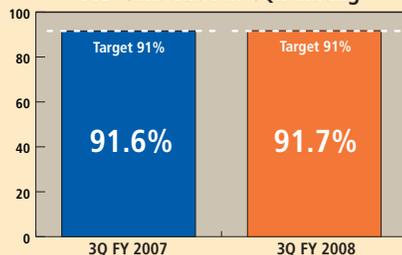




In February, VDOT launched Dashboard version 3.0, which features a management scorecard for major divisions and geographic regions; performance metrics to help gauge success on congestion and incident response; pavement condition reporting to help address maintenance needs; and results of a semi-annual citizen survey to measure satisfaction.

Statewide Construction Quality Compliance

YTD Construction CQIP Rating



Construction quality, as evaluated by VDOT's Construction Quality Improvement Program (CQIP), measures project compliance with contract quality requirements. The evaluation is made through a critical assessment, guided by a checklist of more than 1,100 construction quality checkpoints. The results show VDOT's commitment to building quality roads and bridges while seeking opportunity for continuous improvement. The FY07 year-to-date third-quarter compliance result of 91.6 percent and the FY08 third-quarter result of 91.7 percent surpassed the 91 percent target for both years.

OVERVIEW

An ice storm shut down Northern Virginia's new Springfield Interchange on February 12, keeping thousands of motorists from reaching their destinations for many hours. This incident clearly demonstrated that we need to focus VDOT's mission as an emergency response agency.

Like fire and police departments, VDOT provides critical emergency services during all unforeseen emergency events. We must put the safety of Virginia's travelers first – no matter where, no matter when.

After a thorough review of the Springfield events within VDOT and with many of our partners, we drafted a 13-point action plan to improve our emergency response system for all areas of the state.

In a public meeting held April 22, we listened to elected officials and the public, who offered their insights on VDOT's response to the ice storm and on this after-action report.

Building on this snow-and-ice plan, VDOT is developing a comprehensive, agency-wide commitment to refocus on emergency response. This final plan will be issued in May.

Carrying out the final plan, we will:

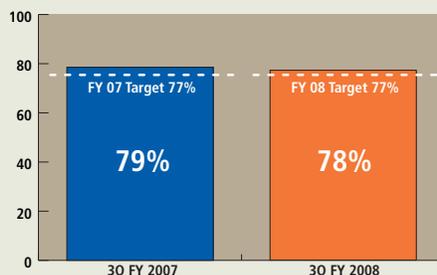
- Improve communications with the public
- Implement National Incident Management System (NIMS) practices
- Enhance staff training on emergency response
- Improve coordination with local, state and federal agencies involved in incident response

We demonstrated our commitment to safety in a different way in early April. VDOT employees observed National Work Zone Awareness Week with events around the state. The centerpiece event was a ceremony at the VDOT Workers' Memorial on Afton Mountain, where 11 traffic cones signed by VDOT workers and transportation contractors paid a silent tribute to the 11 people who lost their lives in work zones on Virginia highways in 2007.

Our efforts to focus on emergency response will pay off by improving the safety of every person traveling Virginia's highways.

David S. Ekern, P.E.
Commissioner

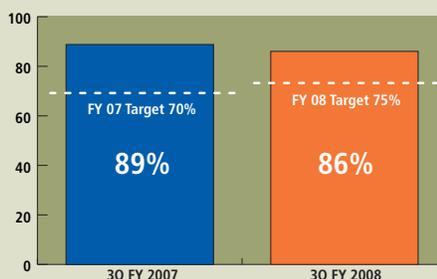
ALL CONTRACTS COMPLETED BOTH ON TIME AND WITHIN BUDGET



196 construction and maintenance contracts were due for completion by the end of the quarter. Of those 196 contracts, 153 (78%) were completed both as scheduled and within 110% of the original contract award amount.

SCHEDULED CONTRACTS COMPLETED ON TIME

CONSTRUCTION ON-TIME PERFORMANCE



98 construction contracts were due for completion by the end of the quarter. Of those 98 contracts, 84 (86%) were completed as scheduled.

MAINTENANCE ON-TIME PERFORMANCE



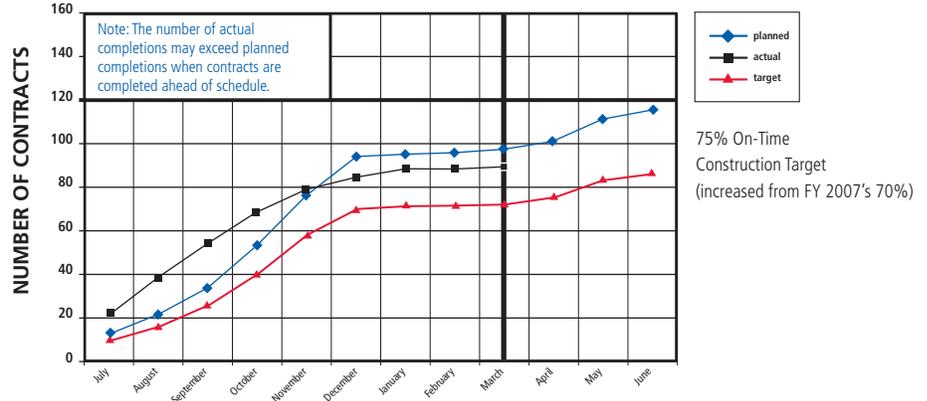
98 maintenance contracts were due for completion by the end of the quarter. Of those 98 contracts, 78 (80%) were completed as scheduled.

QUARTERLY NOTES

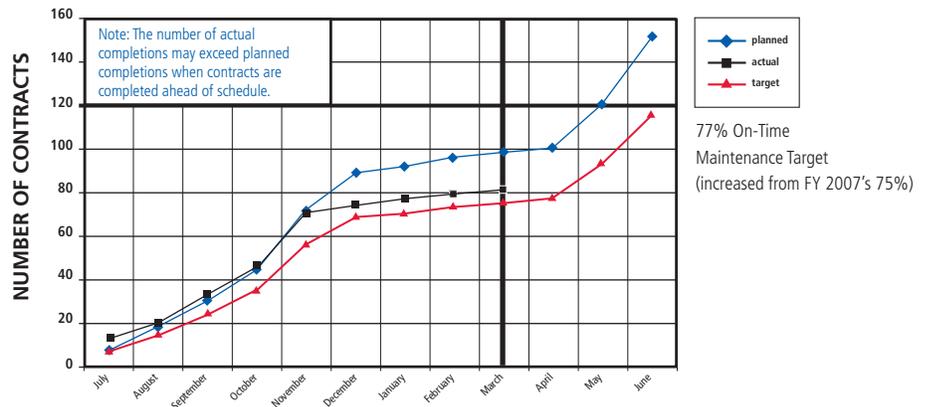
- VDOT's Staunton District hosted a tree planting event March 26 at the Interstate 81 northbound rest area in Rockingham County near the Shenandoah County line. Students from Turner Ashby Future Farmers of America, members of Scenic Virginia and the Virginia Department of Forestry assisted in a ceremonial tree planting event, emphasizing VDOT's commitment to safety, its environmental stewardship and its regard for the agricultural heritage of the region.
- In January, VDOT selected ATCS, PLC of Dulles to manage construction of several Northern Virginia mega projects and to coordinate a regional traffic management program during construction of the projects. ATCS, PLC is in a joint venture with CH2M HILL, a Denver-based international engineering firm. ATCS is the managing partner of the joint venture. "VDOT is preparing to embark on several billion dollars in significant transportation improvements in Northern Virginia," said VDOT Commissioner David S. Ekern. "We have developed this innovative approach to coordinate all of these efforts and to ensure motorists' needs are met while not growing the size of government. We must also have a transportation management plan in place that keeps the region moving during construction. I am confident that the ATCS/CH2MHILL team will make that happen under this first-of-its-kind effort in Virginia."
- The Lynchburg District is taking the Highway Safety Challenge message on the road. Recently, Lynchburg employees, including Joe Barkley, administrator for the Halifax Residency, joined Virginia State Police and Department of Motor Vehicle representatives to present the safety campaign to area boards of supervisors and local community leaders. "Our greatest single tool to cutting deaths by 100 by 2010 is to change behavior," said Barkley said in a February presentation. "There is no more effective tool to changing driving behavior than reminding everyone in Virginia they are responsible." The local presentations are creating a buzz, too. Barkley's presentation to the Charlotte County Board of Supervisors received media coverage, including a story in The Brookneal Union Star newspaper. Connie Sorrell, chief of systems operations, commended the group, saying "This is simply an outstanding safety leadership initiative. It will take all of us working together to make a difference in the loss of lives on our highways." For more information on the Highway Safety Challenge, visit <http://www.safevahighways.org/>.

THIRD QUARTER FISCAL YEAR 2008 PERFORMANCE

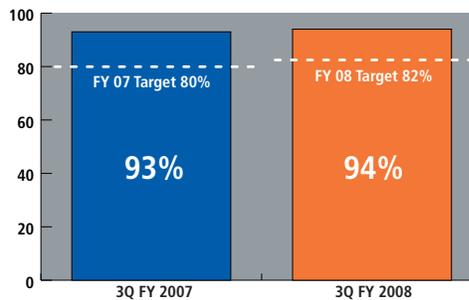
FY 2008 CONSTRUCTION CONTRACTS COMPLETED ON TIME



FY 2008 MAINTENANCE CONTRACTS COMPLETED ON TIME

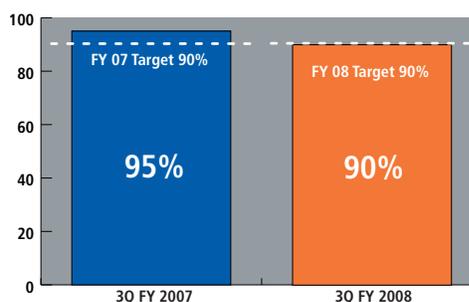


CONSTRUCTION CONTRACTS COMPLETED WITHIN BUDGET



100 construction contracts were actually completed by the end of the quarter. Of those 100 contracts, 94 (94%) were completed within 110% of the original contract award amount.

MAINTENANCE CONTRACTS COMPLETED WITHIN BUDGET



96 maintenance contracts were actually completed by the end of the quarter. Of those 96 contracts, 86 (90%) were completed within 110% of the original contract award amount.