

**State of Alaska**  
**FY2007 Governor's Operating Budget**

**Department of Transportation/Public Facilities**  
**Southeast Region Highways and Aviation**  
**Component Budget Summary**

**Component: Southeast Region Highways and Aviation**

**Contribution to Department's Mission**

Operate, maintain, protect and control the state's highway, harbor and airport systems.

**Core Services**

Winter snow and ice control including: snow plowing, snow removal, sanding, de-icing, avalanche prevention and control, snow fencing and culvert thawing.

Summer maintenance including: grading, pothole patching, crack sealing, leveling of heaves and dips, brush clearing, sweeping, dust control, drainage cleaning and repair, fence and guardrail repair, bridge painting and repair, and sign maintenance.

Road and airport lighting systems including: maintenance of traffic signals, intersection and road illumination, harbor electrical service and lighting, and runway and taxiway lights.

Airport security including: access control, badging, lock and key control, and fencing.

Airport compliance, including inspection and assurance that state airports are operated in accordance with Federal Aviation Administration (FAA) operating regulations.

Access control to state rights of way for driveways, access roads, signs and utilities.

Maintenance of harbor facilities not maintained by local community, including breakwaters, floats, and electrical systems.

Statewide winter road and weather reporting on the Internet and the statewide recorded messaging system.

Operate the Adopt-a-Highway system.

<b>FY2007 Resources Allocated to Achieve Results</b>		
<b>FY2007 Component Budget: \$12,855,800</b>	<b>Personnel:</b>	
	Full time	63
	Part time	7
	<b>Total</b>	<b>70</b>

**Key Component Challenges**

The major challenge to Southeast Region Highways and Aviation (H&A) Maintenance & Operations (M&O) is providing safe highways and airports while keeping cost per lane mile at current levels. Three significant factors put pressure on the budget: 1) Rising costs of commodities and services, especially fuel, steel products, equipment, and shipping; 2) A continually deteriorating (aging) transportation system; and 3) Users demand higher levels of transportation service, including bare roads in winter and increased airport operating hours. While the H&A M&O budget has increased in the past budget year, it has not kept up with increased demands and is barely adequate to sustain basic preventative maintenance of our highways and airports. Our maintenance stations are not adequately staffed or equipped to handle the level of maintenance desired. Especially in the area of equipment, the budget has not been able to supply the resources needed to provide a high level of maintenance service. These budget shortfalls have mandated that we focus

our maintenance efforts on urgent repairs rather than conduct a systematic preventative maintenance program for all transportation infrastructures. We are unable to dedicate adequate maintenance efforts to highly deteriorated sections of high volume roads (such as South and North Tongass Highway), low volume roads, remote harbor facilities, and seaplane floats.

Increased costs have been offset to some degree by use of federal capital funds. Highways and Aviation has made maximum use of federal highway funding to achieve major improvement of road surfaces (chip sealing), which decreases maintenance costs for the short term.

An important strategy for long term H&A cost control is to transfer certain community roadways and harbors to local governments. We seek to reduce the size of the state infrastructure by transferring these local assets to the communities they serve, while keeping responsibility for major roads and airports that make up the state transportation infrastructure. This will allow us to concentrate our maintenance efforts on the most important sections of the transportation system. The challenge is to forge agreements with local governments to take responsibility for costly assets when they are experiencing their own budget pressures. While we have had some success in transferring local harbors to community governments, we have experienced minimal success in transferring local roads. Maintenance of these assets continues to tax our limited resources. We are stepping up efforts to complete highway transfer agreements.

### **Significant Changes in Results to be Delivered in FY2007**

Funds are included in this budget request to cover the increasing costs of employee benefits, equipment usage, and commodities such as steel, fuel, and winter abrasives. Funding at the proposed level will allow us to provide the same level of service as in previous years.

The request to increase striping of the Southeast highways will provide better visibility of the markings and provide safer roads.

Implementation of an on-going harbor maintenance program will provide regular dock and float inspections and maintenance and will help keep our deferred maintenance list from continual growth.

### **Major Component Accomplishments in 2005**

Implemented the Maintenance Management System (MMS) in eight of 11 maintenance stations. They are now reporting maintenance activities and costs in MMS.

Implemented the Alaska Land Mobile Radio System at two maintenance stations.

**Gustavus:** Completed major repairs to state dock and float system. Installed two new hardstands on airport apron to accommodate increasing heavy aircraft parking needs.

**Haines:** Completed a project to shore up a section of the Haines Highway that was affected by river erosion. Applied chip seal to low volume roads to facilitate maintenance and improve ride. Applied chip seal to airport runway safety areas to facilitate snow removal. Removed obstruction trees from runway approach.

**Hoonah:** Applied chip seal to runway safety areas to facilitate maintenance.

**Hyder:** Completed emergency repair of slide on Salmon River Road.

**Juneau:** Completed major improvement of Herbert River Truck Trail and transferred road to City and Borough of Juneau. Chip sealed major section of Glacier Highway, Engineer's Cutoff, and Twin Lakes Road. Replaced culverts on Glacier Highway, Thane Road, and Douglas Highway.

**Kake:** Repaired runway surface at Kake Airport.

**Ketchikan:** Completed extensive ditching and brushing; performed numerous spot repairs of deteriorating pavement on North and South Tongass Highways.

**Klawock:** Installed some guard rail on Hydaburg Highway. Installed new segmented circle at Klawock Airport. Completed extensive ditching and brushing on highway system.

**Petersburg:** Painted and crack sealed Petersburg Airport runway. Repaired failed culvert on Mitkof Highway.

**Sitka:** Repaired deteriorating edges on runway. Painted and striped airport. Repaired deteriorating pavement on Halibut Point Road. Completed extensive ditching and brushing of road system.

**Skagway:** Completed .5 miles of shoulder improvements for snow storage on Klondike Highway. Completed brushing on extensive portions of highway system. Repaired worn out bridge joints on Captain William Moore Creek Bridge.

**Yakutat:** Replaced culvert on Alsak Road. Repaired culvert headwall on Monti Bay Road. Completed emergency repairs of flooded areas on Situk Road. Completed brushing of entire road system.

## Statutory and Regulatory Authority

A.S. 02 - Aeronautics  
A.S. 30 - Harbors & Shipping  
A.S. 38 - Motor Vehicles  
A.S. 44 - State Government  
AAC 13 - Public Safety  
AAC 14 - Public Works  
AAC 17 - DOT&PF  
CFR 14 - Aeronautics  
CFR 23 - Highway

Contact Information
<p><b>Contact:</b> Greg Patz, Maintenance Superintendent <b>Phone:</b> (907) 465-1784 <b>Fax:</b> (907) 465-2021 <b>E-mail:</b> Greg_Patz@dot.state.ak.us</p>

### Southeast Region Highways and Aviation Component Financial Summary

*All dollars shown in thousands*

	FY2005 Actuals	FY2006 Management Plan	FY2007 Governor
<b>Non-Formula Program:</b>			
<b>Component Expenditures:</b>			
71000 Personal Services	4,809.2	6,030.9	6,509.1
72000 Travel	137.9	99.7	99.7
73000 Services	3,068.5	3,504.0	3,820.1
74000 Commodities	2,439.8	2,137.4	2,426.9
75000 Capital Outlay	312.4	0.0	0.0
77000 Grants, Benefits	0.0	0.0	0.0
78000 Miscellaneous	0.0	0.0	0.0
<b>Expenditure Totals</b>	<b>10,767.8</b>	<b>11,772.0</b>	<b>12,855.8</b>
<b>Funding Sources:</b>			
1002 Federal Receipts	14.5	15.0	0.0
1004 General Fund Receipts	9,361.7	10,096.2	11,127.6
1007 Inter-Agency Receipts	82.7	96.7	102.8
1027 International Airport Revenue Fund	564.2	589.3	609.0
1061 Capital Improvement Project Receipts	455.5	649.0	690.6
1108 Statutory Designated Program Receipts	54.5	91.1	91.1
1156 Receipt Supported Services	234.7	234.7	234.7
<b>Funding Totals</b>	<b>10,767.8</b>	<b>11,772.0</b>	<b>12,855.8</b>

### Estimated Revenue Collections

Description	Master Revenue Account	FY2005 Actuals	FY2006 Management Plan	FY2007 Governor
<b>Unrestricted Revenues</b>				
Unrestricted Fund	68515	611.7	0.0	0.0
<b>Unrestricted Total</b>		<b>611.7</b>	<b>0.0</b>	<b>0.0</b>
<b>Restricted Revenues</b>				
Federal Receipts	51010	14.5	15.0	0.0
Interagency Receipts	51015	82.7	96.7	102.8
Statutory Designated Program Receipts	51063	54.5	91.1	91.1
Receipt Supported Services	51073	234.7	234.7	234.7
Capital Improvement Project Receipts	51200	455.5	649.0	690.6
<b>Restricted Total</b>		<b>841.9</b>	<b>1,086.5</b>	<b>1,119.2</b>
<b>Total Estimated Revenues</b>		<b>1,453.6</b>	<b>1,086.5</b>	<b>1,119.2</b>

**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>
<b>FY2006 Management Plan</b>	<b>10,096.2</b>	<b>15.0</b>	<b>1,660.8</b>	<b>11,772.0</b>
<b>Adjustments which will continue current level of service:</b>				
-FY 07 Wage Increases for Bargaining Units and Non-Covered Employees	90.3	0.0	19.5	109.8
-FY 07 Health Insurance Cost Increases for Bargaining Units and Non-Covered Employees	9.8	0.0	2.0	11.8
-FY 07 Retirement Systems Cost Increase	171.3	0.0	35.9	207.2
<b>Proposed budget decreases:</b>				
-Delete Federal Receipts authority for Gustavus airport security reimbursement	0.0	-15.0	0.0	-15.0
<b>Proposed budget increases:</b>				
-Fuel cost increase due to pricing	64.5	0.0	0.0	64.5
-Maintenance commodities cost increases	180.0	0.0	0.0	180.0
-Maintenance agreements with Southeastern communities and contractors	65.0	0.0	0.0	65.0
-Extended operational hours at Petersburg and Wrangell airport	91.3	0.0	0.0	91.3
-Alaska Land Mobile Radio (ALMR) operations	22.8	0.0	0.0	22.8
-Second application of traffic striping in Juneau	90.0	0.0	0.0	90.0
-State harbor maintenance program funding	200.0	0.0	0.0	200.0
-Risk Management Self-Insurance Funding Increase	46.4	0.0	10.0	56.4
<b>FY2007 Governor</b>	<b>11,127.6</b>	<b>0.0</b>	<b>1,728.2</b>	<b>12,855.8</b>

**Southeast Region Highways and Aviation  
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	63	63	Annual Salaries	3,426,937
Part-time	7	7	COLA	112,363
Nonpermanent	0	0	Premium Pay	696,028
			Annual Benefits	2,274,499
			<i>Less 0.01% Vacancy Factor</i>	<i>(727)</i>
			Lump Sum Premium Pay	0
<b>Totals</b>	<b>70</b>	<b>70</b>	<b>Total Personal Services</b>	<b>6,509,100</b>

**Position Classification Summary**

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Accounting Clerk II	0	0	1	0	1
Administrative Assistant	0	0	1	0	1
Administrative Clerk III	0	0	1	0	1
Administrative Manager I	0	0	1	0	1
Analyst/Programmer III	0	0	1	0	1
Equip Operator Foreman I	0	0	1	0	1
Equip Operator Journey II	0	0	10	16	26
Equip Operator Jrny III/Lead	0	0	0	28	28
Maint & Operations Specialist	0	0	1	0	1
Maint & Operations Super	0	0	1	0	1
Maint Spec Etrician Journey II	0	0	1	0	1
Regnl Saf&Arpt Sec Off	0	0	1	0	1
Rural Airport Foreman	0	0	1	4	5
TSA Security Liaison	0	0	1	0	1
<b>Totals</b>	<b>0</b>	<b>0</b>	<b>22</b>	<b>48</b>	<b>70</b>