

# **State of Alaska FY2020 Governor's Operating Budget**

## **Department of Transportation/Public Facilities Design, Engineering and Construction Results Delivery Unit Budget Summary**

**Design, Engineering and Construction Results Delivery Unit**

**Contribution to Department's Mission**

Improve the transportation system in Alaska and protect the health and safety of the people of Alaska by developing transportation and public facilities projects and constructing safe, environmentally sound, reliable and cost effective highways, airports, harbors, docks, and buildings.

**Core Services**

- Prepare initial funding through the completion of a bid-ready set of plans, specifications for the legal and technical contract terms, and engineer's estimates for the cost of construction, as well as preparing geotechnical reports for the project site and materials sources, obtaining necessary land interests and environmental clearances and permits, and preparing plans and obtaining agreements with utility companies for required relocations.
- Provide technical support functions to the department, other state and federal agencies, and local governments and the public for traffic speed studies, bridge inspections, materials testing, processing of utility, right-of-way and traffic permits, and preparation of environmental documents.
- Develop design and construction standards.
- Administer construction contracts, provide field inspection and construction oversight, provide quality assurance that construction/environmental documentation and materials are in conformance with contract requirements during construction and close out of projects, and report Disadvantaged Business Enterprises/Minority Business Enterprise activity on construction projects.
- Review construction documents, provide bid packages, advertise and award contracts, prepare certified bid tabulations, and help resolve bidding disputes.
- Coordinate, solicit, select, prepare and administer professional services agreements.
- Coordinate and program project funding; administer state and federal grants; provide engineering management support; prepare and manage data within a management reporting system for capital projects; provide regional network administration and desktop computer support; and process time and equipment charges to projects.
- Oversee all building planning, design and construction related activities and act as the advocate for department-wide facility needs.
- Establish and maintain the department's Transportation Asset Management program.
- Lead the department's quality improvement initiatives and ensure compliance with federal funding initiatives.

**Major RDU Accomplishments in 2018**

- Delivered a comprehensive program of bid-ready designs and contract documents for highways, buildings and airports.
- Developed the department's first Transportation Asset Management Plan certified by the Federal Highway Administration (FHWA) on October 11, 2018.
- Participated in the first annual FHWA Audit of the 327 program.
- Awarded FHWA grant to conduct an infrared (IR) Pave-IR demonstration project. The goal is to use this technology to increase the constructed quality of asphalt pavements, reducing later occurrence of potholes statewide.
- Managed Highway Safety Improvement Program to assist regions in obligating approximately \$50 million in federal fiscal year 2018.
- Completed the Supplemental Environmental Impact Statement (EIS) for the Sterling Highway: MP 45 to 60 Sunrise to Skilak Lake Road project. The Record of Decision was signed on May 31, 2018. This was one of the most complex and longest running EIS in the nation.
- Major airport projects: Resurfacing and lighting at White Mountain and Holy Cross airports and resurfacing of operating areas at Nome and Barrow airports.
- Completed roadway, runway, bridge, traffic signal, taxiway, lighting, environmental, and safety improvements in Anchorage, Eagle River, Soldotna, Kenai, Dillingham, Aleknagik, Talkeetna and Wasilla.
- Oversaw the placement of 2.2 million tons of material and completed the northern most 50 miles of the Dalton Highway to protect the road from thawing and future flood events.
- Closed out 69 construction contracts.

## Key RDU Challenges

- Implementing changes required in the Fixing America's Surface Transportation Act, federal highway bill.
- Increased emphasis on data-driven performance from federal compliance programs are diverting design staff to data gathering and compliance.
- Update and/or develop new Alaska Standard Specifications for Airport Construction to comply with forthcoming Federal Aviation Administration (FAA) Advisory Circular specifying construction of airports.
- Increased volume and complexity of utility relocations is exceeding both the Department of Transportation and Public Facilities and utility companies' ability to deliver, resulting in delays to construction.
- Managing public expectations of federal capital dollars for investment in transportation infrastructure in times of declining state general fund dollars.
- Being adaptive and responsive to Alaska's changing infrastructure needs by starting and completing projects in reasonable timeframes.
- Working with communities to find opportunities for funding partnerships through the Tribal Transportation Program, Federal Highway Administration grants, and local government match funds.
- Maintaining compliance with Environmental Protection Agency and Department of Environmental Conservation storm water monitoring responsibilities and requirements.
- Lack of sufficient staff in federal agencies to issue permits and conduct the reviews needed for construction projects.
- Fully transitioning the department to an asset/performance management culture.

## Significant Changes in Results to be Delivered in FY2020

- Results Based Alignment will be the primary tool used to quantify outcomes (not activities), drive decision-making, and determine program and service priorities within Department of Transportation and Public Facilities.
- Implement Asset Management Plan throughout the department for continued use of Federal Highway Funds.
- Final implementation of the new pavement, equipment and maintenance management systems.
- Implementing Geotechnical Asset Management Plan for material sites, slopes and retaining walls, including performance management, risk management and cost analysis for geotechnical assets.
- Coordination with Statewide Aviation and the FAA to nominate aviation projects for \$1.0 billion supplemental omnibus funding to be selected based on national competition and awarded during federal fiscal year 2018-2020.
- Continue implementation of AASHTOWare Project to gain efficiencies by employing e-Construction technologies.

Contact Information
<p><b>Contact:</b> Mary Siroky, Deputy Commissioner <b>Phone:</b> (907) 269-3900 <b>E-mail:</b> mary.siroky@alaska.gov</p>

**Design, Engineering and Construction  
RDU Financial Summary by Component**

*All dollars shown in thousands*

	FY2018 Actuals				FY2019 Management Plan				FY2020 Governor			
	UGF+DGF Funds	Other Funds	Federal Funds	Total Funds	UGF+DGF Funds	Other Funds	Federal Funds	Total Funds	UGF+DGF Funds	Other Funds	Federal Funds	Total Funds
<b>Formula Expenditures</b> None.												
<b>Non-Formula Expenditures</b>												
Statewide Public Facilities	70.5	4,600.6	0.0	4,671.1	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
SW Design & Engineering Svcs	82.1	9,573.0	0.0	9,655.1	63.2	12,353.2	0.0	12,416.4	65.0	12,614.0	0.0	12,679.0
Harbor Program Development	106.6	0.0	0.0	106.6	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Central Design & Eng Svcs	619.0	21,490.4	0.0	22,109.4	656.7	22,309.6	0.0	22,966.3	673.0	22,919.1	0.0	23,592.1
Northern Design & Eng Svcs	302.6	15,898.5	0.0	16,201.1	258.5	16,925.6	0.0	17,184.1	262.7	17,367.3	0.0	17,630.0
Southcoast Design & Eng Svcs	239.2	10,319.4	0.0	10,558.6	325.7	10,853.5	0.0	11,179.2	332.1	10,935.3	0.0	11,267.4
Central Construction & CIP	96.3	22,854.9	0.0	22,951.2	97.7	21,141.7	0.0	21,239.4	97.7	21,723.6	0.0	21,821.3
Northern Construction & CIP	163.1	19,647.2	0.0	19,810.3	163.2	16,951.7	0.0	17,114.9	163.2	17,429.0	0.0	17,592.2
Southcoast Region Construction	46.8	6,294.4	0.0	6,341.2	57.9	7,497.5	0.0	7,555.4	58.2	7,407.0	0.0	7,465.2
<b>Totals</b>	<b>1,726.2</b>	<b>110,678.4</b>	<b>0.0</b>	<b>112,404.6</b>	<b>1,622.9</b>	<b>108,032.8</b>	<b>0.0</b>	<b>109,655.7</b>	<b>1,651.9</b>	<b>110,395.3</b>	<b>0.0</b>	<b>112,047.2</b>

**Design, Engineering and Construction  
Summary of RDU Budget Changes by Component  
From FY2019 Management Plan to FY2020 Governor**

*All dollars shown in thousands*

	<u>Unrestricted Gen (UGF)</u>	<u>Designated Gen (DGF)</u>	<u>Other Funds</u>	<u>Federal Funds</u>	<u>Total Funds</u>
<b>FY2019 Management Plan</b>	<b>743.6</b>	<b>879.3</b>	<b>108,032.8</b>	<b>0.0</b>	<b>109,655.7</b>
<b>Adjustments which continue current level of service:</b>					
-SW Design & Engineering Svcs	1.8	0.0	260.8	0.0	262.6
-Central Design & Eng Svcs	0.1	16.2	609.5	0.0	625.8
-Northern Design & Eng Svcs	0.5	3.7	441.7	0.0	445.9
-Southcoast Design & Eng Svcs	0.6	5.8	81.8	0.0	88.2
-Central Construction & CIP	0.0	0.0	581.9	0.0	581.9
-Northern Construction & CIP	0.0	0.0	477.3	0.0	477.3
-Southcoast Region Construction	0.3	0.0	122.0	0.0	122.3
<b>Proposed budget decreases:</b>					
-Southcoast Region Construction	0.0	0.0	-212.5	0.0	-212.5
<b>FY2020 Governor</b>	<b>746.9</b>	<b>905.0</b>	<b>110,395.3</b>	<b>0.0</b>	<b>112,047.2</b>