

**DRAFT**  
**Florida Department of Transportation**  
**Performance Review Meeting**  
**January 17, 2018**

1. Assistant Secretary Brian Blanchard called the meeting to order at 8:30 AM. He began by taking roll call. All Districts were present and no visitors were in attendance.
2. Review of Minutes: Minutes from the November 15, 2017 meeting were reviewed and approved.
3. Monthly Reports:

**Performance Report**

*Lisa Saliba presented the Performance Report:*

**Consultant Acquisitions:**

Six districts met or exceeded the Consultant Acquisition target in dollars, two districts were below the target; all districts met or exceeded the target for their plan in number.

**Right-of-Way (R/W):**

All districts met or exceeded the target for R/W certifications, three districts fell below target for R/W program expenditures, and all districts met the target for R/W Eminent Domain Litigation Parcel Inventory Number.

**Project Lettings:**

Five districts were below the target for planned Letting Dollars, and one district was below target for planned Letting Numbers. Two projects have not let to date as planned; one moved to June due to no bids received and one moved to April due to procurement method change.

The difference between the official estimate and the low bid was -18.54%.

**Amendments:**

Work Program Amendments totaling \$313 Million have been sent to the Executive Office of Governor for approval for a net reduction of \$219 Million.

**Construction:**

All districts met the target for construction cost increase and all but one district met the target for construction time increase. Three districts did not meet the target for construction contract final costs, and one district was below target for construction contract final time.

**Value Engineering (VE) and Cost Savings Initiatives (CSI):**

There has been \$56.2 million in total program savings for Value Engineering and Cost Savings Initiatives resulting in a combined 4.91% program savings. The Department approved 36 of 82 value engineering recommendations (44%) that resulted in \$55.32 million in cost avoidance/savings and \$5.62 million of value added. The approved recommendations resulted in a 2.77% project savings and a 4.83% program savings. Four Cost Savings Initiatives were approved worth \$0.88 million in project savings. This resulted in a 0.26% project savings and a 0.01% program savings.

**Maintenance**

All districts met or exceeded the targets for Contract Maintenance dollars.

**Local Agency Projects (LAP):**

All districts met or exceeded the planned dollars for LAP Consultant Acquisitions; one district was below target for LAP Contract Lettings.

**Federal Aid Highway Program**

14% of the Federal Aid dollars are obligated to date.

*James Jobe presented the Federal Aid update:*

**FFY2018 Federal Budget:**

Congress has not yet passed a fiscal 2018 appropriations bill for the USDOT. We are currently still operating under a Continuing Resolution which continues the federal aid program at last year's levels of funding through this Friday. The expectation is that another short-term Continuing Resolution will be passed before a federal government shutdown takes place this Friday.

If a government shutdown occurs, FHWA will not be adversely affected. No staff will be furloughed and federal funds will continue to be obligated on projects. However, if a shutdown continues beyond a week or two, the amount of cash available in the highway fund may be depleted and cause FHWA to begin to ration reimbursements to the states for costs already incurred and eligible for federal reimbursement.

**Obligation Authority Plan:**

For the first three months of the new federal fiscal year, we obligated about \$251 million in federal funds which represents 13.5% of the Obligation Authority that is available for the year. This is a normal level of obligations for the first quarter and will accelerate as the fiscal year progresses, with the bulk of OA consumption normally occurring towards the last quarter of the fiscal year.

**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 criteria used when comparing against the national benchmark of 2% of each state's annual federal apportionments.

We continue to have consistently low rates of financial inactivity. Last month it was only .03%, well below the national benchmark of 2%.

The actual number of inactive projects did rise this month, but we expect this number to drop by the end of January.

**Budget Report**

*Lisa Saliba presented the Budget Reports:*

**Potential Roll Forward (Work Program percent committed):**

District 4 is in the lead with 67.39% committed. All other districts are within tolerance. 50.32% is committed at the department level.

**Department Level Operating Budget Categories:**

Department-wide, 69% of selected operating categories are committed with actual expenditures of 34%. The rate of commitment is consistent with this trend for this time last fiscal year where commitments were 72% and expenditures were 36%.

**District by District Comparison:**

All districts are currently in tolerance with the amount of budget encumbered. No major issues at this point.

**Salaries and Benefits Data:**

Salaries and Benefits budget is within tolerance at the Department level for all the Budget Entities.

**Fixed Capital Outlay:**

FY16/17 is 89.6% committed, with a memo encumbrance of \$800,000. The February reversions will be discussed next month.

FY17/18 is 10.8% committed. There is no memo encumbrance for this fiscal year.

**Human Resources Report**

*Victoria Kliner presented the Human Resources Report:*

**Vacancy Report:**

The January Vacancy Rate is holding at 9.11% (same as December although not formally reported, and actually down from November's report of 9.49%). The Over 90 days and Over 180 days show de minimis increases from December yet are still lower than November's report.

Thirty-three percent of the Over 180 Days vacant positions have been filled, but the start date has not yet occurred. Another 16% are inactive due to rate or being on hold which leaves the remaining 51% in various active stages of recruitment.

As mentioned in November, we are right around the corner from the People First Portal Upgrade scheduled to occur in March. The system will go down at 5 p.m. ET March 16, 2018 and be brought back up at 8 a.m. ET March 26, 2018. Therefore, there's even more incentive to get as many vacancies filled, or at a minimum advertised, prior to March 16th.

**Annual Performance Reviews – Midway Marker:**

Since we are just over half-way through the annual performance review cycle, now is a great time to remind your supervisors to address any emerging performance issues they may have with their employees in order to provide sufficient time to the employee to get back on track before the annual review period ends June 30, 2018.

**Equal Opportunity Office Report**

*Sammy Febres provided the Equal Opportunity Office Report:*

**Disadvantaged Business Enterprise (DBE) Report:**

In the first quarter of the federal fiscal year, DBE participation on federally funded contracts is 10.46%.

The next chart shows DBE participation on federal, state, and combined funded contracts. State funded DBE participation is 11.95% and state and federally funded combined contracts is 10.96%.

The next chart shows the DBE participation on federal and state contracts by district. For federally funded contracts, Districts 1, 2, 3, 4, 6, and Central Office are above the 10.65% goal. For state funded contracts, Districts 1, 4, & 5 exceed the 10.65% goal.

**Minority Business Enterprise Report:**

In the Minority Business Enterprise (MBE) Report, the Department is 6 months or 50% through the state fiscal year and has expended 49.9% of the dollars spent compared to last year with MBEs.

**Business Development Initiative:**

Reporting at the end of the second quarter of the state fiscal year the Department exceeded the 10% Business Development Initiative (BDI) goal for Construction & Maintenance by letting 13.33% to small businesses. The Department is trending towards the 15% BDI goal in Professional Services by executing 13.5% contracts.

For Construction & Maintenance, Districts 1, 2, 4 & 6 are above the 10% goal.

For Professional Services, Districts 3, 46 & CO are above the 15% goal.

For the Professional Services dollars awarded to small businesses as a prime or a sub, the Department's goal is to spend 20% of our dollars with small businesses. Through December 2017, we have spent 22.5% with small businesses. Districts 4, 6, 7 and Turnpike have exceeded the 20% goal.

**Economic Parity Report:**

For the second quarter of the state fiscal year, the department is trending in the right direction to fill positions where there are parity needs for minority hires.

4. Additional Comments:

Assistant Secretary Blanchard thanked everyone for their attendance.

The meeting concluded at 9:14 AM.

*Approved with no changes February 14, 2018.*