

# FLORIDA TRANSPORTATION COMMISSION

## **Annual Performance and Production Review of the Florida Department of Transportation**



**September 27, 2010**





# FLORIDA TRANSPORTATION COMMISSION



Martha Lanahan, Chair  
Bart Pullum, Vice-Chair  
Garrett Walton, Secretary  
Thomas Conrecode  
Ronald Howse  
Marcos Marchena  
Joseph Mazurkiewicz  
Manuel Rose

Charlie Crist  
Governor

September 27, 2010

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

Dear Governor Crist:

At our public meeting on September 15, 2010, the Florida Transportation Commission conducted the *Performance and Production Review of the Florida Department of Transportation for Fiscal Year 2009/10*. Secretary Kopelousos, all seven district secretaries and the Turnpike Enterprise Executive Director were present and participated in the review.

Production achievements for Fiscal Year (FY) 2010 resulted in beginning construction on 177 lane miles of additional roadway to the State Highway System (SHS). The Department also let to contract 3,072 lane miles of roadway to be resurfaced on the SHS. The Department was successful in beginning construction on 121 bridge repair and 25 bridge replacement projects. Nearly 95 percent of bridges were rated as excellent or good, with less than 1 percent being rated poor.

By the end of the fiscal year, the Department closed out 372 construction projects with a total dollar value of \$2.7 billion and let \$2.3 billion in new projects. The health of the SHS remains good with nearly 86 percent of lane miles rated either excellent or good, which exceeded the goal of 80 percent.

The Department's performance in FY 2010 remained at 85 percent, although improvements in some areas were offset by declines in others. The Department met or exceeded 17 of 20 of the established primary performance measures. 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 Department is keeping administrative costs under control, is managing its finances in accordance with statute and has once again committed all of its federal highway funds. In addition, the Department has obligated over 98 percent of the American Reinvestment and Recovery (ARRA) funds.

The Toll Revenue Variance continues to meet the objective of less than 5 percent of toll users violating payment provisions, and this is a reflection of continuing enforcement efforts by the Turnpike Enterprise. The Enterprise also met the objective of containing toll collection costs as a result of aggressive cost cutting and improvements in violation processing.

In the area of construction time adjustments, the Department's performance continues to improve. The Department achieved 90 percent of projects being completed within 20 percent of original time (the goal is 80 percent). This is the second consecutive year the Department met this more restrictive goal. The Department completed 89.5% within 10% of original cost, just shy of the goal of 90 percent goal. The Department has made significant strides in producing projects within original time and cost.

The Honorable Charlie Crist, Governor  
September 27, 2010  
Page Two

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

Our goal is for this report to be meaningful and clear. A summary of performance is provided beginning on page eleven of the enclosed report. If you have any questions regarding this review, please do not hesitate to contact me or the Transportation Commission staff at (850) 414-4105.

With regards,



Marty Lanahan, Chairman  
Florida Transportation Commission

cc: Stephanie Kopelousos, Secretary, Florida Department of Transportation  
Honorable Andy Gardiner, Chair, Senate Committee on Transportation  
Honorable Mike Fasano, Chair, Senate Committee on Transportation and Economic  
Development Appropriations  
Honorable Richard Glorioso, Chair, House Transportation and Economic  
Development Appropriations Committee  
Honorable Gary Aubuchon, Chair, Roads, Bridges, and Ports Policy Committee





## Florida Department of Transportation

CHARLIE CRIST  
GOVERNOR

605 Suwannee Street  
Tallahassee, FL 32399-0450

STEPHANIE C. KOPELOUSOS  
SECRETARY

September 27, 2010

Ms. Marty Lanahan, Chairman  
Florida Transportation Commission  
605 Suwannee St, MS 9  
Tallahassee, Florida 32399-0450

Dear Chairman Lanahan

Thank you for providing an opportunity for the department to provide a response on its performance for Fiscal Year 2009/2010. We truly appreciate your leadership and the leadership of the Commission, working as a partner in addressing the transportation needs of this state.

This past fiscal year has been unlike any before in the recent past. Delivering the department's work program during the worst of economic times and continual reduction of revenues, I am proud to report the department not only executed 99% of the planned contract letting, but advanced another 111 projects (the most in the last five years) to take advantage of a competitive market and deliver much needed improvements much sooner than originally planned. Coupled with that, the department obligated \$1.294 billion of the American Recovery and Reinvestment Act of 2009 funds which helped fund an additional 162 construction projects values at \$1.487 billion and 166 consultant contracts values at \$88.4 million.

The highlights of the past fiscal year were the execution of Port of Miami Tunnel contract and starting work on the I-595 in Broward County. We continue to provide a strong maintenance program (I believe second to none) which ensures investments we have made to date are safe and reliable – that is why we can boast that less than 1% of our bridges on the state highway system are considered in need of repair and/or replacement, for which we have a plan in place to correct the deficiencies.

I am pleased to report of the 20 measures the commission reviewed this past fiscal year, the department met or exceeded the objectives for 17 measures. I take this opportunity to recognize the staff at the department for their dedication and hard work without which it would be impossible for the department to deliver the program.

Let me address the 3 measures where the department did not meet the objective.

- 1. Construction Contract Costs: Percentage of those contracts that were completed at a cost within 10% above the original contract amount.**

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

Projects closed out in FY 2010 are used to determine performance and include contracts let to construction as far back as 2002. The department continues to improve its contract documents and overall contract management. Established partnerships with contractors and the use of various methods of alternative contracting tools have led to the continual reduction of both cost and time increases in our contracts. This is evident in looking at active project cost increases.

As you may recall, this measure was revised a few years ago to “raise the bar”. I am pleased to report the performance for FY 2010 has been the best ever, a 9.5% increased from FY 2009, and only 0.5% shy of the objective. It should be noted 333 of 372 contracts met the measure. If only 2 more contracts (0.5% of total) had met the measure, we would have met the objective.

I am very confident the department is on the right track and will meet this objective as well.

## **2. Number of lane miles of capacity improvement projects on the State Highway System let compared against the number planned.**

The department had planned to let to contract 129 miles of capacity projects in 2010. The objective is to let at least 90% of this planned amount. However, we ended the fiscal year letting 115.2 miles to contract or 89.3%. Had we let only 0.9 miles more, we would have met the objective. An additional 62 miles not in the original plan was also added. These additional miles are more than what had been added in the each of the prior 4 years shown in the report.

The 13.8 miles not let to contract is shown below.

- SR 83 (US 331) in Walton County – LAP/JPA construction deferred at the request of the County
- Bryant Dairy Road in Pinellas County – County requested deferral
- Dixon Road in City of Cocoa – City requested deferral
- Toledo Blade Blvd. in Charlotte County – Project deleted because county commenced work prior to entering into an executed agreement with the department
- NW 21<sup>st</sup> Avenue in Broward County – County requested the project be deleted

## **3. Public Transit ridership growth rate compared to the population growth.**

After a number of years of continued transit ridership growth in the state, last fiscal year, for the first time in five years, saw a decline from the previous year of approximately 5%. As most transit trips are work trips, ridership levels, just like vehicle miles travelled on the highway system, are tied closely to the economy. Florida’s numbers mirror the situation nationally in



2009. After setting a 50-year ridership record in 2008 with 10.8 billion trips, ridership across the nation fell 3.8% to 10.2 billion trips in 2009. Florida numbers mirror the national trend.

While the ridership numbers were down, it is important to note that state transit operating assistance did not decline. However with tight local budgets, many transit agencies in Florida were required to raise fares and/or cut service in FY 2009, which we believe also contributed to the decline in ridership. Local funding pays the majority of operating costs in Florida. Miami-Dade Transit (MDT) ridership accounts for over 40% of the state's total ridership. Due to service cuts and increased fares, MDT's ridership fell by 11.2 million trips, or nearly 10%. Similarly, ridership for LYNX in Orlando fell by 2.7 million trips (10%) also. The losses these two systems alone experienced can account for the entire 13.5 million trip decline statewide.

It is useful to examine the department's goal of "increasing transit ridership at twice the level of population growth" over a period of years. This allows for identification of trends, as opposed to one-year aberrations. For example, between 2003 through 2008, transit ridership in Florida grew by 54 million trips, or approximately 26%. The degree of decline in 2009 is also magnified by the comparison with the previous year 2008, when high gasoline prices contributed to record high transit ridership levels.

The Florida Department of Transportation continues to support transit agencies and transit projects which will enable the state to meet this challenging ridership goal over the long haul. With a significant amount of state assistance, major rail transit projects are under development. In Miami, the Airport Connector to MetroRail and in Central Florida, SunRail will provide great benefit to Florida's residents and visitors. Other areas of the state continue to plan for major transit projects and may be dependent on state funds for capita and initial operating assistance.

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

Sincerely,



Stephanie C. Kopelousos  
Secretary

SCK:apj







# 19th Annual Performance and Production Review of the Department of Transportation

Fiscal Year 2009/10



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The Florida Transportation Commission was created by the 1987 Legislature and is assigned to the Department for administrative and fiscal purposes; otherwise, it is independent of the Department.

The Commission is required to meet at least four times per year.

There are nine Commissioners; who are appointed by the Governor for four-year terms, subject to confirmation by the Florida Senate.

Statutes require that membership "equitably represent all geographic areas." Historical precedent, however, generally has led to the appointment of one Commissioner from each Department district and two "at large" Commissioners.

Commissioners must have private sector business managerial experience and may not have any direct or indirect interest in any contract or other benefit granted or awarded by the Department.

Commissioners must represent transportation needs of the state as a whole and may not subordinate state needs to those of any particular area or be involved in the day-to-day operations of the Department.

*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 by maintaining oversight and public accountability for the Department of Transportation and other statutorily specified transportation authorities.*

The Commission's primary functions are to:

- ◆ Review major transportation policy initiatives or revisions submitted by the Department pursuant to Law;
- ◆ recommend major transportation policy to the Governor and Legislature;
- ◆ serve as an oversight body for the Department and transportation authorities created under Chapters 343 and 348, including those formed using the provisions of Part I of Chapter 348, Florida Statutes;
- ◆ and, serve as a nominating Commission in the selection of the Secretary of Transportation (the Governor appoints the Secretary from among three candidates nominated by the Commission).



## THE FLORIDA TRANSPORTATION COMMISSION

Of the nine members of The Florida Transportation Commission, three serve as officers.



**Martha (Marty) Lanahan, Chair**, Jacksonville. North Florida Area Executive for Regions Financial Corporation; Serves as President of the Cultural Council of Jacksonville; President of the Florida Theater Board; President of the River Club Board of Directors; Board member of the Jacksonville Museum of Modern Art.



**Bart R. Pullum, Vice-Chair**, Navarre. Real Estate broker with Bill Pullum Realty, Inc.; Serves on the Navarre Beach Area Chamber of Commerce Transportation Committee; Member of the Pensacola Junior College Board of Governors and the Navarre Family YMCA Board of Directors.



**Garrett W. Walton, Secretary**, Pensacola. A charter member of the Florida Bar Board Certified Tax Attorneys; Served on many U.S. and Florida Bar Committees in the areas of Tax and Estate Planning; active in various Pensacola/ West Florida civic and charitable organizations; currently a self-employed real estate investor.



**Thomas E. Conrecode**, Naples. Vice President with Collier Enterprises, Ltd. (responsible for the company's governmental affairs strategies at the local, state and federal levels); Past Director of the Naples Area Chamber of Commerce; Member of the Executive Committee of the Southwest Florida Transportation Initiative; Member of Leadership Florida.



**Ronald Howse**, Cocoa. President of Real Deal Development Group, an Engineering and Land Planning company and is a licensed Civil Engineer. He was a Councilman for the City of St. Cloud; Board Member of the East Central Florida Regional Planning Council; and, the Assistant Director of Public Works for the City of Altamonte Springs. He has been involved with many civic organizations over the years.



**Marco Marchena**, Orlando. Senior Partner of the law firm of Marchena and Graham, P.A. Also Chairman of the Middle District Federal Nominating Committee. Member of the University of Central Florida Foundation Board of Directors.



**Joseph M. Mazurkiewicz**, Cape Coral. President of BJM Consulting, Inc., a firm specializing in local government activities. Studied engineering at the University of Florida. Served as Mayor of Cape Coral for 10 years and on the Lee County MPO, three times as Chair. Serves on numerous community boards.



**Manuel S. Rose, M.D.**, Clearwater. Founder of Rose Radiology Centers, Inc. Prior to medical school, earned degree in engineering from Tufts University. Member of the American College of Radiology, Florida Medical Association, International Spinal Intervention Society, American Society of Spine Radiology and other medical associations.



**VACANCY**







## 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 through 2030. The Department has experienced cost increases for construction materials and labor at the same time it is seeing a flattening of its forecasted long-term projected revenues. The two conflicting trends of higher costs and lower projected revenues will place additional pressures on the Department to develop alternative financing schemes, foster public private partnerships, and continue to find innovative project delivery methods. It is even more imperative than ever 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 section 334.045, Florida Statutes, to ensure this occurs and to protect the State’s transportation investment through fiscal 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 to the 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 evaluating how effectively the Department has addressed the transportation needs of our state through the production of the Work Program.

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

There were no changes to the measures or objectives for FY 2009/10. Performance measures are changed infrequently so that year-over-year performance and trends can be analyzed. Over the past four years there have been numerous changes and the Working Group has determined that trend reporting needs to occur before any other changes are made.

## Summary of Performance

### **FY 2009/10 Accomplishments by the Department:**

- ◆ 17 of 20 primary measures, or 85 percent, were met or exceeded
- ◆ Began construction on 177 lane miles on the State Highway System (SHS)
- ◆ Let to contract 3,071 miles for resurfacing
- ◆ Let to contract 131 bridge repair contracts
- ◆ Let to contract 25 bridge replacement contracts
- ◆ Closed out 372 construction projects valued at \$2.585 billion







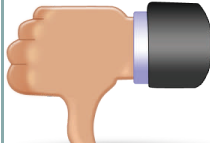


*Based on the results of this Review, the Florida Transportation Commission remains confident the Department is managing its operations in an efficient and effective manner and is committed to meeting the needs of the traveling public and the business community.*

### **The American Recovery and Reinvestment Act of 2009 (ARRA)**



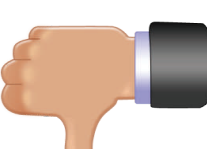
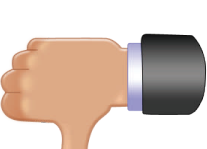


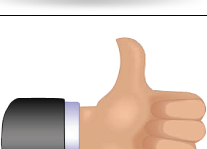
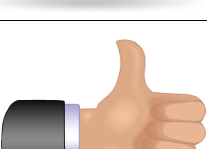
The Department has obligated 100% of the federal funds available (as of September 24, 2010) under ARRA. The Department received \$1.350 billion of ARRA spending authority and has obligated \$1.350 billion. No ARRA funds can be obligated on new projects after Friday, September 24, 2010. Beginning October 1, any ARRA funds released will only be available for cost increases on projects already utilizing ARRA funds which were initially obligated prior to October 1.


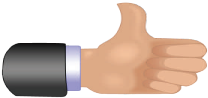

ARRA helped fund 162 construction projects valued at \$1.487 billion let to contract. The stimulus also helped fund 166 consultant contracts valued at \$88.4 million.



Measure	Objective	FY 09/10 Results	Meets Objective
The number of consultant contracts actually executed compared against the number planned. (See page 22)	$\geq 95\%$	98.1%	
The number of ROW projects certified compared to the number scheduled for certification. (See page 25)	$\geq 90\%$	97.4%	
The number of construction contracts actually executed compared against the number planned. (See page 31)	$\geq 95\%$	99.0%	
The number of Local Agency Program (LAP) consultant contracts actually executed compared against the number planned. (See page 36)	$\geq 80\%$	98.1%	
The number LAP construction contracts actually executed compared against the number planned. (See page 39)	$\geq 80\%$	94.7%	
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 43)	$\geq 80\%$	90.3%	
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 47)	$\geq 90\%$	89.5%	
The percentage of bridge structures on the State Highway System having a condition rating of either excellent or good. (See page 54)	$\geq 90\%$	95.4%	
The percentage of bridge structures on the State Highway System with posted weight restrictions. (See page 56)	$\leq 1\%$	.18%	



Measure	Objective	FY 09/10 Results	Meets Objective
The percentage of lane miles on the State Highway System having a Pavement Condition Rating of either excellent or good. (See page 59)	$\geq 80\%$	87.6%	
Achieve a Maintenance Rating of at least 80 on the State Highway System. (See page 62)	80	86	
The number of lane miles of capacity improvement projects on the State Highway System let compared against the number planned. (See page 66)	$\geq 90\%$	89.3%	
The public transit ridership growth rate compared to the population growth rate. (See page 67)	$\geq 1.2\%$	-5.17%	
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 74)	100%	100%	
The Department's dollar amount of administrative costs as a percent of the total program. (See page 76)	$<2\%$	1.3%	
Adopt a balanced work program and manage cash within the statutory requirements. (See page 77)	Yes	Yes	
The annual dollar amount of MBE utilization. (See page 80)	Annual Increase	11.2% Increase	

Measure	Objective	FY 09/10 Results	Meets Objective
Average amount of each toll transaction dedicated to covering operational costs. (See page 86)	<16¢	15.7¢	
The revenue variance expressed as a percentage of indicated revenue. (See page 87)	≤5%	3.4%	
The number of SunPass transactions as a percentage of total transactions. (See page 88)	>75% by June 30, 2012	On Track	





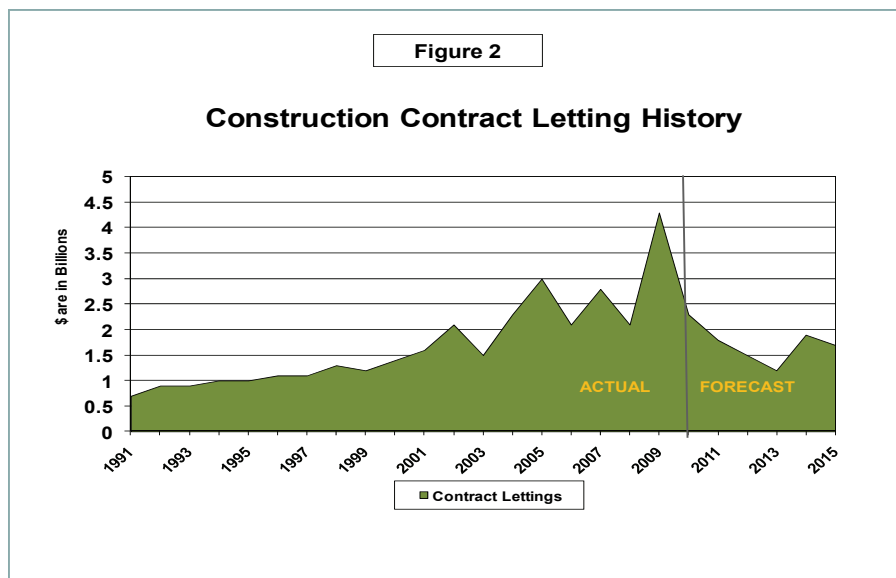
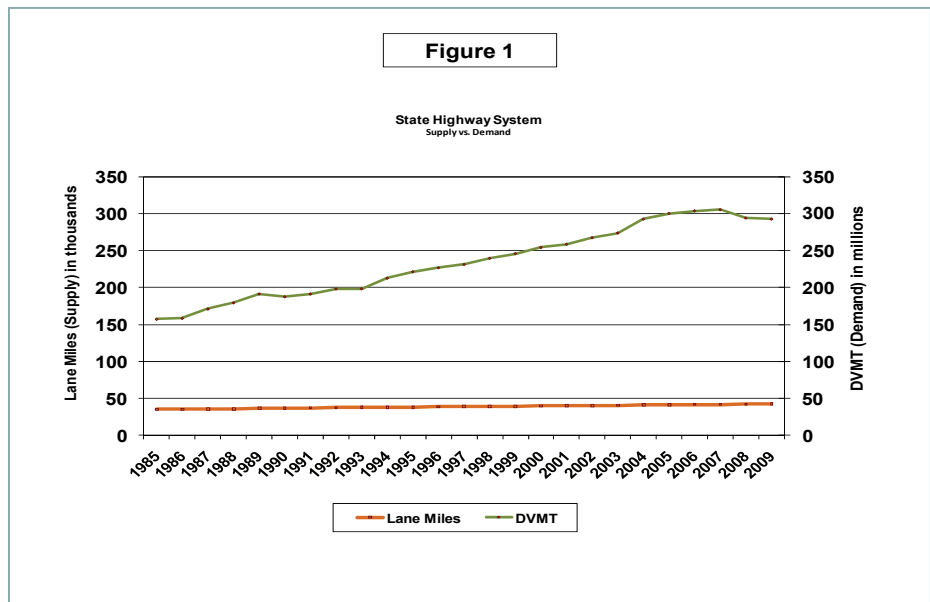




## Key Indicators

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.

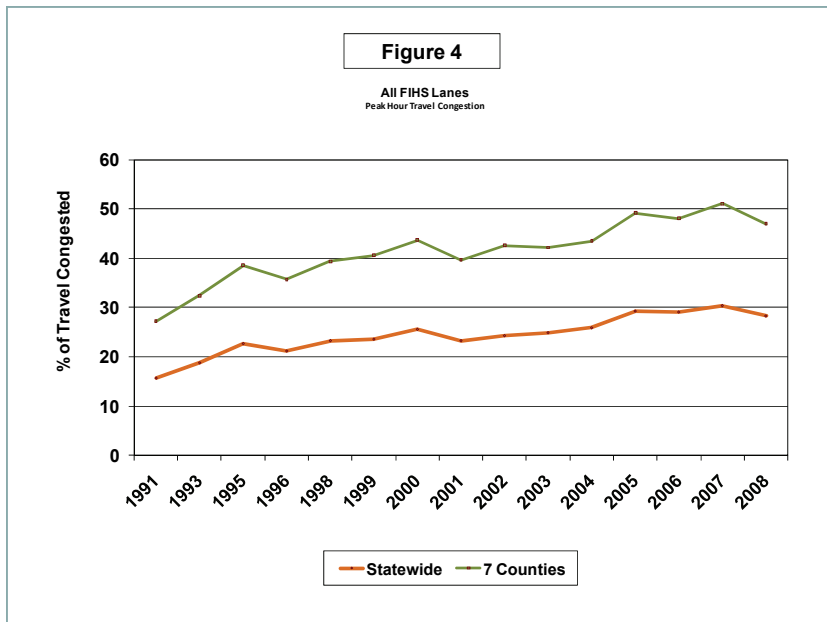
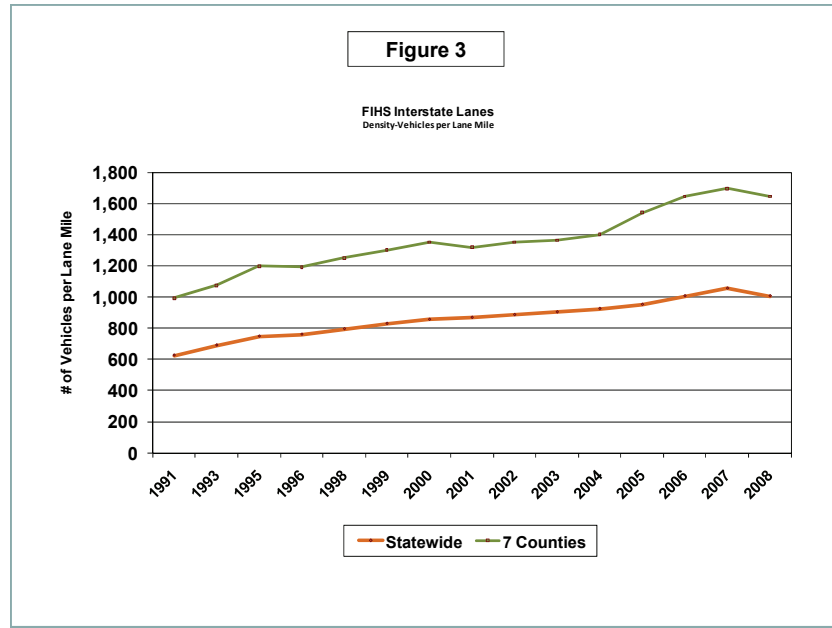
- ◇ *Daily vehicle miles traveled decreased by 5.7 million or .1.8%*
- ◇ *177 lane miles to be added (.42%)*
- ◇ *Supply exceeded demand due to economic conditions*



- ◇ *\$658 million in FY 1991*
- ◇ *\$2.3 Billion let in FY 2010*
- ◇ *FY 2010 includes \$1.6 Billion of ARRA funds*
- ◇ *FY's 2011-2013 decline due to reduction in forecast of recurring revenues*

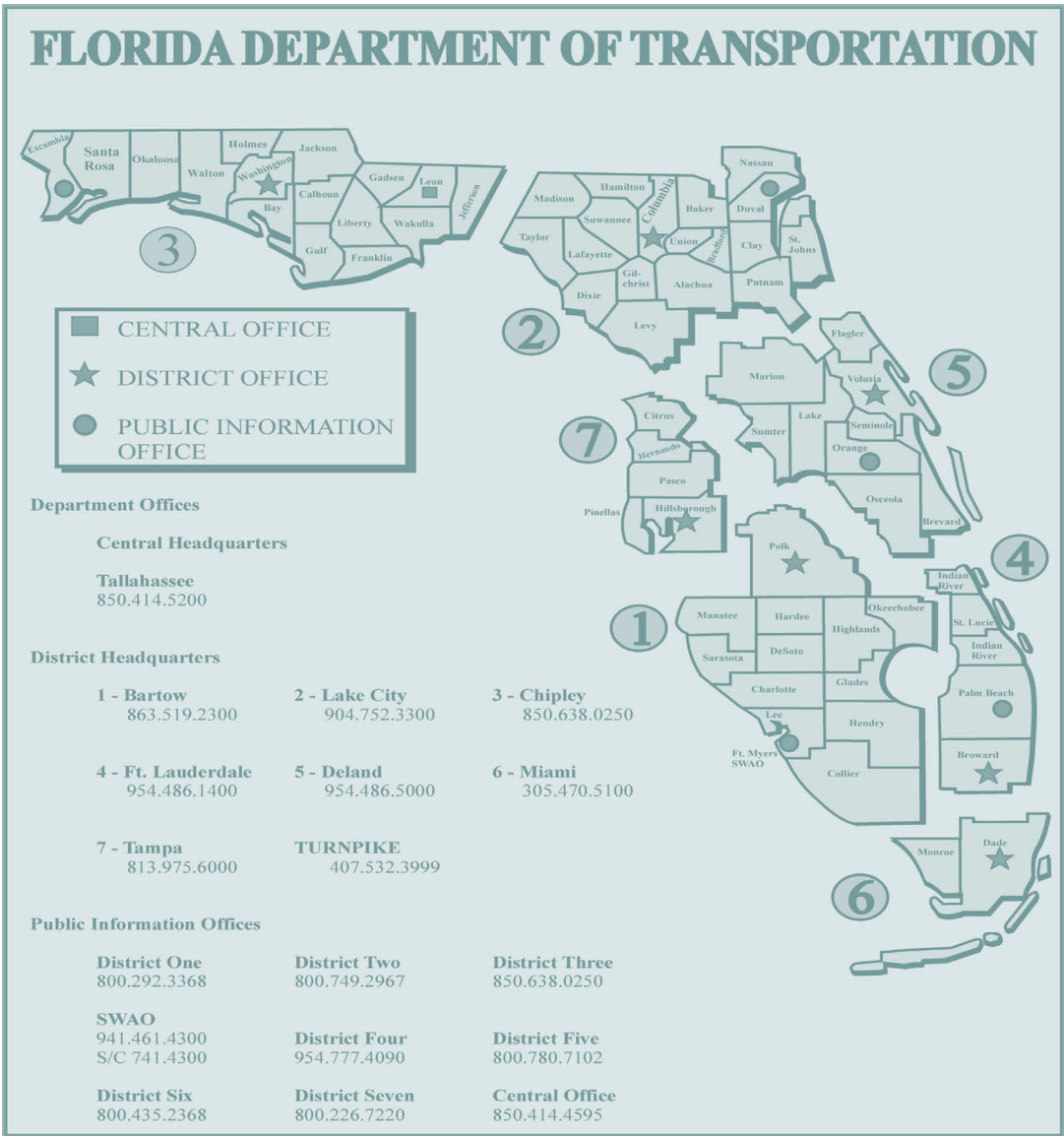
## Key Indicators

- ◇ *Growth in vehicles per mile*
- ◇ *Statewide interstate travel decreased at a higher level in 2008 than did interstate travel in 7 largest counties*



- ◇ *Congestion increasing in 7 largest counties faster than statewide*
- ◇ *Metro-Orlando is first in Florida and sixth in nation*
- ◇ *Miami and Tampa-St. Petersburg tie for 2nd in Florida and 11th nationally*

State and District Profiles



Population (millions)	18.751 (est.)	Transit Systems	25
Square Miles	59,928	Aviation Facilities	766
Counties	67	Railway Miles	2,887
SHS Lane Miles	42,633.5	Deep-Water Ports	14
Bridges, Fixed	6,222	Tunnel	1
Bridges, Movable	94	Space Port	1



## State and District Profiles

	D-1	D-2	D-3	D-4	D-5	D-6	D-7	FTE
Population (millions)	2.661	1.991	1.402	3.591	3.681	2.550	2.875	-
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	5,968.8	8,194.2	6,649.1	5,452.6	7,405.7	2,713.8	4,195.9	2,053.4
Bridges, Fixed	898	1185	787	712	736	434	679	699
Bridges, Movable	15	6	0	37	8	15	11	0
Transit Systems	4	2	4	2	8	2	3	-
Aviation Facilities	157	139	115	89	155	48	63	-
Rail Lines	4	3	4	2	5	2	1	-
Deep-Water Ports	1	2	3	3	1	2	2	-
Tunnels	-	-	-	1	-	-	-	-
Space Port	-	-	-	-	1	-	-	-
Service Plazas	-	-	-	-	-	-	-	8

FTE = Florida's Turnpike Enterprise

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

The Turnpike system consists of 460 miles of limited access toll highways in 16 counties in the central and southern areas of the State and is managed by the Turnpike Enterprise. The Turnpike Enterprise is also responsible for toll collection activities for eight off-system facilities.







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

### **1.a Consultant Acquisition**

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

### **1c. Construction Contract Lettings**

### **1d. Local Agency Program (LAP)**

#### **1d.1 Consultant Acquisition**

#### **1d.2 Construction Contract Lettings**

### **1e. Construction Contract Adjustments**

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 or bridge project begins with preliminary engineering and design phases, followed by right-of-way acquisition as needed, and then construction engineering and inspection activities.





## 1a. CONSULTANT ACQUISITION

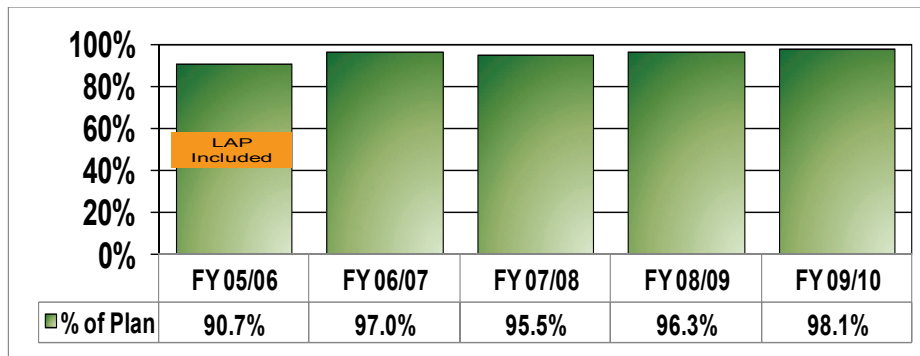
Although the Department employs engineers and other staff to perform design, right-of-way and inspection activities, it also contracts with private-sector consultants to produce 91% of the design plans, 88% of the right-of-way activities and 87% of the construction engineering and inspection (CEI) activities. The consultant contracting process is carried out pursuant to Ch. 287, F.S., 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.

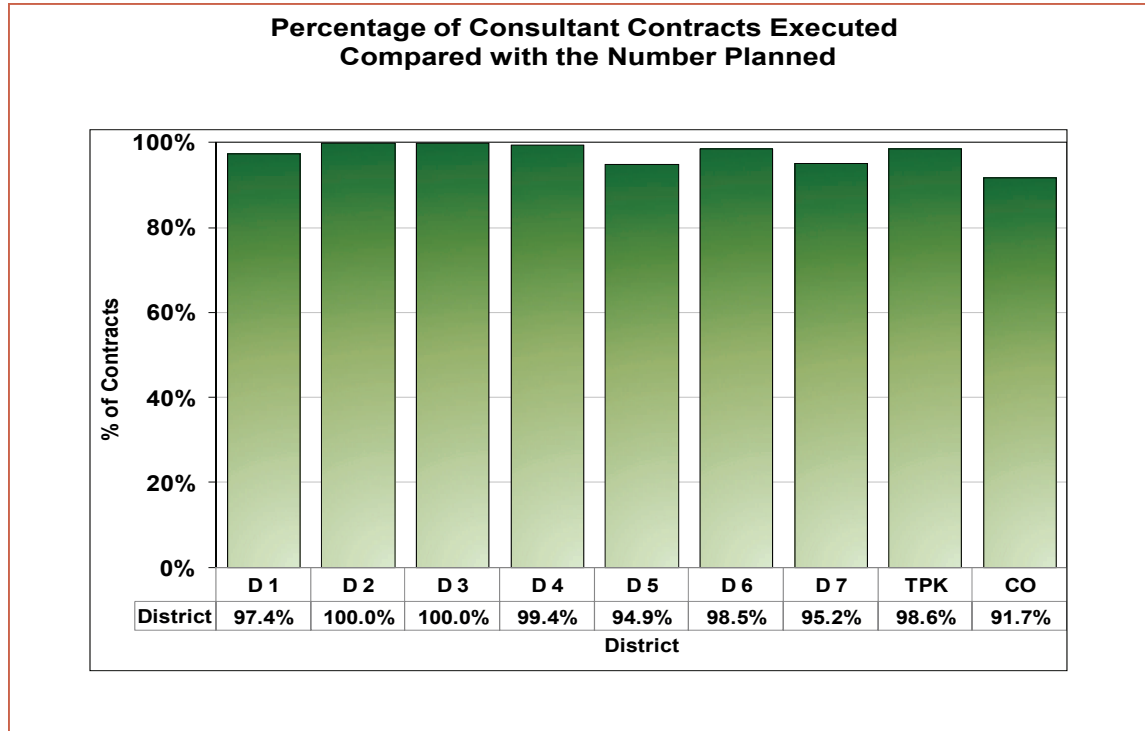
**Results:** The Department achieved 98.1% of its plan, executing 862 of 879 contracts planned, executing \$500.7 million of contracts. The Department also executed an additional 124 contracts not in the plan valued at \$53.6, million for a production total of 986 contracts valued at \$554.3 million. Of the total 986 contracts executed, 166 were ARRA funded contracts.

**Percentage of Consultant Contracts Executed Compared to the Number Planned: by Fiscal Year**  
(Objective: at least 95%)



	Fiscal Year				
	2005/06	2006/07	2007/08	2008/09	2009/10
Plan	869	711	775	802	879
Actual	788	690	740	772	862
% of Plan	90.7%	97.0%	95.5%	96.3%	98.1%
Additions	46	85	61	66	124
Total	834	775	801	838	986

## District specific results:

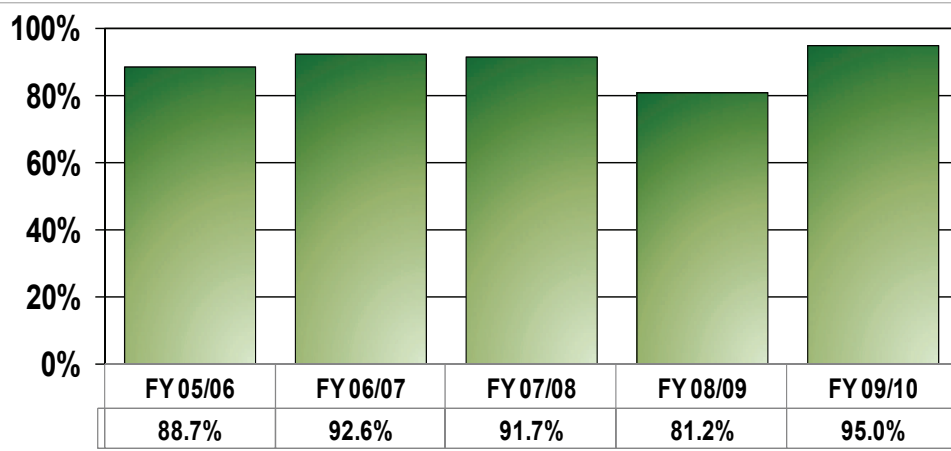


	By District								
	1	2	3	4	5	6	7	FTE	CO
Plan	193	100	77	154	79	131	63	70	12
Actual	188	100	77	153	75	129	60	69	11
% of Plan	97.4%	100.0%	100.0%	99.4%	94.9%	98.5%	95.2%	98.6%	91.7%
Additions	11	17	21	25	15	30	3	2	0
Total	199	117	98	178	90	159	63	71	11

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

**Result:** The Department executed \$500.7 million of consultant contracts, which was \$26.4 million less than the estimate of \$527.1 million, or 95.0% of estimate. The Districts and the Turnpike Enterprise have been the beneficiaries of good bids and negotiations that have lowered the initial cost of consultant services.

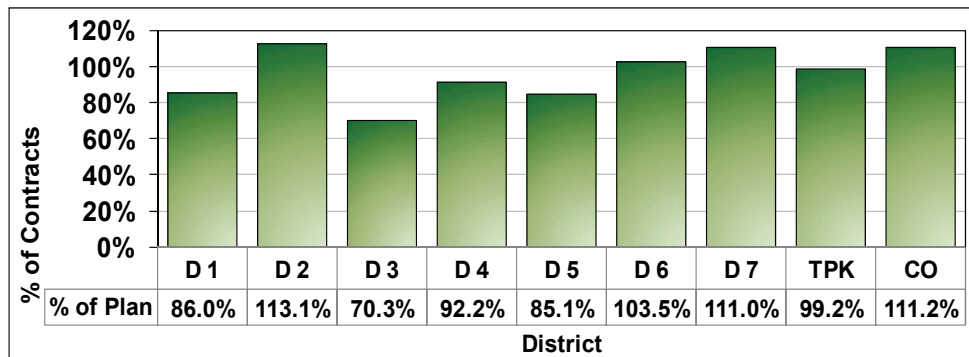
**Consultant Contract Dollars Executed as a Percentage of the Original Estimated Amount: by Fiscal Year**  
(Objective: at least 100% + or – 5%)



(\$=millions)	Fiscal Year				
	2005/06	2006/07	2007/08	2008/09	2009/10
Estimate	\$710.5	\$749.8	\$672.4	\$659.0	\$527.1
Actual	\$629.9	\$694.1	\$616.7	\$535.0	\$500.7
% of Plan	88.7%	92.6%	91.7%	81.2%	95.0%

### District specific results:

**Consultant Contract Dollars Executed as a Percentage of the Original Estimated Amount**



(\$= millions)	District								
	1	2	3	4	5	6	7	TPK	CO
Estimate	\$72.0	\$27.3	\$59.1	\$84.4	\$42.6	\$77.3	\$62.0	\$87.0	\$15.4
Actual	\$61.9	\$30.9	\$41.5	\$77.8	\$36.3	\$80.0	\$68.8	\$86.4	\$17.2
% of Plan	86.0%	113.1%	70.3%	92.2%	85.1%	103.5%	111.0%	99.2%	111.2%



## 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, which must be “cleared” prior to the start of construction, all parcels must be acquired and “cleared” (ready for construction to proceed) before contract letting.

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 parcels through condemnations at one-half of price contention difference; and
- ♦ Expend more dollars on the land than on ancillary costs.

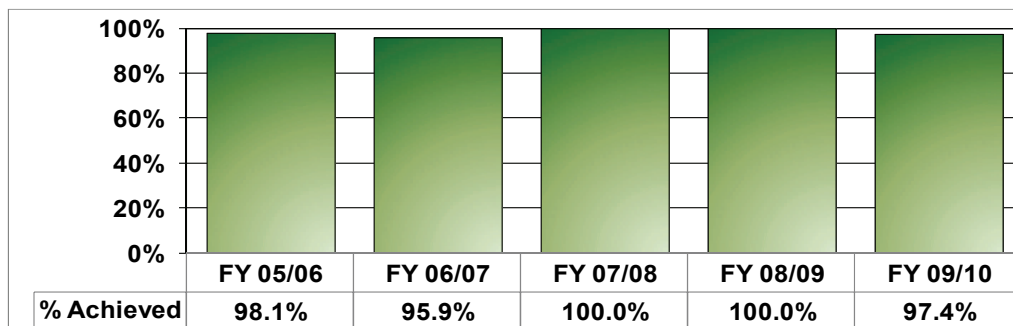
A successful right-of-way program is one that maximizes cost avoidance strategies during negotiation and condemnation, and completes parcel acquisition in a timely manner, avoiding delays in letting the project to construction. Failure to certify all parcels on schedule for a given project may delay the project and increase project costs.

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

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

**Result:** The Department certified 37 of 38 projects or 97.4% of plan. An additional 20 projects were also certified.

**Percentage of Right-of-Way Projects Certified Compared to the Number Planned: by Fiscal Year**  
(Objective: at least 90%)

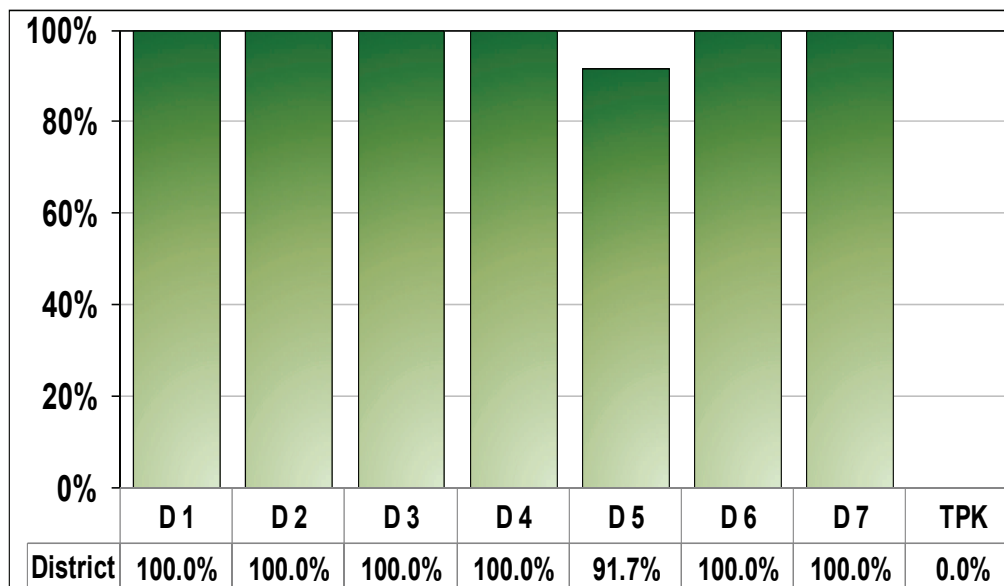


### Five-Year Statewide Right-of-Way Certification Data:

	Fiscal Year				
	2005/06	2006/07	2007/08	2008/09	2009/10
Plan	52	49	34	42	38
Actual	51	47	34	42	37
% of Plan	98.1%	95.9%	100.0%	100.0%	97.4%
Additions	18	14	9	28	20
Total	69	61	43	70	57

### District specific results:

**Percentage of Right-of-Way Projects Certified Compared with the Number Planned: by District**

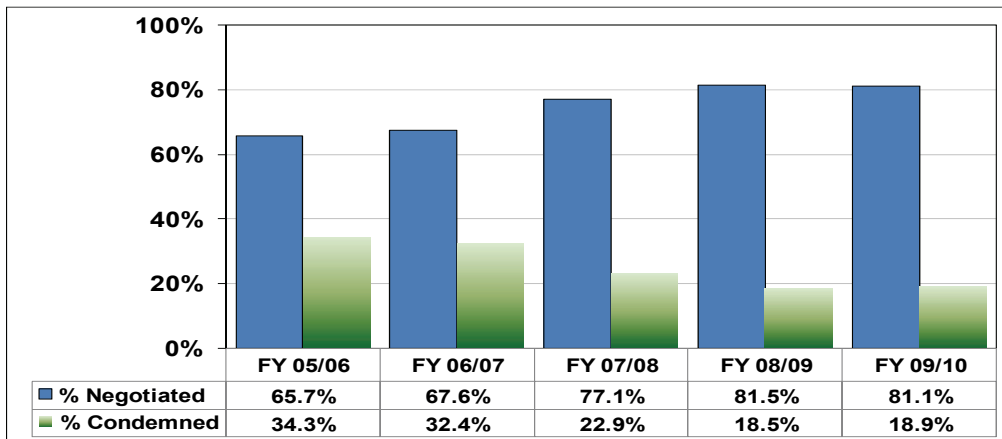


	By District							FTE
	1	2	3	4	5	6	7	
Plan	0	12	5	3	12	5	1	N/A
Actual	0	12	5	3	11	5	1	N/A
Additions	7	8	0	0	3	2	0	N/A
Total	7	20	5	3	14	7	1	N/A

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

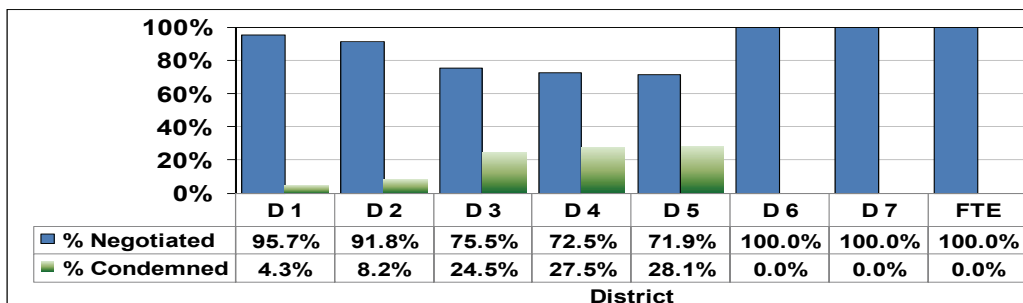
**Result:** Acquired 81.1% of parcels through negotiation.

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



	Fiscal Year				
	2005/06	2006/07	2007/08	2008/09	2009/10
# Negotiated	666	630	688	692	514
# Condemned	347	302	204	157	120
Total Parcels	1,013	932	892	849	634

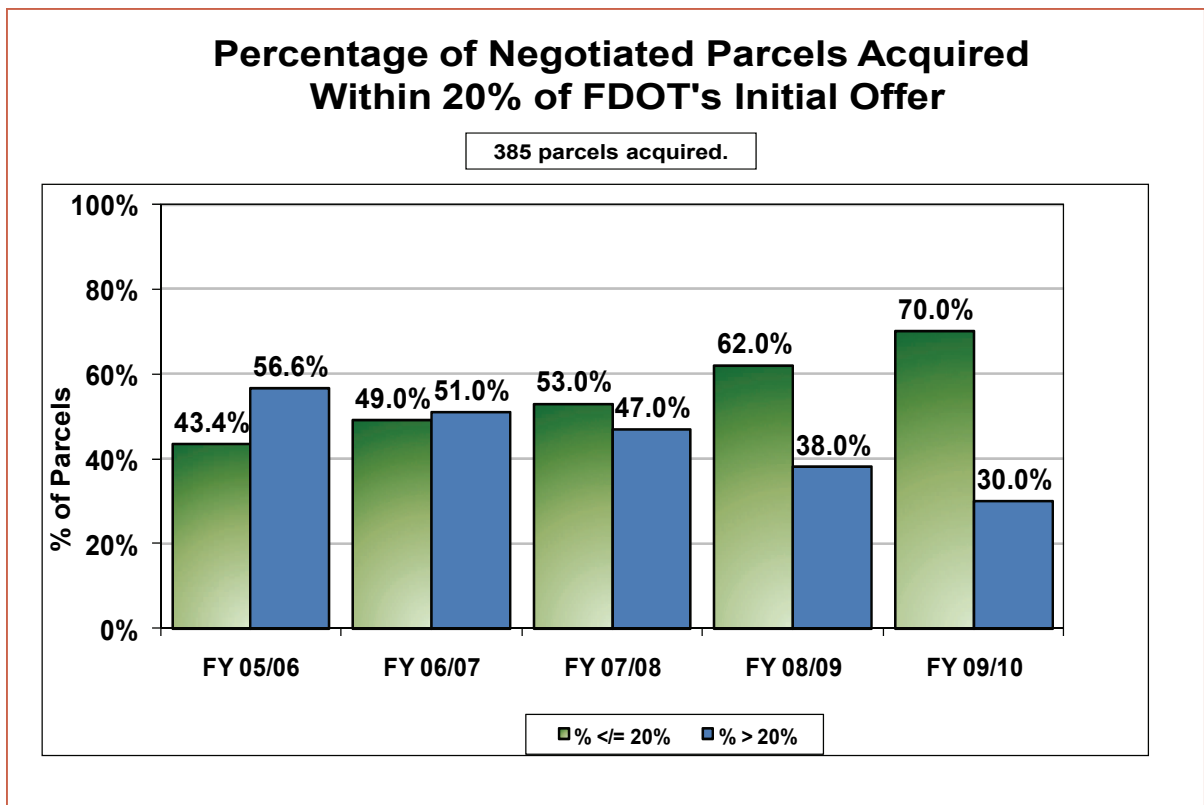
**Negotiation and Condemnation Rates by District**



	District							
	1	2	3	4	5	6	7	FTE
# Negotiated	44	101	40	58	189	38	41	3
# Condemned	2	9	13	22	74	0	0	0
Total Parcels	46	110	53	80	263	38	41	3

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

**Result:** Acquired 70% of parcels within 20% of initial offer.



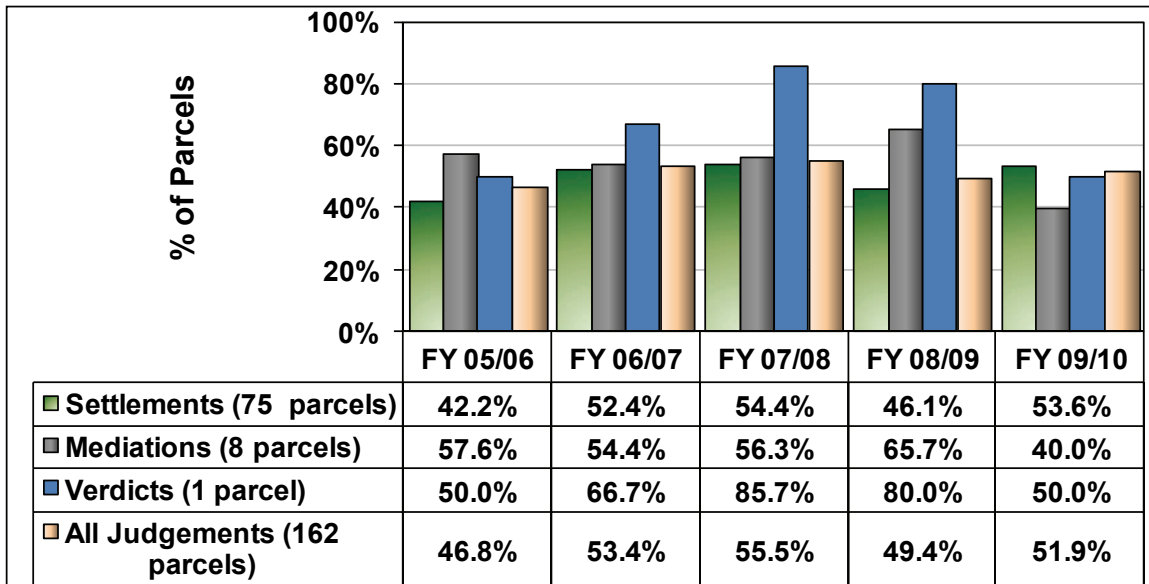
**Secondary Measure:** Percentage of condemned parcels acquired equal to or less than one-half of contention difference. Presumably, if the outcome of a final judgment is an even split in the range of contention between the Department and the landowner, then both parties gave and gained something. Thus, 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.



**Result:** 51.9% of condemned parcels were acquired with final judgment amounts equal to or less than one-half of the range of contention.

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

162 Condemned Parcels

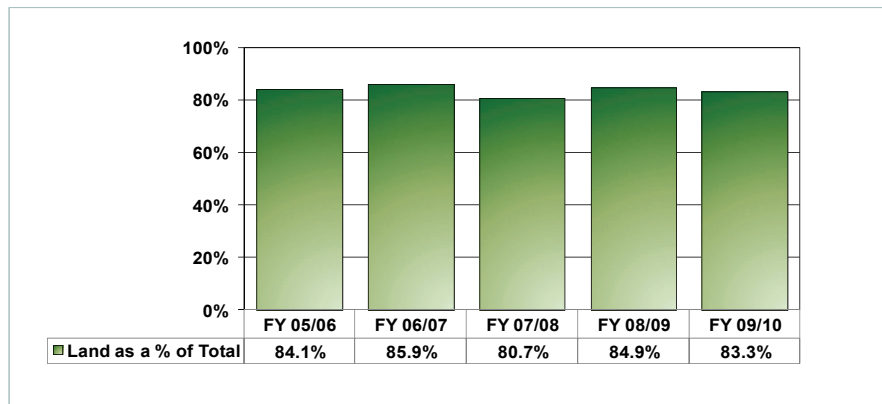


**Secondary Measure:** Percent of land cost to total cost; target >75%.

**Result:** 83.3% of Right-of-Way costs were for land. The large increase in miscellaneous costs is due to programming and coding errors related to mitigation credits and interest on court deposits. As a result, new work program instructions have been issued.

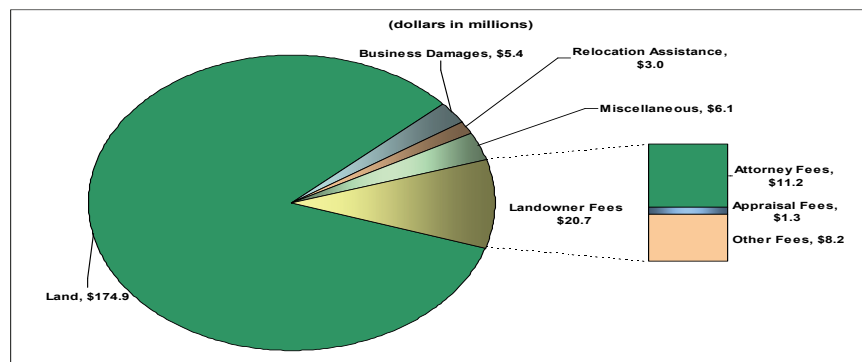
**Of the Total ROW Expenditures, the Percent Used to Buy Land:  
by Fiscal Year**

(Objective: >75%)



ROW Expenditures Statewide	FY 2008/09		FY 2009/10		Change	
	\$ (millions)	%	\$ (millions)	%	\$ (millions)	%
Land	\$313.9	84.9%	\$174.9	83.3%	\$ (139.0 )	-44.3%
Business Damages	\$7.8	2.1%	\$5.4	2.6%	\$ (2.4)	-30.8%
Landowner Fees	\$34.8	9.4%	\$20.7	9.8%	\$ (14.2)	-40.8%
Relocation Assist.	\$12.7	3.4%	\$3.0	1.4%	\$ (9.7)	-76.4%
Miscellaneous	\$0.4	0.1%	\$6.1	2.9%	\$ 5.7	1425%
Total	\$369.6	100.0%	\$210.1	100.0%	\$ (159.5)	-43.2%

**Right of Way Expenditures – Statewide Summary  
FY 2009/10**



## 1c. CONSTRUCTION CONTRACT LETTINGS

The construction phase results in the final tangible product of the Department and accounts for 39% of the 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:

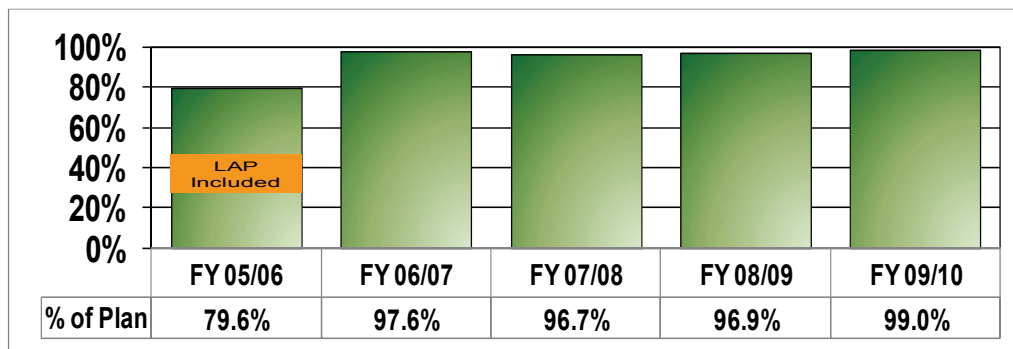
- ♦ Execute construction contracts as planned; and
- ♦ Award contracts within estimated value.

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

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

**Result:** The Department achieved 99.0% of plan, executing 511 of 516 planned projects. The Department executed an additional 111 projects that were not in the plan, valued at \$179.2 million. A total of 622 projects, valued at \$2.27 billion, were executed and placed in production.

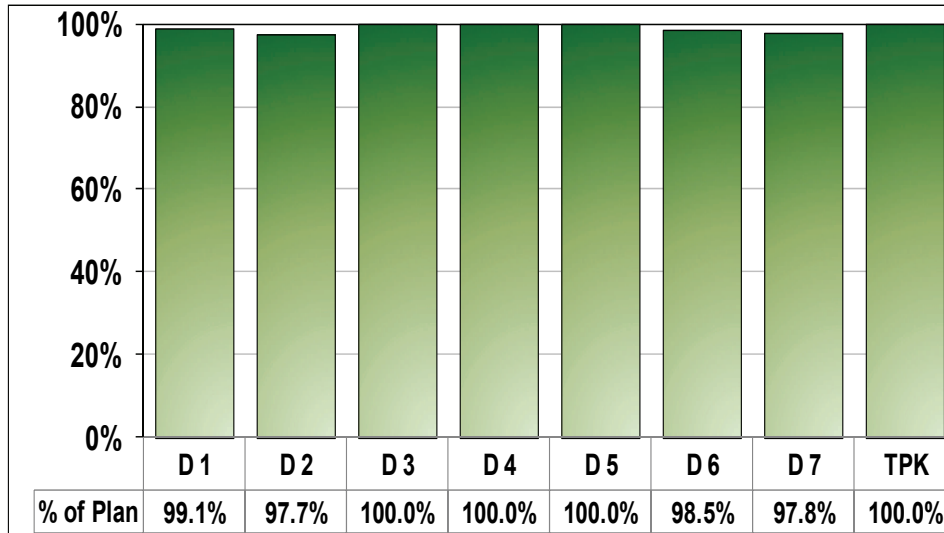
**Percentage of Construction Contracts Executed  
Compared to the Number Planned:  
by Fiscal Year  
(Objective: at least 95%)**



	Fiscal Year				
	2005/06	2006/07	2007/08	2008/09	2009/10
Plan	668	458	388	449	516
Actual	532	447	375	435	511
Additions	36	72	55	59	111
Total	568	519	430	494	622

## District specific results:

**Percentage of Construction Contracts Executed Compared with the Number Planned**



	By District								
	1	2	3	4	5	6	7	FTE	CO
Plan	114	88	51	68	63	66	45	21	0
Actual	113	86	51	68	63	65	44	21	0
% of Plan	99.1%	97.7%	100.0%	100.0%	100.0%	98.5%	97.8%	100.0%	N/A
Additions	28	26	26	8	9	4	9	1	0
Total	141	112	77	76	72	69	53	22	0



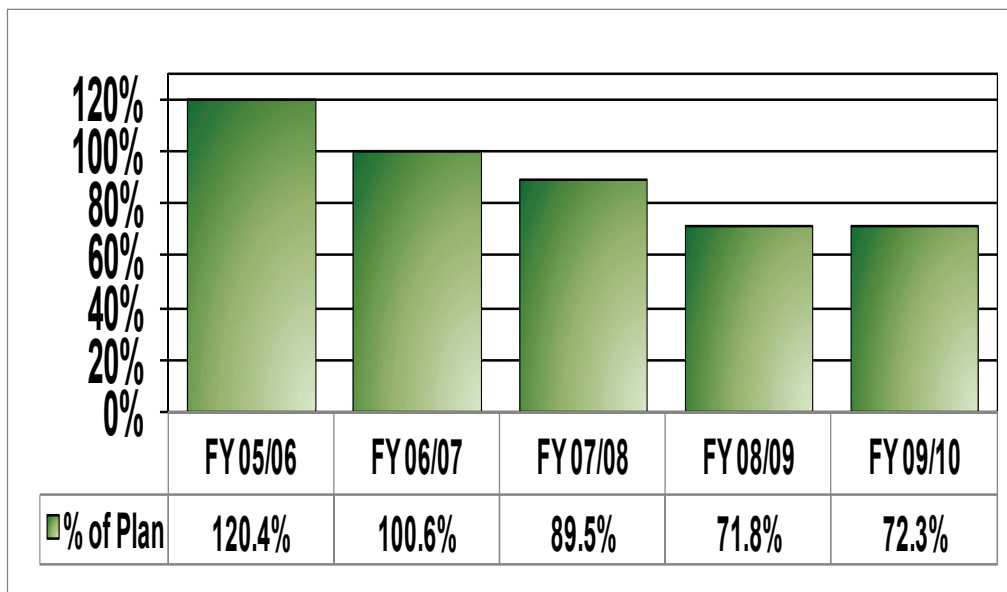


**Secondary Measure:** *Award amount* compared to *estimated amount*. This measure is an indicator of how well the Department manages its finances in the construction estimating and awarding process. The closer to the estimate the contract is awarded, the better utilization of finances. Contract awards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

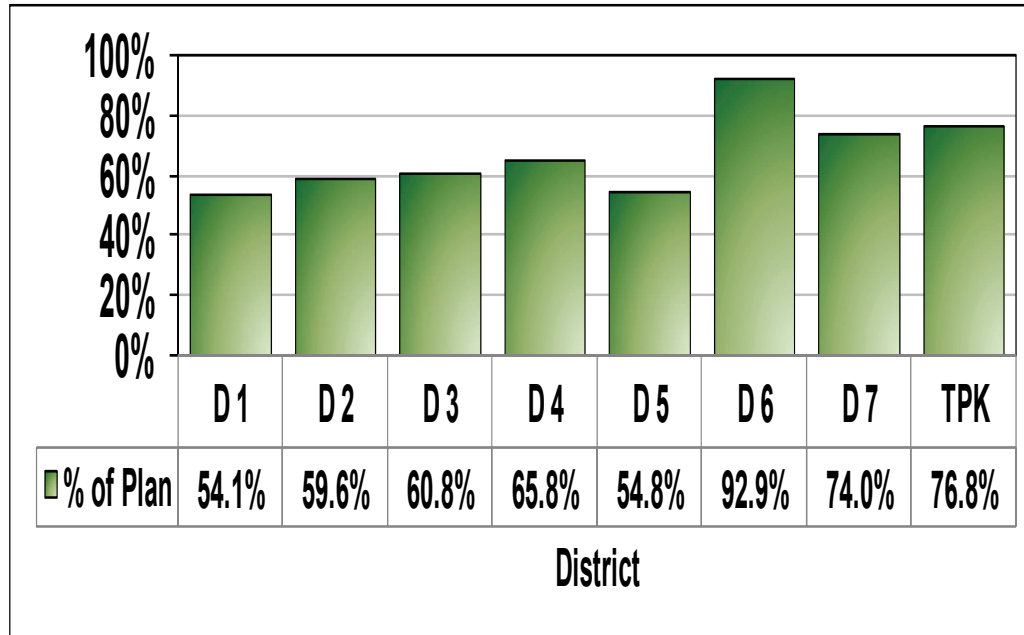
**Result:** The actual cost of planned lettings was \$2.091 billion, compared to the estimate of \$2.894 billion, or 72.3% of estimate. Even though the components of construction costs continue to increase, the Department received bids at a much lower initial cost than originally planned, largely due to economic conditions and competition in the construction industry.

**Construction Contract Dollars Executed as a Percentage of the Original Estimated Amount: by Fiscal Year**

(Objective: at least 100% + or – 5%)



(\$=millions)	Fiscal Year				
	2005/06	2006/07	2007/08	2008/09	2009/10
Estimate	\$1,659.0	\$2,731.1	\$2,235.3	\$2,372.5	\$2,894.1
Actual	\$1,997.8	\$2,748.6	\$2,001.2	\$3,303.5	\$2,091.1

**District specific results:****Construction Contract Dollars Executed as a Percentage of the Original Estimated Amount**

\$= millions	District								CO
	1	2	3	4	5	6	7	TPK	
Estimate	\$287.0	\$201.9	\$112.4	\$318.4	\$312.7	\$701.0	\$808.8	\$152.0	\$0.0
Actual	\$155.3	\$120.3	\$68.3	\$209.6	\$171.4	\$651.1	\$598.4	\$116.7	\$0.0
% of Plan	54.1%	59.6%	60.8%	65.8%	54.8%	92.9%	74.0%	76.8%	N/A

Due to economic conditions that have persisted over the past three years, most notably a downturn in the construction industry, the Department has received more bids per project letting and better prices at time of award. This has resulted in contracts being awarded for about 72% of the estimate, or an initial reduction of \$803 million during FY 2010. The Department will be re-programming the future cash outlays tied to these projects on either new projects or on contingencies to cushion against potential cost increases during the construction phase.

## 1d. LOCAL AGENCY PROGRAM (LAP)

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

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

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





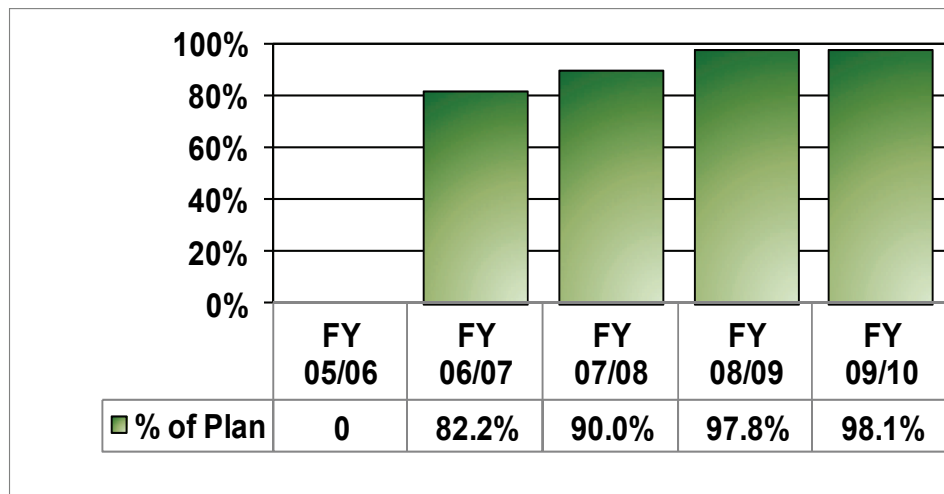
## 1d1. LAP CONSULTANT ACQUISITION

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

**Objective:** Not less than 80% of plan.

**Result:** The Department achieved 98.1% of its plan, executing 151 of 154 consultant contracts planned and valued at \$12.7 million. The Department also executed an additional 31 contracts not in the plan that are valued at \$4.9 million. The 98.1% achievement is the highest since this measure was adopted.

**Percentage of LAP Consultant Contracts Executed Compared to the Number Planned: by Fiscal Year**  
(Objective: at least 80%)

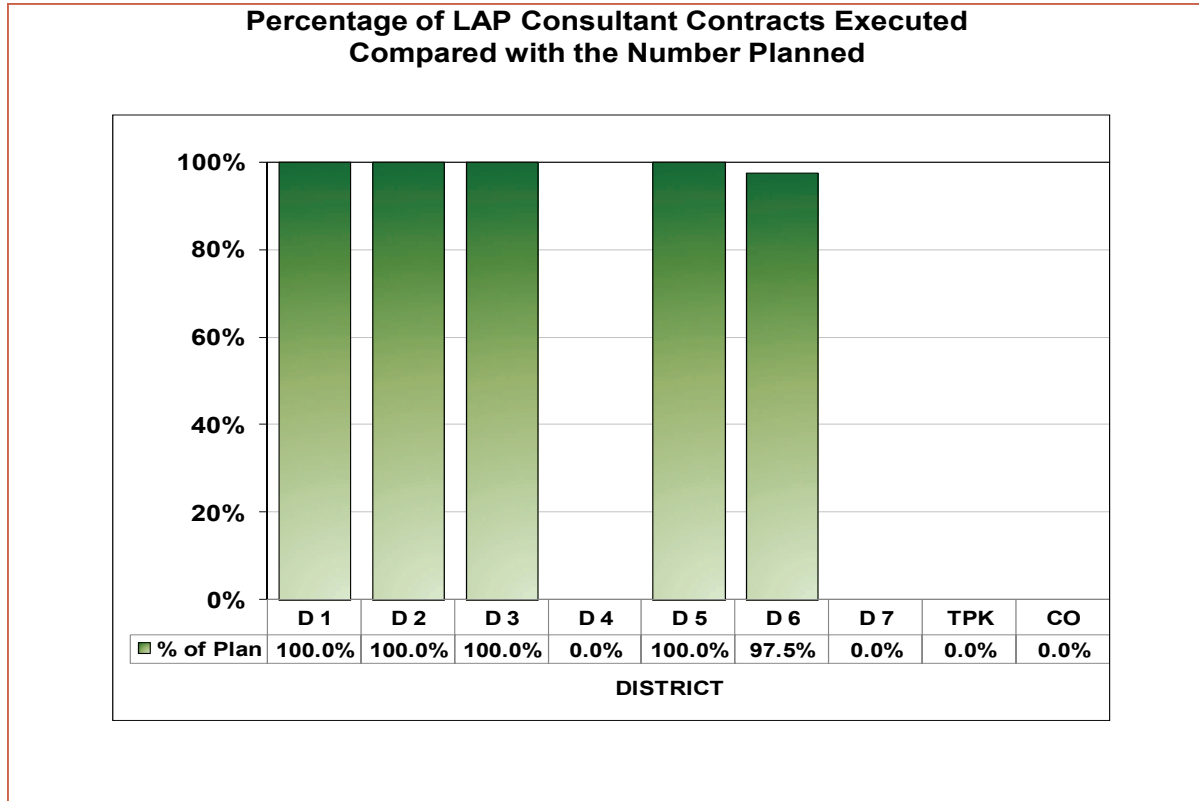


	Fiscal Year				
	2005/06	2006/07	2007/08	2008/09	2008/09
Plan	N/A	101	60	46	154
Actual	N/A	83	54	45	151
Additions	N/A	14	19	6	31
Total	N/A	97	73	51	182

NOTE: This measure includes planning, preliminary engineering and construction engineering inspection (CEI) consultants.

### District specific results:

All Districts, with LAP Projects planned, met the performance goal. Districts 4 and 7 had no LAP projects planned.



	District								
	1	2	3	4	5	6	7	TPK	CO
Estimate	4	8	5	0	17	120	0	N/A	0
Actual	4	8	5	0	17	117	0	N/A	0
% of Plan	100.0%	100.0%	100.0%	N/A	100.0%	97.5%	N/A	N/A	N/A

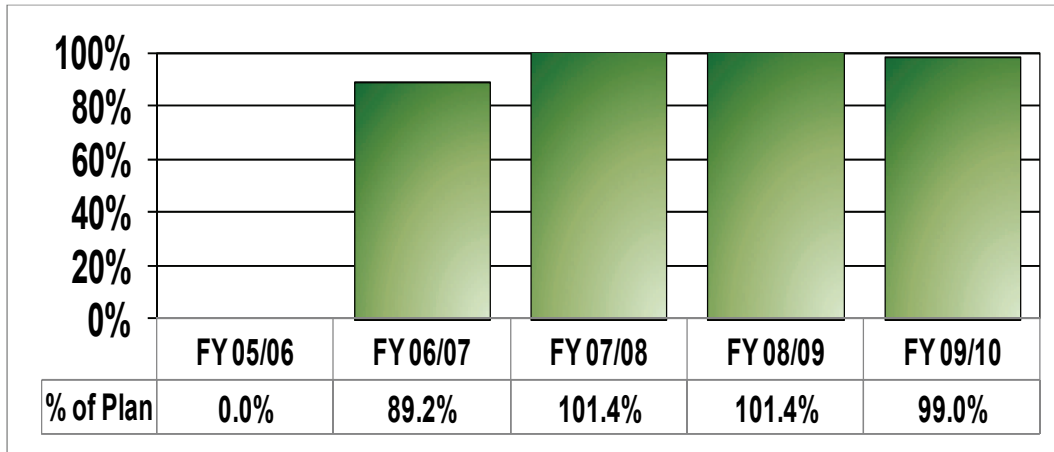
**Secondary Measure:** The following measure is an indicator of how well the Department manages its finances in the contract estimating and negotiation process. The closer to the estimate the price is negotiated, the better utilization of finances. A contract negotiated above the estimate utilizes additional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

**Result:** The Department executed \$12.7 million of consultant contracts, which was \$200 thousand less than the estimate of \$12.9 million, or 98.4% of estimate.

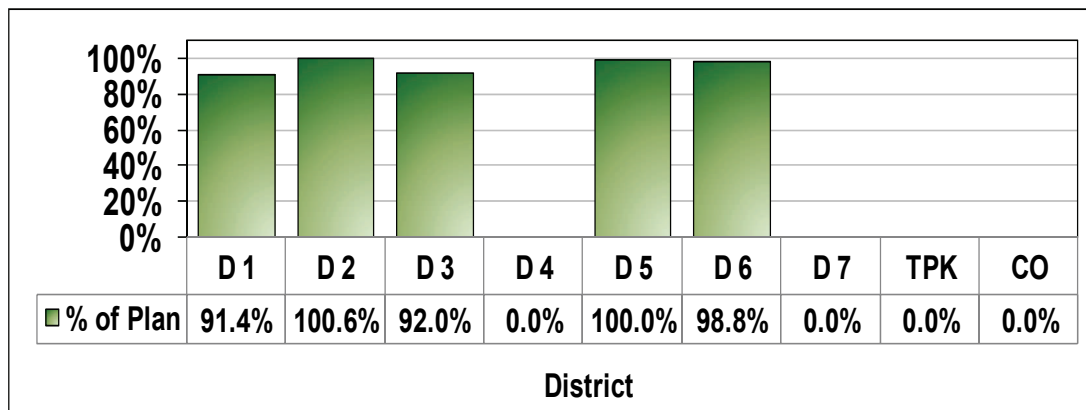
## District specific results:

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

(Objective: at least 100% + or – 5%)



(\$=millions)	Fiscal Year				
	2005/06	2006/07	2007/08	2008/09	2009/10
Estimate	N/A	\$27.8	\$14.6	\$7.2	\$12.9
Actual	N/A	\$24.8	\$14.8	\$7.3	\$12.7

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


(\$=millions)	District								
	1	2	3	4	5	6	7	TPK	CO
Estimate	\$ 0.35	\$ 3.25	\$ 0.50	\$ -	\$ 2.20	\$ 6.55	\$ -	N/A	N/A
Actual	\$ 0.32	\$ 3.27	\$ 0.46	\$ -	\$ 2.20	\$ 6.47	\$ -	N/A	N/A
% of Plan	91.4%	100.6%	92.0%	N/A	100.0%	98.8%	N/A	N/A	N/A



## 1d2. LAP CONSTRUCTION LETTINGS

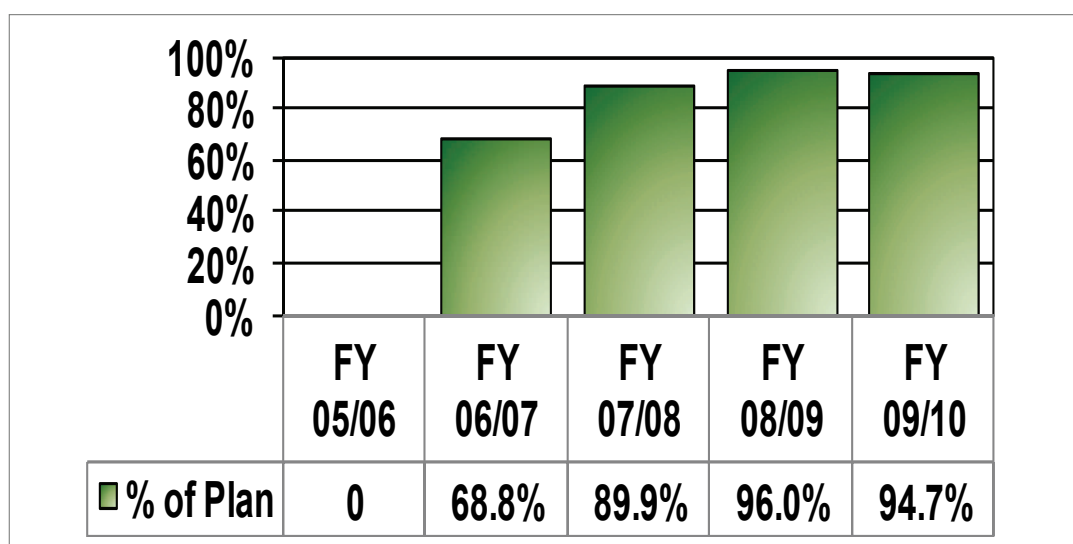
**Primary Measure:** The number of Construction Contracts executed compared to the number planned.

**Objective:** Not less than 80% of plan.

**Result:** The Department achieved 94.7% of plan, executing 390 of 412 planned project valued at \$363.7 million. The Department added and executed 76 projects valued at \$61.6 million that were not in the plan for a total of \$425.3 million of projects placed in production.

**Percentage of LAP Construction Contracts Executed Compared to the Number Planned: by Fiscal Year**

(Objective: at least 80%)

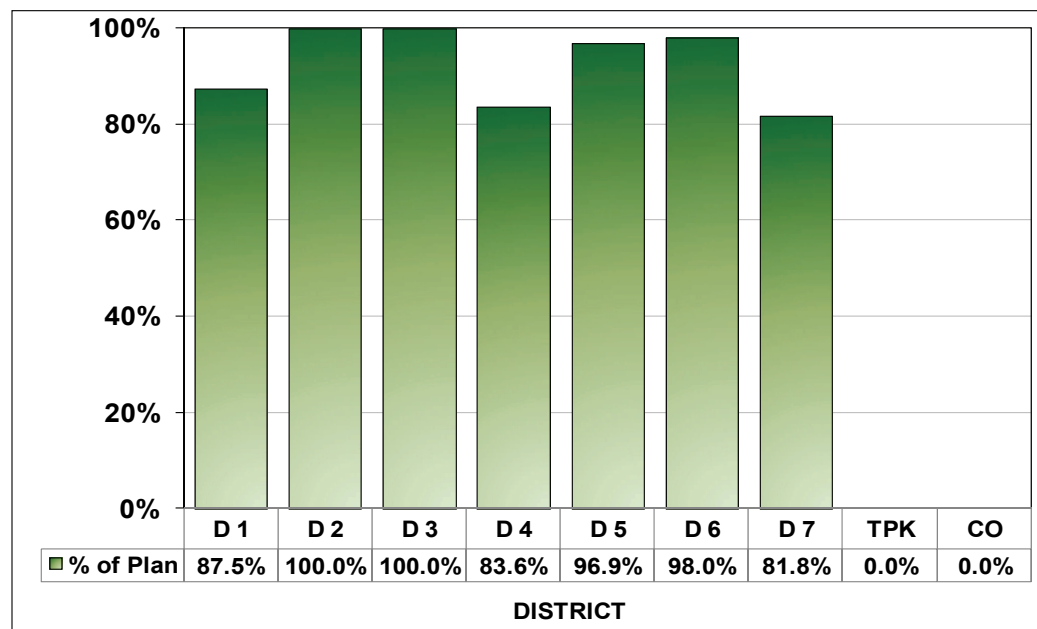


	Fiscal Year				
	2005/06	2006/07	2007/08	2008/09	2009/10
Plan	N/A	141	119	99	412
Actual	N/A	97	107	95	390
Additions	N/A	5	26	12	76
Total	N/A	102	133	107	466

**District specific results:**

All Districts met the 80% goal, however, only 2 reached 100% (6 reached it last year). Both Central Office projects were deferred.

**Percentage of LAP Construction Contracts Executed Compared with the Number Planned: by District**

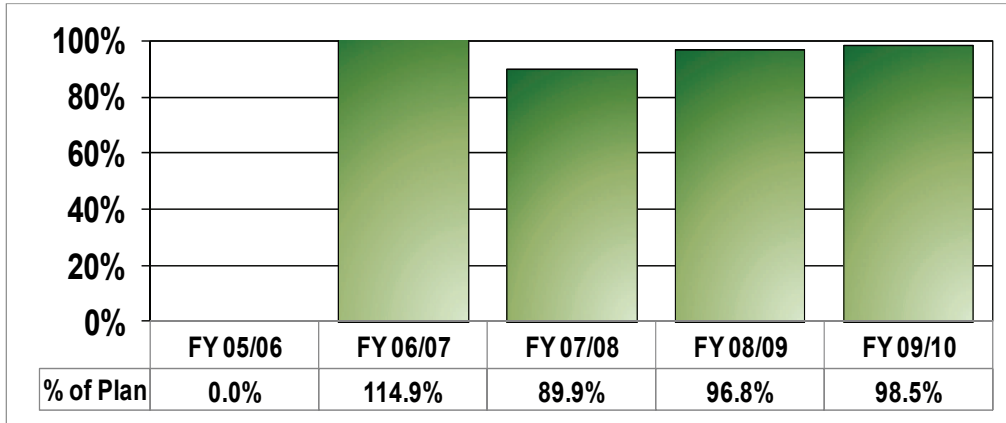


	District								
	1	2	3	4	5	6	7	TPK	CO
Estimate	16	16	61	61	97	148	11	N/A	2
Actual	14	16	61	51	94	145	9	N/A	0
% of Plan	87.5%	100.0%	100.0%	83.6%	96.9%	98.0%	81.8%	N/A	0.0%

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

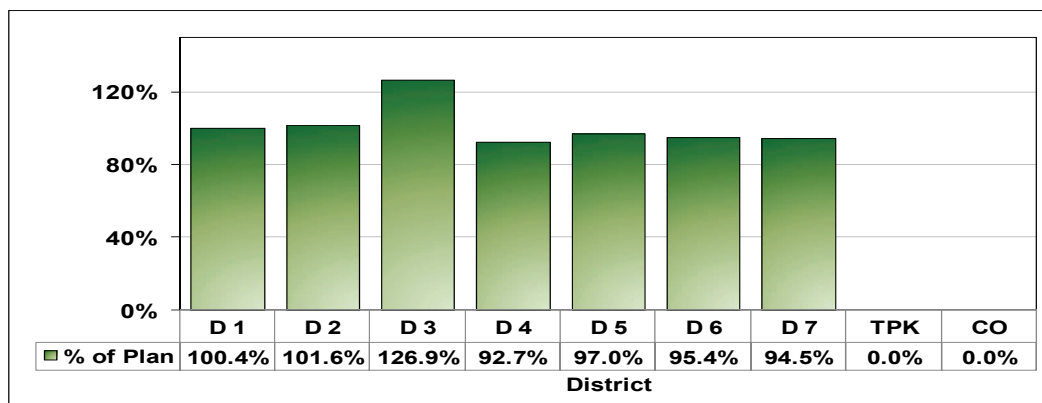
**Result:** The Department executed \$363.7 million of construction contracts, which was \$5.5 million less than the estimate of \$369.2 million, or 98.5% of estimate.

**LAP Construction Contract Dollars Executed as a Percentage of the Original Estimated Amount: by Fiscal Year**  
(Objective: at least 100% + or – 5%)



(\$=millions)	Fiscal Year				
	2005/06	2006/07	2007/08	2008/09	2009/10
Estimate	N/A	\$91.3	\$89.1	\$109.9	\$369.2
Actual	N/A	\$104.9	\$86.5	\$106.4	\$363.7

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



(\$=millions)	District								
	1	2	3	4	5	6	7	TPK	CO
Estimate	\$ 41.95	\$ 14.56	\$ 35.59	\$ 87.19	\$ 83.92	\$ 81.10	\$ 23.33	N/A	\$ 1.55
Actual	\$ 42.13	\$ 14.79	\$ 45.16	\$ 80.79	\$ 81.44	\$ 77.37	\$ 22.04	N/A	\$ -
% of Plan	100.4%	101.6%	126.9%	92.7%	97.0%	95.4%	94.5%	N/A	0.0%





## 1e. 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 are unavoidable and not included in this measure. Time extensions due to holidays are granted by the Department to aid in traffic flow during the holidays, and therefore, are considered unavoidable and are 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 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.

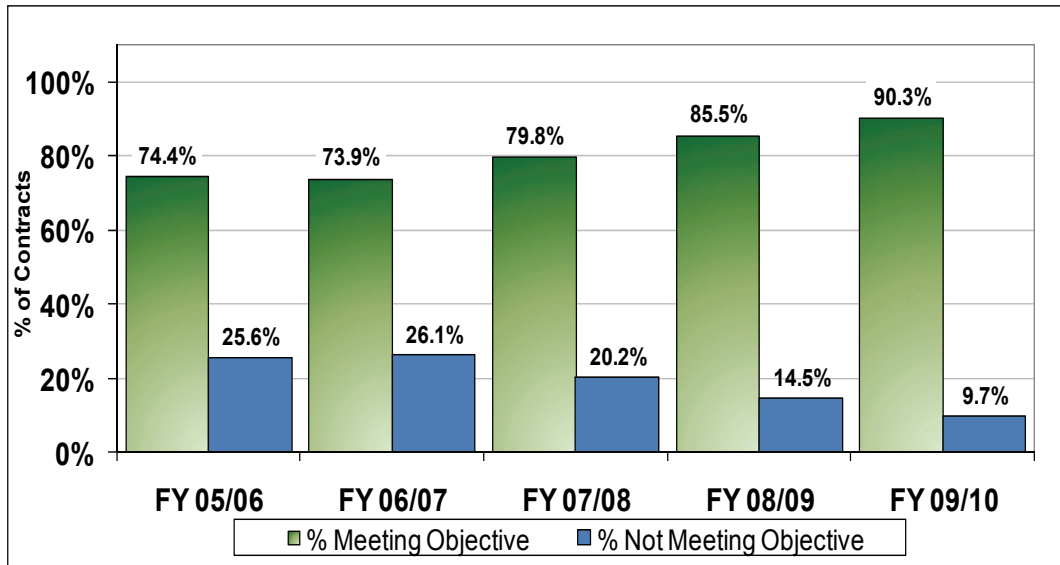
**Objective:** No less than 80% of completed contracts falling within the 20% threshold.

**Result:** Of the 372 construction contracts completed, 90.3% (336) were completed within 20% of their original contract time. There has been a significant improvement in this area. This performance measure was changed from a measure of additional time over original time to a percentage of contracts meeting an objective. The Department has been successful in keeping overall time to within 10% of original time but a more meaningful measure is how well the majority of projects perform - hence, the new objective.

## Time Adjustments: Construction Contracts Percentage of Contracts Meeting Objective

Objective: 80% of contracts < or = 20% Over Original Time

372 Contracts Completed



	# of Contracts	#>20%	%>20%	#<=/ to 20%	% <=/ to 20%
FY 09/10	372	36	9.68%	336	90.32%
FY 08/09	394	57	14.47%	337	85.53%
FY 07/08	440	89	20.23%	351	79.77%
FY 06/07	394	103	26.14%	291	73.86%
FY 05/06	297	76	25.59%	221	74.41%

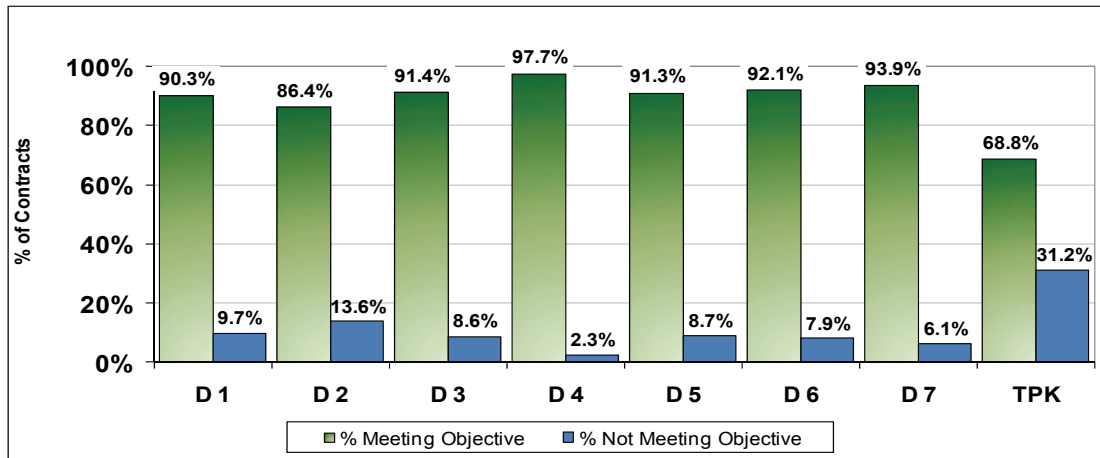


## District specific results:

All Districts improved over 2009 with only the Turnpike not meeting the goal.

### Time Adjustments: Construction Contracts by District Percentage of Contracts Meeting Objective

Objective: 80% of contracts < or = 20% Over Original Time



District	# of Contracts	#>20%	%>20%	#<20%	%<20%
1	72	7	9.72%	65	90.28%
2	66	9	13.64%	57	86.36%
3	58	5	8.62%	53	91.38%
4	43	1	2.33%	42	97.67%
5	46	4	8.70%	42	91.30%
6	38	3	7.89%	35	92.11%
7	33	2	6.06%	31	93.94%
FTE	16	5	31.25%	11	68.75%
Total	372	36	9.68%	336	90.32%

Of the 372 contracts closed in FY 2009/10, 3 contracts accounted for 50% of the total additional days.

Original Days	87,434
Additional Days	3,808
Total Days	91,242
Percent Additional Days	4.4%
Contracts Completed	372
Number of Contracts with 50% added days	3
Percent of Contracts with 50% added days	.8%

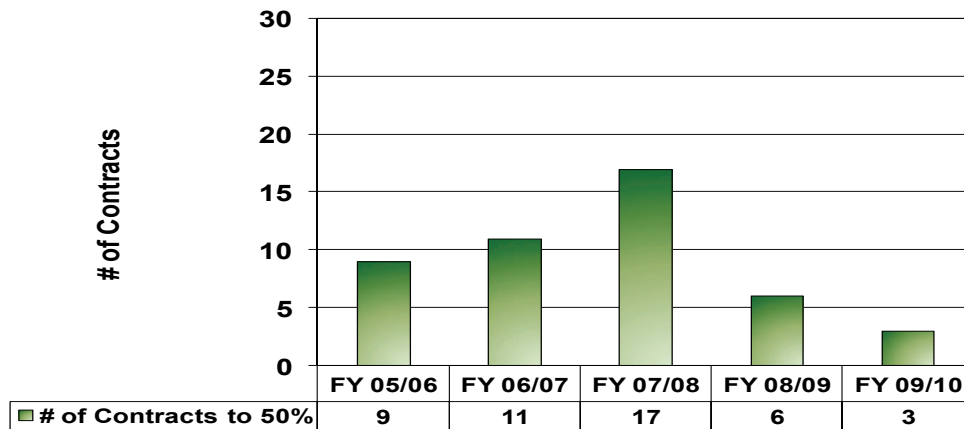
The 3 contracts accounting for 50% of the additional days:

District	Contract #	Project Description	Original Days	Additional days	Total Days	% Over
1	T1078	SR 78 (BAYSHORE) FROM E OF SLATER ROAD TO W OF I-75	550	961	1,511	174.7%
FTE	E8H33	ITS DEPLOYMENT FOR WEST FLORIDA (SR 570 & SR 589)	500	553	1,053	110.6%
1	T1125	US 41 FROM US 41 BUS (SR 45A N) TO VENICE CONN (SR 681)	650	516	1,166	79.4%

FTE = Florida's Turnpike Enterprise

### # of Contracts that Account for 50% of Total Additional Days

(3 contracts added 2,030 of the 3,808 total days added)





## CONSTRUCTION COST ADJUSTMENTS:

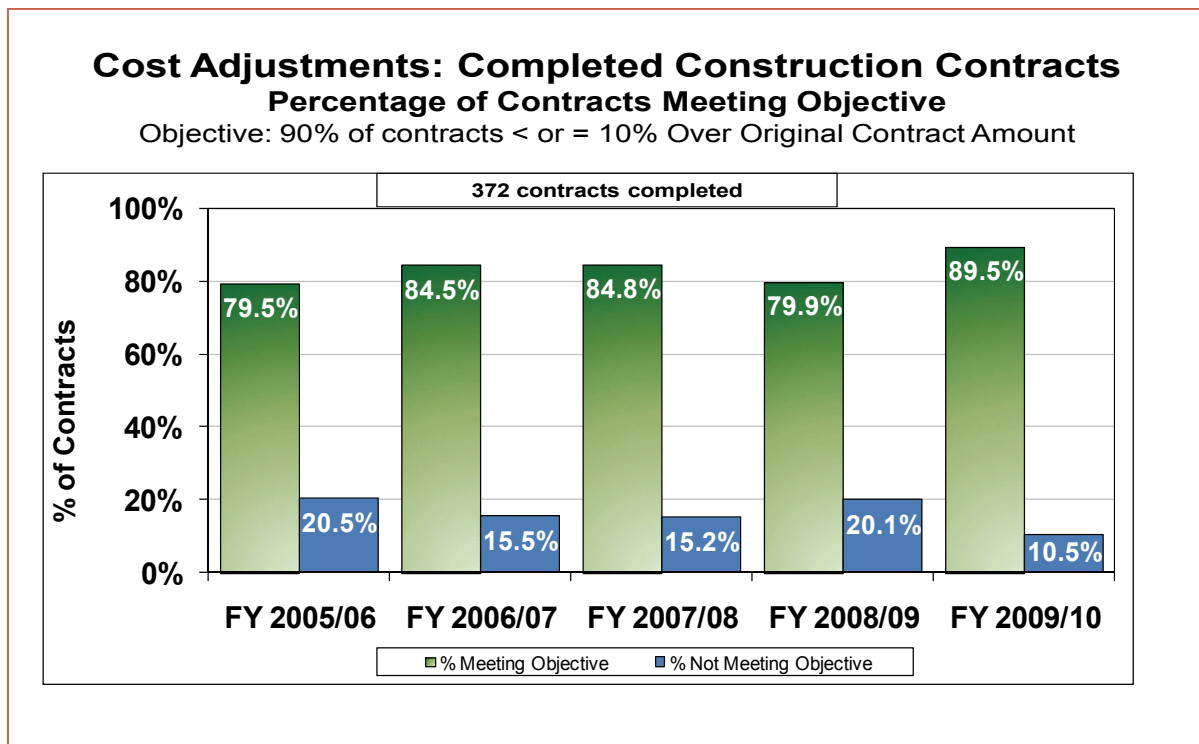
Factors such as changing market conditions, volatile changes in the cost of materials, and the call for aesthetic additions to projects have made cost increases an accepted norm within the construction industry. Additional costs are provided for:

- ◆ Individual work items which may increase by 5% (minor overruns)
- ◆ 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 (requiring administrative or legal resolution)

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

**Objective:** Not less than 90% of completed construction contracts falling within the 10% threshold.

**Result:** Of the 372 contracts completed, 333, or 89.5%, were within 10% of the original contract amount. This is a significant improvement in performance from FY 2009 and just shy of meeting the goal.



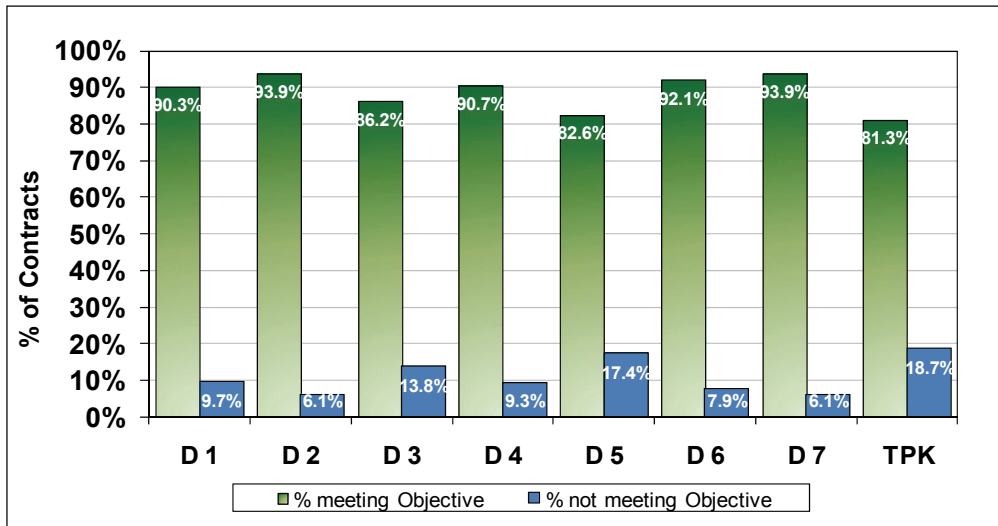
### Five-Year Construction Contract Amount Data

	# of Contracts	#>20%	%>20%	#</= to 20%	% </= to 20%
FY 09/10	372	39	10.48%	333	89.52%
FY 08/09	394	79	20.05%	315	79.95%
FY 07/08	440	67	15.23%	373	84.77%
FY 06/07	394	61	15.48%	333	84.52%
FY 05/06	297	61	20.54%	236	79.46%

### District specific results:

#### Cost Adjustments: Construction Contracts by District Percentage of Contracts Meeting Objective

Objective: 90% of contracts < or = 10% over original amount

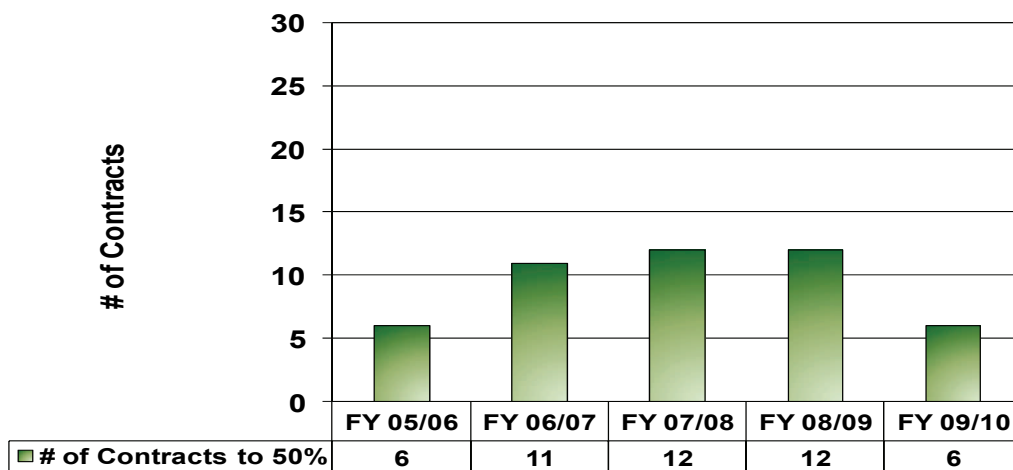


District	# of Contracts	#>10%	%>10%	#</= to 10%	% </= to 10%
1	72	7	9.72%	65	90.28%
2	66	4	6.06%	62	93.94%
3	58	8	13.79%	50	86.21%
4	43	4	9.30%	39	90.70%
5	46	8	17.39%	38	82.61%
6	38	3	7.89%	35	92.11%
7	33	2	6.06%	31	93.94%
FTE	16	3	18.75%	13	81.25%
Total	372	39	10.48%	333	89.52%

Of the 372 contracts closed during FY 2009/10, 6 contracts accounted for 50% of the additional amount.

Original Amount (in millions)	\$2,452
Additional Amount (in millions)	\$133
Total Amount (in millions)	\$2,585
Percent Additional Amount	5.4%
Contracts Completed	372
Number of Contracts with 50% added cost	6
Percent of Contracts with 50% added cost	1.6%

**# of Contracts that Account for 50%  
of Total Additional Cost**  
(\$133.0 million in additional costs)



The 6 construction contracts accounting for 50% of the additional costs:

District	Contract #	Project Description	Original Amount	Additional Amount	Total Amount	% Over
5	E5K74	I-95 South of SR 19 to South of SR 528	\$148,000,000	\$22,959,630	\$170,959,630	15.51%
3	T3153	SR 79 New West Bay Bridge 460128	\$26,208,987	\$13,497,486	\$39,706,473	51.50%
3	21557	I-110/I-10 From Old Palafox to Davis Highway	\$70,595,008	\$13,359,560	\$83,954,568	18.92%
5	T5102	I-4 Interchange at East/West Expressway	\$118,770,732	\$8,942,533	\$127,713,265	7.53%
2	T2097	SR 20 From CR 315 to Rowland Avenue	\$39,826,308	\$7,184,792	\$47,011,100	18.04%
FTE	E8I47	Suncoast Parkway and Lutz-Lake Fern Road Interchange	\$8,578,856	\$6,878,290	\$15,457,146	80.18%

FTE = Florida's Turnpike Enterprise





## Supplemental Agreements: Avoidable and Unavoidable

Supplemental Agreements (SA's) comprised almost 94% of cost adjustments to closed contracts. Minor cost overruns make up the other 6%. Nearly all SA's 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.

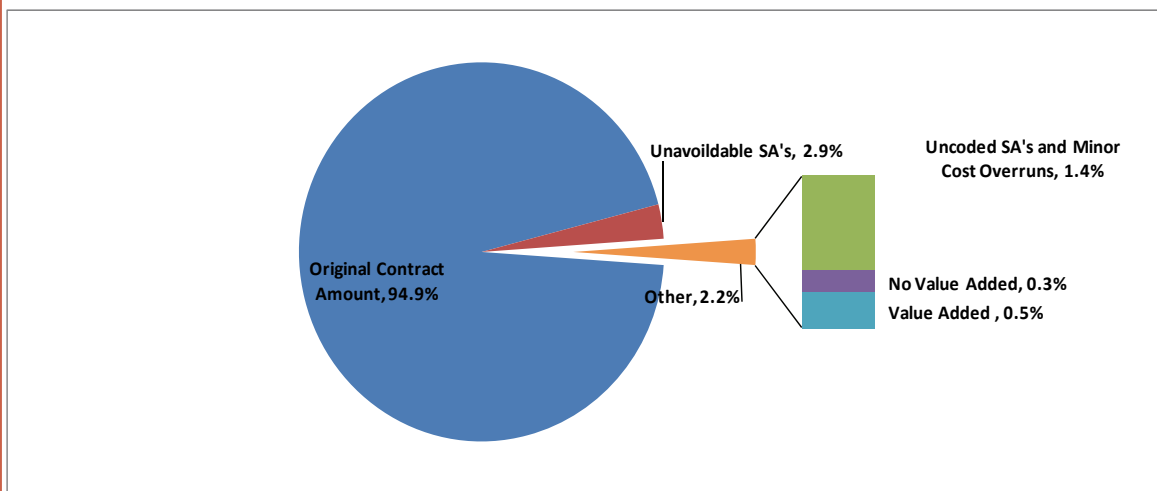
However, there are avoidable costs related to material quantities and "delay costs." To the extent these costs are avoidable and responsible parties identified, the Department should pursue monetary recovery where recovery is cost effective.

**Secondary Measure:** The additional amounts paid attributable to SA's that were determined to be avoidable.

**Result:** Of the final amount paid of \$2.585 billion on 372 contracts closed, \$21.7 million (.84%) were deemed avoidable and of this amount, \$13.6 million (1.3%) added value and \$8.1 million did not add value to the projects.

### Construction Contract Cost Adjustments for Contracts Completed during FY 2009/10

\$2,585.3 Million of Completed Contracts



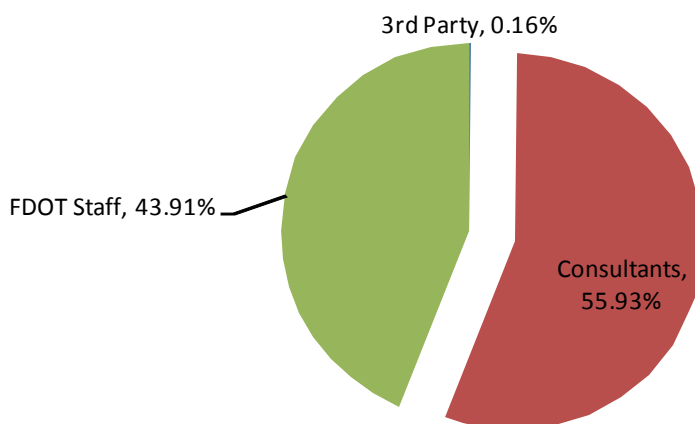
## Supplemental Agreements (SA's: Avoidable and Unavoidable)

The Department should focus its efforts on identifying the reasons for the avoidable Supplemental Agreements where no value was added. This totaled \$8.1 million in FY 2010.

	Amount	%
Original Contract Amount	\$ 2,452,285,638	94.86%
Unavoidable SA's	\$75,677,248	2.93%
Avoidable SA's	\$21,740,908	0.84%
Uncoded SA's	\$313,078	0.01%
Minor Cost Overruns	\$35,262,509	1.36%
Total Final Amount Paid	\$ 2,585,279,381	100.00%

Avoidable SA's		
Value Added	\$13,595,048	1.27%
No Value Added	\$8,145,860	0.51%
Total	\$21,740,908	1.78%

**"No Value Added " Avoidable Supplemental Agreements by Responsible Party (Total of \$8,145,860)**



Responsible Party	Amount	%
3rd Party	\$12,765	.16%
Consultants	\$4,556,317	55.93%
FDOT Staff	\$3,576,778	43.91%
Total Avoidable SA Amount	\$8,145,860	100.00%

## 2. Preservation of Current State Highway System

### 2a. Bridges

### 2b. Pavement

### 2c. Routine Maintenance

This section reports on the Department's ability to preserve and maintain its 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 essential 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:

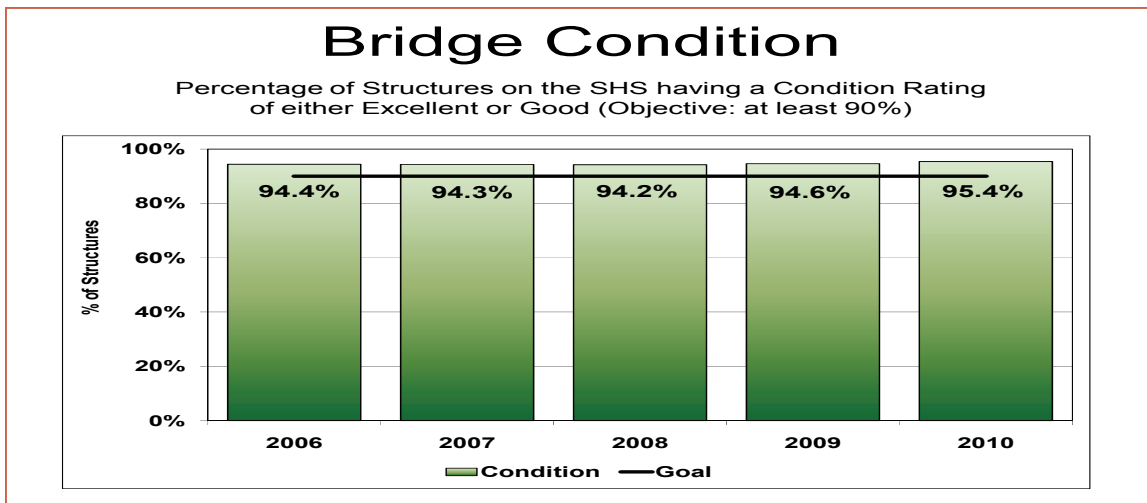
- ♦ There are 11,309 bridges in Florida.
- ♦ 6,222 are the responsibility of the Department of Transportation.
- ♦ The Department inspects all bridges, including local bridges, for structural deficiencies once every two years.
- ♦ No bridge, including a local bridge, is allowed to become unsafe for the traveling public.
- ♦ Florida law requires the Department to meet the annual needs for repair and replacement of bridges on the State Highway System (SHS).
- ♦ Focus is on preserving bridges through cost effective repairs and preventive maintenance.

### BRIDGE CONDITION

**Primary Measure:** Percentage of bridge structures on the SHS rated either “excellent or good” (substructure, superstructure and deck), or the culvert condition rating.

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

**Result:** 95.4% of SHS bridges were rated “excellent or good”.

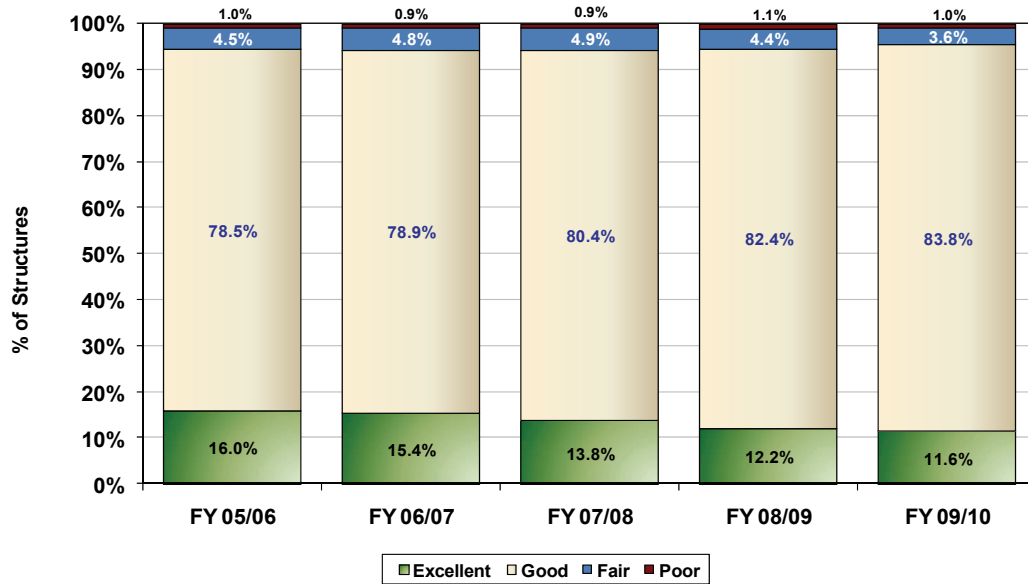


NOTE: Includes bridges on the Tampa-Hillsborough County Expressway System maintained by the Department, but not the Orlando-Orange County Expressway System or Miami-Dade County Expressway System bridges, which are not maintained by the Department.



## CONDITION RATING:

### Percentage of Structures by Condition Rating



FHWA Rating	Condition Rating	# of Bridges	% of Total
8 or 9	Excellent	720	11.6%
6 or 7	Good	5,213	83.8%
5	Fair	225	3.6%
0 to 4	Poor	64	1.0%
Totals		6,222	100.00%

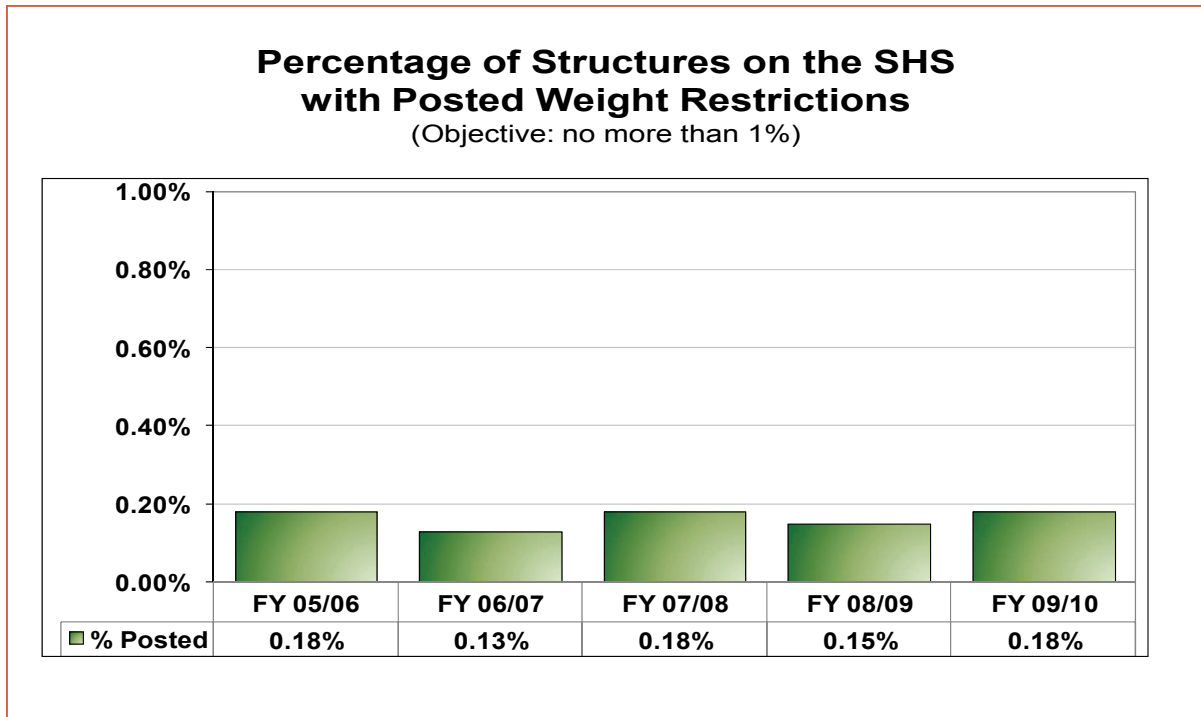


## RESTRICTED BRIDGES:

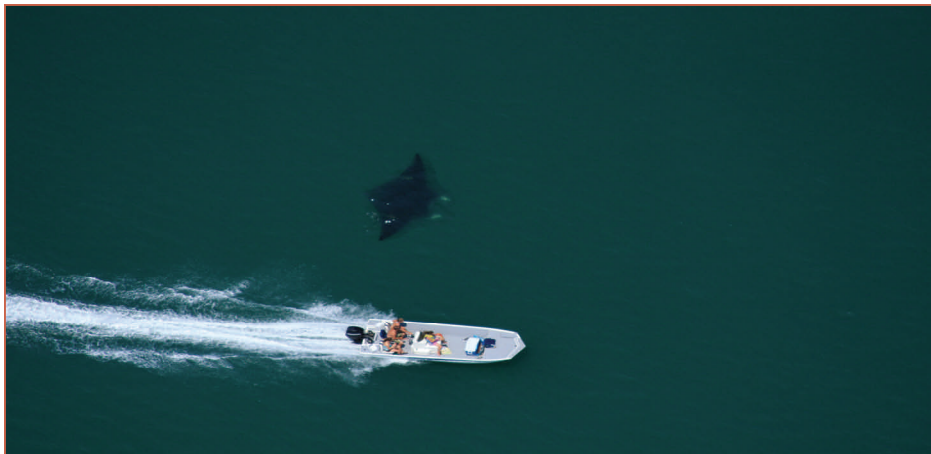
**Primary measure:** Percentage of bridges on the SHS with posted weight restrictions.

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

**Result:** Only 11 of 6,222 or .18% of bridges on the SHS have weight restrictions.



NOTE: Includes bridges on the Tampa-Hillsborough County Expressway System maintained by the Department, but not the Orlando-Orange County Expressway System or Miami-Dade County Expressway System bridges, which are not maintained by the Department.



## BRIDGE REPAIR:

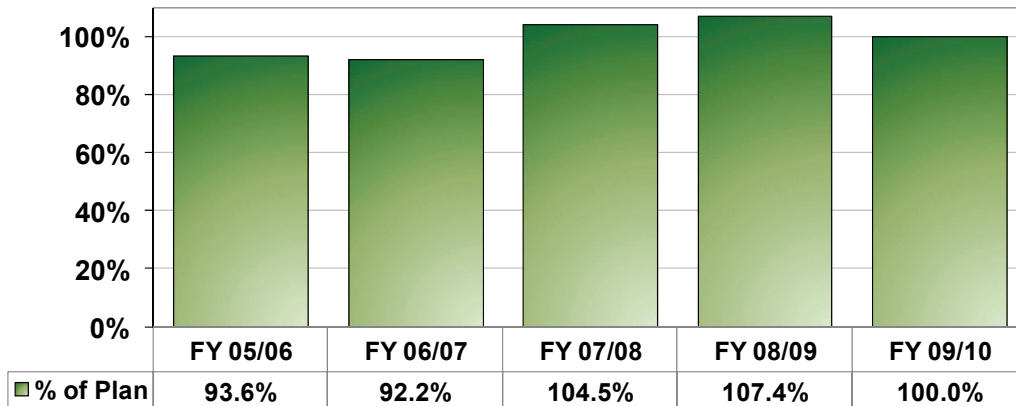
**Secondary measure:** The number of bridges actually let for contract to be repaired compared to the number planned. (Note: A bridge repair contract may include more than one bridge, and a bridge repair job can be included as part of a road project).

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

**Result:** Achieved 100.0%, having let 100 of a planned 100 bridge repair projects. An additional 31 bridges that were not in the current or future plans were also let.

### Percentage of Bridge Repair Projects Executed Compared to the Number Planned

(Objective: at least 95%)



	Fiscal Year				
	2005/06	2006/07	2007/08	2008/09	2009/10
Plan	78	115	67	68	100
Actual	73	106	70	73	100
Additions	6	26	5	17	27
Advanced FY	0	0	0	2	4
Total	79	132	75	92	131

## BRIDGE REPLACEMENT:

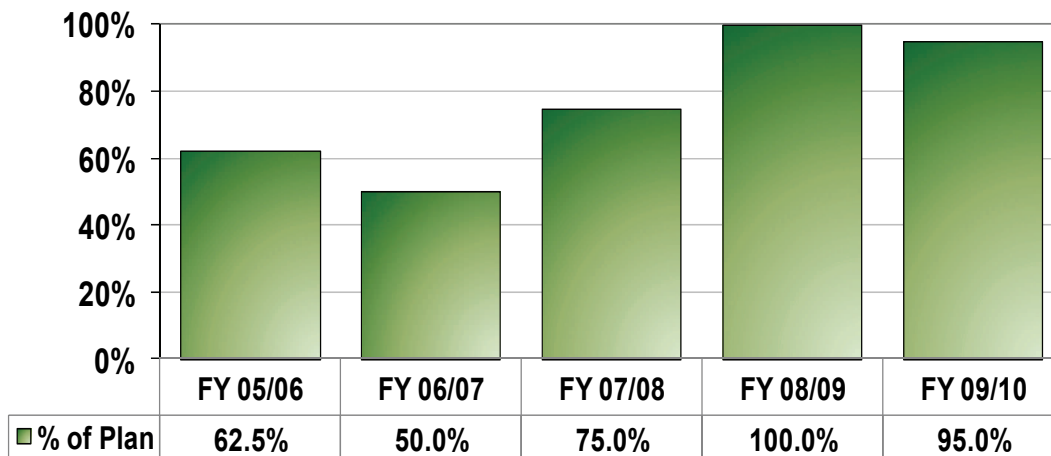
**Secondary measure:** The number of bridges actually let to contract to be replaced compared to the number planned.

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

**Result:** Achieved 95.0%, having let 19 of 20 planned contracts. The Department added 5 projects for a total of 24 projects in production.

### Percentage of Bridge Replacement Projects Executed Compared to the Number Planned

(Objective: at least 95%)



	Fiscal Year				
	2005/06	2006/07	2007/08	2008/09	2009/10
Plan	24	14	16	19	20
Actual	15	7	12	19	19
Additions	0	0	0	2	5
Advanced FY	1	0	0	2	0
Total	16	7	12	23	24



## 2b. PAVEMENT

The Department measures the condition of road pavements on an annual basis. Segments that do not measure up to pre-defined 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.

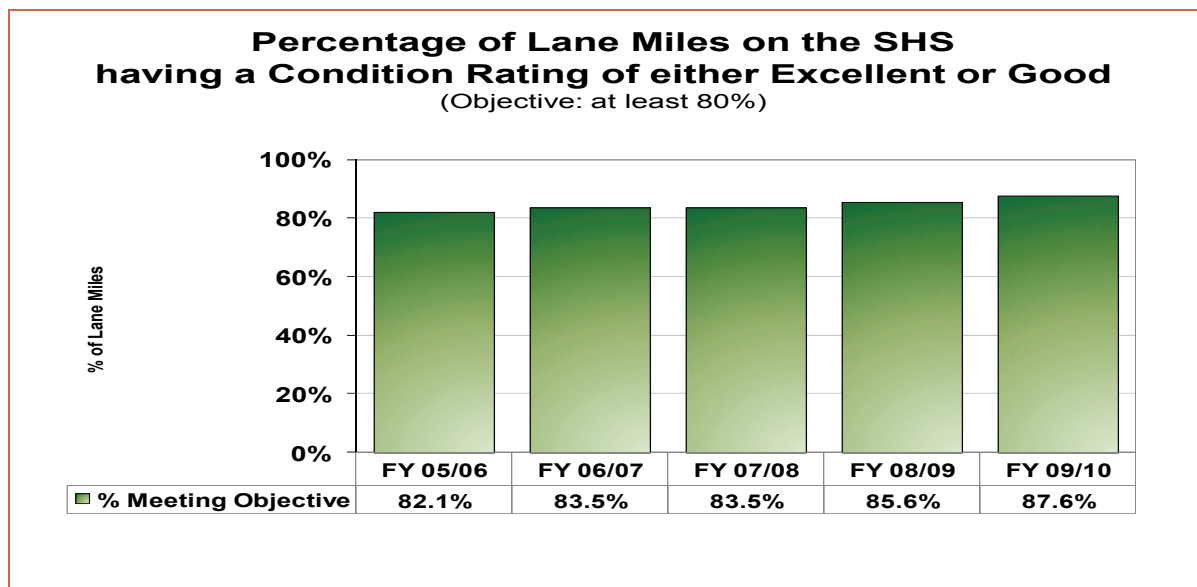
Florida law requires the Department to meet the annual need for resurfacing of the SHS through regular maintenance, which avoids high repair bills and prolongs the useful life of the asset.

### 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.

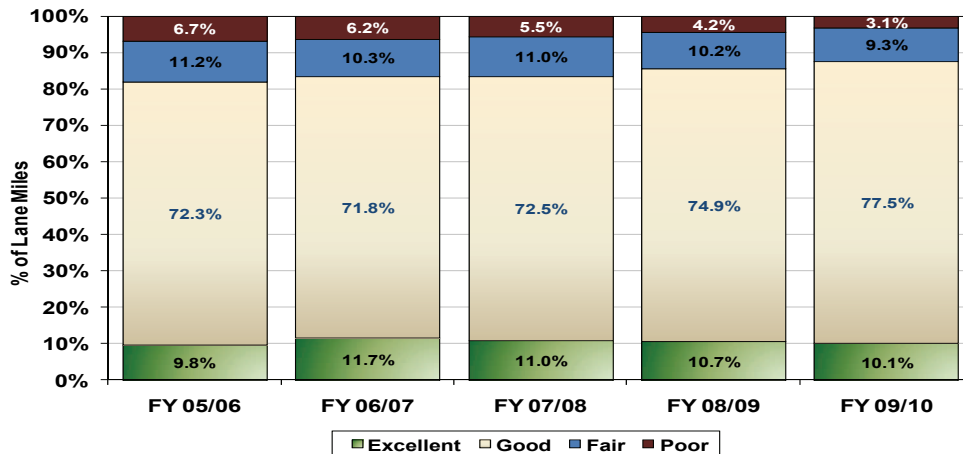
**Objective:** 80% of all lanes on the SHS having a PCR of “excellent or good.”

**Result:** A rating of 87.6%, exceeding the goal of 80%.



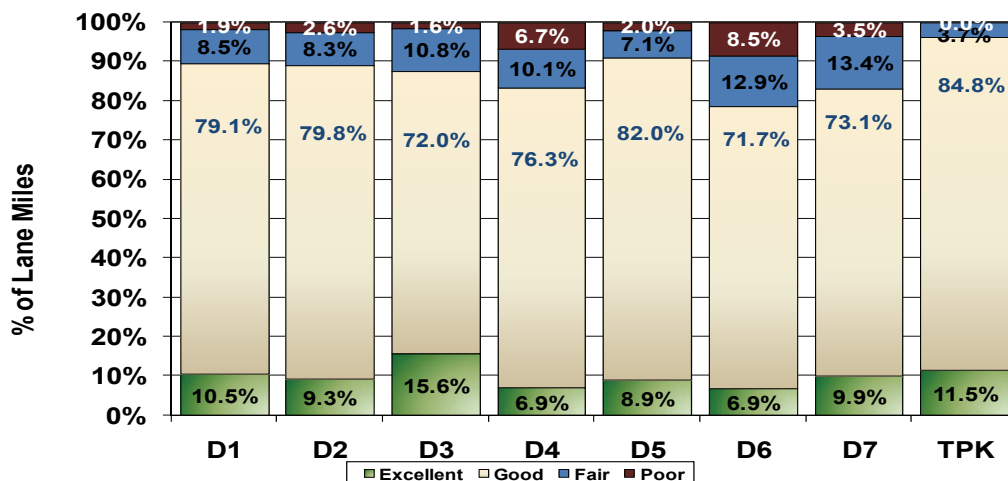
## Statewide Pavement Condition rating (PCR) Data:

### Percentage of Lane Miles by Condition Rating



PCR	Condition Rating	# of Lane Miles	% of Total
8.5 to 10.0	Excellent	4,299	10.1%
6.5 to 8.4	Good	33,032	77.5%
4.5 to 6.4	Fair	3,978	9.3%
0.0 to 4.4	Poor	1,324	3.1%
Totals		42,633	100.00%

### Percentage of Lane Miles by Condition Rating by District



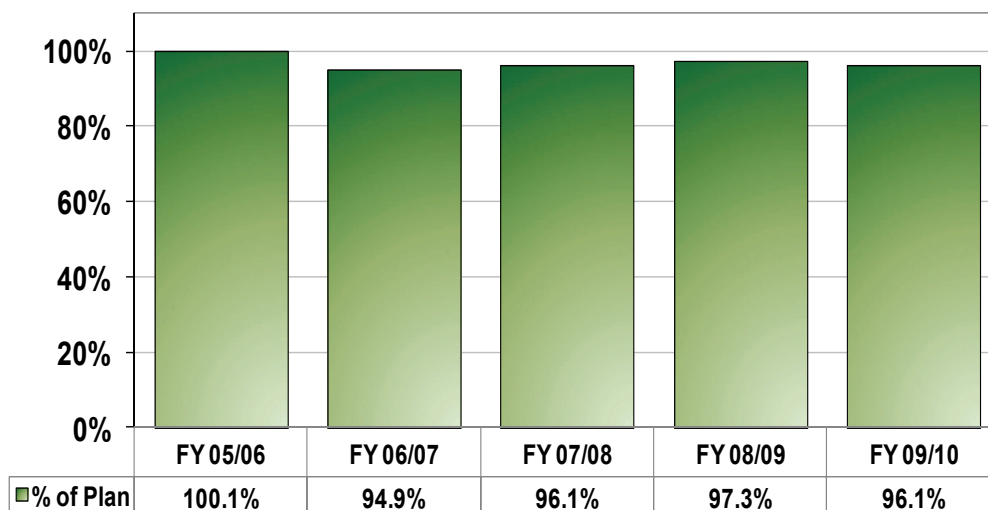
## LANE MILES RESURFACED:

**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.

**Result:** Achieved 96.1% of the plan by letting to contract 2,643 of 2,752 miles planned. In addition, the Department advanced 429 miles that were not in current or future plans.

**Percentage of Lane Miles Resurfaced Compared to the Number Planned**  
(Objective: at least 95%)



	Fiscal Year				
	2005/06	2006/07	2007/08	2008/09	2009/10
Plan	2,355.4	2,371.0	1,792.0	2,582.0	2,751.8
Actual	2,358.2	2,250.0	1,722.0	2,511.0	2,643.0
Capacity related	N/A	1,394.3	299.2	N/A	N/A
Additions	87.8	66.0	164.8	383.0	428.7
Total	2,446.0	3,710.3	2,186.0	2,894.0	3,071.7

## 2c. ROUTINE MAINTENANCE

This component includes:

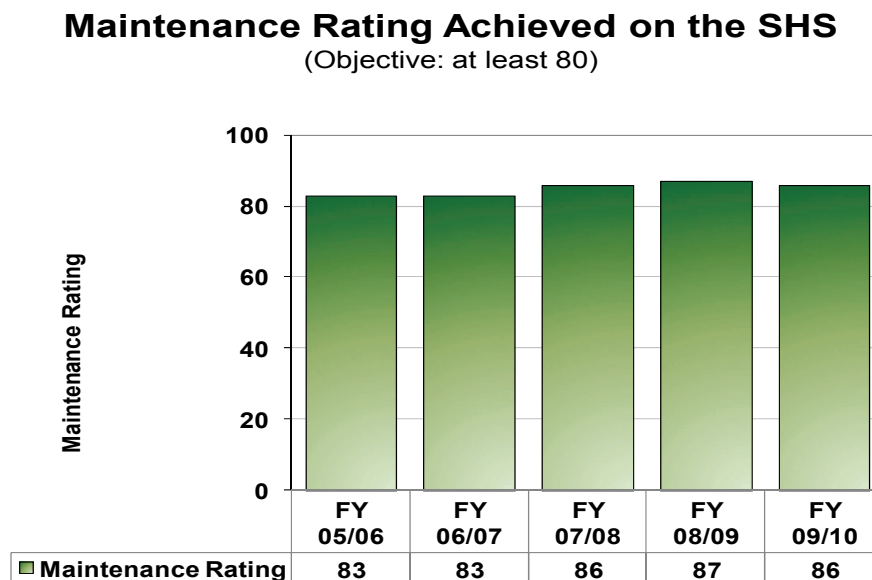
- ◆ Highway repairs (repairing potholes, patching, etc.);
- ◆ Roadside upkeep (mowing, litter removal);
- ◆ Drainage management; and
- ◆ Traffic services (road signs, re-striping).

Adequate and uniform road maintenance is essential from both 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.

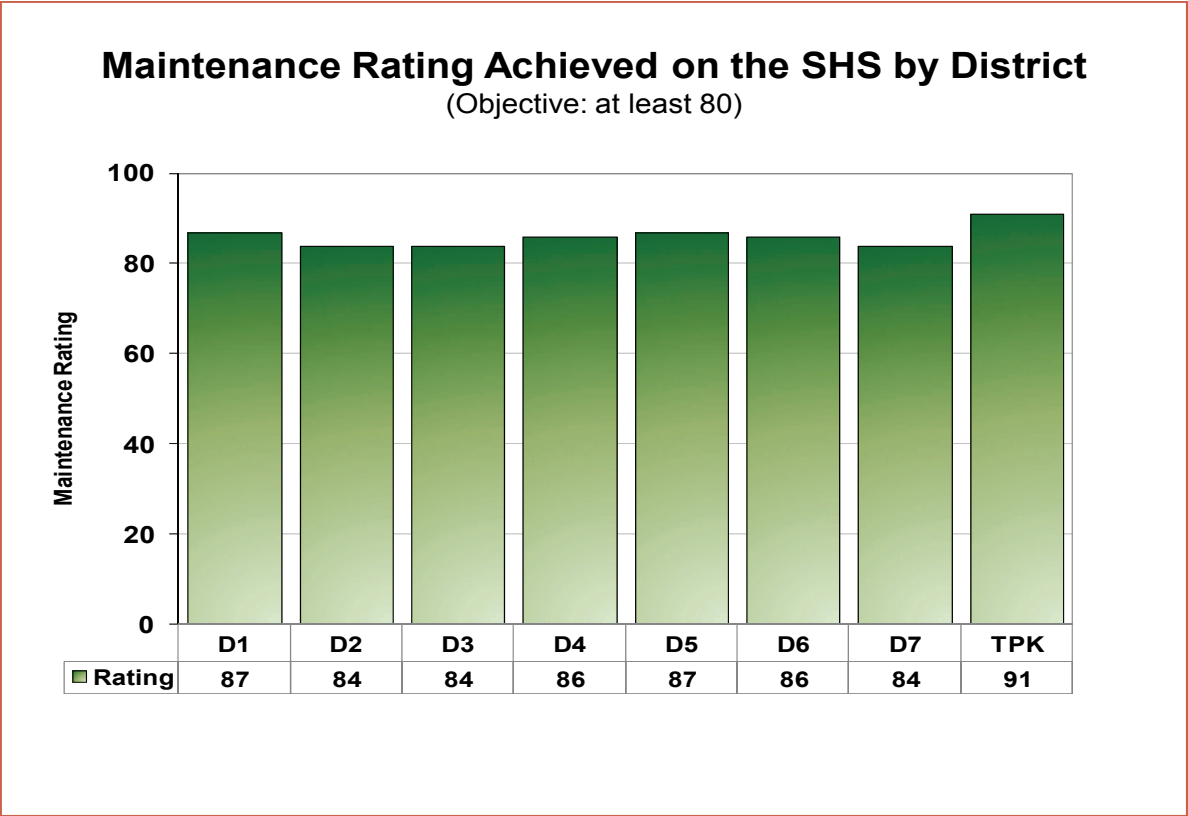
**Objective:** Achieve a rating of at least an 80 on the SHS.

**Result:** Achieved an MRP of 86 or 107.5% of the objective.





District specific results:





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

#### **3a. Capacity Improvements: Highways**

#### **3b. Capacity Improvements: Public Transportation**

#### **3c. Intelligent Transportation Systems (ITS)**

The Department's highest funding priorities are:

- ♦ Preservation of 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 even more limited funding.

Since November of 2006, the Department's funding has been reduced by over \$5.3 billion dollars due to reductions in traditional transportation and documentary stamp revenue sources. Also, during the 2008 and 2009 Legislative Sessions, actions were taken that resulted in a loss of over \$1 billion in funds which had been allocated to the State Transportation Trust Fund and reallocated to general revenue to help during the current budget crisis. Together, these actions resulted in a cash loss to the work program of \$6.4 billion, and \$9.5 billion in project commitments through FY 2014. Because safety and preservation are the top priorities of the Department, capacity improvement projects are first to be removed from the work program as a result of funding constraints.

However, the Department does have a capacity improvement program whereby it continues to add capacity, through primarily the widening of existing roadways. With the construction of the I-95 High Occupancy Toll (HOT) Lanes project, the Port of Miami Tunnel Project and the I-595 Express Lanes project, we are seeing additional capacity being added through innovative engineering and financing tools.

The following section provides the data on the Department's ability to meet its capacity improvement goals.



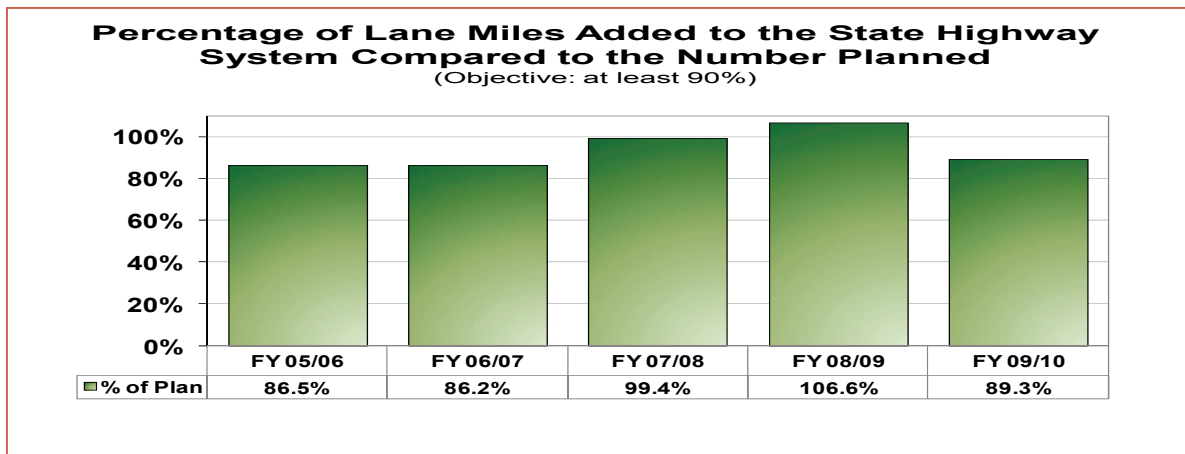
### 3a. CAPACITY IMPROVEMENTS: HIGHWAYS

The Department has primary jurisdiction over the State Highway System (SHS). Currently, there are approximately 120,000 miles of public roads within the state. The SHS comprises about 10 percent or 12,062 of the total centerline miles and accounts for 42,082 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.

**Result:** Achieved 89.3% of the plan by letting to contract 115 of the 129 lane miles planned. Also, 62 lane miles not in the original plan were let to contract for a total of 177 new lane miles to be added to the SHS.



	Fiscal Year				
	2005/06	2006/07	2007/08	2008/09	2009/10
Plan	207.2	390.0	215.2	167.2	129.0
Actual	179.2	336.0	213.9	177.6	115.2
Additions	38.7	8.0	26.9	12.5	39.0
Advanced FY	9.3	0.0	0.0	38.7	22.5
Total	227.2	344.0	240.8	228.8	176.7



### 3b. CAPACITY IMPROVEMENTS: PUBLIC TRANSPORTATION MODES

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

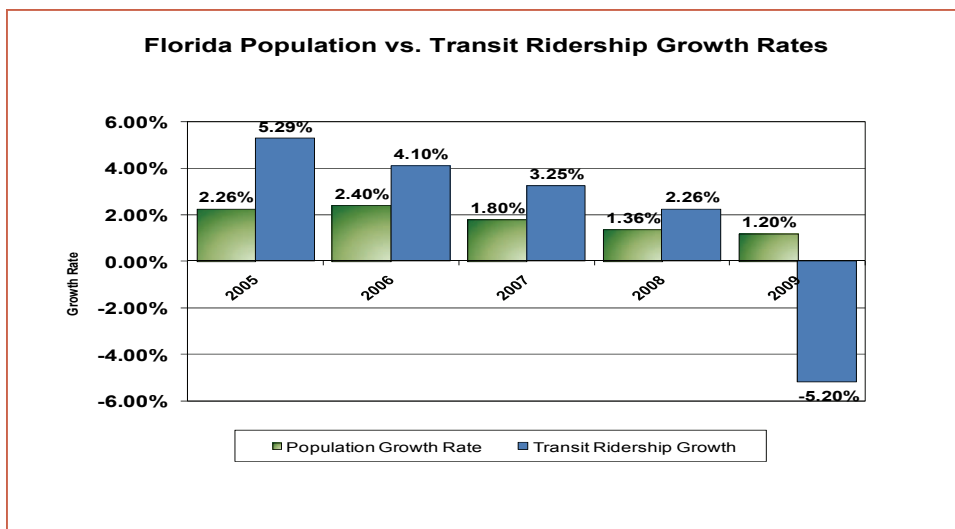
- ♦ Airports, Seaports, Rail, Bus, Transit;
- ♦ Intermodal Development (enhancing connectivity to various modes); and
- ♦ Commuter Assistance (carpooling, vanpooling, park and ride).

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.

**Result:** Florida's population growth rate for 2009 was .6%, therefore the transit ridership would have to meet or exceed 1.2%. Florida's transit growth was -5.2%, well below the goal. The results are based on preliminary data from the Federal Transit Administration and reflect a loss of an estimated 14 million trips; 10 million trips in Miami-Dade County alone.

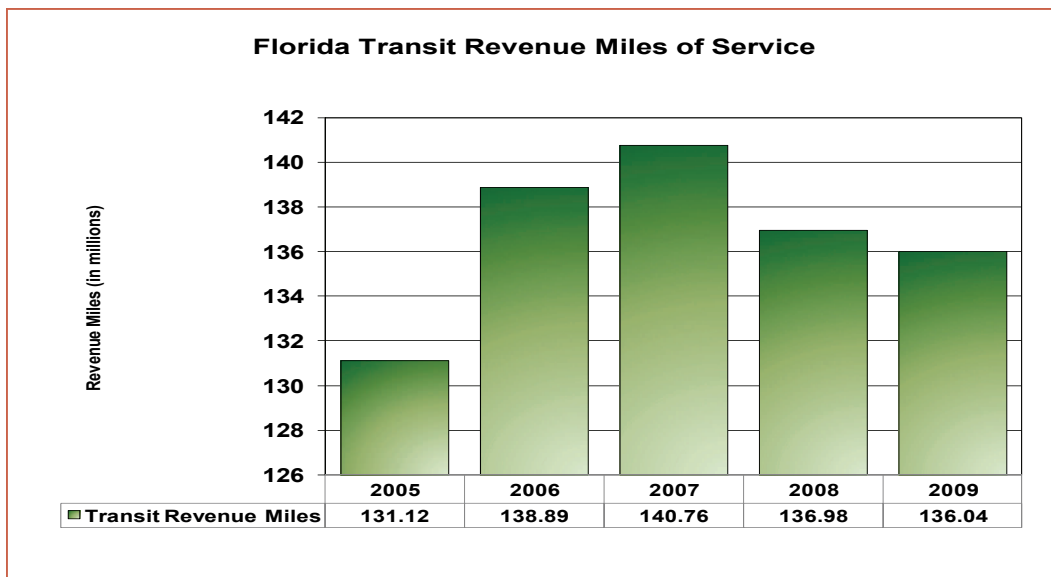


**Secondary Measure:** Annual growth in transit revenue miles (the number of miles transit vehicles are in service). Revenue miles increase:

- ♦ 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.

**Result:** Decreased in FY 2009 by .69% compared to revenue miles in FY 2008 (results for this measure are presented by Federal Fiscal Year).



### 3c. 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.

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

#### **Incident Duration:**

For FY 2009, the Commission adopted a measure of the time it takes to clear an incident or "Incident Duration." In 2006 the SunGuide system, the Traffic Management Center (TMC) software that captures this information, was able to report on the incident duration in District 4. Beginning with FY 2008, Districts 2, 4, 5, 6, 7 and the Turnpike Enterprise have been able to report this data. In 2008, the terminology for reporting incident duration was modified to more closely align with National Traffic Incident Management definitions. The Incident Duration timeline includes the following components: Notification/Verification time, Response time and Open Roads time. The Open Roads time is defined as the time that begins with the arrival of the first responder, either Florida Highway Patrol (FHP) or FDOT, and ends when all mainlane travel lanes are cleared. The Open Roads time is directly comparable with Florida's Open Roads Policy of clearing all travel lanes in 90 minutes or less.

SunGuide uses the incident information entered in the system by District TMC staff to calculate the incident duration. Currently, SunGuide conducts the incident duration calculation using data provided on Road Ranger assisted incidents. The SunGuide software reporting module is being enhanced for the next year to include FDOT Maintenance, Asset Maintenance contractors and FHP assisted incidents in the calculations.

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

- ♦ Open Roads Policy
- ♦ Rapid Incident Scene Clearance (RISC) Program
- ♦ Traffic Incident Management (TIM) Teams

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

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

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

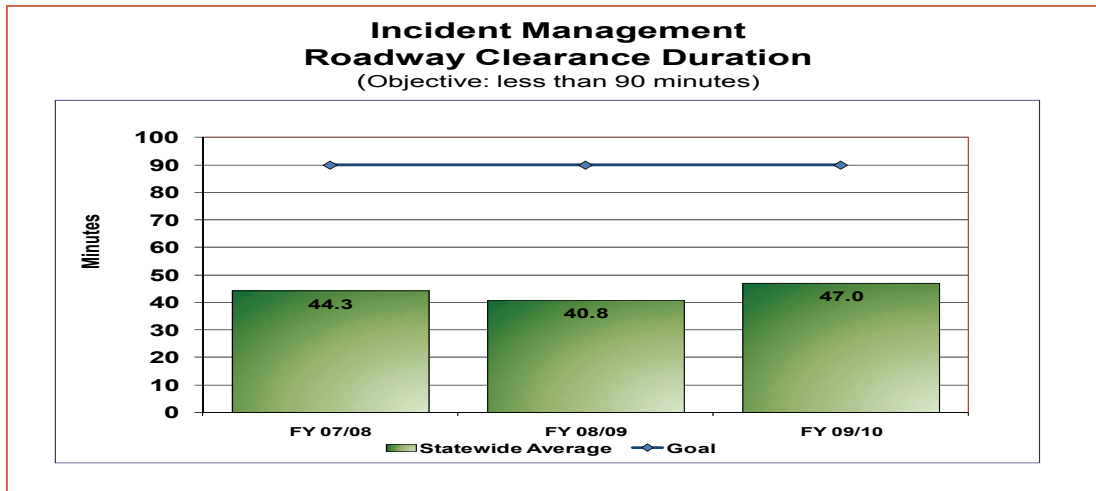
With the investment of hundreds of millions of dollars in the development and operation of TMC's, the Commission felt that a better measure of performance was warranted. The Commission, therefore, adopted Incident Duration as a measure and a "less than 90 minutes", as an objective. Half of the reporting Districts improved over FY 2009, while the performance of the other half decreased. However, all reporting Districts were within the goal.



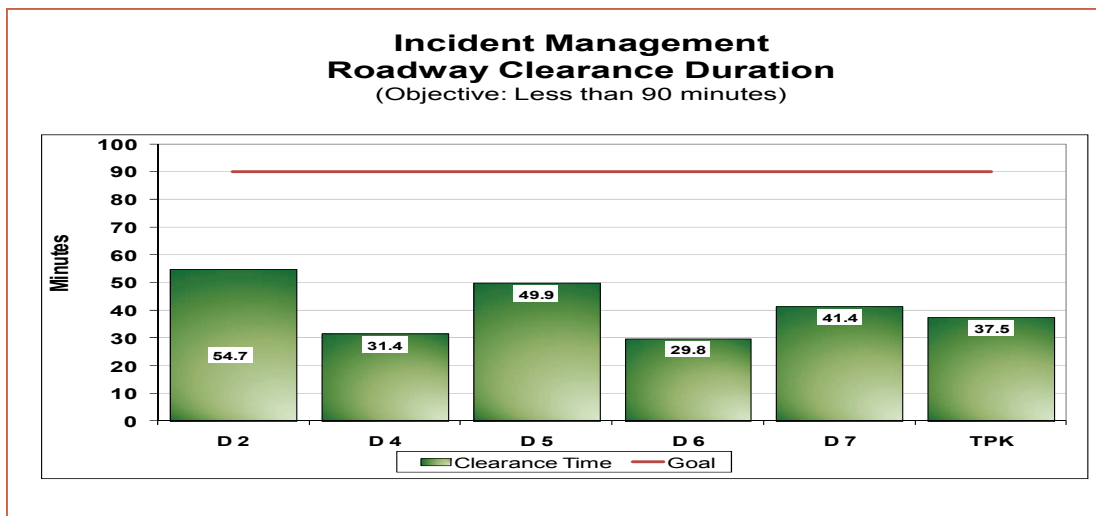
**Secondary measure:** The average time to clear an incident

**Objective:** Less than 90 minutes

**Result:** The Department achieved an average time of 47 minutes.



**District specific results:**



## Travel Time Reliability:

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

The Commission has adopted the Buffer Index as a measure of travel time performance. The Buffer Index is calculated as the difference between the 95th percentile travel time and the average travel time divided by the average travel time. For example, a value of .4 means that a traveler should budget an additional 8 minute buffer for a 20-minute peak trip to ensure 95 percent on-time arrival.

Districts 2, 4, 5, 6 and 7 are able to capture this information at this time and only on instrumented Interstates. The Districts capture this information at a very granular level, but for the purposes of this report, the indicator will be for the entire Interstate, by system, within each reporting District. ITS and construction improvements on certain segments have had a discernible impact on travel time. In some instances, data availability and/or integrity can be an issue and therefore some areas may not be reported on an annual basis.

**Buffer Time Index Range by District and Roadway**

FY 2010	I-95	I-295	I-595	I-4	SR 826	I-75	I-195	I-275
D2	.03-.32	.00-.10	-	-	-	-	-	-
D4	.11-.44	-	.00-.92	-	-	-	-	-
D5	.00-.04	-	-	.00-.51	-	-	-	-
D6	-	-	-	-	.16-.46	-	.02-.53	-
D7	-	-	-	.00-.19	-	-	-	.00-.49

FY 2009	I-95	I-295	I-595	I-4	SR 826	I-75	I-195	I-275
D2	0-.42	0-.53	-	-	-	-	-	-
D4	0-.48	-	0-.77	-	-	-	-	-
D5	0-.19	-	-	0-.89	-	-	-	-
D6	-	-	-	-	.2-.41	0-.33	.04-.78	-
D7	-	-	-	0-.64	-	-	-	0-.83



#### **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 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 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 the mortgage.

## 4a. COMMITMENT OF FEDERAL FUNDS

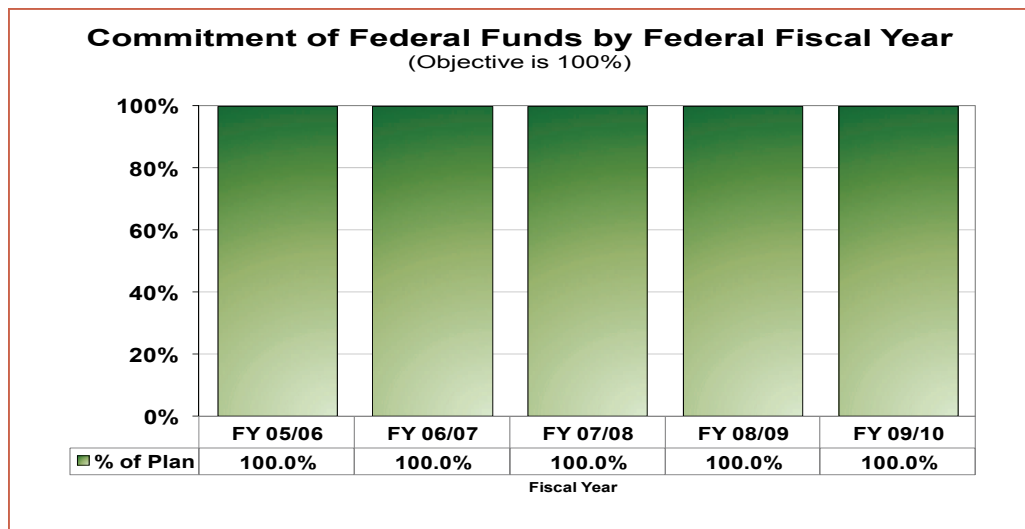
Federal motor fuel taxes paid by Florida's residents, businesses, and visitors are deposited in the Federal Highway Trust Fund, and a portion of that tax is returned to Florida as federal funds. The Department uses these federal funds for transportation projects on a match basis (e.g., Interstate Highway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

**Result:** The Department is on track to commit 100% (\$1.629 billion) of federal funds by September 30, 2010. The Department will receive \$56.1 million additional obligating authority that is available for redistribution.



\$ in millions	2005/06	2006/07	2007/08	2008/09	2009/10
Planned Commitments	\$1,218.8	\$1,401.1	\$1,457.4	\$1,522.6	\$1,629.4
Actual Commitments	\$1,218.8	\$1,401.1	\$1,457.4	\$1,522.6	\$1,629.4
% of Plan	100.0%	100.0%	100.0%	100.0%	100.0%

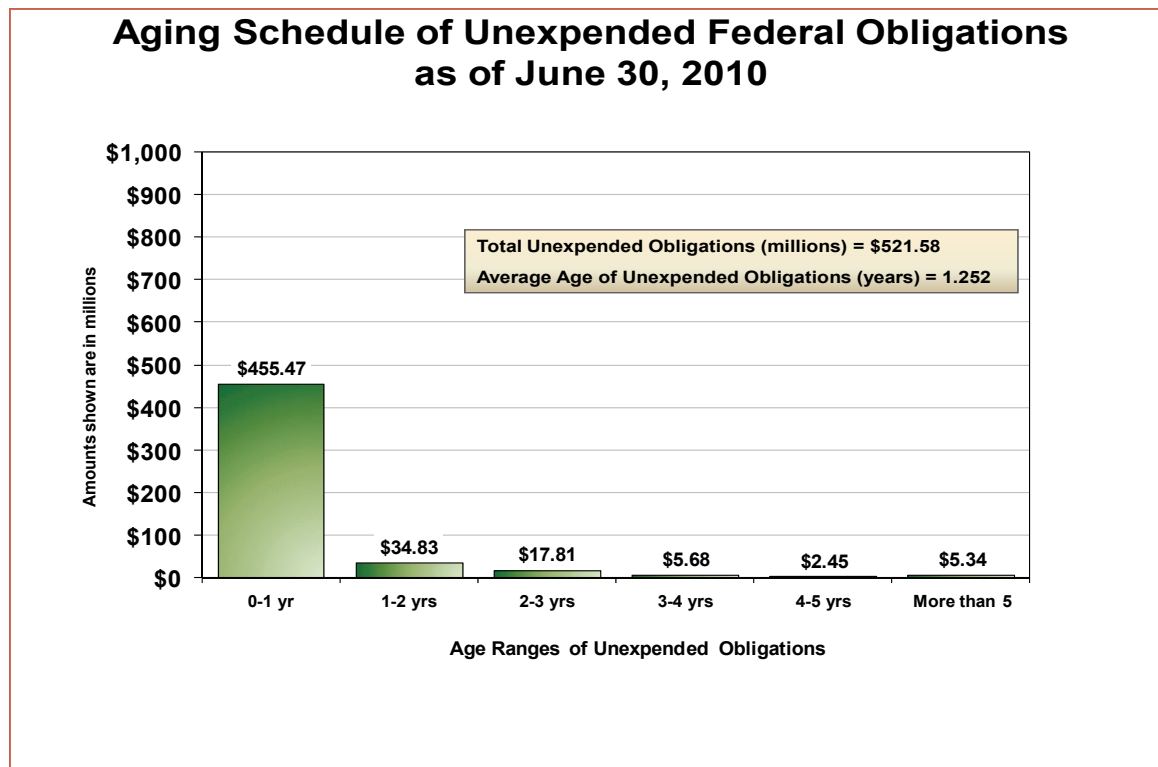
## 4b. OBLIGATION AUTHORITY

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 more timely drawn down allocations 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.

**Result:** Unexpended Federal obligations on June 30, 2010 totaled \$521.58 million. The average age of these obligations is 1.252 years. That is a decrease of \$1.955 billion (79% from prior year). The decline in outstanding obligations is due to the receipt of ARRA funds towards the end of last fiscal year that could not be obligated prior to June 30, 2009 resulting in a higher than usual amount of outstanding obligations in the prior year.





## 4c. MANAGEMENT OF ADMINISTRATIVE COSTS

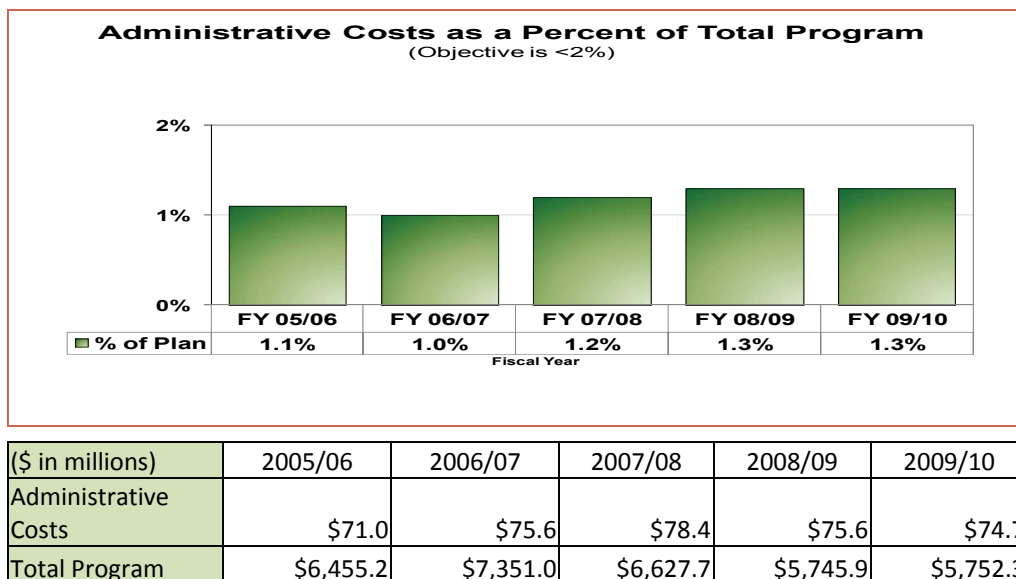
Administrative costs include direct support to the production functions of the Department — senior management (Central Office and Districts), legal, audit, public information, governmental liaison, comptroller, budget, personnel, procurement, minority programs and commission staffs. Excluded costs are: 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 an expectation that the Department will strive to maximize transportation tax dollars by containing administrative 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 in the private sector is not recommended.

**Primary measure:** Administrative costs as a percent of total program expenditures.

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

**Result:** Administrative costs were 1.30% of the total program or \$74.7 million of a \$5.75 billion program. Administrative costs decreased while total program expenditures increased, resulting in a slight decrease (.2%) in the percentage of administrative costs to total program costs.



#### 4d. CASH MANAGEMENT

Operating on a “cash flow” basis, the Department is not required to have all cash on hand to cover all existing obligations. It may continue to enter into contractual obligations as long as future revenues are forecast to be sufficient to cover anticipated expenditures. 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 manage cash such that it must maintain a minimum cash balance in the State Transportation Trust Fund of \$50 million or 5% of outstanding obligations, whichever is less. The Department must also adopt a work program that is financially balanced demonstrating that over a 5-year period, the minimum cash balance is maintained.

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

**Objective:** A response of “Yes”. The outcome is to maintain the statutorily required cash balance while meeting obligations.

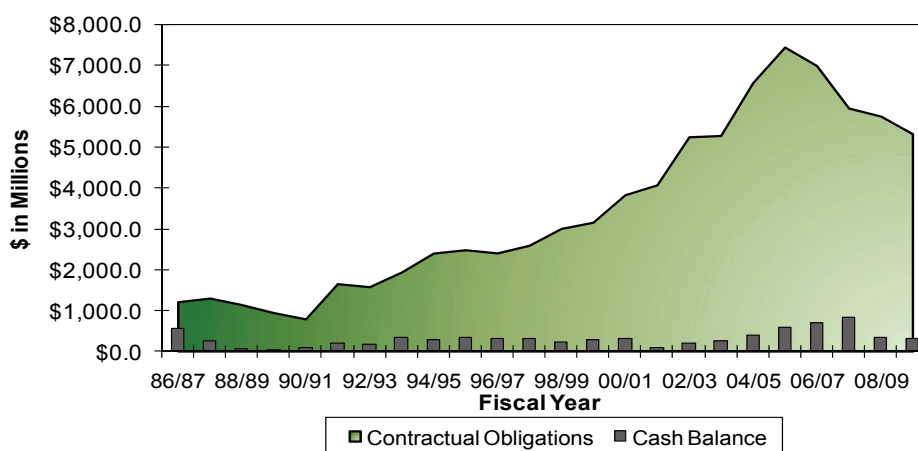
**Result:** A response of “Yes”. The Department managed its cash such that it was able to meet all outstanding obligations, produce its program as planned and adopted a financially balanced program at July 1, 2010. The variance in receipts is mostly due to lower than forecast aviation fuel tax receipts and Advanced Construction Conversions and Reimbursements. The variance in disbursements is due to lower Right-of-Way and Construction expenditures.

Cash Receipts (\$=millions)		Cash Disbursements (\$=millions)	
Forecast for FY 2009/10	\$5,863.2	Forecast for FY 2009/10	\$5,694.2
2009/10 Actual	\$5,345.7	2009/10 Actual	\$5,445.4
\$ Variance	-\$517.5	\$ Variance	-\$248.8
% Variance	-8.8%	% Variance	-4.4%

The June 30 ending cash balance was \$312.0 million on a commitment basis of \$5.3 billion.

## Cash Management

**STTF: Lowest Cash Balance Compared to Total Contractual Obligations by Fiscal Year**



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



## **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 *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 expand at least 8.1 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. As the program size increases, the MBE expenditures are expected to increase correspondingly.

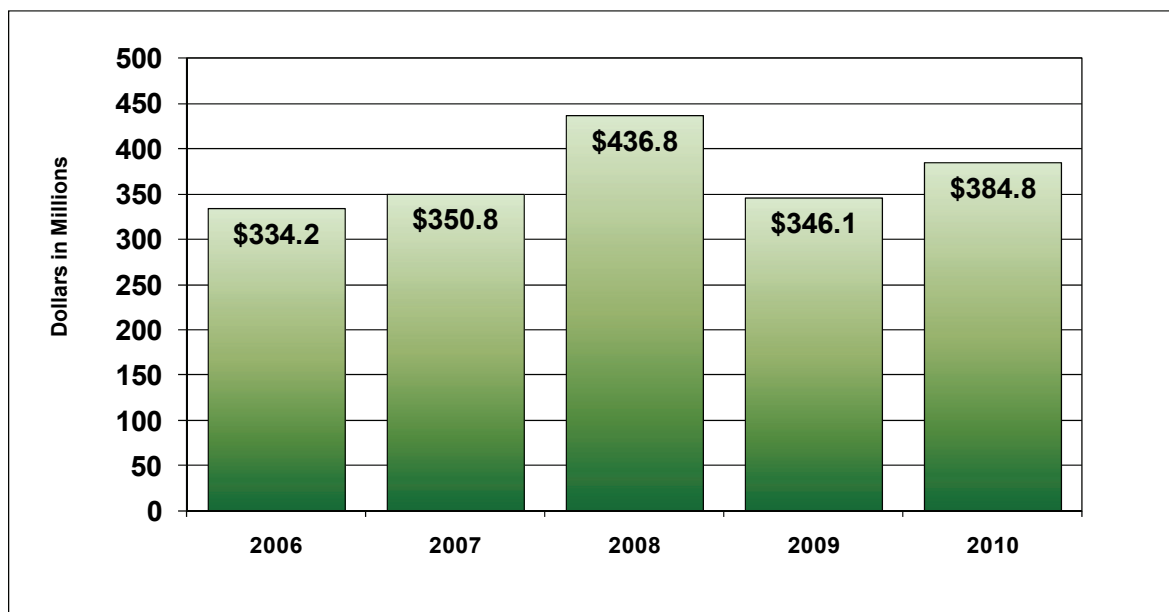
**Primary measure:** Annual dollar amount of MBE utilization.

**Objective:** A year-over-year increase in expenditures.

**Result:** MBE expenditure level was \$384.8 million, an increase of \$38.7 million from FY 2008/09. MBE expenditures increased by 11.2% due to the increase in construction and consultant contracting from the stimulus program (ARRA).

### Minority Business Enterprise Program

(Objective: Year-over-Year Increase in Expenditures)





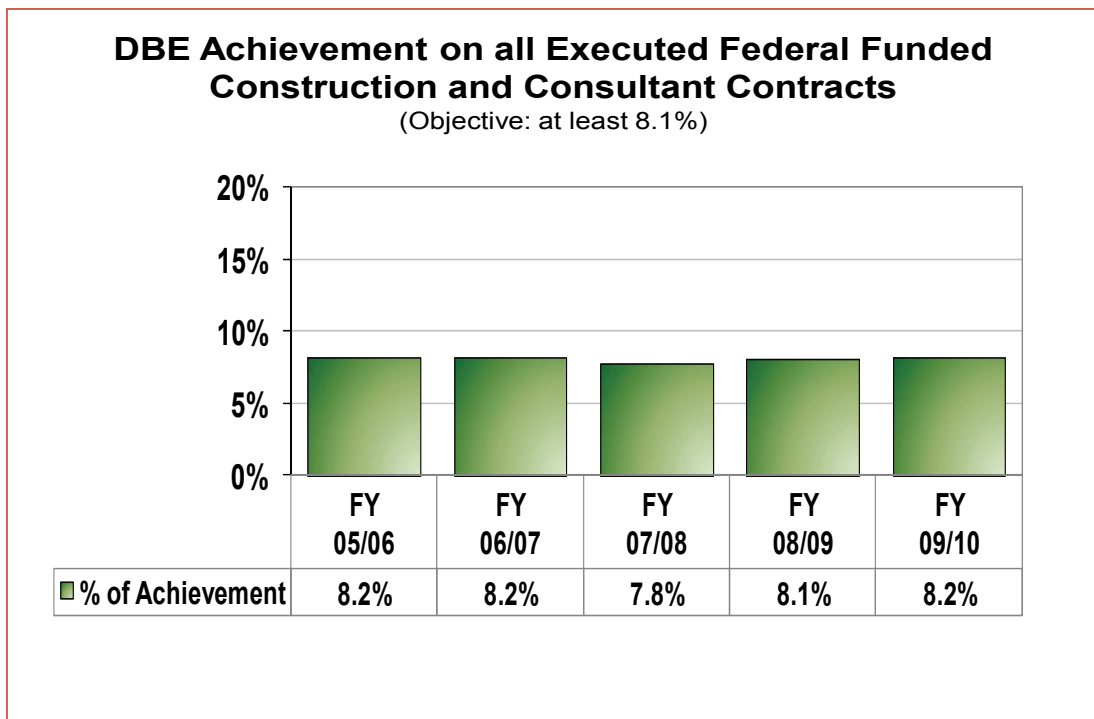
## 5b. DISADVANTAGED BUSINESS ENTERPRISE (DBE) PROGRAM

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 by 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 all consultant and construction contract amounts.

**Objective:** A goal of 8.1% (raised from 7.90% in prior year) participation for all consultant and construction contracts partially funded with federal aid. The same standard is applied to 100% state funded contracts.

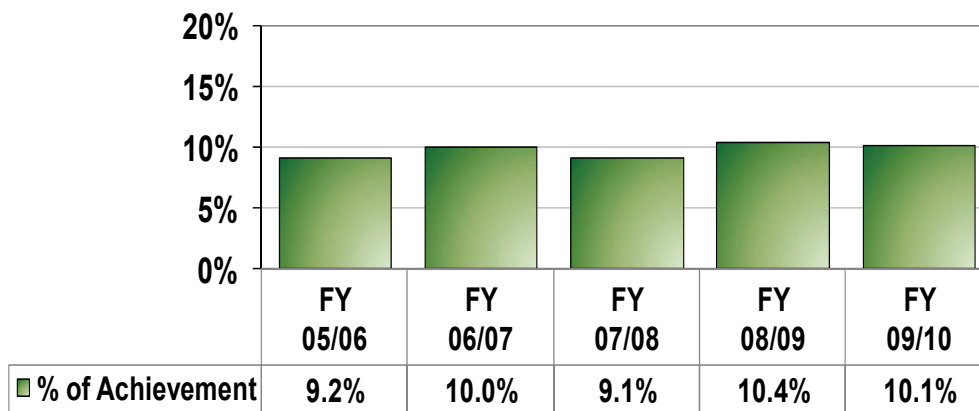
**Result:** For federal funds, through August 31 of the Federal Fiscal Year (October 1 through September 30) DBE participation is 8.2%. For 100% state funded contracts, the DBE participation is 10.1%.



Although not a federal requirement, the Department also tracks DBE participation on 100% state funded construction and consultant contracts, using the same 8.1% goal as its objective.

### DBE Achievement on all Executed State Funded Construction and Consultant Contracts

(Objective: at least 8.1%)



## 6.. Safety Initiatives

Safety has always been, and continues to be, the highest priority of the Department. 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.

The federal transportation act of 2005, "Safe, Accountable, Flexible, and Efficient Transportation Equity Act: A Legacy for Users" (SAFETEA-LU), places more emphasis on funding for highway safety than prior acts. Each state transportation department is required to develop and implement a Strategic Highway Safety Plan (SHSP) after consultation with major safety stakeholders (metropolitan planning organizations, traffic enforcement officials, motor vehicle administration officials, motor carrier safety officials, and other state and local safety stakeholders). The resulting state SHSP must:

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

Florida's SHSP is focusing on four Emphasis Areas that are targeted towards reducing the rate of fatalities and serious injuries. The goal of the SHSP is **"to improve the safety of Florida's surface transportation system by achieving a five percent annual reduction in the rate of fatalities and serious injuries beginning in 2007."** The Department achieved a **14.1% reduction in fatalities in 2009**, exceeding the stated goal.

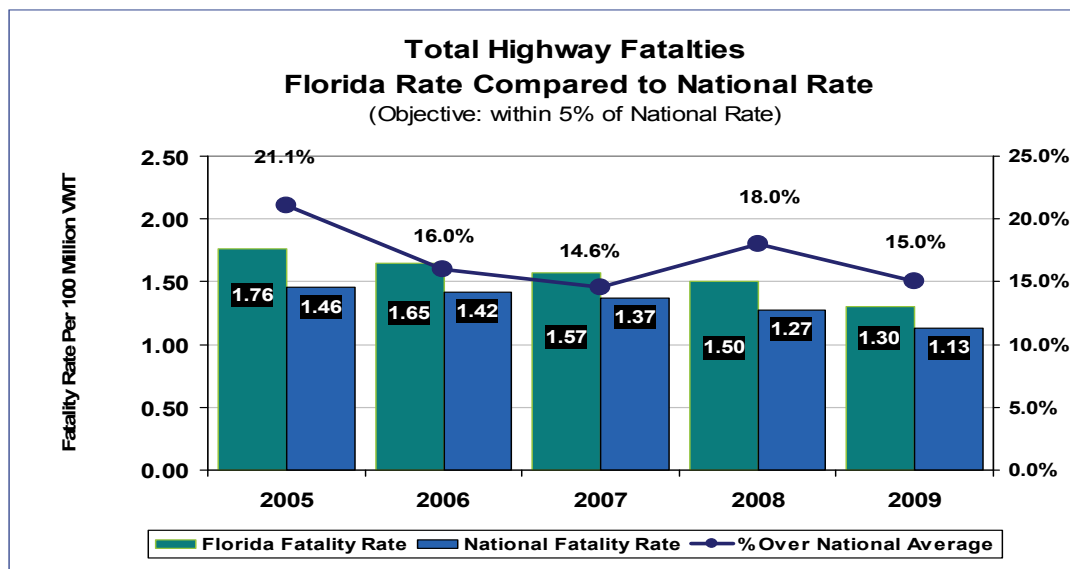
Increased use of safety belts, better roadway lighting, guard rails and increased enforcement have resulted in the reduction in fatalities. The recession, job losses, and the high price of gasoline are also significant factors in reducing fatalities. Vehicle miles traveled decreased for the 3rd straight year.

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

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

**Result:** The fatality rate on all of Florida's public roads was 1.30 per 100 million VMT, which is 15.0% greater than the national average of 1.13. The decrease from 2008 is due to a reduction of 420 deaths (-14.1%) in 2009.

**Total Highway Fatalities – Florida Rate Compared to National Rate**  
(Objective: within 5% of National Rate)





## **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 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.



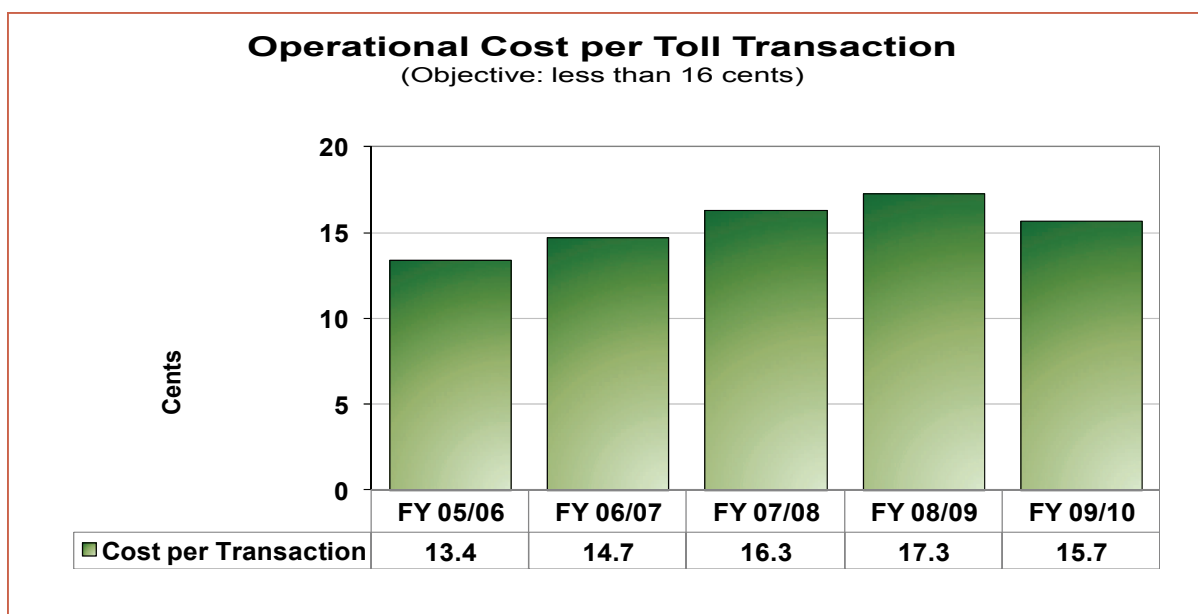
## 7a. MANAGEMENT OF TOLL FACILITY OPERATIONAL COSTS

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. The other seven facilities are: Sunshine Skyway Bridge, Pinellas Bayway, Santa Rosa Bay Bridge (Garcon Pt.), Beachline East Expressway, Tampa Hillsborough County Expressway Authority (THCEA), Alligator Alley and Mid -Bay Bridge. The Enterprise also collects the tolls on the recently opened I-95 Express Lanes (High-Occupancy Toll Lanes).

**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 less than 16 cents per transaction.

**Result:** The average cost to collect a toll transaction for all Enterprise facilities was 15.7 cents per transaction. This achievement is the result of significant cost cutting measures taken beginning in FY 2009 (reducing staffing in manual lanes) and an increase in transactions (2.3% over 2009).



## 7b. TOLL REVENUE VARIANCE

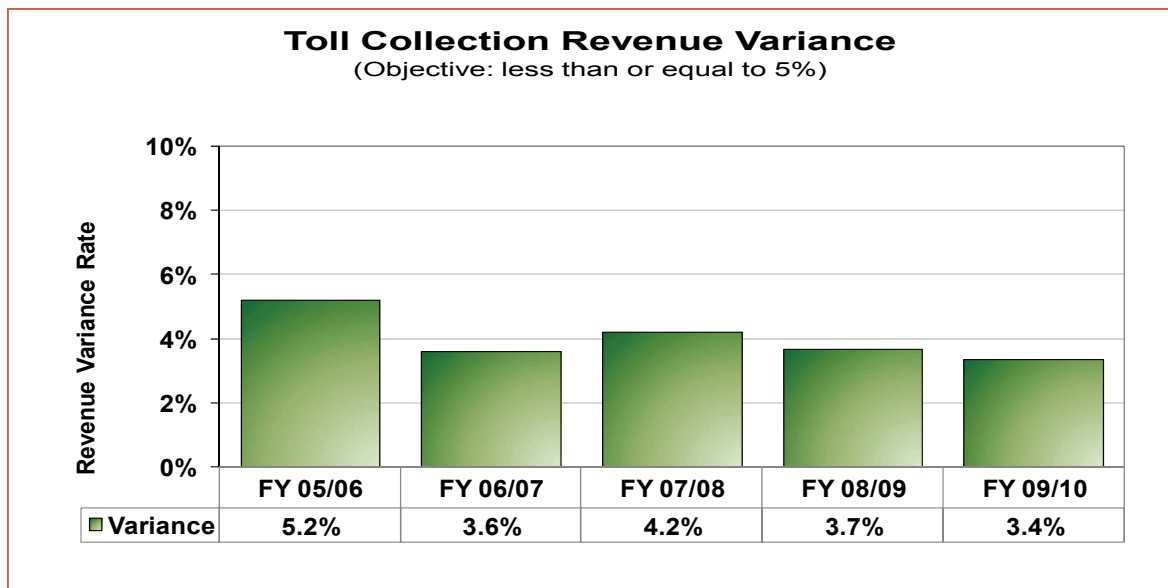
Toll revenue collections are determined by the number of vehicles using a toll road, the rate per axle class of vehicle, and whether the customer pays with cash or Electronic Toll Collection (ETC). The toll collection equipment in each lane determines the toll that should be assessed (Indicated Revenue)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

**Result:** Average variance was 3.4%, translating to a 96.6% efficiency rate. This achievement is the result of equipment upgrades and improvements to violation processing.



### 7c. SUNPASS PARTICIPATION

SunPass is the statewide Electronic Toll Collection (ETC) system utilized by Department owned and operated toll facilities and is interoperable with other toll facilities in the state. ETC systems save commuters time and money and provide for maximum throughput at toll plazas and better utilization of toll road capacity. Dedicated SunPass lanes can process 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.

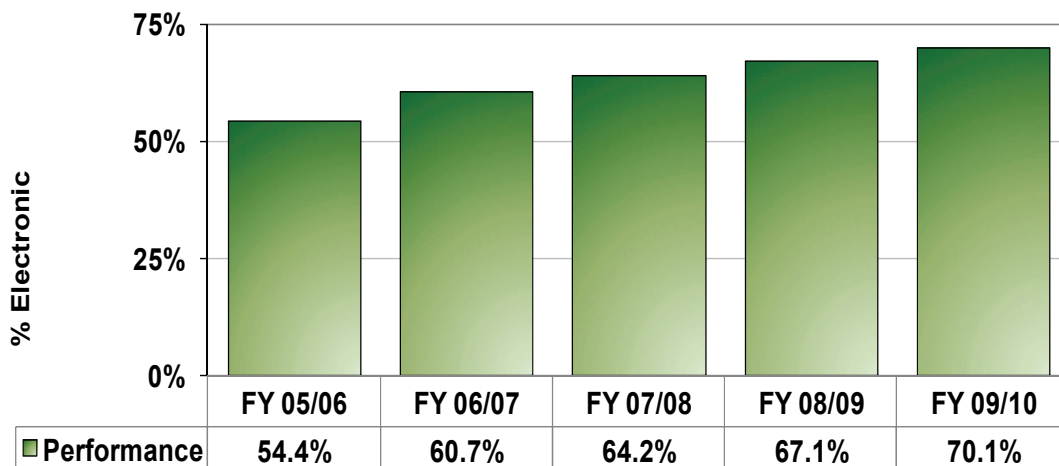
The goal of 75% ETC participation has been established for June 30, 2012. The Enterprise is converting certain segments of its system to all-electronic toll collection (removing the cash option). As this conversion takes place, it is expected that ETC participation will meet or exceed the established goal.

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

**Objective:** Increase participation to 75% by June 30, 2012.

**Result:** SunPass participation averaged 70.1% (71.4% for June 2010). With the conversion of the Homestead Extension (HEFT) to All-Electronic Tolling (AET) in February 2011, the Turnpike is on track to meet the objective in 2012.

**Electronic Toll Collections as a Percent of Total Collections**  
(Objective: 75% by June 30, 2012)





**A Report by the Florida Transportation Commission**  
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