



After the collapse of the I-35W Bridge in Minneapolis on August 1, VDOT ordered inspections of its 11 deck-truss bridges, which were of a similar design to the collapsed bridge. The inspections were completed in October, and no serious safety issues were found.

OVERVIEW

VDOT employees finished FY 2007 on a high note and are committed to continuing our high performance into this new fiscal year. We've set higher goals for FY 2008 in nearly every project performance area, as you will see in this report.

The goals are high, and we fully intend to meet or exceed them when the fiscal year ends on June 30, 2008. It's what we must do to be the transportation agency that our customers need and rightfully expect.

While we continue to improve our performance, we will always keep the safety of Virginia's travelers at the forefront of our work. After the tragic collapse of the Interstate 35 West bridge in Minneapolis, we re-inspected the 11 Virginia bridges that were of a similar design to that deck-truss bridge to make certain no motorists were in imminent danger.

Our inspections, completed in October, revealed no serious safety issues, in part

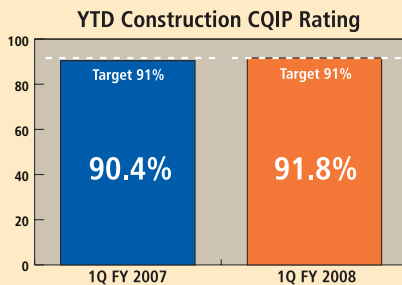
because we inspect more bridges and structures than required by the federal government. In the three cases where repairs were needed, work began immediately to address those issues.

In the next Quarterly Report, we'll share details about the Highway Safety Challenge initiative, launched in early October, to put the brakes on traffic deaths. Ask yourself, "Are you Virginia's next traffic fatality?" and go to www.safevahighways.org to learn more.

Also in the next report, you will learn of how we will publicly measure our performance in many more areas of importance to you through an expanded Dashboard on VDOT's Web site. We look forward to meeting the challenges and the increased accountability that the enhanced Dashboard will bring.

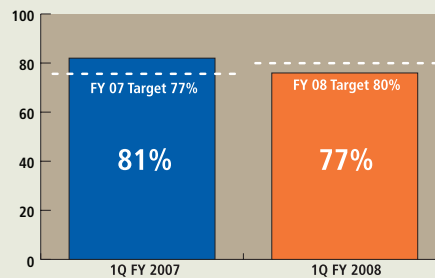
David S. Ekern, P.E.
Commissioner

Statewide Construction Quality Compliance



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. In FY07, the first quarter result of 90.4 percent approached the 91 percent target. In the first quarter of FY08, the 91.8 percent result surpassed the 91 percent target.

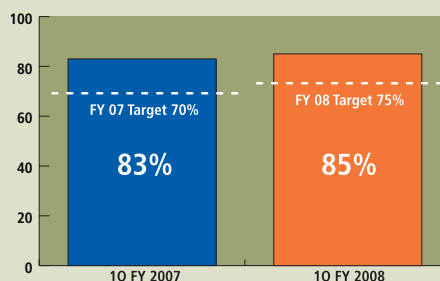
ALL CONTRACTS COMPLETED BOTH ON TIME AND WITHIN BUDGET



64 contracts were due for completion by the end of the first quarter. Of those contracts, 49 (77%) were completed both on schedule and within budget.

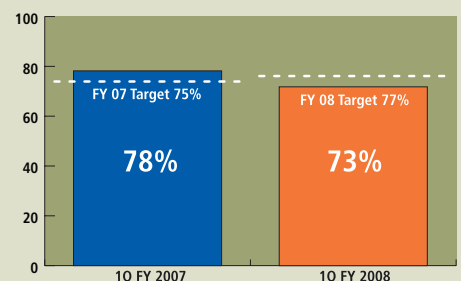
SCHEDULED CONTRACTS COMPLETED ON TIME

CONSTRUCTION ON SCHEDULE PERFORMANCE



34 contracts were due for completion by the end of the first quarter. Of those contracts, 29 contracts (85%) were completed on schedule.

MAINTENANCE ON SCHEDULE PERFORMANCE



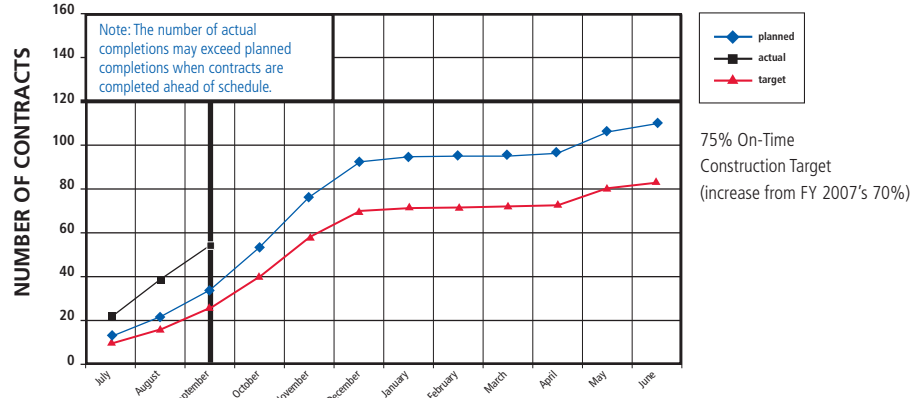
30 contracts were due for completion by the end of the first quarter. Of those contracts, 22 (73%) were completed on schedule.

QUARTERLY NOTES

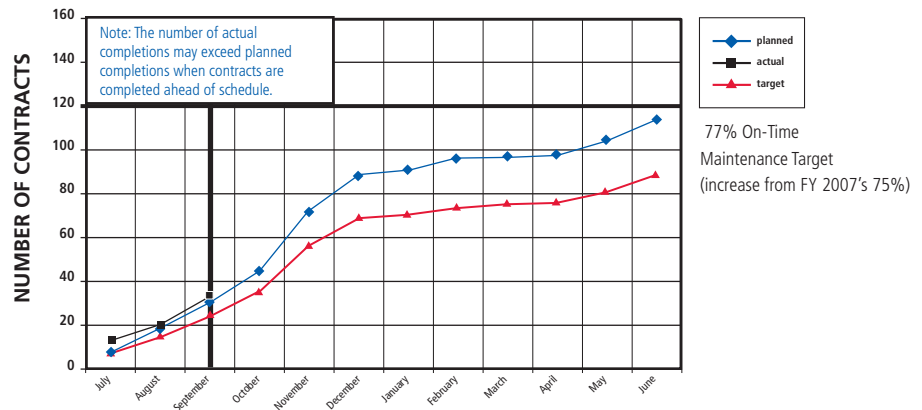
- The Commonwealth reached an in-principle agreement with Transurban DRIVE and Fluor Enterprises for the design, construction, operation and maintenance of the Capital Beltway High Occupancy Toll (HOT) lanes in September. The project will build the first-ever dedicated HOV and transit services to the Beltway, from the Springfield Interchange to just north of the Dulles Toll Road. Construction on the 14 miles of two HOT lanes in each direction will begin in spring 2008, and the lanes will open in 2013. The agreement is a major step toward helping Northern Virginia commuters and keeping the area's economy vital.
- Also in September, VDOT received an additional \$33.9 million in federal transportation spending authority reallocated from other states. VDOT and the Virginia Department of Rail and Public Transportation are allocating the additional spending to fund \$8.2 million in congestion-management projects in the Fredericksburg and Northern Virginia areas, \$11.2 million in transit projects statewide and \$14.4 million for bridge projects around Virginia.
- VDOT's 511 traffic information phone system was upgraded in August, and the changes reflect improvements suggested by its customers. The changes include improved voice-recognition; a better menu structure to make traffic information easier to find; new features such as bridge and tunnel information, public transportation options and emergency messages; and easier navigation to the most-used features of the free phone system.
- Safety Service Patrols were launched along I-81 in portions of Shenandoah and Fredrick counties just before the July 4 holiday. The crews patrol 25 miles of I-81, between Route 11 in Strasburg and Route 660 in Frederick County, from 9 a.m. to 7 p.m. every day. The patrollers help ensure the safety of stranded motorists and help emergency responders clear incidents. Their work helps reduce delays and congestion caused by incidents and helps reduce the number of secondary accidents caused by backups and motorists' rubbernecking. There are patrols in Augusta and Albemarle counties as well as in Hampton Roads, Northern Virginia, Fredericksburg, the Roanoke/Salem areas and along I-77 and I-81 in Southwest Virginia.
- VDOT is gearing up for several "mega" construction projects representing an investment of more than \$7 billion dollars to start within the few years. In August, VDOT held a special event to help Disadvantaged Business Enterprises and small, women-owned and minority-owned companies learn about the complex projects and the subcontracting opportunities they present. The projects include the Woodrow Wilson Bridge expansion, Dulles Corridor Metrorail Project, I-95 widening in Fairfax and Prince William counties, HOT lanes on I-95/395, and work to address the Base Realignment and Closure impact on Fort Belvoir.

FIRST QUARTER FISCAL YEAR 2008 PERFORMANCE

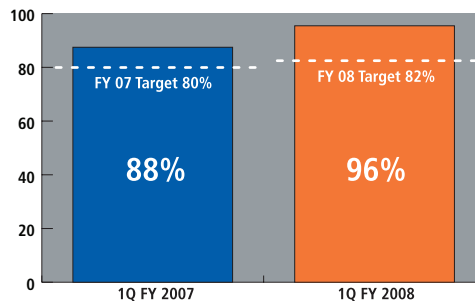
FY 2008 CONSTRUCTION CONTRACTS COMPLETED (ON TIME)



FY 2008 MAINTENANCE CONTRACTS COMPLETED (ON TIME)

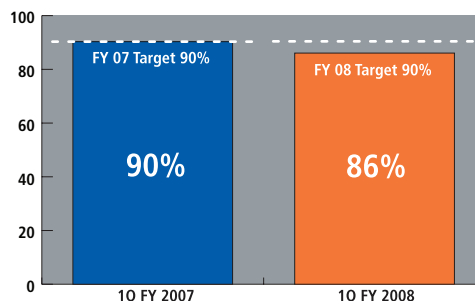


CONSTRUCTION CONTRACTS COMPLETED WITHIN BUDGET



57 contracts were completed by the end of the first quarter. Of those contracts, 55 (96%) were completed within 110% of their original contract award amount.

MAINTENANCE CONTRACTS COMPLETED WITHIN BUDGET



37 contracts were completed by the end of the first quarter. Of those contracts, 32 (86%) were completed within 110% of their original contract award amount.