

**State of Alaska  
FY2004 Governor's Operating Budget**

**Department of Transportation/Public Facilities  
Southeast Region Construction  
Component Budget Summary**

## **Component: Southeast Region Construction**

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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**

- Provide overall management of the division's activities.
- Administer construction contracts for all modes of transportation and public facilities.
- 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
- Report on Disadvantaged Business Enterprises/Minority Business Enterprise activity on construction projects.
- Review construction documents.
- Provide bid packages.
- Advertise and award contracts.
- Prepare certified bid tabulations.
- Coordinate, solicit, select, prepare and administer Professional Services Agreements.
- Adhere to procurement practices defined in Alaska statutes, regulations and as defined by relevant federal agencies.
- Conduct safety instructions for all project managers and safe working practices at all construction sites.

### **Component Goals and Strategies**

To improve the transportation system and public facilities in Alaska:

- Advertise, award, and administer construction contracts for roads, airports, ferry terminals, harbors, 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.
- Construct, renovate, and repair public facilities managed by other state agencies to meet their respective needs and objectives.
- Improve ferry terminals and highway links throughout Southeast Alaska as part of the Southeast Alaska Transportation Plan.

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 and use vehicle speed monitoring equipment for increased safety in construction work sites.
- Inform the public of road closures and construction delays by means of construction advisories in newspapers and on radio.

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**

TEA-21 increased the level of Federal Highway Administration (FHWA) funds nationwide, creating competition across the country for trained and experienced engineering personnel. The State's engineer salary level has made it difficult to hire and retain experienced personnel. Although we are still evaluating the effect of a recent wage increase, we are still having trouble recruiting and retaining journey level engineers.

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 whenever gates are unlocked.

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.

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

- Received nearly \$45 million in federal highway, federal aviation, and general fund construction authorization in FFY 02.
- Completed significant street and road improvements in Juneau (Fish Creek Road, Yandukin Drive) and Ketchikan (North Tongass Hwy to Ward Cove).
- Completed a TRAAK project in Juneau(Eagle Beach State Park Trailhead & Wayside).
- Completed a major upgrade of the lighting system at the Hoonah Airport, and upgraded the Yakutat Seaplane Float.
- Completed construction of five new state buildings (Ketchikan Youth Detention Center, and airport equipment buildings in Klawock, Wrangell, Sitka, and Yakutat) and one new building for the U.S. Coast Guard in Sitka.
- Completed significant upgrades to the dormitories at Mt. Edgecumbe High School.
- Worked in concert with the City of Homer to construct their new Multipurpose Ocean Dock which accommodates AMHS ferries as well as other clients.
- Completed three significant harbor upgrades (Hydaburg, Ouzinkie, Larsen Bay).
- Closed out 16 completed construction contracts worth \$23.5 million.
- Increased our emphasis on quality by obtaining materials testing certifications for 9 additional engineers and technicians under the Western Alliance for Quality in Transportation Construction program, and by creating and filling a new Materials Reviewer position to oversee our Quality Assurance Program.
- Increased our emphasis on work zone safety by creating and filling a new Traffic & Safety Reviewer position to provide oversight and uniformity to our management of traffic through work zones.
- Emphasized safety awareness through greater communication with public, through various forms of media (public workshops, newspaper advertisements).
- Implemented the new Construction Contracting Warrant System by having interim warrants issued to all professional staff and participated in the training needed for issuance of permanent warrants.

### **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

**Southeast Region Construction**  
**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	3,440.2	4,316.2	4,431.4
72000 Travel	51.6	6.5	6.5
73000 Contractual	765.2	140.4	132.2
74000 Supplies	115.8	194.0	185.0
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
<b>Expenditure Totals</b>	<b>4,372.8</b>	<b>4,657.1</b>	<b>4,755.1</b>
<b>Funding Sources:</b>			
1004 General Fund Receipts	168.0	172.1	155.6
1007 Inter-Agency Receipts	663.0	0.0	0.0
1061 Capital Improvement Project Receipts	3,541.8	4,485.0	4,599.5
<b>Funding Totals</b>	<b>4,372.8</b>	<b>4,657.1</b>	<b>4,755.1</b>

**Southeast Region Construction**

**Proposed Changes in Levels of Service for FY2004**

No change in service level for FY2004.

**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>	172.1	0.0	4,485.0	4,657.1
<b>Adjustments which will continue current level of service:</b>				
-Transfer \$77.0 CIP Receipts from Southeast Planning	0.0	0.0	77.0	77.0
-Annualize FY2003 COLA for General Government and Supervisory Bargaining Units	0.0	0.0	37.3	37.3
-\$75 per Month Health Insurance Increase for Non-covered Staff	0.7	0.0	0.2	0.9
<b>Proposed budget decreases:</b>				
-Reduce funds for support costs not eligible for federal reimbursement	-17.2	0.0	0.0	-17.2
<b>FY2004 Governor</b>	155.6	0.0	4,599.5	4,755.1

**Southeast Region Construction**

**Personal Services Information**

	Authorized Positions		Personal Services Costs	
	<u>FY2003</u> <u>Authorized</u>	<u>FY2004</u> <u>Governor</u>		
Full-time	34	34	Annual Salaries	2,895,720
Part-time	27	27	Premium Pay	564,484
Nonpermanent	0	0	Annual Benefits	1,169,081
			<i>Less 4.27% Vacancy Factor</i>	(197,885)
			Lump Sum Premium Pay	0
<b>Totals</b>	<b>61</b>	<b>61</b>	<b>Total Personal Services</b>	<b>4,431,400</b>

**Position Classification Summary**

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Accounting Tech I	0	0	1	0	1
Administrative Clerk III	0	0	2	0	2
Division Director	0	0	1	0	1
Eng Tech Journey	0	0	4	11	15
Eng Tech Sub Journey I	0	0	0	1	1
Eng Tech Sub Journey II	0	0	2	4	6
Eng Tech Sub Journey III	0	0	1	4	5
Engineer/Architect III	0	0	1	0	1
Engineer/Architect IV	0	0	2	0	2
Engineer/Architect V	0	0	1	0	1
Engineering Assistant II	0	0	6	1	7
Engineering Assistant III	0	0	6	3	9
Engineering Associate	0	0	5	2	7
Procurement Spec II	0	0	1	0	1
Procurement Spec V	0	0	1	0	1
Supply Technician II	0	0	1	0	1
<b>Totals</b>	<b>0</b>	<b>0</b>	<b>35</b>	<b>26</b>	<b>61</b>