

State of Alaska FY2003 Governor's Operating Budget

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

Component: Northern 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

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, provides closeout of projects, and reports Disadvantaged Business Enterprises/Minority Business Enterprise activity on construction projects.

Contracts Branch: Reviews CIP Project assemblies, prepares, prints and distributes bid packages, advertises and awards contracts, prepares certified bid tabulations and helps resolve bidding disputes; coordinates, solicits, selects, prepares and administers Professional Services agreements. Operates and maintains regional resource center.

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 and 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 at 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 FY2002 – 2003

- TEA-21 has increased the level of Federal Highway Administration (FHWA) funds nationwide, creating competition across the country for trained and experienced engineering personnel. Recognizing this need, the State increased salary levels for engineers in FY01. However, at this date, we are still finding it difficult to adequately hire and retain qualified staff. We will continue to review this issue to determine the success of that action.
- The increased workload created by the TEA-21 program continues to make it difficult to perform certain administrative tasks with current staffing levels.
- Increased security measures at airports will involve a more detailed and costly screening process prior to security badges being issued for all personnel that work on the airport. This will involve all state personnel assigned to airport projects, as well as contractors. Construction staff will probably be required to attend a more in depth training process before working in and around the airport. Access to the airport by construction equipment will be restricted to specific secured gates that will need to be manned by state or contractor personnel at all times during the work day. The construction of heated, portable guard stations may be necessary. We may also see security measures related to projects on the Dalton Highway may require the department or Construction section to man a guard station and issue permits, which we have not done in ten years. The FAA will be briefing FIA Management soon on “current undefined security requirements” which may further affect the Construction section.
- The department, jointly with the FHWA and the FAA, created a task force to streamline the closeout process. The task force developed consistency in several aspects of FHWA and FAA closure paperwork, implementing a tracking system and notification system to ensure the priority of closing out projects. The task force eliminated documentation required by the Right of Way section that was redundant. There is an on going commitment to paperwork reduction and improved processes.
- Implementation of the Quality Financial Management Initiative Team’s recommendations in the FY02 Operating Budget has occurred. We are continuing to train and educate our staff regarding these changes. At this time, we cannot determine whether we have adequately funded our operating budget for these additional costs since this allocation was based on the analysis of FY99 actual expenditures. We need to be prepared to address this issue in the FY04 Operating Budget process when we will have a year’s worth of accurate information to analyze.

Major Component Accomplishments in 2001

- Received \$40.8 million in federal highway and \$33.0 million in federal aviation construction authorization in FFY01.
- Awarded contracts for \$7.8 million in general fund and reimbursable projects in FY01.
- The region emphasized safety awareness through greater communication with public, through various forms of media (public exhibits, workshops, newspaper advertisements). We also entered into a reimbursable agreement with the Department of Public Safety and a Memorandum of Agreement with the Fairbanks Police Department for officer presence at construction sites during peak traffic hours, enforcing compliance with speed limits.
- Completed construction and reconstruction of \$44.6 million dollars in needed transportation infrastructure improvements including: Chena Hot Springs Rd Widening, Edgerton Highway Rehabilitation, Richardson Highway Rehabilitation MP 6-14 and 308-311, Safety Sound Bridge, Southcentral Leveling Glenn Hwy 182-189, St. Michael/Stebbins Sanitation Road, and Steese White Mountain Access.
- Completed \$29.2 million dollars in runway, taxiway, lighting, environmental and safety improvements at Allakaket Airport, Buckland Airport, Cordova Airport, Fairbanks International Airport, Gambell Airport, Kotlik Airport, Nome Airport, and Shugnak Airport.
- Completed \$7.7 million dollars in reimbursable projects for other agencies including: Fairbanks Pioneers Home Special Care Unit, Fairbanks Readiness Center, Fairbanks Youth Facility, Fish and Game Hunter Education Building and Fish and Game Office Building.

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

	FY2001 Actuals	FY2002 Authorized	FY2003 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	9,643.5	10,884.1	11,533.0
72000 Travel	39.7	25.0	25.0
73000 Contractual	352.1	373.3	473.3
74000 Supplies	276.2	169.7	169.7
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	10,311.5	11,452.1	12,201.0
Funding Sources:			
1004 General Fund Receipts	309.5	309.1	413.0
1007 Inter-Agency Receipts	53.6	124.3	129.4
1061 Capital Improvement Project Receipts	9,948.4	11,018.7	11,658.6
Funding Totals	10,311.5	11,452.1	12,201.0

Estimated Revenue Collections

Description	Master Revenue Account	FY2001 Actuals	FY2002 Authorized	FY2002 Cash Estimate	FY2003 Governor	FY2004 Forecast
Unrestricted Revenues						
Unrestricted Fund	68515	0.1	0.0	0.0	0.0	0.0
Unrestricted Total		0.1	0.0	0.0	0.0	0.0
Restricted Revenues						
Interagency Receipts	51015	53.6	124.3	124.3	129.4	129.4
Capital Improvement Project Receipts	51200	9,948.4	11,018.7	11,018.7	11,658.6	11,658.6
Restricted Total		10,002.0	11,143.0	11,143.0	11,788.0	11,788.0
Total Estimated Revenues		10,002.1	11,143.0	11,143.0	11,788.0	11,788.0

Northern Region Construction and CIP Support

Proposed Changes in Levels of Service for FY2003

Last year the Department received increase federal funding for highways, \$80 million in two special appropriations, and a substantial increase, \$60 million, in the FAA Airport Improvement Program. The high level of federal funding, plus more special appropriations, is expected to continue. Congress may add funds for security purposes and as part of an economic stimulus package. Changes to service levels are driven by congressional appropriations and may require additional resources in order to deliver the projects funded. The department has added additional engineering positions to accomodate recent and anticipated growth in federal programs.

Summary of Component Budget Changes

From FY2002 Authorized to FY2003 Governor

All dollars in thousands

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2002 Authorized	309.1	0.0	11,143.0	11,452.1
Adjustments which will continue current level of service:				
-Year 3 Labor Costs - Net Change from FY2002	3.9	0.0	296.5	300.4
-Transfer PFT liaison position with funding to NR Planning	0.0	0.0	-75.0	-75.0
Proposed budget increases:				
-Add 10 engineer positions and CIP funds for expanded construction program due to passage of TEA-21	0.0	0.0	423.5	423.5
-Add GF due to increased lease cost for Construction	100.0	0.0	0.0	100.0
FY2003 Governor	413.0	0.0	11,788.0	12,201.0

Northern Region Construction and CIP Support

Personal Services Information

	Authorized Positions		Personal Services Costs	
	<u>FY2002</u> <u>Authorized</u>	<u>FY2003</u> <u>Governor</u>		
Full-time	87	97	Annual Salaries	8,254,055
Part-time	133	132	COLA	227,928
Nonpermanent	0	0	Premium Pay	718,788
			Annual Benefits	3,171,335
			<i>Less 6.78% Vacancy Factor</i>	(839,104)
			Lump Sum Premium Pay	0
Totals	220	229	Total Personal Services	11,533,002

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	10	0	0	10
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	16	0	4	20
Eng Tech Sub Journey I	0	10	0	5	15
Eng Tech Sub Journey II	0	21	0	10	31
Eng Tech Sub Journey III	0	20	0	3	23
Engineer/Architect I	0	1	0	1	2
Engineer/Architect II	0	3	0	0	3
Engineer/Architect III	0	3	0	2	5
Engineer/Architect IV	0	2	0	0	2
Engineer/Architect V	0	1	0	0	1
Engineering Assistant I	0	15	0	1	16
Engineering Assistant II	0	26	0	5	31
Engineering Assistant III	0	15	0	5	20
Engineering Associate	0	13	0	5	18
Maint Gen Sub - Journey I	0	1	0	0	1
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
Procurement Spec II	0	1	0	0	1
Survey Sub Journey I	0	1	0	0	1
Totals	0	186	0	43	229