

2016-18 Executive Progress Report

Commonwealth of Virginia
Secretary of Transportation

Department of Transportation

At A Glance

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

Staffing 7459 Salaried Employees, 0 Contracted Employees, 7725 Authorized, and 468 Wage Employees.

Financials Budget FY 2017, \$5,780.14 million, 0.69% from the General Fund.

Trends	↑ Highway system assets continue to age	Key Perf Areas	↑ Traffic Crash Deaths
	↑ Customer base continues to grow		↑ Bridge condition
	↑ Generational impact on transportation systems	Productivity	↑ Interstate pavement condition
	↑ Advances in technology create opportunities	Legend	↑ On-time project delivery
Legend	↑ Increase, ↓ Decrease, → Steady		↑ Improving, ↓ Worsening, → Maintaining

For more information on administrative key, and productivity measures, go to www.vaperforms.virginia.gov

Background and History

Agency Background Statement

VDOT's mission is to plan, deliver, operate and maintain a transportation system that is safe, enables easy movement of people and goods, enhances the economy and improves our quality of life.

Our mission statement emphasizes four key performance areas - Plan, Deliver, Operate, and Maintain, and we have added a fifth area – Support - to cover the administrative areas that enable our staff to carry out our mission effectively. We structure our Biennial Strategic Plan based on the goals we have established for each of these performance areas.

While the methods of how we carry out our duties have evolved, these goals continue to represent the core of our business since the Department of Highways was created in the early 1900s.

Our plans continue to focus on:

- **CORE PERFORMANCE:** Meeting citizen expectations in planning for future transportation needs, delivering projects and services, operating and managing the system, maintaining our assets, maximizing the value of our investments, and being good financial stewards;
- **TRANSFORMATION:** Assessing opportunities and implementing methods to improve operations and delivery of services, while validating what services we should deliver;
- **INNOVATION:** Maintaining Virginia's commitment to be a national transportation leader by promoting smart, innovative, customer-oriented transportation solutions that have a positive impact on our citizens and customers.

The people of VDOT are the key to the successful delivery of Virginia's transportation program. In our efforts, the Governor and Secretary of Transportation have challenged us to plan for the future and to continue thinking and acting like a business.

Virginia is one of the best states in the country for citizens to live, work, operate a business, attend school, and to visit. Planning, delivery, operation and maintenance of our transportation infrastructure are essential to preserve that high living standard and enhance the Commonwealth's economic prosperity and durability.

We will “Keep Virginia Moving” through active engagement of stakeholders, citizens and employees, smart decision making, and efficient execution of our plan.

Major Products and Services

VDOT is responsible for oversight of all of the commonwealth’s approximately 21,000 bridges and structures, and directly maintains the majority of them (approximately 19,500). Major products and services can be categorized into the following focus areas:

- **Planning the transportation system:** Includes providing assistance to the Office of Intermodal Planning and Investment (OIPI); monitoring existing conditions; forecasting future growth; engaging stakeholders through Metropolitan Planning Organizations (MPO), Planning District Commissions (PDC) and local governments; identifying needs; and short and long range planning and prioritizing, programming, and funding programs.
- **Delivering the transportation system:** Includes preliminary engineering (project scoping, evaluation of environmental impacts, obtaining comments, developing plans, specifications and estimates); right-of-way acquisition; and construction project activities (mobilization, maintenance of traffic, construction and inspection).
- **Operating the transportation system:** Includes signs, signals, roadway markings, guardrails and other highway assets; integrated corridor management; integration of system performance and safety data; Intelligent Transportation Systems; Park and Ride intermodal facilities; tunnel and moveable bridges management; traveler information and support systems; and incident management.
- **Maintaining the transportation system:** Includes planning and budgeting for preventative maintenance; inspection activities; activities to improve or rehabilitate pavements and bridges; upkeep of roadside assets; roadway clearance (e.g., clearance of snow, trees, rocks, debris); and ensuring the requisite manpower, equipment and tools are readily available to execute the work.
- **Supporting the agency and the public we serve:** Includes research and innovations in the field of transportation; collaborations with and support to localities, regional transportation authorities, and other public entities; communications; customer-facing interactive information technology; and responding to citizens’ needs and inquiries, including through local offices (VDOT Residencies) and VDOT’s Customer Service Center.

Customers

Customer Summary

Weldon Cooper Center estimates Virginia’s current population as 8.4 million and forecasts Virginia’s 2020 population to be 8.7 million. This change will impact the number of licensed drivers, registered vehicles, and vehicles miles traveled which will impact the demand for our products and services.

Customer Table

Predefined Group	User Defined Group	Number Served Annually	Potential Number of Annual Customers	Projected Customer Trend
Resident	Virginia residents	8,400,000	8,700,000	Increase
Local or Regional Government Authorities	Independent cities - number being served at any point in time may vary	39	39	Stable
Local or Regional Government Authorities	Counties - number being served at any point in time may vary	95	95	Stable
Federal Agency	Federal government - number of federal agencies being interacted with at any point in time may vary	1	1	Stable

Finance and Performance Management

Finance

Financial Summary

The Virginia Department of Transportation’s funding comes from several sources of dedicated revenue. Federal revenues have been the largest single source of funding to the highway construction program for several years. The 1986 Special Session of the Virginia General Assembly created the Transportation Trust Fund (TTF). Until the TTF, there was only one fund, the Highway Maintenance and Operating Fund (HMOF), into which all transportation revenues were deposited. The TTF is distributed among the modes of transportation and within those modes according to the Code of Virginia (the modes include roads, mass transit, ports, and airports).

Funding for transportation was addressed during the 2013 General Assembly Session by House Bill (HB) 2313 (Chapter 766). The revenues generated by HB 2313 brought renewed financial investment for Virginia’s transportation program. Significant efforts are focused on pavement rehabilitation. HB 2313 also generated additional revenues in Hampton Roads and Northern Virginia to address the special transportation needs of those areas. Implementation of these new revenues has required an enhanced partnership with local governments to deliver much needed transportation projects.

HB 1887 (Chapter 684, 2015) modifies how the commonwealth distributes transportation revenue to maintain a state of good repair. The

Commonwealth Transportation Board (CTB) will prioritize funding for state of good repair work based on needs. The prioritization system, SMART SCALE, was developed for HB 2 (Chapter 726, 2014) and will prescribe the projects that will be eligible for the distribution of high priority project funding statewide and for the district grant program. Together, HB 2 and HB 1887 enhance transparency of the funding process and improve the commonwealth's ability to fund the right projects generating the greatest benefit.

This legislation replaced a 30-year-old funds distribution formula put in place by special session legislation in 1986. The new formula distributes funding as follows:

- State of Good Repair of structures and pavement – 45 percent
- High-Priority Projects Program for key statewide needs – 27.5 percent
- Highway Construction District Grant Programs – 27.5 percent

Fund Sources

Fund Code	Fund Name	FY 2017	FY 2018
01000	General Fund	\$40,000,000	\$40,000,000
0400	Commonwealth Transportation	\$212,698,578	\$0
04010	Highway Federal	\$1,154,609,225	\$1,108,978,361
04014	Federal Garvee-Prin & Int	\$15,706,446	\$110,970,860
04100	Hwy Maintenance & Operating Fd	\$2,148,194,099	\$2,141,110,061
04220	Transportatn Partnrshp Opp Fd	\$2,591,014	\$2,591,014
04310	Concession Payments Account	\$0	\$0
04360	Powwhite Parkway Extension	\$10,100,250	\$0
04362	Powwhite Revenue Fund	\$0	\$5,857,932
04363	Powwhite Maint Replacmnt Fund	\$0	\$4,292,818
04461	I-66 Itb Construction	\$42,700,000	\$10,000,000
04500	Va Trans Infrastructure Bank	\$2,736,051	\$2,736,051
04710	Transportation Trust Fund	\$864,389	\$892,886
04720	Highway Construction Fund	\$969,207,074	\$812,098,677
04730	Priority Transportation Fund	\$69,368,856	\$40,000,000
04760	Toll Facilities Revolving Fund	\$19,848,000	\$20,900,000
07191	Cap Proj Rev Bds Constn	\$0	\$101,200,000
07194	Cap Proj Rev Bnds P&I	\$301,260,316	\$184,127,633
07201	Garvee - Construction Fund	\$225,222,435	\$120,000,000
07581	Rt 58 - Construction Fund	\$7,000,000	\$7,100,000
07584	Rt 58 - Interest & Principal	\$10,092,613	\$9,294,020
07601	Nvtd - Construction Fund	\$0	\$15,000,000
07604	Nvtd - Interest & Principal	\$29,475,013	\$14,915,503
07614	Oak Grove Cnnt & Prnpl	\$1,537,732	\$1,555,804
07754	Rt 28 - Interest & Principal	\$7,215,019	\$7,212,269
07820	Coleman Bridge Fund	\$6,000,000	\$0
07822	Coleman Bridge - Revenue Fund	\$0	\$2,315,130
07823	Colemanbrdge Maint Replace Fnd	\$0	\$534,870
07824	Coleman Br - Interest & Prinpl	\$0	\$3,193,400
07944	Fran - Debt Service Fund	\$0	\$0
08070	Powwhite Parkway Extension	\$0	\$0
09800	Nvta Fund - 2013 Session	\$327,200,000	\$330,600,000
09810	Hampton Rds Fund-2013 Session	\$0	\$0
09820	Hampton Rds Fund-2014 Session	\$168,900,000	\$159,600,000
10001	Federal Trust - Transportation	\$7,617,362	\$7,385,751
1302	Build America Bonds Fund - Arra	\$0	\$0

Revenue Summary

The Commonwealth Transportation Fund receives dedicated state and federal revenues. Estimated revenue for the fund provides for allocations in the Six-Year Financial Plan adopted by the CTB. The plan provides allocations for Virginia's transportation program. The adopted budget of the CTB for the Commonwealth Transportation Fund includes the Transportation Trust Fund distribution to each of the modes: highways, transit, ports and airports.

The Motor Fuels Tax in Virginia is now a Sales Tax, collected at 5.1% on gasoline and 6% on diesel. Beginning in FY 2017, this revenue is distributed accordingly: 80% to the HMOF, 11.3% to the TTF, 3.11% to the Commonwealth Capital Fund, 0.35% to transit operations, 0.24% to

transit special programs, 4% to the Priority Transportation Fund (PTF), and 1% for the Department of Motor Vehicles for administering the collection.

Other sources of revenue were also altered by HB 2313 (Chapter 766, 2013) to provide for additional revenue, with new options to help with phasing out the reliance on fuel tax revenue over time. The Retail Sales and Use Tax was increased statewide by 0.3%, with the increase dedicated to transportation. The HMOF receives 0.175% of the 0.3% increase with the remainder provided for intercity passenger rail and mass transit. There was also an incremental sales tax commitment to transportation from the current 0.5% to 0.675% over four years. This incremental commitment was frozen at 0.1% with the increase in the Sales Tax on gasoline that occurred on January 1, 2015. These additional funds are dedicated to the HMOF. With these increases, the Retail Sales and Use Tax becomes the largest state revenue source.

The Motor Vehicle Sales and Use Tax was increased from 3.0% to 4.0% effective July 1, 2013, with additional incremental increases through FY 2017 to reach 4.15%. All of the revenue generated by this increase is dedicated to the HMOF. The Motor Vehicle License Fee (\$40.75) also has components that are deposited into the HMOF (\$26.00) and TTF (\$3.00). The TTF also receives 0.5% of the 5.3% State General Sales and Use Tax. Other state revenue sources that make up the transportation budget include: general fund appropriations for specific purposes, toll revenues from specific toll roads, local contributions for specific purposes, and bonds or debt.

By law, these resources must be used to finance the following activities (in order): debt service, support to other state agencies, highway maintenance and operations (including payments to localities), administrative and support services, planning and research, environmental monitoring and compliance, and finally, construction.

Performance

Performance Highlights

Encouraging trends continue to be seen for Virginia's highways in key areas of performance: roadway safety; pavement condition; and bridge condition.

Roadway Safety

- Traffic crash deaths decreased by almost 26% from 2007 (1,026) to 2016 (761). The number of traffic crash deaths is a function of many components, including the volume of traffic (measured by vehicle miles traveled), the number of licensed drivers, and the number of registered vehicles.
- The Virginia Department of Transportation continues to focus on funding and delivering proactive safety projects such as Highway Safety Improvement Plan (HSIP) and Strategically Targeted Affordable Roadway Solutions (STARS) program to identify and pursue needed safety improvements.
- VDOT received two 2015 National Roadway Safety Awards recognizing highway safety improvement projects from the Roadway Safety Foundation and the Federal Highway Administration.
- Safety criteria have been factored into the SMART SCALE [House Bill 2(2014)] selection process for projects within the Six-Year Improvement Program, as adopted by the Commonwealth Transportation Board on June 14, 2016.

Pavement Condition: Condition is measured using the Critical Condition Index (CCI), and CCI ratings run from "0" for very poor to "100" for excellent condition. VDOT's target for interstate highway and primary roadway pavement condition is that at least 82 percent of lane miles are rated fair or better, while eliminating road segments with a "35" CCI rating or less. As of 2016, condition targets were attained for both road systems. VDOT's target for secondary road condition is 63 percent, and pavement construction and maintenance plans are in place to work towards that target.

Bridge Condition: Condition is measured in terms of the percent of structures not rated as being structurally deficient, based on rigorous inspections. VDOT's statewide target is that at least 95.5 percent of the commonwealth's approximately 21,000 structures are not rated as being structurally deficient by the end of the current biennium.

- Bridge condition (all structures): Statewide bridge condition was 93.1% in FY2014, improved to 93.8% in FY2015, and further improved to 94.7% in FY2016

With more than 21,000 structures in the statewide inventory, a change of 1% represents a net improvement of at least 210 structures

Selected Measures

Measure ID	Measure	Alternative Name	Estimated Trend
50160404.001.001	Number of traffic crash related deaths on Virginia roadways	Traffic Crash Deaths	Improving
50160405.001.004	Percentage of statewide structures rated in good or fair condition.	Bridge condition	Improving
50160401.001.002	Percentage of interstate roadway pavement lane miles rated in fair or better condition	Interstate pavement condition	Improving
50160402.001.002	Percentage of primary roadway pavement lane miles rated in fair or better condition	Primary pavement condition	Maintaining
50160403.001.002	Percentage of secondary roadway pavement lane miles rated in fair or better condition	Secondary pavement condition	Maintaining
M501SA13005	Percentage of due projects delivered by their original specified completion date	On-time project delivery	Improving
501.0013	Institutionalize the business processes and tools supporting the development and implementation of the Six-Year Improvement Program to ensure that they comply with requirements of Section 33.2-214.1 of the Code of Virginia. • Continue public outreach • Monitor the prioritization processes as adopted by the Commonwealth Transportation Board	Project prioritization	Improving
501.0014	Continue partnerships to foster local government and citizen involvement: • The District Local Projects Advisory Group (DLPAG) will lead the implementation of strategies to improve local project delivery • Work collaboratively to support the Northern Virginia Transportation Authority (NVTA) and the Hampton Roads Transportation Accountability Commission (HRTAC) • Continue	Engagement	Improving
501.0015	Continue developing an integrated corridor management program to improve travel time that incorporates High Occupancy Vehicle (HOV) / Express Lanes, parallel arterial routes, real-time travel information and increased multi-modal options to include parking management systems at Park and Ride facilities, transit and rail through local coordination and key providers.	Integrated corridor management	Improving

Key Risk Factors

Several factors will have a significant impact on the agency over the next four years.

Customers: Weldon Cooper Center estimates Virginia's current population as 8.4 million and forecasts Virginia's 2020 population to be 8.7 million. This type of change typically impacts the number of licensed drivers, registered vehicles, and vehicles miles traveled which increases demand for our products and services. However, the future use of vehicles and consumption of gasoline, and the impact on gasoline sales based revenues, is unknown at this time based on patterns of use of different age groups.

Congestion: While the vast majority of the state roadway system remains uncongested most of the time, recurring congestion continues to be a problem in urbanized areas during peak travel periods. As economic conditions improve, roadway use and associated congestion typically increases as well.

Asset Condition: VDOT continues to maintain and improve roadway pavement and bridge condition. However, roadways and bridges continue to need regular inspection, repair and replacement, and day-to-day wear and tear will increase as the number of vehicles increase and the population grows. Funding to address the needs of special assets (tunnels, high profile bridges, etc.) as they mature, and the need of the pavement on our secondary road system, is key to preserving our highway infrastructure.

Weather-related Events: VDOT plans for a normalized level of expenditures related to snow and other weather events and also for alternate scenarios. However, significant weather events can cause unanticipated spending which negatively impacts funding available for other highway work.

Workforce: VDOT works to mitigate the potential impact of the 15.0% of the classified workforce currently eligible to retire using programs focused on core development, job skills training, and leadership skills enhancement, in conjunction with strategies to retain key talent.

Agency Statistics

Statistics Summary

The following statistics provide a comprehensive snapshot of the magnitude of VDOT operations:

Statistics Table

Description	Value
Number of VDOT construction and maintenance projects due for completion in FY2017	352
Value of VDOT construction and maintenance projects due for completion in FY2017 (\$M)	1,100
Value of engineering, construction and maintenance contracts advertised in calendar year 2016 (\$M)	2,700

Management Discussion

General Information About Ongoing Status of Agency

As we move into the next biennium, the Department will continue to emphasize our efforts to plan, deliver, operate and maintain the transportation system that is safe, enables the easy movement of people and goods, enhances the economy and improves our quality of life in Virginia.

We will be diligent in preserving the condition of our key infrastructure assets such as pavement and bridges. House Bill 1887 (2015) dedicated 45% of construction revenues to "State of Good Repair," and VDOT has made a commitment to maintain Virginia's highway assets at a specific performance level. We will develop plans for routine and capital repair and replacement of major highway assets that involve significant and higher than normal costs. In the previous biennium we focused heavily on Interstate and Primary system paving in order to reach pavement condition targets. In the current biennium, we plan to focus on secondary pavement and investment in key areas of the state, including Northern Virginia and the Richmond metropolitan area. While VDOT has historically scanned 20% of secondary roadway as a representative sample of the entire system's condition, the 2016 condition assessment included a scan of 100% of secondary roads so that we have a detailed condition report for accurate, timely prioritization of efforts.

As VDOT plans, to the extent possible, we will seek to provide a greater emphasis on the tie between land development and economic development. While collaboratively and cooperatively supporting the Northern Virginia Transportation Authority and the Hampton Roads Transportation Accountability Commission, the Department will build the right projects using the appropriate funding mechanism. Leveraging our position as a leader in utilizing technology to provide real-time information to citizens, we will further seek to integrate corridor management to better mitigate congestion, increase accessibility, clear incidents, manage severe weather events, and enhance the movement of traffic in the safest manner possible.

There has been a paradigm shift in how transportation funding decisions are made. Starting in FY2016, VDOT has utilized a process for identifying and prioritizing transportation projects as called for by Section 33.2-214.1 of the Code of Virginia -- a process that ensures that limited tax dollars are invested in the right transportation projects to meet the critical infrastructure needs of the Commonwealth. Public entities can submit candidate projects at the "SMART SCALE" website, and those candidate projects are prioritized based on the benefits they would provide. Once projects are approved by the Commonwealth Transportation Board as part of the Six-Year Improvement Program (SYIP), VDOT works diligently to ensure that the best decisions are made in regards to the procurement method for each project.

Having implemented "SMART SCALE," VDOT's next focus is to develop crisp delivery goals aimed at reducing the time it takes to progress projects from planning into construction.

Emphasized with the implementation of the new Chief of Innovation directorate, VDOT will also continue to focus on developing innovative practices to bring about advancements in the state's infrastructure system. By working together across the agency, with other agencies, and with industry leaders, VDOT will take advantage of new transportation technologies (such as connected and autonomous vehicles) to foster economic development and implement safety opportunities.

In order to be successful, we will continue to invest in our greatest resource – our people. We will continue with our workforce development programs to ensure our core business has competent talent and to develop our leaders of tomorrow. We will leverage technology and research and remain innovative. We will continuously seek to improve our processes and transform how we deliver our services and products to our customers and stakeholders.

As "We Keep Virginia Moving," the Virginia Department of Transportation will do its part to ensure Virginia remains one of the best managed and best states in which to live and do business.

Information Technology

Major IT investments underway include:

- **SMART SCALE - SMART Portal Enhancements Project** -- The purpose of this project is to enhance the existing web-based application tool that was created as part of a legislatively required project prioritization process. Enhancements to the tool will allow applications to be submitted for multiple prioritization based grant programs to include Transportation Alternatives, Revenue Sharing, Highway Safety, Bike/Ped Safety, Systemic Safety Improvements, State of Good Repair, High Priority and District grant funding programs, supporting three VDOT divisions and three agencies under the Secretary of Transportation.
- **Highway Maintenance Management System (HMMS) Project** -- VDOT Executive Management and the Steering Committee has recommended the implementation of the Highway Maintenance Management System that would accomplish the following:
 - Implement Asset/Inventory Management

- Work Order Management
- Resource Planning, Scheduling and Utilization
- Work Planning and Budgeting
- Mobile Application support
- Analysis and Reporting
- Improve integration across new and existing systems by implementing HMMS
- **Construction Documentation Management Project** -- This project is to implement a consistent way of managing construction documents, and in particular electronic documents, across all districts. This project will also automate the Advertisement and Award's process workflow and optimize its document management.

Information Technology Plans/Needs

- **Road Network System (RNS) Improvements** -- Over time the amount of information managed within the Linear Referencing System at VDOT, known as RNS, has grown while the level of investment and the current state of the solution (both business processes and technology) have become inadequate. Challenges include near constant data integrity problems, slow or no response to enhancement requests, and little or no capability to handle additional data types within the system. In order to support the continued and growing need for managing current and future roadway data, a future implementation plan for processes and technology is needed.
- **Digitize Bridge Inspection Reports** -- Fully digitize the Bridge Inspection Report process so that paper is no longer generated and stored. VDOT is required to retain and have the ability to retrieve all Bridge Inspection Reports for every structure, for the life of the structure, per the National Bridge Inspection Standard. Currently signed paper inspection reports are the official record.
- **Agency e-Authorization and Document Management Solution** -- There are needs from business units across VDOT to streamline and improve document management. For example, a holistic solution is needed to reduce paper, manual processes, and duplicate approvals associated with financial business processes. Business process re-engineering and technology are both required to meet this need. The technical solution will leverage standardized tools and platforms approved for document management at VDOT.
- **e-Invoicing** -- Project to enable electronic submission, processing, approval and document storage for invoices submitted to VDOT. Solution will leverage technology for an agency enterprise solution for e-Authorization and Document Management.
- **SharePoint 2016 Platform Upgrade** -- VDOT has a major investment in the SharePoint 2010 platform that will go out of support by 2020. VDOT needs to start work now to establish the new SharePoint 2016 platform to avoid continued new development in a soon-to-be discontinued application.
- **InsideVDOT / OutsideVDOT Re-implementation** -- The InsideVDOT / OutsideVDOT applications will need to be re-deployed with the new SharePoint 2016 upgrade. These applications provide teamsite collaboration and document management for internal and external partners.
- **Google Mapping Solution** -- Google has revolutionized the way that geospatial intelligence system data is presented. VDOT is expected to apply the Google Mapping solution to complement our existing investments in our Road Network System (RNS) to provide better mapping data to consumers.
- **AASHTOWare Project - Materials Implementation** -- The Materials Division seeks to leverage VDOT's existing enterprise license to the web-enabled version of AASHTOWare Project. AASHTOWare Project's Construction and Materials module has the capability to support Materials processes (currently performed manually) and future integration between Materials and Construction technology. The COTS product implementation will require a significant configuration effort.
- **AASHTOWare Project -Construction Implementation** -- Construction Division seeks to leverage VDOT's existing enterprise license to the web-enabled version of AASHTOWare Project. AASHTOWare Project's Construction and Materials module has the capability to support Construction processes and future integration between Materials and Construction technology. The COTs product implementation will require a significant configuration effort. This project will replace the existing Site Manager solution for Construction.
- **VDOT Dashboard Replacement** -- This is a request to develop a SmartScale-like Project Performance dashboard to replace the existing customer-facing dashboard. The Dashboard will utilize modern enterprise reporting technologies that can be configured by business on an ongoing basis.
- **CEDAR Enhancements** -- In response to EPA audit findings and needed application improvements, provide major enhancements to the Comprehensive Environmental Data and Reporting System (CEDAR); the flagship application used by VDOT to manage Environmental projects and regulatory compliance. Project includes major enhancements for Fish, Plant and Wildlife Resources, GIS, mobile capabilities, Facilities Compliance and M4 TMDL (Total Maximum Daily Load).
- **MS4 Management Solution** -- Create a system of record for Municipal Separate Storm Sewer Systems reporting requirements. This project consolidates data sources, and eliminates standalone, and manual (paper) records for meeting EPA reporting requirements. The project supports VDOT Business Plan Objective 2.2.2 - Monitor compliance of VDOT's storm water management compliance and monitoring program:
 - Providing Annual MS4 report to VDEQ under our general permit
 - Submitting quarterly reports to EPA describing VDOT's oversight of its statewide MS4 program compliance.
- **Snow Operations Technology Consolidation** -- VDOT Snow Operations includes maintenance, operations, public affairs and call center functions. This project seeks to enable more efficient functions through process improvements and consolidated technology for statewide use.
- **PPM@ VDOT** -- Project Portfolio Management (PPM) is the management of processes, methods, and technologies used by project managers and program managers to analyze and collectively manage current of proposed projects/programs based on numerous key characteristics. VDOT is managing an increasingly complex portfolio of projects, set of funding sources, data requirements, business rules, and integrations in connection with its Six-Year Improvement Program. The current iSYP technologies no longer adequately address the complexity of the process. To replace the technologies with a positive benefit to the organization, VDOT must determine the system requirements and identify opportunities to improve the process.

Workforce Development

The department is authorized a maximum employment level of 7,725 and, as of March 1, 2017, employed 7,459 classified staff for a calculated vacancy rate of 3.4%.

With the dynamic nature of VDOT's workforce, the areas of recruitment, development and retention are of paramount importance to the agency. VDOT remains concerned about the number of employees who are currently eligible to retire representing 1,119 employees or 15% of the current workforce, as well as, the shrinking pool of people interested in the transportation industry. VDOT continues to implement strategies to meet upcoming employment demands that will help create a diverse, skilled workforce for the transportation industry. Workforce development embraces a holistic approach geared towards increasing an interest in transportation, in partnership with technical schools, community colleges and institutions of higher learning, along with initiatives focused on the development and retooling of existing employees in both technical and leadership skills. Workforce development is about the balance of education, learning and on-the job experiences that lead to business success and overall economic growth.

Technical skills are being developed through a variety of approaches that include classroom instruction, use of online resources and real job experiences. Technical training is being provided in many areas such as project management, environmental compliance, safety, procurement, technology and numerous other technical areas. The development of leadership skills is being accomplished through multiple programs as such the Leadership Development Program for Teammates, Supervisor, Managers and the Leadership Enhancement and Development Program. VDOT also continues to participate in state and national leadership programs focused on building our future leaders.

Physical Plant

In addition to the capital investments that the department manages for the highway network, the agency must ensure that its 2,700 facilities in over 350 statewide work locations, of which more than 20% are more than 50 years old, are safe and adequate for VDOT employee and contractor use. As part of its business planning, the department is only pursuing new capital outlay and maintenance reserve projects that have already been planned through the Capital Outlay Six Year Planning process.

For the current biennium, \$39.9 million was made available for FY 2017 and \$30.6 million will be available for FY 2018. Thirty-four projects are currently under construction, 13 more projects are scheduled to begin construction this FY and eight projects are scheduled to begin in FY 2018. Over 100 new capital projects have been identified through the Department's last six year planning process.

The need for preventative maintenance and replacement of facilities will continue as buildings exceed their useful life and/or problems arise. New facilities and/or renovations of existing facilities are needed to ensure efficiency and effectiveness of program operations. Planned future allocations are for new facilities (capital outlay) and repair and replacement of major systems and structural components in existing facilities (maintenance reserve).
