

# **State of Alaska FY2005 Governor's Operating Budget**

## **Department of Transportation/Public Facilities Statewide Facility Maintenance and Operations Results Delivery Unit Budget Summary**

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**Statewide Facility Maintenance and Operations Results Delivery Unit**

**Contribution to Department's Mission**

The mission of Statewide Facility Maintenance and Operations is to improve the quality of life for Alaskans by cost effectively providing environmentally sound and reliable public facilities.

**Core Services**

- The facilities components furnish basic services and utilities, such as electricity, water, sewer, waste disposal, janitorial, heating, grounds maintenance, and snow removal for state-owned facilities.
- The facilities components also provide preventative and routine maintenance, repairs, remodeling, and major maintenance for state-owned facilities.

End Results	Strategies to Achieve Results
<p><b>(1) Maintain and operate state owned facilities to appropriate standards.</b></p> <p><u>Target:</u> Increase number of facilities meeting state fire-safety codes by 5%.</p> <p><u>Measure:</u> Percentage change of facilities meeting fire safety codes as compared to previous year.</p>	<p><b>(1) Decrease long term costs of operating and maintaining facilities.</b></p> <p><u>Target:</u> Increase the percentage of facilities that incorporate energy saving upgrades each year by 2%.</p> <p><u>Measure:</u> The percentage change of facilities that contain energy saving upgrades from the prior year.</p> <p><u>Target:</u> Increase preventative maintenance activities by 5%.</p> <p><u>Measure:</u> Percent change of activities devoted to preventative maintenance as compared to prior year.</p>

**Major Activities to Advance Strategies**

- Implement Facility Maintenance Management System
- Implement rental fee structure to charge agencies for space occupied
- Conduct safety audits - work with Fire Department

**FY2005 Resources Allocated to Achieve Results**

<p><b>FY2005 Results Delivery Unit Budget: \$14,130,100</b></p>	<b>Personnel:</b>	
	Full time	67
	Part time	7
	<b>Total</b>	<b>74</b>

**Performance Measure Detail**

**(1) Result: Maintain and operate state owned facilities to appropriate standards.**

**Target:** Increase number of facilities meeting state fire-safety codes by 5%.

**Measure:** Percentage change of facilities meeting fire safety codes as compared to previous year.

State Owned Facilities Meeting State Fire-safety Codes

Year	Quarter 1	Quarter 2	Quarter 3	Quarter 4	YTD Total
2003	not available				

**Analysis of results and challenges:** The department will work with the State Fire Marshall's office to determine the number of buildings that are not in compliance and develop a priority list of building needs. If the work effort to upgrade buildings to meet the codes is extensive, these needs will have to compete with the existing deferred needs. The current list of deferred maintenance needs totals \$45 million. The existing operating budget does not have any flexibility to cover large capital project needs.

**(1) Strategy: Decrease long term costs of operating and maintaining facilities.**

**Target:** Increase the percentage of facilities that incorporate energy saving upgrades each year by 2%.

**Measure:** The percentage change of facilities that contain energy saving upgrades from the prior year.

Facilities Containing Energy Saving Upgrades

Year	Quarter 1	Quarter 2	Quarter 3	Quarter 4	YTD Total
2003	not available				

**Analysis of results and challenges:** The department has been installing energy saving devices such as motion detector lights, digital controls, smart building diagnostic devices and arctic grade door and windows for many years. The vast majority of which were installed with capital funds. With the escalating cost of utilities, labor and parts it is difficult to program upgrades. As more facilities are added to the inventory, it is becoming increasingly difficult to program upgrades. To achieve savings, additional capital funds will be required.

**Target:** Increase preventative maintenance activities by 5%.

**Measure:** Percent change of activities devoted to preventative maintenance as compared to prior year.

Percentage of Facilities Budget Spent on Preventative Maintenance Activities

Year	Quarter 1	Quarter 2	Quarter 3	Quarter 4	YTD Total
2003	not available				

**Analysis of results and challenges:** Preventative maintenance activities including changing filters, servicing pumps and motors, and performing diagnostics on controllers are becoming more difficult to budget as operating funds are prioritized to cover increasing utility costs, janitorial services, and labor costs. Without additional resources it will always be a challenge to not address the most urgent needs and defer preventative type work items. As operating funds are reduced it will require an extremely disciplined approach to prioritize preventative maintenance over regular repair and contractual obligations.

**Key RDU Challenges**

- As the public facilities continue to age, Facilities is confronted with an increasing list of deferred maintenance repairs. Other demands include an increase in the cost of labor, materials, electricity and fuel, and the burden of new laws and regulations. Facilities also continues to add new facilities each year to our inventory without increased funding. The Facilities budget has not kept up with these increased demands and is currently inadequate to sustain acceptable levels of preventative maintenance to our public facilities. Our list of deferred maintenance projects is currently at \$45 million and continues to accumulate.
- Capital funding for major repairs, renewal and replacement of obsolete systems in facilities is grossly inadequate to meet current needs and reduce the accumulated maintenance backlog.
- Structural evaluations of high-risk buildings have resulted in the closure of four maintenance stations because of potential catastrophic failure. Capital funding is urgently needed to replace these structures. Crews are working out of inadequate temporary structures, such as the tent in Chandalar. The lack of adequate facilities is affecting the level of service on the highways. For example, the Willow station does not have enough warm storage space for all its equipment and must plug in units to heat engine blocks. At cold temperatures, it routinely takes an additional

hour to get the equipment ready to go tackle the roads.

## Significant Changes in Results to be Delivered in FY2005

Lawn maintenance, janitorial services, window washing, maintenance parts and supplies will be eliminated or reduced to meet the demands of increasing labor, utilities and fuel costs.

Rural airport leasing activities were transferred from this RDU into the Statewide Aviation RDU/component.

## Major RDU Accomplishments in 2003

- Closed 3,616 work orders, 982 of which were preventative maintenance. Integrated 5 hand-held units into the work order system with direct importation into the computerized time sheet program.
- Continued implementation of energy saving projects including replacement of overhead doors and heating and ventilation upgrades.
- Continued Direct Digital Control conversions for continued cost savings and occupant comfort.
- Administered or assisted in the administration of 163 contracts with the private sector exceeding \$6.3 million for Northern Region Maintenance and Operations.
- Installed new windows, doors and siding on Annex facility in Anchorage.
- Renovated interior and constructed ADA access ramp at Kodiak Griffin building.
- Repaired HVAC system and wind damage at Boney Court facility.
- Renovated Statewide Materials HQ office areas.
- Replaced windows, ceiling and floor tile at Kodiak Court facility.
- Installed backup generator and new ready line at Anchorage SEF.
- Installed new electrical service at Silvertip maintenance station.
- Repaired HVAC system at Anchorage Communications facility.
- Completed survey and inspection of all Northern Region day tanks for upgrade specifications.
- Transferred ownership of the old Fairbanks Court and Office Building to the University of Alaska.
- Oversaw the completion of the following projects:
  - Juneau State Office Building Sixth Floor remodel & asbestos abatement (for Dept. of Administration)
  - Juneau-Alaska Office Building roof replacement (for Dept. of Administration)
  - Alaska State Museum renovations (for Department of Education and Early Development)
  - Sitka & Juneau Public Health Centers fire alarm systems (for Dept. of Health & Social Services)
  - Juneau-AMHS Shoreside Maintenance Building (New Construction)
  - Juneau State Office Building snack bar (for Dept. of Labor & Workforce Development)
  - Johnson Youth Center roof repairs (For Department of Health and Social Services)
  - Design alternatives for Juneau Pioneers' Home (for Department of Health and Social Services)
  - Southeast Regional Complex roof installation
  - Ketchikan Maintenance Station roof installation

### Contact Information

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**Statewide Facility Maintenance and Operations  
RDU Financial Summary by Component**

*All dollars shown in thousands*

	FY2003 Actuals				FY2004 Authorized				FY2005 Governor			
	General Funds	Federal Funds	Other Funds	Total Funds	General Funds	Federal Funds	Other Funds	Total Funds	General Funds	Federal Funds	Other Funds	Total Funds
<b>Formula Expenditures</b>												
None.												
<b>Non-Formula Expenditures</b>												
Central Region Facilities	2,954.0	0.0	1,009.3	3,963.3	3,282.3	0.0	709.4	3,991.7	3,438.2	0.0	1,150.2	4,588.4
Northern Region Facilities	5,504.8	39.1	3,029.4	8,573.3	5,592.9	168.6	2,604.0	8,365.5	5,525.2	172.1	2,803.9	8,501.2
Southeast Region Facilities	721.3	0.0	293.1	1,014.4	954.9	0.0	119.0	1,073.9	921.5	0.0	119.0	1,040.5
Central Leasing & Property Mgt	0.0	0.0	534.9	534.9	0.0	0.0	682.1	682.1	0.0	0.0	0.0	0.0
North. Leasing & Property Mgt	0.0	0.0	613.0	613.0	0.0	0.0	624.6	624.6	0.0	0.0	0.0	0.0
<b>Totals</b>	<b>9,180.1</b>	<b>39.1</b>	<b>5,479.7</b>	<b>14,698.9</b>	<b>9,830.1</b>	<b>168.6</b>	<b>4,739.1</b>	<b>14,737.8</b>	<b>9,884.9</b>	<b>172.1</b>	<b>4,073.1</b>	<b>14,130.1</b>

**Statewide Facility Maintenance and Operations  
Summary of RDU Budget Changes by Component  
From FY2004 Authorized to FY2005 Governor**

*All dollars shown in thousands*

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
<b>FY2004 Authorized</b>	<b>9,830.1</b>	<b>168.6</b>	<b>4,739.1</b>	<b>14,737.8</b>
<b>Adjustments which will continue current level of service:</b>				
-Central Region Facilities	201.1	0.0	2.8	203.9
-Northern Region Facilities	0.0	3.5	199.9	203.4
-Central Leasing & Property Mgt	0.0	0.0	-682.1	-682.1
-North. Leasing & Property Mgt	0.0	0.0	-624.6	-624.6
<b>Proposed budget decreases:</b>				
-Central Region Facilities	-45.2	0.0	0.0	-45.2
-Northern Region Facilities	-67.7	0.0	0.0	-67.7
-Southeast Region Facilities	-33.4	0.0	0.0	-33.4
<b>Proposed budget increases:</b>				
-Central Region Facilities	0.0	0.0	438.0	438.0
<b>FY2005 Governor</b>	<b>9,884.9</b>	<b>172.1</b>	<b>4,073.1</b>	<b>14,130.1</b>