

# **State of Alaska FY2012 Governor's Operating Budget**

## **Department of Transportation/Public Facilities Administration and Support Results Delivery Unit Budget Summary**

## Administration and Support Results Delivery Unit

### Contribution to Department's Mission

Provide executive leadership, coordination with other governmental agencies and assurance of program management within legal guidelines.

### Core Services

- This RDU contains the leadership that ensures the department meets its statutory responsibilities of the planning, design, construction, maintenance, and operations of transportation facilities and buildings. We strive to achieve a balance between planned growth in the intermodal transportation system and the effective management of maintenance and operations of the state's existing infrastructure.
- The Contracting, Procurement and Appeals Section develops, implements, and maintains policies, procedures, and standards that assure all transportation modes and regions receive responsive and consistent guidance, direction and training in administering construction and non-construction procurements and contracts.
- Internal Review is an independent section that reports directly to the Commissioner. This section is an extension of the management function that identifies problems and recommends actions that can correct those problems. It provides a measurement of how well the Department is meeting its statutory requirements and achieving its objectives.
- Equal Employment and Civil Rights oversees three affirmative action programs, Disadvantaged Business Enterprise (DBE), External Equal Employment Opportunity (ExEEO), and On-the-Job Training (OJT) which apply to contractors and subcontractors working on USDOT-assisted projects. It also oversees two non-discrimination programs (Title VI of the Civil Rights Act of 1964 and Americans with Disabilities Act of 1990) which ensure equal treatment by the department during all phases of its operations.
- The Transportation Management and Security Section coordinates operations, including fleet management, highway and aviation maintenance, safety, security, and provides oversight of those areas for department management. The section also coordinates major maintenance projects and determines priority of statewide maintenance projects.

### Major Activities to Advance Strategies

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| <ul style="list-style-type: none"> <li>• Review of highway construction contractors (external equal employment, disadvantaged business participation, on the job training)</li> <li>• Communicate Equal Employment Opportunity (EEO) requirements to contractors and prospective contractors</li> <li>• Provide training and working document assistance to highway contractors, Disadvantaged Business Enterprise (DBE) firms</li> <li>• Engineering consultant pre-award overhead rate audits</li> <li>• Perform utility company rate audits</li> </ul> | <ul style="list-style-type: none"> <li>• Perform concessionaire audits</li> <li>• Provide additional training and material support for on-the-job training (OJT) of trainees on highway projects</li> <li>• Implementation of a training and certification program for equipment operators and rural airport contractors</li> <li>• Conduct monthly safety meetings and coordinate safety training sessions</li> </ul> |
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### Key RDU Challenges

- Key issues in the department are the uncertainty and timing of adequate funding levels to meet the transportation needs of Alaskans, the department's capability to get projects obligated in a timely manner and the proper allocation of federal construction funds; compliance with federal environmental requirements; growth; and maintaining a positive and productive work environment.
- Protecting Alaska's investment in its transportation infrastructure continues to be a key concern. Lack of adequate funding over much of the previous decade has limited the extent of preventative maintenance programs resulting in continuing deterioration of the existing highway and airport systems.
- The high cost of commodities including petroleum, petroleum-based products, steel, and cement is

contributing to the increasing cost of procuring and operating equipment.

- Security of all transportation assets is still a main focus following the events of September 11, 2001 and continuing international terrorism events. The Commissioner's Office must keep abreast of the new requirements for all the modal functions and be able to direct resources to the changing priorities.
- Contracting and Appeals provides the neutral, independent review of all claims and protests that are appealed to the commissioner for the final agency decision. This step is required by statute and is the agency's final administrative action prior to judicial review by the courts. This section is responsible for implementation of any contracting and procurement changes driven by administrative or court decisions.
- The Disadvantaged Business Enterprise (DBE) program continues to ensure that DBE firms are given an equal opportunity for work on construction projects. Due to legal challenges in Washington State against their transportation department's DBE program implementation and the resulting US 9th Circuit Court decision (Western States Paving Decision) the department undertook a disparity study to determine the level and extent that discrimination exists in the design and construction of federal assisted highways, airports and transit facilities.

## Significant Changes in Results to be Delivered in FY2012

No significant changes are expected.

## Major RDU Accomplishments in 2010

- Managed the design and construction of a 2000 foot evacuation/access road at Metarvik. Coordinated all construction activities performed at Metarvik by the US Department of Defense Innovative Readiness Training Program (IRT).
- Hired a contractor to conduct the fifth Quality Assurance inspection of our highway system.
- Completed 99 consultant engineering overhead rate audits, 17 utility company rate audits, 12 cost allocation plan reviews, 6 special reviews, and 17 final audits and 7 concession audits to assure rates and other charges under contracts with the department are supportable and meet federal requirements and 1 internal audit.
- Reduced highway deferred maintenance backlog.
- Completed onboard ADA Transition Planning for all physical elements on Alaska Marine Highway vessels older than 10 years old.
- The Alaska Marine Highway System schedule was produced early to meet the needs of the traveling public.
- Obligated with the Federal Highway Administration to use all of the American Recovery and Reinvestment Act funding (\$250 million) for transportation projects resulting in jobs for Alaskans.
- Completed initial studies on providing transportation access to the potential resource development in western Alaska and a connection to Nome, as well as access to the western foothills of the Brooks Range and the oil and gas reserves at Gubik and Umiat.
- Completed first economic assessment of aviation in Alaska and found that aviation is the fifth largest employer with 10% of Alaska jobs; 5th largest industry with 8% of gross state product.
- Working with AIDEA and the air cargo industry development and are implementing strategies for eliminating the shortage of jet fuel for the international airport system.

### Contact Information

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**Administration and Support  
RDU Financial Summary by Component**

*All dollars shown in thousands*

	FY2010 Actuals				FY2011 Management Plan				FY2012 Governor			
	UGF+DGF Funds	Other Funds	Federal Funds	Total Funds	UGF+DGF Funds	Other Funds	Federal Funds	Total Funds	UGF+DGF Funds	Other Funds	Federal Funds	Total Funds
<b>Formula Expenditures</b> None.												
<b>Non-Formula Expenditures</b>												
Commissioner's Office	1,057.6	600.9	170.0	1,828.5	1,079.2	721.9	170.0	1,971.1	1,114.4	738.7	170.0	2,023.1
Contracting and Appeals	9.5	285.1	0.0	294.6	10.0	307.9	0.0	317.9	10.3	318.7	0.0	329.0
EE/Civil Rights	306.2	701.6	0.0	1,007.8	366.1	708.0	0.0	1,074.1	375.0	755.3	0.0	1,130.3
Internal Review	151.5	868.4	0.0	1,019.9	218.0	855.1	0.0	1,073.1	224.6	876.0	0.0	1,100.6
Transportation Mgmt & Security	727.8	118.3	0.0	846.1	955.6	300.5	0.0	1,256.1	978.9	309.3	0.0	1,288.2
<b>Totals</b>	<b>2,252.6</b>	<b>2,574.3</b>	<b>170.0</b>	<b>4,996.9</b>	<b>2,628.9</b>	<b>2,893.4</b>	<b>170.0</b>	<b>5,692.3</b>	<b>2,703.2</b>	<b>2,998.0</b>	<b>170.0</b>	<b>5,871.2</b>

**Administration and Support**  
**Summary of RDU Budget Changes by Component**  
**From FY2011 Management Plan to FY2012 Governor**

*All dollars shown in thousands*

	<u>Unrestricted Gen (UGF)</u>	<u>Designated Gen (DGF)</u>	<u>Other Funds</u>	<u>Federal Funds</u>	<u>Total Funds</u>
<b>FY2011 Management Plan</b>	<b>2,322.0</b>	<b>306.9</b>	<b>2,893.4</b>	<b>170.0</b>	<b>5,692.3</b>
<b>Adjustments which will continue current level of service:</b>					
-Commissioner's Office	24.0	11.2	16.8	0.0	52.0
-Contracting and Appeals	0.3	0.0	10.8	0.0	11.1
-EE/Civil Rights	8.9	0.0	22.3	0.0	31.2
-Internal Review	6.6	0.0	20.9	0.0	27.5
-Transportation Mgmt & Security	23.3	0.0	8.8	0.0	32.1
<b>Proposed budget increases:</b>					
-EE/Civil Rights	0.0	0.0	25.0	0.0	25.0
<b>FY2012 Governor</b>	<b>2,385.1</b>	<b>318.1</b>	<b>2,998.0</b>	<b>170.0</b>	<b>5,871.2</b>