

**State of Alaska  
FY2004 Governor's Operating Budget**

**Department of Transportation/Public Facilities  
Northern Region Highways and Aviation  
Component Budget Summary**

## **Component: Northern Region Highways and Aviation**

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### **Component Mission**

Maintain, protect, and control the state's highway and airport systems.

### **Component Services Provided**

- Winter snow and ice control: snow plowing, snow removal, sanding, de-icing, avalanche control, snow fencing, and culvert thawing.
- Summer maintenance including: grading, pothole patching, crack sealing, leveling of heaves and dips, brush clearing, sweeping, dust control, drainage cleaning and repair, fence and guardrail repair, bridge painting and repair, and sign maintenance.
- Road and airport lighting systems: maintenance of traffic signals, intersection and road illumination, and runway and taxiway lights.
- Roadside litter control and trash removal at rest areas, turnouts and campgrounds.
- Encroachment control on driveways, access roads, signs, utilities, and other State rights-of-way.
- Maintain federally mandated security at state airports, including access controls, criminal history checks and badging, security fencing, communications, and law enforcement.

### **Component Goals and Strategies**

To maintain and operate Northern Region state highway, airport, and harbor facilities in a manner that allows safe and efficient transportation of passengers and freight.

- Evaluate safety and efficiency of operations through training, communication with the public, and new technology research.
- Monitor and report highway and airport conditions to all users.
- Turn state gravel roads "black" as well as pavement rehabilitation, crack sealing, and overlay projects.
- Provide snow and ice control.
- Continue to repair and replace guardrail throughout the Region.
- Begin to use new technology such as Road and Weather Information Systems to help maintain the highways.

To safeguard the State's investment in highways, airports, and harbors.

- Provide adequate maintenance by the most productive and cost effective means available.
- Allocate public funds responsibly through the use of private contracts and in-house resources.

### **Key Component Issues for FY2003 – 2004**

- A key issue continues to be protecting Alaska's investment in its transportation infrastructure. The State's investments in roads, harbors and airports are eroding each year due to insufficient maintenance. As the transportation infrastructure continues to age, M&O is faced with an ever-increasing list of deferred maintenance work. Other demands include increases in the cost of labor, materials, electricity and fuel and the addition of new fees that must be paid to other state and federal agencies; and finally, the increasing burden of new laws and regulations. The H&A budget has not kept up with these increased demands and is inadequate to sustain basic preventative maintenance of our roads and airports. Our list of deferred maintenance items is currently at \$117.4 million for Northern Region and it continues to grow.
- Increased costs have been offset to some degree through increased productivity and other efficiencies. They are offset to a large extent by increased use of federal capital funds. General funds for capital improvements have dwindled in recent years to insignificant levels. Highways and Aviation has made maximum use of federal highway &

aviation funding to achieve major improvement of road surfaces, which decreases maintenance costs for the short term. Operating costs, however, have continued to outweigh the sum of our cost reducing efforts, the infusion of capital funds, and our operating revenues. These budget shortfalls have resulted in decreased striping, snow removal and road maintenance activities in outlying areas.

- Airport security is a major issue following the events of September 11, 2001. Requirements for security have changed to comply with the Transportation Security Administration's (TSA) mandated Emergency Amendments to airport security programs. Additional personnel are needed to perform mandated functions such as security management, inspection, law enforcement, access control, and perimeter patrols, and administrative functions. Along with additional personnel, considerable costs will be incurred to provide security fences, lighting equipment, access controls and additional security vehicles. The Aviation Security Act will help define Federal requirements for added security and specify whether federal funds will be available. All persons who require unescorted access to aircraft secure areas now must have a fingerprint-based Criminal History Records Check (CHRC) that shows no convictions of disqualifying crimes.

### **Major Component Accomplishments in 2002**

- Applied chip seal, hot mix, or high float asphalt to 181 lane miles of road.
- Covered 85 lane miles with crack seal.
- Paved approximately 5 lane miles of gravel roads.
- Repaired 21 bridges.
- Cut approximately 650 centerline miles of brush and trees along our right-of-ways.
- Continued to coordinate parts delivery with State Equipment Fleet at remote camps by using Maintenance and Operations employees to perform this service.
- Continued growth of the Adopt-a-Highway system with new volunteer groups enthusiastically participating in clean up of selected segments of highways. A safety video has been developed and distributed. A Policies and Procedures Manual for Adopt-a-Highway programs is currently being developed.

### **Statutory and Regulatory Authority**

AS 02 – Aeronautics  
AS 30 – Harbors and Shipping  
AS 38 – Motor Vehicles  
AS 44 – State Government  
AAC 13 – Public Safety  
AAC 14 – Public Works  
AAC 17 – DOT&PF  
CFR 14 – Aeronautics  
CFR 49 - Airport Security  
CRF 23 - Highways

**Northern Region Highways and Aviation**  
**Component Financial Summary**

*All dollars in thousands*

	FY2002 Actuals	FY2003 Authorized	FY2004 Governor
<b>Non-Formula Program:</b>			
<b>Component Expenditures:</b>			
71000 Personal Services	20,732.0	18,845.3	21,949.1
72000 Travel	493.4	538.9	568.9
73000 Contractual	14,293.0	15,168.2	17,668.5
74000 Supplies	5,811.8	5,232.6	5,379.2
75000 Equipment	468.7	0.0	0.0
76000 Land/Buildings	309.6	0.0	0.0
77000 Grants, Claims	0.0	0.0	0.0
78000 Miscellaneous	0.0	0.0	0.0
<b>Expenditure Totals</b>	<b>42,108.5</b>	<b>39,785.0</b>	<b>45,565.7</b>
<b>Funding Sources:</b>			
1002 Federal Receipts	532.5	539.9	474.9
1004 General Fund Receipts	36,255.0	36,358.0	39,435.5
1005 General Fund/Program Receipts	782.1	13.0	13.0
1007 Inter-Agency Receipts	208.1	342.3	342.3
1026 Highway Working Capital Fund	15.8	15.8	15.8
1061 Capital Improvement Project Receipts	4,301.3	1,510.6	4,305.6
1108 Statutory Designated Program Receipts	13.7	209.8	209.8
1156 Receipt Supported Services	0.0	795.6	768.8
<b>Funding Totals</b>	<b>42,108.5</b>	<b>39,785.0</b>	<b>45,565.7</b>

## Northern Region Highways and Aviation

### Proposed Changes in Levels of Service for FY2004

The FY2003 operating budget reductions resulted in the maintenance station closures, equipment operators being laid off, and the return of equipment. This reduced the amount of road maintenance being performed throughout the region. Adequate resources were not available to take care of unusual events including excessive snowfalls, damage due to floods, etc. Funding to restore the FY2002 level of service is being requested in this budget.

- Restore personnel and equipment to the Birch Lake, Chitina, and Montana Creek maintenance stations that were closed.
- Operate the new lighting system at Shageluk Airport.
- Restore operators, equipment and supplies at Livengood, Jim River, Nenana, Healy, Nelchina, Cordova, Paxson, Northway, Valdez and Fairbanks.
- Restore winter maintenance on the Steese Highway, the Denali Highway, Ruby Poorman, Fairbanks Creek, Faith Creek, Sourdough Creek, Eagle Creek, Miller/Harrison Creek, Porcupine Creek, Eureka and Tofty roads in Fairbanks and Dexter By-Pass, Glacier Creek, Osborne, Big Hurrah, Ophir Cree, Pilgrim Hot Springs, and Wooley Lagoon roads in Nome area.
- Restore maintenance of the airports at Clear, Circle, Chistochina, Circle Hot Springs, Wiseman, Dahl Creek, Summit, Boundary, Livengood, Salmon Lake, Copper Center and Tazlina.

The current proposed levels of service are slightly lower than the FY02 budgeted level of service. This is due to unfunded fixed cost increases of \$863,500. This will result in reduced amounts of summer maintenance activities for brush cutting, roadside drainage, striping and non-regulatory sign replacement. In addition, money available in the region for overtime for major winter storm response will be limited.

### Summary of Component Budget Changes

#### From FY2003 Authorized to FY2004 Governor

*All dollars in thousands*

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
<b>FY2003 Authorized</b>	<b>36,371.0</b>	<b>539.9</b>	<b>2,874.1</b>	<b>39,785.0</b>
<b>Adjustments which will continue current level of service:</b>				
-Transfer in GF from Statewide Admin. Svcs. to restore road maintenance reduced in FY03	468.9	0.0	0.0	468.9
-Transfer in GF from Statewide Admin. Svcs. to restore road maintenance eliminated in FY03	281.1	0.0	0.0	281.1
-Transfer in GF from Statewide Admin. Svcs. to restore maintenance at airports reduced in FY03	38.2	0.0	0.0	38.2
-Transfer in GF from Statewide Admin. Svcs. to re-open Birch Lake & Chitina maintenance stations	42.3	0.0	0.0	42.3
-Transfer in GF from Statewide Admin. Svcs. for new lighting system at Shageluk airport	12.0	0.0	0.0	12.0
-Transfer funds to NR Facilities for maintenance station utility costs	-112.0	0.0	0.0	-112.0
-Merge NR Road Openings into NR Highways & Aviation	306.0	0.0	0.0	306.0
-Reduce Homeland Security federal	0.0	-65.7	0.0	-65.7

FY2004 Governor

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
authority for one-time items				
-Annualize FY2003 COLA for General Government, Confidential and Supervisory Bargaining Units	0.0	0.7	0.0	0.7
-\$75 per Month Health Insurance Increase for Non-covered Staff	0.8	0.0	0.0	0.8
<b>Proposed budget decreases:</b>				
-Reduce overtime and commodities to fund GF restorations	-291.4	0.0	0.0	-291.4
-Reduce excess Receipts for Support Svcs (RSS) for airport leasing program	0.0	0.0	-59.8	-59.8
<b>Proposed budget increases:</b>				
-Add GF to partially restore maintenance at airports reduced in FY03	35.0	0.0	0.0	35.0
-Add GF to partially restore road maintenance eliminated in FY03	595.9	0.0	0.0	595.9
-Add GF to partially restore road maintenance reduced in FY03	459.7	0.0	0.0	459.7
-Add GF to reopen Birch Lake & Chitina maintenance stations at a reduced level	464.4	0.0	0.0	464.4
-Add GF to partially fund State Equipment Fleet rate increases	776.6	0.0	0.0	776.6
-Add RSS for seasonal position for aircraft parking related work	0.0	0.0	33.0	33.0
-Add CIP for program management and indirect support	0.0	0.0	235.0	235.0
-Add CIP for expanded capital program	0.0	0.0	2,500.0	2,500.0
-Add CIP for Analyst/Programmer to implement Maintenance Management System	0.0	0.0	60.0	60.0
<b>FY2004 Governor</b>	<b>39,448.5</b>	<b>474.9</b>	<b>5,642.3</b>	<b>45,565.7</b>

## Northern Region Highways and Aviation

## Personal Services Information

	Authorized Positions		Personal Services Costs	
	<u>FY2003</u> <u>Authorized</u>	<u>FY2004</u> <u>Governor</u>		
Full-time	227	233	Annual Salaries	15,004,164
Part-time	80	83	Premium Pay	1,961,651
Nonpermanent	0	0	Annual Benefits	5,897,874
			<i>Less 4.00% Vacancy Factor</i>	(914,548)
			Lump Sum Premium Pay	0
<b>Totals</b>	<b>307</b>	<b>316</b>	<b>Total Personal Services</b>	<b>21,949,141</b>

## Position Classification Summary

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Accounting Tech II	0	1	0	0	1
Administrative Assistant	0	5	0	2	7
Administrative Clerk II	0	0	0	1	1
Administrative Clerk III	0	3	0	5	8
Administrative Manager II	0	1	0	0	1
Analyst/Programmer II	0	1	0	0	1
Division Director	0	1	0	0	1
Engineer/Architect III	0	1	0	0	1
Engineering Associate	0	1	0	0	1
Environmental Analyst III	0	1	0	0	1
Equip Operator Foreman I	0	4	0	10	14
Equip Operator Foreman II	0	1	0	1	2
Equip Operator Journey I	0	24	0	20	44
Equip Operator Journey II	0	20	0	118	138
Equip Operator Jrny III/Lead	0	1	0	48	49
Equip Operator Sub Journey I	0	0	0	2	2
Equip Operator Sub Journey II	0	4	0	12	16
Maint Gen Sub - Journey II	0	1	0	0	1
Maint Spec Etrician Journey II	0	1	0	1	2
Maint Spec Tces Jrny II	0	3	0	0	3
Mech Auto Lead/Spec	0	0	0	2	2
Rural Airport Foreman	0	0	0	6	6
Safety Officer	0	1	0	0	1
Secretary	0	1	0	0	1
Stock & Parts Svcs Journey I	0	0	0	1	1
Trans Maint Manager III	0	1	0	1	2
Trans Maint Supt I	0	0	0	1	1
Trans Maint Supt II	0	4	0	4	8
<b>Totals</b>	<b>0</b>	<b>81</b>	<b>0</b>	<b>235</b>	<b>316</b>