

# **State of Alaska FY2006 Governor's Operating Budget**

## **Department of Transportation/Public Facilities Northern Region Construction and CIP Support Component Budget Summary**

**Component: Northern Region Construction and CIP Support**

**Contribution to Department's Mission**

Provide construction engineering services for public infrastructure.

**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, provides closeout of projects, and reports Disadvantaged Business Enterprises/Minority Business Enterprise activity on construction projects.

**Contracts Branch:** Reviews CIP Project assemblies, prepares, prints and distributes bid packages, advertises and awards contracts, prepares certified bid tabulations and helps resolve bidding disputes; coordinates, solicits, selects, prepares and administers professional services agreements. Operates and maintains regional resource center.

**Project Control Branch:** Coordinates and programs project funding; administers state and federal grants; provides engineering management support; prepares and manages the component's operating budget; develops, enhances and maintains Oracle management reporting system for capital projects; provides regional network administration and desktop computer support; and processes time and equipment charges to projects.

**FY2006 Resources Allocated to Achieve Results**

<b>FY2006 Component Budget: \$13,311,600</b>	<b>Personnel:</b>	
	Full time	85
	Part time	100
	<b>Total</b>	<b>185</b>

**Key Component Challenges**

- Northern Region Construction continues to have difficulty in finding and retaining qualified staff willing to take long-term assignments to remote sites. At the engineering journey level (Engineering Assistant III), staff turnover recently has increased as a result of the unattractive nature of long-term assignments to remote sites, often requiring on site presence for up to six months during the summer with little time off. Recruiting experienced construction managers also continues to be a challenge for the region.
- Increased rural community involvement in the Northern Region has resulted in an increase in contract costs, engineering costs, and an increase in local requests for contract changes due to heightened community awareness. Mandatory post award meetings require travel by both project engineers and contractors to remote sites, and the resolution of issues raised often requires some reengineering. At the request of FHWA, FAA and affected communities we are in the process of evaluating the impacts our construction projects have on the community road systems and instituting expanded safety education, oversight, and traffic control requirements.
- The Westen Alliance for Quality Transportation Construction (WAQTC) program has increased our engineering costs. Employee turnover is still relatively high, and all new employees must be trained. The three-year anniversary of the program also requires the re-certification of all employees who are currently certified. This has increased training costs, while reducing the availability of employees while they are being trained.
- Increased emphasis and tighter policies for environmental issues has created additional workload for the Northern Region Construction staff. This has included the creation of a full time environmental liaison position and increased training costs for all employees.
- Increased security and safety concerns have increased the demands of our Radiation Safety Program. Required

Safety Conscious Work Environment training for all construction employees and additional training for the regional Radiation Safety Officers have increased costs. Greater attention to security of nuclear densometers has resulted in higher testing costs.

- Northern Region is working to achieve an FHWA initiative to reduce the number of highway related fatalities and serious injuries by 20 percent in the next 10 years. This has led to increased workload and training for project engineers and a full time staff member being dedicated to ensuring federal safety requirements are met, conduct project safety inspections, review all traffic control safety plan and launch a public education safety campaign.

### Significant Changes in Results to be Delivered in FY2006

No proposed changes in level of service are anticipated.

### Major Component Accomplishments in 2004

- Received \$98.7million in federal highway and \$88.3 million in federal aviation construction authorization in FFY04.
- The region continued safety awareness through greater communication with public, through various forms of media (public exhibits, workshops, and newspaper advertisements). We also renewed a reimbursable agreement with the Department of Public Safety and a Memorandum of Agreement with the Fairbanks Police Department for officer presence at construction sites during peak traffic hours, enforcing compliance with speed limits.
- Completed construction and reconstruction of \$73.5 million dollars in needed transportation infrastructure improvements including: Dalton Hwy Rehabilitation, Noorvik landfill & Hotham Peak Road, Richardson Hwy MP 115-129 rehabilitation and MP 296 slide, Northern Region road surface treatment, Parks Hwy, Healy Area safety improvements, and Steese Hwy overlay.
- Completed \$33.0 million dollars in runway, taxiway, lighting, environmental and safety improvements at Fairbanks International Airport, Marshall Airport, Noorvik Airport, Shageluk Airport, and Shaktoolik Airport.

### 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
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**Northern Region Construction and CIP Support  
Component Financial Summary**

*All dollars shown in thousands*

	FY2004 Actuals	FY2005 Management Plan	FY2006 Governor
<b>Non-Formula Program:</b>			
<b>Component Expenditures:</b>			
71000 Personal Services	10,924.9	12,063.5	12,474.3
72000 Travel	104.4	62.5	62.5
73000 Services	625.3	636.9	650.6
74000 Commodities	256.5	124.2	124.2
75000 Capital Outlay	10.5	0.0	0.0
77000 Grants, Benefits	0.0	0.0	0.0
78000 Miscellaneous	0.0	0.0	0.0
<b>Expenditure Totals</b>	<b>11,921.6</b>	<b>12,887.1</b>	<b>13,311.6</b>
<b>Funding Sources:</b>			
1004 General Fund Receipts	242.0	239.5	241.8
1007 Inter-Agency Receipts	0.4	137.3	140.8
1061 Capital Improvement Project Receipts	11,679.2	12,510.3	12,929.0
<b>Funding Totals</b>	<b>11,921.6</b>	<b>12,887.1</b>	<b>13,311.6</b>

**Estimated Revenue Collections**

Description	Master Revenue Account	FY2004 Actuals	FY2005 Management Plan	FY2006 Governor
<b>Unrestricted Revenues</b>				
Unrestricted Fund	68515	40.9	40.0	40.0
<b>Unrestricted Total</b>		<b>40.9</b>	<b>40.0</b>	<b>40.0</b>
<b>Restricted Revenues</b>				
Interagency Receipts	51015	0.4	137.3	140.8
Capital Improvement Project Receipts	51200	11,679.2	12,510.3	12,929.0
<b>Restricted Total</b>		<b>11,679.6</b>	<b>12,647.6</b>	<b>13,069.8</b>
<b>Total Estimated Revenues</b>		<b>11,720.5</b>	<b>12,687.6</b>	<b>13,109.8</b>

**Summary of Component Budget Changes  
From FY2005 Management Plan to FY2006 Governor**

*All dollars shown in thousands*

	<u>General Funds</u>	<u>Federal Funds</u>	<u>Other Funds</u>	<u>Total Funds</u>
<b>FY2005 Management Plan</b>	<b>239.5</b>	<b>0.0</b>	<b>12,647.6</b>	<b>12,887.1</b>
<b>Adjustments which will continue current level of service:</b>				
-FY 05 Bargaining Unit Contract Terms: GGU	0.2	0.0	55.3	55.5
-FY06 Cost Increases for Bargaining Units and Non-Covered Employees	2.1	0.0	315.8	317.9
-Adjustments for Personal Services Working Reserve Rates and SBS	0.0	0.0	37.4	37.4
<b>Proposed budget increases:</b>				
-McKinley Building Lease increased cost for leasehold improvements	0.0	0.0	13.7	13.7
<b>FY2006 Governor</b>	<b>241.8</b>	<b>0.0</b>	<b>13,069.8</b>	<b>13,311.6</b>

**Northern Region Construction and CIP Support  
Personal Services Information**

Authorized Positions		Personal Services Costs		
	<u>FY2005</u>	<u>FY2006</u>		
	<u>Management</u>	<u>Governor</u>		
	<u>Plan</u>			
Full-time	85	85	Annual Salaries	8,119,174
Part-time	100	100	COLA	169,292
Nonpermanent	0	0	Premium Pay	1,105,188
			Annual Benefits	4,468,763
			<i>Less 6.90% Vacancy Factor</i>	(956,117)
			Lump Sum Premium Pay	0
<b>Totals</b>	<b>185</b>	<b>185</b>	<b>Total Personal Services</b>	<b>12,906,300</b>

**Position Classification Summary**

Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Accounting Clerk I	0	1	0	0	1
Accounting Spvr II	0	1	0	0	1
Accounting Tech III	0	2	0	0	2
Administrative Clerk II	0	6	0	0	6
Administrative Clerk III	0	3	0	1	4
Administrative Manager II	0	1	0	0	1
Administrative Manager IV	0	1	0	0	1
Analyst/Programmer III	0	1	0	0	1
Eng Tech Journey	0	17	0	3	20
Eng Tech Sub Journey I	0	0	0	1	1
Eng Tech Sub Journey II	0	25	0	9	34
Eng Tech Sub Journey III	0	13	0	3	16
Engineer/Architect I	0	3	0	0	3
Engineer/Architect II	0	3	0	0	3
Engineer/Architect III	0	4	0	1	5
Engineer/Architect IV	0	2	0	0	2
Engineer/Architect V	0	1	0	0	1
Engineering Assistant I	0	6	0	1	7
Engineering Assistant II	0	31	0	4	35
Engineering Assistant III	0	13	0	4	17
Engineering Associate	0	12	0	6	18
Maint Gen Sub - Journey I	0	1	0	0	1
Micro/Network Spec I	0	2	0	0	2
Micro/Network Tech II	0	1	0	0	1
Procurement Spec II	0	1	0	0	1
Prog Coordinator	0	1	0	0	1
<b>Totals</b>	<b>0</b>	<b>152</b>	<b>0</b>	<b>33</b>	<b>185</b>