation

JEB BUSH  
GOVERNOR

605 Suwannee Street  
Tallahassee, FL 32399-0450

DENVER J. STUTLER, JR.  
SECRETARY

October 20, 2006

Mr. James W. Holton, Chairman  
Florida Transportation Commission  
605 Suwannee Street  
Tallahassee, FL 32399-0450

Dear Chairman Holton:

Thank you for the opportunity to respond to the Performance and Production Review of the Department for Fiscal Year 2005/06. I would like to specifically address the performance measures where the goal was not met.

**1. Consultation Acquisition Objective: Execute 95% of planned contracts.**

The Department executed 788 of 869 consultant contracts planned for the year. Of the 80 consultant contracts not executed, 47 were Local Agency Program projects (projects where the responsibility for implementation has been passed to local governments). As you may recall, during Fiscal Year 2004/2005, the Department included the Local Agency Program (LAP) consultant contracts in our normal consultant acquisition plan. If you were to remove the LAP projects from the list, the Department would have met the standard of 95%. However, our expectation is to meet all of our commitments and we have initiated processes in working with our local partners to improve this performance measure and meet our commitments.

**2. Construction Contract Objective: Let 95% of planned projects.**

A portion of this reduced number is due once again to LAP. There were 668 contracts in the letting plan and of these, 108 were LAP projects. A total of 82 contracts were not executed and 70 of these were LAP projects. However, the greatest reduction is due to those projects which the Department rejected bids. Forty-three projects worth a total of \$561 million were rejected and not relet. If all 43 contracts were executed and LAP projects were not included, the Department would have exceeded the 95% goal. The correct business decision was to not move forward on those projects where bids exceeded our budget. The future solution is to develop and implement strategies that help stabilize the construction market.



**3. Construction Contract Time Objective: Complete 80% of contracts within original time.**

Of the 297 construction contracts, 74.4% were completed within 20% of their original contract time, while only 9 of the 297 contracts accounted for 50% of the additional days. This performance measure was established by the Commission recognizing the fact that it would be a few years before we can make significant changes in the results and the new measure is being applied to contracts that have been already completed. The Department is committed towards making improvements in meeting this objective.

**4. Construction Contract Cost Objective: Complete 90% of contracts within cost time.**

Of the 297 contracts, 79.5% of the contracts were completed within 10% of the original contract amount, while only 6 contracts accounted for 50% of the total additional cost. Three of these contracts exceed both time and cost thresholds. This performance measure was also established by the Commission recognizing the fact that it would be a few years before we can make significant changes in the results and the fact that this new measure is being applied to contracts that have been already completed. The Department is once again committed towards making improvements in meeting this objective.

**5. Number of Lanes Miles Added to the State Highway System: Complete 90% of the lane miles.**

The Department let to contract 179.2 of the 207.2 lane miles planned, falling short of the objective of 90% completion. This is a function of the number of rejected bids. If the Department had accepted the 43 contracts that were rejected, the objective (90%) would have been met.

**6. Cash Management: Objective is to maintain variance within 5% of the forecasted amounts.**

The Department's Cash Management Team took a conservative view during a very trying time to ensure that cash would be on hand in adequate amounts to meet very urgent needs and that goal was met. Efforts to recover from 8 hurricanes in 2004 and 2005, combined with a very strong overall demand for construction services, slowed down the total construction activity, which in the end resulted in much slower disbursements than expected.

**7. Minority Business Enterprise (MBE) Program: Objective is still being formulated but goal is to improve from previous year.**

The results for this year show that the Department has a slightly lower percentage than last year. The Department increased its spending as well as increased total spending with MBEs. Several prime vendors lost their MBE status last year and are no longer certified. While we still work with those firms, we can no longer count the dollars in this calculation. These factors led to our percentage decline.

One area the Department continues to work on in addition to increasing expenditures is development of a comprehensive method of tracking payments to MBE sub-contracts. It is believed the Department still under-reports payments to MBE subs on construction and consultant contracts.

**8. Toll Revenue Variance: Variance should be less than 5%.**

The variance rate of 5.2% for 2006 exceeds the established goal. While variance includes many factors, the primary factor is violations. As part of the Departments efforts to reduce congestion and improve safety at our toll plazas, 65 dedicated SunPass lanes were added to the toll network. An increase in violations was anticipated as a result of adding dedicated SunPass lanes; however, reducing congestion and improving safety were of higher concern. This coming session the Department will initiate discussions with the legislature to further address this issue. Also, the Department is stepping up roadside law enforcement of toll violations this fall and installing additional cameras to monitor our toll plazas. The Turnpike Enterprise manages toll collections, including SunPass, for all Department owned or operated toll facilities. The good news is that the SunPass Participation Rate increased from 38% in FY03 to 60% in June of this year. The effect of increased electronic tolling is a higher percentage of variance.

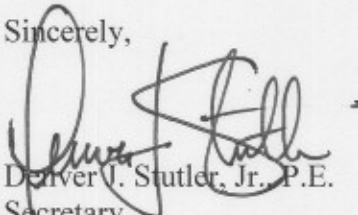
**General Observations:**

I appreciate the opportunity to address the specific performance measures. There are a couple of general observations I would like to make. The Department must look at current construction market trends to guarantee the best decisions are made ensuring that transportation funds are used in the most cost effective manner. With the current atmosphere, the Department must have the flexibility to modify production schedules and realize the right decision may be to defer a project or reevaluate priorities. The Department will continue to work with our locals partners to meet upcoming challenges.

Letter to Chairman Holton  
Page Four  
October 20, 2006

The Commission continues to challenge the Department to deliver quality transportation services and products in a timely manner with these high performance measures, making us the best we can be. I appreciate the guidance and support you and the Commission provide to the Department. Thank you for the opportunity to address these issues and look forward to a productive new year.

Sincerely,



Denver J. Stutler, Jr., P.E.  
Secretary

# 15th Annual Performance and Production Review of the Department of Transportation



**Fiscal Year 2005/2006**





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### **Florida's Transportation Commission**

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.

The mission of the Florida Transportation Commission is to provide leadership in meeting Florida's transportation needs through policy guidance on issues of statewide importance and maintaining public accountability for the Department of Transportation.



## Commission Officers



**James W. Holton**, Chairman, Madeira Beach. Self-employed Attorney, Commercial Real Estate Developer and Investor. Owner and President of MHH Enterprises, Inc. Member of the National Marine Merchants Association. Member of the Board of Director for Enterprise Florida. Advisory Board Member of the Center for Urban Transportation Research, USF.

**Janet Watermeier**, Vice Chair, Cape Coral. President of Watermeier Property Services, an economic development and real estate consulting firm with property management services. She serves on the Southwest Florida Regional Planning Council and the Southwest Florida International Airport Special Management Committee.



**Sidney C. Calloway**, Secretary, Plantation. Partner in the law firm of Shutts and Bowen, LLP. Member of the Urban League of Broward County, Broward League of Cities and the Port Everglades Trade Association.

## Commission Members



**Gabriel Bustamante**, Coral Gables. Managing Director of RSM McGladrey, a national consulting and business services firm and a partner of McGladrey & Pullen, LLP, a national CPA firm. He serves on the Board of Directors of Century Homebuilders and is a member of the American and Florida Institutes of Certified Public Accountants. He is Treasurer of the Miami Chapter of Legatus International.

**Marshall Criser III**, Miami. President of Bell South in Florida. Chairman of the Florida Research Consortium and a member of the Florida Council of 100, Enterprise Florida, the board of directors and research foundation of the Florida Chamber of Commerce, and IT Florida. Locally, he serves on the Executive Committee of the Beacon Council and on the board of the United Way of Miami-Dade County.



**Earl Durden**, Panama City Beach. Chairman and CEO of Rail Management Corporation. Chairman, Executive Committee, American Short Line and Regional Railroad Association.



## Commission Members

**Martha (Marty) Lanahan,** Jacksonville. Area President for AmSouth Bank. She is an active member of the community and serves as President of the Cultural Council of Jacksonville, President of the Florida Theater Board, President of the River Club Board of Directors, and is on the Board of the Jacksonville Museum of Modern Art.



**Marcos Marchena,** Orlando. Senior Partner of the law firm of Marchena and Graham, P.A. Member of the University of Central Florida Foundation Board of Directors.

**David A. Straz, Jr.,** Tampa. Honorary Consulate General of the Republic of Liberia. Trustee of the David A. Straz, Jr. Foundation, a charitable trust supporting private higher education, visual and performing arts, and civic advancement. Serves as Trustee/Director of Marquette University, Lowry Park Zoo Foundation, First National Bank of Florida, University of Tampa, Metropolitan Opera in New York, and Les Aspin Center for Government in Washington, D.C.





Thomas B Manuel Bridge



## Purpose of Report

The mission of the Florida Department of Transportation (FDOT) 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 FDOT takes very seriously as it moves forward with delivery of the Five-Year Work Program.

Florida is facing a transportation shortfall of nearly \$53 billion over the next 25 years. In an effort to reduce this backlog of much needed transportation improvements, the Governor signed Senate Bill 360 that provided the Department with an additional \$3.1 billion in Transportation funding for growth management. As a result, the Department’s budget for FY 05/06 reached nearly \$9.6 billion. With this significant infusion of new funding, it is imperative that the FDOT use its available resources in the most efficient and effective manner possible.

It is the responsibility of the Florida Transportation Commission (FTC), under chapter 334.045, Florida Statutes, to ensure this occurs and to protect the State’s transportation investment through oversight and performance evaluation. More specifically, the FTC is responsible for:

- ◆ *Developing transportation performance and productivity measures;*
- ◆ *Developing both quantitative and qualitative measures;*
- ◆ *Assessing those factors that are within the Department’s control;*
- ◆ *Evaluating how effectively the Department has addressed the transportation needs of the State;*
- ◆ *Submitting findings to the Governor and Legislative Transportation and Appropriations Committees; and*
- ◆ *Recommending actions to improve Department performance based on findings.*

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 the Work Program.

The performance measures presented here have been derived through years of effort by a cross-functional Working Group. 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.

**The Performance Measures Working Group is comprised of FTC Commissioners and staff, Department Executives, staff of Expressway Authorities, and representatives of Florida Taxwatch, The Florida Transportation Builders Association and the Center for Urban Transportation Research.**

The Florida Transportation Commission annually evaluates the Department's ability to meet the production and performance measures established by the Commission. There are 34 performance measures—19 Primary and 15 Secondary measures. The Primary measures assess major Department functions that are within the Department's control. The Secondary measures are important indicators but are provided more as informational or explanatory in nature.

### **What's New**

The Performance Measures Working Group adopted new measures for:

- ♦ Safety—Changed from Fatal Crashes per 100 Million Vehicle Miles Traveled (VMT) to Fatalities per 100 Million VMT
- ♦ Disadvantaged Business Enterprise (DBE) Participation Goal raised from 7.5% to 7.9%

## Summary of Performance

**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.**

### **FY 2005/06 Accomplishments By Florida Department of Transportation**

- ◆ During FY 05/06 11 of 19 primary measures were met or exceeded
- ◆ Began construction on 227 lane miles on State Highway System (<1% added to State Highway System (SHS))
- ◆ Let to contract 2,358 miles for resurfacing
- ◆ Let to contract 79 bridge repair contracts
- ◆ Let to contract 15 bridge replacement projects
- ◆ Closed out 297 construction projects valued at \$1.381 billion

### **Significant Issues**

- ◆ 54 Construction contracts were either rejected or did not receive bids totaling \$561 million
- ◆ 532 of 668 planned construction contracts were let. Those contracts not let were valued at \$145.8 million



### Summary of Performance

Measure	Objective	FY 05/06 Results	Meets Objective
The number of consultant contracts actually executed compared against the number planned. (See page 20)	≥95%	90.7%	No
The number of ROW projects certified compared to the number scheduled for certification. (See page 25)	≥90%	98.1%	YES
The number of construction contracts actually executed compared against the number planned. (See page 31)	≥95%	79.6%	No
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 37)	≥80%	74.4%	No
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 41)	≥90%	79.5%	No
The percentage of bridge structures on the State Highway System having a condition rating of either excellent or good. (See page 48)	≥90%	94.4%	YES
The percentage of bridge structures on the State Highway System with posted weight restrictions. (See page 50)	<1%	0.18%	YES
The percentage of lane miles on the State Highway System having a Pavement Condition Rating of either excellent or good. (See page 53)	≥80%	82.1%	YES
Achieve a Maintenance Rating of at least 80 on the State Highway System. (See page 56)	80	83	YES

### Summary of Performance

Measure	Objective	FY 05/06 Results	Meets Objective
The percentage of flexible capacity funds allocated to the Strategic Intermodal System. (See page 61)	75% by FY 14/15	75.0%	YES
The number of lane miles of capacity improvement projects on the State Highway System let compared against the number planned. (See page 62)	≥90%	86.5%	NO
The public transit Ridership growth rate compared to the population growth rate. (See page 63)	≥4.52%	5.39%	YES
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 68)	100%	100%	YES
The Department's dollar amount of administrative costs as a percent of the total program. (See page 70)	<2%	1.1%	YES
Cash receipts and disbursements compared against forecasted receipts and disbursements. (See page 71)	+ or—5%	Receipts: -11.4% Disbrmts.: -11.2%	NO
The annual dollar amount of MBE utilization as a percent of total projects/commodities expended. (See page 74)	Increase over prior year	Declined from 8.1% to 7.2%	NO
Average amount of each toll transaction dedicated to covering operational costs. (See page 80)	<16¢	14.6¢	YES
The revenue variance expressed as a percentage of indicated revenue. (See page 81)	≤5%	5.2%	NO
The number of SunPass transactions as a percentage of total transactions. (See page 82)	>75% by FY 07/08	54.4%	On track

## Key Indicators

The indicators in this section put the Department's performance in perspective. While the Department is meeting or exceeding most of its performance measures, increasing Vehicle Miles Traveled (VMT), Congestion and peak-hour travel outstrip the Department's ability to keep pace with demand.

**FIGURE 1—STATE HIGHWAY SYSTEM**

### SUPPLY VS. DEMAND

- Daily vehicle miles traveled decreased by <100,000 or .05%
- 227 lane miles to be added (<1%)
- Demand continues to outstrip supply

### State Highway System

#### Supply vs. Demand

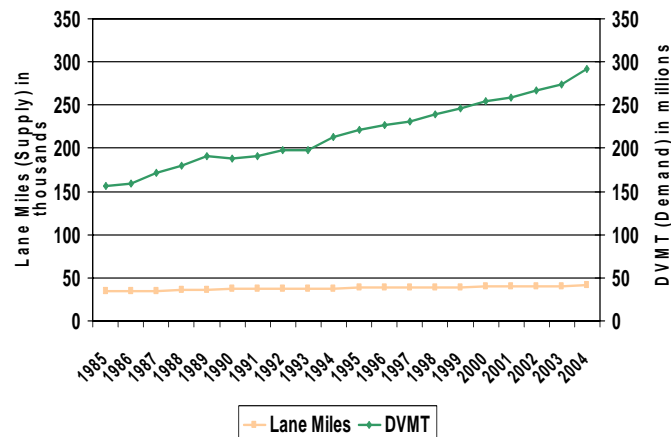
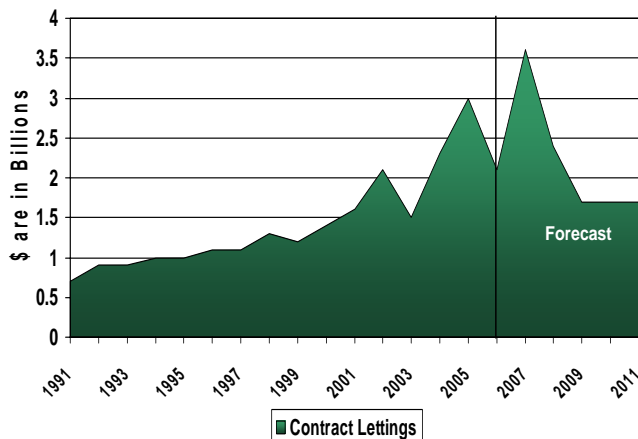


Figure 2

### Construction Contract Letting History



**FIGURE 2—CONTRACT LETTINGS**

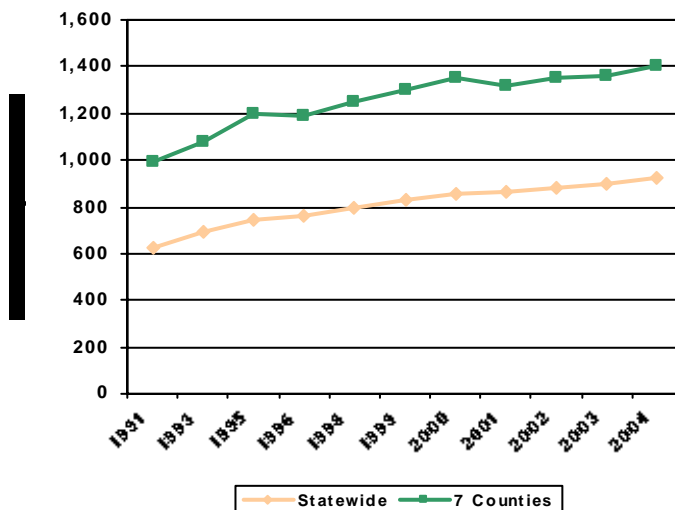
### HISTORICAL VS.

### FORECAST

- \$657.9 Million in FY 1991
- \$2.0 Billion in FY 2006
- FY 07 Lettings reflect Growth Management funding
- FY 07 also reflects those FY 06 projects where bids were rejected or where no bids were received and were deferred to FY 07

## Key Indicators

**FIHS Interstate Lanes**  
Density-Vehicles per Lane Mile



**FIGURE 3—FLORIDA INTRASTATE HIGHWAY SYSTEM (FIHS) INTERSTATE LANES**

### DENSITY-VEHICLES PER LANE MILE

- Growth in vehicles per lane mile during peak hour of travel
- 47.9% increase since 1991 on Interstate
- 41% on Interstates in Miami-Dade, Broward, Palm Beach, Orange, Hillsborough, Pinellas and Duval Counties

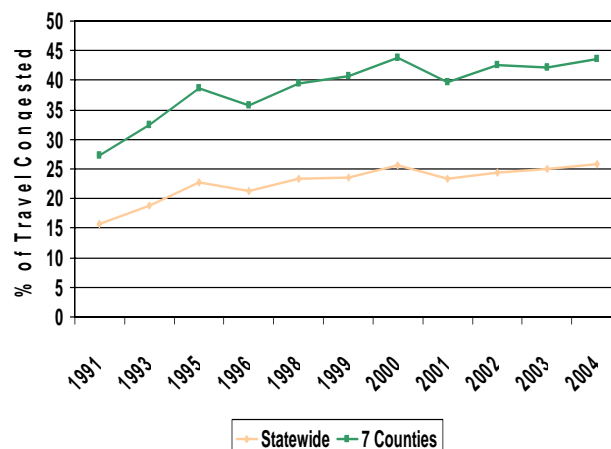
**FIGURE 4— ALL FIHS LANES**

### PEAK HOUR TRAVEL CONGESTION

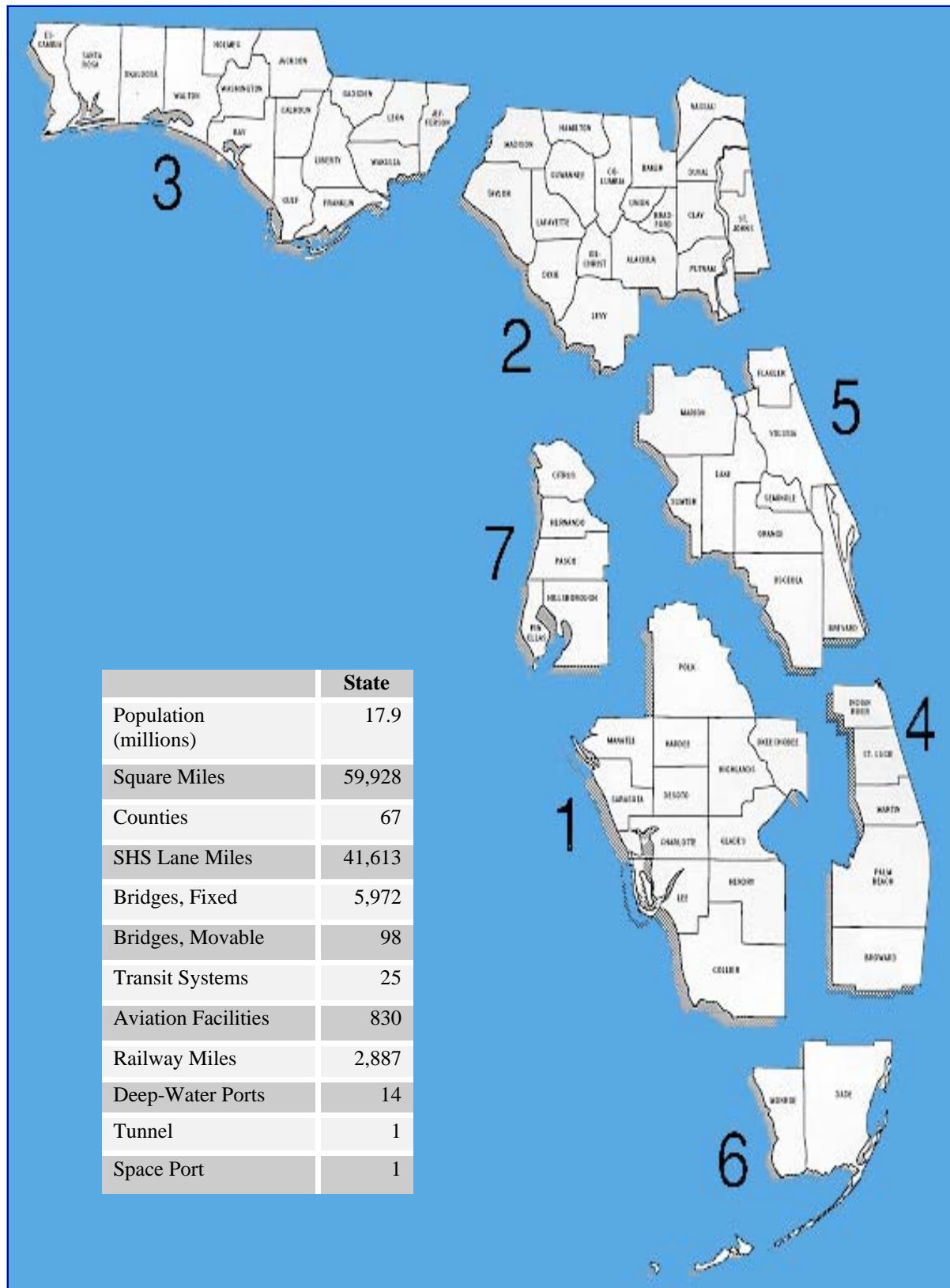
- Congestion increasing in 7 largest counties faster than statewide
- Metro-Orlando is ninth most congested in nation
- Miami and Tampa-St. Petersburg rank 13th and 20th, respectively

Figure 4

**All FIHS Lanes**  
Peak Hour Travel Congestion



## State and District Profiles

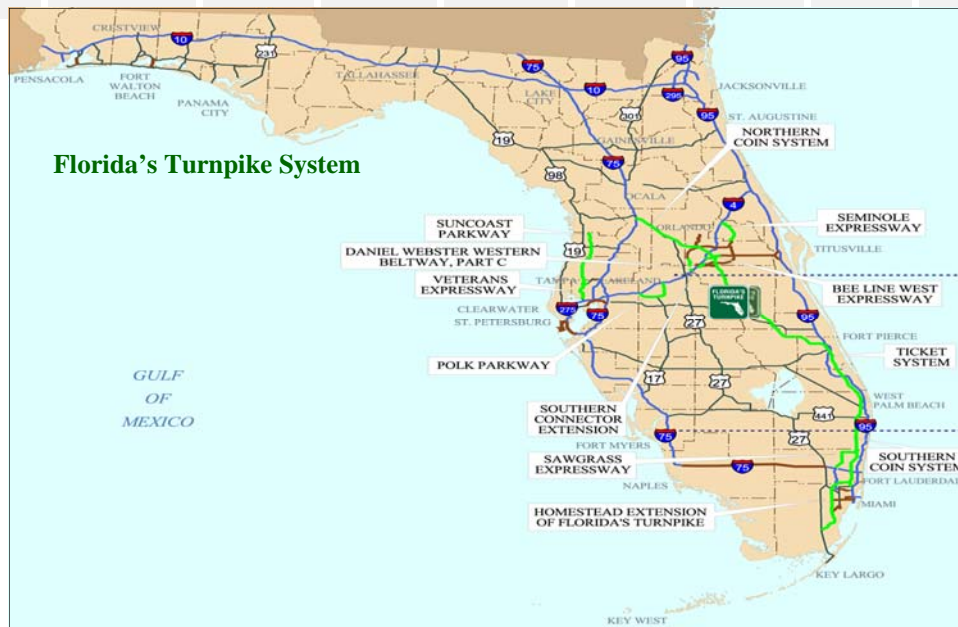




### State and District Profiles

	D-1	D-2	D-3	D-4	D-5	D-6	D-7	Turnpike Enterprise
Population (millions)	2.5	1.9	1.3	3.5	3.4	2.5	2.8	-
Square Miles	11,629	11,865	11,378	4,837	8,282	2,989	3,177	-
Counties	12	18	16	5	9	2	5	-
SHS Lane Miles	5,944	8,062	6,548	6,084	7,727	2,924	4,324	1,929 (1)
Bridges, Fixed	882	1,148	778	708	709	445	617	685
Bridges, Movable	15	9	0	38	8	17	11	0
Transit Systems	4	2	4	2	8	2	3	-
Aviation Facilities	169	139	135	98	168	53	68	-
Rail Lines	4	3	4	2	5	2	1	-
Deep-Water Ports	1	2	3	3	1	2	2	-
Tunnel	-	-	-	1	-	-	-	-
Space Port	-	-	-	-	1	-	-	-
Service Plazas	-	-	-	-	-	-	-	8

1. Lane miles of the Turnpike Enterprise are included in the District in which the roadway is located.









## **1. Cost-Effective and Efficient Business Practices: Production**

**1a. Consultant Acquisition**

**1b. Right-of-Way Acquisition**

**1c. Construction Contract Lettings**

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 (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.

The production cycle of a road and bridge begins with the preliminary engineering and design phases, followed by right of way acquisition, and then construction engineering and inspection activities.

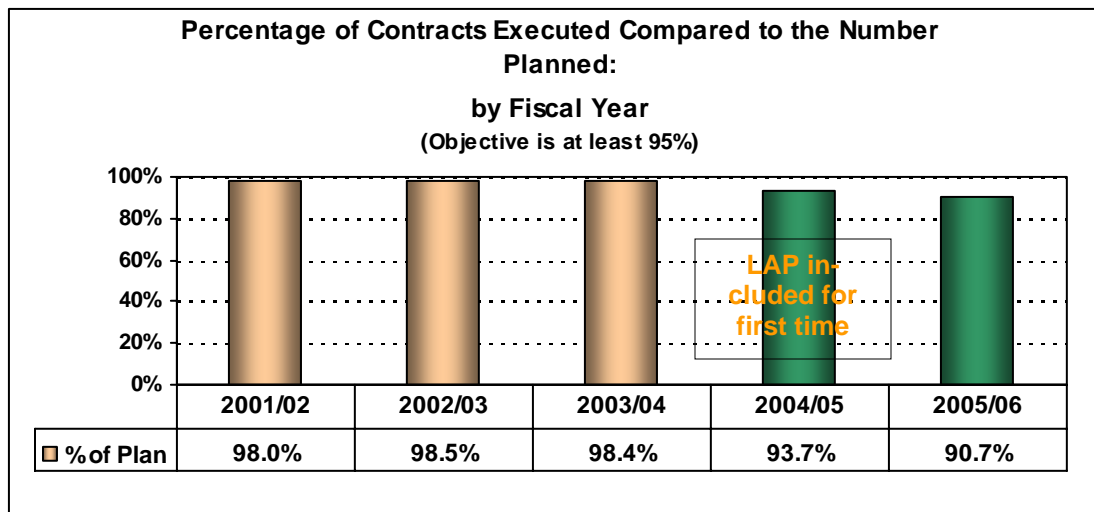
## 1a. CONSULTANT ACQUISITION

Although the Department employs engineers and other staff to perform design, right of way and inspection functions, it also contracts with private-sector consultants to produce 91% of the design plans, 88% of the right-of-way activities, and 87% of the construction engineering and inspection (CEI) activities. The consultant contracting process is carried out pursuant to Ch. 287 requiring competitive negotiations. Selection of consultants is based on the quality of the technical proposal submitted and once selected, the price of the contract is negotiated.

**Primary Measure:** The number of consultant contracts actually executed compared to the number planned.

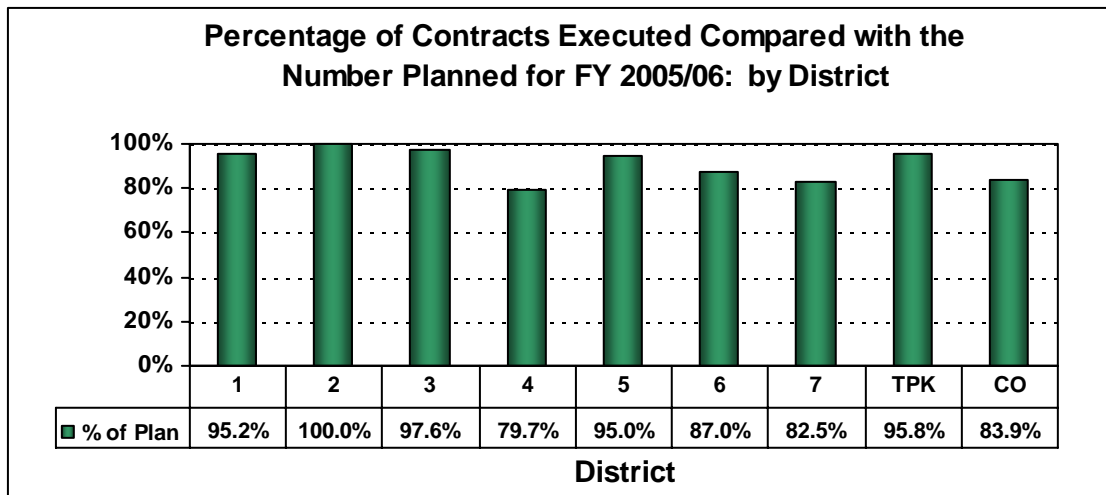
**Objective:** Not less than 95% of plan.

**Results:** The Department achieved 90.7% of its plan, executing 788 of 869 contracts planned. An additional 46 consultant contracts were executed that were not planned. (See page 21 for an analysis of the impact of Local Agency Program (LAP) contracts in not meeting the consultant acquisition plan.)



	Fiscal Year				
	2001/02	2002/03	*2003/04	2004/05	2005/06
Plan	345	339	516	811	869
Actual	338	334	508	760	788
% of Plan	98.0%	98.5%	98.4%	93.7%	90.7%
Additions	47	16	64	86	46
Total	385	350	572	846	834

Note: Prior to FY 03/04 Construction Engineering Inspection (CEI) contracts were not included in the Consultant Acquisition performance measure since their letting performance was linked to the construction contract letting schedule. As more CEI contracts are let as district-wide or "as needed" type contracts, this premise no longer holds true.

**1a. CONSULTANT ACQUISITION (cont'd)****District specific results:**

	District								
	1	2	3	4	5	6	7	TPK	CO
Plan	146	84	83	158	100	92	80	95	31
Actual	139	84	81	126	95	80	66	91	26
% of Plan	95.2%	100.0%	97.6%	79.7%	95.0%	87.0%	82.5%	95.8%	83.9%
Additions	4	3	7	0	1	7	22	2	0
Total	143	87	88	126	96	87	88	93	26

**Local Agency Program (LAP):**

LAP consultant contracts involve projects that are programmed in the Work Program, but responsibility for these projects has passed to local governments. In previous years, the Department tracked these separately since it has little control over when they are executed. Of the 869 contracts in the plan, 100 were LAP contracts valued at \$24.3 million. Of the 81 consultant contracts not executed, 47 were LAP contracts.

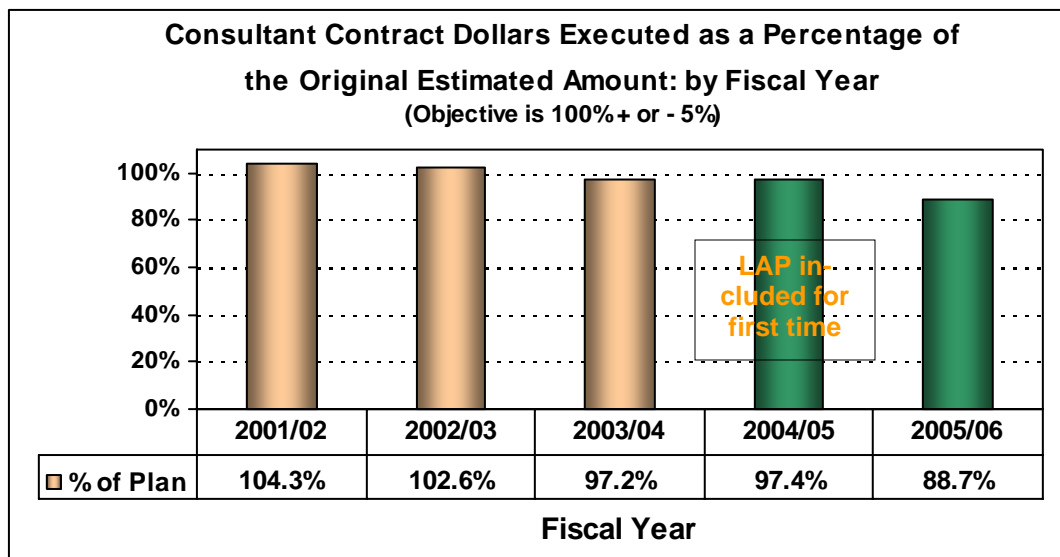
District	Consultant Plan								
	FDOT Contracts			LAP Only			Total		
	Plan	Actual	% of Plan	Plan	Actual	% of Plan	Plan	Actual	% of Plan
1	116	113	97.4%	30	26	86.6%	146	139	95.2%
2	83	83	100.0%	1	1	100%	84	84	100.0%
3	80	78	97.5%	3	3	100.0%	83	81	97.6%
4	129	126	97.7%	29	0	00.0%	158	126	79.7%
5	87	82	94.3%	13	13	100.0%	100	95	95.0%
6	81	74	91.4%	11	6	54.5%	92	80	87.0%
7	69	63	91.3%	11	3	27.3%	80	66	82.5%
TPK	95	91	95.8%	0	0	na	95	91	95.8%
CO	29	25	86.2%	2	1	50.0%	31	26	83.9%
Statewide	769	735	95.6%	100	53	53.0%	869	788	90.7%



### **1a. CONSULTANT ACQUISITION (cont'd)**

**Secondary Measure:** This 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 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.

**Results:** The Department executed \$629.9 million of consultant contracts, which was \$80.6 million less than the estimate of \$710.5 million, or 88.7% of estimate.

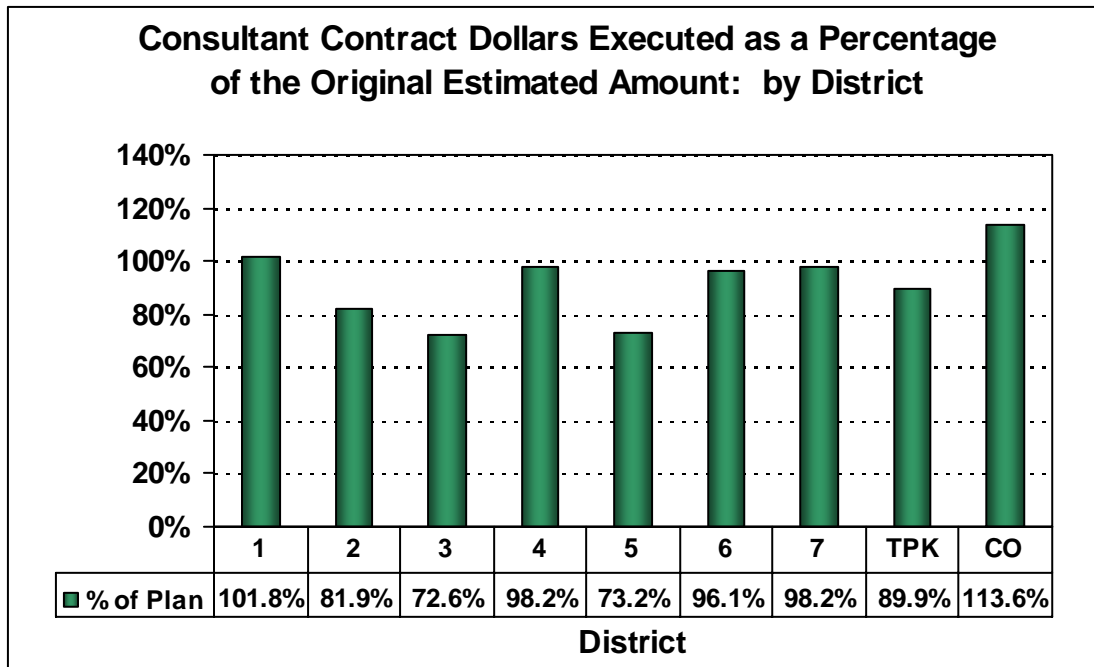


	Fiscal Year				
	2001/02	2002/03	2003/04	2004/05	2005/06
Estimate	\$263.2	\$331.1	\$502.2	\$675.6	\$710.5
Actual	\$274.6	\$339.6	\$487.9	\$658.0	\$629.9
% of Plan	104.3%	102.6%	97.2%	97.4%	88.7%



## 1a. CONSULTANT ACQUISITION (concluded)

### District Specific Results:



	District								
	1	2	3	4	5	6	7	TPK	CO
Estimate	\$74.1	\$50.8	\$67.5	\$83.9	\$134.5	\$46.0	\$85.1	\$153.1	\$15.5
Actual	\$75.4	\$41.6	\$49.0	\$82.4	\$98.4	\$44.2	\$83.6	\$137.7	\$17.6
% of Plan	101.8%	81.9%	72.6%	98.2%	73.2%	96.1%	98.2%	89.9%	113.6%





## **1b. RIGHT-OF-WAY ACQUISITION**

In the usual production cycle of a road or bridge project, the necessary right-of-way is acquired prior to the start of construction. With the exception of Design-Build and certain Turnpike Enterprise contracts, all parcels must be acquired and “cleared” (ready for construction to proceed) before contract letting. Design-Build and certain Turnpike Enterprise contracts must be “cleared” prior to start of construction.

The following performance measures assess the Department’s ability to:

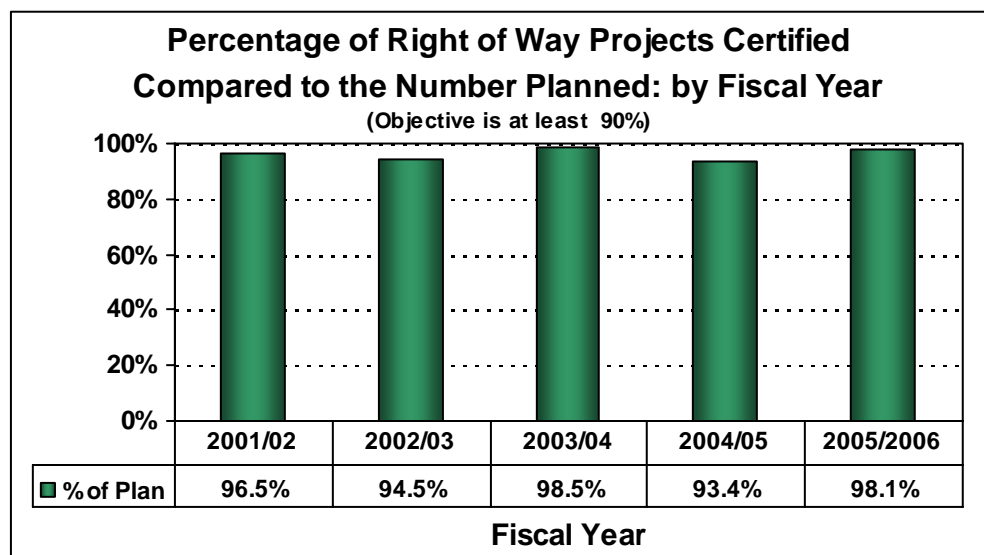
- ◆ Acquire parcels as planned;
- ◆ Acquire parcels based on negotiation versus condemnation;
- ◆ Negotiate parcels within 20% of initial offer;
- ◆ Acquire through condemnations at one-half of contention difference; and
- ◆ Expend more dollars on land than on ancillary costs.

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:** Number and percent of projects certified versus planned.

**Objective:** Not less than 90% of plan.

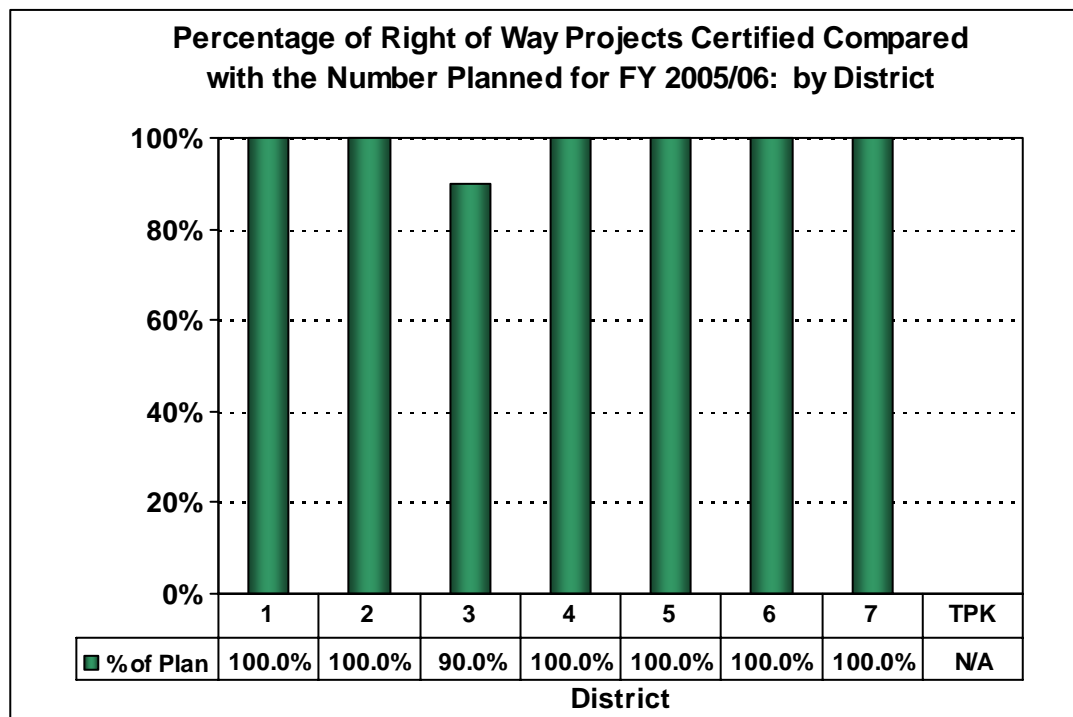
**Results:** Department certified 51 of 52 projects or 98.1% of plan.





**1b. RIGHT-OF-WAY ACQUISITION (cont'd)****Five-Year Statewide Right of Way Certification Data**

	Fiscal Year				
	2001/02	2002/03	2003/04	2004/05	2005/06
Plan	85	73	65	61	52
Actual	82	69	64	57	51
% of Plan	96.5%	94.5%	98.5%	93.4%	98.1%
Additions	12	9	21	9	18
Total	94	78	85	66	69

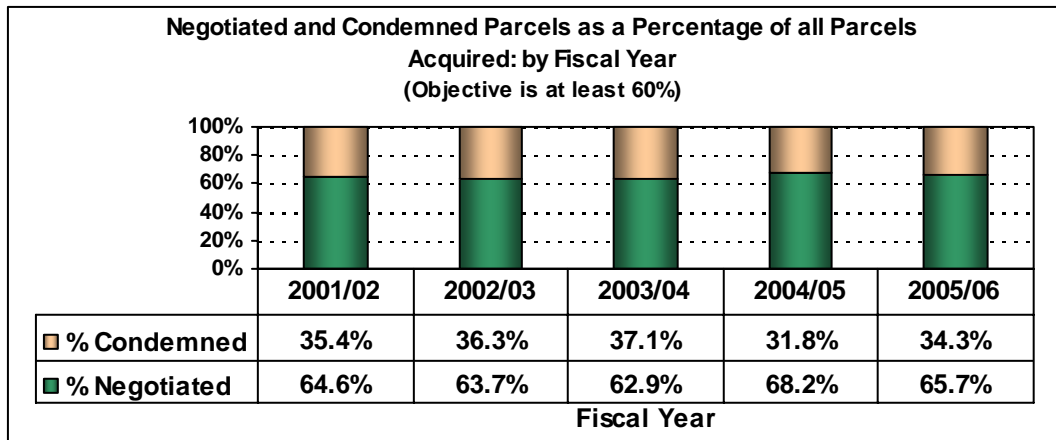
**District specific results:**

	District							
	1	2	3	4	5	6	7	TPK
Plan	4	9	10	3	12	3	11	0
Actual	4	9	9	3	12	3	11	0
% of Plan	100.0%	100.0%	90.0%	100.0%	100.0%	100.0%	100.0%	N/A
Additions	2	7	2	0	3	3	1	0
Total	6	16	11	3	15	6	12	0

## 1b. RIGHT-OF-WAY ACQUISITION (cont'd)

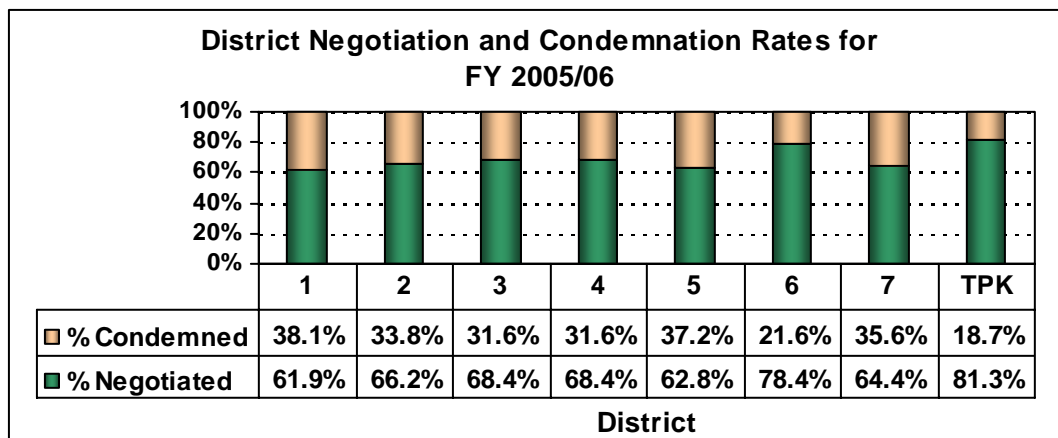
**Secondary Measure:** Percent of parcels acquired by negotiation, target 60%.

**Results:** Acquired 65.7% through negotiation.



	Fiscal Year				
	2001/02	2002/03	2003/04	2004/05	2005/06
# Negotiated	1,558	1,133	955	925	666
# Condemned	854	645	564	432	347
Total Parcels	2,412	1,778	1,519	1,357	1,013
% Negotiated	64.6%	63.7%	62.9%	68.2%	65.7%
% Condemned	35.4%	36.3%	37.1%	31.8%	34.3%

### District specific results:

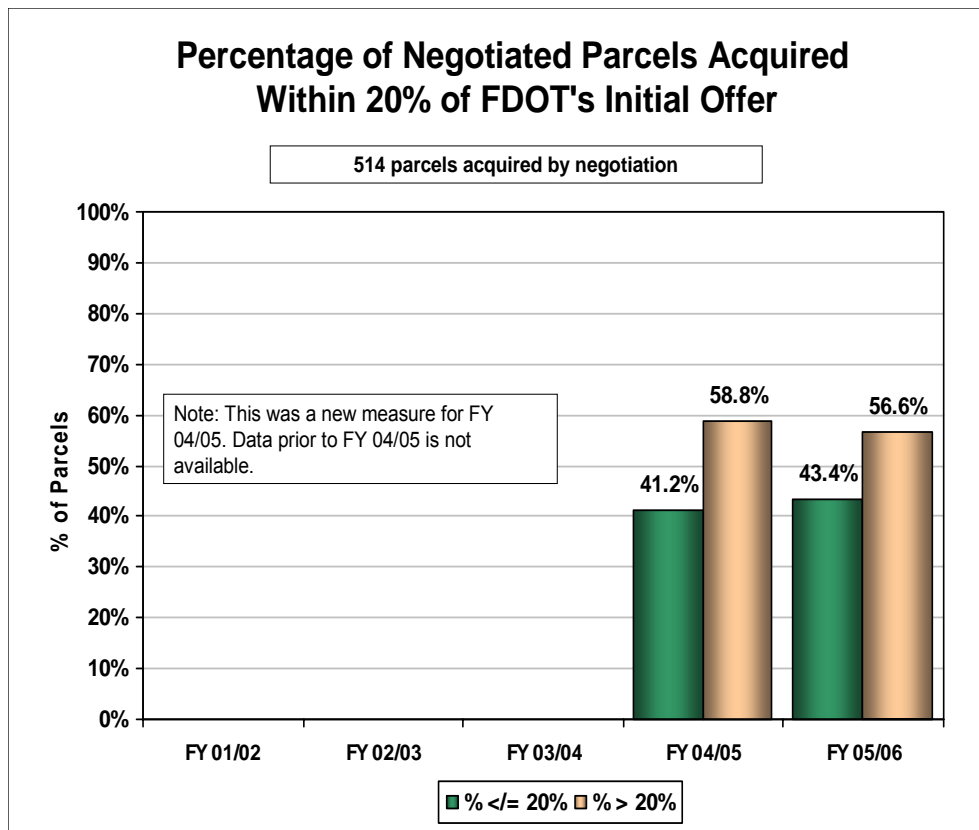


	District							
	1	2	3	4	5	6	7	TPK
# Negotiated	96	92	54	39	216	69	87	13
# Condemned	59	47	25	18	128	19	48	3
Total Parcels	155	139	79	57	344	88	135	16
% Negotiated	61.9%	66.2%	68.4%	68.4%	62.8%	78.4%	64.4%	81.3%
% Condemned	38.1%	33.8%	31.6%	31.6%	37.2%	21.6%	35.6%	18.7%

## **1b. RIGHT-OF-WAY ACQUISITION (cont'd)**

**Secondary Measure:** Percentage of parcels negotiated within 20% of initial offer. This was a new measure beginning in FY 2004/05. 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.

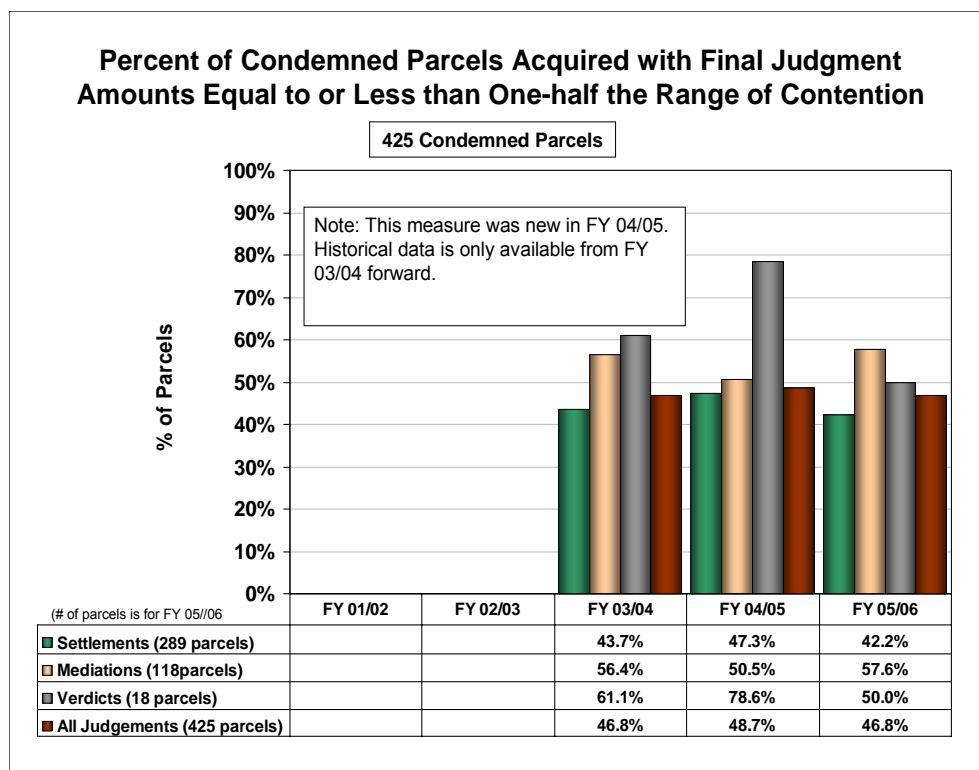
**Results:** Acquired 43.4% of parcels within 20% of initial offer.



## **1b. RIGHT-OF-WAY ACQUISITION (cont'd)**

**Secondary Measure:** Percentage of condemned parcels equal to or less than one-half of contention difference. This, also, was a new measure for FY 2004/05. 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. Thus, a greater percentage of final judgments on the Department side of the range of contention would indicate more successful negotiation on behalf of the state.

**Results:** 46.8% of condemned parcels.

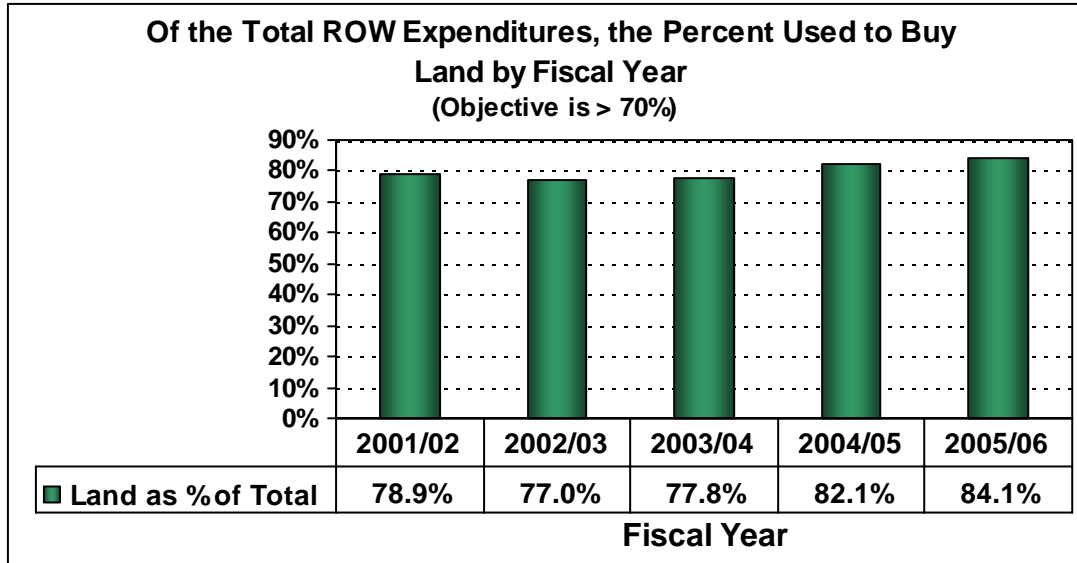




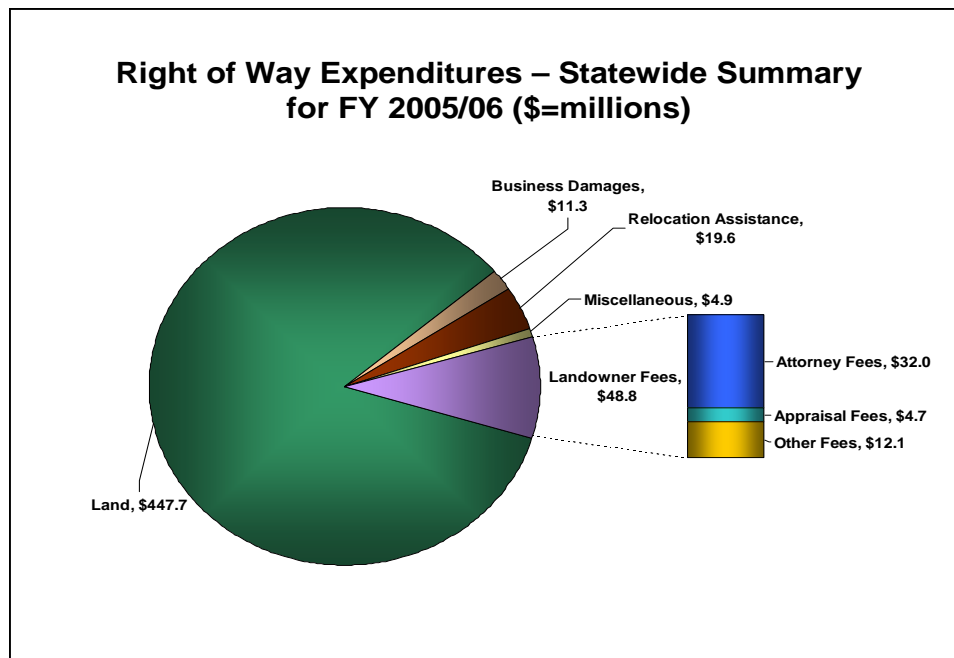
## **1b. RIGHT-OF-WAY ACQUISITION (concluded)**

**Secondary Measure:** Percent of Land cost to total cost; target 75%.

**Results:** 84.1% of ROW costs were for land.



ROW Expenditures Statewide	FY 2004/05		FY 2005/06		Change	
	\$ (millions)	%	\$ (millions)	%	\$ (millions)	%
Land	\$386.7	82.1%	\$447.7	84.1%	\$61.0	2.0%
Business Damages	\$21.0	4.5%	\$11.3	2.1%	-\$9.7	-2.3%
Landowner Fees	\$44.6	9.5%	\$48.8	9.2%	\$4.2	-0.3%
Relocation Assist.	\$16.4	3.5%	\$19.6	3.7%	\$3.2	0.2%
Miscellaneous	\$2.1	0.4%	\$4.9	0.9%	\$2.8	0.5%



## 1c. CONSTRUCTION CONTRACT LETTINGS

The construction phase results in the final tangible product of the Department and accounts for 39% of total dollars in the Work Program. This measure addresses the question “Is the Department building the projects it committed to build, and is it doing so in the time promised?”

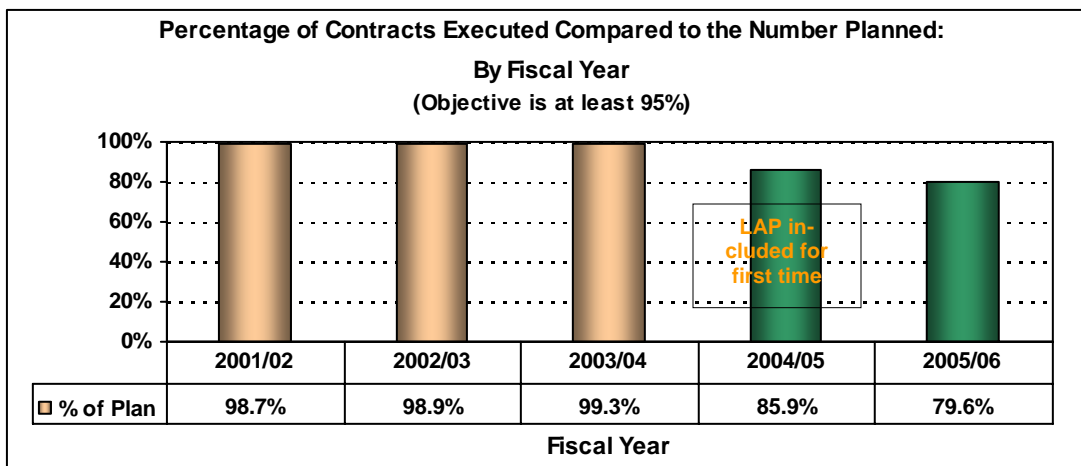
The following performance measures assess the Department’s ability to:

- ♦ Execute construction contracts as planned; and
- ♦ Award contracts within estimated value.

**Primary:** The number of Construction Contracts executed compared to the number planned.

**Objective:** No less than 95% of plan.

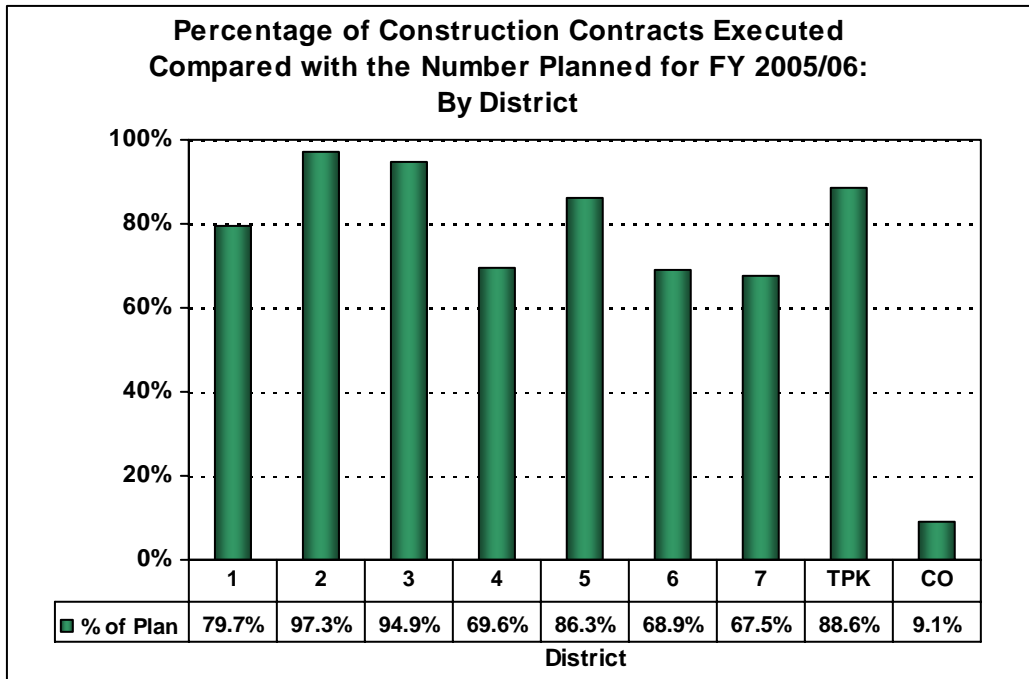
**Results:** The Department achieved 79.6% of plan; executing 532 of 668 projects planned. Of the 136 contracts that the Department did not let, 54 (valued at \$561.0 million) weren’t executed because either the bids were rejected or no bids were received. Had these projects been executed the Department would have achieved 87.7% of its plan, still under the objective. The Department added and executed 36 projects that were not planned. Local Agency Program (LAP) contracts were added to this measure in FY 2004/05. (See page 33 for an explanation of the impact of LAP contracts.)



	Fiscal Year				
	2001/02	2002/03	2003/04	2004/05	2005/06
Plan	530	463	456	601	668
Actual	523	458	453	516	532
% of Plan	98.7%	98.9%	99.3%	85.9%	79.6%
Additions	60	52	60	69	36
Total	583	510	513	585	568

## 1c. CONSTRUCTION CONTRACT LETTINGS (cont'd)

### District specific results:



	District								
	1	2	3	4	5	6	7	TPK	CO
Plan	113	75	79	102	102	74	77	35	11
Actual	90	73	75	71	88	51	52	31	1
% of Plan	79.7%	97.3%	94.9%	69.6%	86.3%	68.9%	67.5%	88.6%	9.1%
Additions	6	2	10	7	7	2	2	0	0
Total	96	75	85	78	95	53	54	31	1



## **1c. CONSTRUCTION CONTRACT LETTINGS (cont'd)**

### **Impact of the Local Agency Program (LAP):**

In FY 2004/05, the Department began to track LAP contracts as part of its Construction Contract Letting Plan. LAP construction contracts involve projects that are in the Department's five-year Work Program, but the responsibility for these projects has passed to local governments. In previous years, the Department had tracked these contracts separately since it has little control over when they are executed. Of the 668 contracts in the letting plan, 108 were LAP contracts valued at \$104.0 million. Of the 136 contracts not executed LAP contracts accounted for 70 of them.

District	Construction Plan								
	FDOT Contracts			LAP Only			Total		
	Plan	Actual	% of Plan	Plan	Actual	% of Plan	Plan	Actual	% of Plan
1	86	80	93.0%	27	10	37.0%	113	90	79.7%
2	70	68	97.1%	5	5	100%	75	73	97.3%
3	71	70	98.6%	8	5	62.5%	79	75	94.9%
4	79	69	87.3%	23	2	8.7%	102	71	69.6%
5	87	77	88.5%	15	11	73.3%	102	88	86.3%
6	67	49	73.1%	7	2	38.6%	74	51	68.9%
7	64	50	78.1%	13	2	15.4%	77	52	67.5%
TPK	35	31	88.6%	0	0	na	35	31	88.6%
CO	1	0	0.0%	10	1	10.0%	11	1	9.1%
Statewide	560	494	88.2%	108	38	35.2%	668	532	79.6%

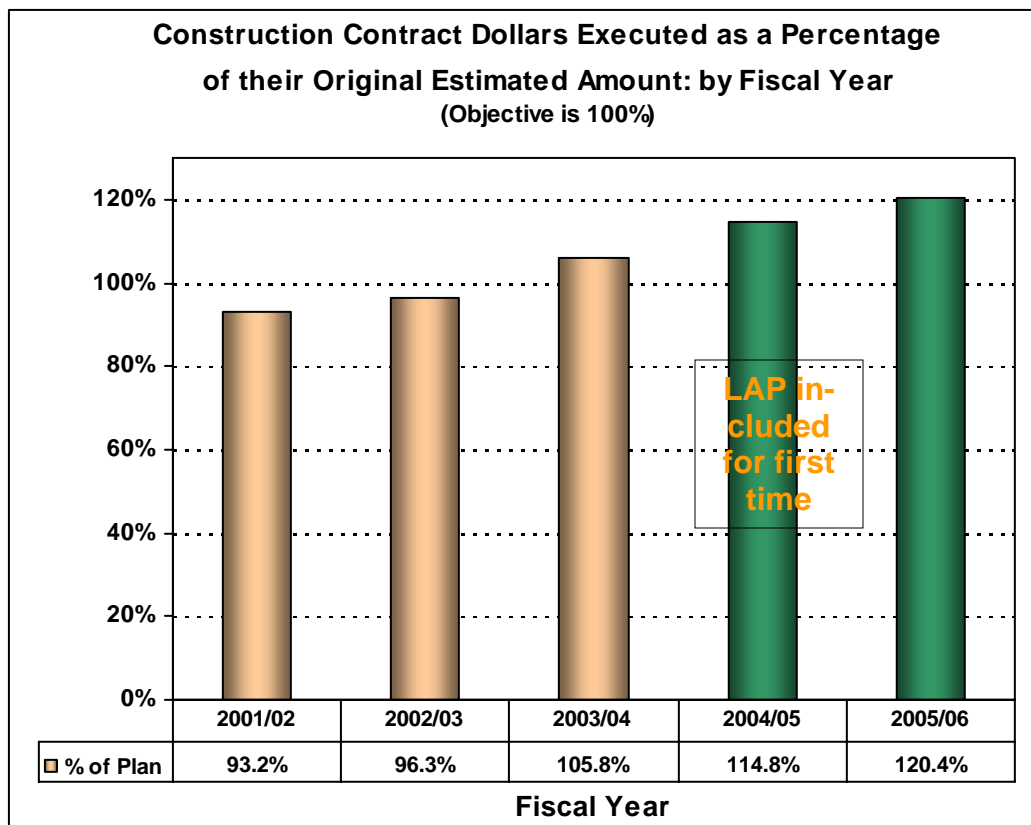




### 1c. CONSTRUCTION CONTRACT LETTINGS (cont'd)

**Secondary measure:** Award amount compared to estimated amount. This measure is an indicator of how well the Department manages its finances in the construction estimating and awarding process. The closer to estimate the contract is awarded, the better utilization of finances. Contract awards above 100% require additional funds and budget; more than 5% under the goal could result in under utilization of resources and ineffective cash management.

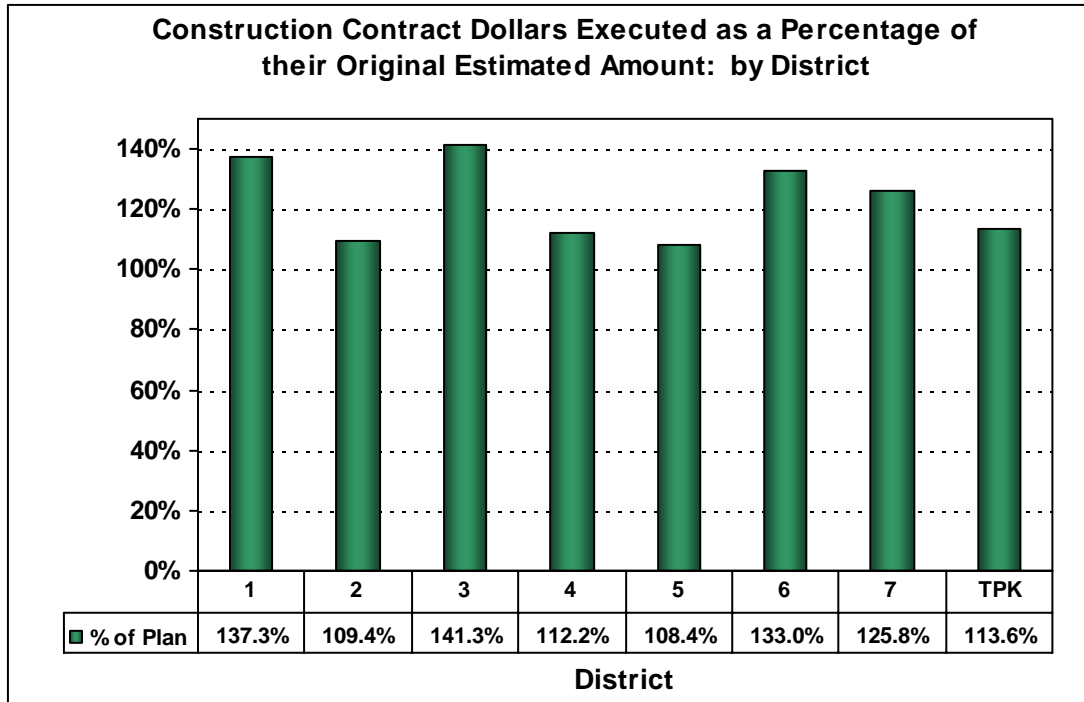
**Results:** The actual cost of lettings was \$1.998 billion, compared to the estimate of \$1.659 billion, or 120.4% of estimate.



	Fiscal Year				
	2001/02	2002/03	2003/04	2004/05	2005/06
(\$=millions)					
Estimate	\$2,184.1	\$1,487.4	\$2,124.0	\$2,141.9	\$1,659.0
Actual	\$2,035.8	\$1,432.5	\$2,246.9	\$2,458.3	\$1,997.8
% of Plan	93.2%	96.3%	105.8%	114.8%	120.4%

## 1c. CONSTRUCTION CONTRACT LETTINGS (concluded)

### District specific results:



(\$=millions)	District							
	1	2	3	4	5	6	7	TPK
Estimate	\$146.7	\$213.4	\$225.7	\$237.9	\$338.3	\$94.1	\$225.4	\$177.4
Actual	\$201.4	\$233.4	\$318.9	\$267.0	\$366.7	\$125.2	\$283.5	\$201.6
% of Plan	137.3%	109.4%	141.3%	112.2%	108.4%	133.0%	125.8%	113.6%









## **1d. CONSTRUCTION CONTRACT ADJUSTMENTS**

Time extensions and cost increases are granted to the contractor by the Department due to:

- ♦ rain or other inclement weather conditions (“weather days”);
- ♦ unanticipated environmental/soil conditions (hazardous waste on site);
- ♦ design changes or omissions; and
- ♦ equipment, material or workforce related issues.

Although there are justifiable reasons for time extensions, the Department’s objective is to keep time adjustments to a minimum and complete the project “on time and on budget.” The following measures determine the Department’s ability to manage its construction contracts related to time and cost increases.

### **CONSTRUCTION CONTRACT TIME ADJUSTMENTS**

Time extensions due to inclement weather (“weather days”) are unavoidable and not included in this measure.

Additional days granted by the Department resulting in time extensions, or authorization of additional work through a supplemental agreement, are included in this measure. If a contractor fails to complete the project within the original contract time plus extensions, the contractor is declared delinquent and must pay liquidated damages for each day delinquent.

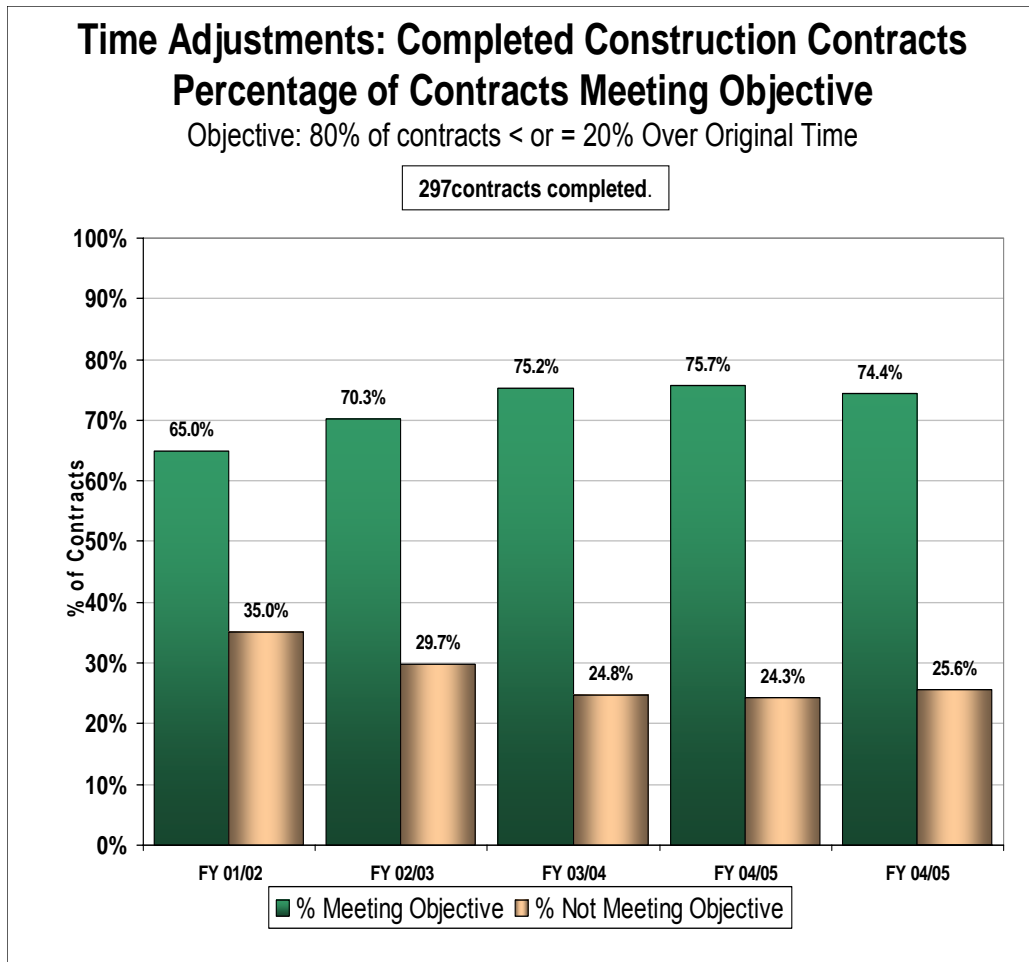
**Primary Measure:** The percentage of contracts that were completed at no more than 20% above the original contract time.

**Objective:** No less than 80% of completed contracts falling within the 20% threshold.

**Results:** Of the 297 construction contracts completed, 74.4% were completed within 20% of their original contract time.



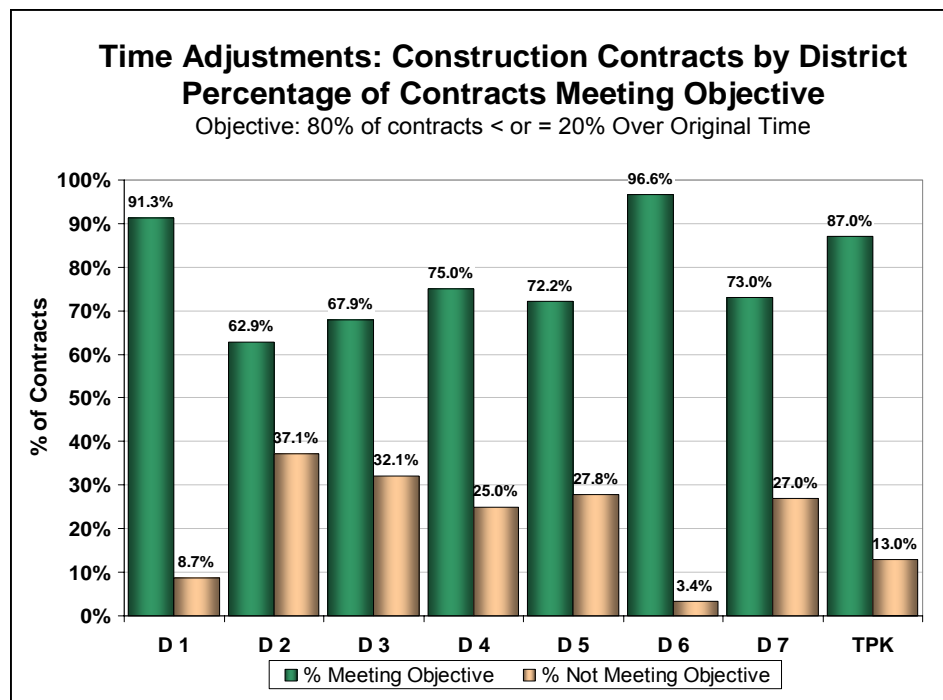


**1d. CONSTRUCTION CONTRACT ADJUSTMENTS (cont'd)****Five-Year Construction Contract Time Data**

	# of Contracts	# < or = to 20%	# > 20%	% < or = to 20%	% > 20%
FY 05/06	297	221	76	74.4%	25.6%
FY 04/05	296	224	72	75.7%	24.3%
FY 03/04	407	306	101	75.2%	24.8%
FY 02/03	475	334	141	70.3%	29.7%
FY 01/02	323	210	113	65.0%	35.0%

## 1d. CONSTRUCTION CONTRACT ADJUSTMENTS (cont'd)

### District specific results:

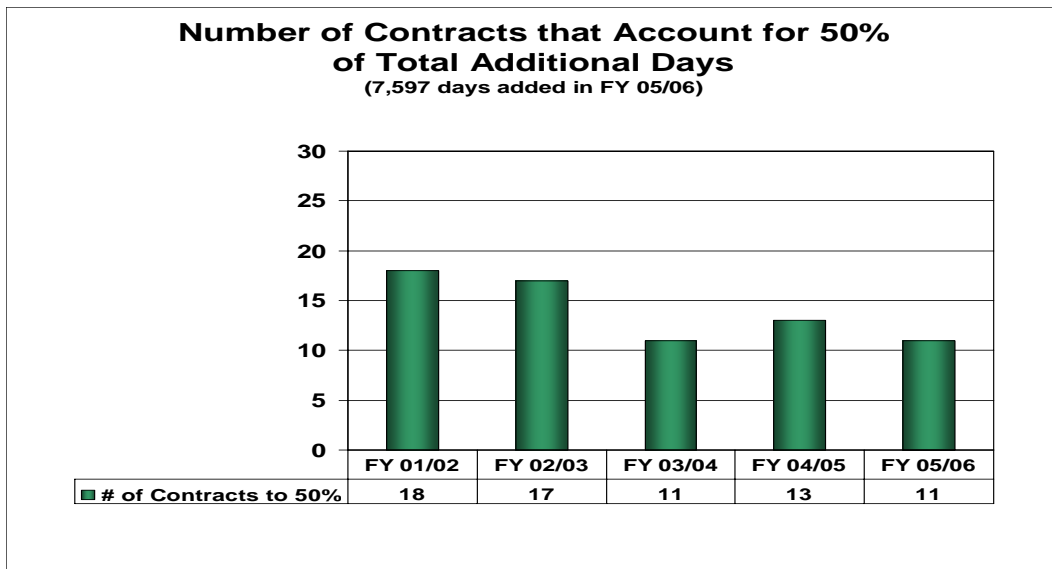


District	# of Contracts	20%	# > 20%	% < or = to 20%	% > 20%
1	23	21	2	91.3%	8.7%
2	89	56	33	62.9%	37.1%
3	28	19	9	67.9%	32.1%
4	32	24	8	75.0%	25.0%
5	36	26	10	72.2%	27.8%
6	29	28	1	96.6%	3.4%
7	37	27	10	73.0%	27.0%
TPK	23	20	3	87.0%	13.0%
Statewide	297	221	76	74.4%	25.6%

Of the 297 contracts closed in FY 2005/06, only 9 contracts accounted for 50% of the total additional days.

Original Days:	69,153
Additional Days:	<u>7,597</u>
Total Days:	76,750
% Additional Days	11.0%

Contracts Completed:	297
# Contracts with 50% of Add Days	9
% of Contracts with 50% Add Days	.030%

**1d. CONSTRUCTION CONTRACT ADJUSTMENTS (cont'd)**

**The 9 contracts accounting for 50% of the additional days:**

District	Contract #	Project Description	Original Days	Additional Days	Total Days	% Over
3	20159	SR 366 from Rivoli Road to SR 157 S Woodward Ave. & SR 20 from SR 61 Monroe Street to SR 261 Capital Circle	675	516	1,191	76.4%
4	20788	I-95/SR-9 /P1-3/PBIA; Intch Southern Blvd N or Belvedere Rd	1,030	482	1,512	46.8%
5	T5002	SR 404 BRS 700143 & 700077, Concrete footer rehabilitation	284	445	729	156.7%
TE	20960	Widen HEFT (SR821) from SR 836 to Okeechobee toll plaza (MP 32)	883	443	1,326	50.2%
5	21265	SR 5A Nova Rd from Village Trail to Herbert St & SR 5A Nova Rd from SR 5 US 1 to Village Trail	806	439	1,245	54.5%
5	21266	SR 5A Nova Rd from Flomich Ave. to Wilmette Ave. & SR 5A Nova Rd from Wilmette Ave. to SR 5 US 1 (Ormond)	860	373	1,233	43.4%
7	21274	22 <sup>nd</sup> /20th St. from Maritime Blvd. to SR 60	605	356	961	58.8%
2	T2013	I-295 Ortega River Bridge BR#720319 & BR#720247 & I-295 @ SR21/Blanding Blvd.	480	345	825	71.9%
7	20805	I-275 (SR 93) from S of Fletcher Ave. to N of US 41 overpass	555	332	887	59.8%

TE = Turnpike Enterprise

## **1d. CONSTRUCTION CONTRACT ADJUSTMENTS (cont'd)**

### **CONSTRUCTION CONTRACT COST ADJUSTMENTS**

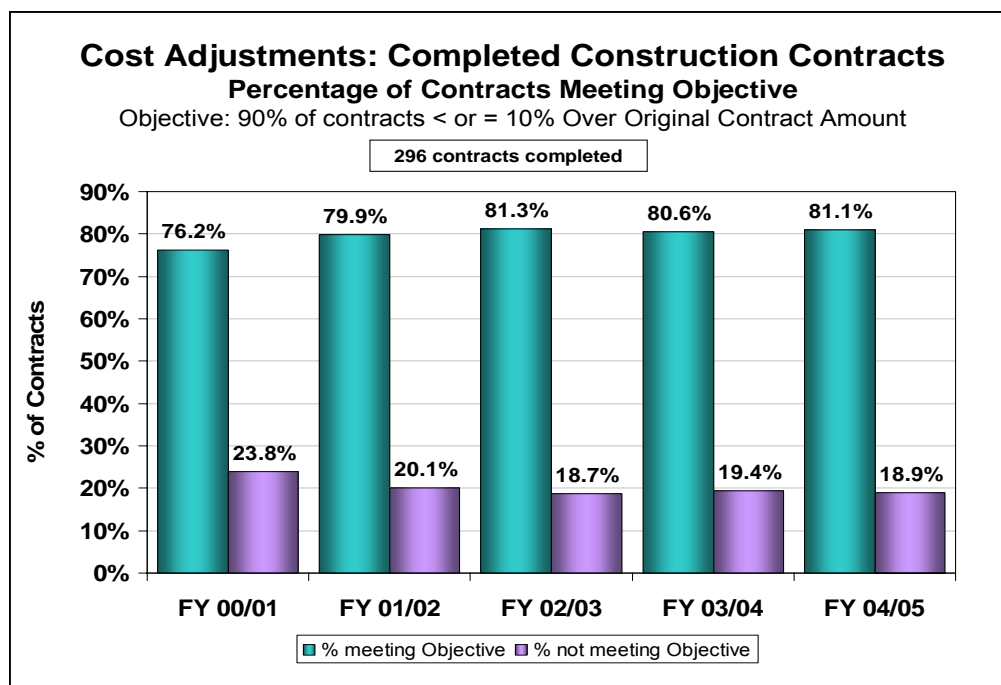
Factors such as changing market conditions, volatile changes in the cost of materials, and the call for aesthetic additions to projects have made cost increases an accepted norm within the construction industry. Additional costs are provided for:

- ♦ Individual work items which may increase by 5% (minor cost overrun);
- ♦ Overruns of 5% which must be authorized through Supplemental Agreement;
- ♦ Supplemental Agreements which authorize additional work at an additional cost; and
- ♦ Claims for work that the Department disagrees with paying (administrative or legal resolution)

**Primary Measure:** Percentage of construction contracts completed at no more than 10% above original contract amount.

**Objective:** No less than 90% of completed construction contracts falling within the 10% threshold.

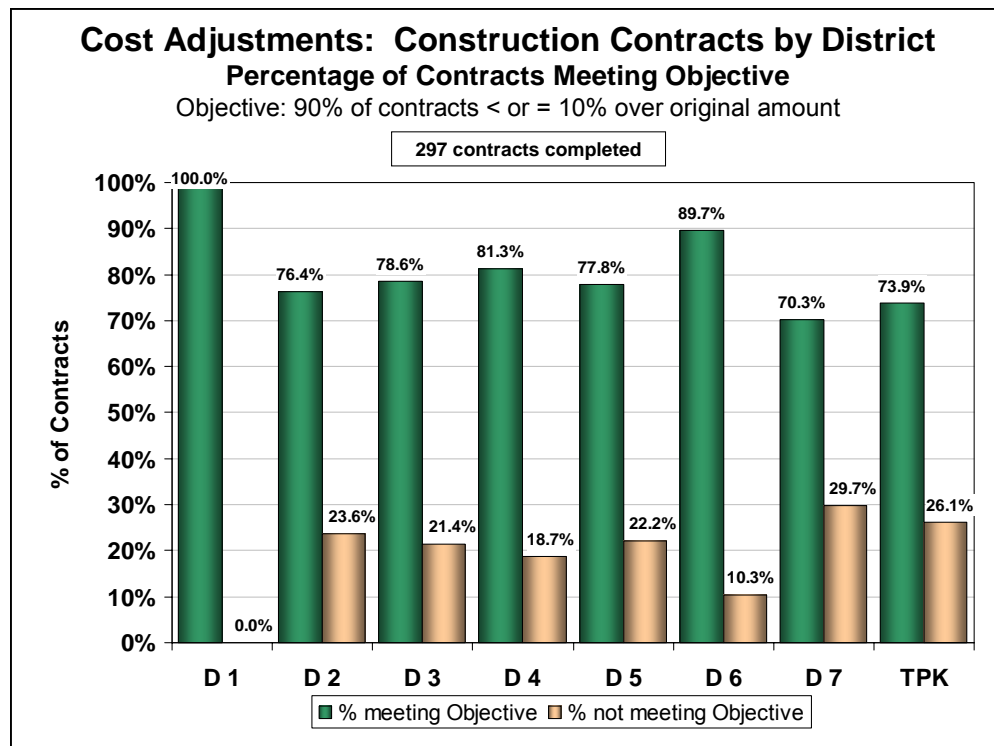
**Results:** Of the 297 contracts completed, 79.5% were within 10% of the original contract amount.





**1d. CONSTRUCTION CONTRACT ADJUSTMENTS (cont'd)****Five-Year Construction Contract Amount Data**

	# of Contracts	# < or = to 10%	# > 10%	% < or = to 10%	% > 10%
FY 05/06	297	236	61	79.5%	20.5%
FY 04/05	296	240	56	81.1%	18.9%
FY 03/04	407	328	79	80.6%	19.4%
FY 02/03	475	386	89	81.3%	18.7%
FY 01/02	323	258	65	79.9%	20.1%

**District specific results:**

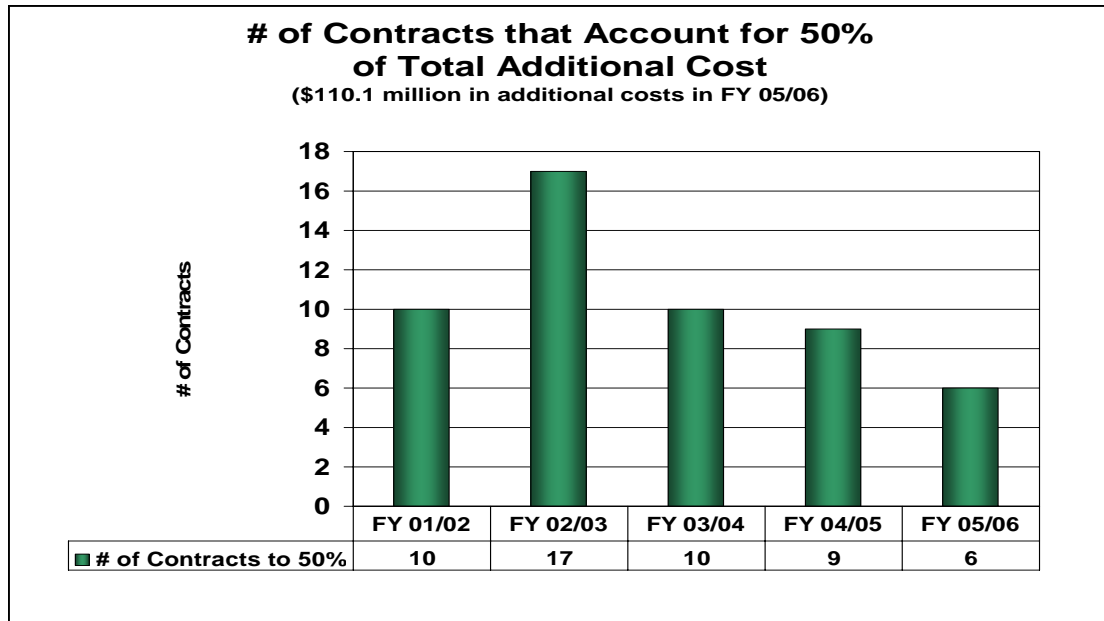
District	# of Contracts	# < or = to 10%	# > 10%	% < or = to 10%	% > 10%
1	23	23	0	100.0%	0.0%
2	89	68	21	76.4%	23.6%
3	28	22	6	78.6%	21.4%
4	32	26	6	81.3%	18.7%
5	36	28	8	77.8%	22.2%
6	29	26	3	89.7%	10.3%
7	37	26	11	70.3%	29.7%
TPK	23	17	6	73.9%	26.1%
Statewide	297	236	61	79.5%	20.5%

## 1d. CONSTRUCTION CONTRACT ADJUSTMENTS (cont'd)

Of the 297 contracts closed during FY 2005/06, only six contracts accounted for 50% of the total additional cost.

Total Original Amount	\$1.271 Billion
Additional amount:	<u>.110 Billion</u>
Total Days:	\$1.381 Billion
% Additional Amount	.078%

Contracts Completed:	297
# Contracts with 50% of Cost	6
% of Contracts with 50% Cost	.020%



### **1d. CONSTRUCTION CONTRACT ADJUSTMENTS (cont'd)**

**The six construction contracts accounting for 50% of the additional costs:**

District	Contract #	Project Description	Original Amount	Additional Amount	Total Amount	% Over
4	20788	I-95/SR-9 /P1-3/PBIA; Intch Southern Blvd N or Belvedere Rd	\$99,387,000	\$13,044,826	\$112,431,826	13.13%
TE	20960	Widen HEFT(SR821) from SR 836 to Okeechobee toll plaza (MP 32)	\$31,153,338	\$12,424,831	\$43,578,169	39.9%
TE	20104	From .6 mi Ridge Rd Ext to 1.1 mi. N of SR 52	\$26,126,632	\$8,996,258	\$35,122,890	34.4%
TE	E8C15	SR91/Florida's Tpk bridge design build northbound only	\$25,546,600	\$8,589,470	\$34,136,070	33.6%
7	21274	22 <sup>nd</sup> /20th St. from Maritime Blvd. to SR 60	\$17,731,811	\$5,138,992	\$22,870,803	29.0%
7	20805	I-275 (SR 93) from S of Fletcher Ave. to N of US 41 overpass	\$14,867,298	\$4,533,310	\$19,400,608	30.5%

TE = Turnpike Enterprise



## 1d. CONSTRUCTION CONTRACT ADJUSTMENTS (cont'd)

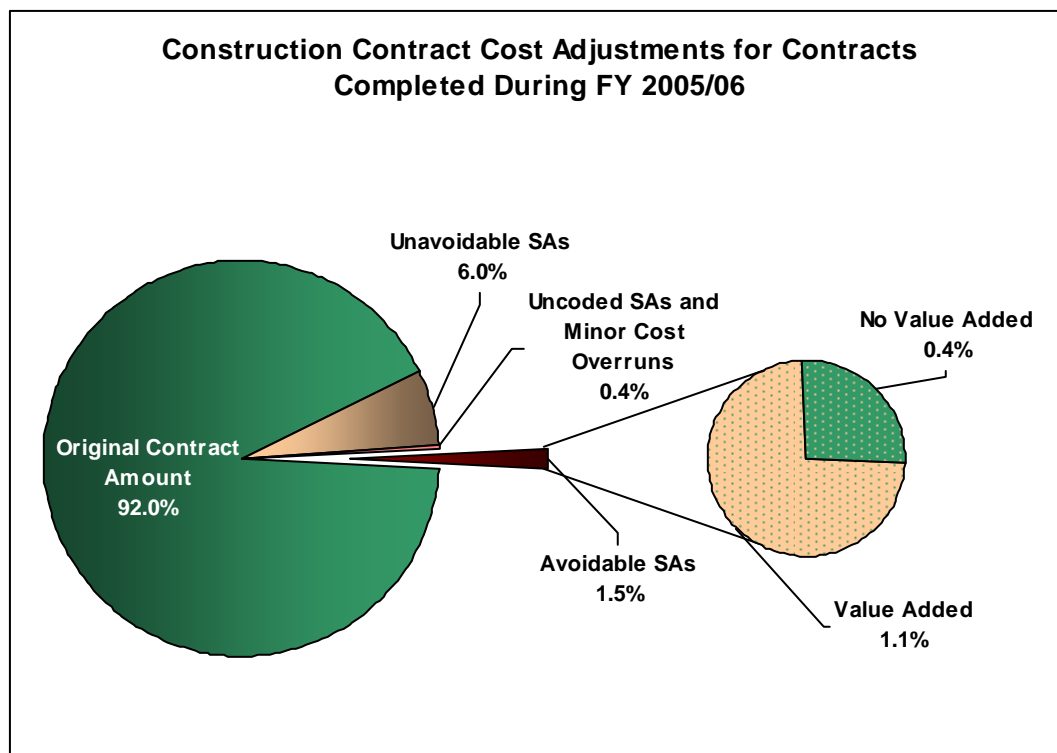
### **Supplemental Agreements: Avoidable and Unavoidable**

Supplemental Agreements comprised almost 95% of cost adjustments to closed construction contracts. Minor cost overruns make up the other 5%. Nearly all supplemental agreements add value to the project because they purchase additional labor and materials necessary for the project to become functional as project requirements change during the construction process.

However, there are avoidable costs related to material quantities and “delay costs”. To the extent these costs are avoidable and responsible parties identified, the Department should pursue monetary recovery where recovery is cost effective.

**Secondary Measure:** The additional amounts paid attributable to supplemental agreements that were determined to be avoidable.

**Results:** Of the final amount paid of \$1.381 billion on 297 contracts closed, \$21.1 million (1.5%) was deemed avoidable and of this amount, \$15.5 million (1.1%) added value and \$5.6 million did not add value to the projects.





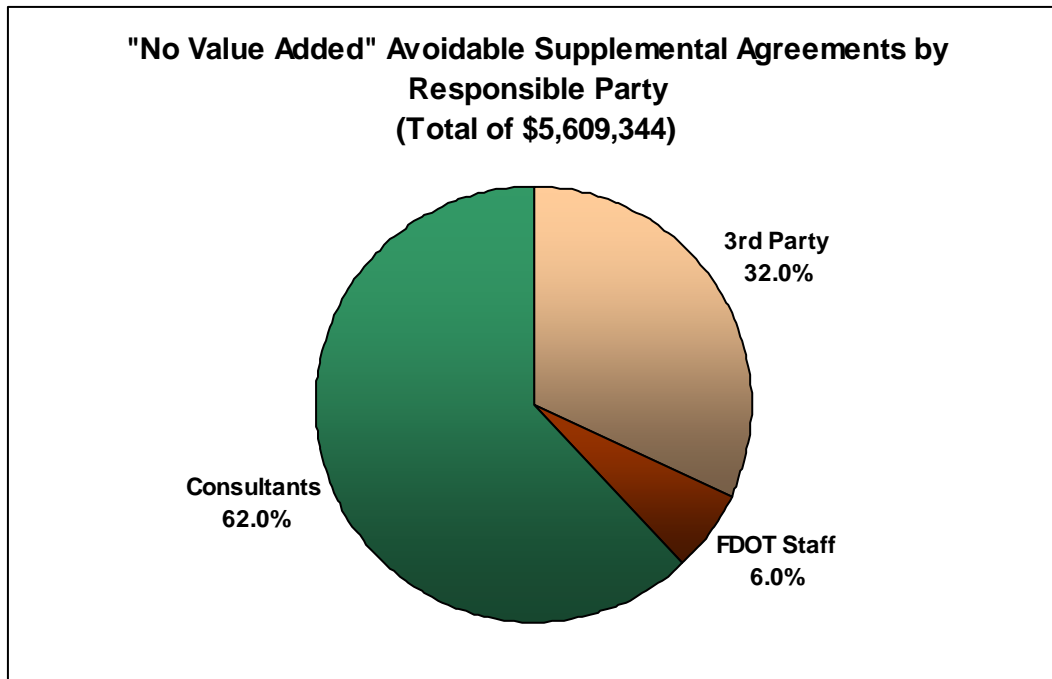
## **1d. CONSTRUCTION CONTRACT ADJUSTMENTS (concluded)**

### **Supplemental Agreements (SA's): Avoidable and Unavoidable**

The Department should focus its efforts on identifying the reasons for the avoidable supplemental agreements totaling \$5.6 million.

	Amount	%
Original Contract Amount	\$1,271,151,863	92.03%
Unavoidable SAs	\$83,351,373.37	6.03%
Avoidable SAs	\$21,106,004	1.53%
Uncoded SAs	\$0	0.0%
Minor Cost Overruns	\$5,622,157	0.41%
Total Final Amount Paid	\$1,381,223,940	100.0%

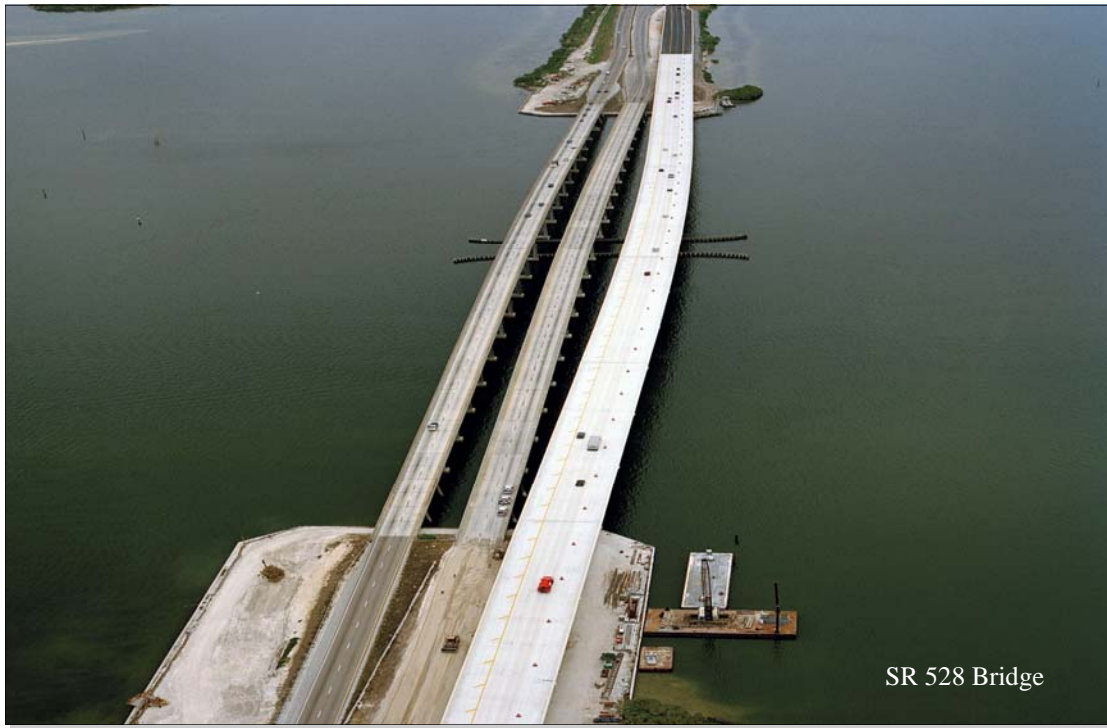
Avoidable SAs		
Value Added	\$15,496,660	1.12%
No Value Added	\$5,609,344	0.41%
Total	\$21,106,004	1.53%



### **Parties responsible for avoidable supplemental agreements:**

Responsible Party	Amount	%
3rd Party	\$1,792,264	31.95%
Consultants	\$3,473,004	61.91%
FDOT Staff	\$344,076	6.13%
Total Avoidable SA Amount	\$5,609,344	100.00%

Note: 3<sup>rd</sup> Party refers to local governments and utility companies.



## **2. Preservation of Current State Highway System**

### **2a. Bridges**

### **2b. Pavement**

### **2c. Routine Maintenance**

This section reports on the Department' ability to preserve and maintain it's road, bridge and other infrastructure assets. The Department is charged with:

- ♦ Preserving the billions of dollars of capital investment;
- ♦ Providing for a safe means of transportation for the residents and visitors of the State;
- ♦ Correcting structural deficiencies to avoid costly major reconstruction efforts;
- ♦ Preserving a transportation network vital to the State's economic vitality;
- ♦ Preserving the structural integrity of the roads through periodic resurfacing; and
- ♦ Maintaining the aesthetic and environmental qualities of the system through pothole patching, mowing, litter removal, signing and striping.

## **2a. BRIDGES**

### **Fast Facts:**

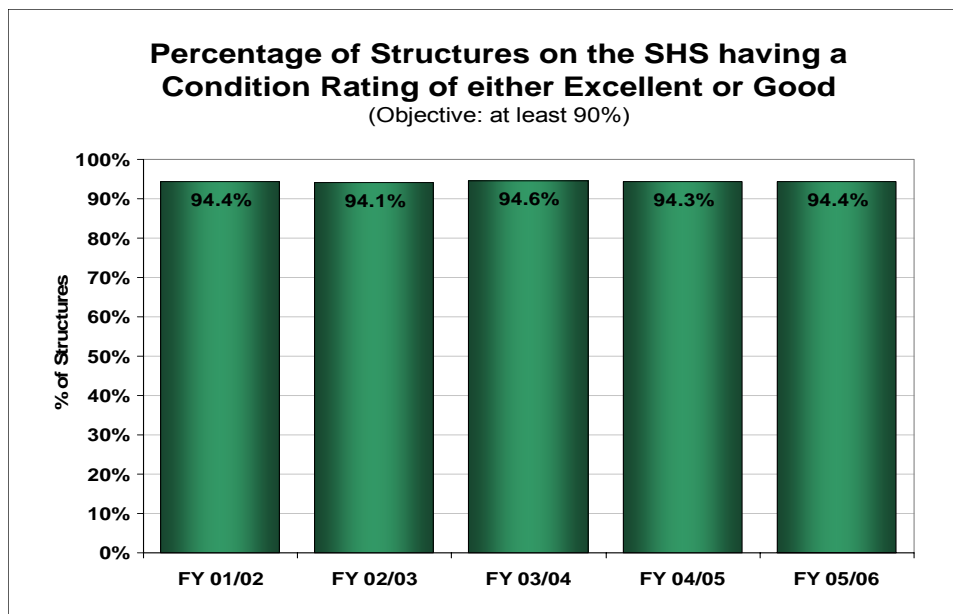
- ◆ There are 11,478 bridges in Florida.
- ◆ 6,069 are the responsibility of the Department of Transportation.
- ◆ Department bridges are inspected for structural deficiencies once every two years.
- ◆ No bridge is allowed to become unsafe for the traveling public.
- ◆ Florida law requires the Department to meet the annual needs for repair and replacement of bridges on the system.
- ◆ Focus is on preserving bridges through cost effective repairs and preventive maintenance.

### **BRIDGE CONDITION**

**Primary Measure:** Percentage of bridge structures on the State Highway System (SHS) rated either “excellent or good” (substructure, superstructure and deck); or the culvert condition rating. Includes bridges on the Tampa-Hillsborough County Expressway System maintained by the Department but not the Orlando-Orange County Expressway System or Miami-Dade Expressway System bridges which are not maintained by the Department.

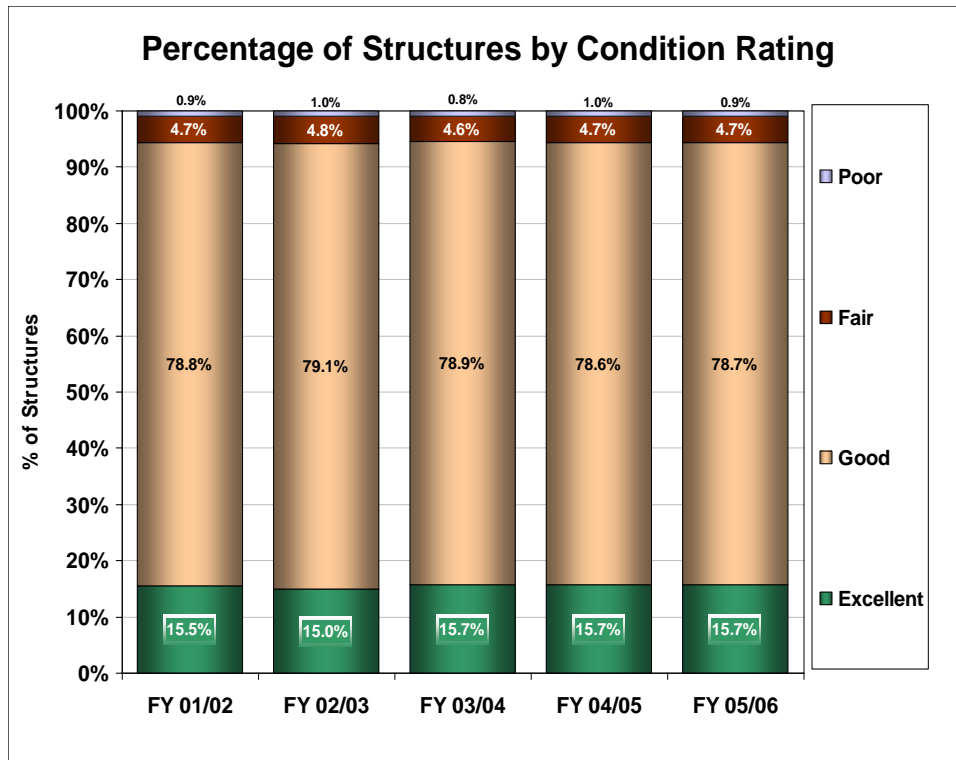
**Objective:** At least 90% of all bridge structures on the SHS having a condition rating of “excellent or good.”

**Results:** 94.4% of SHS bridges were rated “excellent or good.”



## 2a. BRIDGES (cont'd)

### CONDITION RATING:



8 or 9	Excellent	952	15.68%
6 or 7	Good	4,776	78.70%
5	Fair	284	4.68%
0 to 4	Poor	57	0.94%
Totals		6,069	100.00%





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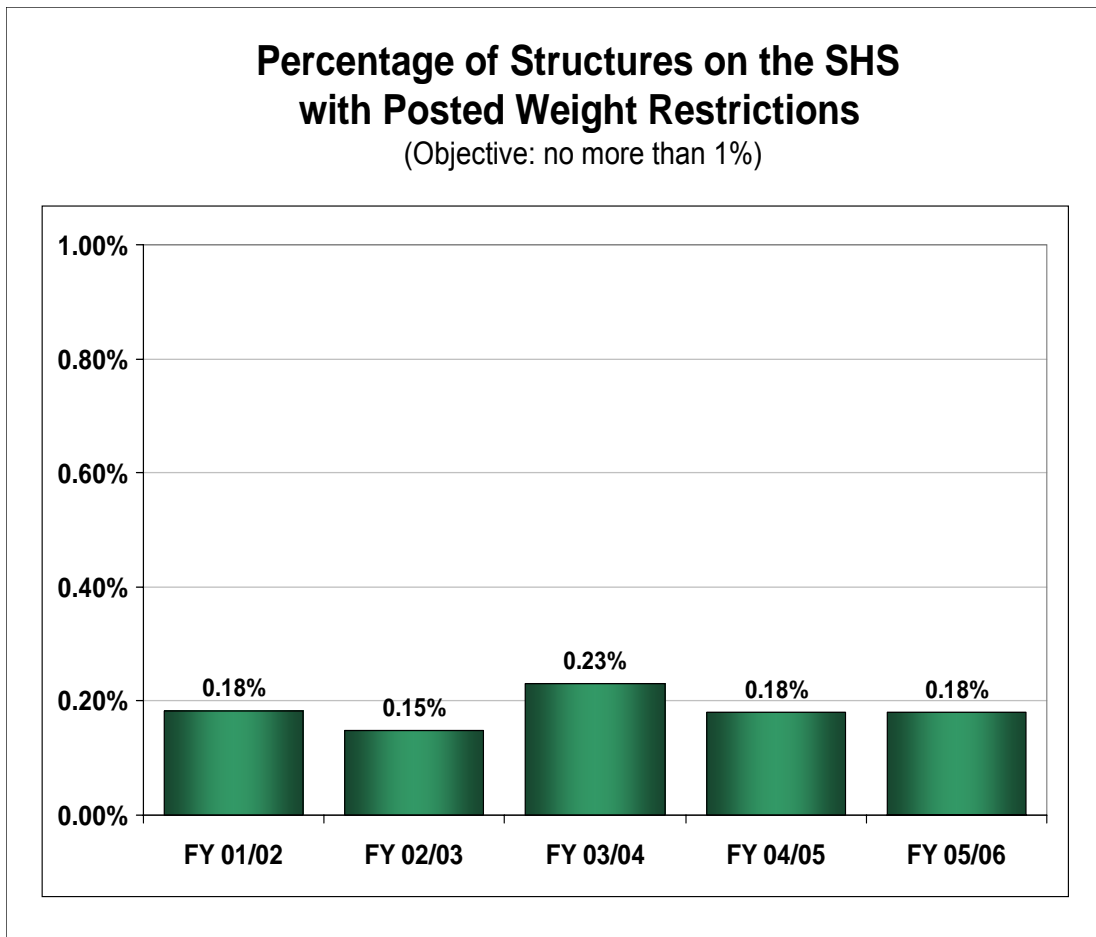
**2a. BRIDGES (cont'd)**

**RESTRICTED BRIDGES:** Those with posted weight limitations.

**Primary measure:** Percentage of bridges on the SHS with posted weight restrictions. Includes bridges on the Tampa-Hillsborough County Expressway System maintained by the Department, but not the Orlando-Orange County Expressway System or Miami-Dade Expressway System bridges which are not maintained by the Department.

**Objective:** No more than 1% of all bridge structures on the SHS with weight restrictions.

**Results:** Only 11 of the 6,069 or .181% of bridges on the SHS have weight restrictions.



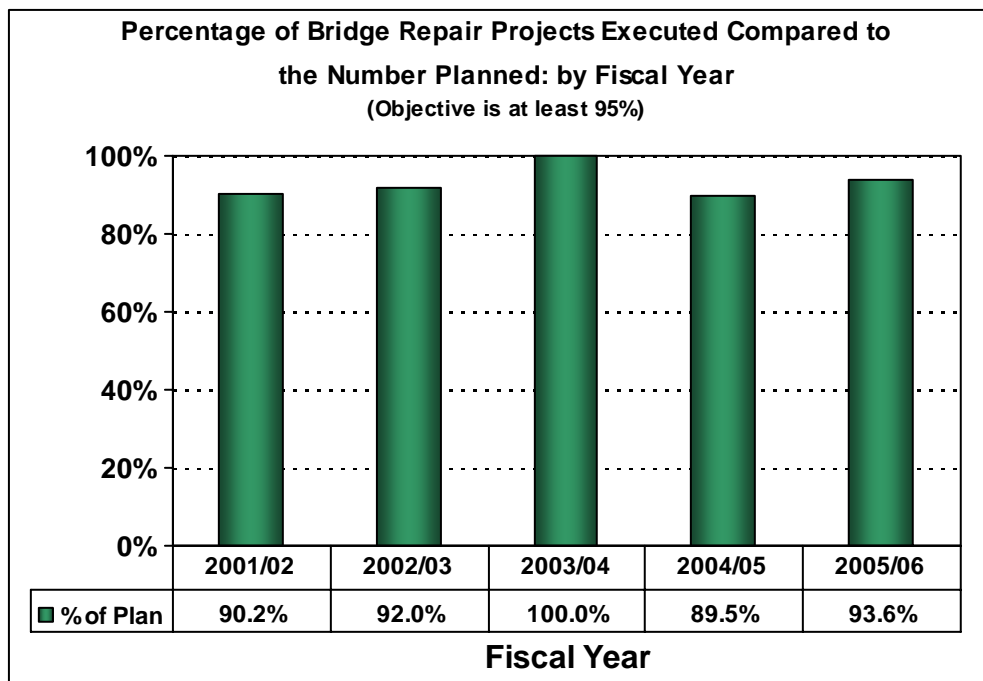
## 2a. BRIDGES (cont'd)

### BRIDGE REPAIR:

**Secondary Measure:** The number of bridges actually let for contract to be repaired compared to the number planned. (Note: A bridge repair contract may include more than one bridge and a bridge repair job can be included as part of a road project.)

**Objective:** Let no less than 95% of planned bridge repair projects.

**Results:** Achieved 93.6% having let 73 of 78 bridge repair projects. An additional 6 bridges that were not in the current or future plans were also let.



	Fiscal Year				
	2001/02	2002/03	2003/04	2004/05	2005/06
Plan	143	125	72	86	78
Actual	129	115	72	77	73
% of Plan	90.2%	92.0%	100.0%	89.5%	93.6%
Additions	54	27	12	6	6
Advanced FY	2	9	4	1	0
Total	185	151	88	84	79

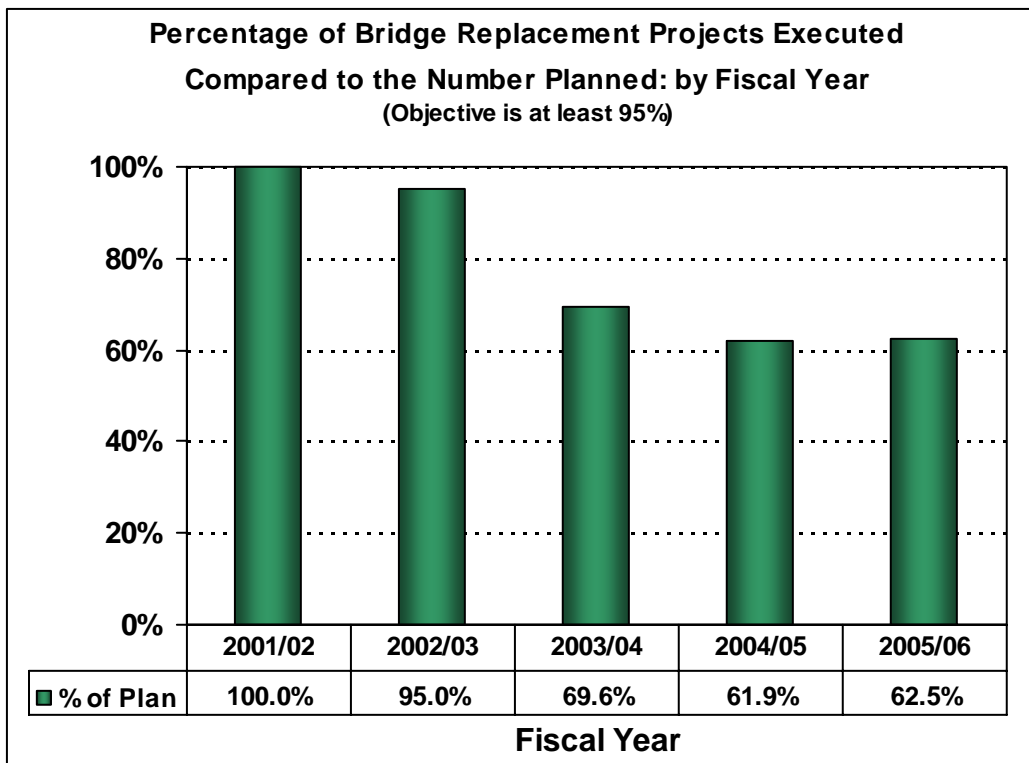
## 2a. BRIDGES (concluded)

### BRIDGE REPLACEMENT:

**Secondary Measure:** The number of bridges actually let to contract to be replaced compared to the number planned.

**Objective:** Let no less than 95% of planned bridge replacements.

**Results:** Achieved 62.5% having let 15 of 24 planned contracts. In addition, one bridge replacement contract was let that was in the future plan.



	Fiscal Year				
	2001/02	2002/03	2003/04	2004/05	2005/06
Plan	14	20	23	21	24
Actual	14	19	16	13	15
% of Plan	100.0%	95.0%	69.6%	61.9%	62.5%
Additions	3	2	1	0	0
Advanced FY	4	0	0	0	1
Total	21	21	17	13	16

## **2b. PAVEMENT**

The Department measures the condition of road pavements on an annual basis. Segments that do not measure up to predefined standards are considered deficient and repairs are scheduled in the Department's work program.

The frequency of resurfacing depends on:

- ♦ traffic volume;
- ♦ type of traffic (heavier vehicles cause more "wear and tear"); and
- ♦ weather conditions.

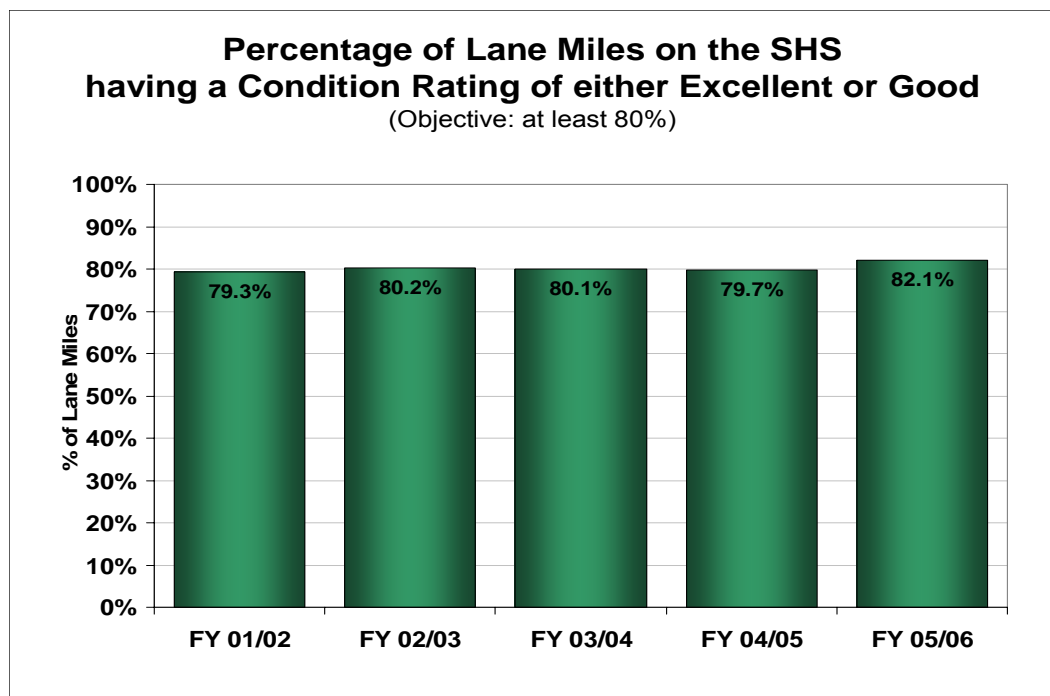
Florida law requires the Department to meet annual needs for resurfacing of the SHS through regular maintenance which avoids high repair bills and prolongs the useful life of the asset.

### **PAVEMENT CONDITION**

**Primary Measure:** The percentage of lane miles on the SHS having a Pavement Condition Rating (PCR) of "excellent or good." The standard is a 6.5 or above on a ten point scale for: ride quality, crack severity, and rutting.

**Objective:** 80 percent of all lanes on the SHS having a PCR of "excellent or good."

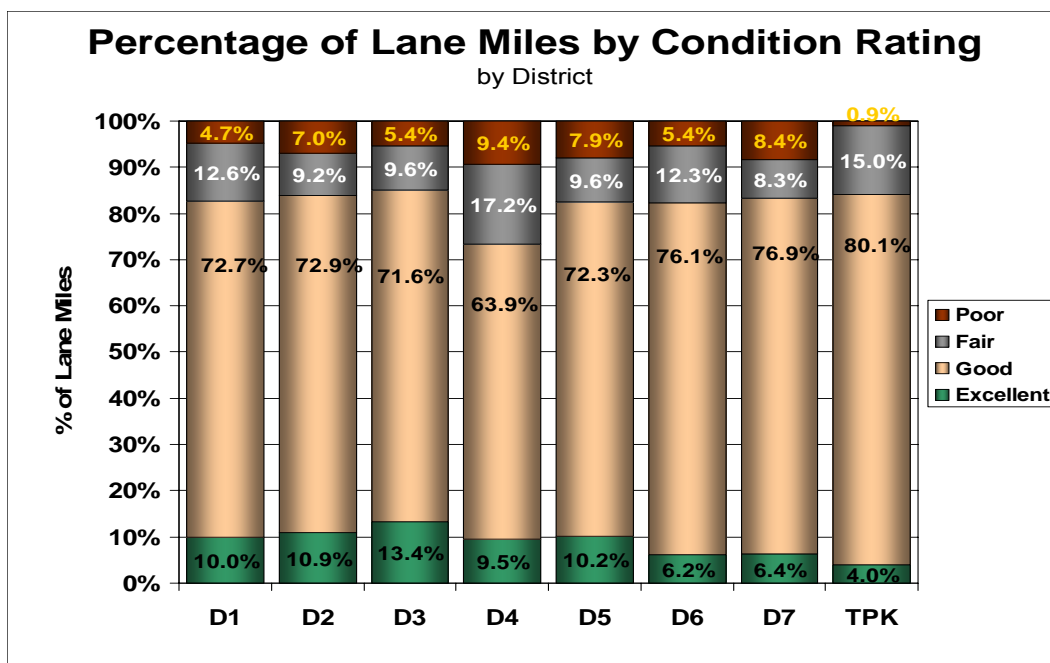
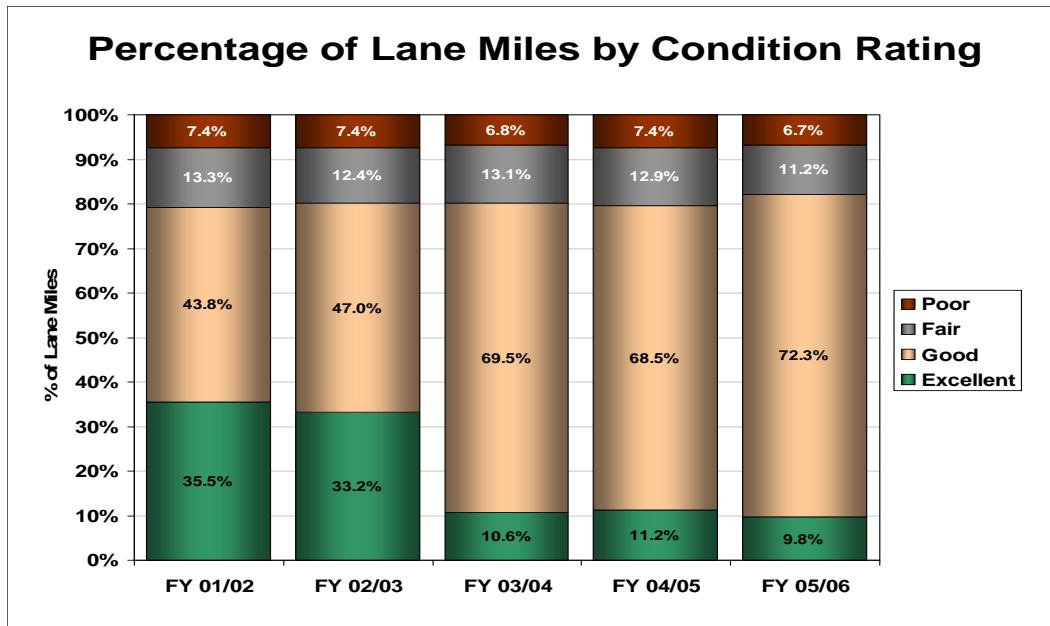
**Results:** A rating of 82.1%, exceeding the goal of 80%.





**2b. PAVEMENT (cont'd)****Statewide Pavement Condition Rating (PCR) Data for FY 2005/06**

PCR	Condition Rating	# of Lane Miles	% of Total
8.5 to 10	Excellent	4,067	9.8%
6.5 to 8.4	Good	29,996	72.3%
4.5 to 6.4	Fair	4,651	11.2%
0.0 to 4.4	Poor	2,760	6.7%
Totals		41,474	100.00%



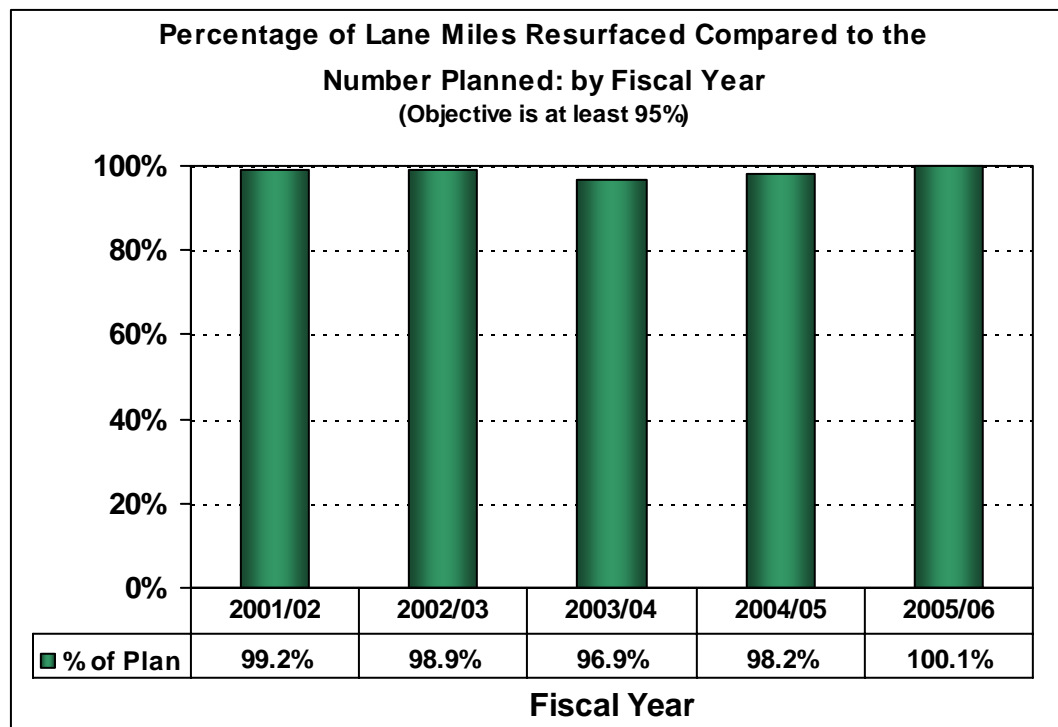
## **2b. PAVEMENT (concluded)**

### **LANE MILES RESURFACED:**

**Secondary Measure:** The actual number of lane miles on the SHS let for resurfacing compared to the number of miles planned.

**Objective:** Let no less than 95% of the planned resurfacing contracts.

**Results:** Achieved 100.1% of the plan by letting to contract 2,358.2 of 2,355.4 lane miles planned. In addition, the Department advanced 69.8 miles that had been planned for the future and 17.8 miles that were not in current or future plans. Also includes 10.6 miles of resurfacing off the SHS.



	Fiscal Year				
	2001/02	2002/03	2003/04	2004/05	2005/06
Plan	2,260.0	2,433.9	1,937.4	2,084.6	2,355.4
Actual	2,242.0	2,406.6	1,877.2	2,046.8	2,358.2
% of Plan	99.2%	98.9%	96.9%	98.2%	100.1%
Advanced FY	133.8	82.6	96.6	68.2	69.8
Additions	208.0	230.3	101.8	30.6	17.8
Total	2,583.8	2,719.5	2,075.6	2,145.6	2,445.8

## **2c. ROUTINE MAINTENANCE**

**This component includes:**

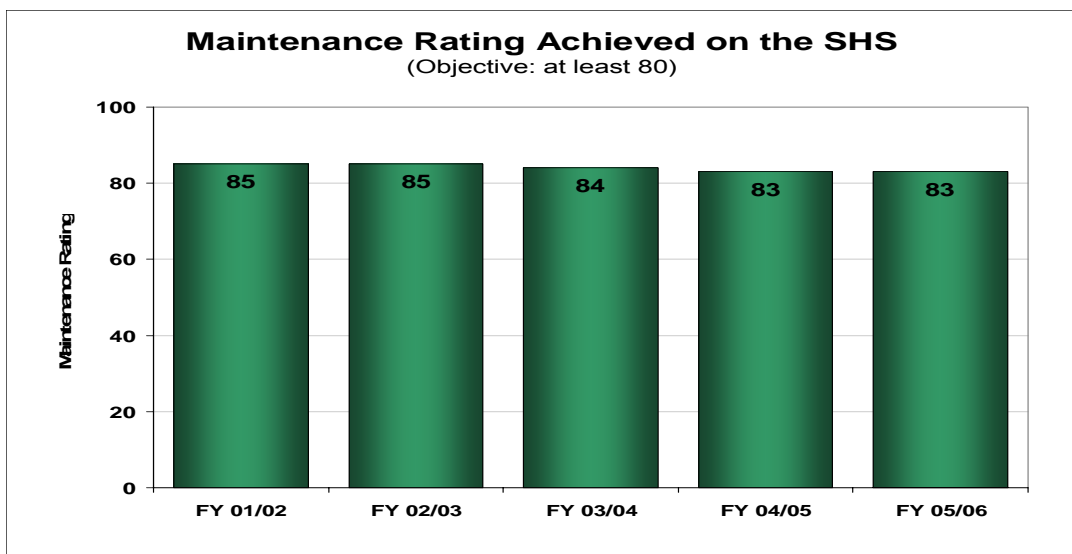
- ♦ Highway repairs (repairing potholes, patching, etc);
- ♦ Roadside upkeep (mowing, litter removal);
- ♦ Drainage management; and
- ♦ Traffic services (road signs, re-striping).

Adequate and uniform road maintenance 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 SHS.

**Primary Measure:** Achieve a Maintenance Rating of at least 80 on the SHS. The Maintenance Rating goal of 80 is based on the Department's evaluation of its performance using the Maintenance Rating Program (MRP) which grades five maintenance elements and arrives at a composite score, based on a scale of 1 to 100, with 80 being the Department standard.

**Objective:** Achieve a rating of at least an 80 on the SHS.

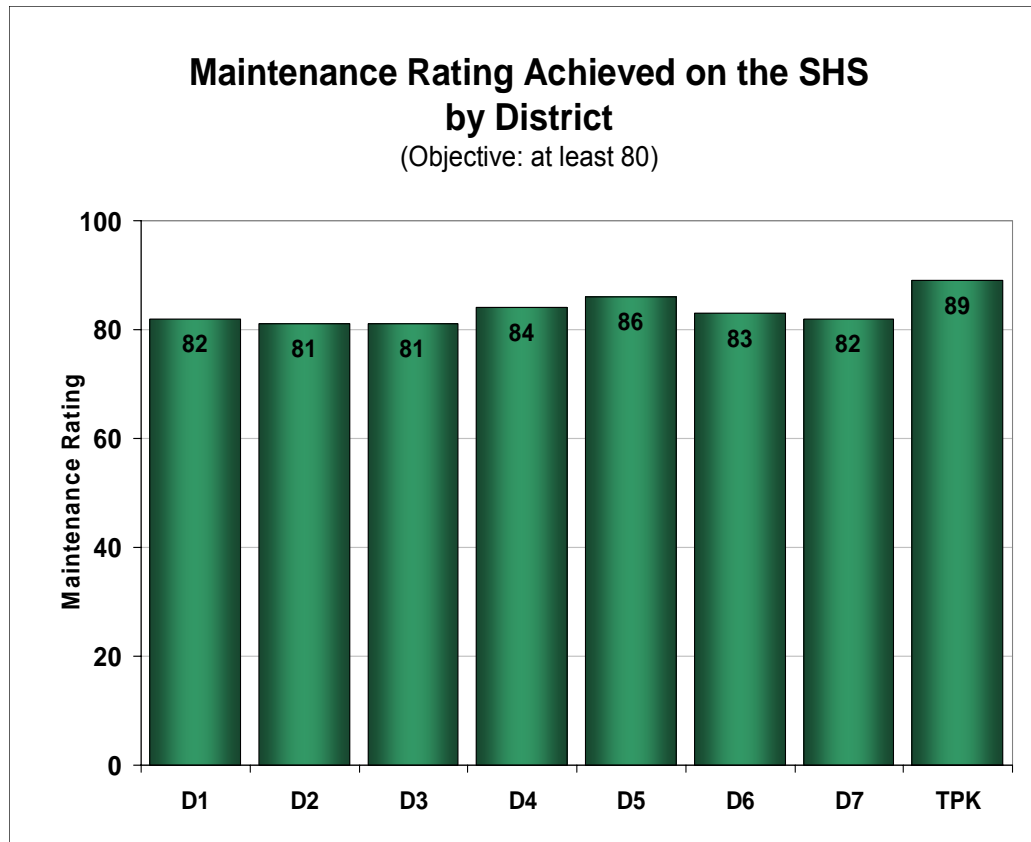
**Results:** Achieved an MRP of 83 or 103.8% of the objective.



	Fiscal Year				
	2001/02	2002/03	2003/04	2004/05	2005/06
Rating Goal	80	80	80	80	80
Actual Rating	85	85	84	83	83
% of Goal Achieved	106.3%	106.3%	105.0%	103.8%	103.8%

## **2c. ROUTINE MAINTENANCE (concluded)**

**District specific results:**







US 331 Project



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

**3a. Strategic Intermodal System (SIS) Capacity**

**3b. Capacity Improvements: Highways**

**3c. Capacity Improvements: Public Transportation**

**3d. Intelligent transportation Systems (ITS)**

The Department's highest funding priorities are:

- ♦ Preservation of the existing highways, bridges and other transportation assets; and
- ♦ Maintenance of the transportation assets to standards established and funded.

Because a backlog of preservation needs exists, highway capacity improvements (new road construction, adding lanes, 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.

### **3.a STRATEGIC INTERMODAL SYSTEM (SIS) CAPACITY**

The SIS was established in 2003 to enhance Florida's economic competitiveness by focusing limited state resources on transportation facilities that are critical to Florida's economy and quality of life. The SIS is a statewide network of high-priority transportation facilities, including the State's largest and most significant:

- ♦ Commercial service airports;
- ♦ Spaceport;
- ♦ Deep water seaports;
- ♦ Waterways; and
- ♦ Highways.

These facilities carry more than 99 percent of all commercial air passengers, virtually all waterborne freight tonnage, almost all rail freight, and more than 68% of all truck traffic and 54% of total traffic on the State Highway System (SHS).

Performance measures to assess the efficiency and reliability of the system are under development. New measures will assist in determining if this new system of prioritizing transportation funding will lead to increased capacity, less delay and more reliable operation of the SIS. This first measure is intended to evaluate the progress towards achieving a fundamental shift in the way Florida develops and makes investments in its transportation system.

**Primary Measure:** The percentage of flexible capacity funds allocated to the SIS.

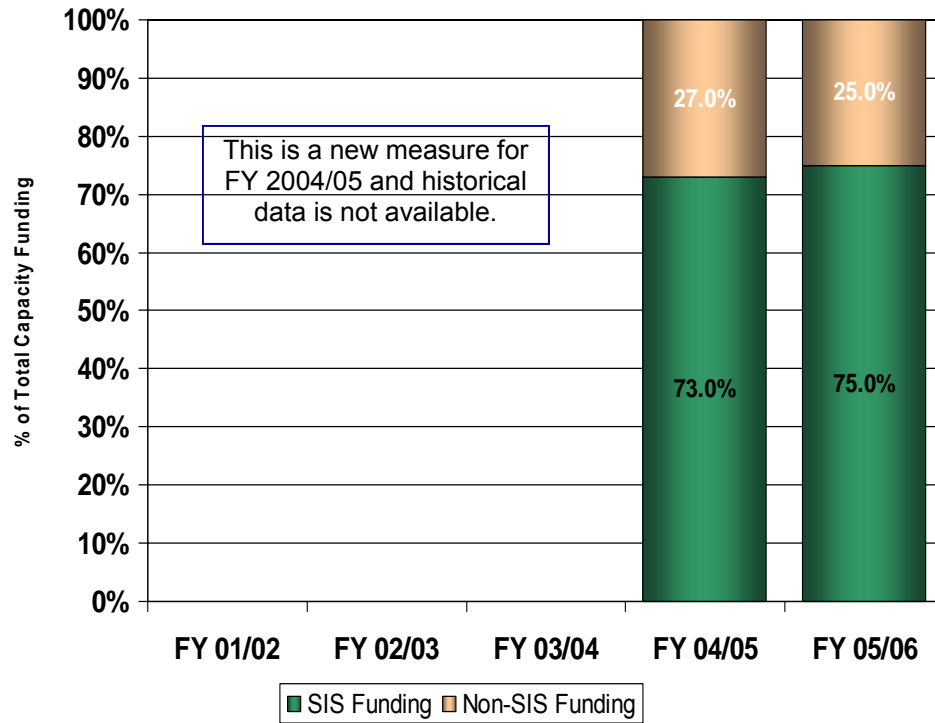
**Objective:** Currently being developed, but the goal is to transition to a 75 percent SIS/25 percent non-SIS allocation by FY 2015.

**Results:** 75% of flexible capacity funds were allocated to the SIS and 78% of total capacity funding was committed to the SIS, exceeding the allocation ceiling. Although the current plan provides for an annual allocation of 75% of flexible capacity funds to the SIS each year, the actual commitments will only account for 71% of the capacity funding dedicated to the SIS. This is the result of urban funds and Turnpike funds included in total capacity funding but not included in the flexible capacity allocation formula. The Department is revisiting this funding formula and the Commission will monitor any changes.



### **3.a STRATEGIC INTERMODAL SYSTEM (SIS) CAPACITY**

#### **SIS vs. Non-SIS Capacity Funding**





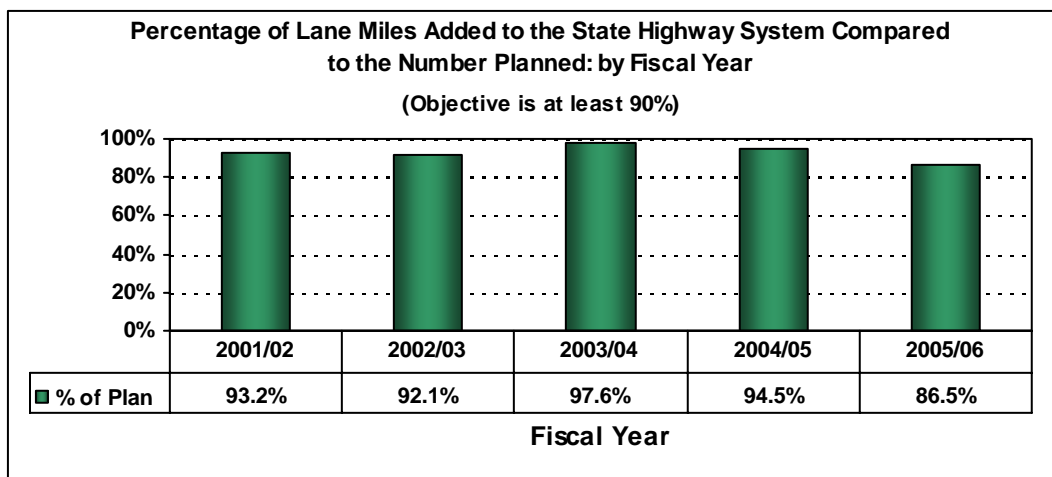
### **3b. CAPACITY IMPROVEMENTS: HIGHWAYS**

The Department has primary jurisdiction over the State Highway System. Currently, there are approximately 120,000 centerline miles of public roads within the state. The State Highway System (SHS) comprises about 10 percent, or 12,046 of the total centerline miles and accounts for 41,613 lane miles of roadway. The SHS carries two-thirds of the traffic in the state. The handling capacity and efficiency of the SHS is a critical determining factor 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:** Number of lane miles of capacity projects on the SHS let compared to the number planned.

**Objective:** Let no less than 90% of the lane miles planned.

**Results:** Achieved 86.5% of the plan by letting to contract 179.2 of the 207.2 lane miles planned. Additionally, 9.3 lane miles planned for the future were advanced and 38.7 lane miles not in the original plan were added for a total of 227.2 new lane miles to the FIHS. Also includes 5.8 miles not on the SHS.



	Fiscal Year				
	2001/02	2002/03	2003/04	2004/05	2005/06
Plan	407.4	373.9	362.3	271.7	207.2
Actual	379.6	344.3	353.5	256.7	179.2
% of Plan	93.2%	92.1%	97.6%	94.5%	86.5%
Additions	70.0	8.6	3.6	8.4	38.7
Advanced FY	182.0	0.0	19.5	14.0	9.3
Total	631.6	352.9	376.6	279.2	227.2

### **3c. 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:

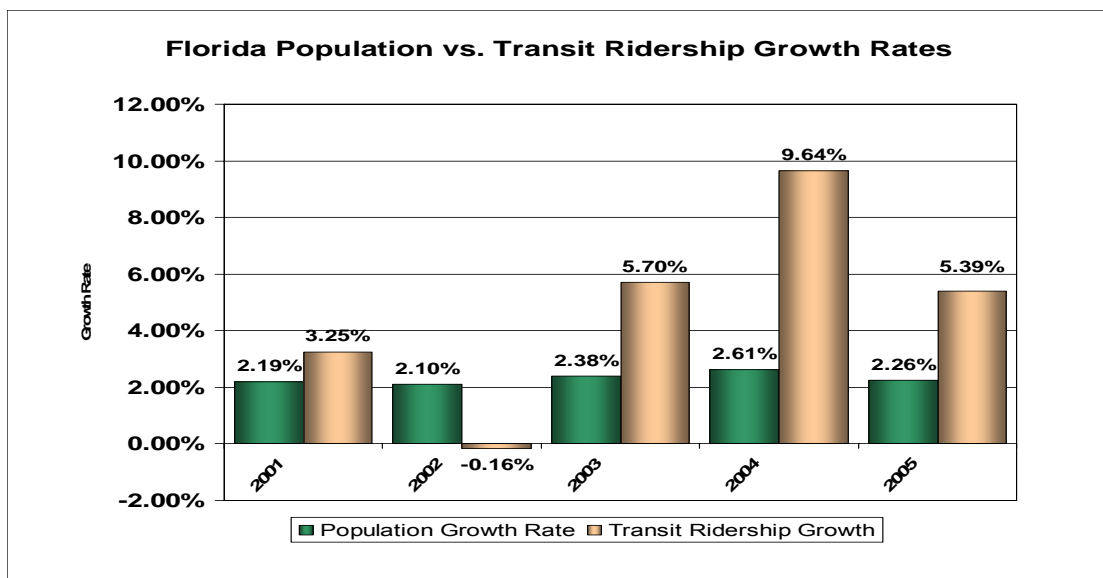
- ◆ Airports, Seaports, Rail, Bus, Transit;
- ◆ Intermodal Development (enhancing connectivity to various modes); and
- ◆ Commuter Assistance (carpooling, vanpooling, park and ride).

The Department is generally limited to providing funding and technical support, with ownership and operation provided by local governments or private-sector entities that utilize State support through grants and other sources.

**Primary Measure:** Public Transit ridership growth rate compared to the State population growth rate.

**Objective:** Increase transit ridership at twice the average rate of population growth.

**Results:** Florida's population growth rate for 2005 was 2.26%, therefore transit ridership would have to meet or exceed 4.52%. Transit ridership grew by 5.39%, exceeding the objective. FY 04/05 preliminary results were revised from 5.88% to 9.64% growth to reflect final data available.



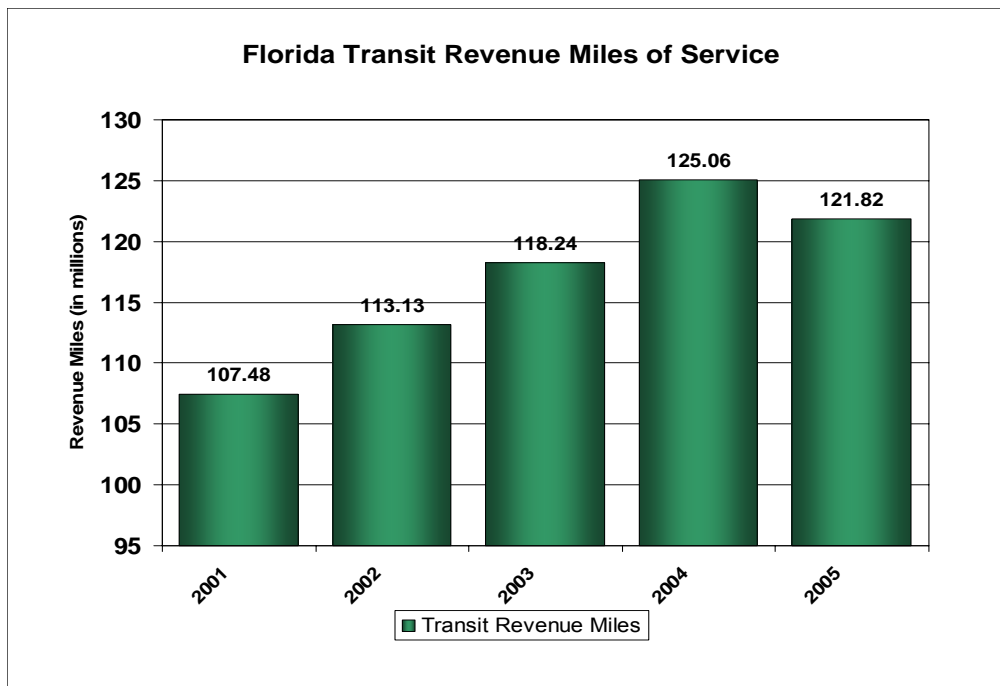
### 3c. CAPACITY IMPROVEMENTS: PUBLIC TRANSPORTATION MODES (concluded)

**Secondary Measure:** Annual growth in transit revenue miles (the number of miles transit vehicles are in service). Revenue miles increase:

- ♦ when the service area covered is expanded;
- ♦ when frequency is increased; and
- ♦ when daily start and/or end times for service are expanded.

**Objective:** An annual increase in revenue miles. Growth rate objective has not been established.

**Results:** Declined by 2.60% compared to revenue miles in 2004 (results for this measure are presented by Federal Fiscal Year). FY 02/03 growth was restated and grew by 4.5%. FY 03/04 was restated and grew by 5.77%.



### **3d. INTELLIGENT TRANSPORTATION SYSTEMS (ITS)**

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.

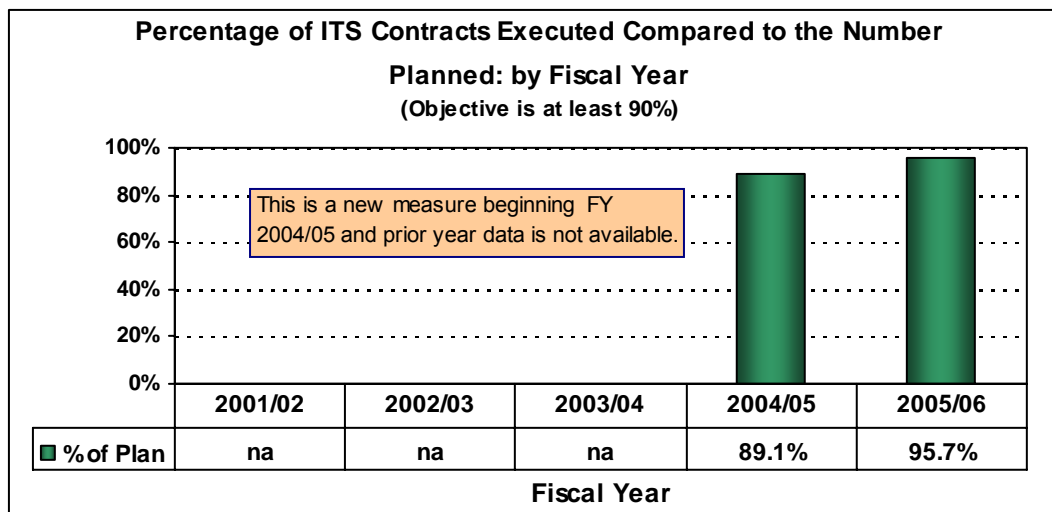
Instead of just building new roads or expanding existing roads, ITS will utilize advanced technologies to remedy safety and mobility problems. SunGuide is the brand name of the State of Florida's ITS solution.

ITS is currently evolving in Florida, and thus the capability to report actual performance at this time is limited by the availability of consistent statewide data. The Department, in partnership with ITS Florida, is currently developing outcome based performance measures for inclusion in future reports.

**Secondary Measure:** Number of ITS consultant and construction contracts let compared to the number planned in the ITS Cost Feasible Plan.

**Objective:** No less than 90% of plan.

**Results:** Achieved 95.7% of plan, executing 22 of 23 contracts valued at \$48.6 million.









## **4. Cost Effective and Efficient 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, future revenues are projected to be available as needed to meet expenditures. Unlike other state agencies that require the entire contract amount to be on hand before the work begins, the Department of Transportation only needs to forecast that sufficient cash will be available to meet expenditures prior to awarding a contract. The Department anticipates 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.

#### **4a. COMMITMENT OF FEDERAL FUNDS**

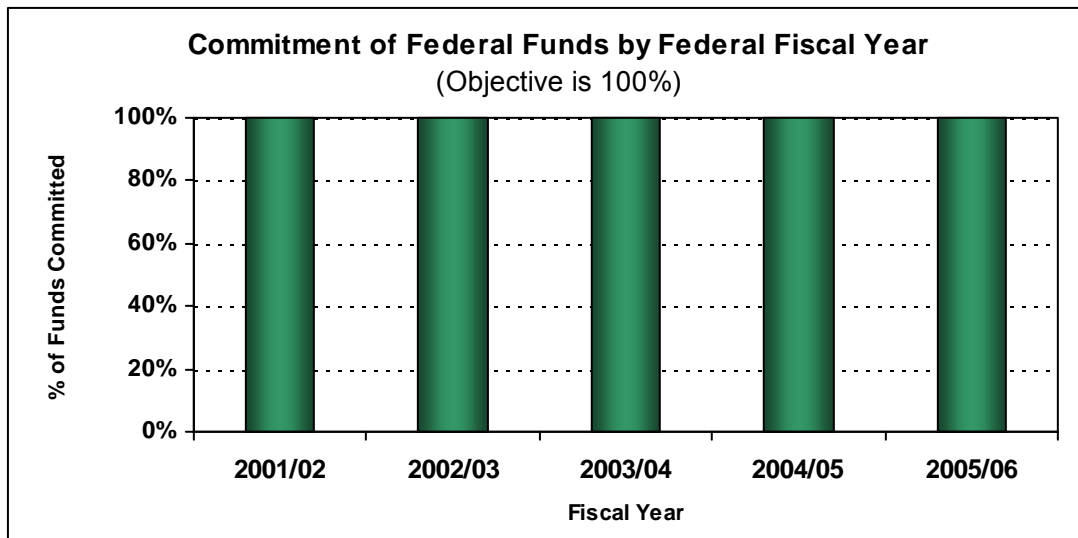
Federal motor fuel taxes paid by Florida's residents, businesses and visitors are deposited in the Federal Highway Trust Fund, and a portion of that tax is returned to Florida as federal funds. The Department uses these federal funds for transportation projects on a match basis (e.g., Interstate Highway Construction is matched 80% Federal/20% State).

Federal funds must be committed to projects by a specified period of time or the funds lapse, are pooled, and redistributed to state's that have consumed their federal funds. It is imperative that the Department commit all available federal funds on qualifying projects and that all federal requirements are met.

**Primary Measure:** The percent of federal funds committed compared to federal funds available and subject to forfeiture (on federal fiscal year ending September 30).

**Objective:** Commit 100% of federal funds subject to forfeiture.

**Results:** The Department is on track to commit 100% (\$1.219 billion) of federal funds by September 30, 2006. The Department requested \$100 million of redistributed funds and received \$86.8 million in additional federal funds that can be used to replace 100% State Funds on federally eligible projects.



\$ in millions	Fiscal Year				
	2001/02	2002/03	2003/04	2004/05	2005/06
Planned Commitments	\$1,272.4	\$1,128.3	\$1,149.4	\$1,174.4	\$1,218.8
Actual Commitments	\$1,272.4	\$1,128.3	\$1,149.4	\$1,174.4	\$1,218.8
% of Plan	100.0%	100.0%	100.0%	100%	100%

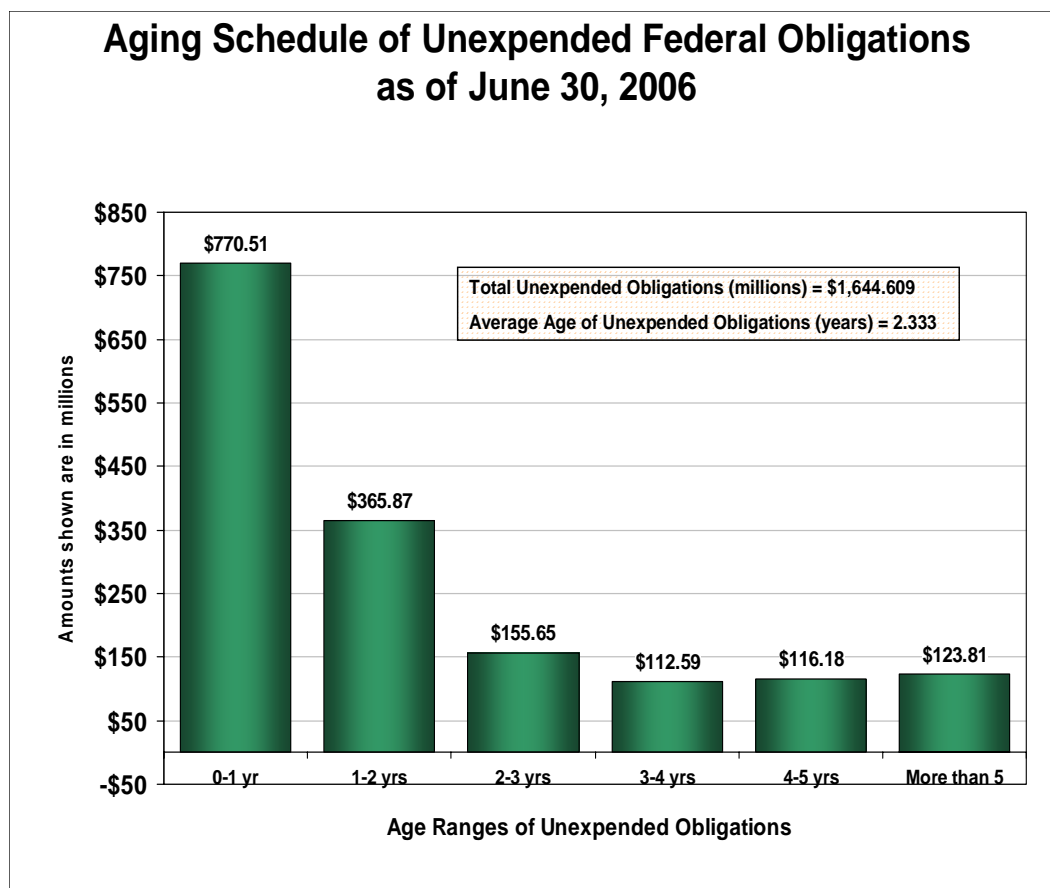
#### **4b. OBLIGATION AUTHORITY**

Congress and the Federal Highway Administration (FHWA) allocate “obligation authority” each federal fiscal year to commit federal funds. When a project moves forward it is “authorized” and obligation authority is assigned. As expenses are incurred, the FHWA reimburses the Department and obligation authority assigned to the project is drawn down. The Department is moving forward with new tools that maximize the use of obligation authority to draw down allocations more timely in order to generate cash more quickly.

**Secondary Measure:** The average age of obligation authority balance under commitment, but not yet consumed.

**Objective:** This measure will assess how efficiently the Department is managing its federal funds. This objective is being developed.

**Results:** Unexpended Federal obligations on June 30, 2006 totaled \$1.645 billion. The average age of these obligations is 2.33 years.



#### **4c. MANAGEMENT OF ADMINISTRATIVE COSTS**

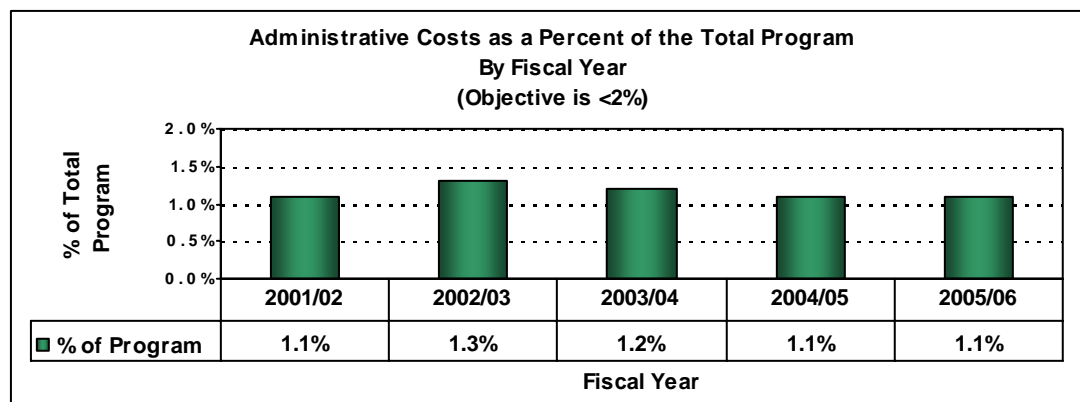
Administrative Costs include direct support to the production functions of the Department—senior management (Central Office and Districts), legal, audit, public information, governmental liaison, comptroller, budget, personnel, purchasing, procurement, minority programs and commission staffs. Excluded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

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 and product support costs. 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 administrative costs with those of the private sector is not recommended.

**Primary Measure:** Dollar amount of administrative costs as a percent of total program.

**Objective:** Below two percent of total program.

**Results:** Administrative costs were 1.1% of the total program or \$71.0 million of a \$6.5 billion program. Actual dollar costs increased by 2.2% compared to FY 04/05 (from \$69.5 to \$71.0 million).



(\$=millions)	Fiscal Year				
	2001/02	2002/03	2003/04	2004/05	2005/06
Administrative Costs	\$60.0	\$60.7	\$68.1	\$69.5	\$71.0
Total Program	\$5,602.1	\$4,800.0	\$5,506.1	\$6,192.7	\$6,455.2
% of Total Program	1.1%	1.3%	1.2%	1.1%	1.1%



#### **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 sufficient to cover anticipated expenditures. This provides for the immediate return of taxpayer dollars in the form of transportation facilities sooner than if all funds were required to be on hand prior to contracting.

Florida law requires the Department to maintain a minimum cash balance in the State Transportation Trust Fund of \$50 million or 5% of outstanding obligations. The Department must carefully forecast revenues to match future expenditures in order to continue to enter into contracts for transportation improvements. Rebalancing of the forecast occurs monthly and takes into account any known changes in revenue estimates, interest rates, cost factors, and other assumptions that affect future cash balances.

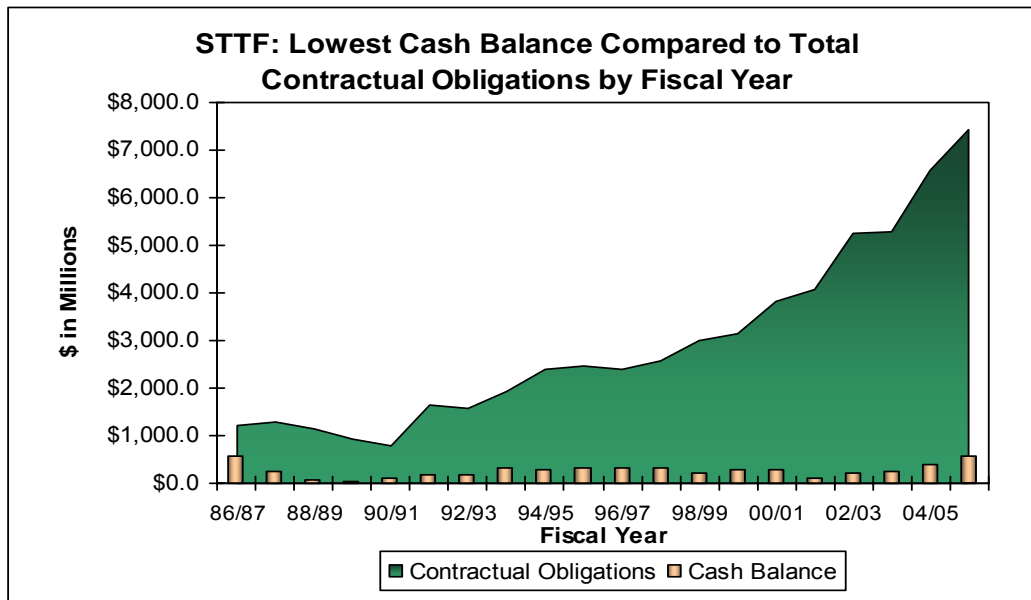
**Primary Measure:** This is a 3-part measure—actual cash receipts compared to forecast; actual disbursements compared to forecast; and lowest annual cash balance compared to total outstanding contractual obligations.

**Objective:** Maintain a variance within 5% of the forecasted amounts, with 0% being optimal. The Department strives to keep the cash balance within a range of \$200 to \$400 million as a guideline though this can vary depending on a number of circumstances.

**Results:** Actual cash receipts of \$6.2 billion were 11.4% lower (\$803 million) than the forecast of 7.0 billion. Actual cash disbursements of \$5.8 billion were 11.2% lower (\$734 million) than the forecast of \$6.5 billion. The lowest month-end cash balance was \$580.3 million or 7.8% of total outstanding obligations of \$7.4 billion.

Cash Receipts (\$=millions)		Cash Disbursements (\$=millions)	
Forecast for FY 2005/06	\$7,010.2	Forecast for FY 2005/06	\$6,531.5
2005/06 Actual	\$6,207.7	2005/06 Actual	\$5,797.7
\$ Variance	-\$802.5	\$ Variance	-\$733.8
% Variance	-11.4%	% Variance	-11.2%

## 4d. CASH MANAGEMENT



Fiscal Year	Lowest Cash Balance (\$ in Millions)	Contractual Obligations (\$ in Millions)	Cash as % of Obligations
1986/87	\$558.0	\$1,206.0	46.3%
1987/88	\$262.0	\$1,295.0	20.2%
1988/89	\$77.0	\$1,137.0	6.8%
1989/90	\$41.0	\$940.0	4.4%
1990/91	\$105.0	\$786.0	13.4%
1991/92	\$195.0	\$1,649.0	11.8%
1992/93	\$171.0	\$1,574.0	10.9%
1993/94	\$331.0	\$1,933.0	17.1%
1994/95	\$299.0	\$2,397.0	12.5%
1995/96	\$332.0	\$2,478.0	13.4%
1996/97	\$305.0	\$2,401.0	12.7%
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%



## **5. Minority and Disadvantaged Business Programs**

### **5a. Minority Business Enterprise (MBE) Program**

### **5b. Disadvantaged Business Enterprise (DBE) Program**

The Department has been actively encouraging minority business participation since before the passage of the Minority Business Assistance Act of 1985. Under the Governor's *One Florida Initiative*, emphasis has shifted from tracking percentage goals by industry type to tracking total expenditures with MBE's. This is accomplished through aggressive outreach and encouragement efforts.

The Department also intends to expend at least seven and nine-tenths percent of federal fund receipts with small business concerns owned and controlled by socially and economically disadvantaged individuals (DBE). The plan is to achieve this goal through continuation of the race and gender-neutral program.

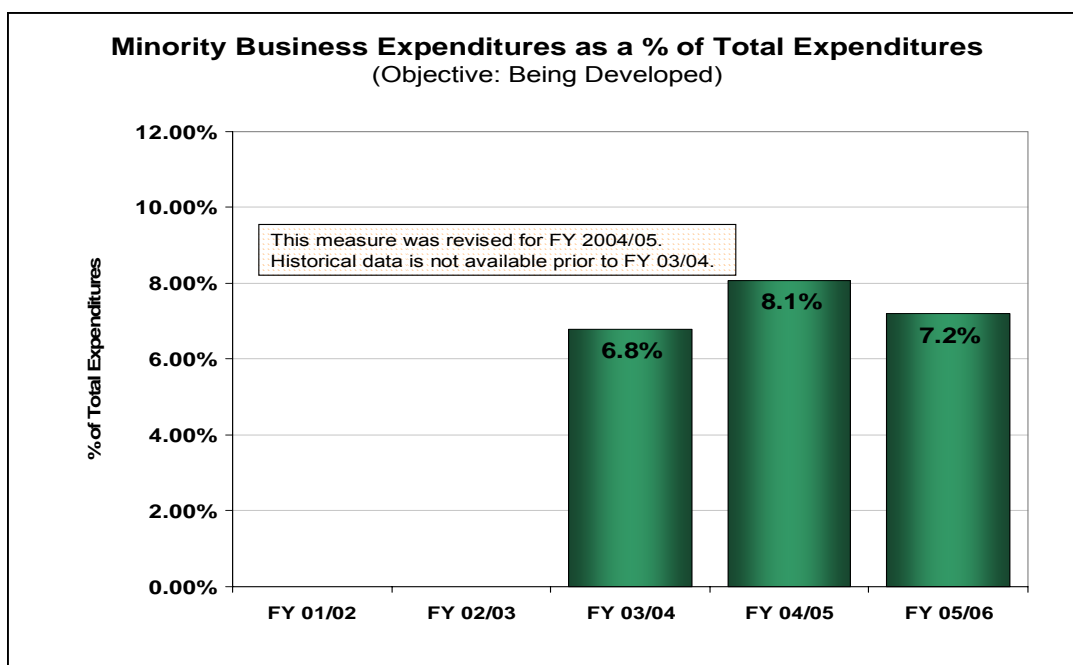
### **5a. MINORITY BUSINESS ENTERPRISE (MBE) PROGRAM**

The Department strives to improve the economic opportunities for the state's women and minority owned businesses by ensuring equity in the execution of contracting provisions. The Governor's *One Florida Initiative* has shifted the emphasis on tracking expenditures by industry group (set-asides under the "Small and Minority Business Assistance Act of 1985") to tracking total expenditures with MBE's and the increase in such expenditures annually.

**Primary Measure:** Annual dollar amount of MBE utilization as a percentage of total projects/commodities expended.

**Objective:** New for FY 2004/05 and not yet developed, but an increase over the prior year is desirable.

**Results:** MBE expenditure level was \$334.2 million which is 7.2% of \$4.650 billion of total expenditures. Three previously certified vendors with whom the Department expended \$48 million in FY 04/05 are no longer certified.



	Fiscal Year				
	2001/02	2002/03	2003/04	2004/05	2005/06
Total Expenditures			\$3,304,205,082	\$4,048,023,188	\$4,649,699,584
MBE Expenditures			\$224,362,214	\$327,256,662	\$334,237,604
% over objective	n/a	n/a	6.8%	8.1%	7.2%

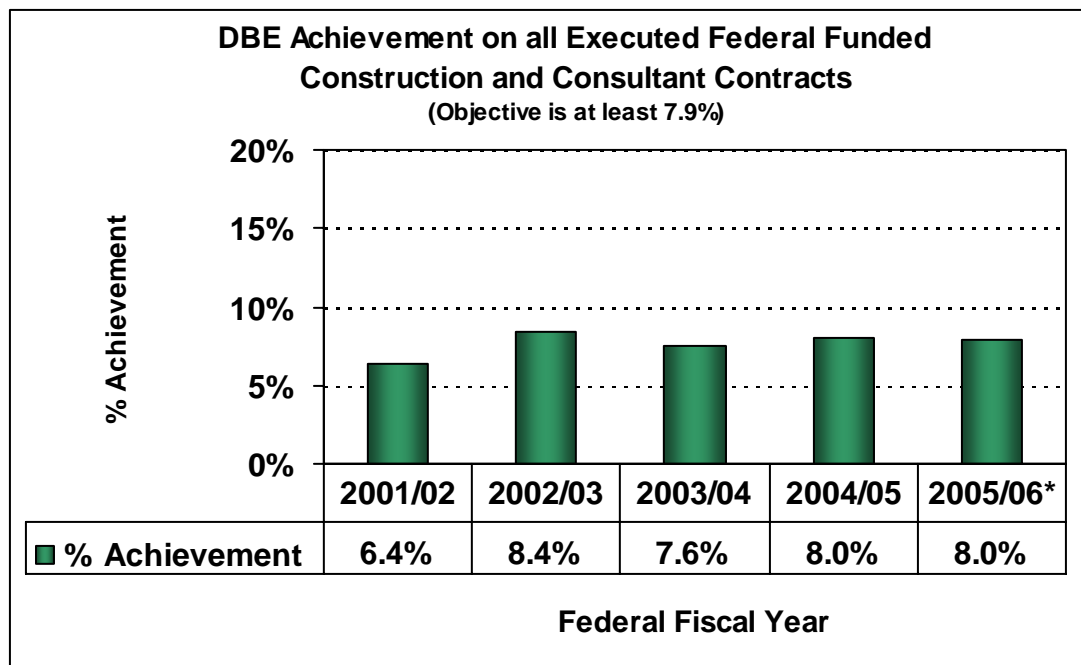
## **5b. DISADVANTAGED BUSINESS ENTERPRISE (DBE) PROGRAM**

Under new federal guidance, the Department initiated on January 1, 2000 a race and gender-neutral DBE program for all consultant and construction contracts, which are in part funded with federal funds. This program is based on demonstrable evidence of market conditions and availability conditions. 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 DBE's have an equal opportunity to receive and participate in these contracts.

**Secondary Measure:** Dollar volume of DBE participation as a percentage of total federal funded construction and consultant contract amounts.

**Objective:** A goal of 7.9 % (raised from 7.5% in prior year) participation for all consultant and construction contracts partially funded with federal aid. The same standard is applied to 100 percent state funded contracts.

**Results:** For federal funds, through August 31 of the Federal Fiscal Year (October 1 through September 30) DBE participation is 8.00%. For 100 % state funded contracts, the DBE participation is 8.12%

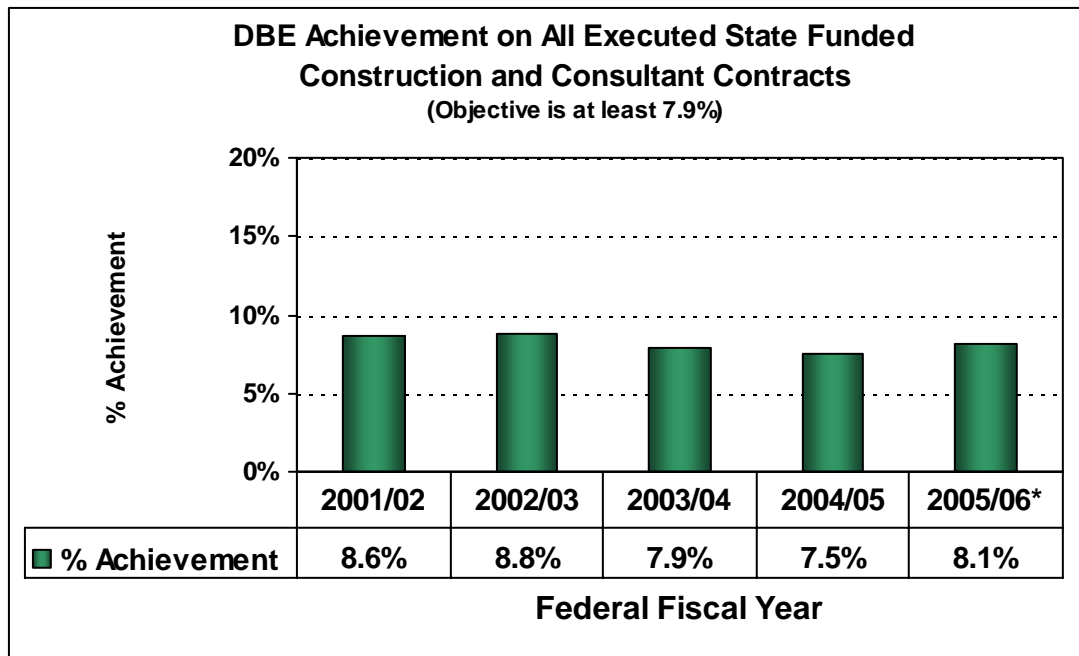


\*The Federal Fiscal Year does not conclude until September 30th. The data in the chart represents performance through August 31<sup>st</sup>.



## **5b. DISADVANTAGED BUSINESS ENTERPRISE (DBE) PROGRAM**

Although not a federal requirement, the Department also tracks DBE participation on 100 % state funded construction and consultant contracts using the same 7.9% goal as its objective.



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





## 6. Safety Initiatives

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. According to the Florida Transportation Plan, traveling safely is the public's highest expectation from the transportation system. 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.

## **6.a. SAFETY INITIATIVES**

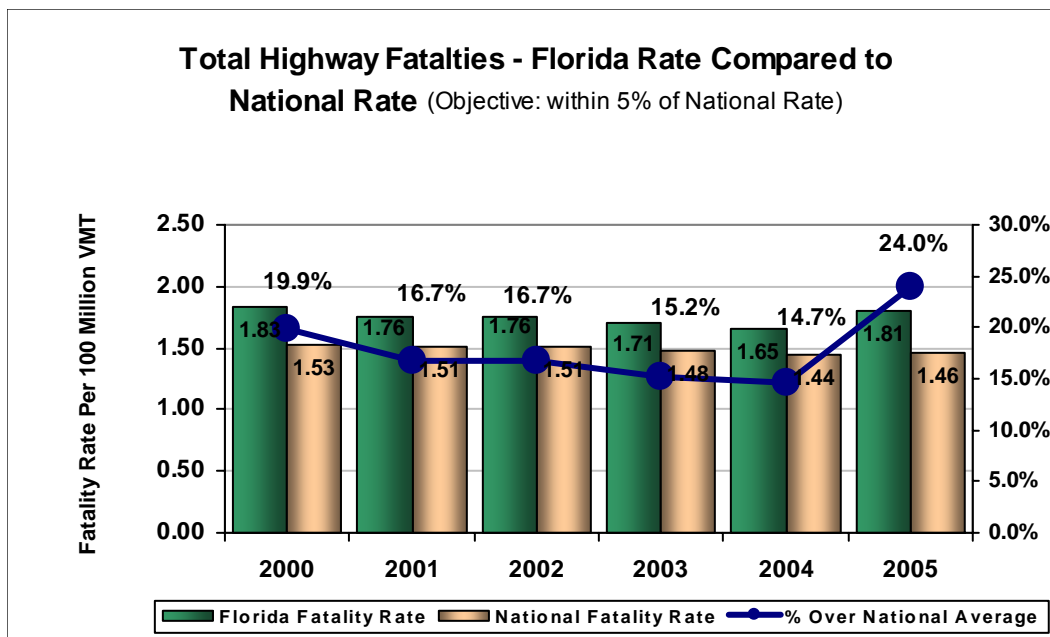
Safe travel in Florida is the Department's number one goal. There is a defined Safety Program within the Department, but this program alone does not reflect the Department's total commitment to improving safety on the State Highway System (SHS). For example, current design standards for new projects also incorporate safety as a feature.

Although the Department's role in safety of the traveling public is limited to those programs it administers or funds, its safety activities are comprehensive and far reaching. The transportation system component over which the Department exercises most control is the SHS. The Department is responsible for designing, constructing and maintaining the approximately 12,000 miles of state roads. However, the Department has adopted a statewide measure in assessing overall safety performance. This would include fatalities recorded on the additional 106,273 miles of roads, of which 18,718 miles are unpaved, that are the responsibility of cities and counties.

**Secondary Measure:** The number of fatalities per 100 million vehicle miles traveled (VMT) on all public roads in Florida compared to the national average.

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

**Results:** The fatality rate on Florida's public roads was 1.81 per 100 million VMT which is 24.0% greater than the national average of 1.46.





## **7. FLORIDA'S 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 Florida's Turnpike Enterprise (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. The Enterprise 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

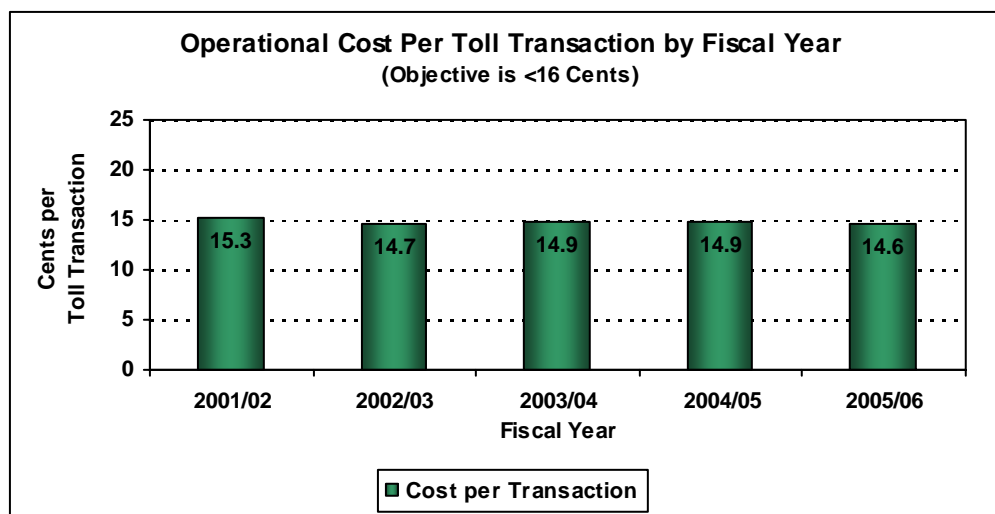
Tolls are user fees paid by customers who have an expectation that the maximum amount of revenue collected will be used to finance transportation improvements. Therefore, toll collection costs should be contained and carefully managed. The Enterprise is responsible for toll collection on the eight Department-owned and operated toll facilities, of which Florida's Turnpike System is the largest revenue producing asset.

Net toll revenues (i.e. gross tolls less operating and maintenance costs) are used to pay debt service on bonds issued for construction of improvements to the system. When operational costs (e.g. toll collection contracts, credit card fees, SunPass operations) to collect tolls increase, there is less toll revenue available for debt service and other purposes.

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

**Objective:** Keep the cost of each toll transaction to 16 cents or less per transaction.

**Results:** The average cost to collect a toll transaction for all Enterprise facilities was 14.6 cents per transaction.



Operational Costs and Transactions in millions		Fiscal Year				
		2001/02	2002/03	2003/04	2004/05	2005/06
All Transactions	Operational Costs	\$86.3	\$91.4	\$101.4	\$105.9	\$111.0
	# of Toll Transactions	563.8	620.2	680.0	711.3	758.0
	Cost Per Transaction	\$0.153	\$0.147	\$0.149	\$0.149	\$0.146



## 7b. TOLL REVENUE VARIANCE

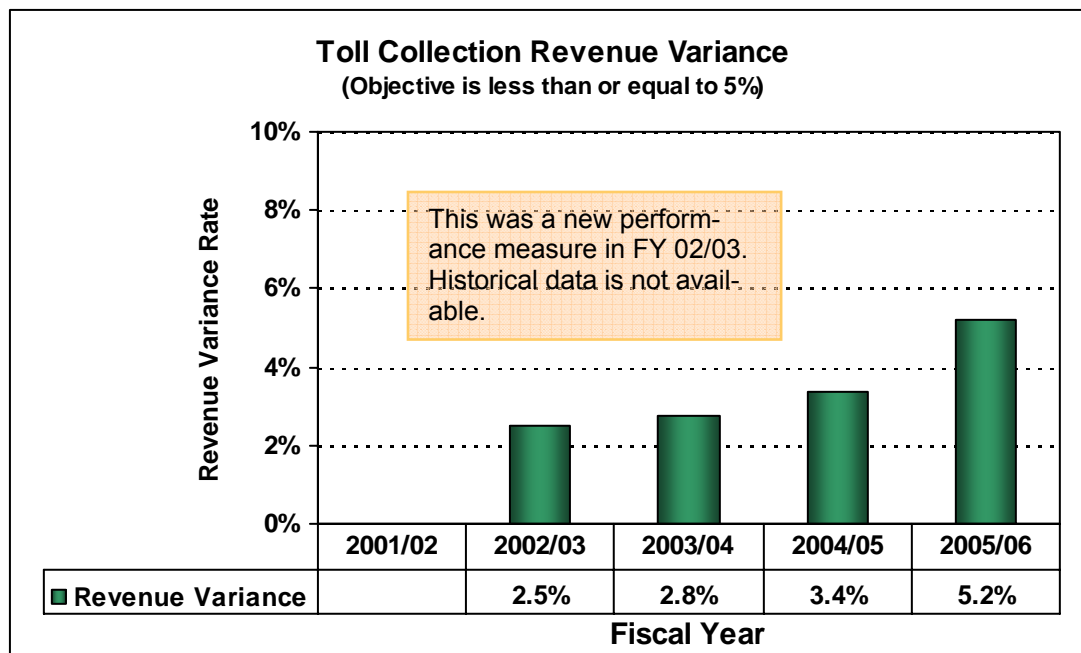
Toll revenue collections are determined by the number of vehicles using a toll road, the rate per axle, axle class of vehicle, and whether the customer pays with cash or Electronic Toll Collection (ETC). The toll collection equipment in each lane determines the toll that should be assessed (Indicated Revenue) and this is compared to the actual toll collected (Actual Revenue). The difference is defined as revenue variance.

Revenue loss is a part of every business. Enterprise management's challenge is to control and mitigate such loss using the most efficient and cost effective methods. The revenue variance measure provides Enterprise management with the opportunity to monitor and reconcile traffic and revenue. Prompt analysis of the revenue variance allows management to identify areas of improvements in toll collection to ensure the integrity of revenues, safeguard bondholders, and provide maximum revenue for transportation improvements.

**Primary Measure:** Revenue variance as expressed as a percentage of indicated revenue for all Enterprise managed toll facilities.

**Objective:** Average revenue variance should be the lowest possible to minimize revenue loss, but no greater than 5 % of indicated revenue.

**Results:** Average variance was 5.2 %; translating to a 94.8 percent efficiency rate.



## 7c. SUNPASS PARTICIPATION

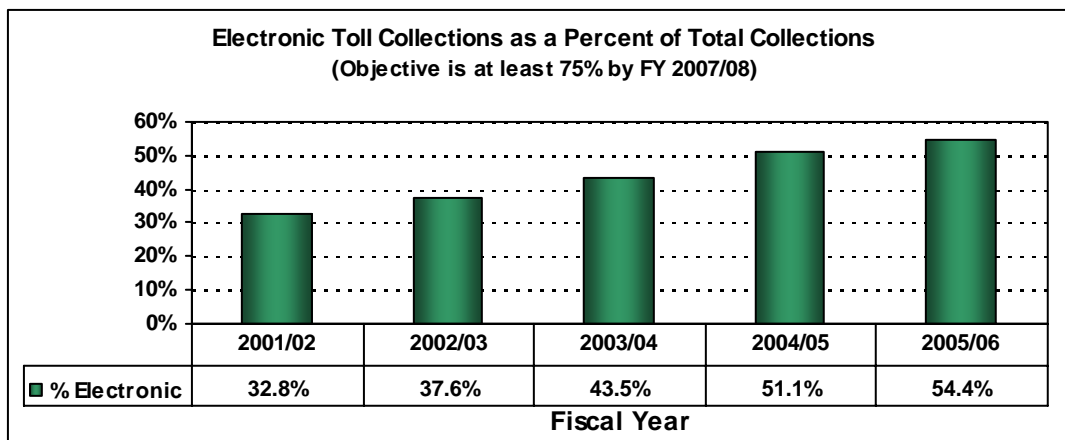
SunPass is the statewide Electronic Toll Collection (ETC) system utilized by Department owned and operated toll facilities and is interoperable with most other toll facilities in the state. ETC systems save commuters time and money and provide for maximum throughput at toll plazas and better utilization of toll road capacity. Dedicated SunPass lanes can process nearly 1,800 transactions per hour, 300 % greater than toll collection with an attendant. A pocket-sized device called a transponder debits a customer's prepaid account as the customer proceeds through a SunPass equipped lane.

Enterprise management has embarked on an aggressive program of expanding the use of SunPass with a target of 75% participation by 2008. This will position the Enterprise for the next generation of toll collection technology.

**Primary Measure:** Number of SunPass transactions as a percentage of total transactions.

**Objective:** Increase participation from 25% in 2001 to 75% in 2008.

**Results:** SunPass participation averaged 54.4% and is on track to meet the 2008 goal of 75%.





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