

State of Alaska
FY2017 Governor's Operating Budget

Department of Transportation/Public Facilities
Knik Arm Crossing
Component Budget Summary

Component: Knik Arm Crossing**Contribution to Department's Mission**

Permitting, design and construction of the Knik Arm Crossing.

Core Services

- To secure the financing, design, construction, operation, and maintenance of a toll bridge and related facilities across the Knik Arm between Anchorage and the Mat-Su Valley.
- The Department of Transportation and Public Facilities (DOT&PF) will own the toll bridge, related facilities and all toll revenue. Knik Arm Bridge and Toll Authority (KABATA) will be responsible for operations and maintenance of the facility once it is opened to the public, including Alaska's first modern, all-electronic toll system.

Major Component Accomplishments in 2015

- A smooth transition of the Knik Arm Crossing project from KABATA to DOT&PF, completing one of the legislative requirements enacted by the passage of House Bill (HB) 23 in the spring of 2014.
- HB 23 authorized DOT&PF to borrow a Transportation Infrastructure Finance and Innovation Act (TIFIA) loan, and bonding capacity (subject to securing the TIFIA loan) was provided to the State Bond Committee to support financing the project. The TIFIA Letter of Interest was completed in FY2015 and submitted in July of FY2016, commencing the TIFIA loan process that is key to the financial structure for the project.
- Completed independent Socio-Economic and Investment Grade Traffic and Toll Revenue Studies to support financing backed by toll revenue, laying the groundwork for obtaining TIFIA financing from the U.S. Department of Transportation.
- Acquired right-of-way (ROW) for 86 percent of Phase 1 project requirements.
- The U.S. Army Corps of Engineers (ACOE) is prepared to issue the Section 404 permit upon receiving an "incidental take statement" from the National Marine Fisheries Services. The U.S. Coast Guard is prepared to issue their permit following issuance of the Army Corps of Engineers 404 permit.
- KABATA's Comprehensive Annual Financial Report received the prestigious Government Finance Officers Association's Certificate of Achievement for Excellence in Financial Reporting for the ninth consecutive year.

Key Component Challenges

- Secure TIFIA loan funding for the project.
- Complete Major Permits – Obtain ACOE permit, the U.S. Coast Guard Bridge permit and the National Marine Fisheries Service letter of authorization (LOA) for working in proximity to Cook Inlet beluga whales. The ACOE 404 permit is prepared and awaiting the LOA. The Coast Guard permit is ready to issue and will follow the 404 permit.
- Complete ROW by purchasing remaining parcels.
- Procure a design build contractor through competitive procurement process.
- Procure a tolling systems integrator/operator to install, test and operate the tolling system on behalf of the DOT&PF. This procurement will be concurrent with securing a design-builder to design and construct the project.

Significant Changes in Results to be Delivered in FY2017

Results Based Budgeting will be used to develop performance measures that quantify outcomes (not activities) as well as determine priorities.

Statutory and Regulatory Authority

AS 19 – Highways and Bridges, and specifically:

- AS 19.5.020- Regulations
- AS 19.5.040-Tolls
- AS 19.5.080-Acquisition of Land, Easements, and Material by Purchase of Eminent Domain
- AS 19.15.20- Assent to Federal Aid
- AS 19.75-Knik Arm Bridge and Toll Authority

AS 37.10-Public Funds

AS 37.15.225 through AS 37.290-Toll Bridge Revenue Bonds

AS 09.55.240-09.55.460-Uses for Which Authorized; Rights-of-Way

AS 44.37.025-Recording

AS 44.37.027-Uniform Commercial Code Filing

Contact Information
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Knik Arm Crossing Personal Services Information					
Authorized Positions			Personal Services Costs		
	FY2016 Management Plan	FY2017 Governor			
Full-time	7	7	Annual Salaries		806,238
Part-time	0	0	Premium Pay		0
Nonpermanent	0	0	Annual Benefits		403,583
			<i>Less 1.62% Vacancy Factor</i>		(19,638)
			Lump Sum Premium Pay		136,049
			Board Honoraria		968
Totals	7	7	Total Personal Services		1,327,200

Position Classification Summary					
Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Administrative Manager	1	0	0	0	1
Engineer/Architect III	1	0	0	0	1
Engineer/Architect IV	1	0	0	0	1
Exe Dir Knik Arm Bdg Toll Auth	1	0	0	0	1
Kabata Chief Financial Officer	1	0	0	0	1
Office Asst IV	1	0	0	0	1
Project Manager	1	0	0	0	1
Totals	7	0	0	0	7

Component Board Summary					
Board Description	Member Count	Pay Per Day	Budgeted Days	Additional Pay	Total Cost
Knik Arm Bridge and Toll Authority	3	300.00	1	0.00	968.22
Total					968.22

Component Detail All Funds
Department of Transportation/Public Facilities

Component: Knik Arm Crossing (2715)
RDU: Design, Engineering and Construction (526)

Non-Formula Component

	FY2015 Actuals	FY2016 Conference Committee	FY2016 Authorized	FY2016 Management Plan	FY2017 Governor	FY2016 Management Plan vs FY2017 Governor	
71000 Personal Services	955.4	1,327.2	1,327.2	1,327.2	1,327.2	0.0	0.0%
72000 Travel	6.0	34.4	34.4	34.4	34.4	0.0	0.0%
73000 Services	126.6	325.8	325.8	325.8	325.8	0.0	0.0%
74000 Commodities	7.7	11.8	11.8	11.8	11.8	0.0	0.0%
75000 Capital Outlay	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
77000 Grants, Benefits	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
78000 Miscellaneous	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
Totals	1,095.7	1,699.2	1,699.2	1,699.2	1,699.2	0.0	0.0%
Fund Sources:							
1061CIP Rcpts (Other)	1,095.7	1,699.2	1,699.2	1,699.2	1,699.2	0.0	0.0%
Unrestricted General (UGF)	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
Designated General (DGF)	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
Other Funds	1,095.7	1,699.2	1,699.2	1,699.2	1,699.2	0.0	0.0%
Federal Funds	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
Positions:							
Permanent Full Time	7	7	7	7	7	0	0.0%
Permanent Part Time	0	0	0	0	0	0	0.0%
Non Permanent	0	0	0	0	0	0	0.0%

Change Record Detail - Multiple Scenarios with Descriptions
Department of Transportation/Public Facilities

Component: Knik Arm Crossing (2715)
RDU: Design, Engineering and Construction (526)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		NP
										PFT	PPT	
***** Changes From FY2016 Conference Committee To FY2016 Authorized *****												
FY2016 Conference Committee	ConfCom	1,699.2	1,327.2	34.4	325.8	11.8	0.0	0.0	0.0	7	0	0
1061 CIP Rcpts		1,699.2										
	Subtotal	1,699.2	1,327.2	34.4	325.8	11.8	0.0	0.0	0.0	7	0	0
***** Changes From FY2016 Management Plan To FY2017 Governor *****												
	Totals	1,699.2	1,327.2	34.4	325.8	11.8	0.0	0.0	0.0	7	0	0

Personal Services Expenditure Detail
Department of Transportation/Public Facilities

Scenario: FY2017 Governor (12995)
Component: Knik Arm Crossing (2715)
RDU: Design, Engineering and Construction (526)

PCN	Job Class Title	Time Status	Retire Code	Barg Unit	Location	Salary Sched	Range / Step	Comp Months	Split / Count	Annual Salaries	COLA	Premium Pay	Annual Benefits	Total Costs	UGF Amount
25-3824	Engineer/Architect IV	FT	A	SS	Anchorage	200	26N	12.0		138,420	0	0	66,028	204,448	0
25-3825	Engineer/Architect III	FT	A	SS	Anchorage	200	25D	12.0		105,924	0	0	55,297	161,221	0
25-973X	Exe Dir Knik Arm Bdg Toll Auth	FT	A	XE	Anchorage	N00	27F	12.0		165,096	0	0	74,060	239,156	0
25-974X	Administrative Manager	FT	A	XE	Anchorage	N00	21F	12.0		89,748	0	0	49,203	138,951	0
25-975X	Office Asst IV	FT	A	XE	Anchorage	N00	12F	12.0		51,840	0	0	35,261	87,101	0
25-988X	Kabata Chief Financial Officer	FT	A	XE	Anchorage	N00	24F	12.0		159,600	0	0	72,375	231,975	0
25-990X	Project Manager	FT	A	XE	Anchorage	N00	22F /	12.0		95,610	0	0	51,359	146,969	0
Total Positions													Total Salary Costs:	806,238	
Full Time Positions:													Total COLA:	0	
Part Time Positions:													Total Premium Pay:	0	
Non Permanent Positions:													Total Benefits:	403,583	
Positions in Component:													Total Pre-Vacancy:	1,209,821	
													Minus Vacancy Adjustment of 1.62%:	(19,638)	
Total Component Months:													Total Post-Vacancy:	1,190,183	
													Plus Lump Sum Premium Pay:	136,049	
													Plus Board Honoraria Pay:	968	
													Personal Services Line 100:	1,327,200	

PCN Funding Sources:	Pre-Vacancy	Post-Vacancy	Percent
1039 U/A Indirect Cost Recovery	853,675	839,818	70.56%
1061 Capital Improvement Project Receipts	356,146	350,365	29.44%
Total PCN Funding:	1,209,821	1,190,183	100.00%

Lump Sum Funding Sources:	Amount	Percent
1061 U/A Indirect Cost Recovery	17,964	13.00%
1061 Capital Improvement Project Receipts	118,085	87.00%
Total Lump Sum Funding:	136,049	100.00%

Note: If a position is split, an asterisk (*) will appear in the Split/Count column. If the split position is also counted in the component, two asterisks (**) will appear in this column. [No valid job title] appearing in the Job Class Title indicates that the PCN has an invalid class code or invalid range for the class code effective date of this scenario.

Line Item Detail
Department of Transportation/Public Facilities
Travel

Component: Knik Arm Crossing (2715)
RDU: Design, Engineering and Construction (526)

Line Number	Line Name		FY2015 Actuals	FY2016 Management Plan	FY2017 Governor
72000	Travel		6.0	34.4	34.4
Expenditure Account	Servicing Agency	Explanation	FY2015 Actuals	FY2016 Management Plan	FY2017 Governor
72000 Travel Detail Totals			6.0	34.4	34.4
72100	Instate Travel	In-state travel for meetings with State Bond Committee and Administration.	2.4	3.0	3.0
72400	Out Of State Travel	Out of state travel for Director and CFO to meet for TIFIA orals, loan negotiations, loan closing and rating agency visit in D.C.	3.6	31.4	31.4

Line Item Detail
Department of Transportation/Public Facilities
Services

Component: Knik Arm Crossing (2715)
RDU: Design, Engineering and Construction (526)

Line Number	Line Name		FY2015 Actuals	FY2016 Management Plan	FY2017 Governor
73000	Services		126.6	325.8	325.8
Expenditure Account	Servicing Agency	Explanation	FY2015 Actuals	FY2016 Management Plan	FY2017 Governor
73000 Services Detail Totals			126.6	325.8	325.8
73025	Education Services	Training services and/or conference fees, membership fees, and employee tuition.	0.6	2.0	2.0
73051	Accounting/Auditing	Accounting and auditing services.	43.7	36.5	36.5
73150	Information Technlgy	Information technology (IT) training, IT consulting, IT equipment leases, software licensing, and software maintenance for upgrades.	1.5	2.0	2.0
73156	Telecommunication	Long distance, local phone service, cellular service provided by vendors.	3.8	4.2	4.2
73225	Delivery Services	Freight, courier and postage services.	0.4	0.5	0.5
73526	Electricity	Electricity for office building located at 820 East 15th Avenue, Anchorage.	3.1	3.5	3.5
73527	Water & Sewage	Water and sewer for office building located at 820 East 15th Avenue, Anchorage.	0.6	1.0	1.0
73528	Disposal	Disposal fees for office building located at 820 East 15th Avenue, Anchorage.	1.8	2.0	2.0
73529	Natural Gas/Propane	Natural gas for office building located at 820 East 15th Avenue, Anchorage.	2.5	2.8	2.8
73656	Snow Removal	Snow removal on property located at 820 East 15th Avenue, Anchorage.	9.9	10.0	10.0
73657	Janitorial/Caretaker	Janitorial service for building located at 820 East 15th Avenue, Anchorage.	9.3	9.4	9.4
73658	Pavement Maintenance	Pavement repairs and maintenance on property located at 820 East 15th Avenue, Anchorage.	0.6	1.0	1.0
73659	Lawncare Maintenance	Lawn care maintenance on property located at 820 East 15th Avenue, Anchorage.	0.4	0.4	0.4
73660	Other Repairs/Maint	Other repairs and maintenance on property located at 820 East 15th Avenue, Anchorage.	0.3	0.5	0.5

Line Item Detail
Department of Transportation/Public Facilities
Services

Component: Knik Arm Crossing (2715)

RDU: Design, Engineering and Construction (526)

Expenditure Account	Servicing Agency	Explanation	FY2015 Actuals	FY2016 Management Plan	FY2017 Governor
73000 Services Detail Totals			126.6	325.8	325.8
73676		Repairs/Maint. (Non IA-Eq/Machinery)	0.8	0.8	0.8
73753		Program Mgmt/Consult	21.3	75.0	75.0
73755		Safety Services	0.8	0.8	0.8
73756		Print/Copy/Graphics	0.3	65.0	65.0
73805	Enterprise Technology Services	IT-Non-Telecommunication Computer services such as central server, data storage, printing, network services, open connect and task order system.	2.8	2.8	2.8
73806	Enterprise Technology Services	IT-Telecommunication Telecommunications services such as basic telephone services, equipment and features, dedicated voice/data line service, statewide paging, two-way radio, and video conferencing.	8.7	10.1	10.1
73809	Central Mail	Mail Chargeback fees for central mail services such as mailing vendor payments from the state accounting system (AKSAS) and payroll warrants from the state payroll system (AKPAY).	0.1	0.1	0.1
73810	Personnel	Human Resources Chargeback fees for human resource services such as labor relations, position classifications and payroll processing.	0.0	0.2	0.2
73812	Transportation Section	Legal Legal services provided by the Department of Law.	12.8	94.6	94.6
73815	Finance	Financial Chargeback fees for the state accounting system (AKSAS) and the state payroll system (AKPAY).	0.3	0.4	0.4
73816	Americans With Disabilities	ADA Compliance Chargeback fees for the statewide coordinator of the Americans with Disabilities Act (ADA).	0.1	0.1	0.1
73819	State Travel Office	Commission Sales (IA Svcs) State travel office fees.	0.1	0.1	0.1

Line Item Detail
Department of Transportation/Public Facilities
Commodities

Component: Knik Arm Crossing (2715)
RDU: Design, Engineering and Construction (526)

Line Number	Line Name		FY2015 Actuals	FY2016 Management Plan	FY2017 Governor
74000	Commodities		7.7	11.8	11.8
Expenditure Account	Servicing Agency	Explanation	FY2015 Actuals	FY2016 Management Plan	FY2017 Governor
74000 Commodities Detail Totals			7.7	11.8	11.8
74200	Business	Office and data processing consumable supplies and small equipment.	7.7	11.8	11.8

Restricted Revenue Detail
Department of Transportation/Public Facilities

Component: Knik Arm Crossing (2715)
RDU: Design, Engineering and Construction (526)

Master Account	Revenue Description				FY2015 Actuals	FY2016 Management Plan	FY2017 Governor
51200	Capital Improvement Project Receipts				1,095.7	1,699.2	1,699.2
Detail Information							
Revenue Amount	Revenue Description	Component	Collocation Code	AKSAS Fund	FY2015 Actuals	FY2016 Management Plan	FY2017 Governor
51201	Direct CIP Receipts Capital improvement project receipts for work in direct support of capital projects.				110.1	468.4	468.4
59465	Indirect CIP Receipts Recovery of indirect costs from the capital budget via the department's Indirect Cost Allocation Plan (ICAP).				985.6	1,230.8	1,230.8

Interagency Services
Department of Transportation/Public Facilities

Component: Knik Arm Crossing (2715)
RDU: Design, Engineering and Construction (526)

Expenditure Account		Service Description	Service Type	Servicing Agency	FY2015 Actuals	FY2016 Management Plan	FY2017 Governor
73805	IT-Non-Telecommunication	Computer services such as central server, data storage, printing, network services, open connect and task order system.	Inter-dept	Enterprise Technology Services	2.8	2.8	2.8
73805 IT-Non-Telecommunication subtotal:					2.8	2.8	2.8
73806	IT-Telecommunication	Telecommunications services such as basic telephone services, equipment and features, dedicated voice/data line service, statewide paging, two-way radio, and video conferencing.	Inter-dept	Enterprise Technology Services	8.7	10.1	10.1
73806 IT-Telecommunication subtotal:					8.7	10.1	10.1
73809	Mail	Chargeback fees for central mail services such as mailing vendor payments from the state accounting system (AKSAS) and payroll warrants from the state payroll system (AKPAY).	Inter-dept	Central Mail	0.1	0.1	0.1
73809 Mail subtotal:					0.1	0.1	0.1
73810	Human Resources	Chargeback fees for human resource services such as labor relations, position classifications and payroll processing.	Inter-dept	Personnel	0.0	0.2	0.2
73810 Human Resources subtotal:					0.0	0.2	0.2
73812	Legal	Legal services provided by the Department of Law.	Inter-dept	Transportation Section	12.8	94.6	94.6
73812 Legal subtotal:					12.8	94.6	94.6
73815	Financial	Chargeback fees for the state accounting system (AKSAS) and the state payroll system (AKPAY).	Inter-dept	Finance	0.3	0.4	0.4
73815 Financial subtotal:					0.3	0.4	0.4
73816	ADA Compliance	Chargeback fees for the statewide coordinator of the Americans with Disabilities Act (ADA).	Inter-dept	Americans With Disabilities	0.1	0.1	0.1
73816 ADA Compliance subtotal:					0.1	0.1	0.1
73819	Commission Sales (IA Svcs)	State travel office fees.	Inter-dept	State Travel Office	0.1	0.1	0.1
73819 Commission Sales (IA Svcs) subtotal:					0.1	0.1	0.1
Knik Arm Crossing total:					24.9	108.4	108.4
Grand Total:					24.9	108.4	108.4