



Blueprint Update: Final Quarterly Report

Appropriation Act Item 462.05 (2009)

**Report to the Governor, Chairmen of the House Appropriations, House Transportation,
Senate Transportation, and Senate Finance Committees, and the CTB.**

Virginia Department of Transportation
1401 East Broad Street
Richmond, Virginia 23219

July 2010



COMMONWEALTH of VIRGINIA

DEPARTMENT OF TRANSPORTATION
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RICHMOND, VIRGINIA 23219 2000

Gregory A. Whirley
Acting Commissioner

July 1, 2010

The Honorable Robert F. McDonnell
Governor of Virginia
Office of the Governor
Patrick Henry Building, 3rd Floor
1111 East Broad Street
Richmond, Virginia 23219

The Honorable Yvonne B. Miller
Chair, Senate Transportation Committee
General Assembly Building, Room 315
Capitol Square
Richmond, Virginia 23219

The Honorable Joe T. May
Chair, House Transportation Committee
General Assembly Building
P.O. Box 406
Richmond, Virginia 23218

The Honorable Charles Colgan
Chair, Senate Finance Committee
General Assembly Building, Room 626
Capitol Square
Richmond, Virginia 23219

The Honorable Lacey E. Putney
Chair, House Appropriations Committee
The General Assembly Building
P.O. Box 406
Richmond, Virginia 23218

Through:

The Honorable Sean T. Connaughton
Secretary of Transportation
1111 East Broad Street – 3rd Floor
Richmond, VA 23219

Item 462.05 of Chapter 781 of the 2009 Acts of the Assembly requests the Commissioner of the Virginia Department of Transportation (VDOT) to submit quarterly reports to address appropriation reductions resulting from the economic crisis facing transportation in the Commonwealth. This fourth quarter report for the period ending June 30, 2010 highlights the accomplishments as it relates to recommendations contained in the Blueprint. The Blueprint represented a plan to address the requirements of the Appropriations Act.

The Department has been able to meet the requirements of the Appropriations Act as demonstrated by the following accomplishments:

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- Reduced the FY10 budget by \$327,590,097 compared to the FY09 budget. The FY11 budget adopted by the Commonwealth Transportation Board (CTB) totals \$3.32 billion which represents a 1.6% reduction from the revised FY10 budget;
- Met the Appropriations Act requirement that the Department's full-time filled positions do not exceed 7,500 by July 1, 2010 by eliminating classified positions and restructuring operations. The final stage of reducing classified positions was completed on April 25, 2010.
- Established a statewide customer call center to ensure responses and services are provided to customers. This call center provides one phone number for customers to contact VDOT. The Call center approach maximizes the use of technology while substantially reducing the number of administrative positions needed in the Area Headquarters. The statewide call center will be housed in two locations, Salem and Northern Virginia, and will operate as one virtual call center. The two locations will ensure VDOT has at least a backup in case of system failure at one of the locations;
- Outsourced 74% of VDOT expenditures with private sector vendors and payments to localities (based on the Department's most recent Outsourcing Report submitted to the General Assembly on November 30, 2009). This level of outsourcing exceeds the 70% target required by the appropriations act. Preliminary and unaudited data suggest that the FY10 expenditures with the private sector vendors and payments to localities will exceed the 70% target;
- Implemented an organizational structure that maintains no more than five supervisory levels between the lowest line staff to the Commissioner or Deputy Commissioner, for a significant majority of the Department;
- Reduced the number of equipment repair facilities from 73 to 37. Consolidated maintenance area functions located in the residency offices from 44 to 29;
- Maintained 181 area headquarter locations and 5 operations centers among 9 districts;

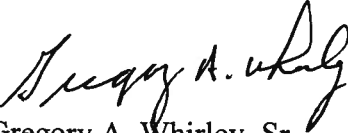
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- Established a Planning and Investments Management function in each of the districts to continue building partnerships with local governments for local planning, land use activities, and construction project development and delivery.

The implementation phase of the Blueprint officially concludes on July 1, 2010. As the agency transitions from implementing the Blueprint to operating under the new design, the agency's focus will shift to assessing the new operation and implement plans for continuous improvement. A key to the continuous improvements will be implementing recommendations from the operational / performance audits and other audits initiated by the Governor. The Department will emerge from this period of economic crisis facing transportation as a smaller but more focused organization committed to providing a quality service.

If you have questions or need additional information, please let me know.

Sincerely,



Gregory A. Whirley, Sr.
Acting Commissioner