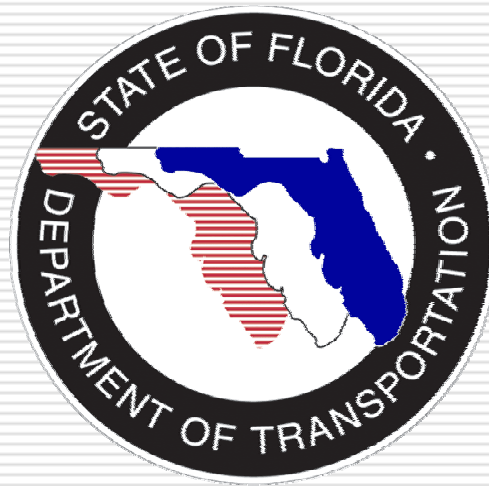


2006 FTBA Annual Convention

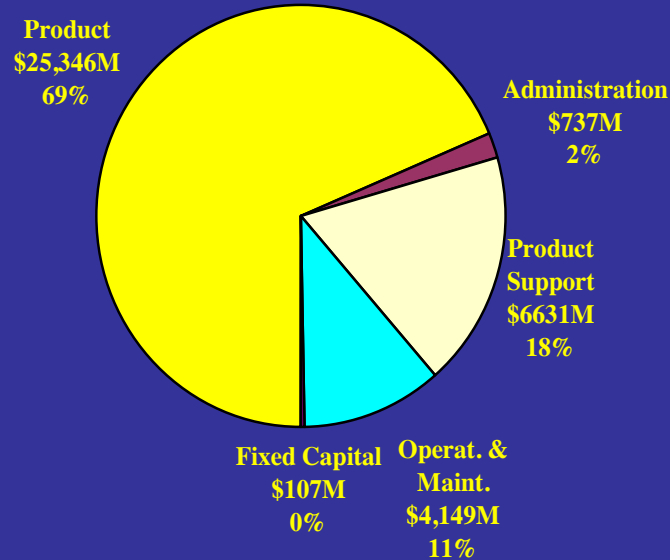


August 11, 2006
Naples, Florida

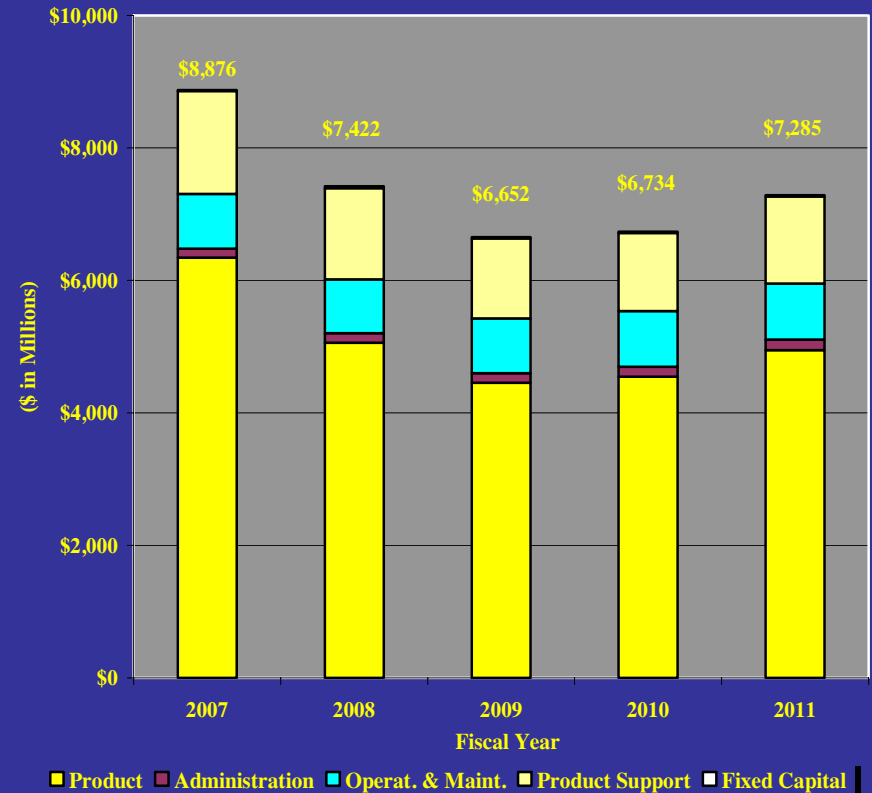
TOTAL ADOPTED WORK PROGRAM

FY 06/07- 10/11

Five Year Summary



Annual Program Levels

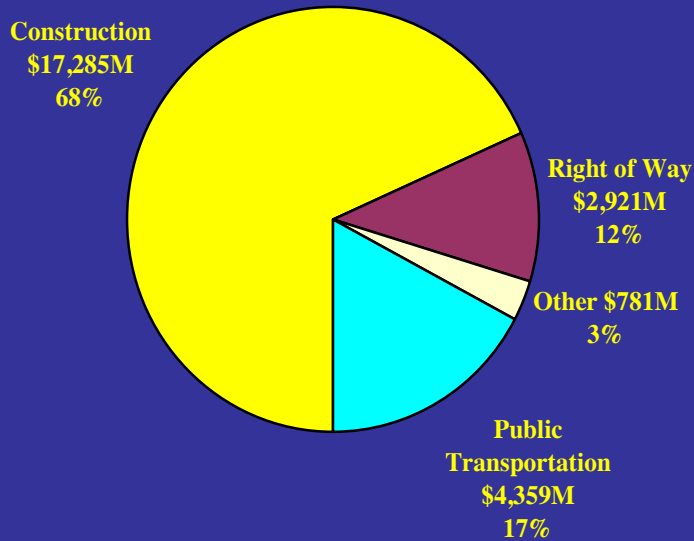


Total 5-Year Adopted Work Program \$36,969M

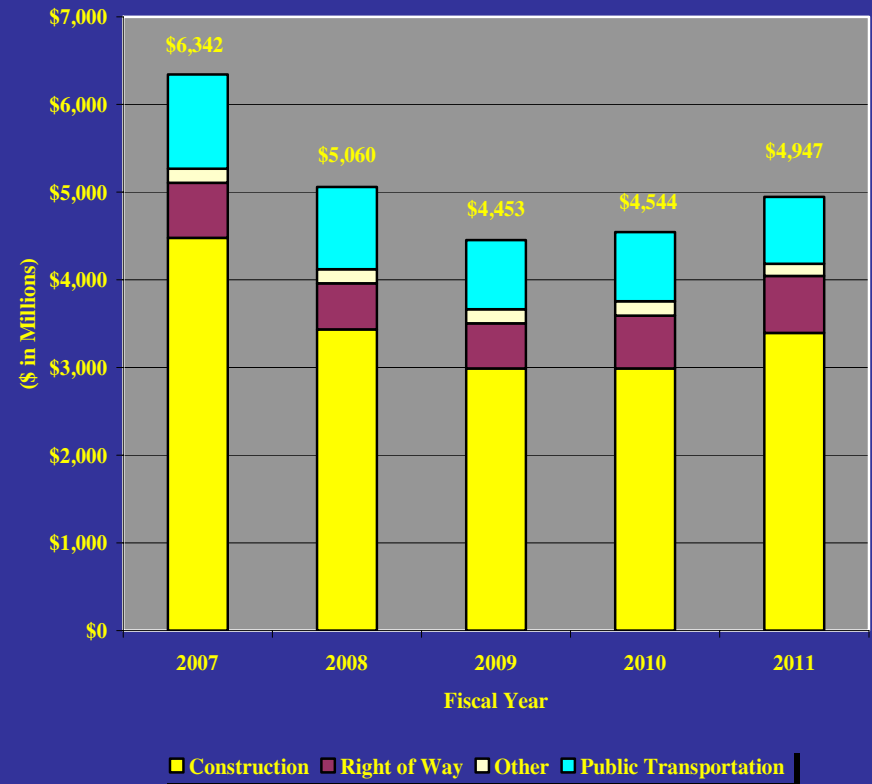
PRODUCT

FY 06/07- 10/11

Five Year Summary



Annual Program Levels



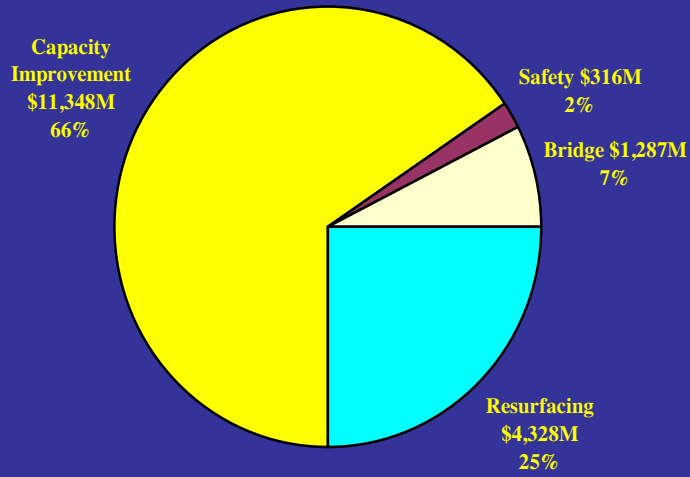
Total 5-Year Adopted Work Program \$25,346M

- Notes: 1) Other includes County Transportation Programs, Economic Development and Safety Grants.
 2) PTO Intermodal Access Program contains \$13M of Right of Way and \$263M of Construction phases.

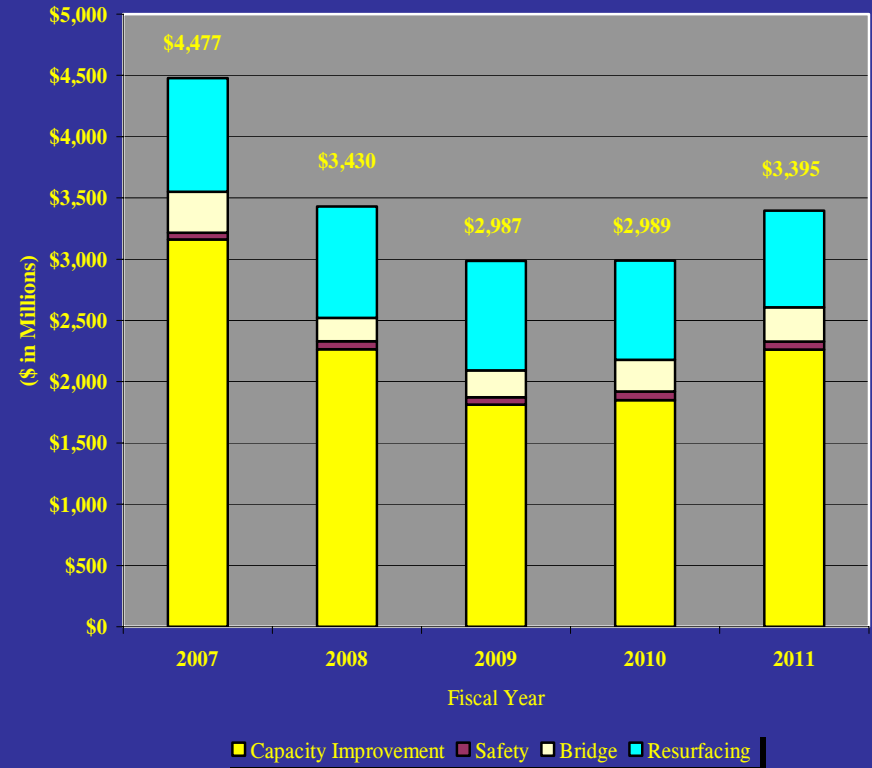
CONSTRUCTION

FY 06/07- 10/11

Five Year Summary



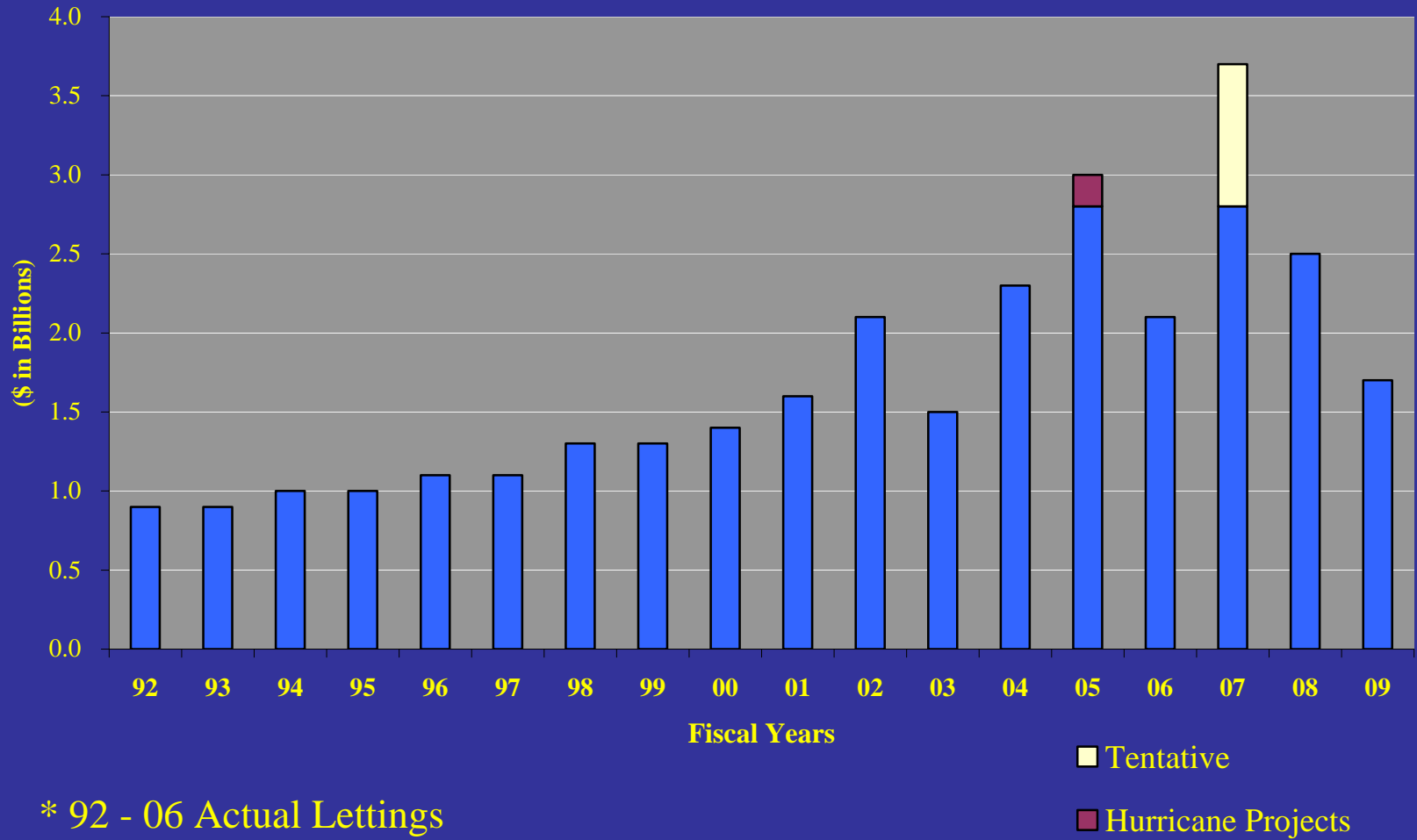
Annual Program Levels



Total 5-Year Adopted Work Program \$17,278M

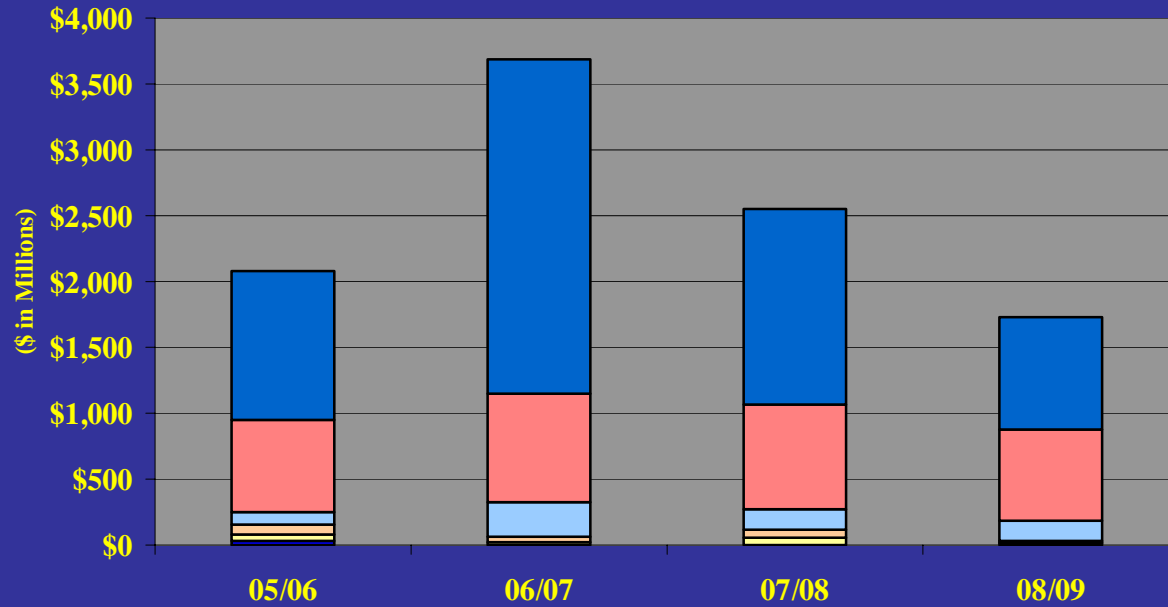
Note: In addition, \$263M of Construction phases are included in the PTO Intermodal Access Program.

STATEWIDE LETTING HISTORY/PROJECTIONS



CONSTRUCTION CONTRACT LETTINGS

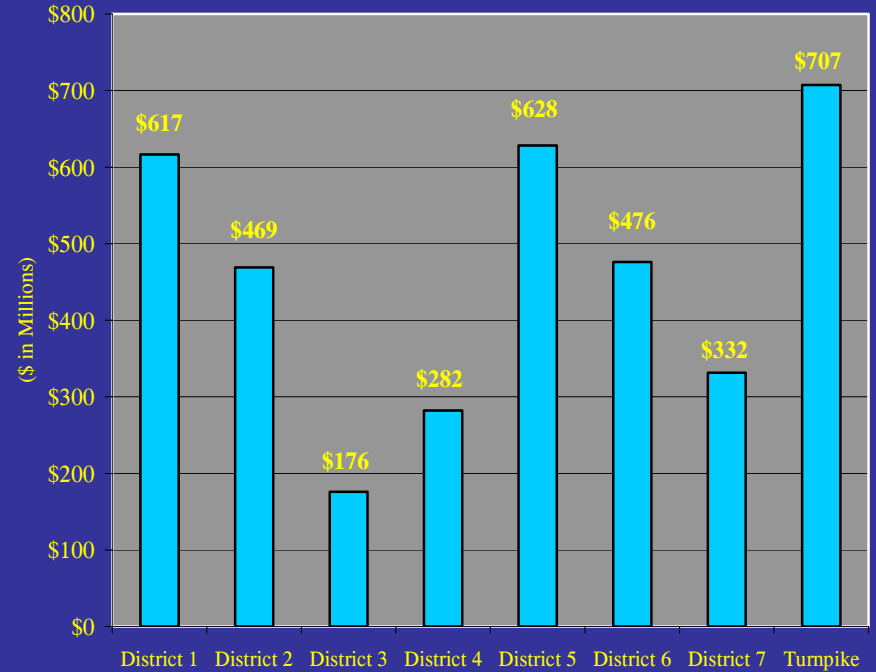
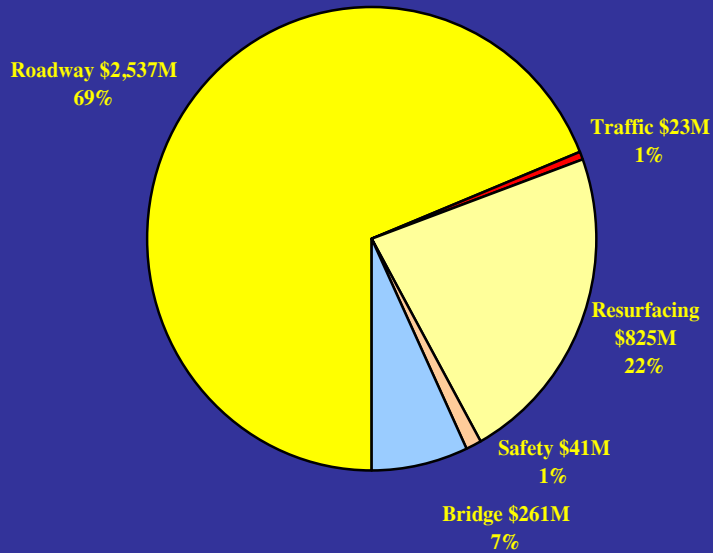
FY 05/06 - 08/09



DESCRIPTION	ACTUAL			
Bridge	\$94	\$261	\$157	\$155
Safety	\$76	\$41	\$59	\$14
Resurface	\$701	\$825	\$793	\$692
Traffic	\$48	\$23	\$56	\$17
Roadway	\$1,129	\$2,537	\$1,485	\$853
LAP	\$32			
SW TOTAL	\$2,080	\$3,686	\$2,551	\$1,730

CONSTRUCTION CONTRACT LETTINGS

FY 06/07

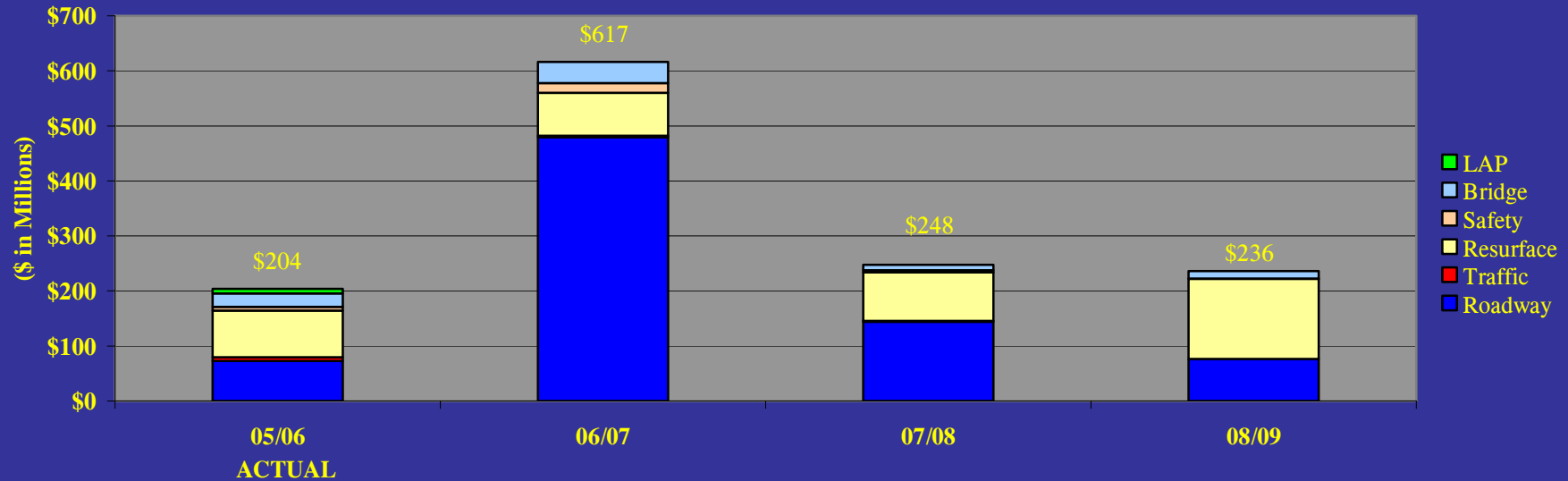


Total \$3,687M

CONSTRUCTION CONTRACT LETTINGS

DISTRICT ONE

FY 05/06 - 08/09



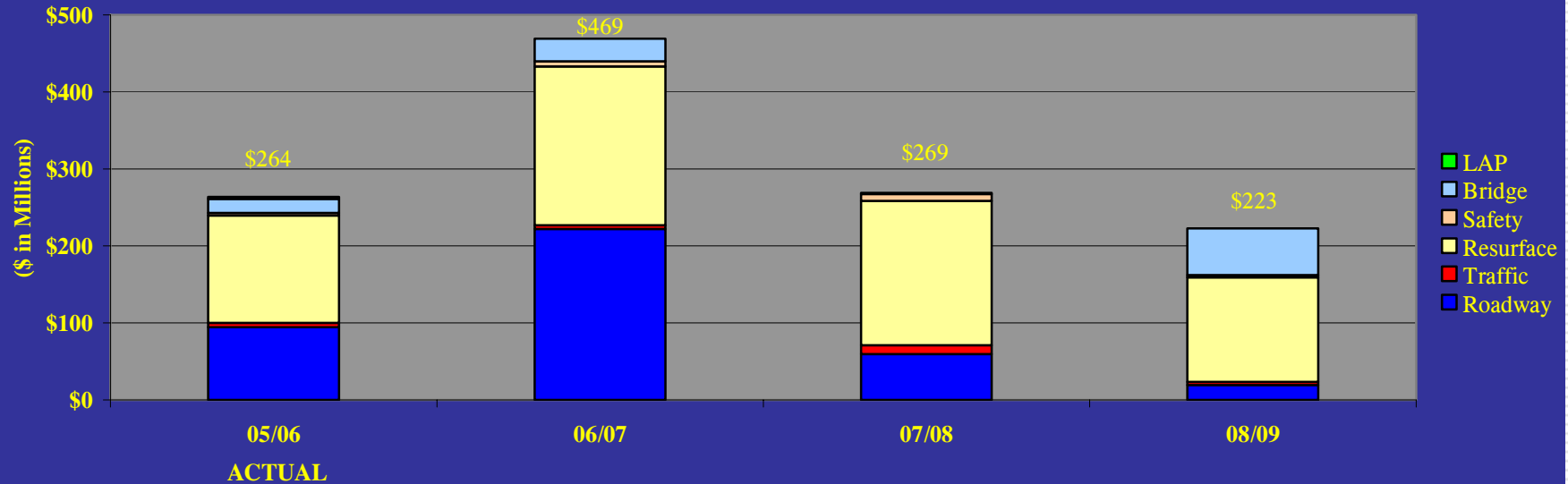
SIGNIFICANT PROJECTS FOR LETTING IN 06/07

Description	\$(M)	Letting Month
Add Lanes SR 739 from Hanson Street to SR 82	11.8	December
Add Lanes US 27 from N of SR 542 to N of CR 546	19.8	May
Resurface I-75 from Broward C/L to CR 839	17.0	January
Resurface I-75 from Turner River to Turnback Slough	10.6	August
Add Lanes Alico Road from US 41 to Dusty Road	18.1	July
Add Lanes I-75 from Golden Gate Parkway to SR 80	420.7	February

CONSTRUCTION CONTRACT LETTINGS

DISTRICT TWO

FY 05/06 - 08/09



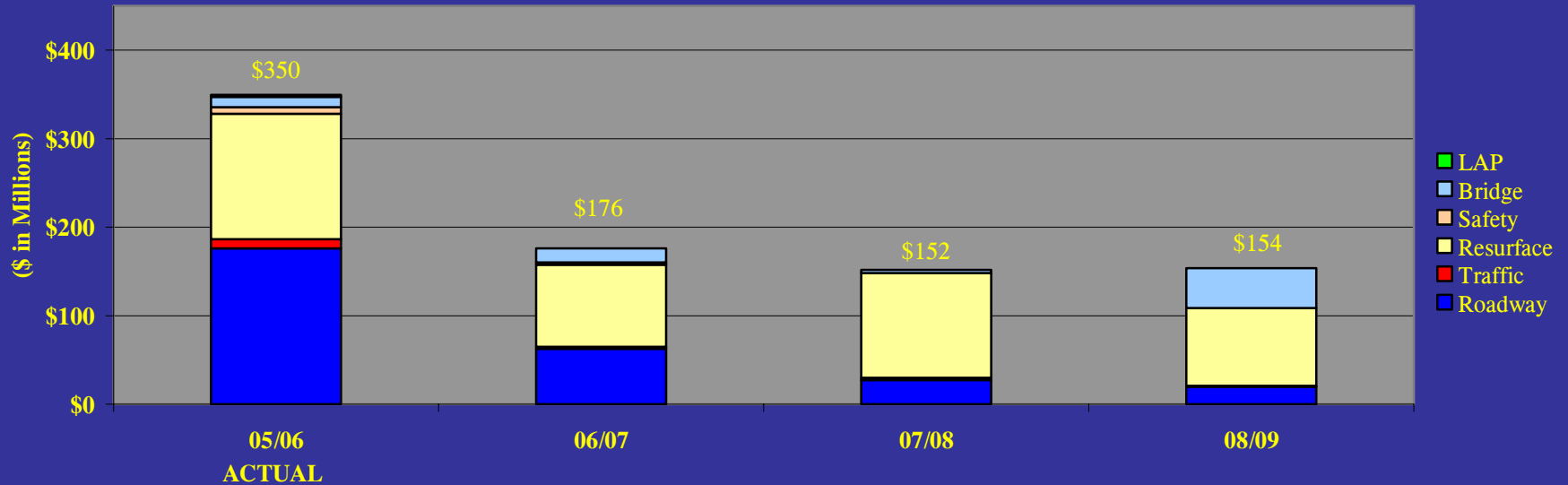
SIGNIFICANT PROJECTS FOR LETTING IN 06/07

Description		\$(M)	Letting Month
Resurface	SR 25 from Marion C/L to SR 331	12.8	March
Add Lanes	SR 15 from Creighton Road to Milwaukee Ave.	29.0	May
Add Lanes	SR 23 from 103RD St to South of I-10	38.2	September
Add Lanes	SR 202 from west of Kernan Blvd to San Pablo RD	43.0	February
Resurface	I-10 from US 441 to Baker C/L	13.6	October
Interchange	I-10 Interchange at Branan Chafee Rd	55.4	September
Interchange	I-295/I-95/SR9A North operational improvements	43.8	April

CONSTRUCTION CONTRACT LETTINGS

DISTRICT THREE

FY 05/06 - 08/09



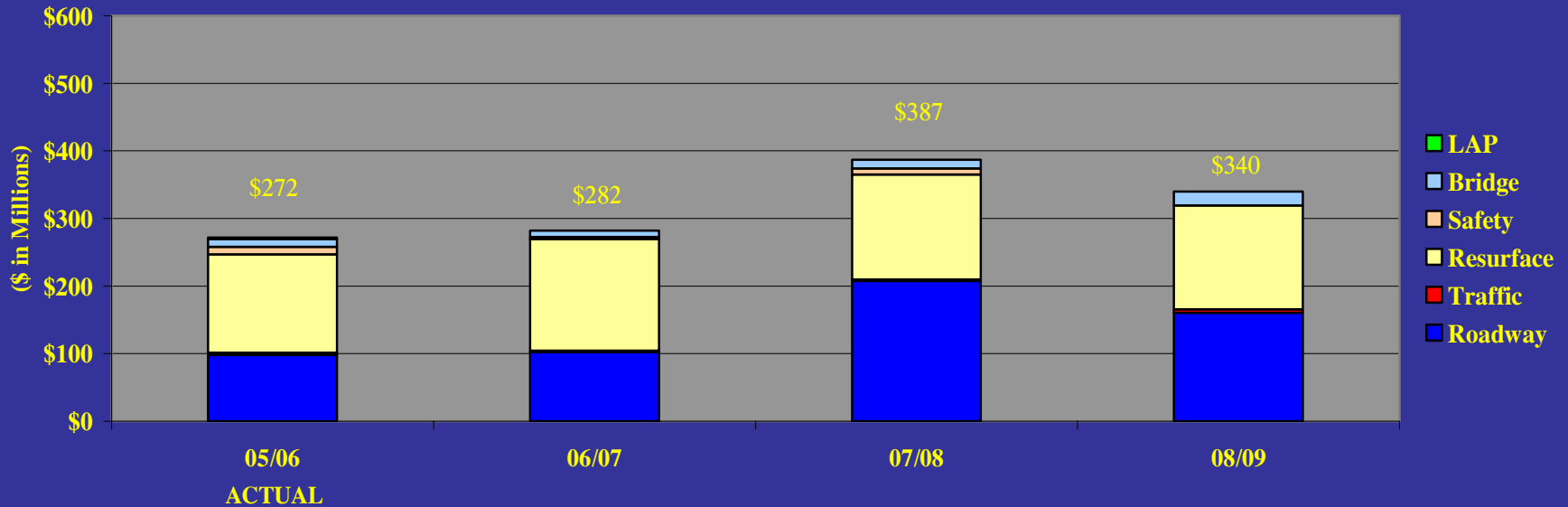
SIGNIFICANT PROJECTS FOR LETTING IN 06/07

Description		\$(M)	Letting Month
Add Lanes	SR 79 from Steel Road to Washington County line	26.6	May
Interchange	SR 8A from SR 296 Brent Lane to Airport Blvd.	31.2	September
Resurface	SR 73 from SR 71 to SR 20	15.4	August
Resurface	SR 75 from N of CR 2301 to N of Camp Flowers Rd.	6.8	July
Resurface	SR 95 from S of the R/Rxing to SR 97 Atmore HWY.	13.5	January

CONSTRUCTION CONTRACT LETTINGS

DISTRICT FOUR

FY 05/06 - 08/09



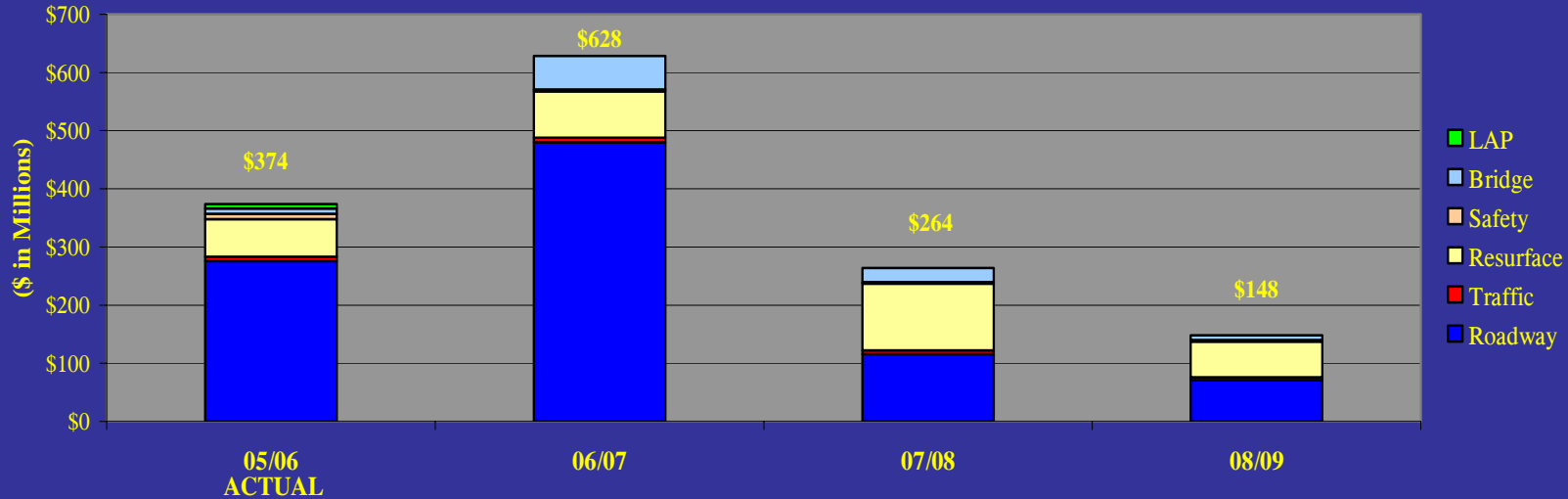
SIGNIFICANT PROJECTS FOR LETTING IN 06/07

	Description	\$(M)	Letting Month
Add Lanes	CR-818/ SR-93/I-75 W of Flamingo/124 Ave	19.7	December
Add Lanes	SR-7/US-441 from S of Dade C/L to N of Hallandale Bch	23.4	April
Add Lanes	SR-710 from Military Trail to W of Congress Ave	16.8	March
Add Lanes	SR-70 W of Header to McCarty Rd	25.5	September
Resurface	SR-A1A from Intake C1 to Ft. Pierce City Limit	16.1	July
Resurface	SR-93 from W of Miami Canal to Broward/Collier C/L	20.6	December

CONSTRUCTION CONTRACT LETTINGS

DISTRICT FIVE

FY 05/06 - 08/09



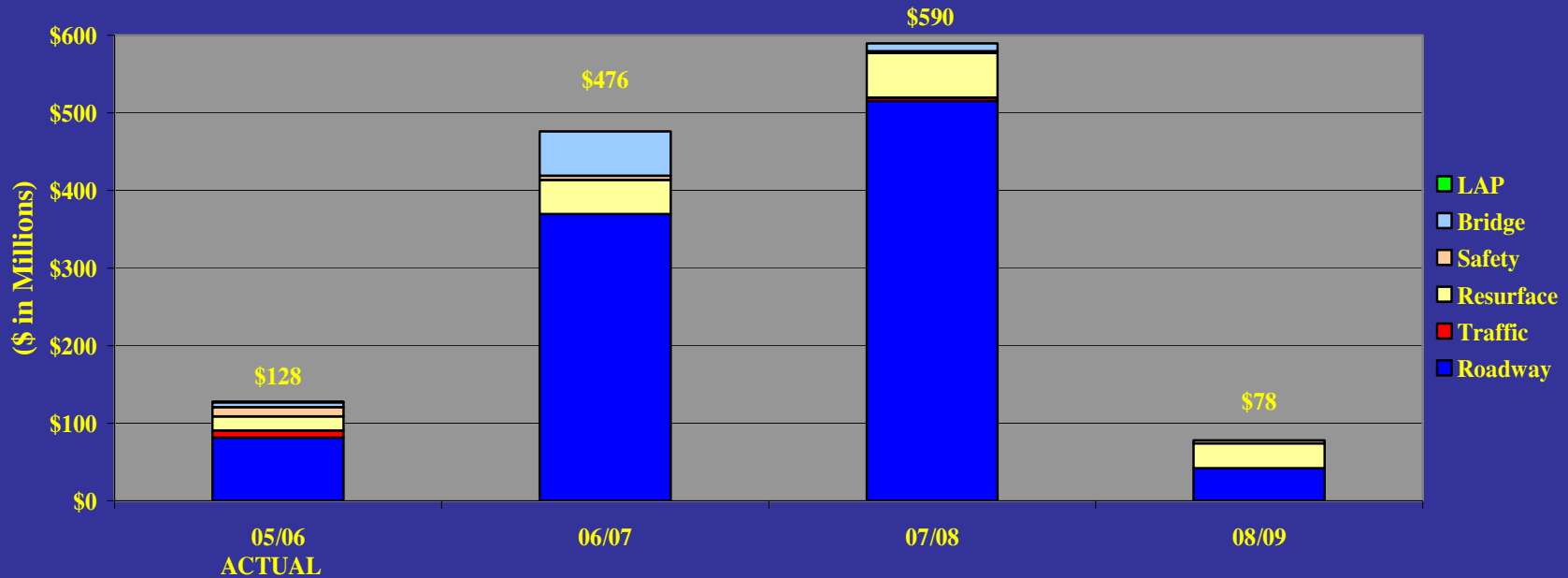
SIGNIFICANT PROJECTS FOR LETTING IN 06/07

Description	\$(M)	Letting Month
Add Lanes SR 50 from W of SR 436 to W of SR417	47.2	January
Bridge Replace SR 46 Lake Jesup Bridge E of Sanford	50.7	May
Add Lanes Palm Bay Rd from Minton Rd to Pinewood Dr	28.3	June
Add Lanes CR 484 from SE 47 Ave/SE 135 St to SR 500 (US441)	21.7	July
Add Lanes I-95 from S of SR 519 to N of SR 528	123.9	September
Add Lanes I-95 from S of SR 514 to S of SR 519 incl Pineda Interchange	165.6	January
Add Lanes I-4 East of SR 472 to East of SR 44	38.3	August
Interchange I-4 SR 44 Ultimate Interchange	20.8	August

CONSTRUCTION CONTRACT LETTINGS

DISTRICT SIX

FY 05/06 - 08/09



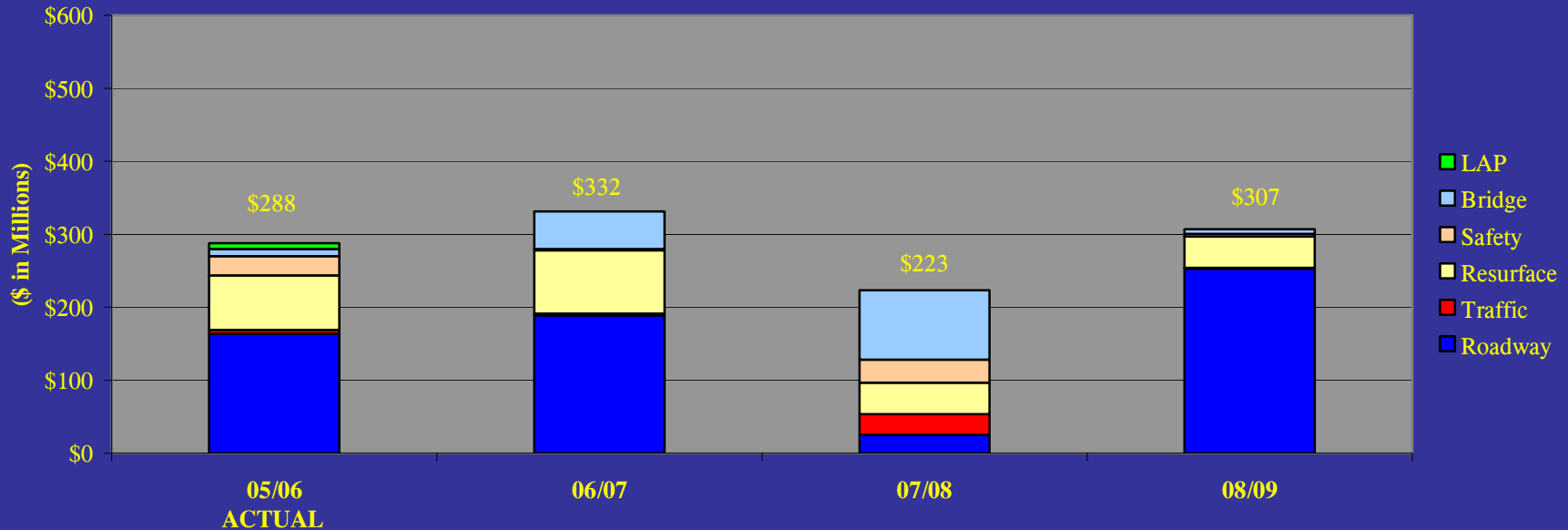
SIGNIFICANT PROJECTS FOR LETTING IN 06/07

Description		\$(M)	Letting Month
Intermodal Hub	Miami Intermodal Ctr rental car facility and exit ramp	188.5	July
New Road	Miami Intermodal Ctr terminal access roadway	14.8	July
Add Lanes	NW 25th Street from SR 826 to NW 67th Ave.	30.6	August
New Road	NW 25 Street Viaduct from SR 826 to NW 68 Ave.	84.4	August
Intermodal Hub	Miami Intermodal Ctr Station	14.4	July
Bridge Replace	SR 7/NW 5th St Bridge from NW 3rd St to NW 6th St	42.7	February

CONSTRUCTION CONTRACT LETTINGS

DISTRICT SEVEN

FY 05/06 - 08/09



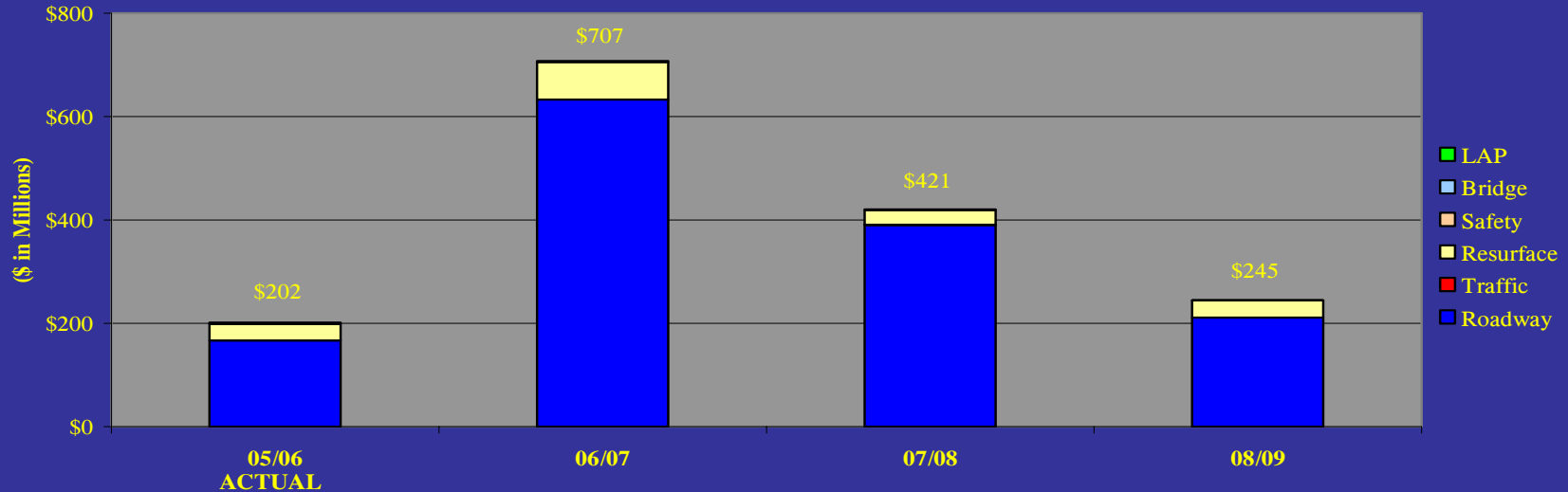
SIGNIFICANT PROJECTS FOR LETTING IN 06/07

Description	\$(M)	Letting Month
Add Lanes SR 676 from W of US 41 to E of US 301	21.8	February
Add Lanes US 19 from N of Sunset Point Rd to S of Countryside Blvd	50.4	September
Bridge Replace SR 682 from W of SR 679 to SR 699	45.6	February
Add Lanes I-275 from Himes Ave to Hillsborough River	72.5	February
Interchange I-75 at CR 581	39.5	August
Resurface US 92 from Eureka Springs Rd to SR 566	19.3	May
Add Lanes US 301 from Balm Rd to Gibsonton Dr	55.3	June

CONSTRUCTION CONTRACT LETTINGS

TURNPIKE ENTERPRISE

FY 05/06 - 08/09

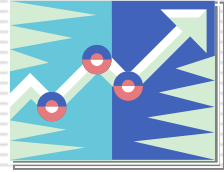


SIGNIFICANT PROJECTS FOR LETTING IN 06/07

	Description	\$(M)	Letting Month
Add Lanes	Widen SR 91 from SR 821 to N of Johnson St	39.0	May
Add Lanes	Widen SR 91 from N of Johnson St to Griffin Rd	60.1	May
Interchange	NW 74th St Interchange	23.3	July
ITS	ITS Deployment for West Florida (SR 570 & SR 589)	28.1	July
Add Lanes	Widen SR 91 from SR400 to Beulah RD	136.8	March
Add Lanes	Widen SR 91 from Atlantic Blvd to Sawgrass Xway	83.8	June
Resurfacing	Resurface SR 91 in Osceola County	28.1	October
Add Lanes	Widen Polk Parkway to I-4	42.8	April
Interchange	Pace Road / Polk Parkway Interchange	21.8	April
Resurfacing	Resurface Polk Parkway from MP0 to MP18	20.6	August
ITS	Sawgrass Expressway Open Road Tolling	22.8	August
ITS	Deerfield Mainline S/W 10th St Plaza	34.3	November

Work Program and Cost Increases

Summary – Florida DOT Statewide Weighted Average Prices



Pay Item Group	Unit	2003	2004	Change	2005	Change	2006 (Jan-June)	Change
Earthwork	CY	\$4.96	\$4.38	-11.7%	\$7.27	+66.0%	\$13.23	+82.0%
Asphalt (Tonnage Items)	TN	\$53.93	\$61.63	+14.3%	\$77.57	+25.9%	\$105.54	+36.0%
Concrete (Structural)	CY	\$549.82	\$564.12	+2.6%	\$760.89	+34.9%	\$1113.79	+46.4%
Steel (Structural)	LB	\$1.06	\$1.48	+39.6%	\$1.57	+6.1%	\$2.25	+43.3%
Steel (Reinf.)	LB	\$0.52	\$0.75	+44.2%	\$0.91	+21.3%	\$0.99	+8.8%

MONTHLY BID ANALYSIS - FOR FY 05/06

SUMMARY THROUGH JUNE LETTING

INCLUDES ALL PROJECTS LET BY THE DEPARTMENT THROUGH JUNE 2006 (With Dec, Jan, Mar, Apr, May and Jun Rejected Jobs Included)

THIS REPORT COMPARES THE "APPARENT LOW BID DOLLAR AMOUNT" TO THE "JULY ADOPTED DOLLAR AMOUNT"

	JUL	AUG	SEP	OCT	NOV	DEC	JAN	FEB	MAR	APR	MAY	JUN		Adopted	Low Bid	Over/(-)Under	% of Chg
Low Bids	365.2	175.8	188.1	95.2	57.9	391.5	137.8	116.8	167.9	288.4	508.2	564.0					
# Projects	74	61	42	34	19	61	47	47	53	66	48	70					
D1	1.4	0.5	1.6	4.2	2.4	13.2	7.2	1.7	4.2	6.0	13.9	31.2		164.5	252.0	87.5	53.2%
D2	0.1	(1.5)	(0.1)	4.5	(0.1)	(0.2)	4.0	3.4	1.1	10.4	(1.5)	1.2		242.4	263.7	21.3	8.8%
D3	11.6	3.3	3.9	2.1	(4.5)	2.6	5.5	12.7	5.3	22.7	0.3	25.4		258.9	349.8	90.9	35.1%
D4	3.4	5.0	11.2	0.4	0.0	13.0	3.8	6.2	10.5	5.3	4.6	8.7		284.3	356.4	72.1	25.4%
D5	(0.9)	0.4	5.5	1.7	0.0	0.6	1.8	1.7	2.6	(1.6)	4.3	36.4		362.5	415.0	52.5	14.5%
D6	0.2	0.0	0.1	0.0	(0.8)	98.8	2.3	(0.7)	23.5	3.8	1.6	1.1		219.5	349.4	129.9	59.2%
D7	(1.1)	2.1	4.0	9.9	0.0	17.9	0.3	4.5	1.0	8.7	192.5	63.9		474.6	778.4	303.8	64.0%
TPK	2.2	(0.9)	18.4	0.0	7.1	(0.6)	0.2	0.0	0.0	(7.4)	(8.6)	1.3		280.4	292.1	11.7	4.2%
TOTALS	16.9	8.9	44.6	22.8	4.1	145.3	25.1	29.6	48.2	47.9	207.1	169.2		\$2,287.1	\$3,056.8	\$769.7	33.7%

CONTRACT LETTINGS

(Class 1 Contracts only)

Fiscal Year	Number of Contracts	Avg Number of Bidders Per Contract	Contracts With No Bid	Contracts with One Bid	Contracts with Two Bids	Percent of Contracts w/ 0, 1 or 2 Bids
2002/2003	243	4.3	0	7	27	14.0%
2003/2004	238	3.8	0	20	43	26.5%
2004/2005	240	3.5	4	11	51	27.5%
2005/2006	299	2.9	7	32	101	46.8%

General Considerations

- Robust economy in Florida
 - Significant population growth
 - In 2004, value of construction put in place per capita in Florida was double the national average and passed California – a State twice its size.
 - 70% of construction activity has been in residential market, whereas the Highway and Bridge construction accounts for only 10% of the market.
-

General Considerations

- Residential Market appears to be cooling off, however
 - How long will it last is unclear.
 - Extent that it might benefit Transportation Industry and when we see the benefit is unclear (it could take up to an year).
-

General Considerations

- ❑ Inflationary Risks/Uncertainty in escalators
 - Recouping of prior year losses.
 - ❑ Energy Costs (mainly fuel)
 - Fuel Index only addresses consumption in producing output.
 - ❑ Labor Shortages
 - Low unemployment rate and wages.
 - Rate of growth in construction employment (7%) is double that of overall.
 - Florida was less affected by recession.
-

General Considerations

- Bid Competition
 - Consolidations.
 - “Grass is greener on the other side” scenario.
 - Hurricane rebuilding efforts in Florida and Southeast US
 - Putting strain on supply chains.
 - “Hand to Mouth” scenario.
-

Department Strategies

(Short Term)

- Deferred \$1B within various phases over the next 3 Fiscal Years
 - That only addressed last fiscal year's commitments.
 - Refine Awards Criteria
 - Department rejected 54 contracts (10%) valued at \$618 million (Bids were at \$1.04B).
 - Revisit Inflation Rates and Contingency Levels
-

Department Strategies

(Short Term)

- Refine Department's Estimating Process
 - More periodic updates and performance measures established.
 - Stay away from "Statewide Averages" but rather uses prices from similar contracts of similar durations.
-

Department Strategies

(Short Term)

- Encourage use of Bid Options and Bid Alternates
 - “Got to have” versus “Nice to have”.
 - Develop a comprehensive Price Index for Construction Contracts to manage risk
 - Considering indexing monthly payouts to PPI.
 - Optimize Night Work
 - Revisit windows of operations.
 - Contract Scope and Length
 - Bigger is not necessarily better.
-

Department Strategies

(Long Term)

- Conduct a Work Force Study
 - Unskilled workers
 - Inmate training program.
 - Address conflicts in mobility and freight
 - Statewide Freight Study to address key supply chains (emphasis on ports and rail infrastructure).
 - Make investment in rail and port capacity that give us more return on such investments.
-

Department Strategies

(Long Term)

- Better manage risk associated with material availability
 - Statewide Aggregate Resource Study.
 - Department's procurement of aggregate to build redundancy in supply.

 - Right of Way Opportunities
 - Joint Use Stormwater Ponds.
 - Securing Borrow Pits.
-

Department Strategies

(Long Term)

- Not require everything to Federal-aid Standards
 - Only 1/4th of the construction contracts have federal-aid.
 - Flexible Design and Engineering
 - We need to “Design what can be built easily” rather than “Build what can be designed easily”.
-

Department Strategies

(Long Term)

- Develop indicators to aid in establishing letting levels
 - Maintain a “moderately aggressive” base level of lettings at all time.
 - Statewide Constriction Database shows \$9.1B for Highway and Bridge Work (DOT’s share is only \$3B).
 - Get contracts “Production Ready”.
 - Revisit policy on “Production Ready” plans to brought up to current standards.
 - “Fatal Flaw” concept
-

Department Strategies

(Long Term)

□ Increase Competition

□ Even during this volatility, contracts with 3 or more bids came in closer to our Estimate.

- Waive Bonds on smaller contracts to develop next generation of Primes.
 - Simplify Contract Administration (inspection and testing) on smaller contracts.
 - “Remove restrictions that do not add Value” initiative.
 - Procure and permit sites for temporary asphalt plants for contractors to use.
-

Department Strategies

(Long Term)

- Permits for Aggregate sources and Plants (Asphalt and Concrete)
 - Participate in the dialogue.
 - Provide information so that an “informed” decision is made.
 - There is a fine line between providing information and advocating.
-

Thank You!

