

State of Alaska FY2009 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

Construction Branch: Administers construction contracts, provides field inspection and construction oversight, provides quality assurance that construction documentation and materials are in conformance with contract requirements during construction and closeout of projects, and reports Disadvantaged Business Enterprises/Minority Business Enterprise activity on construction projects.

Contracts Branch: The Construction Contract Unit reviews construction documents, provides bid packages, advertises and awards contracts, prepares certified bid tabulations, and helps resolve bidding disputes. The Professional Services Agreement Unit coordinates, solicits, selects, prepares and administers professional services agreements.

FY2009 Resources Allocated to Achieve Results

FY2009 Component Budget: \$7,580,600	Personnel:	
	Full time	42
	Part time	35
	Total	77

Key Component Challenges

The SAFETEA-LU (Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users) Transportation Act has 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 wage increases in 2000 and 2006 helped, we are still having difficulties recruiting and retaining engineers, which is the reason for our unusually high vacancy rate.

Environmental issues continue to be a challenge. Environmental constraints in our coastal rain forest environment require extreme diligence on the part of our field staff, and complicate nearly every contract modification being contemplated. This results in additional time needed to develop and construct transportation projects.

Significant Changes in Results to be Delivered in FY2009

No significant changes in FY2009.

Major Component Accomplishments in 2007

Put under construction over \$136 million in federal highway, federal aviation, general fund, and reimbursable construction authorization in FFY07.

Paid out approximately \$72 million in contractor payments in FFY07.

Completed major road reconstructions in Ketchikan (0.6 miles), Petersburg (3.9 miles), and Sitka (1.4 miles).

Began construction of Juneau's first grade-separated interchange (Egan Drive at Sunny Point).

Replaced an obsolete bridge in Sitka (Indian River Bridge).

Made minor improvements to the ferry terminals at Ketchikan, Kake, Hoonah, and Homer.

Completed an asphalt pavement overlay of the runway at the Wrangell Airport, and began major expansions of the Runway Safety Areas at the Wrangell and Ketchikan airports.

Awarded a \$25.7 million design-build contract for the first stage of the Gravina Island Highway, which is the road component of the Gravina Island Access project.

Constructed new seaplane bases in Coffman Cove and Clark Bay on Prince of Wales Island.

Completed an extension of the Machine Shop Building and paving of the parking lot at the Ketchikan Shipyard, and began construction of their second berth Relieving Slab.

Closed out 27 completed construction contracts totaling \$106.5 million in FFY07.

Obtained materials testing certifications for 16 new technicians and engineers, and re-qualified seven technicians and engineers 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

Contact: Chuck Correa, P.E., Construction Engineer
Phone: (907) 465-1795
Fax: (907) 465-2030
E-mail: chuck.correa@alaska.gov

Southeast Region Construction Component Financial Summary

All dollars shown in thousands

	FY2007 Actuals	FY2008 Management Plan	FY2009 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	5,919.1	6,859.5	7,152.3
72000 Travel	103.8	75.0	75.0
73000 Services	333.6	221.3	221.3
74000 Commodities	137.7	132.0	132.0
75000 Capital Outlay	0.0	0.0	0.0
77000 Grants, Benefits	0.0	0.0	0.0
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	6,494.2	7,287.8	7,580.6
Funding Sources:			
1004 General Fund Receipts	173.0	56.8	97.8
1061 Capital Improvement Project Receipts	6,321.2	7,231.0	7,482.8
Funding Totals	6,494.2	7,287.8	7,580.6

Estimated Revenue Collections

Description	Master Revenue Account	FY2007 Actuals	FY2008 Management Plan	FY2009 Governor
Unrestricted Revenues				
Unrestricted Fund	68515	11.0	20.0	20.0
Unrestricted Total		11.0	20.0	20.0
Restricted Revenues				
Capital Improvement Project Receipts	51200	6,321.2	7,231.0	7,482.8
Restricted Total		6,321.2	7,231.0	7,482.8
Total Estimated Revenues		6,332.2	7,251.0	7,502.8

**Summary of Component Budget Changes
From FY2008 Management Plan to FY2009 Governor**

All dollars shown in thousands

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
FY2008 Management Plan	56.8	0.0	7,231.0	7,287.8
Adjustments which will continue current level of service:				
-FY 09 Bargaining Unit Contract Terms: General Government Unit	0.0	0.0	245.5	245.5
-Correct Unrealizable Fund Sources for Salary Adjustments: GGU	40.1	0.0	-40.1	0.0
-Correct Unrealizable Fund Sources for Salary Adjustments: LTC	0.9	0.0	-0.9	0.0
-FY 09 Bargaining Unit Contract Terms: Labor Trades and Crafts Unit	0.0	0.0	47.3	47.3
FY2009 Governor	97.8	0.0	7,482.8	7,580.6

Southeast Region Construction Personal Services Information

Authorized Positions			Personal Services Costs	
	<u>FY2008</u> <u>Management</u> <u>Plan</u>	<u>FY2009</u> <u>Governor</u>		
Full-time	42	42	Annual Salaries	3,919,209
Part-time	35	35	COLA	278,108
Nonpermanent	3	3	Premium Pay	734,595
			Annual Benefits	2,460,712
			Less 3.25% Vacancy Factor	(240,324)
			Lump Sum Premium Pay	0
Totals	80	80	Total Personal Services	7,152,300

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
Eng Tech Journey	0	0	7	9	16
Eng Tech Sub Journey I	0	0	3	0	3
Eng Tech Sub Journey II	0	0	2	9	11
Eng Tech Sub Journey III	0	0	4	6	10
Engineer/Architect I	0	0	0	1	1
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 II	0	0	9	0	9
Engineering Assistant III	0	0	7	5	12
Engineering Associate	0	0	4	3	7
Procurement Spec I	0	0	1	0	1
Procurement Spec III	0	0	1	0	1
Procurement Spec V	0	0	1	0	1
Totals	0	0	47	33	80