

REPORT CARD

Third Quarter FY05

April 20, 2005



OVERVIEW

Coming into the winter months, the third quarter was fairly quiet. Of the two construction projects scheduled to be completed in the 3rd quarter, we completed one of those on time. That brings our on-time performance to 74% through the first three quarters of this fiscal year, a significant improvement compared to 27% this time one year ago.

source that is necessary to keep the transportation program whole.

Through formal resolutions adopted in March, the Commonwealth Transportation Board (CTB) sent a signal that transparency is a key element of a public agency's responsibility. Also, the CTB passed a resolution endorsing our self-developed Project Cost Estimating System for all VDOT projects. In the coming months, the CTB will consider additional resolutions focused on making some of our more important process improvements permanent. These improvements play a critical role in our sustainability, and by formally recognizing them, the CTB sends a signal that these processes are important not just for VDOT, but for Virginia.

Philip Shucet

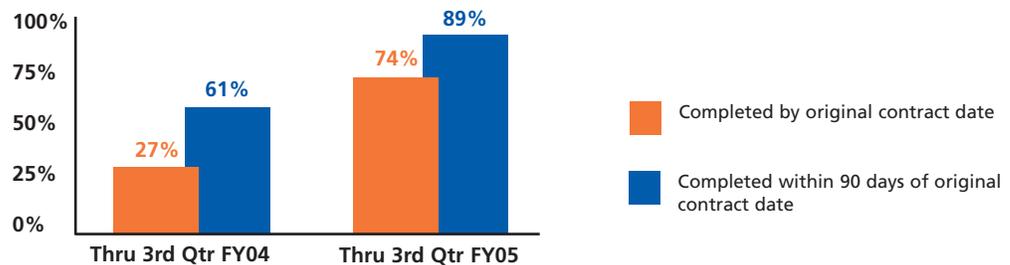
Cash Infusion for Transportation

The upcoming budget includes an \$848 million increase: \$347 million from general funds and \$501 million from federal and state transportation funds. Those dollars will:

- Pay off all completed project deficits – **\$256 million.**
- Boost the Mass Transit Capital Fund – **\$75 million.**
- Deposit funding for FRAN debt service payments – **\$108 million.**
- Increase maintenance funding by **\$97 million.**
- Distribute additional funding to aviation, ports, public transportation, and highway construction – **\$141 million.**
- Supplement local partnerships and expanded revenue sharing – **\$75 million.**
- Establish a Rail Fund – **\$23 million.**
- Encourage public-private partnerships – **\$70 million.**

The General Assembly passed an \$848 million transportation program very closely aligned with the bill the Governor introduced. A key highlight is paying off \$256 million in deficits on completed projects. This will free up federal and some state funding for additional project phases and new projects. The General Assembly made an important step toward addressing Virginia's growing transportation needs. The next critical step is finding an additional long-term funding

MEETING CONSTRUCTION CONTRACT DEADLINES



TIME AND BUDGET PERFORMANCE: FY04 vs. FY05

	Q3 FY04	Q3 FY05	YTD FY04	YTD FY05
Construction contracts on-time vs. scheduled	29% (4 of 14)	50% (1 of 2)	27% (44 of 165)	74% (98 of 133)
Construction contracts within budget vs. total completed	74% (51 of 69)	82% (67 of 82)	72% (122 of 169)	81% (144 of 177)
Maintenance contracts on-time vs. scheduled	67% (2 of 3)	75% (6 of 8)	44% (30 of 68)	77% (52 of 68)
Maintenance contracts within budget vs. total completed	82% (31 of 38)	84% (16 of 19)	76% (81 of 107)	83% (66 of 80)

How VDOT is Measuring Up

Third Quarter Notes

Two additional Highway Safety Corridors were launched on I-95 this past quarter, one in Prince William County near Occoquan and the other through Richmond. Recent evaluation of the first corridor on I-81 near Roanoke shows a positive impact. A survey of I-81 drivers indicates that a significant percentage are aware of the safety corridor and change their driving behavior accordingly. In addition, the number of crashes has leveled off since the stretch was designated a Highway Safety Corridor in early 2004.

In February, the 511 traffic and travel information service expanded to cover all Virginia interstates. By dialing 511 travelers in Virginia and 22 other states can access traffic, weather, construction and travel information important to their drive. Work is underway to include most of the primary routes in time for the summer travel season.

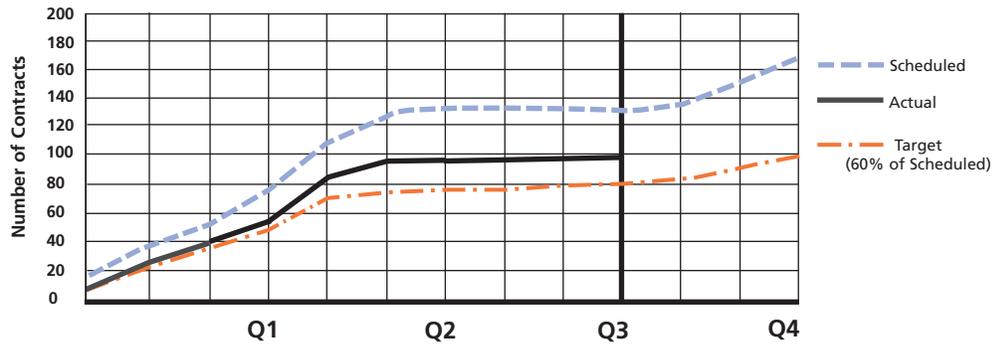
The "First Cities" initiative, which gives localities authority and resources for overseeing their entire construction program, is expanding to include Charlottesville (agreement is scheduled to go to its council on May 2) and Bridgewater (intends to begin July 2006).

The Route 58 Danville Bypass project received the 2005 Engineering Excellence Awards Grand Award in the Transportation Category by the American Council of Engineering Companies of Virginia.

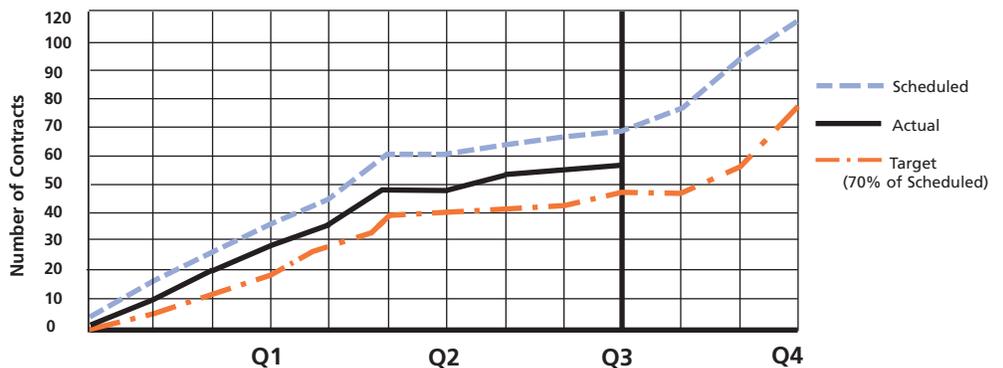
Virginia received \$30 million in emergency relief funds from the U.S. DOT for road damages caused by Hurricane Isabel, which caused more than \$70 million in damage to the state's road infrastructure in Sept. 2003.

The CTB advanced PPTA proposals to build the I-95 high occupancy toll lanes in Northern Virginia and the Third Crossing in Hampton Roads to the next stage of review. The Board also approved the 12-lane alternative for the Capital Beltway as part of the environmental study process.

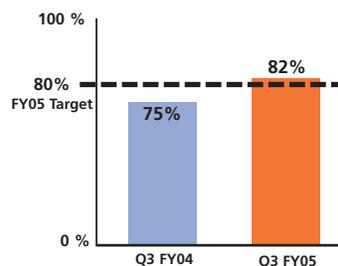
CONSTRUCTION CONTRACTS COMPLETED ON TIME - FY05



MAINTENANCE CONTRACTS COMPLETED ON TIME - FY05

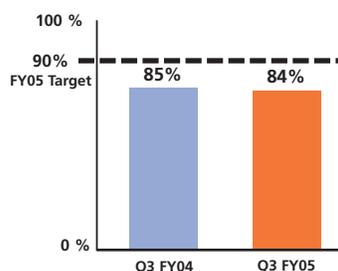


CONSTRUCTION CONTRACTS COMPLETED WITHIN BUDGET



In the third quarter of FY05, final vouchers were paid on 82 construction contracts. Of those, 67 (82%) were within 110% of contract award amount.

MAINTENANCE CONTRACTS COMPLETED WITHIN BUDGET



In the third quarter of FY05, final vouchers were paid on 19 maintenance contracts. Of those, 16 (84%) were within 110% of contract award amount.