

State of Alaska FY2006 Governor's Operating Budget

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

Component: Southeast Region Construction

Contribution to Department's Mission

Construct safe, reliable, and cost effective highways, airports, harbors, docks, and buildings.

Core Services

- 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.
- Modify contracts to adjust to field conditions or to ensure compliance with intended function.
- 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.
- Prepare bid packages.
- Advertise and award construction contracts.
- 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.

FY2006 Resources Allocated to Achieve Results		
FY2006 Component Budget: \$5,295,500	Personnel:	
	Full time	35
	Part time	27
	Total	62

Key Component Challenges

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 a wage increase in 2000 helped fill entry level positions, we are still having trouble recruiting and retaining journey level engineers.

At this point in time, Congress has not passed a new federal highway bill. This has created uncertainty in our level of funding and could present unforeseen challenges.

Environmental issues continue to be a challenge. Environmental constraints in our coastal environment require extreme diligence on the part of our field staff, and complicate nearly every contract modification being contemplated.

Significant Changes in Results to be Delivered in FY2006

No significant change in service level for FY2006.

Major Component Accomplishments in 2004

- Received approximately \$59 million in federal highway, federal aviation, general fund, and reimbursable construction

authorization in FFY 04.

- Paid out approximately \$43 million in contractor payments in FFY 04.
- Opened a new mile-long urban collector street in Ketchikan (Third Avenue Extension).
- Completed major upgrades at the Juneau and Valdez ferry terminals to accommodate the new Fast Vehicle Ferries.
- Completed a minor modification to the Sitka ferry terminal to accommodate the new Fast Vehicle Ferry.
- Completed emergency road and bridge repairs in Juneau, Wrangell, and Sitka.
- Completed a major rehabilitation of the Yakutat Airport.
- Completed minor improvements at the airports in Petersburg, Sitka, and Hoonah.
- Completed classroom and dormitory upgrades at Mt. Edgecumbe High School.
- Closed out 17 completed construction contracts totaling \$16.8 million in FFY 04.
- Maintained our emphasis on quality by obtaining materials testing certifications for 2 new technicians, and requalifying 5 engineers and 12 technicians under the Western Alliance for Quality in Transportation Construction program.

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

Contact Information
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Southeast Region Construction Component Financial Summary

All dollars shown in thousands

	FY2004 Actuals	FY2005 Management Plan	FY2006 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	3,859.8	4,702.3	4,963.3
72000 Travel	82.1	60.0	60.0
73000 Services	125.5	132.2	132.2
74000 Commodities	124.5	140.0	140.0
75000 Capital Outlay	250.0	0.0	0.0
77000 Grants, Benefits	0.0	0.0	0.0
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	4,441.9	5,034.5	5,295.5
Funding Sources:			
1004 General Fund Receipts	139.8	128.7	130.5
1007 Inter-Agency Receipts	279.8	0.0	0.0
1061 Capital Improvement Project Receipts	4,022.3	4,905.8	5,165.0
Funding Totals	4,441.9	5,034.5	5,295.5

Estimated Revenue Collections

Description	Master Revenue Account	FY2004 Actuals	FY2005 Management Plan	FY2006 Governor
Unrestricted Revenues				
Unrestricted Fund	68515	30.2	30.0	30.0
Unrestricted Total		30.2	30.0	30.0
Restricted Revenues				
Interagency Receipts	51015	279.8	0.0	0.0
Capital Improvement Project Receipts	51200	4,022.3	4,905.8	5,165.0
Restricted Total		4,302.1	4,905.8	5,165.0
Total Estimated Revenues		4,332.3	4,935.8	5,195.0

**Summary of Component Budget Changes
From FY2005 Management Plan to FY2006 Governor**

All dollars shown in thousands

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2005 Management Plan	128.7	0.0	4,905.8	5,034.5
Adjustments which will continue current level of service:				
-FY 05 Bargaining Unit Contract Terms: GGU	0.0	0.0	18.3	18.3
-FY06 Cost Increases for Bargaining Units and Non-Covered Employees	1.8	0.0	119.4	121.2
-Adjustments for Personal Services Working Reserve Rates and SBS	0.0	0.0	14.6	14.6
Proposed budget increases:				
-Add position to manage the Juneau Access and Ketchikan Gravina Bridge construction projects	0.0	0.0	106.9	106.9
FY2006 Governor	130.5	0.0	5,165.0	5,295.5

**Southeast Region Construction
Personal Services Information**

Authorized Positions		Personal Services Costs		
	<u>FY2005</u> <u>Management</u> <u>Plan</u>	<u>FY2006</u> <u>Governor</u>		
Full-time	34	35	Annual Salaries	3,017,021
Part-time	27	27	COLA	66,166
Nonpermanent	0	0	Premium Pay	535,714
			Annual Benefits	1,727,312
			<i>Less 3.96% Vacancy Factor</i>	<i>(211,813)</i>
			Lump Sum Premium Pay	0
Totals	61	62	Total Personal Services	5,134,400

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	3	10	13
Eng Tech Sub Journey II	0	0	2	5	7
Eng Tech Sub Journey III	0	0	3	4	7
Engineer/Architect III	0	0	2	0	2
Engineer/Architect IV	0	0	2	0	2
Engineer/Architect V	0	0	1	0	1
Engineering Assistant I	0	0	1	0	1
Engineering Assistant II	0	0	6	0	6
Engineering Assistant III	0	0	7	3	10
Engineering Associate	0	0	4	2	6
Procurement Spec I	0	0	1	0	1
Procurement Spec III	0	0	1	0	1
Procurement Spec IV	0	0	1	0	1
Totals	0	0	38	24	62