

State of Alaska
FY2004 Governor's Operating Budget

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

Component: Southeast Region Highways and Aviation

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Component Mission

Operate, maintain, protect and control the state's highway, harbor and airport systems.

Component Services Provided

- Winter snow and ice control including: 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 including: maintenance of traffic signals, intersection and road illumination, harbor electrical service and lighting, and runway and taxiway lights.
- Airport security including: access control, badging, lock and key control, and fencing.
- Airport compliance, including inspection and assurance that state airports are operated in accordance with FAA operating regulations.
- Control access to state rights of way for driveways, access roads, signs and utilities.

Component Goals and Strategies

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

- Evaluate safety and efficiency of operations through training, communication with the public and new technology research.

To safeguard the State's investments in highways and airports.

- 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.

Provide necessary maintenance and operations services by the most productive and cost-effective means available.

- Develop a maintenance management system to help gauge our performance and better manage our resources.

Key Component Issues for FY2003 – 2004

- Protecting Alaska's investment in its transportation infrastructure is a key concern. 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; cost of maintaining new infrastructure such as airport taxiways and lighting systems and highway traffic signals; and finally, the increasing burden of new laws and regulations. The M&O 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 currently exceeds \$25 million.
- Increased costs have been offset to some degree by increased use of federal capital funds. Highways and Aviation has made maximum use of federal highway funding to achieve major improvement of road surfaces (chip sealing), 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 continues to be a major issue. We are continuing to implement Transportation Security

Administration (TSA) mandated changes to our security programs. Personnel must now perform mandated functions such as security management, inspection, and access control.

Major Component Accomplishments in 2002

- Gustavus: Constructed and installed new float at Gustavus dock to replace float destroyed by a storm.
- Haines: Performed pavement repairs on Mud Bay Road and Allen/Union Street intersection. Completed major clean-out of culverts on Lutak Road.
- Juneau: Chip sealed last .5 mile of Montana Creek Road. Completed roadway reconstruction on Herbert River Road in preparation for future surfacing.
- Kake: Repaired major pavement subsidence problem on airport runway. Applied patch to weak area on Kake Airport Road.
- Ketchikan: Chip sealed 3.7 miles of road, including South Point Higgins Road, Pond Reef Road, Pond Reef Spur, Knudson Cove Road, and Shoup Street.
- Klawock: Crack sealed Klawock runway and completed major pavement repairs on Craig-Hollis Highway and Hydaburg Highway.
- Petersburg: Crack sealed Petersburg Airport runway.
- Sitka: Performed emergency pavement repair on Sawmill Creek Road, 2.5 miles.
- Skagway: Installed .5 miles of new guard rail on Klondike Highway. Completed emergency repairs on Dyea Road.
- Yakutat: Crack sealed runway and taxiway. Completed emergency erosion repairs on Alsek Road and Lost River Road.
- Region-wide: Performed extensive ditching and brushing on roads and airports throughout the Region.

Statutory and Regulatory Authority

A.S. 02 - Aeronautics
A.S. 30 - Harbors & Shipping
A.S. 38 - Motor Vehicles
A.S. 44 - State Government
AAC 13 - Public Safety
AAC 14 - Public Works
AAC 17 - DOT&PF
CFR 14 - Aeronautics
CFR 23 - Highway

Southeast Region Highways and Aviation
Component Financial Summary

All dollars in thousands

	FY2002 Actuals	FY2003 Authorized	FY2004 Governor
Non-Formula Program:			
Component Expenditures:			
71000 Personal Services	4,674.9	5,127.3	5,148.4
72000 Travel	139.4	90.0	84.5
73000 Contractual	2,850.6	3,010.1	3,400.6
74000 Supplies	2,276.2	1,988.8	1,981.1
75000 Equipment	353.3	0.0	0.0
76000 Land/Buildings	0.0	0.0	0.0
77000 Grants, Claims	0.0	0.0	0.0
78000 Miscellaneous	0.0	0.0	0.0
Expenditure Totals	10,294.4	10,216.2	10,614.6
Funding Sources:			
1002 Federal Receipts	197.3	45.1	0.0
1004 General Fund Receipts	8,461.7	8,545.9	8,958.3
1005 General Fund/Program Receipts	375.9	0.0	0.0
1007 Inter-Agency Receipts	233.8	88.6	89.2
1027 International Airport Revenue Fund	527.5	538.7	538.7
1061 Capital Improvement Project Receipts	432.3	507.1	567.3
1108 Statutory Designated Program Receipts	65.9	83.0	83.2
1156 Receipt Supported Services	0.0	407.8	377.9
Funding Totals	10,294.4	10,216.2	10,614.6

Southeast 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. The equipment operator positions were subsequently reinstated, allowing us to provide maintenance on all regional highways at a level similar to previous years. The reinstatement of funds allows for prioritized service to all regional Highways & Aviation assets. However, without additional funding for anticipated increases in State Equipment Fleet charges and Homeland security requirements, some maintenance work will be deferred to future years.

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>
FY2003 Authorized	8,545.9	45.1	1,625.2	10,216.2
Adjustments which will continue current level of service:				
-Transfer in funding for increased utility costs at Hoonah and Skagway airports	20.0	0.0	0.0	20.0
-Transfer in funds to restore maintenance of various Southeast highways	29.7	0.0	0.0	29.7
-Reacquire two dump trucks and one road grader in Juneau and Ketchikan	25.1	0.0	0.0	25.1
-Transfer \$151.5 GF to Southeast Facilities for utilities and fuel costs at maintenance stations	-151.5	0.0	0.0	-151.5
-Reduce Homeland Security federal authority for one-time items	0.0	-45.1	0.0	-45.1
-Annualize FY2003 COLA for General Government and Supervisory Bargaining Units	0.0	0.0	2.0	2.0
Proposed budget decreases:				
-Reduce excess Receipt Supported Svcs receipt and expenditure authority	0.0	0.0	-30.9	-30.9
Proposed budget increases:				
-Restore winter maintenance of Southeast Category III roads	380.3	0.0	0.0	380.3
-Provide funding to offset increase in State Equipment Fleet billing rates	64.4	0.0	0.0	64.4
-Restore maintenance of various Southeast highways - Hoonah	44.4	0.0	0.0	44.4
-Add Analyst/Programmer to support implementation and operation of the Maintenance Management System	0.0	0.0	60.0	60.0
FY2004 Governor	8,958.3	0.0	1,656.3	10,614.6

Southeast 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	60	63	Annual Salaries	3,317,967
Part-time	3	6	Premium Pay	699,054
Nonpermanent	0	0	Annual Benefits	1,380,531
			<i>Less 4.62% Vacancy Factor</i>	(249,135)
			Lump Sum Premium Pay	0
Totals	63	69	Total Personal Services	5,148,417

Position Classification Summary

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Administrative Assistant	0	0	1	0	1
Administrative Clerk III	0	0	2	0	2
Administrative Manager I	0	0	1	0	1
Analyst/Programmer II	0	0	1	0	1
Engineering Associate	0	0	1	0	1
Equip Operator Foreman I	0	0	1	0	1
Equip Operator Foreman II	0	0	1	0	1
Equip Operator Journey II	0	0	10	15	25
Equip Operator Jrny III/Lead	0	0	0	25	25
Leasing Officer IV	0	0	1	0	1
Maint Spec Bfc Foreman	0	0	1	0	1
Maint Spec Etrician Journey II	0	0	1	0	1
Regnl Saf&Arpt Sec Off	0	0	1	0	1
Rural Airport Foreman	0	0	1	4	5
Trans Maint Manager II	0	0	1	0	1
Trans Maint Manager III	0	0	1	0	1
Totals	0	0	25	44	69