

Florida Department of Transportation Monthly Performance Review Meeting January 21, 2016

1. Acknowledgement of Visitors: Secretary Boxold introduced James Christian and David Hawk from FHWA. Regina Battles from District 3 was also introduced. Freddie Simmons introduced Stefanie Maxwell. She is replacing Freddie in Work Program and Budget and will do future reports.

Two birthdays were acknowledged – Freddie Simmons and Lisa Saliba.

Brian Blanchard recognized Freddie and thanked him for hiring him in District 3. Secretary Boxold also thanked Freddie for his years of service to the Department.

2. Review of Minutes: The November minutes were approved.

3. Monthly Reports:

Performance Report – Freddie Simmons

This report includes the FY2016 program activities through the month of December. The percentage and dollar values provided are rounded.

CONSULTANT ACQUISITION:

- \$ - 97% of the planned dollars plus added or advanced for \$484M YTD.
- # - 106% of the plan in numbers plus added or advanced for 641 YTD.
- MID FISCAL YEAR NOTE: ALL DISTRICTS ARE AHEAD OF THEIR PLAN IN NUMBER OF ACQUISITIONS AT MID-FY. ONLY 2 ARE BEHIND IN TARGET \$ AMOUNT.

RIGHT-OF-WAY:

CERTIFICATIONS:

- 110% planned certified plus 10 extra for 43 certifications YTD.

PROGRAM EXPENDITURES:

- 161% of the plan program expenditures for \$273M.

EMINENT DOMAIN/PARCEL INVENTORY:

- 22% are > 24 months with a target of \leq 40%.

SURPLUS PROPERTY SUMMARY REPORT:

- \$1.6M in sales and \$6.1M in lease revenue for the year for total of \$7.7M in revenue.

PRODUCTION ISSUES:

ADVANCED PRODUCTION (APP) as of 1/11/16:

APP REPORT AS OF JANUARY 11, 2016			
ALL VALUES SHOWN IN \$M			
CONSTRUCTION PHASE 52 ONLY			
STATUS	STATUS 16-17-18-19-28	ALL STATUS	ALL STATUS
DIST	2016	2017	2018
1	9.3	99.2	190.6
2	-	79.4	157.5
3	-	29.9	53.6
4	8.6	273.7	465.5
5	-	61.8	40.4
6	-	8.6	15.3
7	-	79.9	2,540.5
8	-	-	-
SW	17.9	632.6	3,463.3
SUPPORT PHASES			
PE	14.4	54.1	32.4
ROW	31.6	160.0	173.8
CEI	7.7	65.8	285.0
ALL CONSTRUCTION PHASES			
(52, 56, 57, 58)	92.3	644.3	3,466.9
ALL APP PHASES			
ALL PH	146.0	924.2	3,958.1

SWAT DASHBOARD UPDATE:

- The SWAT dashboard update was provided on the current 17 projects.

Ken Morefield presented the quarterly update on the SWAT Dashboard. He detailed the changes to the Dashboard from the initial Dashboard in August 2015 to the current Dashboard in January 2016. Initially, there were 12 current projects on the Dashboard in August 2015, and that number has grown to 17 in January 2016. Initially, there were 44 projects (current and pending) proposed for SWAT. In January 2016, that number has reduced to 34. Four projects have had the SEIR approved. The total months saved for these 4 projects compared to the estimated federal NEPA process time is 131 months or approximately 10 years.

AMENDMENTS for FY 2016:

- Through December 31, 2015, Amendments totaling \$197.87M was sent to the EOG for approval.
 - ADDS or ADVANCES \$78.05M
 - DEFERS or DELETES \$119.81M
 - NET REDUCTION OF -\$41.76M

REVISIONS AND ADDENDUMS:

- There were 77 Contract Class 1 lettings in Central Office.
 - 63 Addenda
 - 19 Addenda 15 days
 - 39 Revisions
 - 4 Mandatory

CONTRACT LETTINGS:

- \$ - 74% of the planned plus added or advanced for total of \$834.76M
- # - 94% of number plus added or advanced for 166 let YTD.
- There were 11 projects not let as planned to date at \$200.18M. Of these, 5 projects were related to bid rejections, 2 bid protests, and 1 no bid.

- Remaining for the second half of the FY is \$2,035.06M on 273 projects. That is compared to the \$834.76M in the first half on 166 projects; 68% in \$ and 63% in # remain in second half of FY.
- There are several large projects in the second half creating the large spike for several of the districts.
- There are 22 projects > \$25M in the second half that account for \$1.3B of the \$2.0B remaining.

BID ANALYSIS:

- The adopted estimate of the 166 projects was \$930 M with the low bid of \$835M for \$95M in savings or -10%.
- The difference between official estimate (\$941M) and low bid (\$835M) was -11%.

CONSTRUCTION:

- 5.6% cost increase with target of $\leq 10\%$ on 171 active contracts.
- 8.5% time increase with target of $\leq 20\%$ on 171 active contracts.
- 93.0% of the contracts having final contract costs less than 110% of original, with a target of $\geq 90\%$.
- 85.4% of the contracts having final contract times less than 120% of original, with a target of $\geq 80\%$.

VALUE ENGINEERING:

VALUE ENGINEERING (VE) PROGRAMS

- Statewide: 6 VE Study to date.
- \$122.35M in Cost Avoidance/Savings recommendations with \$65.31M approved.
- \$19.58 M in Value Added recommendations with \$2.12M approved.
- 41 recommendations with 24 approved or 59% with a target of > 40%.
- 16.66% projects saved and 5.16% program saved.

Kurt Lieblong advised since the last report in December 2016, there were 2 VE studies conducted and 3 Value Engineering recommendations approved worth \$2.36 million in project cost avoidance. There were also 5 Cost Savings Initiative proposals approved totaling \$820,000 in project savings.

Through December 2016, there have been 6 Value Engineering Studies conducted statewide. The Department approved 24 of 41 (59%) Value Engineering recommendations worth \$65.31 million in project cost avoidance and \$2.12 million in value added. This resulted in a 16.66% project savings and a 5.16% program savings. During this same period, 17 Cost Savings Initiative proposals were approved worth \$2.78 million in project savings. This resulted in a 0.31% project savings and a 0.22% program savings.

The total combined savings of the VE and CSI programs through December 2016 is \$68.09 million and the combined % program saved is 5.38%.

COST SAVINGS INITIATIVE (CSI) PROGRAM

- 17 CSI acted upon with 17 approved.
- \$2.78M acted upon with \$2.78M approved.
- 0.31 projects saved and 0.22% program saved.

TOTAL PROGRAM SAVINGS VE AND CSI COMBINED

- \$68.09M in total savings.
- 5.38% in total program saved with a target of $\geq 2\%$.

CONTRACT MAINTENANCE:

- 101% of dollar at \$376.10M expenditures.

FREIGHT, LOGISTICS, AND PASSENGER OPERATIONS (FLP) and FLORIDA RAIL ENTERPRISE (FRE):

- FLP – 134% of plan for \$482.75M YTD.
- FRE – 140% of plan for \$264.52M YTD.

LAP PROGRAM:

CONSULTANT LAP ACQUISITIONS

- 485% of dollars
- 112% of number

CONTRACT LAP LETTINGS

- 102% of dollars
- 104% of number

FEDERAL AID:

Total obligation authority available this year	\$1,798,458
Percent obligated to date	7.4%
Unexpended balances	0.17%
Financially inactive federal projects	ALL – 46; LAP – 4

James Jobe provided the following Federal Aid portion of the report.

Federal Aid portion of Production Management Report on 1-21-16:

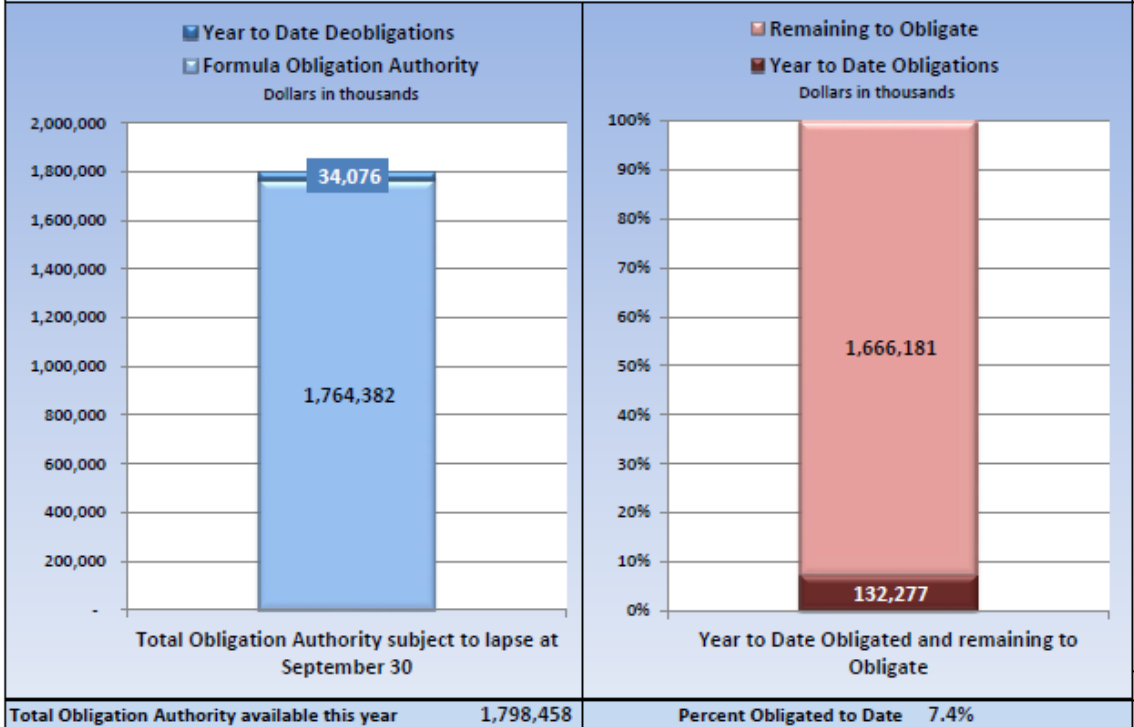
Federal Legislation:

Yesterday we provided the Executive Team with a summary of the new federal transportation act, the FAST Act. We've now received the official apportionment notices and all the FY2016 funds have now been posted and are available for obligation. The Tentative Work Program needs to reflect the new levels of increased federal funding, so Fund Allocations will be updated by the end of January, along with any adjustments to state funds arising from the results of the latest state Revenue Estimating Conference.

Obligation Authority Plan:

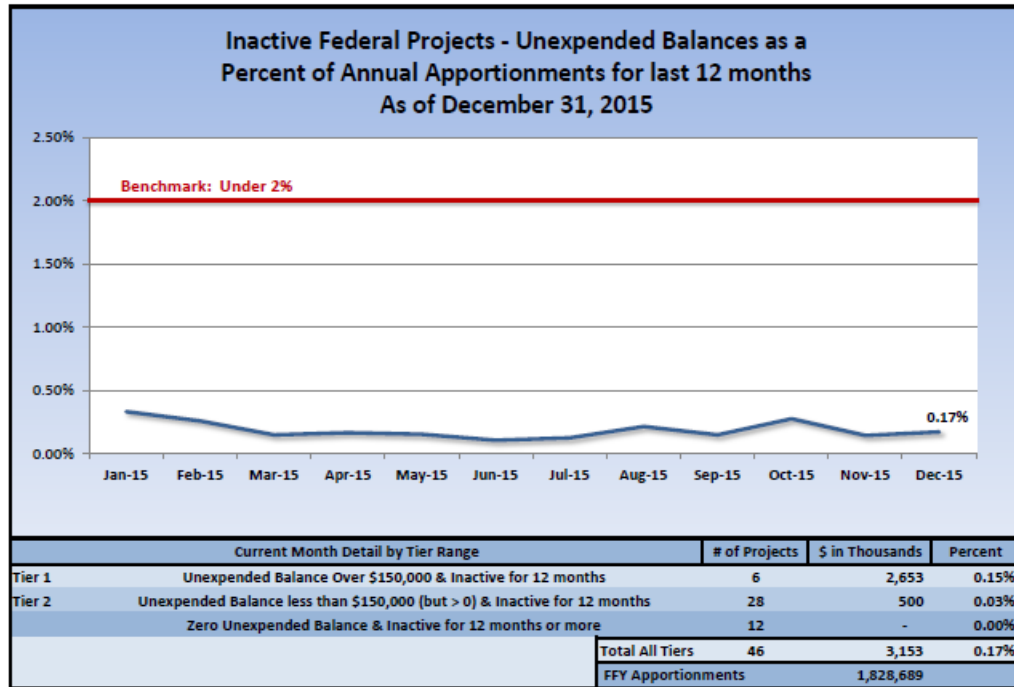
At the end of last month, we had total year to date obligations of \$132 million, which represents about 7% of our total Obligation Authority for the year, which includes \$34 million in year-to-date deobligations that must be reobligated before year end.

**Use of Annual Federal Obligation Authority
For Fiscal Year ending September 30, 2016
As of December 31, 2015**



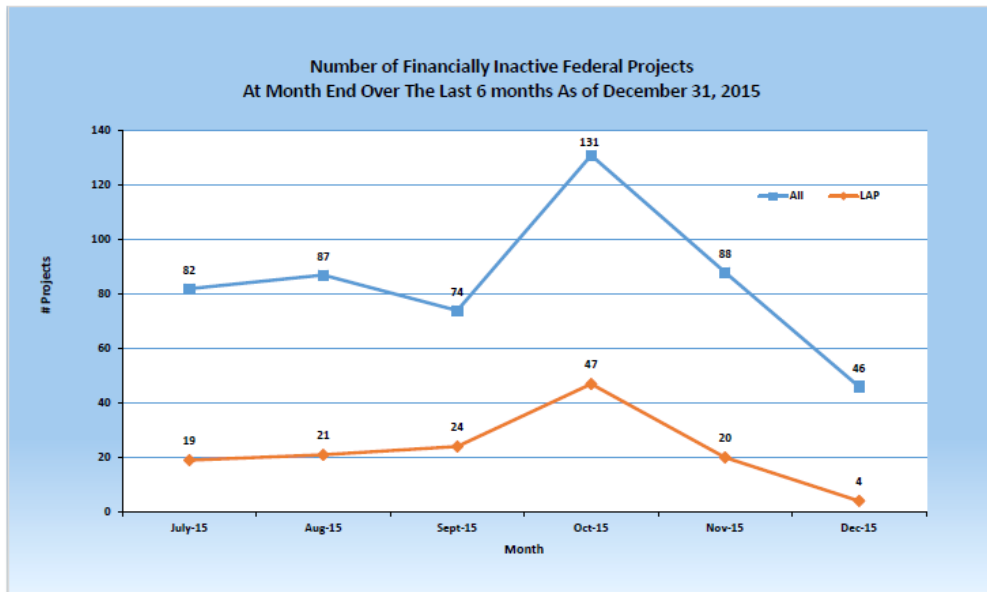
Inactive Federal Aid Projects:

The current official FHWA definition of a financially inactive federal aid project is one with no financial activity for one year or more. This is the criterion which is used when comparing against the national benchmark of 2% of each state's annual federal apportionments.



We are still well below the national benchmark, as shown in the chart. Last month we had an overall inactive percentage of .17%, consisting of just 46 inactive projects. But wait, there's more good news.

The last time I showed you this chart in October, the number of LAP projects were trending upward at the same time as the overall project counts were trending downward. In the last three months, both the overall number of inactive projects and the number of LAP projects have been dramatically reduced. The inactive LAP projects have set a new performance record, with only 4 inactive LAP projects statewide. This is outstanding results and district staff, particularly the



Local Agency liaisons, should be commended for their good work.

TRANSPORTATION COMMISSION MEASURES: These are now highlighted in the Summary report.

MEASURES SUMMARY:

- No one met or exceeded all measure targets.

Safety Performance Report – Joe Santos

Joe Santos provided an overview of the Florida Strategic Highway Safety Plan along with providing an update on the statewide and district performance in meeting the 5% reduction in fatal and serious injuries using Q2 data (April – June) including data for 2015. Discussion was made on providing a 5-year average for both statewide and local and state highway system. This information will be included as supporting information in the next Safety Performance Report.

Salary Projections and Operating Budget – Greg Patterson

The data for this report represents 50.4% of the fiscal year complete.

Potential Roll Forward (Work Program percent committed):

- District 5 continues to lead the amount of budget committed at 66.81%. Districts 1 and 7 are low on this measure.

Department Level Operating Budget Categories:

- Expenditures in the Expenses category has returned to normal levels from the last budget briefing. All other categories are tracking as expected for this time of year.

Fixed Capital Outlay

- At the end of the month, the fiscal year 2014/15 FCO remaining budget will revert. This year, we are only at 88.1% committed versus approximately 95% committed of the FY 2013/14 budget.
- Based on the analysis provided by the FCO team, much of this FCO was either on named projects or couldn't be consumed due to issues with external factors on environmental remediation projects.

District by District Comparison

- All districts are currently in tolerance.

Salaries and Benefits Data

- Salaries and Benefits budget is within tolerance.

Additional Notes

- We submitted an amended legislative budget request. The request increases the agency's Contracted Services budget by \$500,000 to account for any un-funded requirements. Examples of this include studies expected of the department included in several bills under review in the legislature.
- The remaining transactions are net-zero in nature. They do not increase budget. These will cover increased Fire Service fees on the Central Office buildings, escalation in contracts for the Office of Inspector General and Support Services, Security Guard services, equipment leases in District 5, and a copier lease in the Office of Information Technology
- The Governor's Office tasked the agency with providing entries in a new Federal Grants Tracking System (FGTS) for all federal dollars received by the department. Many individuals throughout the agency have been provided credentials to input any federal grants they manage. The details and scope of how we input these issues has been subject to change. Since much of the federal funding received by FDOT does not follow a standard grant format, we're doing what we can to input the data.
- The important takeaway from this effort is a need to input information on grants we plan to pursue at least two weeks before we apply. The Governor's Office wants an

opportunity to review the information, so I will continue to encourage everyone in the agency to contact the Budget Office if they are thinking of applying for a discretionary federal grant.

Human Resources Reports – Victoria Kliner

Ms. Kliner advised we have a 9% vacancy rate with 2% of positions over 180 days.

Equal Opportunity Office Reports – Victoria Smith

Disadvantaged Business Enterprise Report

In the first quarter of the federal fiscal year, DBE participation on federally funded contracts is at 15.74% compared to our goal of 9.91%.

The DBE participation on state funded contracts is at 12.78% and the DBE participation on state and federal funds combined is at 14.12%.

For federally funded contracts, Districts 3, 4, 5 and 6 are above the 9.91% goal. For state funded contracts, Districts 1, 2, 3, 4, 5, 6, and 7 are above the 9.91% goal.

The information on the chart shows the DBE participation for the month December. Overall, the DBE participation is very strong and steady. There are 4 notable contracts to highlight this quarter, two in District 5 and two in District 6.

In District 5, Ranger Construction has a \$37.3 million contract with a 15% DBE utilization (SR 25) and Prince Contracting has a \$68 million contract with 19.34% utilization (Colonial Drive).

In District 6, Weekly Asphalt has a \$5 million contract with 21.7% DBE utilization (SR 934) and DBE JVA Engineering has a \$7 million contract as the prime contractor.

System for districtwide contract reporting has been fixed to report DBEs as they are used.

Minority Business Enterprise Report

In the Minority Business Enterprise Report, the Department is 6 months, or 50%, through the state fiscal year and has expended 52% of the dollars spent compared to last year with MBEs. So far this year, Districts 1, 4, 5, Turnpike and Central Office are on track to spend more than they did last year.

Business Development Initiative

For the quarterly Business Development Initiative report, we are measuring how many contracts have been reserved for small businesses. For construction and maintenance contracts, our goal is to reserve 10% of the contracts and, so far this year, we have reserved 11.97%. This number is derived from the letting dates. For professional services contracts, our goal is 15% and we have reserved 18.46% of those contracts.

For construction and maintenance, Districts 1, 2, 3, 4 and 5 are above 10%; for professional service, Districts 1, 3, 4, 5, 6, 7 and Turnpike are at or above the 15% goal.

Next are the professional service dollars awarded to small businesses as a prime or a sub. Our goal is to spend 20% of our dollars with small businesses and, through December, we have spent 23.6%. Districts 1, 2, 3, 4, 6, 7 and Central Office have exceeded the 20% goal.

Notably, in looking at the details of the BDI contracts, the work is being spread around to many different small businesses. In construction and maintenance, 37 contracts have been reserved and 8, or 22%, went to DBE's. Ten contracts of the 37, or 27%, are first time prime contractors.

Of the 36 contracts reserved for professional services, 27 DBE's, or 75%, were awarded these contracts. Eight of the 36, or 22%, are first time prime consultants.

Economic Parity Report

The quarterly Economic Parity Report shows that the statewide need for females in the different EEO categories is 32 and the statewide need for males 170.

The other chart shows the percentage of new hires in an EEO category that has a need. Department-wide, 11.33% of our new hires are with individuals that helped us to close the economic parity gap. Year to date, we have hired 30 employees to help meet our needs. Of the 30, District 1 hired 3, District 2 hired 3, District 4 hired 5, District 5 hired 2, District 6 hired 5, District 7 hired 2, and the Central Office hired 10.

4. Additional Comments

Dick Kane is looking for any events that may include participation of Central Office or Governor's Office staff. Secretary Boxold also reminded District Secretaries to include their commissioners as well as Brad Swanson and Mark Reichert.

The Secretary also mentioned the first part of Wekiva opened yesterday.

The meeting adjourned at 9:50 a.m.