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# FDOT Secretary Prasad Announces Major Transportation Plan

Florida Transportation Vision for the 21<sup>st</sup> Century advances projects and creates private sector jobs

**Marco Island** – Florida Department of Transportation Secretary Ananth Prasad today unveiled the Florida Transportation Vision for the 21<sup>st</sup> Century in Marco Island. Speaking to the Florida Transportation Builders' Association Annual Convention, Prasad outlined Governor Scott's goals to spur private sector job creation and to get our economy growing by having the best transportation and infrastructure system in the nation.

"The transportation industry will be leading the charge in making sure we have the state-of-the art infrastructure that is interconnected and efficient," said Governor Scott. "This will make Florida tough to beat for the place where we all want to live, work and play."

The Transportation Vision plan uses creative financing alternatives, offers transportation choices, places strong emphasis on port development, reduces bureaucracy and streamlines decision making, plans and develops future corridors, and provides faster project delivery to keep Florida moving and get our citizens back to work.

"The Transportation Vision plan is the state's bold, innovative roadmap for the future which will provide the most advanced and effective transportation system in the country," said Secretary Prasad. "Florida is on the cutting edge to produce more transportation projects, to provide Florida's taxpayers with a greater return on our investment, and to create the conditions for the private sector to invest, grow and provide good paying jobs."

Governor Scott has committed to making the needed investments in transportation infrastructure which is a tried and true model to create both direct and indirect private sector jobs and investment.

At a time when too many people are looking for work and input prices such as commodity costs and labor are low, we must make these investments now.

Additionally, while there is significant capacity in the private sector to deliver more while doing so at historically low prices, the Department will be using innovative financing tools to advance nearly a billion dollars of construction projects into the current fiscal year.

Projects that will be advanced include

- US 27 in Polk County
- I-75 in Lee County
- SR 9B in Duval County
- Quincy By-Pass in Gadsden County
- SR 79 Public-Private Partnership in Holmes and Washington counties
- I-95 in Indian River County
- I-95 in Brevard County
- SR 823/NW 57 Avenue in Miami-Dade County
- SR 50 in Hernando County
- Pinellas Bayway in Pinellas County
- and Veterans Expressway in Hillsborough County.

The Department will be rolling out more details about the Florida Transportation Vision for the 21<sup>st</sup> Century in the weeks and months to come.

For more information, please go to the Department's website <u>www.dot.state.fl.us</u> and Facebook and Twitter sites.

Secretary Prasad's remarks as prepared are below.

## Secretary Ananth Prasad Florida Department of Transportation Remarks on Florida Transportation Vision for the 21<sup>st</sup> Century August 5, 2011

As Prepared

# <u>Governor Scott – Florida Transportation Vision for the 21<sup>st</sup> Century</u>

In order to grow, prosper, and create the conditions for the private sector to produce better jobs, Florida must have the best transportation and infrastructure system in the nation.

The Florida Department of Transportation, under the leadership of Governor Scott and me, together with our local, state, and federal partners, has created a Florida Transportation Vision for the 21<sup>st</sup> Century.

It is imperative we take every possible step to spur job creation, and get our economy back on track.

Now more than ever, our nation needs entrepreneurs, businesses, and the private sector to have the confidence to create and start their own businesses, and grow our economy.

As you all know, transportation investment is a first step toward doing exactly that.

#### **Financing and Creative Alternatives**

Adequately funding our critical projects is vital to our success.

While FDOT's current budget is about \$7.9 billion, we must identify creative financing alternatives to get more projects through the production pipeline.

- I. <u>Gas Tax</u>. The gas tax as a funding source for transportation is not sustainable. Therefore we must diversify our sources of revenues in order to invest in the state-of-the-art infrastructure for Florida to compete nationally and globally.
- II. <u>Tolling</u>. To that end, Florida will be implementing a policy that all new capacity on interstates and expressways and widening and replacement of all major river crossings should be tolled where feasible or at the very least tolls should complement traditional funding in delivering the improvements and new capacity.

#### **Creating Choices**

With more funding, we must develop an efficient transportation system that provides choices to the user and customer.

Therefore, in order to provide a world class experience for commuters, the Department will be developing a system of managed lanes in Florida.

Building upon the success of the I-95 managed lanes in Miami-Dade County and the planned expansion into Broward County along with the on-going construction of I-595 managed lanes, the Department will be going forward with a Public Private Partnership in expanding the system along I-75 in Broward County in spring of 2012.

Other planned systems include Palmetto Expressway in Miami-Dade County.

What you'll see is a loop of managed lanes around southeast Florida to better serve our customers.

We will also be conducting an investment grade traffic and revenue study in 2012 of I-4 managed lanes. (Orlando by 2013)

We'll be holding an Industry Forum next year to talk to PPP firms about what it would take to deliver these projects.

The goal is to move people and goods more effectively and efficiently through managed lanes and other alternatives throughout the State.

#### <u>Tri-Rail</u>

Another PPP opportunity is with Tri-Rail.

Florida has historically lagged other similarly situated states when it comes to transit opportunities and alternatives.

And while Mass Transit Systems inherently have challenges, there appear to be great opportunities on the horizon.

Florida will again set the stage to provide transit choices using a Public Private Partnership.

The Department will embark on a PPP along the Tri-Rail corridor where we can expand service, lower the cost to the taxpayer, all while providing quality services to the customer.

#### Freight/Ports

As you all know, the Governor has placed special emphasis on port development to create jobs and get the economy moving.

The Panama Canal expansion provides Florida and Florida ports with a once in a lifetime opportunity to be a game changer when it comes to trade regionally, nationally, and globally.

Funding of the Port of Miami dredging is the first step in changing this dynamic and it is getting noticed.

But for the State of Florida to begin to plan strategically and become the shining example for business development and for greater efficiencies in the movement of cargo and freight to the end-user, the Department has created an Office of Freight Planning and Logistics.

This office will include the Seaports Office, the Rail Office and will also focus on cargo movement by air and truck.

The creation of this office will play a key role in advancing Governor Scott's initiatives to transform Florida's economy by becoming a global hub for trade, logistics, and export-oriented manufacturing activities.

#### **Space and Aviation**

In addition to looking out at our vast oceans for increased commerce, we must also look up.

The end of the NASA Space Shuttle program will accelerate growth in the commercial space industry.

Florida, with its strong history in the aerospace industry, a highly-trained workforce, proven infrastructure, has a unique opportunity to lay the groundwork for a thriving commercial space industry in Florida.

This year, the Department will invest over \$15 million for infrastructure improvements at Cape Canaveral and will work in partnership with Space Florida, NASA and the private sector to create jobs and strengthen Florida's position as the global leader in aerospace research, investment, exploration, and commerce.

In addition, Florida's aviation transportation system includes four large-hub commercial service airports which process 7% of the nation's cargo and 10% of the nation's passengers.

Over 50% of Florida visitors arrive via our airports and the Department will invest over \$170 million this year to support strategic investments in Florida's aviation infrastructure.

#### **Regional Governance**

As we advance more projects, we must reduce bureaucracy and streamline our decision making.

The 2060 Florida Transportation Plan (FTP) highlighted the large number of agencies with transportation responsibilities: 411 municipalities, 67 counties, 26 metropolitan planning organizations (MPOs), 28 fixed route transit systems, 11 regional planning councils, 11 transportation authorities, 7 FDOT districts, and 2 enterprises, among others.

Because of the great many political and governmental entities weighing in on transportation planning and decision-making, many of these decisions are made at the local level.

While there is great need for local input, our economy and business investments are made regionally.

Therefore, instead of just thinking locally, we must think more regionally.

We are seeking to transition Florida's planning process to focus on regional and metropolitan transportation issues.

For example, through stronger MPO partnerships or potential consolidation of MPOs within urbanized areas, we will be better able to

- promote integrated regional transit solutions, including potential consolidation of existing transit agencies or creation of regional transit agencies
- strengthen regional transportation planning and priority setting in rural areas
- strengthen regional coordination among seaports, airports, spaceports, railroads, other modal partners, as well as among operating agencies
- and, provide incentives/remove disincentives to regional planning and decision making.

#### **Future Corridors**

Now, let me spend a few minutes talking to you about Future Corridors.

In order for the state to maintain our competitive edge, we must not only maintain our existing system at the highest levels, we must also plan for a transportation system not just for the next decade but for decades to come.

This means we must plan and develop our Future Corridors.

The 2060 Florida Transportation Plan (FTP) recommends creating an integrated statewide vision to coordinate existing plans and provide a unified view of Florida's future.

One important outcome of a statewide vision would be a context for planning the future of our major transportation corridors – for example, what parts of the State do we need to better connect to support economic opportunities?

FDOT in cooperation with partners throughout the state developed the Future Corridors Action Plan in 2006, which provided the overall policy direction for a statewide network of high-speed, high-capacity corridors critical to the state's continued growth and development. The plan identified 14 initial study areas where FDOT should work with partners and stakeholders to explore potential new or transformed corridors.

Five of these corridors exist today (Interstate Highways & US 27) and would be transformed to serve new functions (e.g., tolled express lanes, truck-only lanes, or bus rapid transit systems).

The remaining corridor study areas represent regional pairs not well connected by a high-speed, high-capacity corridor today, or where existing corridors do not have the capacity to support anticipated growth in demand over the next 50 years.

Examples of study areas recommended for advancement included:

- Hillsborough County to Duval County: Interregional connectivity, congestion relief, and freight mobility
- Manatee County to St. Lucie County (East-West Heartland Parkway): Interregional connectivity, congestion/delay, and freight mobility
- Collier County to Polk County (North-South Heartland Parkway): Access to/from economically distressed or developing areas, emergency evacuation/response, and support regional vision
- Bay County to Alabama: Interstate connection, create economic opportunities in a designated Rural Area of Critical Economic Concern.

The Department, in conjunction with the Department of Economic Opportunity, the Department of Environmental Protection and the Florida Fish and Wildlife Conservation Commission, will advance the study of these corridors so that they are preserved for future growth of the state.

#### **Faster Project Delivery**

What's really important to the people in this room and the folks in your industry is to get projects done quicker.

Florida has long set the nation's standard for efficient and timely project delivery.

But we can do better.

Under Governor Scott's and my leadership, the Department will work to streamline all stages of project delivery in order to reduce the time it takes for a project to go from idea to customer ready.

This means building on Governor Scott's initiative to further reduce unnecessary bureaucratic red tape.

It means working with other local, state, and federal agencies to remove regulatory burdens that discourage a project from moving forward or scare away new private sector investment.

It means creating the conditions for more privatization of things that the private sector does better than the government.

Here's the bottom line – we will be doing even more outsourcing - if it's in the yellow pages, we shouldn't be doing it!

#### Ready to Work!

Governor Scott has pledged to work to create the economic conditions for the private sector to create 700,000 jobs in 7 years.

Governor Scott is the "transportation governor" and to that end he has committed to making the needed investments in transportation infrastructure which is a tried and true model to create both direct and indirect private sector jobs and investment.

At a time when too many people are looking for work and input prices such as commodity costs and labor are low, we must make these investments now.

Additionally, while there is significant capacity in the private sector to deliver more while doing so at historically low prices, the Department will be using innovative financing tools to advance nearly a billion dollars of construction projects into the current fiscal year.

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- and Veterans Expressway in Hillsborough County.

### 90/10 Rule – My Vision for the Agency

Turning internally now – but something that will have a major impact on our output and your industry – is my vision for the agency.

90% of what we do day-in-day out will get done regardless of the leadership.

Our revenues are going to be what they are based on fuel consumption and the FDOT machine will plan, design, build, operate and maintain without major hiccups.

I've asked the District Secretaries to focus on leading and on the 10% that will move the needle.

I want the Districts to be more alike than not alike.

I have issued a challenge to each District Secretary on advancing projects that we would otherwise dream and focus their energy and creative thinking on delivering those projects.

I believe in a decentralized agency but I want to revitalize the Department through CPR – I am a stickler for being

- Consistent
- Predictable
- Repeatable

I have no intent of recentralizing what we do but I can tell you that there's going to be great and persistent emphasis on folks in the district to be very consistent.

They will be held accountable for that.

I will discuss just about every major policy with the districts and every district leadership team will be involved in a very thoughtful and open dialogue.

But when a decision is made there's no watering down that decision – we'll expect the districts will always deliver that.

The military uses the term "centralized command and decentralized execution" – that's the model here.

I don't want to make every decision but we're going to create a framework of how decisions should be made, and districts are going to have to follow that.

FDOT is a very process driven organization.

Therefore, it is imperative that the Core Offices focus on their core functions and focus on their core competencies.

Over the next few months, we will be looking at the Engineering and Planning side of things and realign.

So here is some football jargon to sum it up!

One of my previous bosses used to tell the leadership that we have to get back to sound blocking and tackling.

I've seen some schemes of blocking and tackling at the Department that I wasn't so sure they were built for success.

So I'm going to change those schemes to make sure that we are fundamentally sound in blocking and tackling and that we minimize false starts and fumbled exchanges.

## Federal Reauthorization

Turning to Washington now, I appreciate House Committee on Transportation and Infrastructure Chairman John Mica's vision and work to reauthorize nation's surface transportation programs for the next six years.

Florida, along with 6 other states was at the table with Cong. Mica in shaping this proposed bill.

In July, Chairman Mica and members of the committee unveiled a comprehensive, multi-year transportation plan that will reform the nation's federal highway, transit, and highway safety programs:

- pro-growth
- pro-jobs transportation plan
- consolidates and reduces federal programs while retaining eligibility
- cuts red tape that needlessly increases project costs
- fiscally responsible ... live within our means.

We need a six-year bill to preserve the concept of having a highway trust fund that doesn't spend more than it takes in and is fiscally sound.

The Senate's two-year proposal is not fiscally responsible and it doesn't provide long-term certainty.

A couple of highlights of the plans that I am very excited about are:

- New capacity on interstate can be tolled.
- Environmental streamlining ...cuts time in half ...concurrent approvals ...establish project thresholds that qualify for Categorical Exclusions and established hard deadlines on resource agencies to respond.
- Establishes thresholds of federal funding to trigger environmental review under NEPA.
- Completion of environmental review within 270 days.

These proposals enable states like Florida to continue to deliver the high-quality projects we all expect and will allow the private sector to invest in our state and create jobs.

I look forward to working with Chairman Mica and the members of the Committee as they move this innovative plan through Congress.

#### Florida's Turnpike

Earlier this week, I announced Diane Gutierrez-Scaccetti as the new Executive Director of Florida's Turnpike Enterprise.

Diane, who brings more than 20 years of toll road experience to the Florida Turnpike Enterprise, previously served as Executive Director of the New Jersey Turnpike Authority.

She is a proven leader with the financial and management experience to bring bold, innovative, and new ideas to Florida's Turnpike.

The Florida Turnpike Enterprise is nationally recognized as one of the best turnpike authorities in the country.

It is one of the financially strongest systems in the country and historically has a high bond rating coupled with consistently high customer satisfaction.

As such, Florida's Turnpike Enterprise will become a catalyst for new development throughout the State.

By leveraging Florida's Turnpike System, we will be advancing major transportation improvements to set Florida apart from any other state in this country.

These transportation improvements valued at \$1.8 billion include

- sections of the Wekiva Parkway in Orange, Lake and Seminoles counties.
- the First Coast Outer Beltway in Jacksonville and Northeast Florida
- the widening of the Homestead Extension of Florida's Turnpike in Miami-Dade County
- the widening of the mainline Turnpike in Osceola and Orange counties
- and the Veterans Expressway in Hillsborough County.

Speaking of the Wekiva Parkway, I hope to be moving dirt on that project by October/November 2012.

Additionally, the Turnpike is going to aggressively pursue the conversion to All Electronic Tolling on the mainline of the Turnpike.

The adoption of this technology will save millions of dollars and will improve the commuter experience by keeping traffic constantly moving.

These are exciting times.

We will be conducting a Turnpike Industry Forum in late September/early October with a menu of things that we currently do and explore Public Private Partnership opportunities with the goal to leverage the system to generate more revenue thereby putting more work on the highways and creating jobs!

Some of the items on the menu are naming rights for the Turnpike plazas and naming rights for the Turnpike itself.

#### **Partnerships/Conclusion**

Thank you for all you do as our transportation partners.

Transportation connects not only places where we live, work, and play but also people and businesses to opportunities!

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