

State of Alaska FY2006 Governor's Operating Budget

Department of Transportation/Public Facilities

Department of Transportation/Public Facilities

Mission

Provide for the movement of people and goods and the delivery of state services.

Core Services

Develop, maintain and operate:

- Highways
- Alaska Marine Highway System
- Airports
- Public Facilities
- Ports and harbors
- State Equipment Fleet

End Results	Strategies to Achieve Results
<p>A: Reduce injuries, fatalities and property damage.</p> <p><u>Target #1:</u> Reduce highway fatalities by 2%</p> <p><u>Measure #1:</u> Percent change in road related fatalities on state roads per 100 million vehicle miles traveled compared to a baseline average for the past 5 years.</p>	<p>A1: Build and improve state owned roads and highways to appropriate department standards.</p> <p><u>Target #1:</u> Increase to 90% the percentage of national highway system (NHS) routes meeting current DOTPF standards.</p> <p><u>Measure #1:</u> Percent of national highway system (NHS) meeting current DOTPF standards.</p> <p><u>Target #2:</u> Decrease by 5 the number of state-owned bridges that are deficient by FHWA standards (considered structurally deficient or functionally obsolete).</p> <p><u>Measure #2:</u> Number of bridges that are considered deficient by FHWA standards.</p> <p><u>Target #3:</u> Reduce the number of signalized intersections that have a level of service rating of E or F compared to three years ago by 4%.</p> <p><u>Measure #3:</u> Percent change in the level of service at signalized intersections.</p> <p>A2: Improve DOTPF efficiency.</p> <p><u>Target #1:</u> Advertise 75% of new highway and aviation construction project funding by March 31.</p> <p><u>Measure #1:</u> Percentage of highway and aviation construction funding (determined by Engineer's estimate) advertised by a given date.</p> <p><u>Target #2:</u> Reduce the percentage of administrative and engineering costs to 30% or less of total project costs.</p> <p><u>Measure #2:</u> Percent of administrative and engineering cost compared to total project cost.</p>

End Results	Strategies to Achieve Results
<p>B: Carry out safe DOTPF operations.</p> <p><u>Target #1:</u> 5% reduction in annual injury rate of DOTPF employees.</p> <p><u>Measure #1:</u> Percent change in annual injury rate per 100 DOTPF employees working one year.</p>	<p>B1: Improve employees' awareness of workplace safety requirements.</p> <p><u>Target #1:</u> 10% increase in employees successfully completing required safety training.</p> <p><u>Measure #1:</u> Percent change in employees successfully completing required safety training.</p>
End Results	Strategies to Achieve Results
<p>C: Improve mobility of people and goods.</p> <p><u>Target #1:</u> Improve customer satisfaction with DOTPF services.</p> <p><u>Measure #1:</u> Change in customer satisfaction based on survey of customers.</p>	<p>C1: Build and improve state owned airports to appropriate department standards.</p> <p><u>Target #1:</u> Reduce by 10% the number of airports that are closed due to seasonally soft embankments.</p> <p><u>Measure #1:</u> Percent change in number of airports that are closed seasonally.</p> <p><u>Target #2:</u> Increase by five (5) the number of medevac-dependent community airports that are built or improved to allow 24-hour civilian VFR access in FY2005.</p> <p><u>Measure #2:</u> Number of airports built or improved to the 24-hour access standard in FY2005.</p>
End Results	Strategies to Achieve Results
<p>D: Increase private investment</p> <p><u>Target #1:</u> Increase private investment at DOTPF airports by 2%.</p> <p><u>Measure #1:</u> Percent increase in private investment at the DOTPF airports compared to a three-year rolling average.</p>	<p>D1: Enhance economic activities through the construction of key transportation linkages.</p> <p><u>Target #1:</u> Increase by 3 the number of resource development roads under design.</p> <p><u>Measure #1:</u> Number of resource development road projects actively being designed.</p>
End Results	Strategies to Achieve Results
<p>E: Provide the assets and facilities to enable delivery of state services.</p> <p><u>Target #1:</u> Achieve 80% satisfaction of government sector customers with DOTPF services.</p> <p><u>Measure #1:</u> Change in satisfaction based on survey of government sector customers.</p>	<p>E1: Maintain state transportation assets and facilities to department standards.</p> <p><u>Target #1:</u> No increases in deferred maintenance needs.</p> <p><u>Measure #1:</u> Dollar value of deferred maintenance needs.</p>

Major Activities to Advance Strategies	
<ul style="list-style-type: none"> • Design roads to appropriate standards • Emphasize traffic control from planning through construction • Increase preventative maintenance • Implement RWIS • Implement 511 System • Implement Land Mobile Radio System • Utilize more design/build contracts where it will reduce 	<ul style="list-style-type: none"> • Improve work zone safety by improving commuting public's awareness of hazards • Monitor safety compliance • Partner with Dept. of Labor, Occupational Safety to audit department programs and identify areas of improvement. • Design, procure and employ lighter, faster vessels. • Implement a ticket scanning system

Major Activities to Advance Strategies

- overall project costs.
- Work with federal and state agencies on streamlining permitting and regulatory processes
- Employ separate and secure staging areas of passenger loading.
- Optimize schedules

FY2006 Resources Allocated to Achieve Results

FY2006 Department Budget: \$407,166,600

Personnel:

Full time	2,943
Part time	532
Total	3,475

Performance Measure Detail

A: Result - Reduce injuries, fatalities and property damage.

Target #1: Reduce highway fatalities by 2%

Measure #1: Percent change in road related fatalities on state roads per 100 million vehicle miles traveled compared to a baseline average for the past 5 years.

Fatality Rate per 100 Million Miles Traveled

Year	YTD
1998	1.6
1999	1.7
2000	2.3
2001	1.85
2002	1.82

Analysis of results and challenges: The national fatality rate decreased annually between 1993 and 2001, from 1.75 U.S. fatalities per 100 million vehicle miles traveled (VMT) in 1993, to 1.50 U.S. fatalities/100 million VMT in 2002. Alaska's rate also decreased annually, but remained above the national rate. In 2000, Alaska's rate rose for the first time in six years, to 2.30 fatalities per 100 million VMT. It decreased to 1.85 traffic fatalities per 100 million VMT in 2001 and 1.82 fatalities per 100 million VMT in 2002.

Alaska's fatal accidents tend to occur in clusters due to weather. 85% of accidents are due to something other than the road. Historically, the most frequently cited behavioral contributors to fatal and serious injury crashes in Alaska are impaired driving, unsafe speed, and failure to heed traffic control devices. In 2002 there were 89 fatalities and 14,127 traffic crashes. In order to reduce these numbers, the agency approaches the issue through statewide outreach programs and federally funded highway safety grant projects. Motor vehicle laws which contribute to reducing the number of serious injury or fatal motor vehicle crashes in Alaska, such as blood alcohol content, and the number of troopers employed to enforce these laws are beyond the control of this program.

A1: Strategy - Build and improve state owned roads and highways to appropriate department standards.

Target #1: Increase to 90% the percentage of national highway system (NHS) routes meeting current DOTPF standards.

Measure #1: Percent of national highway system (NHS) meeting current DOTPF standards.

Percent of road lane miles that meet standards

Year	YTD
2002	70%
2003	72%

Analysis of results and challenges: There are 1,468 miles (72%) of the NHS that meet national standards and 571 miles (28%) [including much of the Dalton Highway] which do not meet these standards. Significant progress has been made on the Sterling, Seward, Glenn and other major highways in recent years to improve our highway systems for citizens and commerce while adding to safety by converting 2-lane highways to divided highways with interchanges at high-volume locations. Several major bridges have also been upgraded since the last report.

Target #2: Decrease by 5 the number of state-owned bridges that are deficient by FHWA standards (considered structurally deficient or functionally obsolete).

Measure #2: Number of bridges that are considered deficient by FHWA standards.

Number of bridges considered deficient by FHWA standards

Year	YTD
2002	152
2003	161
2004	153

Analysis of results and challenges: Biennial bridge inspections are necessary to assure the safety of the traveling public. Staff develop repair recommendations, work with Maintenance & Operations (M&O) staff to prioritize bridge repairs, design those repairs, perform load ratings on bridges, attempt to optimize hauling of overloads across bridges; post and close deficient bridges; and recommend financial programming of bridge replacements and repairs.

The number of bridges shown as deficient is dependent on the number damaged during the year, the amount of funds available for repair, and the priority placed on those repairs. Numbers also fluctuate as a result of quality assurance efforts. Total number of state owned bridges in 2004 is 767.

Target #3: Reduce the number of signalized intersections that have a level of service rating of E or F compared to three years ago by 4%.

Measure #3: Percent change in the level of service at signalized intersections.

Percent change in the level of service at signalized intersections

Year	Quarter 1	Quarter 2	Quarter 3	Quarter 4	YTD
2004	N/A	N/A	N/A	N/A	

Analysis of results and challenges: This measure will provide information regarding congestion problems and whether intersections are moving traffic at an appropriate rate. This is an issue of national concern. Appropriate planning and design should take potential growth into account to avoid future congestion. Because traffic volumes do not typically change radically from year to year, it is not cost-effective to count traffic and compute level of service every year. It is more appropriate to collect level of service data every four years. A consultant contract will be awarded to begin the data collection and develop a traffic report.

A2: Strategy - Improve DOTPF efficiency.

Target #1: Advertise 75% of new highway and aviation construction project funding by March 31.

Measure #1: Percentage of highway and aviation construction funding (determined by Engineer's estimate) advertised by a given date.

Percent of Construction Contracts Advertised by March 31

Year	YTD
2003	66.24%
2004	16.3%

Analysis of results and challenges: Percentages are calculated by summing the low bid amounts of all federal construction projects obligated or granted in a given federal fiscal year and advertised by the target dates, then dividing that total by the total low bid amounts of all federal construction projects obligated or granted in that federal fiscal year.

Regional project development will be accelerated to meet this target. To get projects on the street faster, increased use of outsourcing may be necessary. Once the department has reached this goal, maintaining it will be little different in terms of work production than what is experienced today. The acceleration phase could result in a temporary increase in inflated construction costs due to less competition among already busy contractors.

During FFY04 the delay in passing a congressional transportation authorization act and the November approval of the 2004-2006 STIP both affected our ability to obligate federal funds and advertise projects in the first and second quarters. Uncertainty in federal funding hampers attainment of this goal.

Target #2: Reduce the percentage of administrative and engineering costs to 30% or less of total project costs.

Measure #2: Percent of administrative and engineering cost compared to total project cost.

Percent of administrative and engineering costs to total project costs

Year	YTD
2004	not available

Analysis of results and challenges: Ratios are calculated by summing the administrative and engineering costs of all highway construction projects that receive final acceptance in a given federal fiscal year, then comparing the total to the total project costs. This measure can only be accurately determined after a project is closed and all project charges are accounted for. Construction closed out 90 projects during FY02 and 105 projects during FY01. Historically, contract administration costs run at about 14.5%.

This measure is always a challenge because of the remoteness of most of the projects (increasing travel and transportation costs), and because the requirements of the federal funding agencies and the expectations of the traveling public tend to increase over time. All of these factors drive administrative costs up. Performance will change from year to year based on the type and size of projects completed. Small urban projects may require the same level of oversight, i.e., staff, as large rural projects. Projects that consist primarily of asphalt paving are typically completed in a short time resulting in low engineering costs compared to the contract value. The need to supplement regional staff with consultants will have a direct impact on future construction engineering costs.

B: Result - Carry out safe DOTPF operations.

Target #1: 5% reduction in annual injury rate of DOTPF employees.

Measure #1: Percent change in annual injury rate per 100 DOTPF employees working one year.

Number of Work-related Injuries/Injury Rate per 100 Employees

Year	Quarter 1	Quarter 2	Quarter 3	Quarter 4	YTD
2000	not available	not available	48/4.7	36/3.5	84/4.1
2001	60/5.9	38/3.8	76/7.5	40/3.9	214/5.3
2002	68/6.7	77/7.6	57/5.6	66/6.5	268/6.6
2003	not available	not available	not available	not available	4.8

Analysis of results and challenges: There has been a noticeable increase in the amount of injuries within the department since FY2000. Many of the injuries are muscle stress and strain type injuries that can be directly related to an aging workforce, improper lifting practices and slips, trips and falls. In the fall of 2002 a departmental safety task force was formed to monitor all safety issues within the department. A new safety

manual was developed that establishes standard practices and methods to accomplish specific tasks within the department. A large portion of the responsibility for safety has been placed on individual front line supervisors. A significant amount of time and expense is needed to complete required compliance training throughout the department.

B1: Strategy - Improve employees' awareness of workplace safety requirements.

- Target #1:** 10% increase in employees successfully completing required safety training.
- Measure #1:** Percent change in employees successfully completing required safety training.

DOTPF employees completing required safety training

Year	YTD
2003	36%
2004	34.8%

Analysis of results and challenges: Seeing an increase in accidents and workers compensation claims, the department undertook a review of the safety program in 2002. The result was the production of a new safety manual that includes required safety training elements. The new manual became policy in 2003. Previously, each region, section and safety officer within the department held training events including periodic safety meetings and briefings on new equipment and procedures as needed. Increased funding will be necessary for travel, lodging and additional equipment to comply with the employee specific job training requirements. Required training is expected in other area, e.g., homeland security drills, etc.

Required safety training, as identified in the safety manual, is being implemented over a 5 year period. Through additional safety training, we expect a reduction in work related injuries and workers compensation claims.

The Safety Committee is reviewing the definition of "required" training and is gathering data as to training meetings held and employees who attended. The data shown in the associated table is based on a compilation of Highways and Aviation, Facilities and State Equipment Fleet employees who have attended safety meetings. Future data will be more comprehensive and should reflect "required" training.

C: Result - Improve mobility of people and goods.

- Target #1:** Improve customer satisfaction with DOTPF services.
- Measure #1:** Change in customer satisfaction based on survey of customers.

Customer Satisfaction

Year	YTD
2004	not available

Analysis of results and challenges: The department will periodically conduct surveys of the public to identify problem areas within the transportation and facilities systems. The department will then direct resources to mitigate those problem areas identified in the surveys. This measure will gauge the department's success in addressing the survey issues. An RFP is being developed to contract for this survey.

C1: Strategy - Build and improve state owned airports to appropriate department standards.

- Target #1:** Reduce by 10% the number of airports that are closed due to seasonally soft embankments.
- Measure #1:** Percent change in number of airports that are closed seasonally.

Year	YTD
2004	not available

Analysis of results and challenges: There is a list of 24 airports that experience consistent closure due to

spring thaw. Primarily through the deferred maintenance program and an AIP grant targeting surface maintenance, at least one quarter of the airports on this list will be fixed by the end of this construction season. A few more airports will deteriorate to the point where they will be added to the list, but the 10% goal should be met by the end of FY05.

Target #2: Increase by five (5) the number of medevac-dependent community airports that are built or improved to allow 24-hour civilian VFR access in FY2005.

Measure #2: Number of airports built or improved to the 24-hour access standard in FY2005.

Number of airports built or improved to the 24-hour access standard

Year	YTD
2004	new measure

Analysis of results and challenges: This measure addresses one of the largest challenges in rural Alaska, dependable evacuation of critically injured or ill people. The upgrading of all deficient airports is essential to achieving this goal.

The medevac access focus, sometimes referred to as the "unlit airport" issue, has also received a great deal of attention from our Congressional delegation and the FAA. Congress has appropriated \$28 million dollars above our normal AIP program to assist us in improving runways to this end. 24-hour civilian access requires a minimum length of 3,300 feet and runway edge lights. We are currently focused on VFR flights, but are building in facilities to support IFR where possible.

The target is to deliver five improved airports in FY2005. Construction progress this summer should allow us to deliver on this target.

D: Result - Increase private investment

Target #1: Increase private investment at DOTPF airports by 2%.

Measure #1: Percent increase in private investment at the DOTPF airports compared to a three-year rolling average.

Private Investment at DOTPF airports

Year	Quarter 1	Quarter 2	Quarter 3	Quarter 4	YTD
2004	not available	not available	\$1,308,708	0	\$1,308,708

Analysis of results and challenges: Private investment and infrastructure is needed to maintain vital airport operations. Both the rural and international systems have land to lease to both aviation and non-aviation businesses. The two leasing organizations have been redirecting their attention to getting the land into production. A few simple steps have been taken, such as placing "for lease" signs on available tracts and visiting community chambers of commerce to get the word out that land is available. The rural airports in the last two quarters of FY04 have seen an \$8.1 total investment on airport land, and over \$1 million in private investment.

D1: Strategy - Enhance economic activities through the construction of key transportation linkages.

Target #1: Increase by 3 the number of resource development roads under design.

Measure #1: Number of resource development road projects actively being designed.

Number of resource development road projects actively being designed

Year	YTD
2004	2

Analysis of results and challenges: The Industrial Roads Program (IRP), also known as "Roads to Resources," began in March 2003, after Resource Transportation Analysis (RTA) conducted for the Northwest Alaska Transportation Plan indicated several promising possibilities for transportation and resource industry

partnerships to benefit Alaska's economic development, revenue and employment. In 2001-2002, DOT&PF examined: energy and mineral projects in Northern Alaska to see if investment in transportation could accelerate resource development; access to resource sites and transport of resources to world markets; and traditional overland road and rail routes as well as new transport modes and project-specific port/road models

Two projects are in the environmental review/design stage, Colville River Road and Yukon-Kuskokwim Transportation Corridor and one project is under construction, Nome Glacier Creek Road. The following projects are in detailed planning-stage analysis, including reconnaissance engineering and project funding identification; Bullen Point Road and Foothills Road East, Foothills Road West, Red Dog Zinc Mine Port Expansion-Delong Mountain Terminal, Deadfall Syncline Coal Mine Haul Road, Noatak Airport and Road for Red Dog Mine, Ambler Gold-Copper Access, and Pebble Gold-Copper Port and Road

A DOT&PF taskforce of senior planners, engineers, legal staff and support staff has been set up in the department to focus on industrial road projects. DOT&PF Planning staff will continue to work with the coalition of public and private groups interested in the IRP projects. They will also pursue funding packages, and legislative actions related to project streamlining processes and other public policy objectives. DOT&PF Design staff will set up and manage consultant-engineering contracts for the projects.

E: Result - Provide the assets and facilities to enable delivery of state services.

Target #1: Achieve 80% satisfaction of government sector customers with DOTPF services.

Measure #1: Change in satisfaction based on survey of government sector customers.

Government sector customer satisfaction

Year	YTD
2004	new measure

Analysis of results and challenges: The department will periodically conduct surveys of the government sector to identify problem areas within the transportation and facilities systems. The department will then direct resources to mitigate those problem areas identified in the surveys. This measure will gauge the department's success in addressing the survey issues. This is a new measure and data will be gathered to determine a baseline.

E1: Strategy - Maintain state transportation assets and facilities to department standards.

Target #1: No increases in deferred maintenance needs.

Measure #1: Dollar value of deferred maintenance needs.

Dollar value of deferred maintenance needs

Year	YTD
2005	\$328.8 million

Analysis of results and challenges: The department is attempting to keep deferred maintenance needs from increasing. This is being accomplished by directing highway and airport funds to areas of most need through project evaluation and scoring systems, increasing efforts towards on-going preventative maintenance and transferring harbors to local governments.

Current deferred maintenance estimated needs are \$15 million for harbors, \$36 million for marine highway vessels, \$34 million for buildings, \$25 million for rural airports, and \$218.8 million for highways.

Key Department Challenges

The current Surface Transportation Act (called TEA-21) expired on October 1, 2003. TEA-21 allocated most highway and transit funding generated through gas taxes by formula to the states. Reauthorization will likely happen this year, and it is critical that Alaska monitor the process closely as it will significantly affect Alaska's transportation construction funding. Alaska will need to be vigilant to make sure that increases to other states' programs do not come at Alaska's

expense. Since Alaska has the highest return on federal gas tax of all the 50 states, the Commissioner's role in the reauthorization legislation is critical.

Transportation security is a major issue following the events of September 11, 2001 and continued acts of international terrorism. Requirements for security have changed to comply with the Transportation Security Administration's (TSA) mandated emergency amendments to airport, road and bridge security programs and US Coast Guard port security regulations. Personnel perform mandated functions such as security management, inspection, law enforcement, access control, perimeter patrols and administrative functions. The department's role in commercial vehicle enforcement and truck weigh stations will place additional demand to monitor highway freight transport, especially at border crossings. Considerable costs continue to be incurred to provide security fences, lighting equipment, access controls and additional security vehicles. All persons who require unescorted access to aircraft secure areas now must have a fingerprint-based criminal history records check. Likewise, the Alaska Marine Highway must respond to required passenger and vehicle screening, fencing, baggage cart security system, closed-circuit television, ramp crowd control services, improved ramp lighting, and electronic ticketing and manifest development.

The fluctuating level of Federal Highway Administration (FHWA) and Federal Aviation Administration (FAA) funds nationwide has necessitated alternative methods of delivery of construction projects. The department is anticipating delivering more jobs by the design/build method and term contracts, as well as managing construction administration of contracts through consultants, local or borough governmental agencies, Bureau of Indian Affairs (BIA), Alaska Department of Natural Resources, and in time, through contractor acceptance testing. This marks the gradual transition from active construction management by department employees, to the role of quality assurance of the management of projects by others.

In an effort to accelerate transportation development and provide significant revenue and employment opportunities to the state, the department established the Industrial Roads Program (IRP). It began when a transportation analyses showed that new North Slope oilfield and Yukon-Kuskokwim River gold field roads could achieve those results. The IRP also includes Glacier Creek Road to the Rock Creek gold mine in Nome, Crooked Creek Road from the Kuskokwim River to Donlin Creek Mine, links on the Alaska Peninsula and Bristol Bay, and Pebble Copper prospect north of Lake Iliamna. Other promising proposals are being considered for addition to the IRP. DOT&PF planning staff continues to work closely with the Department of Natural Resources and with a coalition of public and private groups interested in these projects. They will pursue funding options and legislative actions related to project streamlining processes and other public policy objectives. DOT&PF design staff will set up and manage consultant-engineering and environmental contracts for the projects. All actions are designed to coordinate with the development of the particular resource and move projects through planning and design processes and into construction as rapidly as possible.

Protecting Alaska's investment in its transportation infrastructure is a key concern. The State's investments in facilities, roads, harbors and airports are eroding each year due to insufficient maintenance. As the transportation infrastructure continues to age, we are 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 budget has not kept up with these increased demands and is inadequate to sustain basic preventative maintenance of our buildings, roads and airports. Adequate and stable funding is mandatory to properly maintain our infrastructure and provide a suitable level of service to the public.

Implementation of the Southeast Alaska Transportation Plan, and the Alaska Marine Highway System improvements recommended in the Prince William Sound and Southwest Alaska Transportation Plans are critical to the department. The recommendations contained in the regional plans represent only the beginning of a process that needs to be supported by further operational analysis, development of a logical implementation schedule, refined project scopes, and a funding program. New information developed during the ongoing implementation process may lead to additional public and community involvement and plan addendum. Also of importance is coordination with the Inter-island Ferry Authority (IFA) in the implementation of the Southeast Alaska Transportation Plan and programming improvements. The Marine Transportation Advisory Board has been put into place and is providing guidance on AMHS operations and long-range planning.

Many changes are occurring in the fleet of the Alaska Marine Highway System (AMHS). Construction has been completed on one new fast vehicle ferry and another continues with expected delivery dates in 2005. Also, the new Metlakatla shuttle ferry, M/V Lituya, began service in May of 2004. The addition of the new ferries requires many changes in how we do business. Fast vehicle ferry (FVF) crews must be trained under the demanding High Speed Craft Code.

The Department needs to take a more aggressive approach toward increasing ridership and revenue generation to support the AMHS. An independent marketing and fee study was completed that identified 80,000 potential customers available to the AMHS. Recommendations in the study will be analyzed and implemented where possible. The preliminary steps toward implementation of the Southeast Transportation Plan are underway which will eventually result in greater efficiency, and reduced costs.

The department has received Federal Highway Administration funding to develop intelligent transportation systems for commercial vehicle operations (ITS/CVO). The ITS/CVO program is focused on the use of technology to streamline state regulatory, enforcement and motor carrier practices increasing levels of safety and productivity for both states and carriers. A business plan has been developed and has been approved by the Federal Motor Carrier Safety Administration. Funding has been identified for bringing commercial vehicle safety information to commercial vehicle inspectors at the roadside, developing a system to enable motor carriers to submit applications for oversize and overweight permits electronically, and installing weigh in motion systems at the several weigh/inspection stations.

The federal aviation program has increased from \$60 million in federal fiscal year 1999 to \$205.6 million during FFY 2004. The increase in grant funds has expanded airports around the state, putting a larger burden on maintenance and operations. Project delivery including environmental permitting, right of way, design and engineering has received greater pressure from this increasing program. The state must maximize the amount of federal Airport Improvement Program (AIP) funding available and ensure it is used to save lives, improve mobility and increase private investment.

Significant Changes in Results to be Delivered in FY2006

This budget attempts to address significant facility and highway deferred maintenance and code compliance items, provide services at the same level or greater as in prior years and, at the same time, maintain general fund administrative support at prior levels.

Major Department Accomplishments in 2004

The department

- Successfully obligated \$352.7 million to highway projects, in spite of uncertainties of the federal highway program reauthorization.
- Delivered a comprehensive program of bid ready designs and contract documents for projects across the state and, as a result, received an additional \$5.5 million in Federal Highway Administration funding.
- Implemented the Commercial Vehicle Customer Service Center and issued more than 18,000 oversize/overweight permits.
- Emphasized safety awareness through greater communication with public, through various forms of media (public exhibits, workshops, newspaper advertisements). The Department entered into agreements with local police departments for officer presence at construction sites during peak traffic hours, enforcing compliance with construction zone speed limits.
- Maintained the ISM Code program certification required for AMHS vessels to visit Canadian ports. AMHS is the only U.S. flag, vehicle-passenger vessel fleet with overnight accommodations to have earned this certification. This certification has become the safety standard for the entire AMHS fleet.
- Completed construction of the C Concourse at the Ted Stevens Anchorage International Airport.
- Took ownership of the M/V Lituya, providing service to Metlakatla and the new fast vehicle ferry M/V Fairweather that began daily service in the North Lynn Canal.

Prioritization of Agency Programs

(Statutory Reference AS 37.07.050(a)(13))

1. Maintenance and Operations of State Transportation Systems (includes Highways and Aviation, Alaska Marine Highway System, the International Airports, and the Equipment Fleet)

2. Measurement Standards and Commercial Vehicle Enforcement
3. Transportation and Facilities Construction Program (includes Planning, Design, Construction and other federally required activities)
4. Administrative Support (includes Commissioner's Office, Administrative Services and Regional Support Offices)

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Department Budget Summary by RDU

All dollars shown in thousands

	FY2004 Actuals				FY2005 Management Plan				FY2006 Governor			
	General Funds	Federal Funds	Other Funds	Total Funds	General Funds	Federal Funds	Other Funds	Total Funds	General Funds	Federal Funds	Other Funds	Total Funds
Formula Expenditures	None.											
Non-Formula Expenditures												
Administration and Support	804.2	170.0	995.4	1,969.6	1,003.0	170.0	2,857.5	4,030.5	1,410.6	170.0	3,036.1	4,616.7
Equal Employment/Civil Rights	242.5	0.0	418.2	660.7	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Administrative Services	1,582.1	661.6	8,551.9	10,795.6	3,482.0	0.0	8,593.6	12,075.6	3,839.2	0.0	6,245.0	10,084.2
Internal Review	51.2	0.0	664.9	716.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Regional Support Services	1,517.0	0.0	2,468.5	3,985.5	1,436.6	0.0	2,844.9	4,281.5	1,469.2	0.0	2,939.1	4,408.3
Statewide Aviation	0.0	0.0	480.4	480.4	0.0	0.0	1,854.9	1,854.9	0.0	0.0	0.0	0.0
Aviation Planning	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	2,514.3	2,514.3
Measure Stnds & Comm Veh. Enf.	299.6	0.0	5,623.9	5,923.5	277.5	0.0	6,233.4	6,510.9	281.0	0.0	6,466.7	6,747.7
Design and Construction	1,749.8	0.0	2,702.3	4,452.1	1,600.3	0.0	3,128.8	4,729.1	1,686.9	0.0	3,415.8	5,102.7
Design & Eng Services	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1,677.0	0.0	78,280.0	79,957.0
Knik Arm Bridge/Toll Authority	1,159.8	0.0	38,422.0	39,581.8	1,066.6	0.0	40,977.8	42,044.4	0.0	0.0	0.0	0.0
Statewide Facility M&O	0.0	0.0	136.6	136.6	0.0	0.0	321.5	321.5	0.0	0.0	544.3	544.3
Construction/CIP Support	9,825.0	36.8	5,917.9	15,779.7	9,865.0	172.5	4,078.0	14,115.5	10,499.1	172.5	4,230.8	14,902.4
Traffic Signal Management	581.9	0.0	31,614.3	32,196.2	551.6	0.0	33,943.4	34,495.0	0.0	0.0	0.0	0.0
State Equipment Fleet	1,183.0	0.0	0.0	1,183.0	1,083.2	0.0	0.0	1,083.2	1,400.0	0.0	0.0	1,400.0
Highways and Aviation	0.0	0.0	19,541.5	19,541.5	0.0	0.0	21,204.3	21,204.3	0.0	0.0	25,079.8	25,079.8
International Airports	77,508.0	1,306.8	15,165.0	93,979.8	78,539.4	10,406.1	16,781.3	105,726.8	88,352.2	1,004.0	17,160.8	106,517.0
Ted Stevens Airport	0.0	613.0	48,131.9	48,744.9	0.0	2,361.2	54,288.4	56,649.6	0.0	0.0	0.0	0.0
Fairbanks International Airport	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	2,343.0	43,206.2	45,549.2
	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	20.0	11,564.9	11,584.9

Department Budget Summary by RDU

All dollars shown in thousands

	FY2004 Actuals				FY2005 Management Plan				FY2006 Governor			
	General Funds	Federal Funds	Other Funds	Total Funds	General Funds	Federal Funds	Other Funds	Total Funds	General Funds	Federal Funds	Other Funds	Total Funds
Marine Highway System	0.0	0.0	87,390.1	87,390.1	0.0	0.0	85,355.0	85,355.0	0.0	0.0	88,158.1	88,158.1
Totals	96,504.1	2,788.2	268,224.8	367,517.1	98,905.2	13,109.8	282,462.8	394,477.8	110,615.2	3,709.5	292,841.9	407,166.6

Funding Source Summary

All dollars in thousands

Funding Sources	FY2004 Actuals	FY2005 Management Plan	FY2006 Governor
1002 Federal Receipts	2,233.3	13,109.8	3,709.5
1004 General Fund Receipts	96,485.1	98,884.2	110,570.9
1005 General Fund/Program Receipts	19.0	21.0	44.3
1007 Inter-Agency Receipts	5,044.1	5,668.6	5,786.6
1026 Highways/Equipment Working Capital Fund	22,500.6	24,621.6	25,947.6
1027 International Airport Revenue Fund	49,428.4	55,700.4	56,888.0
1052 Oil/Hazardous Response Fund	700.0	825.0	825.0
1061 Capital Improvement Project Receipts	95,261.2	100,640.9	105,399.2
1076 Marine Highway System Fund	87,588.7	86,601.6	89,414.8
1108 Statutory Designated Program Receipts	557.5	1,146.7	1,177.3
1156 Receipt Supported Services	7,144.3	7,258.0	7,403.4
1190 Adak Airport Operations	554.9		
Totals	367,517.1	394,477.8	407,166.6

Position Summary

Funding Sources	FY2005 Management Plan	FY2006 Governor
Permanent Full Time	2,905	2,943
Permanent Part Time	530	532
Non Permanent	9	9
Totals	3,444	3,484

FY2006 Capital Budget Request

Project Title	General Funds	Federal Funds	Other Funds	Total Funds
Governor's Transportation Initiative	0	0	108,000,000	108,000,000
Governor's Transportation Access to Resources Initiative	0	0	37,000,000	37,000,000
Industrial Road Program	0	0	10,000,000	10,000,000
Airport Deferred Maintenance	0	0	1,500,000	1,500,000
Highway Deferred Maintenance	0	0	3,000,000	3,000,000
Facilities Deferred Maintenance and Critical Repairs	0	0	8,000,000	8,000,000
Emergency and Non-Routine Repairs	0	0	500,000	500,000
Alaska Marine Highway System - Vessel and Terminal Overhaul and Rehabilitation	0	0	6,500,000	6,500,000
Material Stockpiles - Dalton Highway, Glenn Highway, Richardson Highway and Tok Cutoff	0	0	600,000	600,000
Harbor Deferred Maintenance	0	0	3,000,000	3,000,000
Corps of Engineers - Harbors Program Formulation	100,000	0	0	100,000
Corps of Engineers - Harbors Program Construction	2,600,000	0	0	2,600,000
Hoonah Harbor Deferred Maintenance and Transfer	0	0	3,500,000	3,500,000
Petersburg: North Harbor Deferred Maintenance and Transfer	0	0	2,500,000	2,500,000
Statewide: Airport Lease Lots Development	0	0	4,000,000	4,000,000
State Equipment Fleet Replacement	0	0	10,000,000	10,000,000
Willow Maintenance Station Replacement	0	0	350,000	350,000
WAN Infrastructure Upgrade	0	0	185,000	185,000
Capital Improvement Program Equipment Replacement	0	0	1,500,000	1,500,000
Coordinated Transportation and Vehicles	100,000	0	400,000	500,000
Statewide Federal Programs	421,000	52,039,300	56,500,000	108,960,300
Airport Improvement Program	0	163,580,625	38,258,000	201,838,625
Surface Transportation Program	0	302,178,600	400,000	302,578,600
Congressional Earmarks	0	0	15,000,000	15,000,000
Department Total	3,221,000	517,798,525	310,693,000	831,712,525

This is an appropriation level summary only. For allocations and the full project details see the capital budget.

Summary of Department Budget Changes by RDU

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>
FY2005 Management Plan	98,905.2	13,109.8	282,462.8	394,477.8
Adjustments which will continue current level of service:				
-Administration and Support	17.6	0.0	78.6	96.2
-Administrative Services	21.1	0.0	-2,408.8	-2,387.7
-Regional Support Services	32.6	0.0	77.7	110.3
-Aviation	0.0	0.0	62.6	62.6
-Planning	3.5	0.0	233.3	236.8
-Measure Stnds & Comm Veh. Enf.	86.6	0.0	65.7	152.3
-Design and Construction	58.8	0.0	2,456.8	2,515.6
-Knik Arm Bridge/Toll Authority	0.0	0.0	4.8	4.8
-Statewide Facility M&O	142.4	0.0	26.0	168.4
-State Equipment Fleet	0.0	0.0	3,012.5	3,012.5
-Highways and Aviation	1,011.3	-9,417.1	294.5	-8,111.3
-Ted Stevens Airport	0.0	1.8	710.1	711.9
-Fairbanks International Airport	0.0	0.0	219.4	219.4
-Marine Highway System	0.0	0.0	1,952.0	1,952.0
Proposed budget decreases:				
-State Equipment Fleet	0.0	0.0	-775.0	-775.0
-Fairbanks International Airport	0.0	0.0	-250.0	-250.0
Proposed budget increases:				
-Administration and Support	390.0	0.0	100.0	490.0
-Administrative Services	336.1	0.0	60.2	396.3
-Regional Support Services	0.0	0.0	16.5	16.5
-Measure Stnds & Comm Veh. Enf.	0.0	0.0	221.3	221.3
-Design and Construction	0.0	0.0	902.0	902.0
-Knik Arm Bridge/Toll Authority	0.0	0.0	218.0	218.0
-Statewide Facility M&O	491.7	0.0	126.8	618.5
-Traffic Signal Management	316.8	0.0	0.0	316.8
-State Equipment Fleet	0.0	0.0	1,638.0	1,638.0
-Highways and Aviation	8,801.5	15.0	85.0	8,901.5
-Ted Stevens Airport	0.0	0.0	400.0	400.0
-Marine Highway System	0.0	0.0	851.1	851.1
FY2006 Governor	110,615.2	3,709.5	292,841.9	407,166.6