

State of Alaska
FY2022 Governor's Operating Budget

Department of Transportation/Public Facilities
Division of Facilities Services
Results Delivery Unit Budget Summary

Division of Facilities Services Results Delivery Unit**Contribution to Department's Mission**

Delivers, improves, and maintains safe and reliable facilities across Alaska.

Core Services

- Leadership and facilitation of State Facilities Council including executive branch departments, courts, and the university.
- Collaboration with Office of Management and Budget to develop statewide deferred maintenance prioritization strategy and process.
- Provide project management and engineering oversight for all vertical construction capital projects through Statewide Public Facilities, including deferred maintenance, federal, state airport, and energy efficiency programs.
- Perform or procure contracts for construction, remodels, or major repairs of state-owned facilities.
- Collaboration with executive branch departments to educate, guide, and operationalize best practices of facilities maintenance, including Department of Transportation and Public Facilities (DOT&PF) executed and delegated facilities construction projects.
- Provide for the maintenance and operations of state-owned facilities within Division of Facilities (DFS) portfolio.
- Procure, manage, and administer leased office and other types of space from the private sector and state property owners of the executive branch.
- Provide space planning standard recommendations and contract guidance for all state-owned office facilities.
- Provide for the day-to-day long-term management of 11 Public Building Fund (PBF) facilities and six Non-PBF buildings.
- Oversee rate development and budgeting for all PBF and Non-PBF facilities and lease administration.

Major RDU Accomplishments in 2020

- Executed service level agreements (SLAs) internally with DOT&PF, and externally with the Departments of Education and Early Development, Administration, Health and Social Services, Public Safety, Labor and Workforce Development, and Alaska Courts. Continued onboarding of further departments and additional buildings for SLA participation occurring in FY2021.
- Strategic planning efforts resulted in key strategic initiatives being developed and framing the focus for the coming year.
- Major portions of the statewide enterprise Computerized Maintenance Management System (CMMS) have been implemented, with maintenance work orders live as of July 2020. Implementation of the Assessment, Needs and Analysis, Real Estate and Leasing, and Capital Planning Projects modules are in-progress.
- Identified and initiated several significant collocation and relocation opportunities in state-owned PBF and non-PBF buildings.
- The Robert B. Atwood Building is currently at 99% occupancy due to the aggressive identification of several state agency backfill, colocation, and consolidation opportunities.
- Major capital improvement projects in FY2020 include but are not limited to the finalization of the envelope project on the 2nd floor at the Atwood Building, repair and maintenance of the Atwood elevators, the earthquake mitigation work at the Atwood, OIT drain line repair in the Juneau State Office Building, finalization of the renovation of the Calhoun entry stairs in the Juneau State Office Building, and repairs in the north and south garage at the Juneau State Office Building.
- Applied a more assertive approach to negotiate leases to reduce costs beyond the AS.36.30.083 requirements.
- Continued to reduce agency lease costs by reconfiguring existing space to increase efficiency or relocating agencies into more efficient space.
- Increased efficient space utilization occurred and reduced vacant space through the relocation of agencies from private leases into DOA facilities. Engaged in the use of private tenant leases to generate revenue for Geological Materials Center to offset the cost of the building.

Key RDU Challenges

- DFS will identify and manage the challenges with transitioning from a component to a Result Delivery Unit in FY2022.
- The Division will on-board and integrate new components from Department of Administration.
- Establish and promulgate division wide policies, processes, and practices.
- Continue funding, using, and implementing an enterprise level CMMS with engagement from the Integrated Resource Information System (IRIS) and Division of Finance teams to vet interfaces and include a payroll interface.
- Addressing aging structures (average DOT&PF building age is 35 years) needing major repair while keeping up with routine, preventative maintenance, and deferred maintenance back log with the constraints of limited funding
- Leasing - Anticipate and skillfully respond to the fluctuating needs of agency occupancy. This may include expansion of certain leases, reconfiguration of currently occupied space, reduction of agency footprint when possible, or agency relocation from private leases into state owned facilities. Actively communicate with agencies about their evolving need changes due to teleworking.
- Facilities - Improve space utilization through state agency consolidation, collocation, and backfill of vacant space in state-owned facilities. Address high priority projects for renewal and replacement of essential building systems and complete minor and major capital improvement projects.
- COVID-19 Mitigation - Due to the pandemic, all buildings have had modifications made to air intake, HVAC filters, and janitorial. Additionally, changes may need to occur as it relates to space management to either accommodate for additional space between employees and/or reduction of space due to telework options.

Significant Changes in Results to be Delivered in FY2022

- As DFS consolidates and matures, analysis and organizational design will be on-going to refine the operations of the division to accomplish the mission.
- CMMS implementation statewide and across multiple partner agencies. Engagement from the IRIS and Division of Finance teams.
- Migration of select facilities into the Public Building Fund.
- Transfer of five components from DOA for better management of facilities and workspace across the enterprise.
- Complete lease rate assessment on all current and future property leases to maximize market value pricing.
- Collaborative facilities and lease management is anticipated to improve space utilization and responsiveness for client agencies.

Contact Information
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**Division of Facilities Services
RDU Financial Summary by Component**

All dollars shown in thousands

	FY2020 Actuals				FY2021 Management Plan				FY2022 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
Formula Expenditures												
None.												
Non-Formula Expenditures												
Facilities Services	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	109.9	46,075.6	0.0	46,185.5
Leases	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	44,844.2	0.0	44,844.2
Lease Administration	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1,107.5	0.0	1,107.5
Facilities Administration	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	280.1	15,165.4	0.0	15,445.5
Facilities Administration Non-Public Building Fund Facilit	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	1,626.7	0.0	1,626.7
Non-Public Building Fund Facilit	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	543.7	280.9	0.0	824.6
Totals	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	933.7	109,100.3	0.0	110,034.0

Division of Facilities Services
Summary of RDU Budget Changes by Component
From FY2021 Management Plan to FY2022 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>
FY2021 Management Plan	0.0	0.0	0.0	0.0	0.0
Base for structure changes:					
-Facilities Services	109.7	0.0	45,933.4	0.0	46,043.1
Adjustments which continue current level of service:					
-Facilities Services	0.2	0.0	142.2	0.0	142.4
-Leases	0.0	0.0	44,844.2	0.0	44,844.2
-Lease Administration	0.0	0.0	1,107.5	0.0	1,107.5
-Facilities	0.0	280.1	15,165.4	0.0	15,445.5
-Facilities Administration	0.0	0.0	1,626.7	0.0	1,626.7
-Non-Public Building Fund Facilit	481.7	62.0	280.9	0.0	824.6
FY2022 Governor	591.6	342.1	109,100.3	0.0	110,034.0