

State of Alaska FY2002 Governor's Operating Budget

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

Component: Northern Region Construction and CIP Support

Contact: Ralph D. Swarhout, P.E., Regional Director

Tel: (907) 451-2211 **Fax:** (907) 451-2333 **E-mail:** ralph_swarhout@dot.state.ak.us

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

- * Construction Branch: Administers construction contracts, provides field inspection and construction oversight, provides quality assurance that construction documentation and materials are in conformance with contract requirements during construction and closeout of projects, and reports Disadvantaged Business Enterprises/Minority Business Enterprise activity on construction projects.
- * Contracts Branch: Reviews construction documents, provides bid packages, advertises and awards contracts, prepares certified bid tabulations, and helps resolve bidding disputes; coordinates, solicits, selects, prepares and administers Professional Services agreements.
- * Project Control Branch: Coordinates and programs project funding, administers state and federal grants, provides engineering management support, prepares and manages the component's operating budget, develops, enhances, maintains Oracle management reporting system for capital projects, provides regional network administration and desktop computer support, and processes 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.
 - * Transfer ownership of applicable roads and facilities to local governments upon completion of construction improvements.
- 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 Fairbanks Police Department in construction work sites.
 - * Inform the public of road closures and construction delays by posting 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 that action.
- * The increased workload created by the TEA-21 program makes it difficult to perform certain administrative tasks with current staffing levels.
- * Increased deferred maintenance needs at state facilities.

Major Component Accomplishments for FY2000

- * Received over \$77.9 million in federal highway and aviation construction authorization in FFY00.
- * Awarded contracts for \$2.4 million in International Airport Revenue Fund, general fund, and reimbursable projects in SFY00.
- * Increased safety awareness in construction traffic zones.
- * Completed construction and reconstruction of \$27.9 million dollars in needed transportation infrastructure improvements including: Parks Highway Four-Lane Widening; Nome-Council Road MP 53-62 Reconstruction; Tok Cutoff Road MP 0-124 and Glenn Highway MP 173-189 Leveling and Resurfacing; and Badger Road MP 0-0.6 Reconstruction and Environmental Restoration.
- * Completed \$16.5 million dollars in runway, taxiway, lighting, environmental and safety improvements at the Fairbanks International Airport; Deadhorse Airport; and Birch Creek Airport.

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

Northern 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	9,431.6	10,201.3	10,884.1
72000 Travel	21.6	17.4	25.0
73000 Contractual	403.5	353.3	373.3
74000 Supplies	181.3	126.1	169.7
75000 Equipment	36.3	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	10,074.3	10,698.1	11,452.1
Funding Sources:			
1004 General Fund Receipts	307.0	309.5	309.1
1007 Inter-Agency Receipts	1,096.1	124.4	124.3
1061 Capital Improvement Project Receipts	8,671.2	10,264.2	11,018.7
Funding Totals	10,074.3	10,698.1	11,452.1

Estimated Revenue Collections

Description	Master Revenue Account	FY2000 Actuals	FY2001 Authorized	FY2001 Cash Estimate	FY2002 Governor	FY2003 Forecast
Unrestricted Revenues						
Unrestricted Fund	68515	0.9	9.3	9.3	9.3	9.3
Unrestricted Total		0.9	9.3	9.3	9.3	9.3
Restricted Revenues						
Interagency Receipts	51015	1,096.1	124.4	567.5	124.3	567.4
Capital Improvement Project Receipts	51200	8,671.2	10,264.2	10,264.2	11,018.7	11,018.7
Restricted Total		9,767.3	10,388.6	10,831.7	11,143.0	11,586.1
Total Estimated Revenues		9,768.2	10,397.9	10,841.0	11,152.3	11,595.4

Northern 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.

* A Quality Financial Management Initiative Team formed in FY99 analyzed certain project costs that may have been incorrectly classified as direct vs. indirect. A final report was generated recommending proper treatment of certain account codes, proper use of special capital improvement projects, proper allocation of support services, and adequate documentation in the DOT&PF Policies and Procedures manual and training for its implementation. Implementation of these recommendations will take place in the FY02 Operating Budget. The impact will be an increase in CIP receipts to the department's operating budget, as well as the Northern 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	309.5	0.0	10,388.6	10,698.1
Adjustments which get you to start of year:				
-Add \$71.2 CIP to implement Phase 2 of Indirect Cost Allocation Plan to comply with OMB Circular A-87	0.0	0.0	71.2	71.2
Adjustments which will continue current level of service:				
-Year 2 Labor Costs - Net Change from FY2001	-0.4	0.0	-40.8	-41.2
Proposed budget increases:				
-Add \$724.0 in CIP Auth to fund increases in Engineers' pay from a class study across departments	0.0	0.0	724.0	724.0
FY2002 Governor	309.1	0.0	11,143.0	11,452.1

Northern Region Construction and CIP Support

Personal Services Information

Authorized Positions			Personal Services Costs	
	FY2001 Authorized	FY2002 Governor		
Full-time	85	87	Annual Salaries	7,852,375
Part-time	133	133	COLA	138,250
Nonpermanent	0	0	Premium Pay	738,662
			Annual Benefits	2,972,788
			<i>Less 6.99% Vacancy Factor</i>	<i>(817,975)</i>
			Lump Sum Premium Pay	0
Totals	218	220	Total Personal Services	10,884,100

Position Classification Summary

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Accounting Clerk I	0	2	0	0	2
Accounting Spvr II	0	1	0	0	1
Accounting Tech I	0	1	0	0	1
Accounting Tech II	0	2	0	0	2
Accounting Tech III	0	2	0	0	2
Administrative Clerk I	0	1	0	0	1
Administrative Clerk II	0	11	0	0	11
Administrative Clerk III	0	2	0	1	3
Administrative Manager II	0	1	0	0	1
Administrative Manager IV	0	1	0	0	1
Analyst/Programmer III	0	1	0	0	1
Eng Tech Journey	0	17	0	3	20
Eng Tech Sub Journey I	0	10	0	5	15
Eng Tech Sub Journey II	0	25	0	7	32
Eng Tech Sub Journey III	0	18	0	5	23
Engineer/Architect I	0	1	0	1	2
Engineer/Architect II	0	2	0	1	3
Engineer/Architect III	0	2	0	2	4
Engineer/Architect IV	0	3	0	0	3
Engineer/Architect V	0	1	0	0	1
Engineering Assistant I	0	6	0	2	8
Engineering Assistant II	0	22	0	8	30
Engineering Assistant III	0	14	0	5	19
Engineering Associate	0	13	0	5	18
Matlab Tech Journey	0	2	0	0	2
Matlab Tech Sub Journey I	0	2	0	0	2
Matlab Tech Sub Journey II	0	1	0	1	2
Matlab Tech Sub Journey III	0	1	0	0	1
Matlab Tech Sub Journey IV	0	3	0	0	3
Micro/Network Spec I	0	1	0	0	1
Micro/Network Spec II	0	1	0	0	1
Micro/Network Tech II	0	2	0	0	2
Supply Technician II	0	1	0	0	1
Survey Sub Journey I	0	1	0	0	1
Totals	0	174	0	46	220