

State of Alaska FY2018 Governor's Operating Budget

Department of Transportation/Public Facilities Marine Engineering Component Budget Summary

Component: Marine Engineering

Contribution to Department's Mission

Ensure that all Alaska Marine Highway System (AMHS) vessels and terminal facilities are safe, reliable, comfortable, and accessible to all Alaskans and visitors to the state.

Core Services

- Conduct annual fleet and terminal condition surveys to develop functional operational assessments and provide technical information necessary for long-range planning of capital improvements and maintenance.
- Develop plans, specifications, estimates, and manage the construction contracts for new vessel construction and for the repair, refurbishment, and modernization of existing AMHS vessels ensuring compliance with state, federal, and international regulations, as well as all United States Coast Guard and marine classification society requirements.
- Support fleet operations through the port engineer functions.
- Attend to AMHS vessels at commercial shipyards during both state overhauls and federal aid projects.
- Perform semi-annual inspections and maintenance for regulatory compliance and accomplish upgrades and repairs of the terminal facilities. Terminal facilities include transfer bridges, mooring structures, parking and staging areas, walkways, lighting, communication and security systems, water and wastewater treatment systems, electrical generation systems, and terminal buildings. This effort assures that the ferry terminal facilities are in compliance with local, state and federal regulations a

Major Component Accomplishments in 2016

- Tustumena Replacement Vessel project has completed final plans, specifications and estimates; awaiting state legislative authority for use of federal funds.
- Ward Cove Development project is under design for dredging and uplands expansion, to construct a functional replacement of the Ketchikan South Berth facilities. Work using Ketchikan Gateway Borough grant funds was completed to remove dilapidated dolphins and other marine structures located in the State of Alaska marine right-of-way.
- Statewide Transportation Improvement Program (STIP) vessel construction projects completed in 2016 include the Columbia Bridge Deck Renovation, Fast Vehicle Ferry System Upgrades and the Malaspina Switchboard Replacement project.
- STIP shoreside construction projects completed in 2016 include the following: Shoreside Facility Condition Survey, Ketchikan Ferry Terminal Improvements, Angoon Ferry Terminal Building, and Kake Ferry Terminal Building.

Key Component Challenges

- Delivery of vessels from overhaul periods back into revenue service on schedule due to extensive discovery work which is time consuming and expensive.
- Compliance with Environmental Protection Agency emission regulations, specifically targeting locomotives and marine vessels (including AMHS ferries). Requirements change on a continuous basis and maintaining compliance requires intensive shoreside support.
- Ensuring compliance with constantly evolving international, federal, state, and other regulatory body requirements and guidance to maintain a safe and useable fleet providing for the public's transportation needs.
- Implementing ship energy efficiency management plans.
- Increasing fuel efficiency.
- Recruitment of Vessel Construction Managers and Port Engineers.
- Ensuring timely training for updates to the IRIS system for all affected employees.
- Transition to the Human Resource Management (HRM) module of IRIS.

Significant Changes in Results to be Delivered in FY2018

- Results Based Alignment will be used to fine tune performance measures that quantify outcomes (not activities), drive decision making, and determine program and service priorities.
- Participate in department-wide organizational review and implement organizational changes.
- M/V Tustumena replacement vessel expected to be under active construction.
- Prince Rupert ferry terminal (marine structure replacement) to be under active construction.
- Fast Vehicle Ferry Chenega in lay-up status indefinitely, beginning October 6, 2016.
- M/V Taku divestiture is pending; independent appraisal was conducted in preparation for sale by the State of Alaska, including an analysis of the world wide ferry vessel market for establishing the potential sale price of the vessel.

Statutory and Regulatory Authority

AS 19 Highways & Ferries
AS 44 State Government

Contact Information
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Marine Engineering Personal Services Information				
Authorized Positions			Personal Services Costs	
	FY2017 Management Plan	FY2018 Governor		
Full-time	20	20	Annual Salaries	1,470,289
Part-time	0	0	Premium Pay	114,571
Nonpermanent	2	2	Annual Benefits	904,640
			<i>Less 3.51% Vacancy Factor</i>	(87,300)
			Lump Sum Premium Pay	465,000
Totals	22	22	Total Personal Services	2,867,200

Position Classification Summary					
Job Class Title	Anchorage	Fairbanks	Juneau	Others	Total
Engineering Assistant III	0	0	0	2	2
Facilities Manager I	0	0	0	1	1
Maint Gen Journey	0	0	2	1	3
Maint Spec Bfc Jrny II/Lead	0	0	0	1	1
Marine Engineer Assist Manager	0	0	0	1	1
Marine Trans Srvs Mgr	0	0	0	1	1
Office Assistant III	0	0	0	1	1
Project Manager	0	0	0	1	1
Stock and Parts Services II	0	0	0	3	3
Trans Planner I	0	0	0	1	1
Vessel Const Manager II	0	0	0	2	2
Vessel Const Manager III	0	0	0	2	2
Totals	0	0	2	17	19

Component Detail All Funds
Department of Transportation/Public Facilities

Component: Marine Engineering (2359)
RDU: Marine Highway System (334)

Non-Formula Component

	FY2016 Actuals	FY2017 Conference Committee	FY2017 Authorized	FY2017 Management Plan	FY2018 Governor	FY2017 Management Plan vs FY2018 Governor	
71000 Personal Services	2,560.9	2,846.8	2,846.8	2,846.8	2,867.2	20.4	0.7%
72000 Travel	27.6	78.1	78.1	78.1	78.1	0.0	0.0%
73000 Services	399.5	233.7	233.7	233.7	233.7	0.0	0.0%
74000 Commodities	85.2	100.0	100.0	100.0	100.0	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	3,073.2	3,258.6	3,258.6	3,258.6	3,279.0	20.4	0.6%
Fund Sources:							
1004Gen Fund (UGF)	123.2	53.1	53.1	53.1	53.1	0.0	0.0%
1061CIP Rcpts (Other)	1,120.7	1,698.9	1,698.9	1,698.9	1,711.9	13.0	0.8%
1076Marine Hwy (DGF)	1,829.3	1,506.6	1,506.6	1,506.6	1,514.0	7.4	0.5%
Unrestricted General (UGF)	123.2	53.1	53.1	53.1	53.1	0.0	0.0%
Designated General (DGF)	1,829.3	1,506.6	1,506.6	1,506.6	1,514.0	7.4	0.5%
Other Funds	1,120.7	1,698.9	1,698.9	1,698.9	1,711.9	13.0	0.8%
Federal Funds	0.0	0.0	0.0	0.0	0.0	0.0	0.0%
Positions:							
Permanent Full Time	20	20	20	20	20	0	0.0%
Permanent Part Time	0	0	0	0	0	0	0.0%
Non Permanent	3	2	2	2	2	0	0.0%

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

Component: Marine Engineering (2359)
RDU: Marine Highway System (334)

Scenario/Change Record Title	Trans Type	Totals	Personal Services	Travel	Services	Commodities	Capital Outlay	Grants, Benefits	Miscellaneous	Positions		NP
										PFT	PPT	
***** Changes From FY2017 Conference Committee To FY2017 Authorized *****												
FY2017 Conference Committee												
	ConfCom	3,258.6	2,846.8	78.1	233.7	100.0	0.0	0.0	0.0	20	0	2
1004 Gen Fund		53.1										
1061 CIP Rcpts		1,698.9										
1076 Marine Hwy		1,506.6										
Subtotal		3,258.6	2,846.8	78.1	233.7	100.0	0.0	0.0	0.0	20	0	2
***** Changes From FY2017 Management Plan To FY2018 Governor *****												
FY2018 Salary and Health Insurance Increases												
	SalAdj	7.9	7.9	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1061 CIP Rcpts		2.5										
1076 Marine Hwy		5.4										
Includes: ACOA COLA, 2.25% per contract ending 6/30/2018; GGU HI increase from \$1346 to \$1389; LTC HI increase from \$1363 to \$1432.: \$7.9												
FY2018 PS Health Ins.: \$3.0												
FY2018 PS Health Ins.: \$4.9												
Supervisory Unit 15 Hour Furlough Contract Terms												
	SalAdj	-2.0	-2.0	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1061 CIP Rcpts		-1.6										
1076 Marine Hwy		-0.4										
Alaska Public Employees Association, supervisory unit, 15 hours of furlough required for each permanent full-time employee in each year from July 1, 2016 to June 30, 2018.												
FY2018 Alaska Care & PSEA Health Insurance Increase												
	SalAdj	14.5	14.5	0.0	0.0	0.0	0.0	0.0	0.0	0	0	0
1061 CIP Rcpts		12.1										
1076 Marine Hwy		2.4										
Alaska Care rate increase from \$1346 to \$1555 per month for APEA members. \$9.7												
Alaska Care rate increase from \$1346 to \$1555 per month for exempt and partially exempt employees. \$4.8												
Totals		3,279.0	2,867.2	78.1	233.7	100.0	0.0	0.0	0.0	20	0	2

Personal Services Expenditure Detail
Department of Transportation/Public Facilities

Scenario: FY2018 Governor (13956)
Component: Marine Engineering (2359)
RDU: Marine Highway System (334)

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
25-1727	Vessel Const Manager III	FT	A	SS	Ketchikan	200	24F / J	12.0		108,507	0	0	59,210	167,717	0
25-2537	Maint Gen Journey	FT	A	LL	Juneau	2AA	54D / E	12.0		48,401	0	0	35,231	83,632	0
25-3153	Stock and Parts Services II	FT	A	LL	Ketchikan	2AA	55F	12.0		51,324	0	0	36,318	87,642	0
25-3164	Facilities Manager I	FT	A	SS	Ketchikan	200	200	12.0		100,548	0	0	56,250	156,798	0
25-3173	Vessel Const Manager II	FT	A	GP	Ketchikan	200	22J	12.0		95,796	0	0	52,450	148,246	0
25-3176	Vessel Const Manager II	FT	A	GP	Ketchikan	200	22K	12.0		98,904	0	0	53,606	152,510	0
25-3180	Vessel Const Manager III	FT	A	SS	Ketchikan	200	24O	12.0		131,470	0	0	67,491	198,961	0
25-3183	Engineering Assistant III	FT	A	GP	Ketchikan	200	21B / C	12.0		74,618	0	44,784	61,231	180,633	0
25-3240	Office Assistant III	FT	A	GP	Ketchikan	200	11E / F	12.0		40,920	0	0	32,036	72,956	0
25-3312	Maint Gen Journey	FT	A	LL	Ketchikan	2AA	54F	12.0		51,324	0	16,186	42,339	109,849	0
25-3329	Stock and Parts Services II	FT	A	LL	Bellingham Wa	2ZZ	55M	12.0		56,180	0	0	38,125	94,305	0
25-3346	Marine Trans Srvs Mgr	FT	A	XE	Ketchikan	N00	24N	12.0		127,357	0	0	66,069	193,426	0
25-3361	Maint Gen Journey	FT	A	LL	Juneau	2AA	54L	12.0		57,311	0	8,817	41,825	107,953	0
25-3415	Maint Spec Bfc Jrny II/Lead	FT	A	LL	Ketchikan	2AA	51L / M	12.0		70,876	0	0	43,592	114,468	0
25-3436	Engineering Assistant III	FT	A	GP	Ketchikan	200	21B / C	12.0		74,618	0	44,784	61,231	180,633	0
25-3797	Trans Planner I	FT	A	GP	Ketchikan	200	21G	12.0		85,836	0	0	48,745	134,581	0
25-3821	Marine Engineer Assist Manager	FT	A	SS	Ketchikan	200	23A / B	12.0		86,508	0	0	51,027	137,535	0
25-N08037	Stock and Parts Services II	NP	N	LL	Ketchikan	2AA	55A	2.0		6,819	0	0	857	7,676	0
25-T010	Project Manager	NP	A	XE	Ketchikan	N00	24E	12.0		102,972	0	0	57,007	159,979	0
													Total Salary Costs:	1,470,289	
													Total COLA:	0	
													Total Premium Pay:	114,571	
													Total Benefits:	904,640	
													Total Pre-Vacancy:	2,489,500	
													Minus Vacancy Adjustment of 3.51%:	(87,300)	
													Total Post-Vacancy:	2,402,200	
													Plus Lump Sum Premium Pay:	465,000	
													Personal Services Line 100:	2,867,200	
Total Component Months:		218.0													

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.

Personal Services Expenditure Detail
Department of Transportation/Public Facilities

Scenario: FY2018 Governor (13956)
Component: Marine Engineering (2359)
RDU: Marine Highway System (334)

PCN Funding Sources:	Pre-Vacancy	Post-Vacancy	Percent
1039 U/A Indirect Cost Recovery	368,709	355,779	14.81%
1061 Capital Improvement Project Receipts	1,292,516	1,247,191	51.92%
1076 Marine Highway System Fund	828,275	799,230	33.27%
Total PCN Funding:	2,489,500	2,402,200	100.00%

Lump Sum Funding Sources:	Amount	Percent
1076 Marine Highway System Fund	465,000	100.00%
Total Lump Sum Funding:	465,000	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 (1676)
Department of Transportation/Public Facilities
Travel

Component: Marine Engineering (2359)

Line Number	Line Name		FY2016 Actuals	FY2017 Management Plan	FY2018 Governor
2000	Travel		27.6	78.1	78.1
Object Class	Servicing Agency	Explanation	FY2016 Actuals	FY2017 Management Plan	FY2018 Governor
2000 Travel Detail Totals			27.6	78.1	78.1
2000	In-State Employee Travel	Field travel for maintenance workers to remote terminals and for port engineers and vessel constructions staff to travel on non-vessel or non-project specific functions.	10.5	54.7	54.7
2002	Out of State Employee Travel	Out of state travel associated with vessel overhaul projects.	12.4	10.0	10.0
2005	Moving Costs	Moving and relocation costs for employees; includes the pre-move meals and lodging, temporary meals and lodging and the actual move costs paid to both vendors and employees.	4.7	13.4	13.4

Line Item Detail (1676)
Department of Transportation/Public Facilities
Services

Component: Marine Engineering (2359)

Line Number	Line Name		FY2016 Actuals	FY2017 Management Plan	FY2018 Governor
3000	Services		399.5	233.7	233.7
Object Class	Servicing Agency	Explanation	FY2016 Actuals	FY2017 Management Plan	FY2018 Governor
3000 Services Detail Totals			399.5	233.7	233.7
3000	Education Services	Training for procurement, contract management, software use, and to improve supervisory skills.	5.2	0.5	0.5
3001	Financial Services	Marine construction related document processing.	9.5	0.0	0.0
3003	Information Technology	Represents a broad range of data-processing, telecommunications and communications services.	3.8	10.0	10.0
3004	Telecommunications	Local, long distance and cellular phone services.	36.0	31.0	31.0
3005	Health Services	Required drug testing for facility maintenance employees who are required to have commercial driver's license and operate machinery.	0.2	0.5	0.5
3006	Delivery Services	Postage, courier or freight charges.	1.5	1.0	1.0
3008	Utilities	Utilities at Ketchikan maintenance facility and office.	97.2	26.5	26.5
3009	Structure/Infrastructure/Land	Inspections and testing for the facilities and janitorial services for the port engineers.	46.5	7.3	7.3
3009	Structure/Infrastructure/Land	Contracted repair and maintenance at terminals for specialized work, including heavy lifting of fender system components and snow plowing.	0.0	55.6	55.6
3010	Equipment/Machinery	Repairs and maintenance to office	54.3	12.5	12.5

Line Item Detail (1676)
Department of Transportation/Public Facilities
Services

Component: Marine Engineering (2359)

Object Class	Servicing Agency	Explanation	FY2016 Actuals	FY2017 Management Plan	FY2018 Governor
3000 Services Detail Totals			399.5	233.7	233.7
		furniture, office equipment, vehicles, mechanical equipment such as heating, plumbing and electrical. Rental costs of equipment such as man lifts, excavators and saws used in the maintenance of facilities.			
3011	Other Services	Safety services such as fire alarm testing and maintenance. Print and copy services.	8.8	2.0	2.0
3011	Other Services	Processing fees charged by the State Travel Office.	0.0	0.7	0.7
3018	Inter-Agency Information Technology Telecommunications	Admin - Department-wide Telecommunications services provided by the Department of Administration, Enterprise Technology Services, such as basic telephone services, equipment and features, dedicated voice/data line service, statewide paging, two-way radio and video conferencing.	0.0	4.0	4.0
3020	Inter-Agency Building Maintenance	Labor - Department-wide Boiler inspections.	0.0	0.1	0.1
3021	Inter-Agency Mail	Admin - Department-wide Chargeback fees for central mail services such as mailing vendor payments and payroll warrants.	0.3	0.4	0.4
3027	Inter-Agency Financial	Admin - Department-wide Chargeback fees for AKPAY/IRIS/ALDER.	0.0	1.3	1.3
3028	Inter-Agency Americans with Disabilities Act Compliance	Admin - Department-wide Chargeback fees for the statewide coordinator for the Americans with Disabilities Act (ADA).	1.6	0.3	0.3
3037	State Equipment Fleet	Trans - State Equipment Fleet (2791) State equipment fleet vehicles for terminal maintenance.	109.6	80.0	80.0
3038	Inter-Agency Management/Consulting	Trans - Southcoast Design & Eng Svcs (2300) Yakutat dock feasibility study.	25.0	0.0	0.0

Line Item Detail (1676)
Department of Transportation/Public Facilities
Commodities

Component: Marine Engineering (2359)

Line Number	Line Name		FY2016 Actuals	FY2017 Management Plan	FY2018 Governor
4000	Commodities		85.2	100.0	100.0
Object Class	Servicing Agency	Explanation	FY2016 Actuals	FY2017 Management Plan	FY2018 Governor
4000 Commodities Detail Totals			85.2	100.0	100.0
4000	Business	Office supplies, equipment, furniture, supplies and subscriptions.	25.2	22.0	22.0
4001	Agricultural	Agricultural supplies.	0.2	0.0	0.0
4002	Household/Institutional	Cleaning supplies.	4.0	4.0	4.0
4003	Scientific and Medical	First aid supplies	0.1	0.0	0.0
4004	Safety	Safety supplies for facilities maintenance staff.	3.0	5.0	5.0
4005	Building Materials	Materials and supplies to support the maintenance and repair activities at all state owned terminals including furnaces, motors, pumps, hydraulic cylinders, cable shackles, pin, timber, rope, bridge parts, and cathodic protection zincs.	0.1	0.1	0.1
4008	Aggregate	Aggregate	0.6	0.6	0.6
4011	Electrical	Electrical supplies.	1.8	1.8	1.8
4012	Plumbing	Plumbing supplies.	1.9	1.9	1.9
4013	Lube Oils/Grease/Solvents	Oils	1.2	1.2	1.2
4014	Bottled Gas	Bottled Gas	0.2	0.2	0.2
4015	Parts and Supplies	Parts and supplies.	44.7	61.0	61.0
4016	Paint/Preservatives	Paint and preservatives.	0.4	0.4	0.4
4019	Small Tools/Minor Equipment	Small Tools/Minor Equipment	0.8	0.8	0.8
4020	Equipment Fuel	Fuel for equipment	1.0	1.0	1.0

Line Item Detail (1676)
Department of Transportation/Public Facilities
Commodities

Component: Marine Engineering (2359)

Revenue Detail (1681)
Department of Transportation/Public Facilities

Component: Marine Engineering (2359)

Revenue Type (OMB Fund Code) Revenue Source	Component	Comment	FY2016 Actuals	FY2017 Management Plan	FY2018 Governor
5061 CIP Rcpts (1061 CIP Rcpts)			1,120.7	1,698.9	1,711.9
5351 Capital Improvement Project Inter-Agency		Capital improvement project receipts for work in direct support of capital projects.	635.3	1,237.2	1,239.4
5351 Capital Improvement Project Inter-Agency		Recovery of indirect costs from the capital budget via the department's Indirect Cost Allocation Plan (ICAP).	485.4	461.7	472.5

Inter-Agency Services (1682)
Department of Transportation/Public Facilities

Component: Marine Engineering (2359)

				FY2016 Actuals	FY2017 Management Plan	FY2018 Governor
Component Totals				136.5	86.1	86.1
With Department of Administration				1.9	6.0	6.0
With Department of Labor and Workforce Development				0.0	0.1	0.1
With Department of Transportation/Public Facilities				134.6	80.0	80.0
Object Class	Servicing Agency	Explanation	FY2016 Actuals	FY2017 Management Plan	FY2018 Governor	
3018	Inter-Agency Information Technology Telecommunications	Admin - Department-wide Telecommunications services provided by the Department of Administration, Enterprise Technology Services, such as basic telephone services, equipment and features, dedicated voice/data line service, statewide paging, two-way radio and video conferencing.	0.0	4.0	4.0	
3020	Inter-Agency Building Maintenance	Labor - Department-wide Boiler inspections.	0.0	0.1	0.1	
3021	Inter-Agency Mail	Admin - Department-wide Chargeback fees for central mail services such as mailing vendor payments and payroll warrants.	0.3	0.4	0.4	
3027	Inter-Agency Financial	Admin - Department-wide Chargeback fees for AKPAY/IRIS/ALDER.	0.0	1.3	1.3	
3028	Inter-Agency Americans with Disabilities Act Compliance	Admin - Department-wide Chargeback fees for the statewide coordinator for the Americans with Disabilities Act (ADA).	1.6	0.3	0.3	
3037	State Equipment Fleet	Trans - State Equipment Fleet (2791) State equipment fleet vehicles for terminal maintenance.	109.6	80.0	80.0	
3038	Inter-Agency Management/Consulting	Trans - Southcoast Design & Eng Svcs (2300) Yakutat dock feasibility study.	25.0	0.0	0.0	