

**State of Alaska
FY2013 Governor's Operating Budget**

**Department of Law
Transportation Section
Component Budget Summary**

Component: Transportation Section**Contribution to Department's Mission**

The Transportation Section provides advice and legal representation to state agencies on all aspects of the construction and operation of the state's public facilities, including highways, airports, ferries, buildings, harbors, and other public works. The Department of Transportation and Public Facilities (DOT&PF) generates a high percentage of the section's work.

Core Services

- Assist agencies with project development, including compliance with project planning and environmental laws.
- Assist agencies with project execution, including land acquisition, procurement of contractors, and resolution of claims by contractors.
- Assist agencies with management and operation of completed facilities.
- Provide advice and representation on myriad of issues daily confronting agencies related to development and operation of public infrastructure.

Key Component Challenges

The section will continue assisting with implementation of the State's transportation and infrastructure programs. The section will continue helping State agencies with project development, including the resolution of environmental issues, land ownership and acquisition issues, contract specification and procurement issues, and any necessary changes to laws or regulations. The section will continue to advise and represent State agencies concerning eminent domain, bid protests, and construction claims. The section will help agencies manage and operate completed facilities, including ferry, international and rural airport, and highway facilities.

Significant Changes in Results to be Delivered in FY2013

No changes in results delivered.

Major Component Accomplishments in 2011

The Transportation Section assisted with:

- Developing infrastructure projects such as rural airport expansion and rehabilitation; a Knik Arm Crossing, Juneau Access; a road to Umiat; and a Fairbanks fish hatchery.
- Acquiring property for projects, such as Trunk and Seward Meridian Roads near Wasilla, Dowling Road in Anchorage, and Fairbanks' Illinois Street.
- Developing agreements to allow federal Indian Reservation Road funds to be used on road projects in Alaska, including for a Shepard Point Road in Cordova.
- Defending allegations that Ahtna, Inc. owns rights-of-way and materials sources claimed by the DOT&PF.
- Developing and prosecuting State's claims against builder of defective portions of fast ferries.
- Assisting with the closure and redevelopment of the Kulis Air Force Bases.
- Assuming National Environmental Policy Act (NEPA) responsibilities from Federal Highways Administration in a

pilot program authorized by Congress.

- Procuring construction services for state agencies and defending agencies' decisions on bid protests and construction claims.
- Developing and defending airport leasing and concession decisions. Reviewing status of state's title rural airports under development.
- Defending DOT&PF's right-of-way management decisions, including driveway permit and commercial sign removal decisions.
- Drafting regulations governing commercial vehicles and measurement standards.
- Prosecuting commercial trucking violations.
- Representing the Alaska Natural Gas Development Authority.

Statutory and Regulatory Authority

AS 44.23.020

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**Transportation Section
Component Financial Summary**

All dollars shown in thousands

	FY2011 Actuals	FY2012 Management Plan	FY2013 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	1,248.0	1,873.7	1,905.0
72000 Travel	26.1	20.4	20.4
73000 Services	673.3	401.7	1,001.7
74000 Commodities	24.2	33.2	33.2
75000 Capital Outlay	12.9	0.0	0.0
77000 Grants, Benefits	0.0	0.0	0.0
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	1,984.5	2,329.0	2,960.3
Funding Sources:			
1004 General Fund Receipts	366.1	144.8	744.8
1007 Inter-Agency Receipts	1,534.0	2,184.2	2,215.5
1061 Capital Improvement Project Receipts	84.4	0.0	0.0
Funding Totals	1,984.5	2,329.0	2,960.3

Estimated Revenue Collections

Description	Master Revenue Account	FY2011 Actuals	FY2012 Management Plan	FY2013 Governor
Unrestricted Revenues				
Unrestricted Fund	68515	1.5	0.0	0.0
Unrestricted Total		1.5	0.0	0.0
Restricted Revenues				
Interagency Receipts	51015	1,534.0	2,184.2	2,215.5
Capital Improvement Project Receipts	51200	84.4	0.0	0.0
Restricted Total		1,618.4	2,184.2	2,215.5
Total Estimated Revenues		1,619.9	2,184.2	2,215.5

**Summary of Component Budget Changes
From FY2012 Management Plan to FY2013 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>
FY2012 Management Plan	144.8	0.0	2,184.2	0.0	2,329.0
Adjustments which will continue current level of service:					
-Transfer Authority to Timekeeping and Support to Comply with Vacancy Factor Guidelines	0.0	0.0	-16.9	0.0	-16.9
-FY2013 Salary Increases	0.0	0.0	34.8	0.0	34.8
-FY2013 Health Insurance Increases	0.0	0.0	13.4	0.0	13.4
Proposed budget increases:					
-Fast Ferry Litigation	600.0	0.0	0.0	0.0	600.0
FY2013 Governor	744.8	0.0	2,215.5	0.0	2,960.3

Transportation Section Personal Services Information				
Authorized Positions			Personal Services Costs	
	FY2012 Management Plan	FY2013 Governor		
Full-time	14	14	Annual Salaries	1,291,325
Part-time	0	0	COLA	27,090
Nonpermanent	0	0	Premium Pay	0
			Annual Benefits	665,953
			<i>Less 4.00% Vacancy Factor</i>	<i>(79,368)</i>
			Lump Sum Premium Pay	0
Totals	14	14	Total Personal Services	1,905,000

Position Classification Summary					
Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Attorney III	1	0	0	0	1
Attorney IV	0	1	1	0	2
Attorney V	3	1	1	0	5
Attorney VI	1	0	0	0	1
Law Office Assistant I	1	1	1	0	3
Law Office Assistant II	1	0	0	0	1
Paralegal II	1	0	0	0	1
Totals	8	3	3	0	14

Component Detail All Funds
Department of Law

Component: Transportation Section (2214)
RDU: Civil Division (35)

	FY2011 Actuals	FY2012 Conference Committee	FY2012 Authorized	FY2012 Management Plan	FY2013 Governor	FY2012 Management Plan vs FY2013 Governor	
71000 Personal Services	1,248.0	1,873.7	1,873.7	1,873.7	1,905.0	31.3	1.7%
72000 Travel	26.1	20.4	20.4	20.4	20.4	0.0	0.0%
73000 Services	673.3	401.7	401.7	401.7	1,001.7	600.0	149.4%
74000 Commodities	24.2	33.2	33.2	33.2	33.2	0.0	0.0%
75000 Capital Outlay	12.9	0.0	0.0	0.0	0.0	0.0	0.0%
77000 Grants, Benefits	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
78000 Miscellaneous	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
Totals	1,984.5	2,329.0	2,329.0	2,329.0	2,960.3	631.3	27.1%
Fund Sources:							
1004 Gen Fund (UGF)	366.1	144.8	144.8	144.8	744.8	600.0	414.4%
1007 I/A Rcpts (Other)	1,534.0	2,184.2	2,184.2	2,184.2	2,215.5	31.3	1.4%
1061 CIP Rcpts (Other)	84.4	0.0	0.0	0.0	0.0	0.0	0.0%
Unrestricted General (UGF)	366.1	144.8	144.8	144.8	744.8	600.0	414.4%
Designated General (DGF)	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
Other Funds	1,618.4	2,184.2	2,184.2	2,184.2	2,215.5	31.3	1.4%
Federal Funds	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
Positions:							
Permanent Full Time	15	14	14	14	14	0	0.0%
Permanent Part Time	0	0	0	0	0	0	0.0%
Non Permanent	0	0	0	0	0	0	0.0%

Change Record Detail - Multiple Scenarios With Descriptions
Department of Law

Component: Transportation Section (2214)
RDU: Civil Division (35)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		NP
										PFT	PPT	
***** Changes From FY2012 Conference Committee To FY2012 Authorized *****												
FY2012 Conference Committee												
ConfCom		2,329.0	1,873.7	20.4	401.7	33.2	0.0	0.0	0.0	14	0	0
1004 Gen Fund		144.8										
1007 I/A Rcpts		2,184.2										
Subtotal		2,329.0	1,873.7	20.4	401.7	33.2	0.0	0.0	0.0	14	0	0
***** Changes From FY2012 Authorized To FY2012 Management Plan *****												
Subtotal		2,329.0	1,873.7	20.4	401.7	33.2	0.0	0.0	0.0	14	0	0
***** Changes From FY2012 Management Plan To FY2013 Governor *****												
Fast Ferry Litigation												
IncM		600.0	0.0	0.0	600.0	0.0	0.0	0.0	0.0	0	0	0
1004 Gen Fund		600.0										
<p>In 2001, the State executed a \$68M contract with Derecktor Shipyards for the design & construction of 2 fast vehicle ferries (FVFs). The manufacturer of the engines that Derecktor installed, MTU, represented that the State could expect 100,000 service hours from each of the 8 diesel engines (4 per vessel) that powered the ferries. Contrary to what was warranted, the engines have suffered aggressive internal degradation and will not likely last much beyond 15,000 hours/engine. The State contends that Derecktor and MTU have contractual/warranty obligations to the State that require effective engine repair or replacement, while Derecktor and MTU believe improper maintenance by the State is to blame for the premature engine failures. The State has filed a breach of contract suit against both Derecktor and MTU and is requesting that Derecktor and MTU honor their obligations by either retrofitting or replacing the engines, or by paying money damages.</p>												
Transfer Authority to Timekeeping and Support to Comply with Vacancy Factor Guidelines												
Trout		-16.9	-16.9	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1007 I/A Rcpts		-16.9										
Transfer Funds from Transportation Section to Timekeeping and Support for personal services vacancy factor adjustments.												
FY2013 Salary Increases												
SalAdj		34.8	34.8	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1007 I/A Rcpts		34.8										
FY2013 Salary Increases: \$34.8												
FY2013 Health Insurance Increases												
SalAdj		13.4	13.4	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1007 I/A Rcpts		13.4										

Change Record Detail - Multiple Scenarios With Descriptions
Department of Law

Component: Transportation Section (2214)
RDU: Civil Division (35)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		NP
										PFT	PPT	
FY2013 Health Insurance Increases: \$13.4												
	Totals	2,960.3	1,905.0	20.4	1,001.7	33.2	0.0	0.0	0.0	14	0	0

Department of Law

Scenario: FY2013 Governor (9494)
Component: Transportation Section (2214)
RDU: Civil Division (35)

PCN	Job Class Title	Time Status	Retire Code	Barg Unit	Location	Salary Sched	Range / Step	Comp Months	Split / Count	Annual Salaries	COLA	Premium Pay	Annual Benefits	Total Costs	GF Amount
03-0042	Attorney V	FT	A	XE	Anchorage	NAA	24F / J	12.0		100,284	2,700	0	50,688	153,672	0
03-0050	Law Office Assistant II	FT	A	SS	Anchorage	600	13P / Q	12.0		62,676	0	0	37,809	100,485	0
03-0065	Law Office Assistant I	FT	A	GP	Anchorage	200	11N / O	12.0		50,874	0	0	34,228	85,102	0
03-0069	Attorney V	FT	A	XE	Anchorage	NAA	25K / L	12.0		119,447	3,070	0	56,549	179,066	0
03-0084	Paralegal II	FT	A	GP	Anchorage	200	16J / K	12.0		62,609	0	0	38,292	100,901	0
03-0090	Attorney IV	FT	A	XE	Fairbanks	NEE	24K / L	12.0		127,814	3,285	0	58,934	190,033	0
03-0133	Attorney IV	FT	A	XE	Juneau	NAA	24F / J	12.0		102,312	2,755	0	51,391	156,458	0
03-0167	Law Office Assistant I	FT	A	GP	Fairbanks	203	11A	12.0		35,472	0	0	28,894	64,366	0
03-0169	Attorney VI	FT	A	XE	Anchorage	NAA	26L / M	12.0		126,056	3,240	0	58,433	187,729	0
03-0237	Attorney III	FT	A	XE	Anchorage	NAA	20F	12.0		76,308	2,055	0	42,385	120,748	0
03-0294	Attorney V	FT	A	XE	Juneau	NAA	25K / L	12.0		119,808	3,079	0	56,652	179,539	0
03-0312	Attorney V	FT	A	XE	Anchorage	NAA	25L / M	12.0		120,182	3,089	0	56,759	180,030	0
03-0322	Law Office Assistant I	FT	A	GP	Juneau	205	11C / D	12.0		38,971	0	0	30,106	69,077	0
03-1038	Attorney V	FT	A	XE	Fairbanks	NEE	25N	12.0		148,512	3,817	0	64,833	217,162	0

Total Positions	New	Deleted	Total Salary Costs:	1,291,325
			Total COLA:	27,090
Full Time Positions:	14	0	Total Premium Pay::	0
Part Time Positions:	0	0	Total Benefits:	665,953
Non Permanent Positions:	0	0		
Positions in Component:	14	0		

Total Pre-Vacancy:	1,984,368
Minus Vacancy Adjustment of 4.00%:	(79,368)
Total Post-Vacancy:	1,905,000
Plus Lump Sum Premium Pay:	0
Personal Services Line 100:	1,905,000

Total Component Months: 168.0

PCN Funding Sources:	Pre-Vacancy	Post-Vacancy	Percent
1007 Inter-Agency Receipts	1,984,368	1,905,000	100.00%
Total PCN Funding:	1,984,368	1,905,000	100.00%

Line Item Detail
Department of Law
Travel

Component: Transportation Section (2214)
RDU: Civil Division (35)

Line Number	Line Name		FY2011 Actuals	FY2012 Management Plan	FY2013 Governor
72000	Travel		26.1	20.4	20.4
Expenditure Account	Servicing Agency	Explanation	FY2011 Actuals	FY2012 Management Plan	FY2013 Governor
72000 Travel Detail Totals			26.1	20.4	20.4
72110	Employee Travel (Instate)	Attorney travel to provide counsel for the department and agencies of DOT&PF, including hearings, meetings and legal counsel in court cases. Investigations and taking depositions for court actions and administrative proceedings.	11.5	17.0	17.0
72120	Nonemployee Travel (Instate Travel)	Witness travel.	0.0	3.4	3.4
72410	Employee Travel (Out of state)	Out-of-State travel for professional staff to attend conferences, meetings and training.	14.6	0.0	0.0

Line Item Detail
Department of Law
Services

Component: Transportation Section (2214)
RDU: Civil Division (35)

Line Number	Line Name			FY2011 Actuals	FY2012 Management Plan	FY2013 Governor
73000	Services			673.3	401.7	1,001.7
Expenditure Account				FY2011 Actuals	FY2012 Management Plan	FY2013 Governor
Expenditure Account	Servicing Agency	Explanation		FY2011 Actuals	FY2012 Management Plan	FY2013 Governor
73000 Services Detail Totals				673.3	401.7	1,001.7
73025	Education Services		Conferences, training, memberships	1.6	1.2	1.2
73050	Financial Services	Administrative Services	Timekeeping administration and litigation support	6.4	6.4	6.4
73075	Legal & Judicial Svc		Depositions, research costs, expert witnesses and consultants.	459.9	175.3	799.9
73156	Telecommunication		Local Service, long distance toll charges and cellular phones paid to third party telephone utilities.	17.4	17.4	17.4
73225	Delivery Services		Freight and messenger services. Movement of materials, exhibits, legal documents and courier services.	0.6	5.0	5.0
73650	Struc/Infstruct/Land		Rentals/Leases - records and evidence storage.	8.0	8.0	8.0
73675	Equipment/Machinery		Repairs/Maintenance of copiers and office equipment.	8.4	8.4	8.4
73750	Other Services (Non IA Svcs)		Printing forms, briefs and legal notices.	5.0	14.0	5.0
73805	IT-Non-Telecommunication	Administrative Services	RSA Law, Administration and Information Services & Procurement support.	25.8	25.8	27.5
73805	IT-Non-Telecommunication	Enterprise Technology Services	RSA Administration, ETS - Computer Services EPR	9.0	9.0	7.5
73806	IT-Telecommunication	Enterprise Technology Services	RSA Administration, ETS -Telecommunication EPR.	19.4	19.4	18.4
73809	Mail	Central Mail	RSA Administration, Central Mailroom	0.8	0.8	0.8
73811	Building Leases	Leases	RSA Administration, GS&S - Leased Office Space - AG's Offices.	109.8	109.8	91.9
73814	Insurance	Risk Management	RSA Administration, Risk Management	0.3	0.3	3.5
73815	Financial	Finance	RSA Administration, Finance Chargeback (AKSAS /	0.7	0.7	0.6

Line Item Detail
Department of Law
Services

Component: Transportation Section (2214)

RDU: Civil Division (35)

Expenditure Account	Servicing Agency	Explanation	FY2011 Actuals	FY2012 Management Plan	FY2013 Governor
73000 Services Detail Totals			673.3	401.7	1,001.7
73816	ADA Compliance	Labor - Americans With Disabilities AKPAY) RSA Labor, Americans With Disabilities Act.	0.2	0.2	0.2

Line Item Detail
Department of Law
Commodities

Component: Transportation Section (2214)
RDU: Civil Division (35)

Line Number	Line Name		FY2011 Actuals	FY2012 Management Plan	FY2013 Governor
74000	Commodities		24.2	33.2	33.2
Expenditure Account	Servicing Agency	Explanation	FY2011 Actuals	FY2012 Management Plan	FY2013 Governor
74000 Commodities Detail Totals			24.2	33.2	33.2
74200	Business	Alaska Statutes, Alaska Code, annual supplements and law publications.	24.2	33.2	33.2

Line Item Detail
Department of Law
Capital Outlay

Component: Transportation Section (2214)
RDU: Civil Division (35)

Line Number	Line Name		FY2011 Actuals	FY2012 Management Plan	FY2013 Governor
75000	Capital Outlay		12.9	0.0	0.0
Expenditure Account	Servicing Agency	Explanation	FY2011 Actuals	FY2012 Management Plan	FY2013 Governor
75000 Capital Outlay Detail Totals			12.9	0.0	0.0
75830	Info Technology	Computer equipment, printers and modems.	12.9	0.0	0.0

Unrestricted Revenue Detail
Department of Law

Component: Transportation Section (2214)
RDU: Civil Division (35)

Master Account	Revenue Description				FY2011 Actuals	FY2012 Management Plan	FY2013 Governor
68515	Unrestricted Fund				1.5	0.0	0.0
Detail Information							
Revenue Amount	Revenue Description	Component	Collocation Code	AKSAS Fund	FY2011 Actuals	FY2012 Management Plan	FY2013 Governor
65040	Judgement Settlement Judgement & Settlement awards for attorney fees and legal costs.		03215001	11100	1.5	0.0	0.0

Restricted Revenue Detail
Department of Law

Component: Transportation Section (2214)
RDU: Civil Division (35)

Master Account	Revenue Description				FY2011 Actuals	FY2012 Management Plan	FY2013 Governor
51015	Interagency Receipts				1,534.0	2,184.2	2,215.5
Detail Information							
Revenue Amount	Revenue Description	Component	Collocation Code	AKSAS Fund	FY2011 Actuals	FY2012 Management Plan	FY2013 Governor
51015	Interagency Receipts			11100	0.0	56.5	0.0
51015	Interagency Receipts Unprogrammed I/A Receipt Authority		03215500	11100	0.0	0.0	87.8
59200	Corrections Unbudgeted RSA, Alaska Prison Expansion	Prison System Expansion	03215641	11100	42.8	0.0	0.0
59250	Dotpf Op, Tpb,& Othr Funding for legal services provided for Statewide Projects and Programs.	Department-wide	03215522	11100	1,079.4	1,626.7	1,626.7
59250	Dotpf Op, Tpb,& Othr Funding for legal services provided for the International Airports.	International Airport Systems	03215538	11100	210.8	300.0	300.0
59250	Dotpf Op, Tpb,& Othr Funding for legal services provided for the Alaska Marine Highways System.	Marine Vessel Operations	03215546	11100	201.0	201.0	201.0

Restricted Revenue Detail
Department of Law

Component: Transportation Section (2214)
RDU: Civil Division (35)

Master Account	Revenue Description				FY2011 Actuals	FY2012 Management Plan	FY2013 Governor
51200	Capital Improvement Project Receipts				84.4	0.0	0.0
Detail Information							
Revenue Amount	Revenue Description	Component	Collocation Code	AKSAS Fund	FY2011 Actuals	FY2012 Management Plan	FY2013 Governor
59021	CIP Receipts from Dept of Administration Unbudgeted Capital RSA w/ DOT&PF - North Pacific Erectors		03215620	11100	38.7	0.0	0.0
59240	CIP Rcpts from Transp & Public Fac Unbudgeted Capital RSA, w/ Alaska Court System - Brady Construction Claim		03215642	11100	5.5	0.0	0.0
59240	CIP Rcpts from Transp & Public Fac Unbudgeted Capital RSA w/ DOT&PF - KABATA (Knik Arm Bridge and Toll Authority).		03215646	11100	37.3	0.0	0.0
59240	CIP Rcpts from Transp & Public Fac Unbudgeted Capital RSA w/ Public Safety - P/V Enforcer.		03215659	11100	2.9	0.0	0.0

Inter-Agency Services
Department of Law

Component: Transportation Section (2214)
RDU: Civil Division (35)

Expenditure Account	Service Description	Service Type	Servicing Agency	FY2011 Actuals	FY2012		
					Management Plan	FY2013 Governor	
73050	Financial Services	Timekeeping administration and litigation support	Intra-dept	Administrative Services	6.4	6.4	6.4
				73050 Financial Services subtotal:	6.4	6.4	6.4
73805	IT-Non-Telecommunication	RSA Law, Administration and Information Services & Procurement support.	Intra-dept	Administrative Services	25.8	25.8	27.5
73805	IT-Non-Telecommunication	RSA Administration, ETS - Computer Services EPR	Inter-dept	Enterprise Technology Services	9.0	9.0	7.5
				73805 IT-Non-Telecommunication subtotal:	34.8	34.8	35.0
73806	IT-Telecommunication	RSA Administration, ETS -Telecommunication EPR.	Inter-dept	Enterprise Technology Services	19.4	19.4	18.4
				73806 IT-Telecommunication subtotal:	19.4	19.4	18.4
73809	Mail	RSA Administration, Central Mailroom	Inter-dept	Central Mail	0.8	0.8	0.8
				73809 Mail subtotal:	0.8	0.8	0.8
73811	Building Leases	RSA Administration, GS&S - Leased Office Space - AG's Offices.	Inter-dept	Leases	109.8	109.8	91.9
				73811 Building Leases subtotal:	109.8	109.8	91.9
73814	Insurance	RSA Administration, Risk Management	Inter-dept	Risk Management	0.3	0.3	3.5
				73814 Insurance subtotal:	0.3	0.3	3.5
73815	Financial	RSA Administration, Finance Chargeback (AKSAS / AKPAY)	Inter-dept	Finance	0.7	0.7	0.6
				73815 Financial subtotal:	0.7	0.7	0.6
73816	ADA Compliance	RSA Labor, Americans With Disabilities Act.	Inter-dept	Labor - Americans With Disabilities	0.2	0.2	0.2
				73816 ADA Compliance subtotal:	0.2	0.2	0.2
				Transportation Section total:	172.4	172.4	156.8
				Grand Total:	172.4	172.4	156.8