

State of Alaska FY2002 Governor's Operating Budget

Department of Transportation/Public Facilities
Central Region Construction and CIP Support
Component

Component: Central Region Construction and CIP Support

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Component Mission

The mission of the Construction and CIP Support division is to improve the transportation system in Alaska and protect the health and safety of the people of Alaska by constructing safe, environmentally sound, reliable and cost effective highways, airports, harbors, docks, and buildings.

Component Services Provided

- Division general management.
- Administer construction contracts, provide field inspection and construction oversight, provide quality assurance that construction documentation and materials are in conformance with contract requirements during construction and closeout of projects, and report Disadvantaged Business Enterprises/Minority Business Enterprise activity on construction projects.
- Review construction documents, provide bid packages, advertise and award contracts, prepare certified bid tabulations, and help resolve bidding disputes. Coordinate, solicit, select, prepare and administer Professional Services Agreements.
- Plan facilities, program projects, and provide cost estimate and management services necessary to design, construct, renovate, or repair state owned public facilities.
- Provide facility planning, develop project designs, administer and inspect construction contract work, provide financing planning and assist in the issuance of bonds, develop and implement cost and schedule controls, and provide overall program management for the redevelopment of the Anchorage International Airport terminal and associated airside and road improvements.
- Coordinate and program project funding, administer state and federal grants, provide engineering management support, prepare and manage the component's operating budget, develop, enhance, and maintain the Oracle Management Reporting System for capital projects, provide regional network administration and desktop computer support, and process time and equipment charges to projects.

Component Goals and Strategies

To improve the transportation system and public facilities in Alaska:

- Advertise, award, and administer construction contracts for roads, airports, and facilities efficiently and in accordance with department policies and procedures.
- Construct and complete all projects on time and within budget.
- Monitor and forecast expenditures to assure funding is available for timely payment of contract obligations.
- Prepare project documentation and provide construction administration in conformance with all laws, regulations, and requirements to ensure continuing federal funding.
- Plan, design, construct, renovate, and repair public facilities managed by other state agencies to meet their respective needs and objectives.
- Transfer ownership of applicable roads and facilities to local governments upon completion of construction improvements.
- Improve the National Highway System corridor to Anchorage International Airport as part of the Gateway Alaska project.
- Correct existing code deficiencies, perform seismic retrofitting, and expand Anchorage International Airport to bring the terminal up to current safety standards, alleviate congestion and accommodate increasing passenger demand.

To protect the health and safety of the people of Alaska:

- Ensure Americans with Disabilities Act (ADA) requirements are incorporated into all projects.
- Identify and correct existing safety related problems on road and facilities projects.

- Establish appropriate "double fine" construction zones, use vehicle speed awareness equipment, and contract for increased enforcement through the Alaska State Troopers and the Anchorage Police Department in construction work sites.
- Inform the public of road closures and construction delays by posting "Southcentral Navigator" and other special construction advisories in newspapers, on television, and on the department's web-site.

Provide general management and administrative support:

- Provide timely public notice for bidding and contracting opportunities through the use of the department's web-site and other formal advertisements.
- Coordinate the consultant selection process to facilitate contracting for design and construction services as quickly and cost effectively as possible.
- Advise and train project managers concerning funding requirements and rules to ensure all federal and state financial and project development guidelines are followed.

Key Component Issues for FY2001 – 2002

- TEA-21 has increased the level of Federal Highway Administration (FHWA) funds nationwide, creating competition across the country for trained and experienced engineering personnel. The state recognized this need in FY01 and increased salary levels for engineers, which will allow the department to hire and retain experienced personnel. Continued review will be necessary to determine the success of this action.
- The increased workload created by the TEA-21 program is making it difficult to perform certain administrative tasks with current staffing levels.
- Increased deferred maintenance needs at state facilities.

Major Component Accomplishments for FY2000

- Received \$ 100 million in federal highway construction authorization in FFY00.
- Received \$ 37 million in federal aviation authorization in FFY00, of which the majority was allocated to the construction phase.
- Awarded contracts for \$ 40.5 million in International Airport Revenue Fund, general fund, and reimbursable projects in FY00.
- Completed runway, taxiway, lighting, and safety improvements at rural airports in Bethel, Hooper Bay, Kalskag, Napakiak, Pilot Point and Tuntutuliak.
- Continued work on the AIA Terminal Redevelopment project. Concourse C Demolition and construction of Phase I of the roadway improvements which included a new departure ramp were completed. Construction of roadway improvements continues under Phase II. Began construction of a replacement office building for the federal Office of Aircraft Services (OAS).
- Completed the Whittier Access Tunnel project, opened to traffic on schedule.
- Completed paving 67 centerline miles of gravel roads in Central Region.
- Completed reconstruction of the Parks Highway from the Glenn Highway to Church Street, including an Interchange at Trunk Road, the first phase of the \$87 million program to widen and improve the Parks Highway through the City of Wasilla.
- Continued commitment to upgrade the National Highway System routes to meet current standards for width, grade, alignment and safety. Reconstruction of the Glenn Highway from MP 55-61 Moose Creek to Sutton and the Sterling Highway from MP 37-45 Seward "Y" to Kenai Lake were completed. Construction began on the Seward Highway reconstruction project from MP 8 to 18, Grouse Creek Canyon to Snow River.
- Completed reconstruction of major National Highway System (NHS) routes and intersections within the Anchorage area: Minnesota Drive from Old Seward Highway to International Airport Road and Ocean Dock Road, Whitney Road to the Port of Anchorage.
- Increased safety awareness in construction traffic zones.
- Completed the Mat-Su Youth Detention Facility in Palmer, a multi-year renovation/addition of the Wildwood Pre-Trial Facility in Kenai, an upgrade of the sewage treatment lagoon system at Palmer Correction Center near Sutton, and the re-roofing of the DOT&PF Annex Building in Anchorage. Began construction of the State Public Health Lab and Medical Examiners Building and renovation of one wing of the Palmer Pioneers' Home to improve fire/life safety for residents.

· Completed over \$640,000 in ADA upgrades to various correctional facilities, public health centers, court and office buildings throughout the state.

Statutory and Regulatory Authority

- AS 02 Aeronautics
- AS 08 Business and Professions
- AS 19 Highways and Ferries
- AS 34 Property
- AS 35 Public Buildings, Works
- AS 36 Public Contracts
- AS 44 State Government
- USC CFR 14 Aeronautics
- USC CFR 23 Highways
- USC CFR 41 Contracts
- USC CFR 43 Lands
- USC CFR 49 Transportation

**Central Region Construction and CIP Support
Component Financial Summary**

All dollars in thousands

| | FY2000 Actuals | FY2001 Authorized | FY2002 Governor |
|---|-----------------|-------------------|-----------------|
| Non-Formula Program: | | | |
| Component Expenditures: | | | |
| 71000 Personal Services | 11,845.3 | 12,025.4 | 12,800.2 |
| 72000 Travel | 16.7 | 6.3 | 15.0 |
| 73000 Contractual | 685.9 | 460.9 | 700.4 |
| 74000 Supplies | 140.8 | 87.7 | 400.0 |
| 75000 Equipment | 0.0 | 0.0 | 0.0 |
| 76000 Land/Buildings | 0.0 | 0.0 | 0.0 |
| 77000 Grants, Claims | 0.0 | 0.0 | 0.0 |
| 78000 Miscellaneous | 0.0 | 0.0 | 0.0 |
| Expenditure Totals | 12,688.7 | 12,580.3 | 13,915.6 |
| Funding Sources: | | | |
| 1004 General Fund Receipts | 246.8 | 255.5 | 255.6 |
| 1007 Inter-Agency Receipts | 1,197.4 | 431.3 | 454.1 |
| 1061 Capital Improvement Project Receipts | 11,244.5 | 11,893.5 | 13,205.9 |
| Funding Totals | 12,688.7 | 12,580.3 | 13,915.6 |

Estimated Revenue Collections

| Description | Master Revenue Account | FY2000 Actuals | FY2001 Authorized | FY2001 Cash Estimate | FY2002 Governor | FY2003 Forecast |
|--------------------------------------|------------------------|-----------------|-------------------|----------------------|-----------------|-----------------|
| Unrestricted Revenues | | | | | | |
| Unrestricted Fund | 68515 | 25.7 | 16.3 | 16.3 | 16.3 | 16.3 |
| Unrestricted Total | | 25.7 | 16.3 | 16.3 | 16.3 | 16.3 |
| Restricted Revenues | | | | | | |
| Interagency Receipts | 51015 | 1,197.4 | 431.3 | 431.3 | 454.1 | 454.1 |
| Capital Improvement Project Receipts | 51200 | 11,244.5 | 11,893.5 | 11,893.5 | 13,205.9 | 13,205.9 |
| Restricted Total | | 12,441.9 | 12,324.8 | 12,324.8 | 13,660.0 | 13,660.0 |
| Total Estimated Revenues | | 12,467.6 | 12,341.1 | 12,341.1 | 13,676.3 | 13,676.3 |

Central Region Construction and CIP Support

Proposed Changes in Levels of Service for FY2002

· Expansion of the State's federal highway transportation program and difficulties in recruitment and retention of engineers prompted a review of engineers' salary levels in FY2000. As a result, effective July 1, 2000, the Department of Administration (DOA) approved the upgrade of one to two salary ranges for each engineering position. DOA's approval is contingent upon continued review of the salary increases effect on recruitment and retention efforts and how the salary levels compete nationally.

· The Quality Financial Management Initiative Team review of project costs, in accordance with recently adopted federal guidelines established for indirect cost allocation plans, has been completed. Full implementation of the program will begin in the FY2002 operating budget. This will allow the state to receive federal reimbursement for previously non-participating costs through the indirect cost recovery process. The impact will be an increase in CIP receipts to the department's operating budget, as well as in the Central Region Construction and CIP Support component.

Summary of Component Budget Changes

From FY2001 Authorized to FY2002 Governor

All dollars in thousands

| | <u>General Funds</u> | <u>Federal Funds</u> | <u>Other Funds</u> | <u>Total Funds</u> |
|--|----------------------|----------------------|--------------------|--------------------|
| FY2001 Authorized | 255.5 | 0.0 | 12,324.8 | 12,580.3 |
| Adjustments which get you to start of year: | | | | |
| -Add \$560.5 CIP to implement Phase 2 of Indirect Cost Allocation Plan to comply with OMB Circular A87 | 0.0 | 0.0 | 560.5 | 560.5 |
| Adjustments which will continue current level of service: | | | | |
| -Year 2 Labor Costs - Net Change from FY2001 | 0.1 | 0.0 | -67.5 | -67.4 |
| Proposed budget increases: | | | | |
| -Add \$842.2 to fund increases in Engineers' pay that resulted from class study across departments | 0.0 | 0.0 | 842.2 | 842.2 |
| FY2002 Governor | 255.6 | 0.0 | 13,660.0 | 13,915.6 |

Central Region Construction and CIP Support

Personal Services Information

| Authorized Positions | | | Personal Services Costs | |
|----------------------|----------------------|--------------------|----------------------------------|-------------------|
| | FY2001 Authorized | FY2002 Governor | | |
| Full-time | 129 | 132 | Annual Salaries | 9,033,036 |
| Part-time | 69 | 68 | COLA | 161,606 |
| Nonpermanent | 0 | 0 | Premium Pay | 1,008,212 |
| | | | Annual Benefits | 3,412,124 |
| | | | <i>Less 5.98% Vacancy Factor</i> | (814,778) |
| | | | Lump Sum Premium Pay | 0 |
| Totals | 198 | 200 | Total Personal Services | 12,800,200 |

Position Classification Summary

| Job Class Title | Anchorage | Fairbanks | Juneau | Others | Total |
|---------------------------|-----------|-----------|--------|--------|-------|
| Accountant IV | 1 | 0 | 0 | 0 | 1 |
| Accounting Clerk I | 1 | 0 | 0 | 0 | 1 |
| Accounting Clerk II | 1 | 0 | 0 | 0 | 1 |
| Accounting Spvr II | 1 | 0 | 0 | 0 | 1 |
| Accounting Tech II | 2 | 0 | 0 | 0 | 2 |
| Accounting Tech III | 2 | 0 | 0 | 0 | 2 |
| Administrative Assistant | 2 | 0 | 0 | 0 | 2 |
| Administrative Clerk II | 8 | 0 | 0 | 0 | 8 |
| Administrative Clerk III | 4 | 0 | 0 | 0 | 4 |
| Administrative Manager IV | 1 | 0 | 0 | 0 | 1 |
| Architectural Asst III | 1 | 0 | 0 | 0 | 1 |
| Data Processing Mgr I | 1 | 0 | 0 | 0 | 1 |
| Director Operations | 1 | 0 | 0 | 0 | 1 |
| Duplication Supervisor | 1 | 0 | 0 | 0 | 1 |
| Eng Tech Journey | 14 | 0 | 0 | 5 | 19 |
| Eng Tech Sub Journey I | 7 | 0 | 0 | 3 | 10 |
| Eng Tech Sub Journey II | 10 | 0 | 0 | 6 | 16 |
| Eng Tech Sub Journey III | 7 | 0 | 0 | 4 | 11 |
| Engineer/Architect II | 8 | 0 | 0 | 0 | 8 |
| Engineer/Architect III | 7 | 0 | 0 | 0 | 7 |
| Engineer/Architect IV | 5 | 0 | 0 | 0 | 5 |
| Engineer/Architect V | 1 | 0 | 0 | 0 | 1 |
| Engineering Assistant I | 8 | 0 | 0 | 0 | 8 |
| Engineering Assistant II | 29 | 0 | 0 | 0 | 29 |
| Engineering Assistant III | 30 | 0 | 0 | 0 | 30 |
| Engineering Associate | 10 | 0 | 0 | 0 | 10 |
| Engr in Training 25-3403 | 1 | 0 | 0 | 0 | 1 |
| Engr in Training 25-3404 | 1 | 0 | 0 | 0 | 1 |
| Micro/Network Spec I | 3 | 0 | 0 | 0 | 3 |
| Micro/Network Tech II | 2 | 0 | 0 | 0 | 2 |
| Offset Dup Mach Op I | 1 | 0 | 0 | 0 | 1 |
| Offset Dup Mach Op II | 1 | 0 | 0 | 0 | 1 |
| Procurement Spec I | 2 | 0 | 0 | 0 | 2 |
| Procurement Spec II | 2 | 0 | 0 | 0 | 2 |
| Procurement Spec III | 1 | 0 | 0 | 0 | 1 |
| Secretary | 1 | 0 | 0 | 0 | 1 |
| Tech Eng I / Architect I | 3 | 0 | 0 | 0 | 3 |
| Trans Planner I | 1 | 0 | 0 | 0 | 1 |

| Job Class Title | Anchorage | Fairbanks | Juneau | Others | Total |
|-----------------|------------|-----------|----------|-----------|------------|
| Totals | 182 | 0 | 0 | 18 | 200 |