We will:

• Design rules and procedures for reviewing local comprehensive plans and land development proposals

• Evaluate VDOT staffing and skill set requirements for analyzing comprehensive plans and development

• Provide technical assistance and training to localities on managing the impacts of land use on transportation

• Move forward with a state access management program to reduce traffic congestion and improve safety

Status / Update:

• The Commissioner has appointed a multi-disciplined committee
  – Implementation of this initiative is focused at the District level
  – Developing a timeline and a strategy for implementation and training in preparation of July 1, 2007 deadline

• Strategy for implementation of traffic impact regulations completed
  – Initial round of informational meetings completed
  – Development of supplemental training underway
  – Draft guidelines document completed

• Access management legislative passed by General Assembly (HB 2228) and signed by Governor
We will:

- Establish a goal of reducing construction engineering and inspection (CEI) costs
  - Savings will be shifted to construction projects
- Reduce project delivery timeframes by examining current PE processes
  - Expand the use of “No Plan” projects to speed delivery and reduce costs
- Convene industry CEO forums to solicit suggestions on best practices to expedite project delivery
- Coordinate and provide technical assistance to localities as part of plan review in accordance with Acts of the General Assembly Chapter 527- in order to foster effective transportation planning and mitigate impacts of growth

Status / Update:

- Developing a budgeting process for CEI contract management costs
- Conducting internal process review on the Concurrent Engineering Process (CEP)
  - Revising Road Design Manual to better describe No-Plan projects
- The Contractor CEO/ Commissioners meeting held periodically solicits topics to improve project delivery. The main topic of the last meeting was the “BOWD Center” for improving DBE contractor participation and a joint steering committee was also established.
- Staff support continues to be provided to the Local Partnership Team which is committed to providing training and support to both the Districts in Localities in the process of devolution.
**System Operations**

**We will:**

- Improve highway safety to drive down deaths and fatalities by leading and implementing the Governor’s Strategic Highway Safety Plan
- Institute primary route safety corridors
- Start the Safe Roads to Schools Program

**Status / Update:**

- Virginia’s Strategic Highway Safety Plan
  - Approved by the Sec of Transportation and FHWA
  - Submitted to Governor’s Policy Office
  - Action plans are currently being developed by all involved state agencies. VDOT, DMV, VSP and VASAP met on 12/13/06

- Developed procedures to find candidate high crash rate Primary segments within each district for potential designation as a Highway Safety Corridor (HSC).

- Safe Routes to Schools Program
  - Five of the “Top 18 Worst Jurisdictions for Bicycle & Pedestrian Crashes” have officially submitted applications
  - 8 of 9 Districts have a locality submitting at least one application
Improve Internal Business Processes (cont.)

**System Operations**

**We will:**
- Deliver Maintenance Projects on time and on budget; Institute other performance measures for maintenance and operations.
- Reduce congestion by expanding safety service patrols and instituting a quick incident clearance capability on all major travel corridors.
- Improve traveler information with improved 511 service coverage and start providing travel time information on critical corridors.
- Consolidate district operations functions into regional service areas based on traffic patterns to better manage traffic operations.
- Utilize traffic engineering research and new products to improve sign visibility and other safety features on highways.
- Employ economic solutions to congestion management (HOT Lanes)

**Status / Update:**
- Maintenance projects
  - Asset Management Division developed a project scoping process to help improve plan development
  - Using Construction project lessons learned to improve Maintenance project performance

- Developed incident management education course to educate first responders on quick clearance best practices
  - National Incident Management System training of more than 3,000 VDOT employees will be completed in 2007

- Travel Information
  - Ongoing work to implement travel times and sub-tiered metro-urban travel information

- Regional Operations commenced July 2006.

- Working with the Research Council, testing experimental wet/night reflectors in select work zones
- Entered into an interim agreement to perform preliminary engineering for construction of HOT lanes on I95/395
We will:

- Examine the impact of reduced ‘program’ staffing on the need and level of ‘administrative & support’ staffing
- Benchmark and align administrative support staffing levels and costs to industry standards
- Effectively manage staffing and skills sets to support the changing role of VDOT
  - Establish workforce and development plans which assess current and needed skill sets and develop staffing strategies to fill skill gaps
- Meet interim SWAM goal of 20%, move toward Statewide goal of 40%

Status / Update:

- Cut the administrative budget by 6%
- Included in FY08 Business Plan, analyze the workforce to predict and prepare for business changes
- Evaluating skill sets of contract monitors impacted by AHQ consolidations for placement in other areas of the Department. Beginning to identify needed skill sets for Superintendents managing multiple locations.
  - Workforce methodology included in Draft FY 08 Business Plan
- Through March 2007 achieved 24.1%
Administration: Internal Controls

**We will:**
- Address or implement 50 recommendations from Special Review of Cash Management and Capital Budget Practices
  - Cash Management
  - Six-Year Improvement Program
  - Planning
  - Project Estimation & Budget Monitoring
  - Systems Environment
  - Project Management
  - Maintenance Asset & Project Management

- As the Department re-evaluates programs and implements outsourcing and downsizing initiatives, ensure that proper internal controls are maintained to promote accountability, stewardship, and fiduciary responsibilities.

**Status / Update:**
- The status of the APA Special Review of Cash Management and Capital Budgeting Practices is as follows:

<table>
<thead>
<tr>
<th>Category</th>
<th>Complete</th>
<th>In Progress</th>
<th>No Change Implemented</th>
<th>Total Recommendations</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cash Management</td>
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<td></td>
<td>2</td>
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<tr>
<td>Six Year Improvement Program and Planning</td>
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<td>11</td>
<td>1</td>
<td>17</td>
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<tr>
<td>The 20 Year Plan</td>
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<tr>
<td>Systems Environment and Development</td>
<td>11</td>
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<tr>
<td>Construction</td>
<td>8</td>
<td></td>
<td></td>
<td>8</td>
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<tr>
<td>Maintenance and Asset Management</td>
<td>5</td>
<td>3</td>
<td>1</td>
<td>9</td>
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<tr>
<td>Budget Monitoring</td>
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<td></td>
<td></td>
<td>2</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>34</strong></td>
<td><strong>14</strong></td>
<td><strong>2</strong></td>
<td><strong>50</strong></td>
</tr>
</tbody>
</table>

- Plan to meet with Chief Deputy Commissioner to develop methods to maintain and promote accountability while significantly affecting business operations and processes.
We will:
- Continue with the Transportation Partnership Opportunity Fund
- Proceed with FY07 Scheduled PPTA Projects:

PPTA
- **Pocahontas Parkway** - implemented concession agreement June 29, 2006 and met the financing requirements for the airport connector
- **Coalfields Expressway** – Project assigned to coal companies

- **Hampton Roads Third Crossing** - receive detailed proposals - December 15, 2006
- **I-81Corridor** - Secure record of decision for Tier 1 EIS in early 2007

PPTA Status / Updates
- **Pocahontas Parkway**
  - Environmental document initiated for Airport Connector
- **Coalfields Expressway**
  - Signed amendment to assignment agreement to conduct Preliminary Feasibility Study with coal companies
  - Received first two deliverables for the Preliminary Feasibility Study
- **Hampton Roads Third Crossing**
  - Commissioner cancelled procurement on December 15, 2006
- **I-81Corridor**
  - CTB approved spot improvements (10/06)
  - Two truck climb lanes selected for procurement
  - Central Office and District is moving forward developing and designing spot improvements
Encourage Private Investment (cont.)

**PPTA**

- **I-95/395 HOT Lanes** - Execute interim agreement by December 2006

- **I-495 HOT Lanes** - amend and restate comprehensive agreement by early 2007

- **Midtown Tunnel** - solicit conceptual proposals – Late 2007

- **Route 460 PPTA [Petersburg - Suffolk]** - receive conceptual proposals - September 14, 2006

- **Route 28** – Received a $20 million TPOF loan which will help finance the completion of the remaining four interchanges

**PPTA Status / Updates Continued**

- **I-95/395 HOT Lanes**
  - Interim agreement signed 10/24/06
  - Preliminary Engineering activities continue

- **I-495 HOT Lanes**
  - Preliminary Engineering activities continue
  - Environmental reevaluation for S-18 configuration is being reviewed by VDOT and is expected to be submitted to FHWA in April 2007
  - Work continues to resolve funding gap

- **Midtown Tunnel**
  - Interstate justification report for MLK to be complete early in 2007
  - Reevaluation of tunnel is completed by FHWA
  - Initiated environmental document for MLK

- **Route 460 PPTA [Petersburg - Suffolk]**
  - QC advanced all 3 proposals and recommendations to the Secretary of Transportation on 10/13/2006
  - Independent Review Panel is chaired by CTB member Alan Witt and has held tow of the planned 4 meetings

- **Route 28**
  - 95% complete on first 6 interchanges
  - NTP has been given for remaining 4 interchanges
We will:

 Proceed with FY07 Scheduled Design Build Projects:

Design-Build

- Route 164, Portsmouth
- Route 164 – Median Rail Project (Virginia Port Authority)
- Route 609, Mathews County
- Gilbert’s Corner, Route 50, Loudon County

Design-Build Status / Updates

- Route 164, Portsmouth
  - Substantial completion on 11/10/2006
  - Final completion on 01/10/2007
- Route 164 – Median Rail Project (Virginia Port Authority)
  - Administered by Virginia Port Authority
  - FHWA approved Finding of Public Interest and Sole Source Design-Build Procurement on 11/02/2006
  - 30% of plans submitted March 2007
- Route 609, Mathews County
  - Anticipate final completion on 8/10/2007
- Gilbert's Corner, Route 50, Loudon County
  - RFP released on 11/30/2006
  - Proposals due on 04/06/2007
  - Anticipate CTB to award contract on 7/19/2007
Encourage Private Investment (cont.)

Design-Build
- Route 713 Bridge, Giles County, Salem District
- Third Street Bridge, Farmville, Lynchburg District
- Givens Lane, Blacksburg, Salem District

Design-Build Status / Updates
- Route 713 Bridge, Giles County, Salem District
  - Contract awarded to Ft. Chiswell on 01/18/2007
  - Notice to Proceed issued 02/20/2007
  - Anticipated final completion approval 08/22/2008
- Third Street Bridge, Farmville, Lynchburg District
  - Contract awarded to Corman Construction Inc. on 12/14/2006
  - Notice to Proceed issued 01/22/2007
  - Anticipated final completion approval 05/30/2008
- Givens Lane, Blacksburg, Salem District
  - Procurement cancelled 03/07/2007
Encourage Private Investment (cont).

- **We will:**
  - Identify candidate design/build and PPTA projects through the innovative project team

- **Candidate PPTA projects under review:**
  - Southeastern Expressway, Chesapeake to Virginia Beach

- **Candidate Design-build projects under review:**
  - Pacific Boulevard
  
  - Route 50 Widening
  
  - I-64/I-264 Improvements

- **I-66 Spot Improvements**

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**Status / Update:**

- **Candidate PPTA projects:**
  - Southeastern Expressway, Chesapeake to Virginia Beach
    - CTB approved the location
    - FHWA NEPA ROD anticipated in 2007

- **Candidate Design-build projects:**
  - Pacific Boulevard
    - Continuing preliminary plan development
  
  - Route 50 Widening
    - Procuring consultant services for preliminary design
    - Anticipate public hearing February 2008
  
  - I-64/I-264 Improvements
    - Continuing preliminary plan development
    - Anticipate public hearing March 2008
  
  - I-64/I-264 Improvements
    - Anticipate public hearing January 2008
Continue, where feasible, to transfer program delivery to localities

**We will:**

- Continue with First Cities Initiative

- Consider more aggressive devolution initiatives

**Status / Update:**

- Continue with First Cities Initiative
  - Preparing Lynchburg to take over their construction program effective July 1
    - Includes transitioning two active VDOT administered projects to local administration
  - Continue work with partner cities on streamlining project delivery

- Secondary Takeover Study completed
  - Provides counties with information and tools to assist in making the decision to assume responsibilities for the secondary system of highways
  - Partnered with Stafford and James City counties
Outsource Where Financially Prudent

We will:
- Define Core Business Functions
- Determine base level resources where VDOT must retain capability
- Determine the most cost effective way to deliver services
- Move from a service provider to a contract manager

Status / Update:
- Established an outsourcing methodology that includes an analysis of business function, base level resources, and costs to help determine if a function should be outsourced
Outsource Where Financially Prudent (continued)

- Chapter 544 of the 2006 Acts of Assembly requires the Commissioner to report in November 2006 on past and future plans for outsourcing, privatizing and downsizing of the agency.
- VDOT Executive staff has established a methodology to evaluate operational areas for outsourcing. Candidate areas include:

<table>
<thead>
<tr>
<th>Candidate Area</th>
<th>Status</th>
</tr>
</thead>
<tbody>
<tr>
<td>Equipment repair and maintenance</td>
<td>On hold</td>
</tr>
<tr>
<td>Primary and Secondary System Maintenance (already partially outsourced)</td>
<td>On hold</td>
</tr>
<tr>
<td>Safety Service Patrols (already partially outsourced)</td>
<td>Regional Decision/under review</td>
</tr>
<tr>
<td>Sign production and installation</td>
<td>Under review</td>
</tr>
<tr>
<td>Smart Traffic Centers</td>
<td>Regional Decision</td>
</tr>
<tr>
<td>Special Facilities</td>
<td>On hold</td>
</tr>
<tr>
<td>Surplus Equipment Auctions</td>
<td>On hold – pending DGS action</td>
</tr>
<tr>
<td>Toll Collection Facilities</td>
<td>Dulles Toll Road facilities transferred with the MWAA agreement</td>
</tr>
</tbody>
</table>
Adjust Staffing, Facilities, Other Resources

- In FY06, VDOT developed a methodology and decision making process for determining appropriate number and location of Area Headquarters
- Study of Regionalizing Right of Way function completed. Recommendations under consideration
- Optimize the mix of consultant and Department personnel for preliminary engineering and construction inspection
- Staff will evolve from “do’ers” to program managers
- Review Central Office and Field Administration for overhead reductions

- After analyzing impacts and weighing public concern, VDOT will be closing/consolidating 87 facilities
- DAC will control ROW staffing levels. MSD will provide staffing analyses. OD will work on staffing impacts.
- No action taken
- Starting to evolve with letting of TAMS maintenance contracts
- 100 position reduction in CO staffing