REPORT CARD

End of Year FY04

Commonwealth Transportation
Board Meeting

July 15, 2004

Managing Snow Removal More Effectively

All nine districts reduced their "per event" snow removal costs in FY04 even though nearly all recorded higher snowfalls this past season than historical averages. Improved efficiencies resulted from using technology more effectively, sharing resources between residencies and districts, and streamlining operations to reduce costs while maintaining expected levels of service.

Va. Snowfall (inches)

Hist. Avg.: 16.1
FY04:   19.5
     21%↑

Statewide costs

Avg.: $89.1M
FY04: $84.0M
     5.7%↓

Cost per event

Avg.: $8.0M
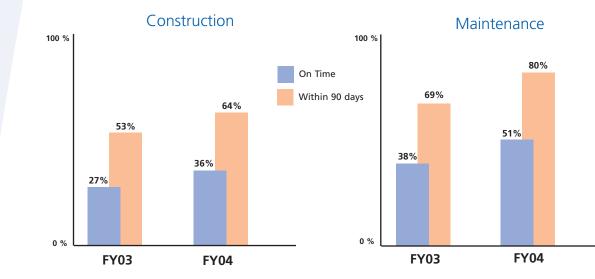FY04: $6.7M
     16.3%↓

OVERVIEW

We're pleased to present our FY04 Year-End Report Card. We continue to improve our performance by following three key principles: set goals; measure performance; be accountable. All lead to sustainable improvements. We know we are being hard on ourselves in terms of our metrics. And, we know that we have far to go in our journey to sustainable greatness. But our steps are solid. They are real. And they are forward. We're proud of that, and we hope you are as well.

A year ago we established our first performance targets, and over the past year we completed more projects on deadline – on the original contract date of completion. We completed more projects on budget. We battled more snow, and we did it with less money, reducing our cost per snow event to their lowest levels in 20 years. We accomplished all this with nearly

850 fewer employees, an annual cost avoidance of about $35 million.

We're working smart with the private sector and local governments. We signed a contract with a private company for vehicle and equipment maintenance in the Staunton District as part of a pilot project to determine the effectiveness of outsourcing the maintenance of our fleet. We signed agreements with three cities – Hampton, Richmond and Virginia Beach – transferring the management of their construction program to them. We expect to work with more cities in FY05 to do the same.

Going into FY05 we are setting higher goals. We are expanding the metrics we measure. And, we will continue to hold ourselves accountable. In 24 months we've done a lot. But, we have so much more to do. And, we will.

Philip Shucet

More Contracts Completed in a Timely Fashion

Construction

On Time
Within 90 days

FY03: On Time 27%, Within 90 days 53%
FY04: On Time 36%, Within 90 days 64%

Maintenance

FY03: On Time 38%, Within 90 days 69%
FY04: On Time 51%, Within 90 days 80%

How VDOT is Measuring Up

Fourth Quarter Notes

❑ Effective July 1, Richmond, Hampton and Virginia Beach became the first cities in Virginia to take over the management of their local road construction programs from VDOT.

❑ The first "managed competition" contract to provide vehicle maintenance in two Staunton District equipment shops began in June. This pilot program allows private firms and state employee groups to compete for government contract work. A panel of citizens and a legislator reviewed the proposals and made the final selection. The VDOT team was one of the two finalists.
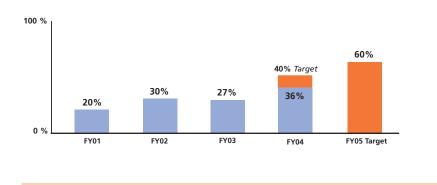
❑ A mile-long, 100-foot-high flyover bridge at the Springfield Interchange project opened May 19, bringing welcome relief and improved safety to the motorists traveling from the Capital Beltway's inner loop (I-495 west) to I-95 south. The bridge cost $31 million to build, and is crossed by roughly 20,000 vehicles a day.

❑ Last quarter the PPTA advisory panel recommended that the Commissioner enter into negotiations with Fluor Daniel to build HOT (high occupancy toll) lanes on the Capital Beltway. In addition, competing proposals to build HOT lanes on I-95 north of Fredericksburg began the review process. There are also five active PPTA projects and one in negotiations.
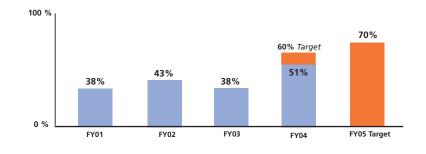
❑ For the first time, VDOT is selling its intellectual property through software licensing agreements with other state transportation agencies. Minnesota and Maine are the first to pay for the rights to use and adapt the Right of Way and Utilities Management System (RUMS) source code. The system gives right of way managers at-a-glance status of a highway project, including key deadlines for right of way and utilities activities.
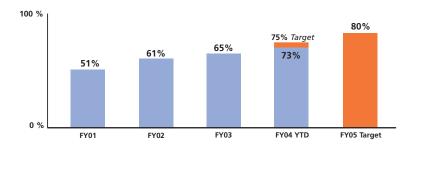
CONSTRUCTION CONTRACTS COMPLETED ON TIME

	FY01	FY02	FY03	FY04	FY05 Target
Value	20%	30%	27%	36%	60%
Target				40% Target	

MAINTENANCE CONTRACTS COMPLETED ON TIME

	FY01	FY02	FY03	FY04	FY05 Target
Value	38%	43%	38%	51%	70%
Target				60% Target	

CONSTRUCTION CONTRACTS COMPLETED WITHIN BUDGET

	FY01	FY02	FY03	FY04 YTD	FY05 Target
Value	51%	61%	65%	73%	80%
Target				75% Target	

MAINTENANCE CONTRACTS COMPLETED WITHIN BUDGET

	FY01	FY02	FY03	FY04 YTD	FY05 Target
Value	59%	71%	80%	81%	90%
Target				90% Target	

NOTE: FY04 was the first year that performance targets were established

VDOT
Virginia Department
of Transportation