

**State of Alaska**  
**FY2004 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 FY2003 – 2004**

- Northern Region Construction has experienced difficulty in finding and retaining qualified staff willing to take long-term assignments to remote sites. At the engineering journey level (Engineering Assistant III), staff turnover recently has increased as a result of the unattractive nature of long-term assignments to remote sites, often requiring exhaustive overtime and on site presence for up to six months during the summer with little time off. The retirement of long-time employees formerly willing and able to manage this type of project has left a void in the current organization that has resulted in the need to hire private consultants to manage some projects, and assigning multiple projects to managers willing to travel between them. This causes travel costs to increase and has some impact on the quality of oversight due to limited project manager presence.
- Increased rural community involvement in the Northern Region has resulted in an increase in contract costs, engineering costs, and an increase in local requests for contract changes due to heightened community awareness. Mandatory post award meetings require travel by both project engineers and contractors to remote sites, and the resolution of issues raised often requires some reengineering.
- Northern Region Construction has experienced an increase in cost at the major airports due to the 9/11 security issues. Substantial project cost increases have occurred, as well as increased engineering costs. Security badging requirements will be an ongoing minor expense, but the major costs currently involve actual project redesign to accommodate security requirements. Projects at Fairbanks International Airport have undergone substantial re-engineering due to new requirements and regulations.
- The WAQTC program has increased our engineering costs. Employee turnover is still relatively high, and all new employees must be trained. The three-year anniversary of the program also requires the recertification of all employees who are currently certified. This has increased training costs, while reducing the availability of employees while they are being trained.

### **Major Component Accomplishments in 2002**

- Received \$87.1million in federal highway and \$38.8 million in federal aviation construction authorization in FFY02.
- The region continued safety awareness through greater communication with public, through various forms of media (public exhibits, workshops, newspaper advertisements). We also renewed 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 \$26.6 million dollars in needed transportation infrastructure improvements including: Elliot Highway MP 0-4; McGrath Road Bicycle/Pedestrian Trail; Parks Highway MP 239-240 Erosion control; Richardson Highway MP 4-8 Erosion control, MP 28 Worthington Glacier Scenic Viewing Area, MP 129-148, MP 185 One Mile Creek Bridge; and University Avenue/College Road Intersection.
- Completed \$26.0 million dollars in runway, taxiway, lighting, environmental and safety improvements at Brevig Mission Airport, Deadhorse Airport, Fairbanks International Airport, Kiana Airport, and Nome Airport.
- Awarded \$12.3 million dollar construction contract for Richardson Highway, Badger Interchange. Construction began during the spring of FY02.

### **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*

	FY2002 Actuals	FY2003 Authorized	FY2004 Governor
<b>Non-Formula Program:</b>			
<b>Component Expenditures:</b>			
71000 Personal Services	10,330.4	11,066.0	11,261.7
72000 Travel	69.7	22.5	62.5
73000 Contractual	325.8	638.6	626.7
74000 Supplies	129.1	169.7	124.2
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
<b>Expenditure Totals</b>	<b>10,855.0</b>	<b>11,896.8</b>	<b>12,075.1</b>
<b>Funding Sources:</b>			
1004 General Fund Receipts	309.1	298.6	268.9
1007 Inter-Agency Receipts	32.1	129.4	129.4
1061 Capital Improvement Project Receipts	10,513.8	11,468.8	11,676.8
<b>Funding Totals</b>	<b>10,855.0</b>	<b>11,896.8</b>	<b>12,075.1</b>

**Northern Region Construction and CIP Support  
Proposed Changes in Levels of Service for FY2004**

No proposed changes in level of service are anticipated.

**Summary of Component Budget Changes  
From FY2003 Authorized to FY2004 Governor**

*All dollars in thousands*

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
<b>FY2003 Authorized</b>	<b>298.6</b>	<b>0.0</b>	<b>11,598.2</b>	<b>11,896.8</b>
<b>Adjustments which will continue current level of service:</b>				
-Annualize FY2003 COLA for General Government, Confidential and Supervisory Bargaining Units	0.0	0.0	125.1	125.1
-\$75 per Month Health Insurance Increase for Non-covered Staff	0.2	0.0	0.2	0.4
<b>Proposed budget decreases:</b>				
-Reduce staff and services supporting construction program	-29.9	0.0	0.0	-29.9
<b>Proposed budget increases:</b>				
-Add Professional Services Agreement engineer	0.0	0.0	82.7	82.7
<b>FY2004 Governor</b>	<b>268.9</b>	<b>0.0</b>	<b>11,806.2</b>	<b>12,075.1</b>

## Northern Region Construction and CIP Support

## Personal Services Information

	Authorized Positions		Personal Services Costs	
	<u>FY2003</u> <u>Authorized</u>	<u>FY2004</u> <u>Governor</u>		
Full-time	94	94	Annual Salaries	8,311,629
Part-time	125	126	Premium Pay	629,363
Nonpermanent	0	0	Annual Benefits	3,158,712
			<i>Less 6.93% Vacancy Factor</i>	(838,004)
			Lump Sum Premium Pay	0
<b>Totals</b>	<b>219</b>	<b>220</b>	<b>Total Personal Services</b>	<b>11,261,700</b>

## 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 II	0	9	0	0	9
Administrative Clerk III	0	4	0	1	5
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	5	0	5	10
Eng Tech Sub Journey II	0	26	0	10	36
Eng Tech Sub Journey III	0	20	0	3	23
Engineer/Architect I	0	3	0	0	3
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	19	0	1	20
Engineering Assistant II	0	22	0	5	27
Engineering Assistant III	0	14	0	5	19
Engineering Associate	0	12	0	6	18
Maint Gen Sub - Journey I	0	1	0	0	1
Matlab Tech Sub Journey II	0	0	0	1	1
Micro/Network Spec I	0	2	0	0	2
Micro/Network Spec II	0	1	0	0	1
Micro/Network Tech II	0	1	0	0	1
Supply Technician II	0	1	0	0	1
Survey Sub Journey I	0	1	0	0	1
<b>Totals</b>	<b>0</b>	<b>177</b>	<b>0</b>	<b>43</b>	<b>220</b>