

***-VDOT's BLUEPRINT-
Responding to the Challenges
of a Declining Economy***

Senate Finance
Transportation Subcommittee
January 27, 2009
DAVID S. EKERN, P.E.
COMMISSIONER

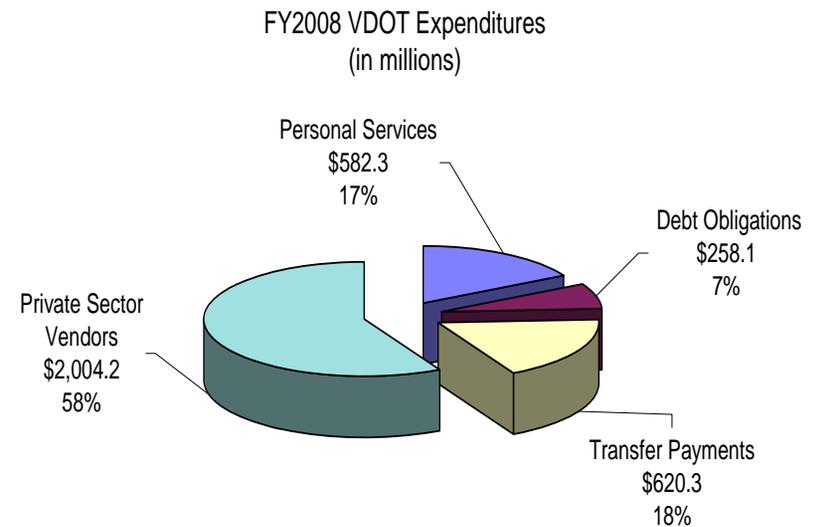
2008 HIGHLIGHTS & ACCOMPLISHMENTS

- In FY 2007/08 , VDOT achieved on-time, on-budget and quality performance measures for construction and maintenance projects
- Completed Woodrow Wilson Bridge Project earning top engineering honors from ASCE
- Began construction on I-495 HOT Lanes
- Outsourced 961 or approximately 1,200 miles of interstate maintenance and all of aerial photography
- Virginia ranked 16th in independent Reason Foundation report of all states for overall transportation system performance and cost-effectiveness
- James River Green Building Council Green Leadership Award for first-ever LEED-certified state-government building—the I-64 New Kent Safety Rest Area
- Won dozens of top state, national and industry awards for projects, programs and staff achievements

THE BLUEPRINT

- **3 Parts to Blueprint**
 - Six-Year Program
 - Organization/Staffing
 - Services/Programs

- 83% of annual spending is outside VDOT



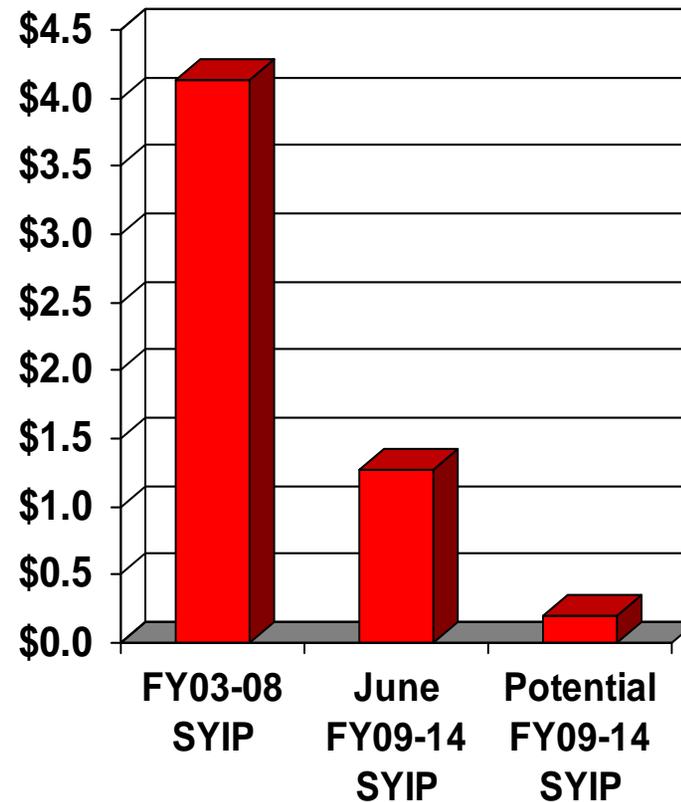
REVISED SIX-YEAR IMPROVEMENT PROGRAM

- **The June 2008 approved FY 2009-2014 Six-Year Improvement Program totaled \$10.6 billion with the highway portion at \$7.9 billion.**
 - Which incorporated the \$1.1 billion in revenue reductions known at that time.
- **The sharply declining state revenues and unpredictable federal revenues has prompted mid-term correction to the program.**
- **Based on October 2008 revenue reductions, the FY 2009-2014 SYIP is being reduced by \$1.3 billion bringing the total program to \$9.3 billion and the highway portion to \$6.5 billion.**
- **The December 2008 revenue reduction will bring an estimated cumulative total reduction in the FY 2009-2014 SYIP to approx. \$2 billion.**

VDOT: SIX-YEAR IMPROVEMENT PROGRAM JANUARY REVISIONS

Primary, Secondary and Urban State Formula

- Beginning in FY10, there will not be any state or federal funds being allocated through the state primary, secondary and urban construction formula



(Figures in billions and constant dollars)

ORGANIZATION/STAFFING

-GOALS-

- **Reduced Staffing Overall by 1,000**
- **Reduce/Consolidate the Number of Facilities**
- **Reduce General Administration and Overhead**
- **Adjust Engineering Staffing to the Size of the Construction Program**
- **Streamline Business Process and Substitute Technology for Staff**
- **Maintain Effective Emergency Response**

MAINTENANCE, OPERATIONS EMERGENCY RESPONSE

PRIORITIES

- Maintain emergency response capability
- Prioritize services from centerline to the right of way edge
- Focusing on pavements and bridges
- Maximizing use of federal funding
- Eliminate or consolidate redundant functions
- Services and asset maintenance driven

POTENTIAL CHANGES

- 44 residencies reduced by 30-35%
 - Refocused to primarily maintenance and emergency response
 - Supervision reduced to 3 levels
 - Land development/coordination consolidated to District Offices
- 73 equipment shops reduced by 50%
- TOCs consolidated from 6 to 5 and Integrated as call centers
- 189 AHQs maintained

Staff Reduction Goal - 155

PROJECT DEVELOPMENT CONSTRUCTION MANAGEMENT

PRIORITIES

- New major construction will be episodic
- Maximize use of federal funding
- Retain core technical competency
- Eliminate or consolidate redundant functions
- Greater reliance on the private sector

POTENTIAL CHANGES

- Develop STRONG project manager system
- Reduce project development staff by approx. 25%
- Reduce construction staff by approx. 22%
- Reduce material labs by 50%

Staff Reductions Goal – 430

GENERAL ADMINISTRATION

CENTRAL OFFICE and BUSINESS SUPPORT

PRIORITIES

- System/process managers
- Policy/governmental affairs
- Planning/coordination
- Quality assurance/business reviews
- Accountability/oversite/compliance
- Specialty expertise unique and/or statewide programs
- Resource sharing and balancing
- Eliminate or consolidate redundant functions

POTENTIAL CHANGES

- Consolidate CO to 22 core divisions
- Consolidate business support services
 - Human Resources
 - Payroll
 - Employee Safety
 - Inventory
 - Procurement
- Consolidate clerical and fiscal technician functions

Staff Reduction Goal – 415

SERVICES/PROGRAMS REVIEW FRAMEWORK

Services Framework

**16 services
provided by
VDOT through
in-house staff or
through the use
of private sector
vendors and
partners.**

- Emergency Response
- Snow and Ice Response
- Safety service patrols
- Traveler Information/Customer Complaint Management
- Roadway Striping
- Sign Maintenance/Replacement
- Pothole Repair
- Gravel Road Maintenance
- Shoulder Maintenance
- Traffic Signal/DMS/CCTV/RWIS Management
- Roadway Lighting
- Guardrail Repair
- Mowing/Tree Trimming
- Litter and Dead Animal Management
- Sidewalk and Trail Maintenance
- Fencing Maintenance

STATEWIDE SERVICES UNDER CONSIDERATION

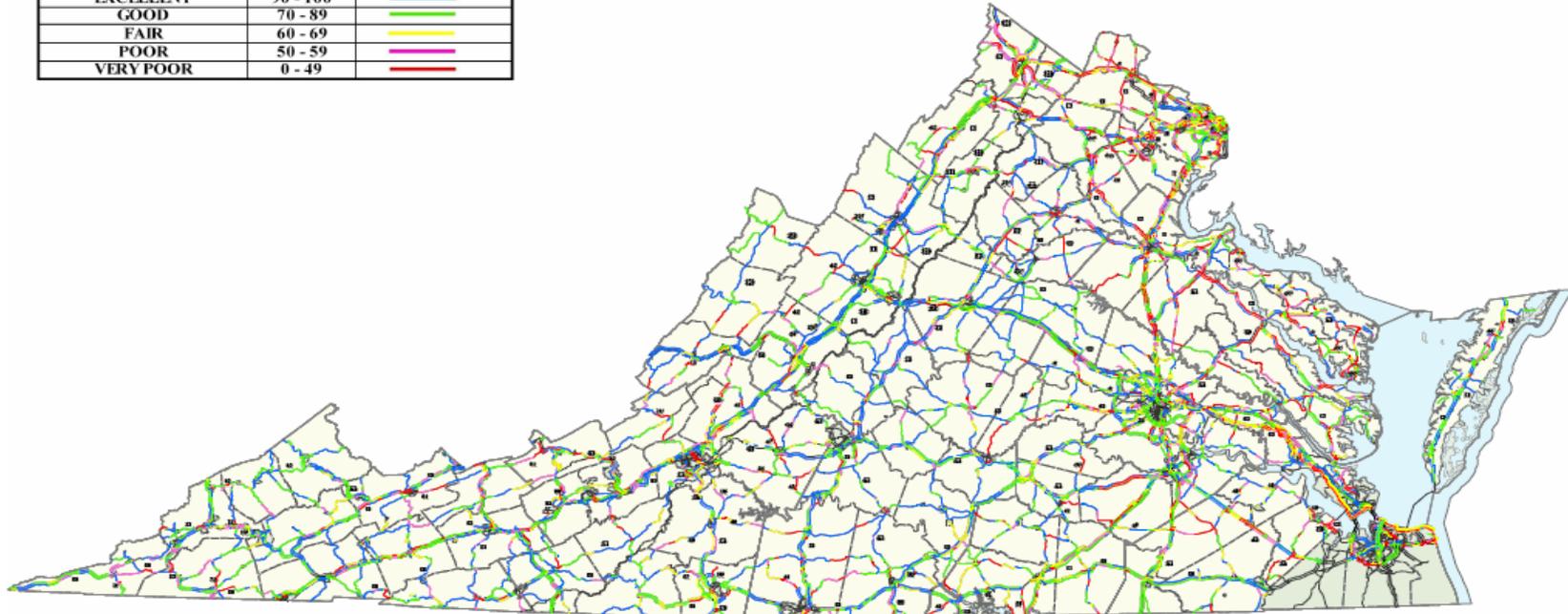
- Rest Area Program
- Ferry Service Program
- 511 Phone Service
- Safety Service Patrol Program
- Roadway Lighting Program
- TAMS Program
- Inventory Supply Service Program
- Contracted Mowing
- Contracted Litter and Dead Animal Removal
- Pavement Marking Program
- Contracted TOC Services
- Technology and Computer Services

BLUEPRINT FINAL THOUGHTS

- **The plan will change as we move forward**
- **IMPLEMENTATION COMPLETED IN 18 MONTHS**
- **No function or SERVICE remains off the table**

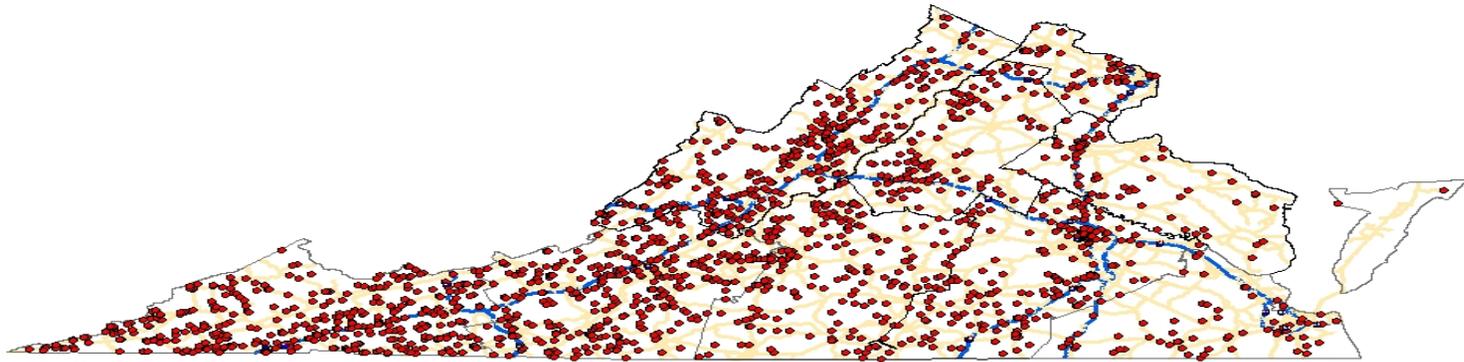
PAVEMENT CONDITIONS

PAVEMENT CONDITION	CCI RATING	COLOR SCHEME
EXCELLENT	90 - 100	Blue
GOOD	70 - 89	Green
FAIR	60 - 69	Yellow
POOR	50 - 59	Purple
VERY POOR	0 - 49	Red



- \$1 billion to stabilize deteriorating pavements

DEFICIENT STRUCTURES



- \$3.7 billion to replace structurally deficient bridges

VDOT in 2010

Plan, deliver, operate and maintain a transportation system that is safe, enables the easy movement of people and goods, enhances the economy, and improves the quality of life.

- **Focused** –
 - Mission centered on maintenance, operations and emergency response
 - Integrated Program Planning and Project Development – “Project is a Project”
 - A tightened and universal General Administration.
- **Scaled Services** –
 - first priority to the highway network that connects people and places of the Commonwealth
 - serves 85% of users and where the majority of crashes occur
- **A Business** –
 - That values, integrates and streamlines partnerships
 - does not replicate every function and service throughout VDOT’s organization
- **Driven by** -
 - rapid deployment of research, technology, and training to ensure best and consistent practices and services
- **Recognizes**
 - that construction funding will be focused on safety, reconstruction and bridge replacement
 - major new construction being episodic
- **An Agency**
 - that will be smaller, providing its services differently and proportioned differently.

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