

**State of Alaska  
FY2016 Governor Amended 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 ensure compliance with federal funding initiatives.

**Major RDU Accomplishments in 2014**

- Established a Quality Improvement/Transportation 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.
- Signed the Alaska cultural/historic resources programmatic agreement, simplifying the process.
- Managed over 450 projects in various stages of development or construction.
- Ongoing work on the Arctic ports study – a joint effort led by the Army Corps of Engineers.

**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 FY2016

The changes in how federal highway dollars can be spent will result in more projects in urban areas of the state.

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

*All dollars shown in thousands*

	FY2014 Actuals				FY2015 Management Plan				FY2016 Governor Amended			
	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>												
Statewide Public Facilities	427.4	4,134.3	0.0	4,561.7	426.4	4,155.6	0.0	4,582.0	399.6	4,243.3	0.0	4,642.9
SW Design & Engineering Svcs	1,459.5	9,801.5	0.0	11,261.0	947.9	11,867.2	0.0	12,815.1	748.0	12,404.4	0.0	13,152.4
Harbor Program Development	302.4	324.2	0.0	626.6	395.3	263.9	0.0	659.2	384.2	282.1	0.0	666.3
Central Design & Eng Svcs	1,498.6	21,564.9	0.0	23,063.5	922.2	21,842.3	0.0	22,764.5	905.5	22,333.8	0.0	23,239.3
Northern Design & Eng Svcs	795.3	15,944.3	0.0	16,739.6	434.6	16,761.0	0.0	17,195.6	416.7	17,082.2	0.0	17,498.9
Southcoast Design & Eng Svcs	639.9	9,646.8	0.0	10,286.7	450.4	10,584.7	0.0	11,035.1	438.8	10,670.5	0.0	11,109.3
Central Construction & CIP	609.8	22,744.1	0.0	23,353.9	336.2	21,234.5	0.0	21,570.7	313.8	20,910.6	0.0	21,224.4
Northern Construction & CIP	475.7	20,747.7	0.0	21,223.4	329.2	17,328.4	0.0	17,657.6	287.0	16,909.0	0.0	17,196.0
Southcoast Region Construction	143.1	7,297.9	0.0	7,441.0	93.7	7,672.8	0.0	7,766.5	88.0	7,885.5	0.0	7,973.5
Knik Arm Crossing	0.0	1,446.5	0.0	1,446.5	0.0	1,675.7	0.0	1,675.7	0.0	1,699.2	0.0	1,699.2
<b>Totals</b>	<b>6,351.7</b>	<b>113,652.2</b>	<b>0.0</b>	<b>120,003.9</b>	<b>4,335.9</b>	<b>113,386.1</b>	<b>0.0</b>	<b>117,722.0</b>	<b>3,981.6</b>	<b>114,420.6</b>	<b>0.0</b>	<b>118,402.2</b>

**Design, Engineering and Construction**  
**Summary of RDU Budget Changes by Component**  
**From FY2015 Management Plan to FY2016 Governor Amended**

*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>FY2015 Management Plan</b>	<b>3,480.3</b>	<b>855.6</b>	<b>113,386.1</b>	<b>0.0</b>	<b>117,722.0</b>
<b>One-time items:</b>					
-SW Design & Engineering Svcs	-55.0	0.0	0.0	0.0	-55.0
<b>Adjustments which continue current level of service:</b>					
-Statewide Public Facilities	7.9	0.0	87.7	0.0	95.6
-SW Design & Engineering Svcs	-58.8	0.0	2.3	0.0	-56.5
-Harbor Program Development	7.8	0.0	18.2	0.0	26.0
-Central Design & Eng Svcs	5.5	8.8	491.5	0.0	505.8
-Northern Design & Eng Svcs	4.7	2.6	321.2	0.0	328.5
-Southcoast Design & Eng Svcs	5.5	4.1	85.8	0.0	95.4
-Central Construction & CIP	4.9	0.0	-323.9	0.0	-319.0
-Northern Construction & CIP	-15.5	0.0	-419.4	0.0	-434.9
-Southcoast Region Construction	2.0	0.0	212.7	0.0	214.7
-Knik Arm Crossing	0.0	0.0	23.5	0.0	23.5
<b>Proposed budget increases:</b>					
-SW Design & Engineering Svcs	0.0	0.0	1,235.4	0.0	1,235.4
<b>Proposed budget decreases:</b>					
-Statewide Public Facilities	-34.7	0.0	0.0	0.0	-34.7
-SW Design & Engineering Svcs	-86.1	0.0	-700.5	0.0	-786.6
-Harbor Program Development	-18.9	0.0	0.0	0.0	-18.9
-Central Design & Eng Svcs	-31.0	0.0	0.0	0.0	-31.0
-Northern Design & Eng Svcs	-25.2	0.0	0.0	0.0	-25.2
-Southcoast Design & Eng Svcs	-21.2	0.0	0.0	0.0	-21.2
-Central Construction & CIP	-27.3	0.0	0.0	0.0	-27.3
-Northern Construction & CIP	-26.7	0.0	0.0	0.0	-26.7
-Southcoast Region Construction	-7.7	0.0	0.0	0.0	-7.7

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*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>FY2016 Governor Amended</b>	<b>3,110.5</b>	<b>871.1</b>	<b>114,420.6</b>	<b>0.0</b>	<b>118,402.2</b>