

State of Alaska
FY2002 Governor's Operating Budget
Performance Measures

Department of Transportation/Public Facilities

Department of Transportation/Public Facilities

Key Performance Measures for FY2002

Measure: The total construction cost of the annual highway and aviation programs should be within 5% of the contract bid amount.

(Not yet addressed by Legislature.)

Current Status:

Out of a representative random sample of 55 projects completed in FY00, the total percentage change from contract bid to completion was approximately 7%.

Benchmark:

No benchmark is known. A review of other states will be conducted to determine if similar information is collected and used for management purposes. The department experienced the same 7% variance when reviewing a random sample of projects completed in FY98-99.

Background and Strategies:

Currently, the department is working on over 519 active construction projects that span several construction seasons. Significant to the cost of urban projects are traffic maintenance costs necessary for a project to have a minimal impact on the travelling public during construction, and safety, pedestrian, and environmental considerations. Scope changes during construction are rare, and are undertaken only where there is a substantial advantage to the public, the potential of a significant lost opportunity, a safety consideration and/or a major environmental issue.

Contracts allow specific relief for changed conditions that could not be foreseen, forces of nature, and/or unusually severe weather. Due to these factors, specific projects will occasionally have cost overruns. To decrease contract overruns, some combination of the following is necessary: improve estimating quantities in bid documents, make fewer field changes that increase quantities or cost, or decline performing extra work requested by others (e.g., local governments, other agencies).

It is also important to note that because large-dollar projects generally take longer to build and usually have more significant environmental and community impacts than the majority of federal-aid highway projects, they have greater potential to experience substantial cost increases and lengthy construction delays. The Public Facilities Branch typically provides design and construction administration services for other state client agencies. During the course of construction these client agencies may direct additional work be performed, making the stated performance measure out of the control of Department personnel.

Measure: Complete preliminary and final design on projects within 10% of the budget in the Department's current year planning documents.

(Not yet addressed by Legislature.)

Current Status:

After a year of review, the Division of Design and Engineering Services realizes that the response to this performance measure is more complicated than originally anticipated. Criteria for the data that is to be used and procedures for its compilation must be established in Department procedures. The Division will develop and implement the processes needed to properly report on this measure within the Department's current resources.

Benchmark:

We are not aware of any state comparable benchmarks that are available.

Background and Strategies:

The Division of Statewide Design and Engineering Services participates in the development of the Department's planning documents to ensure that the resulting scope, schedule and budget are consistent with good engineering

practices and are practical to implement. The Department will develop and implement management reporting systems for projects so that we improve the coordination of resources, priorities, cost, scope and standards by providing better information on projects as they are developed. Better development of an initial project scope will lead to better budget performance once a project is in design.

The Division continues to refine the estimates used in the planning phase of project development through use of scope, schedule and budget estimating procedures. These estimates are initially prepared by the Department's planning staff, but must be approved by the Design and Engineering Services Division. This input early in the project development process will lead to better estimates.

Measure: The percentage of highway and airport lane miles per full-time-equivalent employee compared to the average of member states of the Western Association of State Highway and Transportation Officials.

(Developed jointly with Legislature in FY2001.)

Current Status:

Northern Region Maintenance and Operations, Highways and Aviation maintains highway and airport lane miles with 42.1 lane miles per full time equivalent position. Southeast Region averages 35.3 highway and airport lane miles per full time equivalent. And, Central Region M&O maintains highway and airport lane miles with an average of 37.0 lane-miles per FTE position.

Benchmark:

Thirteen states average 21.7 lane miles per full time equivalent position based upon the 1993 Washington State report titled Maintenance, Management, and Administration Evaluation Report. Through a recent informal review of WASHTO states, the average lane miles per FTE for those states that responded are as follows:

Arizona	27.61
California	8.80
Colorado	18.66
Hawaii	7.23
Idaho	29.00
Nevada	38.18
Oklahoma	28.90
Texas	28.50

WASHTO Average 23.28

Background and Strategies:

At the current levels of lane miles per full-time-equivalent, the Department is not able to provide an adequate level of service. There is a long list of "deferred maintenance" work - jobs that have not been completed due to lack of personnel and other resources. Staff are required to concentrate on critical needs, such as snow removal, rock slides, flooding, and erosion of roadbeds, and are able to devote less attention to preventive maintenance, such as crack sealing, ditching, and brush cutting. Work on priority maintenance items is scheduled when time and resources permit, and federal funds are used to improve the transportation infrastructure to minimize future maintenance needs.

The Department plans to implement an Alaskan maintenance management system that will establish specific maintenance criteria (roadway surface, drainage, snow & ice control, traffic services, etc.) with defined service levels and associated cost to identify to the public and legislature meaningful performance measures. Use of the maintenance management system will identify specific maintenance areas (e.g., guardrail repair, brush cutting, etc.) lacking in necessary resources. To reduce the average lane miles per employee, lane miles could be transferred to communities, develop new funding sources, or encourage FHWA to make eligible more maintenance items under the federal aid highway program. The Department will continue to investigate and implement means to increase efficiency and to better manage maintenance efforts through technology and better use of resources.

Measure: The percentage of federal highway funds obligated in the previous federal fiscal year.

(Developed jointly with Legislature in FY2001.)

Current Status:

100% of highway funds from federal fiscal year 2000 were obligated. The Division's performance placed the Department in a position to receive an additional \$1.5 million in funding from the Federal Highway Administration. The additional funds were available because other states were not as well prepared and were unable to obligate their full allocation of federal-aid.

Benchmark:

None.

Background and Strategies:

The Division strives to obligate all federal funds that are available to the state for highway projects. The staff continue to work diligently on that front, reporting regularly on their projects to the Division management, and through a computerized management reporting system.

Measure: Commercial vehicle safety inspections per full-time equivalent employee of the division.

(Developed jointly with Legislature in FY2001.)

Current Status:

During FY2000, actual performance was 145.54 inspections per full-time-equivalent employee of the division compared to 109.81 per full-time-equivalent employee in FY99. The Division completed 4,512 inspections during FY2000. From 7/1/00 through 10/15/00, the division has completed 1,511 inspections.

Benchmark:

To date, there is no established national standard for this performance measure, although, the Department's goal is to reach 5,000 inspections per year.

Background and Strategies:

The division anticipates further efficiencies through streamlining the inspection process by implementing electronic inspection reporting at the field level. Two laptops were deployed in September to test this new electronic reporting system. During FY00 31 employees were trained in the North American Standards driver/vehicle safety inspection training and 27 employees attended training for Cargo Tank and Hazardous Materials. This training was conducted over an eight to ten week period covering Alaska statewide and included local police departments and State Troopers.

Measure: The Marine Highway revenue per rider mile divided by the operation costs per rider mile.

(Developed jointly with Legislature in FY2001.)

Current Status:

The ratio of revenue per rider mile to cost per rider mile for FY 00 was .51. This was obtained by dividing the revenue per rider mile of \$.62 by the cost per rider mile that was \$1.22. The revenue figure represents total system generated revenue including passengers, vehicles, cabins, and other revenues.

Benchmark:

The Washington State Ferry System reports a ratio of .60. The British Columbia Ferry Corporation reports a ratio of .81. Their cost per rider mile is about the same as the Alaska Marine Highway System's, but their revenue per mile is much higher because they adjust their tariffs to reflect increased expenditures.

Background and Strategies:

The Alaska Marine Highway System ratio is comparable to the other ferry systems, other than the lower revenue per rider mile when compared to the British Columbia system. Even though the AMHS's revenue per rider mile has increased slightly over the past few years, it has not increased significantly because tariffs have not been adjusted substantially since 1992. This performance measure is influenced by several variables, i.e., seasonal demand, service routes, number of voyages per week between ports and the fluctuation in fuel prices. In FY00, fuel prices increased 50% driving the cost per rider mile up 17%. We are planning to raise fares in FY01, which will increase this ratio by generating additional revenue.

Measure: The total Marine Highway ridership, including passengers and vehicles, compared to the five-year ridership average.

(Developed jointly with Legislature in FY2001.)

Current Status:

The total Marine Highway ridership, including passengers and vehicles, compared to the five-year ridership average.

Benchmark:

There is no good benchmark for this performance measure other than the 5-year average. Both the BC Ferries and Washington State Ferries carry substantially more passengers and vehicles, but both are short haul and commuter type systems.

Background and Strategies:

The Alaska Marine Highway System brought a ninth vessel on line and introduced cross Gulf service in FY1999. This measure is a comparison of ridership with a nine vs. eight-vessel fleet. With the establishment of active marketing by the new AMHS marketing manager hired in FY2001, increased ridership of 3% per year is the Alaska Marine Highway System's goal.

Measure: Reduce the number of International Airports airfield deficiencies in the next fiscal year to zero major discrepancies and less than 25 minor discrepancies.

(Revised from Legislature's FY2001 version.)

Current Status:

Historically, Ted Stevens Anchorage International Airport (AIA) receives approximately 50 annual discrepancies and Fairbanks International Airport (FIA) receives less than three, including numerous minor deviations from FAA standards.

Benchmark:

There is no established standard or quantitative measure for FAA certification inspections. Both airports attempt to provide the safest, most efficient service to airlines and the traveling public.

Background and Strategies:

The International Airports are inspected at least annually by the FAA to ensure safe and standard airfield operations and compliance with its FAR 139 certification requirements. These inspections cover a broad range of areas including Airport Rescue and Firefighting (ARFF), safety, lighting, markings, runway incursions (interference with aircraft during takeoff and landing) and a number of other operating standards.

The Airports' goal is to improve compliance with the FAA's FAR 139 program. This can be achieved by the proper identification of deficiencies by maintenance, operations, and safety personnel. This information, in turn, must be detailed into a maintenance management program with all maintenance and training actions completed prior to annual inspections by the FAA.

These inspections note deficiencies for a broad range of inspection criteria and differ each year depending on FAA focus. Other areas that should be monitored are the existence of repeat discrepancies and attaining 100% correction of deficient areas that do not require a CIP project.

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These inspections note deficiencies for a broad range of inspection criteria and differ each year depending on FAA focus. Other areas that should be monitored are the existence of repeat discrepancies and attaining 100% correction of deficient areas that do not require a CIP project.

Status of FY2001 Performance Measures

	<i>Achieved</i>	<i>On track</i>	<i>Too soon to tell</i>	<i>Not likely to achieve</i>	<i>Needs modification</i>
● The total construction cost of the annual highway and aviation programs should be within 5% of the contract bid amount.		X			
● Complete preliminary and final design on projects within 10% of the budget in the Department's planning documents.		X			
● Highway lane miles per Highways and Aviation, Maintenance and Operations employee not to exceed 22.					X
● Increase commercial driver and vehicle safety inspections to 3,600 per year.					X
● Maintain number of commercial vehicle size, weight, safety and permit violations at no more than 325 per year.					X
● Increase number of Alaska Marine Highway System vessel on-time departures to 85%.					X
● Increase ratio of AMHS revenue to cost per rider mile by 3%.					X
● The International Airports shall maintain a minimum pavement condition index (PCI) of 70 for runways and 60 for taxiways and aprons.					X
● Reduce the number of International Airports airfield deficiencies in the next fiscal year by 10%.					X

Commissioner's Office

Key Performance Measures for FY2002

Measure: The percentage of divisions that reach assigned performance measures.

(Added by Legislature in FY2001 version.)

Current Status:

All divisions are either tracking legislatively assigned performance measures or performance measures that have been slightly modified from the versions contained in Chapter 126, SLA 2000. In those instances where goals have been established, the department is working towards reaching those goals though many can not be accomplished within a single year.

Benchmark:

None.

Background and Strategies:

Knowing how well an organization is functioning is vital to good management. Performance measures are needed to tell whether we are getting the results we desire from our programs. They must tell us how effective and efficient we are or indicate where improvement is needed. The Department is gathering data for the performance measures noted in the FY01 legislation. Setting Department goals can be difficult, but with a few years of performance measure tracking and additional benchmark identification, goal setting should be easier.

Measure: The percentage of state national highway system lane miles of road that meet standards of the American Association of State Highway Transportation Officials.

(Developed jointly with Legislature in FY2001.)

Current Status:

After 5 years of a concerted effort to modernize the National Highway System (NHS) routes within Alaska, there are 1,424 miles (70%) of the NHS that meet national standards and 615 miles (30%) [including much of the Dalton Highway] which do not meet these standards. Significant progress has been made on the Sterling, Seward, Glenn and other major highways in recent years to improve our highway systems for citizens and commerce while adding to safety.

Benchmark:

Nearly all NHS routes nationally meet minimum geometric standards, except for capacity, pavement condition and bridge condition. Until recently, Alaska's NHS routes were far behind other states in meeting basic geometric standards of highway width, shoulder width, curvature and grade. The recent focus on NHS routes nationally, including the provision of new federal monies, has paralleled Alaska's recent strong push to bring our most important highways up to minimum geometric standards. The department continues to push for both bringing substandard sections of the NHS up to minimums, and addressing critical capacity shortfalls on NHS routes in urban areas.

Background and Strategies:

Projects for reconstruction of substandard NHS roads are programmed in the Statewide Transportation Plan for completion in 10 - 12 years, depending upon federal and state funding received.

Measure: Whether the department fully implements the maintenance management system statewide by June 30, 2003.

(Added by Legislature in FY2001 version.)

Current Status:

The department currently has a consultant hired to research the benefits and costs of implementation of a Maintenance Management System. Recommendations and final cost estimates will be completed by February 2001.

Benchmark:

No benchmark has been established.

Background and Strategies:

A consultant was hired to determine the approach and scope of a Maintenance Management System (MMS) that the department would like to follow. Various models are available with some requiring so much input and documentation that any cost saving would be consumed by new administrative costs. The department wants a system that will allow effective management of our assets and responsibilities. It is envisioned that the MMS will be implemented in a phased multi-year approach. Initial work will focus on establishing a maintenance feature inventory using standard units of measure, automation of deferred maintenance needs assessment, and establishment of a maintenance quality assurance program. These precursors will provide immediate useful information and tools. Implementation of a traditional MMS will follow.

Status of FY2001 Performance Measures

	<i>Achieved</i>	<i>On track</i>	<i>Too soon to tell</i>	<i>Not likely to achieve</i>	<i>Needs modification</i>
● The percentage of divisions that reach assigned performance measures.		X			
● The percentage of state national highway system lane miles of road that meet standards of the American Association of State Highway Transportation Officials.		X			
● Whether the department fully implements the maintenance management system statewide by June 30, 2003.			X		

Contracting, Procurement and Appeals

Key Performance Measures for FY2002

Measure: The percentage of protests and claims appealed to the DOT&PF Commissioner that the courts on subsequent appeal overturn.
(Revised from Legislature's FY2001 version.)

Current Status:

During FY2000, there were 4 DOT&PF claim appeals that were either already in or made their way to the Alaska Courts. None of these cases were finally adjudicated in FY2000. Therefore, based on the most recent fiscal year data available, 0% of the division's protest or claim decisions were overturned by the courts. We anticipate that such performance will be duplicated in continuing years (i.e. if protests or claims are appealed to the courts, our administrative decisions will not be overturned).

Benchmark:

There is no established national standard for this performance measure. It is, however, the Department's goal to have 0% of our protest or claim appeals overturned by the appellate court.

Background and Strategies:

Appeals adjudicated by the Department's administrative hearing process average 4.8 per year.

From 1992 through 1999, 49 construction protest and claim appeals that were filed with the DOT&PF Commissioner were directed for a formal administrative hearing. This does not include those appeals receiving a directed decision by the Commissioner. Of the appeals directed to hearing: 23 were claims, 23 were protests, and 3 were leases. 10 of these appeals were settled before hearings started. 39 were heard or, in some instances, partially heard (i.e. settlement was reached during the hearing process, thus stopping it).

Of the 49 appeals, 12 have been appealed to the courts where one was remanded for settlement, the State prevailed on 7 (i.e. the original administrative decision of the Department was upheld) and 4 currently reside in the courts.

Status of FY2001 Performance Measures

	<i>Achieved</i>	<i>On track</i>	<i>Too soon to tell</i>	<i>Not likely to achieve</i>	<i>Needs modification</i>
● The percentage of protest and claim decisions of the division overturned by the courts during the fiscal year.		X			

Equal Employment and Civil Rights

Key Performance Measures for FY2002

Measure: Percentage completion of required contract compliance reviews for responsiveness to ExEEO, DBE and OJT contract requirements.
(Developed jointly with Legislature in FY2001.)

Current Status:

13 reviews have been initiated of which 10 have been completed. The remaining three reviews should be completed by the end of November 2000.

Benchmark:

The Civil Rights Office is annually tasked by FHWA with completing 10 contract compliance reviews.

Background and Strategies:

The ADOT&PF Required Federal Contract Provisions form 25D55 stipulates the need for prime contractors working on USDOT-assisted projects to develop, disseminate and implement equal employment opportunity provisions for the prime contractors workforce and to pass this requirement on to its subcontractors. These requirements are based on federal regulations.

Annually, the Civil Rights Office reviews 10 prime contractors whose cumulatively have the highest dollar values of contractors working on USDOT-assisted projects. The review consist of reviewing the employment policies and strategies of the prime contractor and its subcontractors to ensure the employees are aware of the contractor's EEO policy and where to file complaints if there is a violation of those policies. Certified payrolls are reviewed to verify prime contractors payment reports made to the Civil Right Office. When the Civil Rights Office receives discrimination complaints, these are investigated in conjunction with a compliance review.

Contract compliance also includes reviewing a prime contractor's compliance with 49 CFR Part 26, as implemented through the Department's federally approved DBE Program. This is to ensure the prime contractor provides DBE firms with the opportunities it has committed to as a condition of its contract with the department.

In accordance with 32 CFR Part 230.111, OJT requirements on FHWA projects are also reviewed during a prime contractor's contract compliance review. Larger FHWA-assisted projects have OJT training goals assigned to the prime contractor to meet to ensure training opportunities are made available to minority and female applicants.

Status of FY2001 Performance Measures

	<i>Achieved</i>	<i>On track</i>	<i>Too soon to tell</i>	<i>Not likely to achieve</i>	<i>Needs modification</i>
● The required compliance reviews for responsiveness to disadvantaged business enterprise and on-the-job training contract requirements completed.		X			

Internal Review

Key Performance Measures for FY2002

Measure: Percentage of requested and completed engineering firm audits and desk reviews in the previous fiscal year.

(Developed jointly with Legislature in FY2001.)

Current Status:

During fiscal year 2000, Internal Review received requests for and completed 50 engineering firm audits or desk reviews. Therefore, Internal Review is on track in addressing this performance measure.

Benchmark:

There is no benchmark for the number of this type of audit to be performed. However, in the prior two years the number of completed audits or desk reviews has ranged from 38 in fiscal year 1999 to 43 in fiscal year 1998. The increase is a reflection of the increase in the federal programs and our ability to address audit requests on a timely basis.

Background and Strategies:

Audits of engineering firms are required to document accounting systems and overhead and salary rates to be used in negotiating professional services contracts with the Department and insure that federal eligibility requirements are met. These audits are generally requested by management during the negotiation process. If audits are not performed on a timely basis it will slow or hinder the approval of contracts which are essential for ongoing project work. Internal Review's strategy is to give these audit requests high priority to insure audit information is provided to management and staff negotiators as quickly as possible after the request for audit is received.

Status of FY2001 Performance Measures

	<i>Achieved</i>	<i>On track</i>	<i>Too soon to tell</i>	<i>Not likely to achieve</i>	<i>Needs modification</i>
● Number of requested engineering firm audits and desk reviews completed in the previous fiscal year.		X			

Administrative Services

Key Performance Measures for FY2002

Measure: Maintain the average time for payment to vendors at 29 days or less.

(Developed jointly with Legislature in FY2001.)

Current Status:

Over the past three years the department has maintained an average of 24 days to pay vendors. Through the first quarter of FY01 the department is continuing to maintain a 24 day average for processing invoices.

Benchmark:

- A. S. 37.05.285 states, "Payment for purchases of goods or services provided a state agency shall be made by a required date that is 30 days after receipt of a proper billing for the amount of the payment due, if a date on which payment is due is not established by contract and if the billing contains or is accompanied by documents required by the contract or purchase order."

Background and Strategies:

During FY00, the department processed an average of 11,178 invoices at \$6,810 per invoice each month. Over that time period the department processed payments within 24 days. The complexities of the invoices being processed vary from basic monthly maintenance contracts to construction related progress payments. The ability to make payments on contracts require appropriate sign-offs by project engineers and managers indicating satisfactory completion of tasks. Additionally, invoices must be approved regarding adequate budgetary authority. Payment delays can be caused by the many hand-offs that occur receiving approvals, mail time between offices, errors in the invoice, errors in account coding, and inadequate funding levels.

The number of administrative staff continues to stay static or be reduced and the volume of accounting activity is increasing due to larger federal programs. Because of this, the department is constantly looking for methods to improve the processing of payments. Peer groups continue to meet to identify areas of improvement such as utility payments.

Recently the department has implemented the use of purchasing cards (P-Card). This allows the purchase of small dollar supply items with a credit card. This reduces the number of warrants issued since only a single warrant is needed for the credit card company. In FY00 4,600 invoices were paid using P-Card. Credit cards are also used for travel related expenditures.

Also, within the past few months the department has begun paying construction contractors through electronic deposit (EDI). So far there are 21 vendors signed up to receive payments through EDI and 48 payments have been processed in the past month using EDI.

Measure: The percentage reduction in payroll calculation errors.

(Developed jointly with Legislature in FY2001.)

Current Status:

The Division has just begun tracking the extent of payroll calculation errors. It is believed that the complexity of many of the labor agreements create processes that are contributing to payroll errors. Because we have not previously collected data regarding the number and type of errors, we cannot identify which processes are causing errors and therefore need to be fixed.

Benchmark:

We are not aware of any state comparisons that are available.

Background and Strategies:

The department has anywhere from 2,700 to 3,200 employees at any given time. These employees are covered by eight different bargaining units, including three marine unions. The complexities involved with calculating payroll are increased even more depending on such factors as which vessel an employee is located and their working status. Time constraints, shortage of staff due to budget reductions, illness or vacations, changing union agreements, and general staff turnover contribute to a potentially high error rate.

The department is always looking at methods to improve the delivery of services. A possible means of reducing errors could be the electronic submission of timesheets, thus increasing the amount of time available for calculation and review. Another possible change is having electronic timesheets that are able to automatically calculate some of the payroll. Both of course will take time and resources to implement.

Status of FY2001 Performance Measures

	<i>Achieved</i>	<i>On track</i>	<i>Too soon to tell</i>	<i>Not likely to achieve</i>	<i>Needs modification</i>
<ul style="list-style-type: none"> ● Whether the average time for payment to vendors is 29 days or less. 		X			
<ul style="list-style-type: none"> ● The percentage reduction in payroll calculation errors. 			X		

Regional Support Services

Key Performance Measures for FY2002

Measure: How long it takes to process a purchase request before the order is placed.

(Added by Legislature in FY2001 version.)

Current Status:

The DOT&PF processes about 1,700 purchase requests a month with a total of 6,350 line items. Processing time information is currently being collected for FY 01 through the department's automated procurement system.

Benchmark:

None.

Background and Strategies:

The amount of time it takes to process a purchase order varies widely due to their complexity and required methods of procurement based on the dollar value of the items. The following are statutory factors that impact performance measures in the purchase of commodities and services for the State of Alaska:

- "Reasonable and adequate" competition is required at \$5,000 or less. This involves contacting only one potential offeror in appropriate circumstances.
- At least 3 verbal quotations are required between \$5,000 and \$25,000; but often required in writing for purposes of clarity and conformance to specifications.
- The written Request for Quotation (RFQ) process is required between \$25,000 and \$50,000 which requires issuance of the State's standard terms and conditions, written bid responses from vendors.
- The formal Invitation to Bid (ITB) process is required at \$50,000 and above which includes formulating specifications, advertising the State's requirements in at least 3 publications, allowing 21 days for bid circulation and a ten day protest period prior to award of a contract.

Generally, the time required to accomplish a procurement increases with the monetary value and/or complexity of the particular item being purchased. For this reason, it is difficult to accurately measure and set performance standards with regard to procurement. Additionally the geographic remoteness throughout Alaska affects communication, approval processes, and delivery issues because of inclement weather conditions, vessels that are underway, and changing crews.

The Department procurement offices are collecting data using Buyspeed procurement software. The Department of Transportation and Public Facilities implemented Buyspeed on July 1, 2000, as the standard software for procurement for all regions. The data being collected will be evaluated and may be compared to other industry standards.

The implementation of Buyspeed allows for more efficient processing of stock requests and tracking subsequent purchases. The Procurement section expects to implement Web requisitioning during the next six months. This module of Buyspeed will allow end users with access to the Internet, to place requests via the department's web site. The implementation of this system will reduce the amount of time it takes for a faxed or mailed copy of a requisition to be received. Additionally, duplicate data entry will be eliminated which will further reduce the average number of days to issue a purchase order. Further efficiencies in processing stock requests will be obtained with monitoring of problem orders and addressing individual issues.

Status of FY2001 Performance Measures

<i>Achieved</i>	<i>On track</i>	<i>Too soon to tell</i>	<i>Not likely to achieve</i>	<i>Needs modification</i>
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Budget Request Unit — Regional Support Services

	<i>Achieved</i>	<i>On track</i>	<i>Too soon to tell</i>	<i>Not likely to achieve</i>	<i>Needs modification</i>
● How long it takes to process a purchase request before the order is placed.		X			

Planning

Key Performance Measures for FY2002

Measure: The percentage of airports that have a Federal Aviation Administration approved airport layout plan.

(Revised from Legislature's FY2001 version.)

Current Status:

Northern Region has 96% of their airport layout plans approved (98 out of 102). Central Region has 70% of their airports or 81 of 115 airports have FAA approved airport layout plans. Southeast Region has airport layout plans for all their airports.

Benchmark:

None that is known.

Background and Strategies:

Airport layout plans (ALPs) are the drawings that depict existing conditions and the ultimate development that is planned at an airport; they are a graphic equivalent of the master plan. As such, ALPs also require regular updates, and we endeavor to bring them up to date as needed to reflect changes in existing conditions. (Updated ALPs are required for AIP grants and grant closeouts.)

Measure: The dollar value of projects that are constructed as a percentage of the value of projects in the Needs List.

(Revised from Legislature's FY2001 version.)

Current Status:

Regularly around \$500 million is constructed or 6.6% of an approximate \$7.5 billion needs list.

Benchmark:

No other State relies as heavily on federal funds to meet transportation needs within the state.

Background and Strategies:

This is a measure of Alaska's ability to satisfy transportation needs as defined by the state, borough, and local communities. Improvement of our ability to construct a larger fraction of the current need will be dependent upon identification of additional state or federal transportation funding.

Measure: The percentage of required federal planning, programming, and data collection tasks completed and accepted by the United States Department of Transportation on a federal fiscal year basis.

(Developed jointly with Legislature in FY2001.)

Current Status:

The Department is in compliance and has no record of ever causing the state to lose federal funds due to a failure to meeting planning, programming or other transportation data collection requirements.

Benchmark:

All state Departments of Transportation using Federal Highway funds must fulfill planning, programming and data collection requirements or risk losing these vital transportation funds.

Background and Strategies:

Statewide Planning annually reports a wide variety of condition and performance data about the public road network in Alaska to the US DOT. These federally mandated and funded efforts identify such data as length of the highway network by functional class, ownership, lane count, pavement type, servicability and roughness. Traffic volumes are

reported as daily traffic count, annual traffic count, and further categorized by 13 different vehicle classifications. The Division also reports accidents by type, fatalities, minor or major injury, location and contributing factors. Geographic coordinates of the highway system are reported for national mapping purposes. They also report such information as quantity and source of all public monies used in maintaining, reconstructing or constructing public highways.

Measure: The legislature intends to measure the success of the agency in achieving its mission by considering the number of serious injury and fatal motor vehicle crashes in Alaska.

(Revised from Legislature's FY2001 version.)

Current Status:

The Alaska Highway Safety Office is charged with reducing injuries and saving lives on Alaska's highways. In 1999, there were 417 serious injury and fatal motor vehicle crashes in the state.

Benchmark:

A benchmark year was established in 1994. The number of serious injury and fatal motor vehicle crashes for that year was 468.

Background and Strategies:

The Alaska Highway Safety Office coordinates highway safety programming focused on public outreach and education; enforcement; promotion of new safety technology; integration of public health strategies; collaboration with safety and private sector organizations; and cooperation with state and local governments.

Historically, the most frequently cited behavioral contributors to fatal and serious injury crashes in Alaska are impaired driving, unsafe speed, and failure to heed traffic control devices. In 1998 this trend was continued with the occurrence of 71 fatal and 346 serious injury crashes. In order to reduce these numbers, the agency approaches the issue through statewide outreach programs and federally funded highway safety grant projects. Motor vehicle laws which contribute to reducing the number of serious injury or fatal motor vehicle crashes in Alaska, such as blood alcohol content, and the number of troopers employed to enforce these laws are beyond the control of this program.

Status of FY2001 Performance Measures

	<i>Achieved</i>	<i>On track</i>	<i>Too soon to tell</i>	<i>Not likely to achieve</i>	<i>Needs modification</i>
● The percentage of airport development master plans that are completed and airport layout plans that are adopted by region.					X
● The number of planned projects that are implemented as a percentage of the number proposed.					X
● The percentage of required federal planning, programming, and data collection completed and accepted by the United States Department of Transportation on a federal fiscal year basis.		X			
● The number of highway deaths per year.					X

Design and Engineering Services

Key Performance Measures for FY2002

Measure: Complete preliminary design and final design on projects within 10% of the budget in the Department's current year planning documents.
(Not yet addressed by Legislature.)

Current Status:

After a year of review, the Division of Design and Engineering Services realizes that the response to this performance measure is more complicated than originally anticipated. Criteria for the data that is to be used and procedures for its compilation must be established in Department procedures. The Division will develop and implement the processes needed to properly report on this measure within the Department's current resources.

Benchmark:

None that are comparable.

Background and Strategies:

The Division of Statewide Design and Engineering Services participates in the development of the Department's planning documents to ensure that the resulting scope, schedule and budget are consistent with good engineering practices and are practical to implement. The Department will develop and implement management reporting systems for projects so that we improve the coordination of resources, priorities, cost, scope and standards by providing better information on projects as they are developed. Better development of an initial project scope will lead to better budget performance once a project is in design.

The Division continues to refine the estimates used in the planning phase of project development through use of scope, schedule and budget estimating procedures. These estimates are initially prepared by the Department's planning staff, but must be approved by the Design and Engineering Services Division. This input early in the project development process will lead to better estimates.

Measure: Whether the department completes the environmental impact statement phase on the Ketchikan Airport Access by December 31, 2001.
(Added by Legislature in FY2001 version.)

Current Status:

Issuing the draft EIS for public comment is dependent on local acceptance of the alternatives to be studied. The draft EIS is scheduled to be issued for public comments this summer.

Benchmark:

None

Background and Strategies:

This project is under contract with a private firm. The Division staff overseeing the contractor's work meet regularly with the contractor to ensure that the project remains on track.

Measure: The transfer of state-owned ports and harbors to local control with legislative appropriation support.
(Added by Legislature in FY2001 version.)

Current Status:

Communities rejected provisions of CH 130, SLA 00. No transfers occurred through this appropriation. All communities identified in this legislation have adopted resolutions opposing this method of financing harbor transfers.

Benchmark:

None

Background and Strategies:

The Statewide Harbors Engineer works with local communities to ensure the smooth transition of ports and harbors transfers to local control. He actively follows the capital budget as it makes its way through the legislature, to ensure that he is prepared to take immediate steps once the budget passes and is signed by the Governor.

Measure: The percentage of federal highway funds obligated in the previous federal fiscal year.

(Developed jointly with Legislature in FY2001.)

Current Status:

100% of federal highway funds were obligated. The Division's performance placed the Department in a position to receive an additional \$1.5 million in funding from the Federal Highway Administration. The additional funds were available because other states were not as well prepared and were unable to obligate their full allocation of federal-aid.

Benchmark:

None

Background and Strategies:

The Division strives to obligate all federal funds that are available to the state for highway projects. The staff continue to work diligently on that front, reporting regularly on their projects to the Division management, and through a computerized management reporting system.

Measure: The percentage of projects in the capital budget that have been bid in the year programmed.

(Revised from Legislature's FY2001 version.)

Current Status:

On track

Benchmark:

None

Background and Strategies:

The Division strives to complete designs and bid all projects that are part of the capital budget each year. The staff continue to work diligently on that front, reporting regularly on their projects to the Division management, and through a computerized management reporting system.

Measure: The percentage of total project costs spent on project development.

(Developed jointly with Legislature in FY2001.)

Current Status:

There was 14% of total project costs spent on project development in FY 2000.

Benchmark:

There are no comparable benchmarks. The Division will need to develop benchmarks specific to Alaska.

Background and Strategies:

The Division is developing management reporting tools to aid in its efforts to control project development costs. We have also instituted additional program codes to more carefully track right of way and utilities expenditures. We will use the available management tools to track our costs, and improve our performance.

Measure: The percentage difference between final project estimates and construction bids.
(Added by Legislature in FY2001 version.)

Current Status:

On track

Benchmark:

There are no comparable benchmarks. The Division will need to develop benchmarks specific to Alaska.

Background and Strategies:

The Division will be constructing a bid tabulation and project estimating management reporting system during FY 2001-2002 using federal research funds. We will use this tool to improve our final project estimates by using historic information to prepare our estimates.

Measure: Whether the department is successful in requiring private contractors performing design and engineering services for the state to report on the same measures.
(Added by Legislature in FY2001 version.)

Current Status:

On track

Benchmark:

None

Background and Strategies:

Work performed under contract is already included in the results of our other measures.

Measure: The percentage of the design and engineering work of the division that was performed by private contractors.
(Developed jointly with Legislature in FY2001.)

Current Status:

We estimate that there is greater than 50% of the design and engineering work performed by private contractors.

Benchmark:

The recently released Transportation Research Board Report #277 on the outsourcing of Department of Transportation design work recommends that the optimal program is a balance of one-half in-house and one-half consultant designs.

Background and Strategies:

The Division intends to maintain current staff levels, and contract out as necessary to complete the work programmed in the capital budget and obligate all federal highway and airport funds available.

Status of FY2001 Performance Measures

	<i>Achieved</i>	<i>On track</i>	<i>Too soon to tell</i>	<i>Not likely to achieve</i>	<i>Needs modification</i>
<ul style="list-style-type: none"> ● Complete preliminary design and design on projects within 10% of the budget in the Department's planning documents. 			X		
<ul style="list-style-type: none"> ● Whether the department completes the environmental impact statement phase on the Ketchikan Airport Access by December 31, 2001 		X			
<ul style="list-style-type: none"> ● The transfer of state-owned ports and harbors to local control with legislative appropriation support. 			X		

Budget Request Unit — Design and Engineering Services

	<i>Achieved</i>	<i>On track</i>	<i>Too soon to tell</i>	<i>Not likely to achieve</i>	<i>Needs modification</i>
<ul style="list-style-type: none"> ● The percentage of federal highway funds obligated in the previous federal fiscal year. ● The percentage of projects in the capital budget that have been designed and bid in the year programmed. ● The percentage of total project costs spent on project development. ● The percentage difference between final project estimates and construction bids. ● Whether the department is successful in requiring private contractors performing design and engineering services for the state to report on the same measures. ● The percentage of the design and engineering work of the division that was performed by private contractors. 		X			X
		X			
		X			
		X			
		X			

Construction and CIP Support

Key Performance Measures for FY2002

Measure: The total construction cost of the annual highway and aviation programs should be within 5% of the contract bid amount.

(Not yet addressed by Legislature.)

Current Status:

Out of a representative random sample of 55 projects completed in FY00, the total percentage change from contract bid to completion was approximately 7%.

Benchmark:

No benchmark is known. A review of other states will be conducted to determine if similar information is collected and used for management purposes.

Background and Strategies:

Currently, the department is working on over 519 active construction projects that span several construction seasons. Significant to the cost of urban projects are traffic maintenance costs necessary for a project to have a minimal impact on the travelling public, heavy public input during the construction of a project, and safety, pedestrian, and environmental considerations. Scope changes during construction are rare, and are undertaken only where there is a substantial advantage to the public, the potential of a significant lost opportunity, a safety consideration and/or a major environmental issue.

Contracts allow specific relief for changed conditions that could not be foreseen, forces of nature, and/or unusually severe weather. Due to these factors, specific projects will occasionally have cost overruns. To decrease contract overruns, some combination of the following is necessary: improve estimating quantities in bid documents, make more field changes that reduce quantities and costs, make fewer field changes that increase quantities or cost, or decline performing extra work requested by others (e.g., local governments, other agencies).

It is also important to note that because large-dollar projects generally take longer to build and usually have more significant environmental and community impacts than the majority of federal-aid highway projects, they have greater potential to experience substantial cost increases and lengthy construction delays. The Public Facilities Branch typically provides design and construction administration services for other state client agencies. During the course of construction these client agencies may direct additional work be performed, making the stated performance measure out of the control of Department personnel.

Measure: Percentage of the total construction costs that were spent on contract administration.

(Developed jointly with Legislature in FY2001.)

Current Status:

The percentage of contract administration costs for closed projects during FY00 were as follows:

	Highways	Aviation
Central Region	18%	13%
Northern Region	18%	18%
Southeast Region	19%	19%

Benchmark:

There is no established benchmark at this time. However, up until recently the FHWA had a benchmark of 15%, which has been considered an industry standard.

Background and Strategies:

This measure can only be accurately determined after the project is closed and all project charges are accounted for. The Department closed out 55 projects during FY00. Historically, contract administration costs run at about 14.5%. The high percentage recorded in FY00 is because the small number of closed projects was not representative of the typical size and complexity of projects normally closed out in a year.

This measure is always a challenge because of the remoteness of most of the projects (increasing travel and transportation costs), and because the requirements of the federal funding agencies and the expectations of the traveling public tend to increase over time. All of these factors drive administrative costs up.

Measure: Percentage of the total construction costs that were spent on change orders.
(Developed jointly with Legislature in FY2001.)

Current Status:

The percentage of change order costs for closed projects during FY00 were as follows:

	Highways	Aviation
Central Region	6%	5%
Northern Region	6%	10%
Southeast Region	8%	8%

Benchmark:

There is no established benchmark at this time. However, past internal policy was to keep total contract adjustments, including change orders and quantity overruns, at less than 10%.

Background and Strategies:

This measure can only be accurately determined after the project is closed and all project charges are accounted for. Historically, total contract adjustments, including change orders and quantity overruns, run at about 5.4%. The high percentage recorded in FY00 is because the small number of projects closed out was not representative of the typical size and complexity of projects normally closed out in a year.

This measure is always a challenge because: 1) efforts to reduce design costs inevitably result in an increase in construction change order costs and quantity overruns; 2) local governments, utilities, and maintenance forces often don't recognize needed enhancements or utility adjustments until the projects are underway; and 3) upper management sometimes isn't aware of opportunities for enhancements until the projects are under construction. All of these factors are beyond the control of this construction program.

Measure: The number of miles of gravel roads that are surfaced with chip seal, hot mix, or high float asphalt for the first time, reported regionally.
(Developed jointly with Legislature in FY2001.)

Current Status:

The number of centerline miles of gravel road surfaced with chip seal, hot mix or high float asphalt for the first time during FY00 is as follows:

	Total	by Hwys & Aviation	by Const & CIP
Central Region	103.0	36.0	67.0
Northern Region	49.0	4.3	44.7
Southeast Region	5.0	.0	5.0
TOTAL	157.0	40.3	116.7

Benchmark:

We are unaware of any specific benchmark at this time. Number of miles of roads that are surfaced is dependent upon amount of funds budgeted through the STIP.

Background and Strategies:

The Road Paving Program established in State Fiscal Year 99 implements the Administration's goal of reducing maintenance costs and improving the quality of life for Alaskans by hard surfacing state owned/maintained Non National Highway System (NHS) gravel roads, as well as those NHS roads also identified under the Statewide

Transportation Improvement Program (STIP). The scope of this work represents limited shoulder work, drainage and other work related to preserving the road structure. This is an extremely important program and will provide great benefit to many Alaskans. The Department of Transportation and Public Facilities also benefits directly from this program through reduced maintenance costs. Roads are selected for this program based on cost, condition of the roads, and traffic levels

Status of FY2001 Performance Measures

	<i>Achieved</i>	<i>On track</i>	<i>Too soon to tell</i>	<i>Not likely to achieve</i>	<i>Needs modification</i>
<ul style="list-style-type: none"> ● The total construction cost of the annual highway and aviation programs should be within 5% of the contract bid amount. ● Percentage of the total construction costs that were spent on contract administration. ● Percentage of the total construction costs that were spent on change orders. ● The number of miles of gravel roads that are surfaced with chip seal, hot mix, or high float asphalt for the first time, reported regionally. 			X		
		X			
		X			
		X			

Statewide Facility Maintenance and Operations

Key Performance Measures for FY2002

Measure: The percentage of facility mechanical systems that pass safety inspections each year.

(Developed jointly with Legislature in FY2001.)

Current Status:

100% of mechanical systems have passed safety inspections during the past year. Generally all pass inspection the first time without any repairs. All deficiencies found during an inspection are immediately corrected by the Department. The following equipment or systems require safety inspection: Security and surveillance equipment; fire alarm panels; sprinklers; boilers; compressor tanks; elevators; cranes and lifts, boilers, back flow preventers and air conditioner systems. These inspections are performed either by in-house staff, contractors, or the Department of Labor.

Benchmark:

Safety is of the highest priority and the state requires that all mechanical systems pass safety inspections.

Background and Strategies:

These systems are under the jurisdiction of the Department of Labor and Workforce Development, Division of Labor Standards and Safety, Mechanical Inspection. Currently, some boilers are serviced with in-house personnel, although the recent trend has been towards contracting for this work, due to the specialized skills needed. Elevator servicing and repairs has always been contracted, since the skilled craftsmen are not available through Local #71 and large private firms have the in-depth support needed for that service.

The Department has never had boilers or elevators "red-tagged" or taken out of service after an inspection; however, it is common for the inspector to note deficiencies, which we address by the abatement date.

Measure: Whether the Department maintains or reduces the net value of facilities deferred maintenance projects annually with legislative appropriation support

(Developed jointly with Legislature in FY2001.)

Current Status:

The only funds the Department receives from the Legislature are State Deferred Maintenance funds. For FY01, a total of \$800,000 was appropriated for all the state-owned facilities the Department is responsible for maintaining. Those funds will be used for repairing the following:

- boiler and air conditioning system at the Aviation Ave. building in Anchorage,
- the electrical systems at the Peger Road building in Fairbanks and the Tudor Road building in Anchorage,
- the roof at the SE Region building, and
- the driveway at the Alaska State Museum.

Benchmark:

The only funds the Department receives from the Legislature are State Deferred Maintenance funds. For FY 01, a total of \$800,000 was appropriated for all the state-owned facilities the Department is responsible for maintaining. Those funds will be used for repairing the following:

- boiler and air conditioning system at the Aviation Ave. building in Anchorage,
- the electrical systems at the Peger Road building in Fairbanks and the Tudor Road building in Anchorage,
- the roof at the SE Region building, and
- the driveway at the Alaska State Museum.

Background and Strategies:

State Deferred Maintenance funds are very important in maintaining state buildings. The accumulated deferred maintenance backlog has increased 14% in the past two years. The current estimated Deferred Maintenance short

fall is \$45 million. Lack of capital funding and fewer available operating resources for vital preventive and routine maintenance has resulted in accelerated deterioration of public facilities. Renewal and replacement of obsolescent systems in facilities is grossly inadequate to meet current needs and reduce the accumulated deferred maintenance backlog. Additional funding is necessary to meet current needs and to reduce the deferred maintenance backlog.

Status of FY2001 Performance Measures

	<i>Achieved</i>	<i>On track</i>	<i>Too soon to tell</i>	<i>Not likely to achieve</i>	<i>Needs modification</i>
<ul style="list-style-type: none"> ● The percentage of facility mechanical systems that pass safety inspections each year. ● Whether the Department maintains or reduces the net value of facilities deferred maintenance projects annually with legislative appropriation support 		X	X		

State Equipment Fleet

Key Performance Measures for FY2002

Measure: 80% of the Fleet wet rentals are returned to the division as scheduled for preventive maintenance on or before June 30, 2002.

(Developed jointly with Legislature in FY2001.)

Current Status:

Currently State Equipment Fleet is tracking preventive maintenance activities. So far this fiscal year, the regions are experiencing from 42 percent to 85 percent compliance with preventive maintenance schedules.

Benchmark:

No benchmark has yet been established for Alaska. DMG Maximus, a nationally recognized fleet management consulting firm, is currently reviewing the Department's fleet management. Part of their final report to the Department will include appropriate performance targets.

Background and Strategies:

Preventive Maintenance (PM) is a critical aspect of efficient fleet management. Regularly scheduled service and inspection of vehicles and equipment is the cornerstone of maintaining fleet safety, maintaining maintenance and operation integrity, and of controlling maintenance costs. The main components of a preventive maintenance service program are regularly pre-determined inspections including lubrication and service. Adherence to these components will help extend machine service life, improve availability and reliability, and reduce major component repair and replacement expenses.

All SEF foremen and superintendents are provided monthly updates for those vehicles that are due or are overdue for preventive maintenance.

Barriers to reaching or surpassing this measure include:

- The failure of the user agency to bring the vehicle in for preventive maintenance when requested by State Equipment Fleet,
- The inability of the user agency to bring the vehicle in if it is being used during the State's limited construction season. This can be alleviated by scheduling non-critical preventive maintenance at the end of the construction season or during the winter months when the vehicle is not in use, and
- Earlier this year 1,000 attachments (plows, snow wings, etc.) were added to the PM schedule. Because of this large increase in items, it will take at least a year to get all of their PMs current.

Measure: Average down time for light duty, actively used equipment in urban areas.

(Developed jointly with Legislature in FY2001.)

Current Status:

State Equipment Fleet is beginning to track downtime for light duty vehicles in urban areas. SEF Headquarters has developed a computer program to do that.

Benchmark:

No benchmark has yet been established. DMG Maximus, a nationally recognized fleet management consulting firm, is currently reviewing the Department's fleet management. Part of their final report to the Department will include appropriate performance targets including recommendations on information systems that will support the performance measurement program and sources of benchmarking information.

Background and Strategies:

SEF is responsible for the overall management of the state's vehicle and equipment resources. It is a service organization providing equipment support services to all state agencies. Equipment can't perform its function when it

is down for any reason. Fleets must manage this parameter. Downtime of a vehicle can be affected by staffing levels, parts availability, and adequate staff training. Education of staff is essential to assure that data entry for opening and closing dates of work orders are consistent throughout SEF.

Measure: Number of locations where SEF rental rates are equal to or less than the rental rates published in industry guide books.

(Developed jointly with Legislature in FY2001.)

Current Status:

SEF has completed the comparison of the FY2001 rental rates with the current Rental Rate Blue Book for Construction Equipment published by Primedia Directories. A total of 862 vehicles in 76 equipment classes were included in the study. The types of vehicles were light duty, medium and heavy trucks, heavy equipment, support equipment, trailers, and attachments. In all regions SEF rates were lower than those in the Blue Book were. The SEF rates ranged from less than 10 percent to 86 percent of the Blue Book ones. The statewide average for all SEF rates in the study was 39 percent.

Benchmark:

SEF rates should be lower than published rates.

Background and Strategies:

Service and rate competitiveness is central to the measurement of SEF's performance. If SEF service or rates are not competitive, the customer agency should be allowed to seek alternative and documented solutions elsewhere.

Status of FY2001 Performance Measures

	<i>Achieved</i>	<i>On track</i>	<i>Too soon to tell</i>	<i>Not likely to achieve</i>	<i>Needs modification</i>
<ul style="list-style-type: none"> ● 80% of the Fleet wet rentals are returned to the division as scheduled for preventive maintenance on or before June 30, 2001. ● Average down time for light duty, actively used equipment in urban areas. ● Number of locations where SEF rental rates are equal to or less than the rental rates published in industry guide books. 		X	X		

Measurement Standards & Comm Vehicle Enforcement

Key Performance Measures for FY2002

Measure: Commercial vehicle safety inspections per full-time equivalent employee of the division.
(Developed jointly with Legislature in FY2001.)

Current Status:

During FY2000, actual performance was 145.54 inspections per full-time-equivalent employee of the division compared to 109.81 per full-time-equivalent employee in FY99. The Division completed 4,512 inspections during FY2000. From 7/1/00 through 10/15/00, the division has completed 1,511 inspections.

Benchmark:

To date, there is no established national standard for this performance measure, although, the Department's goal is to reach 5,000 inspections per year.

Background and Strategies:

The division anticipates further efficiencies through streamlining the inspection process by implementing electronic inspection reporting at the field level. Two laptops were deployed in September to test this new electronic reporting system. During FY00 31 employees were trained in the North American Standards driver/vehicle safety inspection training and 27 employees attended training for Cargo Tank and Hazardous Materials. This training was conducted over an eight to ten week period covering Alaska statewide and included local police departments and State Troopers.

Measure: Weighing and measuring device inspections conducted per full-time equivalent.
(Developed jointly with Legislature in FY2001.)

Current Status:

During FY2000 there were a total of 14,813 weighing and measuring devices inspected for a total of 1,481 inspections conducted per full-time-equivalent employee of the division compared to 1,397 inspections conducted per full-time-equivalent employee in FY99.

Benchmark:

To date, there is no established national standard for this performance measure. Although, the Department's goal is to maintain a level of 15,000 inspections per year based upon a 0% vacancy factor.

Background and Strategies:

The predominant factor influencing this measure is the number of available inspection hours. We expect to enhance our productivity by utilizing a new Weights & Measures software program, reducing the need for redundant data entry. This productivity enhancement should enable us to achieve 1,500 inspections per full-time-equivalent employee of the division.

Status of FY2001 Performance Measures

	<i>Achieved</i>	<i>On track</i>	<i>Too soon to tell</i>	<i>Not likely to achieve</i>	<i>Needs modification</i>
<ul style="list-style-type: none"> ● Increase driver and vehicle safety inspections to 3,600 per year. 					X
<ul style="list-style-type: none"> ● Maintain number of size, weight, safety and permit violations at no more than 325 per year. 					X

Budget Request Unit — Measurement Standards & Comm Vehicle Enforcement

	<i>Achieved</i>	<i>On track</i>	<i>Too soon to tell</i>	<i>Not likely to achieve</i>	<i>Needs modification</i>
● Commercial vehicle safety inspections per full-time equivalent employee of the division.		X			
● Weighing and measuring device inspections conducted per full-time equivalent.		X			

Highways and Aviation

Key Performance Measures for FY2002

Measure: Whether the department maintains the pavement condition index (PCI) at 70 for runways and 60 for taxiways and aprons at every applicable airport 99 percent of the time.

(Developed jointly with Legislature in FY2001.)

Current Status:

Out of 381 runways, aprons and taxiways inspected, 48% of the runways exceed 70 and 66% of the aprons/taxiways exceed 60. The actual PCI by airport is extremely variable depending upon where the airport is and when it was last upgraded. For example, the Skagway airport has recently been reconstructed and, as the paved areas are all new, PCI scores would be at or near 100. On the other hand, Yakutat has a PCI of 50 and will not be surveyed until a major reconstruction project is completed. That project will begin in 2001 or 2002.

Benchmark:

PCI 70 for runways; PCI 60 for taxiways and aprons.

Background and Strategies:

The PCI is a quantitative indicator of overall pavement condition that, as part of a pavement management system, helps us to determine maintenance and rehabilitation needs at airports. It also helps us to determine priorities when scheduling major pavement projects. However, a PCI score is only part of the story. The Department's goal is to maintain airports' required operational capability through effective staffing, equipment, maintenance, and management practices that ensure our airports are safe and open for business whether they have new pavement or are due for rehabilitation.

Measure: Percentage private maintenance contracts at non-certified airports compared to total number of non-certified airports.

(Revised from Legislature's FY2001 version.)

Current Status:

70% of the Department's non-certificated airports are maintained under contract. The Department has 192 non-certificated airports. Of those, the maintenance and operations of 134 of them are contracted to private firms or individuals and the remainder are maintained by the Department.

Benchmark:

No benchmark has yet been established.

Background and Strategies:

The current strategy is to adequately maintain all airports as cost effectively as possible. Most of the non-certified airports that are not maintained with private contractors are located next to highways. Consequently, the highway crews maintain these airports. They have all the necessary equipment and local knowledge of the airport's needs. Economy is gained by maintaining the highways and airports with existing employees and equipment. Costs to maintain airports are generally considerably higher at those not serviced by a road system. Maintenance costs will continue to be kept down through competitively bid contracts where it is cost effective to do so.

Measure: Percentage pass rate of annual federal airport certification inspections for response and safety standards set out in FAA regulations.

(Developed jointly with Legislature in FY2001.)

Current Status:

100% of airports passed certification inspection. Compliance is mandatory and issues are corrected when noted.

Benchmark:

100% of airports passed certification inspection. Compliance is mandatory and issues are corrected when noted.

Background and Strategies:

The FAA, to ensure safe and standard airfield operations and compliance with its FAR 139 certification requirements, inspects the certificated airports at least annually. These inspections cover a broad range of areas including Airport Rescue and Firefighting (ARFF), safety, lighting, markings, runway incursions (interference with aircraft during takeoff and landing) and a number of other operating standards.

The Department's goal is to improve compliance with the FAA's FAR 139 program. This can be achieved by the proper identification of deficiencies by maintenance, operations, and safety personnel. Inspections note deficiencies for a broad range of inspection criteria and differ each year depending on FAA focus. Compliance with FAR Part 139 is achieved through adequate training and supervision of airport personnel, and implementation of effective management practices by the Regional Maintenance and Operations staff. The Regional Airport Safety and Compliance Officer is always available to help airport managers with compliance issues and ensures, through regular communication and visits, that any problems are resolved quickly.

Measure: The number of miles of gravel roads that are surfaced with chip seal, hot mix, or high float asphalt for the first time, reported regionally.
(Developed jointly with Legislature in FY2001.)

Current Status:

The number of centerline miles of gravel road surfaced with chip seal, hot mix or high float asphalt for the first time during FY00 is as follows:

	Total	by Hwys & Aviation	by Const & CIP
Central Region	103.0	36.0	67.0
Northern Region	49.0	4.3	44.7
Southeast Region	5.0	.0	5.0
TOTAL	157.0	40.3	116.7

Benchmark:

We are unaware of any specific benchmark at this time. Number of miles of roads that are surfaced is dependent upon amount of funds budgeted through the STIP.

Background and Strategies:

The Road Paving Program established in State Fiscal Year 99 implements the Administration's goal of reducing maintenance costs and improving the quality of life for Alaskans by hard surfacing state owned/maintained Non National Highway System (NHS) gravel roads, as well as those NHS roads also identified under the Statewide Transportation Improvement Program (STIP). The scope of this work represents limited shoulder work, drainage and other work related to preserving the road structure. This is an extremely important program and will provide great benefit to many Alaskans. The Department of Transportation and Public Facilities also benefits directly from this program through reduced maintenance costs. Roads are selected for this program based on cost, condition of the roads, and traffic levels.

Measure: The percentage of highway and airport lane miles per full-time-equivalent employee compared to the average of member states of the Western Association of State Highway and Transportation Officials.
(Developed jointly with Legislature in FY2001.)

Current Status:

Northern Region Maintenance and Operations, Highways and Aviation maintains highway and airport lane miles with 42.1 lane miles per full time equivalent position. Southeast Region averages 35.3 highway and airport lane miles per full time equivalent. And, Central Region M&O maintains highway and airport lane miles with an average of 37.0 lane-miles per FTE position.

Benchmark:

Thirteen states average 21.7 lane miles per full time equivalent position based upon the 1993 Washington State report titled Maintenance, Management, and Administration Evaluation Report. Through a recent informal review of WASHTO states, the average lane miles per FTE for those states that responded are as follows:

Arizona	27.61
California	8.80
Colorado	18.66
Hawaii	7.23
Idaho	29.00
Nevada	38.18
Oklahoma	28.90
Texas	28.50

WASHTO Average 23.28

Background and Strategies:

At the current levels of lane miles per full-time-equivalent, the Department is not able to provide an adequate level of service. There is a long list of "deferred maintenance" work - jobs that have not been completed due to lack of personnel and other resources. Staff are required to concentrate on critical needs, such as snow removal, rock slides, flooding, and erosion of roadbeds, and are able to devote less attention to preventive maintenance, such as crack sealing, ditching, and brush cutting. Work on priority maintenance items is scheduled when time and resources permit, and federal funds are used to improve the transportation infrastructure to minimize future maintenance needs. The Department plans to implement an Alaskan maintenance management system that will establish specific maintenance criteria (roadway surface, drainage, snow & ice control, traffic services, etc.) with defined service levels and associated cost to identify to the public and legislature meaningful performance measures. Use of the maintenance management system will identify specific maintenance areas (e.g., guardrail repair, brush cutting, etc.) lacking in necessary resources. To reduce the average lane miles per employee, lane miles could be eliminated from state highway and aviation systems by transferring to communities, develop new funding sources, or encourage FHWA to make eligible more maintenance items under the federal aid highway program.

Measure: The number of miles of road maintenance for which responsibility is transferred to local governments.

(Developed jointly with Legislature in FY2001.)

Current Status:

In FY00 12.86 miles of road maintenance was transferred to local governments.

Benchmark:

No benchmark has yet been established.

Background and Strategies:

The transfer of road maintenance responsibility to local governments is negotiated between Planning, M&O and the local community. In exchange for a capital project benefiting the community, the community agrees to accept responsibility for maintaining an equivalent section of road. This is a win-win situation for the State and the community, allowing the use of federal funds to construct a project that benefits the community while reducing M&O general fund costs and responsibilities. The department is working with communities to identify roads that can be transferred to municipality control. Currently we are working with municipal governments to transfer roads in Juneau, Haines, Petersburg, Mat-Su Borough and Kenai Peninsula Borough.

Status of FY2001 Performance Measures

<i>Achieved</i>	<i>On track</i>	<i>Too soon to tell</i>	<i>Not likely to achieve</i>	<i>Needs modification</i>
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	<i>Achieved</i>	<i>On track</i>	<i>Too soon to tell</i>	<i>Not likely to achieve</i>	<i>Needs modification</i>
<ul style="list-style-type: none"> ● Whether the department maintains the pavement condition index (PCI) at 70 for runways and 60 for taxiways and aprons at every applicable airport 99 percent of the time. ● The percentage of cost-effective private maintenance contracts at non-certified airports compared to total number of non-certified airports. ● Percentage pass rate of annual federal airport certification inspections for response and safety standards set out in FAA regulations. ● The number of miles of gravel roads that are surfaced with chip seal, hot mix, or high float asphalt for the first time, reported regionally. ● The percentage of highway and airport lane miles per full-time-equivalent employee compared to the average of member states of the Western Association of State Highway and Transportation Officials. ● The number of miles of road maintenance for which responsibility is transferred to local governments. 			X		X

Ted Stevens Anchorage International Airport

Key Performance Measures for FY2002

Measure: The International Airports shall maintain an average pavement condition index of fair for all runways , taxiways and aprons.

(Revised from Legislature's FY2001 version.)

Current Status:

AIA operates 24 hours per day, 365 days a year. Runway closures could occur for a number of reasons such as weather (low visibility or snow), maintenance (structural or lighting), navigation aids or other factors. Last year, the Airports maintained operational capability of at least two runways at Anchorage an estimated 99% of the time.

Benchmark:

Full airport closure is an extremely rare event. Standards are published in the Federal Aviation Administration (FAA) Advisory Circulars, Airport Certification Manual and Federal Aviation Regulations (FARs). The standard goal is to keep airports open at all times and support aircraft scheduling requirements when maintenance, construction or other conditions mandate temporary runway closures.

Background and Strategies:

The Airport's Pavement Management System represents a method of assessing and managing the condition and maintenance of runways and other airport movement areas. It is our goal to maintain the Airport's required operational capability through effective staffing, equipment, maintenance and management practices. When planned maintenance or other actions require individual runway closures, these actions should be coordinated in advance to minimize impact on operational traffic. Weather closures are to be avoided through effective application and execution of the snow management plan.

Measure: Reduce the number of International Airports airfield deficiencies in the next fiscal year to zero major discrepancies and less than 25 minor discrepancies.

(Revised from Legislature's FY2001 version.)

Current Status:

Historically, AIA receives approximately 50 annual discrepancies and FIA receives less than three, including numerous minor deviations from FAA standards.

Benchmark:

There is no established standard or quantitative measure for FAA certification inspections. Both airports attempt to provide the safest, most efficient service to airlines and traveling public.

Background and Strategies:

The International Airports are inspected at least annually by the FAA to ensure safe and standard airfield operations and compliance with its FAR 139-certification requirements. These inspections cover a broad range of areas including Airport Rescue and Fire fighting (ARFF), safety, lighting, markings, runway incursions (interference with aircraft during takeoff and landing) and a number of other operating standards.

The Airports goal is to improve compliance with FAA's FAR 139 program. This can be achieved by the proper identification of deficiencies by maintenance, operations, and safety personnel. This information, in turn, must be detailed into a maintenance management program with all maintenance and training actions completed prior to annual inspections by the FAA.

These inspections note deficiencies for a broad range of inspection criteria and differ each year depending on FAA focus. Other areas that should be monitored are the existence of repeat discrepancies and attaining 100% correction of deficient areas that do not require a CIP project.

Measure: Whether the department achieves a five percent annual increase in cargo landings at the international airports measured on a three-year rolling average.

(Developed jointly with Legislature in FY2001.)

Current Status:

FY 99 cargo landings remained constant over FY 98 due to the Asian economic crisis. We saw the landings bottom out and begin to increase in February 1999. FY 00 cargo landings vs. FY 99 landings showed a growth rate of 12.7%. 3 year rolling average for Anchorage showed a growth rate of 6.9%. FY 01 is on track to meet the performance measures.

Benchmark:

There are limited established or quantitative measures for evaluating cargo growth against other airports. Boeing World Air Cargo Forecast estimates overall growth in the air cargo industry to average 6.4% over the next 10 years.

Background and Strategies:

Cargo growth at Anchorage continues to track upward with the world demand for air cargo. Alaska's unique position has made AIA a key player in the international cargo industry. Anchorage has historically been a transit stop between markets generally due to lack of range of the aircraft.

As the world air cargo market continues to expand and the range of the aircraft grows, the key strategy for Anchorage remains to convert existing transit stops to value-added stops. With the advent of two more of our international carriers beginning transfer operations recently, 57% of our international carriers now provide some value-added service while on the ground, either in terms of transloading or enplaning and deplaning freight. This strategy of anchoring these airlines allows us to retain our current level of business, work to expand the services offered by our current carriers and continually attract new carriers to the ever-growing marketplace.

Measure: Whether the department completes the Gateway Alaska Terminal Redevelopment Project by September 1, 2004.

(Added by Legislature in FY2001 version.)

Current Status:

The Terminal Redevelopment Project intends to complete on schedule by fall of 2004. The design of the remaining renovation work in the existing building is scheduled to start this winter.

Benchmark:

There is no established standard or benchmark in which to compare the project against.

Background and Strategies:

The Gateway Alaska Terminal Redevelopment Project is dedicated to completing the project as planned.

Status of FY2001 Performance Measures

	<i>Achieved</i>	<i>On track</i>	<i>Too soon to tell</i>	<i>Not likely to achieve</i>	<i>Needs modification</i>
● Whether the department maintains the pavement condition index (PCI) at 70 for runways and 60 for taxiways and aprons at every applicable airport 99 percent of the time.					X
● Whether the department maintains the 100 percent pass level of annual federal airport certification inspections for response and safety standards set out in federal aviation regulations.					X

Budget Request Unit — Ted Stevens Anchorage International Airport

	<i>Achieved</i>	<i>On track</i>	<i>Too soon to tell</i>	<i>Not likely to achieve</i>	<i>Needs modification</i>
<ul style="list-style-type: none"> ● Whether the department achieves a five percent annual increase in cargo landings at the international airports measured on a three-year rolling average. 		X			
<ul style="list-style-type: none"> ● Whether the department completes the Gateway Alaska Terminal Redevelopment Project by September 1, 2004. 		X			

Fairbanks International Airport

Key Performance Measures for FY2002

Measure: Whether the department maintains the pavement condition index (PCI) at 70 for runways and 60 for taxiways and aprons at every applicable airport 99 percent of the time.

(Developed jointly with Legislature in FY2001.)

Current Status:

Fairbanks International Airport expects to be on track in achieving these PCI levels. In addition to the expansion of runway 1L/19R two year ago, portions of the existing runway surfaces were regrooved. We are in the preliminary stages of conducting a pavement evaluation and management plan, which will provide an accurate measurement and analysis of pavement conditions.

Benchmark:

Pavement Condition Indexes (PCI) are outlined in FAA Advisory Circular 5380-6 entitled "Guidelines and Procedures for maintenance of Airport Pavements" and are measured on a scale of 0 to 100. The numerical rankings are as follows: 85 to 100 -Excellent; 70 to 85 - Very Good; 55 to 70 - Good; 40 to 55 - Fair; 25 to 40 - Poor; 10 to 25 - Very Poor; and < 10 - Failed.

Background and Strategies:

The requirement of Airports to develop Pavement Evaluation and Management Plans appeared a few years ago in the FAA Grant Assurances. While the above advisory provides guidance for the required plans, the FAA has not as yet established set standards to be met. The acceptable PCI for an airport can vary depending on the types of aircraft operations being conducted. Once the FIA pavement management plan is completed, the technical data will be available to support development of a repair and replacement plan to ensure the asphalt surfaces are kept within the PCI's noted above.

Measure: Whether the department maintains the 100 percent pass level of annual federal airport certification inspections for response and safety standards set out in federal aviation regulation

(Developed jointly with Legislature in FY2001.)

Current Status:

Historically, FIA receives less than three noted discrepancies during the annual airport certification inspection.

Benchmark:

There are no established standards or quantitative measures for evaluating FAA certification inspections. These inspections note deficiencies for a broad range of inspection criteria that differ each year depending on FAA focus. During the 2000 certification inspection, no actual discrepancies were noted. The Certification Inspector did recommend five areas for review including, for example, the driver's training program, updating the non-standard signage on the general aviation side of the airport, and adding beads to pavement markings. However, FIA is not obliged to add beads to that paint and will not embrace the recommendation.

Background and Strategies:

Both airports attempt to provide the safest, most efficient service to airlines and the traveling public. The International Airports are inspected at least annually by the FAA to ensure safe and standard airfield operations and compliance with its FAR 139-certification requirements. These inspections cover a broad range of areas including Airport Rescue and Fire fighting (ARFF), safety, lighting, markings, runway incursions (interference with aircraft during takeoff and landing) and other operating standards.

The Airports' goal is to continually improve compliance with FAA's FAR 139 program. This can be achieved by the proper identification of deficiencies by maintenance, operations, and safety personnel. Any instances of repeat

discrepancies require special attention and it is our goal to attain 100% correction of deficient areas that do not require a CIP project.

Measure: Whether the department achieves a five percent annual increase in cargo landings at the international airports measured on a three-year rolling average
(Developed jointly with Legislature in FY2001.)

Current Status:

Cargo landings have been tracked since FY93. Over these years, Fairbanks International Airport has achieved a three-year rolling average of 5% in cargo landings growth. The last three years through FY2000 have seen a slight drop in landings as a result changing international economic conditions. However, total cargo throughput has increased over 10% in the past two years. This reflects an increase in the cargo capacity of aircraft utilizing Fairbanks International Airport.

Benchmark:

There are limited established or quantitative measures for evaluating cargo growth against other airports. Boeing World Air Cargo Forecast estimates overall growth in the air cargo industry to average 6.4% over the next 10 years.

Background and Strategies:

The international airports have some strategic advantages as an international cargo stop over based simply on geographic location. However, air carriers make decisions on such stops based on a number of reasons, some of which are within the airport's control, and others which are not. The high level of international cargo activity at both the Anchorage and Fairbanks international airports results in a fairly low landing fee by industry standards. However a reliable source of reasonably priced fuel is an equally important factor. Fortunately, that condition also exists at both Anchorage and Fairbanks and has resulted in continuing to attract and retain international cargo activity.

The Fairbanks business community continues to vigorously support FIA in its efforts to attract and keep cargo carriers because these operations have a considerable positive economic impact on the community. For example, over the last ten years Lufthansa has bought 157,952 million gallons of fuel and over 20,000 crew lodging nights in Fairbanks. FIA has the capacity to handle more international traffic.

Status of FY2001 Performance Measures

	<i>Achieved</i>	<i>On track</i>	<i>Too soon to tell</i>	<i>Not likely to achieve</i>	<i>Needs modification</i>
● Whether the department maintains the pavement condition index (PCI) at 70 for runways and 60 for taxiways and aprons at every applicable airport 99 percent of the time.		X			
● Whether the department maintains the 100 percent pass level of annual federal airport certification inspections for response and safety standards set out in federal aviation regulation		X			
● Whether the department achieves a five percent annual increase in cargo landings at the international airports measured on a three-year rolling average		X			

Marine Highway System

Key Performance Measures for FY2002

Measure: The percentage of times that vessels depart on time.

(Developed jointly with Legislature in FY2001.)

Current Status:

For the 12 month period ending June 30, 2000, the fleet as a whole had an 77% on-time departure rate. This rate varies between vessel and route from a low of 65% to a high of 90%.

Benchmark:

The benchmark used for this performance measure is the on-time departure data from the airline industry. Nationwide the on-time departure benchmark is 75.1%. This varies by airline and airport.

Background and Strategies:

Numerous events can cause delays in ferry departure times, especially weather and tides. An additional relevant factor is the additional time it takes to load/unload large and/or low slung vehicles (RV's trucks w/trailers, heavy equipment) during busy periods. Most of these factors are out of the control of AMHS. We do have control of making schedule modifications in the event of continual and systematic delays.

Our strategy for FY 02 is to review our performance by vessel and route for FY 00 and 01 to insure that our schedule is more realistic by accommodating for tidal delays and loading restrictions. While departing on time is important to our customers, the safety concerns will not be compromised.

Measure: The revenue per rider mile divided by the operational costs per rider mile.

(Developed jointly with Legislature in FY2001.)

Current Status:

The ratio of revenue per rider mile to cost per rider mile for FY 00 was .51. This was obtained by dividing the revenue per rider mile of \$.62 by the cost per rider mile that was \$1.22.

Benchmark:

The Washington State Ferry System reports a ratio of .60. The British Columbia Ferry Corporation reports a ratio of .81. Their cost per rider mile is about the same as the Alaska Marine Highway System's, but their revenue per mile is much higher in that they adjust their tariffs to reflect increased expenditures.

Background and Strategies:

The Alaska Marine Highway System is in line when compared to the other ferry systems, other than the lower revenue per rider mile when compared to the British Columbia system. Even though the AMHS's revenue per rider mile has increased slightly over the past few years, it has not increased significantly because tariffs have not been adjusted substantially since 1992. This performance measure is influenced by several variables, ie. seasonal demand, service routes, number of voyages per week between ports and the fluctuation in fuel prices. In FY00, fuel prices increased 50% driving the cost per rider mile up 17%. We are planning to raise fares in FY01 that will increase this ratio by generating additional revenue.

Measure: The total ridership, including passengers and vehicles, compared to the five-year ridership average.

(Developed jointly with Legislature in FY2001.)

Current Status:

The five year ridership average for passengers has been 359,068, while for vehicles 101,819. Ridership for both passengers and vehicles increased about 1% in FY 2000 to 362,566 and 103,212 respectively. We anticipate a ridership decline in FY 2001 due to the Columbia being off line for the summer because of fire damage.

Benchmark:

There is no good benchmark for this performance measure other than the 5-year average. Both the BC Ferries and Washington State Ferries carry substantially more passengers and vehicles, but both are short haul and commuter type systems.

Background and Strategies:

The Alaska Marine Highway System brought a ninth vessel on line and introduced cross Gulf service in FY1999. This measure is a comparison of ridership with a nine vs. eight vessel fleet. With the establishment of active marketing by the new AMHS marketing manager hired in FY2001, increased ridership of 3% per year is the Alaska Marine Highway System's goal.

Measure: The average onboard revenue per passenger, including cabin occupancy, food, beverage, and other sources of revenue.

(Developed jointly with Legislature in FY2001.)

Current Status:

The onboard sales per passenger declined slightly in FY 00. This was primarily due to people taking shorter trips, on average, thus spending less on food and entertainment.

Benchmark:

The three-year average per passenger had been \$21.49. In FY 00 the average was \$20.89. It is difficult to find a benchmark in other ferry systems as passengers spend much less time on the ships, hence spend less per person than on the AMHS.

Background and Strategies:

A marketing and tariff study was conducted by the McDowell Group in FY00 by surveying 3,500 customers. Its purpose was to find a way to improve its revenue earning capability. This study identified the reasons travelers chose the AMHS to travel to and from Alaska and what they disliked aboard the vessels. One area of recommended improvement was in the food services which had a 50% approval rating. The AMHS will focus on improving quality control, menu selection and food preparation during FY01. Our goal is to increase customer satisfaction in the food service area 5% per year.

Measure: The percentage of persons served who are satisfied customers.

(Developed jointly with Legislature in FY2001.)

Current Status:

An initial survey was conducted in FY00 in conjunction with the year-long AMHS Marketing and Pricing Study in which 3600 current and potential customers were surveyed. Overall customer service by the AMHS was rated very good by 75% of its customers with only 2% giving poor ratings.

Benchmark:

There is no good benchmark for this performance measure other than the 5-year average. The AMHS passenger ships are long haul and unique in North America. The BC Ferries and Washington State Ferries are short haul and commuter type systems.

Background and Strategies:

The AMHS experience is viewed as unique to Alaska travelers. The recent study is the first comprehensive look at the AMHS customer base in the 37 year history of the Marine highway System and it will be utilized as a baseline from which future measures can be made. Since a study of this nature could be repeated every few years, the AMHS will conduct annual customer satisfaction surveys to track how customer service is doing. Even though the McDowell report found that the number of dissatisfied customers was only 2 percent, our goal is to increase the level of very satisfied customers annually from 75% since that category represents all those who feel the AMHS customer service is very good to excellent. Each of the areas of customer concerns in that report, i.e. reservations, accommodations, service personnel and food service are being addressed with call waiting, stateroom renovations, customer relations training and food service consulting in FY01.

Status of FY2001 Performance Measures

	<i>Achieved</i>	<i>On track</i>	<i>Too soon to tell</i>	<i>Not likely to achieve</i>	<i>Needs modification</i>
● The percentage of times that vessels depart on time.		X			
● The revenue per rider mile divided by the operational costs per rider mile.		X			
● The total ridership, including passengers and vehicles, compared to the five-year ridership average.		X			
● The average onboard revenue per passenger, including cabin occupancy, food, beverage, and other sources of revenue.		X			
● The percentage of persons served who are satisfied customers.		X			