

Florida Department of Transportation
Monthly Performance Review Meeting
June 18, 2015

1. Acknowledgement of Visitors: No visitors were introduced.
2. Review of Minutes: The May minutes were approved.
3. Monthly Reports:

Performance Report – Freddie Simmons

This report includes the FY2015 program activities through the month of May. The percentage and dollar values provided are rounded.

CONSULTANT ACQUISITION:

- \$ - 97% of the planned dollars plus added or advanced for \$710M YTD.
- # - 103% of the plan in numbers plus added or advanced for 1,033 YTD.
- A table was provided showing 15 projects at \$ 17.66M deferred or deleted or work was accomplished in another manner.

RIGHT-OF-WAY:

CERTIFICATIONS:

- 109% planned certified plus 26 extra for 74 certifications YTD.

PROGRAM EXPENDITURES:

- 85% of the plan program expenditures for \$355M.

ACQUISITIONS:

- 109% of the planned number for 1,394 acquisitions YTD, 112 above plan.

METHOD OF ACQUISITIONS:

- Statewide Negotiation rates are at 70% which meets the target.

EMINENT DOMAIN/PARCEL INVENTORY:

- Began the year with 472 parcels in the inventory and now at 530.
- 20% are > 24 months with a target of \leq 40%.

SURPLUS PROPERTY SUMMARY REPORT:

- \$1.7M in sales and \$5.9M in lease revenue for the year for a total of \$7.6M in total revenue received.

PRODUCTION ISSUES:

ADVANCED PRODUCTION (APP) as of 6/9/15:

- Construction only advancements – table below

CONSTRUCTION PHASE 52 ONLY IN \$M				
STATUS	STATUS 16, 17, 18, 19, 28	ALL STATUS	ALL STATUS	ALL STATUS
DIST	2016	2017	2018	2019
1		139.7	316.5	312.2
2	104.0	129.9	66.7	260.0
3		30.7	0.0	38.7
4	8.3	515.4	111.2	9.7
5	22.2	16.6	58.8	103.5
6		4.7	15.9	94.1
7		33.2	1,458.2	84.3
8		34.0	0.0	3.6
SW	134.5	904.3	2,027.3	906.2

- PE/ROW/CEI totals for advancement to support the construction was also provided.

SUPPORT PHASES				
PE	37.2	60.9	62.4	14.6
ROW	114.6	207.7	116.3	397.6
CEI	59.8	85.1	180.8	92.2
ALL CONSTRUCTION PHASES				
(52, 56, 57, 58)	927.0	911.6	2,034.2	944.6
ALL APP PHASES-ALL STATUS				
ALL PH	1,138.7	1,265.3	2,393.7	1,449.0

AMENDMENTS for FY 2015:

- Amendments for the FY totaled \$472.5M were sent to the EOG for approval. Same as last month when these were finalized for the FY.

PHASE	PE		R/W		CONST		CEI		MISC		TOTALS	
	Add Or Advance	Defer Or Delete	Add Or Advance	Defer Or Delete	Add Or Advance	Defer Or Delete	Add Or Advance	Defer Or Delete	Add Or Advance	Defer Or Delete	Add Or Advance	Defer Or Delete
SW	22.29	17.19	46.93	8.83	151.28	136.88	10.36	11.45	30.42	36.89	261.29	211.24
Totals	39.47		55.77		288.16		21.81		67.31		472.53	

REVISIONS AND ADDENDUMS:

PACKAGE CHANGES (ACCUMULATIVE)	D1	D2	D3	D4	D5	D6	D7	CO	SW
NUMBER PROJECT LET	34	28	35	21	28	20	11	4	181
ADDENDA	23	15	15	10	25	18	7	3	116
ADDENDA < 15 DAYS	11	6	5	3	15	8	3	2	53
REVISIONS	19	13	15	9	20	16	7	2	101
MANDATORY	1	1	5	4	3	2	0	1	17

CONTRACT LETTINGS:

- \$ - 83% of the planned plus added or advanced for total of \$2.35B
- # - 94% of number plus added or advanced for 414 let YTD.
- The lettings include these projects that are pending award or have been protested in the last quarter. If they are not settled and re-let, they will be removed next month. A list was provided.

BID ANALYSIS:

- The adopted estimate of the 414 projects was \$2,332 M with the low bid of \$2,346 M for \$14 M in savings or 0.6%. A couple of projects in D4 went for much more than the adopted estimate. These were scope changes. The savings would have been -3.6% with those two excluded.
- The difference between official estimate and low bid was -5.1%.

REMAINING LETTINGS:

- A list of the projects deleted or deferred (16 projects at \$331M) was included.
- A list of each districts' remaining June lettings was included.
- For June we have 76 scheduled projects remaining to be let at about \$572M.

REMAINING FY 2015 PROJECTS FOR LETTING JUNE 2015		
	JUNE	
DIST	#	EST \$M
D1	18	37.54
D2	10	170.04
D3	10	93.81
D4	1	1.06
D5	13	66.41
D6	6	8.65
D7	12	28.35
TE	5	163.96
CO	1	1.87
SW	76	571.70

PROJECTION FOR THE FY15 ASSUMING -3% LOW BIDS BELOW PLAN ESTIMATE			
PLAN			
Number		Dollar \$M	
445		\$2,942	
PROJECTION – PERFORMANCE			
Number		Dollar \$M	
430	97%	\$2,655	90%
PROJECTION – PRODUCTION			
Number		Dollar \$M	
490	110%	\$2,901	99%

CONSTRUCTION:

- 4.8% cost increase with target of $\leq 10\%$ on 151 active contracts.
- 11.0% time increase with target of $\leq 20\%$ on 151 active contracts.
- 91.4% of the contracts having final contract costs less than 110% of original, with a target of $\geq 90\%$ (contract status 6, 7 or 8). Two districts did not meet target.
- 73.5% of the contracts having final contract times less than 120% of original, with a target of $\geq 80\%$ (contract status 6, 7 or 8). Four districts did not meet the target.
- A list of contracts not meeting the targets was provided.

VALUE ENGINEERING:

VALUE ENGINEERING (VE) PROGRAMS

- Statewide: 23 VE Studies to date.
- \$738 M in Cost Avoidance/Savings recommendations with \$295M approved.
- \$290M in Value Added recommendations with \$115M approved.
- 204 recommendations with 121 approved or 59% with a target of > 40%.
- 7.65% projects saved and 13.83% program saved.

COST SAVINGS INITIATIVE (CSI) PROGRAM

- 53 CSI acted upon with 43 approved.
- \$8.07M acted upon with \$7.46M approved.
- 0.36% projects saved and 0.35% program saved.

TOTAL PROGRAM SAVINGS VE AND CSI COMBINED

- \$302.78M in total savings
- 14.19% in total program saved with a target of $\geq 2\%$.

Kurt Lieblong provided the following additional information:

Since the last report in May 2015, there was 1 VE study conducted, 12 Value Engineering recommendations approved worth \$34 million in project cost avoidance and 8 CSI's worth \$940,000 in savings.

Through May, there were 23 Value Engineering Studies conducted statewide. The Department has approved 121 of 204 (59%) Value Engineering recommendations worth \$295.14 million in project cost avoidance and \$115.39 million in value added. This resulted in a 7.65% project savings and a 13.83% program savings. During this same period, 43 Cost Savings Initiative proposals were approved worth \$7.46 million in project savings. This resulted in a 0.36% project savings and a 0.35% program savings.

The total combined savings of the VE & CSI programs through May 2015 is \$302.78 million and the combined % program saved is 14.19%.

CONTRACT MAINTENANCE:

- 108% of dollar at \$415M expenditures. Most districts have executed their contracts for the year.

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

- FLP – 113% of plan for \$646M YTD.
- FRE – 252% of plan for \$258M YTD.
- All programs are above YTD plans except RAIL.

LAP PROGRAM:

CONSULTANT LAP ACQUISITIONS

- 105% of dollars plus adds or advances for total of \$11.17M
- 98% of number plus adds or advances for 58 total YTD.

CONTRACT LAP LETTINGS

- 108% of dollars plus adds or advances for total of \$90.46M
- 99% of number plus adds or advances for 89 total YTD.

FEDERAL AID:

FEDERAL AID PROGRAM			
USE OF ANNUAL FEDERAL OBLIGATION (OA) AUTHORITY (\$ in Thousands)			
Formula Obligation Authority subject to lapse at year-end			1,763,300
Year to date De-obligations subject to lapse at year-end			117,312
Total OA available this year (10/1/14-9/30/15)			1,880,612
Year to date Obligations			700,025
Percent Obligated to Date			37.2%
Remaining to Obligate			1,180,587
INACTIVE FEDERAL PROJECTS - BENCHMARK: UNDER 2%			
UNEXPENDED BALANCES AS A PERCENT OF ANNUAL APPORTIONMENTS AT MONTH END			
Current Month Detail by Tier Range	# Projects	\$ in Thousands	Percent
Unexpended Balance > \$150,000 & Inactive for 12 mos.	4	2,098	0.11%
Unexpended Balance \$0 - \$150,000 & Inactive for 12 mos.	42	723	0.04%
Zero Unexpended Balance & Inactive for ≥ 12 mos.	11	0	0.00%
Total All Tiers	57	2,821	0.15%
		FFY Apportionments	\$1,828,689

TRANSPORTATION COMMISSION MEASURES:

- Individual measures not meeting target in the districts are highlighted.

MEASURES SUMMARY:

- Again ----D6 met or exceeded all measure targets.

Salary Projections and Operating Budget – Greg Patterson

Potential Roll Forward (Work Program percent committed):

- Roll forward isn't as low as we would normally expect this time of year, but after speaking with Kendra Sheffield about various project and program movements this year, this wasn't unexpected.
- District 5 led the pack at 87.1%, which is a reasonable level of roll forward. Ideally, any district should be between 90% to 95% commitment in June.

Department Level Operating Budget Categories:

- Unusually low expenditure rates have been identified in Consultant Fees, Contracted Services, Transportation Materials & Equipment, and Human Resources Development.
- In studying this trend, the Budget Office identified several districts with low rates of expenditure.

Fixed Capital Outlay

- Current year FCO (FY 2014-15) is at 72.0% which is within tolerance. This is lower than last month due to some un-encumbrances.

District by District Comparison

- The Budget Office reached out to staff at Districts 4, 5, 7, and Intermodal to discuss unusually low expenditures, particularly in Consulting Fees and Contracted Services. District 4 responded with a GEC contract with a high encumbrance balance but few expenditures. At the time the documents were prepared, Districts 5 and 7 did not provide sufficient justification for their balances, so Budget Office staff will follow-up.
- We may need to examine spending plans in the future to see if there are opportunities to improve expenditure rates or have a predictable pattern to expenditures.
- Intermodal was aware of the unusually low level of expenditures, and staffing turnover is a major component in this.

Salaries and Benefits Data

- Salaries and Benefits budget is within tolerance and an allotment transfer was posted today to allocate additional Salaries and Benefits budget to cover negative balances agency-wide.

Human Resources Reports – Irene Cabral

Ms. Cabral advised the statewide vacancy rate is 8%. They are preparing for end of year personell activities.

Equal Opportunity Office Reports – Victoria Smith

Disadvantaged Business Enterprise Report

In the DBE report, we are 8 months through the federal fiscal year and the DBE participation on federally funded contracts is at 12.84% compared to our goal of 9.91%. The chart shows the DBE participation by month for federal, state and combined funds. The DBE participation on state funded contracts is at 13.80% and the DBE participation on state and federal funds combined is at 13.28%.

Another chart shows the DBE participation on federal and state contracts by district where all districts are above or very close to achieving the 9.91% goal federal and state funded contracts. The information also shows the DBE participation for each month.

Minority Business Enterprise Report

In the Minority Business Enterprise Report, the Department is 11 months, or 91.7%, through the state fiscal year and has expended 95.1% of the dollars spent compared to last year with MBEs. I expect that we should have no problems in achieving this goal for the year.

DBE Certification Metrics

Florida has ten DBE Certifying Members throughout the state that comprise of 3,239 businesses being certified. These certifying members consist of the following entities arranged in order of the largest number of DBEs certified to the smallest:

1. FDOT - 1,445
2. Miami- Dade County - 627
3. Jacksonville Transportation Authority - 353
4. Greater Orlando Aviation Authority - 260
5. Broward County - 257
6. Hillsborough County Aviation Authority - 174
7. Lee County Port Authority - 71
8. City of Tallahassee - 29

9. Volusia County - 17
10. Key West International Airport - 6

On the slide was a breakdown of the number of FDOT DBEs certified in each District; District 5 being the largest followed by 7, 4, 6, 3, 2 and 1. FDOT DBEs By District:

D1 - 93, 6%
D2 - 99, 7%
D3 - 110, 8%
D4 - 176, 12%
D5 - 285, 20%
D6 - 143, 10%
D7 - 184, 13%
Out of State - 355, 24%

Finally, FDOT is exceeding our DBE certification processing time exponentially. The federal requirement mandates a 90-day certification determination from the time the application is complete. Currently we are averaging a 15 to 20 day turnaround. We believe this to be a large contribution to the success of our program.

4. Additional Comments

Brian Blanchard thanked District 7 for hosting this month's meetings. He also advised the Governor is please with the agency's performance and rarely gets any complaints about us. Keep working hard and thank all employees for their contributions.

The meeting adjourned at 9:05 a.m.