

Building a Stronger Transportation Future in Florida



An Interview with FDOT Secretary Ananth Prasad

By Thornton J. Williams and Stacey M. McMillian, Williams McMillian P.A.

On April 18, 2011, Ananth Prasad was named the 37th Secretary of the Florida Department of Transportation (FDOT) by Governor Rick Scott. Secretary Prasad is responsible for managing the \$7.9-billion dollar agency which oversees infrastructure projects, including port dredging, highway expansion, bridge repair and maintenance projects.

Prior to his appointment as Secretary of FDOT, Secretary Prasad served as the Assistant Secretary for Engineering and Operations for the agency. With over 20 years of experience in the transportation industry, including 18 years with FDOT, the new Secretary has been making great strides in rebuilding and revitalizing Florida's transportation infrastructure.

Secretary Prasad, stating that now is the time for our state to spur job creation and get our economy back on track, has laid out an aggressive plan for a major upgrade of the state's highway infrastructure advancing approximately \$1 billion dollars worth of projects. Secretary Prasad has also noted that the state would be open to using toll revenues to pay for new highway infrastructure in lieu of raising gas taxes to pay for new construction.

In addition, a planned 21.2-mile expansion of Interstate 4 from southwest Orlando to Seminole County is in the works with preliminary designs and FDOT's purchasing of right-of-way near completion. The project, which

has been estimated to create 58,800 temporary construction jobs, is being designed specifically to ease congestion and provide citizens with a faster work commute.

Likewise, by expanding Florida's seaport infrastructure which represents an important component of the state's economic infrastructure, FDOT hopes to create capacity expansion that will help Florida compete more effectively in the global marketplace, accelerate economic growth, and create additional jobs for the citizens of Florida.

SunRail, the long-anticipated \$1.3 billion commuter-rail project, will become a major transportation

initiative under his watch. The first 31-mile segment of the 61-mile system is scheduled for completion in 2014. With it come the potential economic opportunities and large-scale development, as well as thousands of needed jobs for Florida as new businesses open to serve commuters' needs and other businesses relocate to be more accessible to the transit stations. FDOT estimates another 150,000 jobs will be created as a result of business and economic development around the line.

Undoubtedly, with Secretary Prasad at the helm at FDOT, Florida's transportation future is looking bright.

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On August 5, 2011, Secretary Prasad unveiled the Florida Transportation Vision for the 21st Century. Secretary Prasad outlined the Governor’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 Vision plan creates financing alternatives, provides greater transportation choices to the user and customer, places strong emphasis on port and freight development, includes investment in space and aviation, 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.

Projects that will be advanced include:

- US 27 in Polk County
- I-75 in Lee County
- SR 9B in Duval County – I-10 Marietta Interchange 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
- I-275 and Veterans Expressway in Hillsborough County

Additionally, Secretary Prasad has advanced his own personal vision for the FDOT aptly entitled his “90/10 Rule”.

We recently had an opportunity to interview Secretary Prasad to discuss his vision for FDOT and his perspective of the future of transportation in the state of Florida

Hopefully you will enjoy learning about the future and direction of transportation and FDOT in the coming years.

What are the top three goals or initiatives that you hope to accomplish during your tenure as FDOT Secretary?

Secretary Prasad: From an agency standpoint, I want accountability and to drill down the concept of a centralized command and a decentralized execution in the districts. As an analogy, I want the players on this team to match their skill sets to the job and execute a seamless offense.

Secondly, two big priorities for the Department are to get the Wekiva Parkway Project and I-4 Project under construction.

Thirdly, we want to be very innovative in our transportation financing while being fiscally prudent. Thus, we must find innovative ways to generate more revenue to make the state infrastructure the best in the country.

“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.”

Where would you like to see the state of Florida’s transportation infrastructure system in the next five years?

Secretary Prasad: The key to what our infrastructure system will look like over time is a need to diversify the way we define transportation in that we become less reliant on the gas tax and more reliant on usage; so obviously, tolls will play a major part in this shift.

We also want to provide more choices to the consumer, whether it is bus rapid transit, express lanes or managed lanes. We want people to have choices depending on what their needs are. Transit would play a major part but we must recognize that there should be a dedicated and predictable funding source in place before we launch any project. We cannot launch a project for which we do not have an end game.

You have mentioned a 90/10 Rule in some of your presentations. What is the concept behind the 90/10 Rule and how are you implementing it at FDOT?

Secretary Prasad: The 90/10 Rule is something that will have a major impact on our output and industry – it is my vision for the agency.

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

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

You have mentioned that you want to obtain consistency in the districts. As you know, that is one of the biggest challenges in a decentralized agency. Would you outline how you plan on providing the platform for standardization of district operations?

Secretary Prasad: I believe in a decentralized agency but I want to revitalize the Department through Consistent, Predictable, and Repeatable (CPR) results. 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 policy in a consistent manner.

It is important to note that 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 framework.

Let’s face it, people who do business with the Department expect the Department to be consistent, predictable and repeatable in their decisions. If you

tell citizens what the rules are, they will follow them; however, I preface by saying the rules have to be reasonable.

Undoubtedly, it will be a big task to get all the different transportation agencies and districts involved to understand the concept, but we want to create a framework where people ask questions and collaborate on the answers before we make a decision so the decision can be consistent, predictable, and repeatable.

Secretary, there has been considerable discussion over the last few years concerning funding sources for the State Transportation Trust Fund, or the lack of funding and the need for additional revenue sources because of the reduction in the gas tax. What are your thoughts on the various options of funding sources that will increase the construction of transportation projects in the state of Florida?

Secretary Prasad: The Department will look to advance policy and ask the Legislature to put into law the concept that any new capacity on interstate and major bridge crossings should be explored by the use of tolls. This does not necessarily mean that you have to toll the total construction cost, but that we should consider some amount of tolling that the public would support to allow the facility or infrastructure to get built sooner.

For example, utilizing the gas tax revenue, if the project costs \$100 Million, we would have to collect that money until we get to point where we can let the contract. However, if you have a project and we can pull say 50 cents from tolling, that toll could hypothetically generate a quarter of the project cost and then we could hypothetically get that project done much sooner.

Right now we are in a price friendly economy, but that will change when the economy turns. The pressure then becomes two-fold:

- 1) The revenue is not going to be there as the gas tax as a funding source is not sustainable
- 2) Costs are going to spiral.

So the cost will spiral as the gas tax continues to erode.

Some funding streams discussed include the Vehicle Miles Traveled (VMT) tax model. Basically you pay for the amount of miles you drive. I see this as one

approach, but then the debate becomes how do you measure it and collect it. So we have to ultimately get to some workable model.

For the near term, we need to go to a hybrid model so as to continue to make investment in infrastructure. We need to discuss how you get to the ultimate system and what the ultimate system will be.

On the federal level, they are currently trying to get the new Surface Transportation bill passed. A lot of the elements of tolling new capacity will be in the new federal bill.

It really is an incremental process to set up a model not dependent on gas consumption.

What is the Department's position on the consolidation of expressway authorities with the FDOT?

Secretary Prasad: FDOT has no position on consolidation of the expressway authorities. The Governor has asked the Government Efficiency Task Force to make a recommendation on this issue. Once a recommendation is made, we will make a decision. The Governor will rely on feedback from the Department, his staff, and the report and will then make a decision whether to support consolidation or not.

SunRail is a very significant project for the state of Florida. Would you provide an update on the status of the SunRail project?

Secretary Prasad: From the construction aspect and building it, we are definitely on schedule. The revenue service will begin in April 2014.

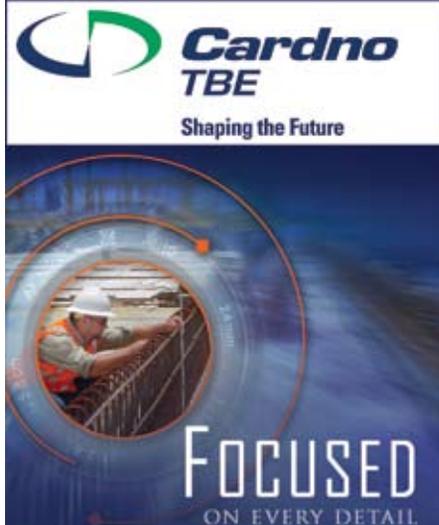
We also want to make sure that the local governments continue to work at giving SunRail a chance to succeed. We want to ensure they are making zoning and land use development decisions that complement and enhance what SunRail is doing, and so far they are doing so. We want the local governments to be committed to this project and to identify revenue sources to pay for the operations and maintenance (O&M) when we turn it over to them.

Congressman Mica has said he wants the mandatory funding percentages for sidewalks, bike paths, and rails to trails taken out of the federal transportation funding package so that it would no longer be a requirement. If Congressman Mica's approach is adopted, would FDOT

continue to provide funding in these areas?

Secretary Prasad: Yes. Currently my concern is having a pre-determined percentage or allocation to spend on areas like these. It is not the right thing to do. The agency goes through a significant public involvement process when determining the final design of a project. Users who drive the facility should decide what it will look like. Transportation planning for sidewalks, bicycle trails, landscaping and rails to trails are important components that should be driven by people who use it versus a pre-determined, rigid percentage allocations. We want to get community support and buy-in which is an essential part of the whole planning process.

Secretary, thank you for the opportunity to allow us to share your vision with the citizens of the state of Florida. ■



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