

State of Alaska
FY2007 Governor's Operating Budget

Department of Labor and Workforce Development
Mechanical Inspection
Component Budget Summary

Component: Mechanical Inspection

Contribution to Department's Mission

The Mechanical Inspection component contributes to the department's mission by reducing hazards to life and property posed by unsafe boilers, pressure vessels, elevators, escalators, trams, lifts, and electrical and plumbing work.

Core Services

Inspect boilers, pressure vessels, elevators, escalators, lifts, and electrical and plumbing work for code compliance.

Issue certificates of fitness to electricians, power linemen, plumbers, boiler operators, asbestos workers, hazardous painters, and explosives handlers.

Assist the Department of Revenue, Child Support Enforcement Division, by identifying certificate of fitness applicants who are in arrears on child support payments.

Provide enforcement assistance to the Department of Community and Economic Development to ensure that electricians, plumbers, construction contractors and electrical/mechanical administrators have proper certificates and licenses.

Enforce Alaska vehicle registration requirements under AS 28.10.121 on construction projects to focus attention on and improve Alaska resident hire. Investigators with special commissions from the Alaska State Troopers may issue citations for vehicles with unlawful out-of-state license plates.

Major Activities to Advance Strategies

- Test applicants and issue certificates to qualified plumbers, electricians, power line workers and boiler operators.
- Perform on-site inspections of boilers, pressure vessels, elevators, and electrical and plumbing work for code compliance.
- Issue certificates of fitness for asbestos workers, hazardous painters and explosives handlers.

FY2007 Resources Allocated to Achieve Results

FY2007 Component Budget: \$2,391,200	Personnel:	
	Full time	25
	Part time	0
	Total	25

Key Component Challenges

The Mechanical Inspection section requests \$181.2 for two new Assistant Boiler Inspector positions. These new training level positions will establish an Alaska-based labor pool for recruitment of certified Boiler Inspectors to minimize the need for out-of-state recruitment and contribute to the Governor's 90% Alaska hire goal. These positions will improve the percentage and timeliness of boiler and pressure vessel code violation corrections by increasing follow up activities. As the total number of boilers and pressure vessels is increasing due to increasing development, these new positions are necessary to ensure that 80% of code violations are corrected within 60 days of inspection. After completing a 6 month training period, these positions will perform 500 inspections per year, which will accelerate the elimination of the boiler inspection backlog. In FY 2005, the boiler inspection backlog was only reduced by 9% due to

a vacancy which required a prolonged recruitment that ultimately resulted in hiring a Boiler Inspector from outside of Alaska.

The Mechanical Inspection section also requests three permanent part-time Investigator positions to improve contractor licensing and certificate of fitness enforcement results during the busy summer construction season. These four-month positions will focus inspections on areas in Alaska with rapid growth such as the Matanuska-Susitna valley. These positions will help facilitate fair competition for licensed contractors and certificate of fitness holders through a 25% increase in the number of contractors checked and the number of violations identified and eliminated in comparison to the previous year. The position will be supported with existing budgeted resources.

Significant Changes in Results to be Delivered in FY2007

The Mechanical Inspection section expects to reduce the elevator backlog now that both elevator inspectors are operating at full capacity.

With the requested two new Assistant Boiler Inspector positions, the goal to reduce the number of overdue inspections by 33% annually will be met.

Major Component Accomplishments in 2005

Although a Boiler Inspector position was vacant for most of the year, Mechanical Inspection inspected 6,148 boiler/pressure vessels and reduced the backlog from 2,996 to 2,737 boiler/pressure vessels, while the number of units requiring inspection increased by 1,300.

Statutory and Regulatory Authority

Statutory Authority:

AS 05.20.010 - .120	Recreational Devices
AS 08.18.011 - .171	Construction Contractors
AS 08.40.090 - .490	Electrical/Mechanical Administrators
AS 18.31.010 - .500	Asbestos Health Hazard Abatement
AS 08.52.010 - .100	Explosives Handlers
AS 18.60.180 - .395	Boilers
AS 18.60.580 - .660	Electrical Safety
AS 18.60.670 - .695	High Voltage Lines
AS 18.60.705 - .740	Plumbing Code
AS 18.60.800 - .820	Elevators
AS 18.62.010 - .080	Certificate of Fitness
AS 18.63.010 - .100	Hazardous Painting Certification
AS 23.05.060	Certificate of Fitness - Powers of the Department
AS 25.27.244	Certificate of Fitness - Child Support Enforcement
AS 44.31.025	Building Safety Account
AS 44.62.450	Hearings - Amusement park/tramway rides
AS 45.45.910	Electrical Safety - Sale or transfer of consumer electrical products

Administrative Regulations:

8 AAC 61.600 - .790	Asbestos Abatement Certification
8 AAC 61.800 - .890	Painting Certification
8 AAC 62.010 - .070	Explosives Handlers
8 AAC 63.010 - .030	Plumbing Code
8 AAC 70.010 - .090	Electrical Safety
8 AAC 77.005 - .905	Elevator Safety
8 AAC 78.010 - .900	Amusement Rides and Tramways
8 AAC 80.010 - .900	Boilers & Pressure Vessels
8 AAC 90.105 - .900	Certificates of Fitness
12 AAC 21.010 - .990	Construction Contractors
12 AAC 32.005 - .995	Electrical Administrators
12 AAC 39.007 - .992	Mechanical Administrators

Contact Information

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**Mechanical Inspection
Component Financial Summary**

All dollars shown in thousands

	FY2005 Actuals	FY2006 Management Plan	FY2007 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	1,310.4	1,557.2	1,861.7
72000 Travel	103.5	173.4	110.0
73000 Services	244.8	351.2	369.6
74000 Commodities	46.5	36.9	49.9
75000 Capital Outlay	0.0	0.0	0.0
77000 Grants, Benefits	0.0	0.0	0.0
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	1,705.2	2,118.7	2,391.2
Funding Sources:			
1004 General Fund Receipts	0.0	1.3	1.3
1005 General Fund/Program Receipts	59.5	64.6	68.0
1007 Inter-Agency Receipts	228.6	270.6	283.6
1172 Building Safety Account	1,417.1	1,782.2	2,038.3
Funding Totals	1,705.2	2,118.7	2,391.2

Estimated Revenue Collections

Description	Master Revenue Account	FY2005 Actuals	FY2006 Management Plan	FY2007 Governor
Unrestricted Revenues				
Building Safety Account	51480	1,417.1	1,782.2	2,038.3
Unrestricted Total		1,417.1	1,782.2	2,038.3
Restricted Revenues				
Interagency Receipts	51015	228.6	270.6	283.6
General Fund Program Receipts	51060	59.5	64.6	68.0
Restricted Total		288.1	335.2	351.6
Total Estimated Revenues		1,705.2	2,117.4	2,389.9

**Summary of Component Budget Changes
From FY2006 Management Plan to FY2007 Governor**

All dollars shown in thousands

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2006 Management Plan	65.9	0.0	2,052.8	2,118.7
Adjustments which will continue current level of service:				
-FY 07 Wage Increases for Bargaining Units and Non-Covered Employees	1.0	0.0	27.6	28.6
-FY 07 Health Insurance Cost Increases for Bargaining Units and Non-Covered Employees	0.2	0.0	3.2	3.4
-FY 07 Retirement Systems Cost Increase	2.0	0.0	52.2	54.2
Proposed budget increases:				
-Assistant Boiler Inspectors, 2 PFT PCNs 07-022 and 07-023	0.0	0.0	181.2	181.2
-Risk Management Self-Insurance Funding Increase	0.2	0.0	4.9	5.1
FY2007 Governor	69.3	0.0	2,321.9	2,391.2

**Mechanical Inspection
Personal Services Information**

Authorized Positions		Personal Services Costs		
	<u>FY2006</u> <u>Management</u> <u>Plan</u>	<u>FY2007</u> <u>Governor</u>		
Full-time	19	25	Annual Salaries	1,212,181
Part-time	0	0	COLA	33,181
Nonpermanent	0	0	Premium Pay	10,339
			Annual Benefits	676,356
			<i>Less 3.64% Vacancy Factor</i>	<i>(70,357)</i>
			Lump Sum Premium Pay	0
Totals	19	25	Total Personal Services	1,861,700

Position Classification Summary

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Accounting Clerk I	1	0	0	0	1
Accounting Tech I	1	0	0	0	1
Administrative Assistant	1	0	0	0	1
Administrative Clerk III	2	0	0	0	2
Administrative Supervisor	1	0	0	0	1
Asst Boiler Inspector	2	0	0	0	2
Boiler & Pressure Vssl Insp I	2	1	0	1	4
Boiler & Pressure Vssl Insp II	1	0	0	0	1
Investigator II	2	0	1	0	3
Investigator IV	1	0	0	0	1
SIC Electrical Inspector	0	1	1	1	3
SIC Elevator Inspector	0	1	1	0	2
SIC Plumbing Inspector	1	1	0	1	3
Totals	15	4	3	3	25