

State of Alaska FY2015 Governor's Operating Budget

Department of Transportation/Public Facilities Design, Engineering and Construction Results Delivery Unit Budget Summary

Design, Engineering and Construction Results Delivery Unit

Contribution to Department's Mission

Improve the transportation system in Alaska and protect the health and safety of the people of Alaska by developing transportation and public facilities projects and constructing safe, environmentally sound, reliable and cost effective highways, airports, harbors, docks, and buildings.

Core Services

- Prepare initial funding through the completion of a bid-ready set of plans, specifications for the legal and technical contract terms, and engineer's estimates for the cost of construction, as well as preparing geotechnical reports for the project site and materials sources, obtaining necessary land interests and environmental clearances and permits, and preparing plans and obtaining agreements with utility companies for required relocations.
- Provide technical support functions to the department, other state and federal agencies, and local governments and the public for traffic speed studies, bridge inspections, materials testing, processing of utility, right-of-way and traffic permits, and preparation of environmental documents.
- Develop design and construction standards.
- Administer construction contracts, provide field inspection and construction oversight, provide quality assurance that construction/environmental documentation and materials are in conformance with contract requirements during construction and closeout of projects, and report Disadvantaged Business Enterprises/Minority Business Enterprise activity on construction projects.
- Review construction documents, provide bid packages, advertise and award contracts, prepare certified bid tabulations, and help resolve bidding disputes.
- Coordinate, solicit, select, prepare and administer professional services agreements.
- Coordinate and program project funding; administer state and federal grants; provide engineering management support; prepare and manage data within a management reporting system for capital projects; provide regional network administration and desktop computer support; and process time and equipment charges to projects.
- Oversee all building planning, design and construction related activities and acts as the advocate for department-wide facility needs.
- Establish and maintain the department's Transportation Asset Management program.
- Lead the department's quality improvement initiatives and ensures compliance with federal funding initiatives.

Major RDU Accomplishments in 2013

- Established a Quality Improvement Asset Management program.
- Renewed the 6004 Program agreement with Federal Highway Administration allowing the state to efficiently manage the environmental permitting process on over 90% of the department's projects.
- Received federal approval to use recycled crushed glass in road construction repurposing over 700 tons of glass bottle waste. Crushed glass is primarily being used as pipe bedding on utility projects.
- Partnered in the development of new geotechnical innovations to manage frost action in roadways.
- Managed over 450 projects in various stages of development.
- Entered into the next phase of Arctic ports studying the area around Nome and Port Clarence.

Key RDU Challenges

- Access to material sites due to slow permitting from Alaska Department of Natural Resources and Bureau of Land Management.
- Lack of sufficient staff in federal agencies to issue permits and conduct the reviews needed for construction projects.
- New environmental regulations and agency interpretations continue to add complexity, cost, time, and risk to the delivery of our projects.
- Uncertainties with federal funding result in the Statewide Transportation Improvement Program being a moving target and prioritizing work can be a challenge.
- Recruitment and retention of experienced engineers, right-of-way agents, and environmental analysts. Many are

reaching retirement age.

- Recruiting and retaining qualified staff willing to take long-term assignments in remote locations.
- Transitioning department to an asset/performance management agency.

Significant Changes in Results to be Delivered in FY2015

- The changes in how federal highway dollars can be spent will result in more projects in urban areas of the state.
- Work flow and process changes implemented as a result of Quality Control/Assurance Section established in FY2013.

| Contact Information |
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**Design, Engineering and Construction
RDU Financial Summary by Component**

All dollars shown in thousands

| | FY2013 Actuals | | | | FY2014 Management Plan | | | | FY2015 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 |
| Formula Expenditures None. | | | | | | | | | | | | |
| Non-Formula Expenditures | | | | | | | | | | | | |
| Statewide Public Facilities | 459.6 | 4,613.4 | 0.0 | 5,073.0 | 438.7 | 4,170.8 | 0.0 | 4,609.5 | 427.0 | 4,155.6 | 0.0 | 4,582.6 |
| SW Design & Engineering Svcs | 1,269.7 | 10,177.3 | 0.0 | 11,447.0 | 1,388.4 | 11,508.8 | 0.0 | 12,897.2 | 950.3 | 11,876.9 | 0.0 | 12,827.2 |
| Harbor Program Development | 385.3 | 274.7 | 0.0 | 660.0 | 395.8 | 250.9 | 0.0 | 646.7 | 397.1 | 254.2 | 0.0 | 651.3 |
| Central Design & Eng Svcs | 1,328.8 | 21,076.2 | 0.0 | 22,405.0 | 1,334.0 | 21,499.8 | 0.0 | 22,833.8 | 997.3 | 21,767.3 | 0.0 | 22,764.6 |
| Northern Design & Eng Svcs | 578.8 | 16,463.1 | 0.0 | 17,041.9 | 668.1 | 16,547.9 | 0.0 | 17,216.0 | 434.7 | 16,761.0 | 0.0 | 17,195.7 |
| Southeast Design & Eng Svcs | 642.6 | 9,406.1 | 0.0 | 10,048.7 | 856.4 | 10,166.4 | 0.0 | 11,022.8 | 525.5 | 10,509.7 | 0.0 | 11,035.2 |
| Central Construction & CIP | 603.5 | 22,588.9 | 0.0 | 23,192.4 | 609.8 | 21,154.8 | 0.0 | 21,764.6 | 411.2 | 21,159.5 | 0.0 | 21,570.7 |
| Northern Construction & CIP | 597.8 | 19,714.0 | 0.0 | 20,311.8 | 605.7 | 17,124.4 | 0.0 | 17,730.1 | 404.4 | 17,253.4 | 0.0 | 17,657.8 |
| Southeast Region Construction | 167.4 | 7,419.3 | 0.0 | 7,586.7 | 93.4 | 7,749.1 | 0.0 | 7,842.5 | 93.8 | 7,672.8 | 0.0 | 7,766.6 |
| Knik Arm Bridge/Toll Authority | 0.0 | 1,120.4 | 0.0 | 1,120.4 | 0.0 | 1,806.2 | 0.0 | 1,806.2 | 0.0 | 1,675.7 | 0.0 | 1,675.7 |
| Totals | 6,033.5 | 112,853.4 | 0.0 | 118,886.9 | 6,390.3 | 111,979.1 | 0.0 | 118,369.4 | 4,641.3 | 113,086.1 | 0.0 | 117,727.4 |

Design, Engineering and Construction
Summary of RDU Budget Changes by Component
From FY2014 Management Plan to FY2015 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> |
|--|-----------------------------------|---------------------------------|--------------------|--------------------------|--------------------|
| FY2014 Management Plan | 5,172.4 | 1,217.9 | 111,979.1 | 0.0 | 118,369.4 |
| Adjustments which will continue current level of service: | | | | | |
| -Statewide Public Facilities | -11.7 | 0.0 | 1.1 | 0.0 | -10.6 |
| -SW Design & Engineering Svcs | -438.1 | 0.0 | 368.1 | 0.0 | -70.0 |
| -Harbor Program Development | 1.3 | 0.0 | 3.3 | 0.0 | 4.6 |
| -Central Design & Eng Svcs | -220.9 | -115.8 | 331.0 | 0.0 | -5.7 |
| -Northern Design & Eng Svcs | -153.9 | -79.5 | 241.8 | 0.0 | 8.4 |
| -Southeast Design & Eng Svcs | -163.9 | -167.0 | 343.3 | 0.0 | 12.4 |
| -Central Construction & CIP | -198.6 | 0.0 | 222.7 | 0.0 | 24.1 |
| -Northern Construction & CIP | -201.3 | 0.0 | 225.0 | 0.0 | 23.7 |
| -Southeast Region Construction | 0.4 | 0.0 | 20.5 | 0.0 | 20.9 |
| -Knik Arm Bridge/Toll Authority | 0.0 | 0.0 | 6.3 | 0.0 | 6.3 |
| Proposed budget decreases: | | | | | |
| -Statewide Public Facilities | 0.0 | 0.0 | -16.3 | 0.0 | -16.3 |
| -Central Design & Eng Svcs | 0.0 | 0.0 | -63.5 | 0.0 | -63.5 |
| -Northern Design & Eng Svcs | 0.0 | 0.0 | -28.7 | 0.0 | -28.7 |
| -Central Construction & CIP | 0.0 | 0.0 | -218.0 | 0.0 | -218.0 |
| -Northern Construction & CIP | 0.0 | 0.0 | -96.0 | 0.0 | -96.0 |
| -Southeast Region Construction | 0.0 | 0.0 | -96.8 | 0.0 | -96.8 |
| -Knik Arm Bridge/Toll Authority | 0.0 | 0.0 | -136.8 | 0.0 | -136.8 |
| FY2015 Governor | 3,785.7 | 855.6 | 113,086.1 | 0.0 | 117,727.4 |