

State of Alaska FY2025 Governor's Operating Budget

Department of Transportation and 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 the daily, long-term management of 11 Public Building Fund (PBF) facilities, six Non-PBF buildings, and 20 occupancy buildings.
- Oversee rate development and budgeting for all PBF, occupancy-based buildings, and lease administration.

Major RDU Accomplishments in 2023

- Executed Service Level Agreements (SLAs) internally with DOT&PF, and externally with the following departments: Education and Early Development, Health, Public Safety, Labor and Workforce Development, Natural Resources, and Alaska Courts.
- Continued onboarding efforts of departments, buildings, and functions for Service Level Agreements through voluntary participation.
- Redirected efforts toward the implementation of the Computerized Maintenance Management System (CMMS), in accordance with strategic and division operational need.
- Continued to reduce agency lease costs through space reconfiguration for enhanced efficiency or by relocating agencies to more efficient spaces.
- Realized lease cost savings by leveraging AS 36.30.083 extensions, assertive negotiations, and the effective utilization of the Request for Proposals and the single source waivers to secure the most cost-efficient leases possible.
- Collaborated with state agencies to address security concerns in a cost-effective and timely manner.
- Ongoing collaboration with agencies aimed at maximizing space efficiency and effectiveness, aligning with the State's objective to reduce leased space necessary for the agencies.

Key RDU Challenges

- **Processes** – Refine statewide processes and practices, with a focus on normalizing facility maintenance practices across all buildings in the DFS portfolio, considering the historical variations in departmental approaches.
- **Chargeback Rates Transition** – Work towards a unified process for chargeback rates for SLA facility maintenance and PBF rates.
- **Space Efficiency** – Anticipate and skillfully respond to fluctuating agency occupancy needs. This may involve expanding certain leases, reconfiguring existing spaces, reducing agency footprints when feasible, or transitioning agencies from private leases to state-owned facilities.
- **Space/Cost Reduction** – Continued effort to explore space reduction options for agencies in the evolving telework landscape. Apply cost reduction strategies to reduce lease expenditures for state agencies. Continue the

ongoing task of designing, planning, and constructing spaces that meet the evolving needs of state agencies.

- **Contract Management** – Diligently manage lease compliance through the enforcement of clauses related to renovations, insurance, and other pertinent matters. When necessary, Division staff will also meet with state occupants to address any concerns or issues related to their specific lease.
- **Security Concerns** – Security concerns are increasing throughout the state, particularly in the Anchorage area. The division is currently working with agencies and lessors to address these concerns where possible. Heightened security requirements in the Anchorage area may lead to increased associated costs.

Significant Changes in Results to be Delivered in FY2025

- Identify consistent occupancy rate methodology across all types of state-owned and occupied buildings.
- Incorporated funding from regional components eliminating the need for intra-departmental billing.

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

All dollars shown in thousands

	FY2023 Actuals				FY2024 Management Plan				FY2025 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	1,213.2	49,115.2	0.0	50,328.4	1,271.3	53,684.4	0.0	54,955.7	20,483.7	35,384.4	160.1	56,028.2
Leases	0.0	45,079.7	0.0	45,079.7	0.0	45,518.2	0.0	45,518.2	0.0	45,548.1	0.0	45,548.1
Totals	1,213.2	94,194.9	0.0	95,408.1	1,271.3	99,202.6	0.0	100,473.9	20,483.7	80,932.5	160.1	101,576.3

Division of Facilities Services
Summary of RDU Budget Changes by Component
From FY2024 Management Plan to FY2025 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>
FY2024 Management Plan	948.8	322.5	99,202.6	0.0	100,473.9
Adjustments which continue current level of service:					
-Facilities Services	18,335.3	222.5	1,385.7	160.1	20,103.6
-Leases	0.0	0.0	29.9	0.0	29.9
Proposed budget increases:					
-Facilities Services	654.6	0.0	0.0	0.0	654.6
Proposed budget decreases:					
-Facilities Services	0.0	0.0	-19,685.7	0.0	-19,685.7
FY2025 Governor	19,938.7	545.0	80,932.5	160.1	101,576.3