

State of Alaska FY2025 Governor's Operating Budget

Department of Transportation and Public Facilities Overhaul Component Budget Summary

Component: Overhaul**Contribution to Department's Mission**

Overhaul all vessels of the Alaska Marine Highway System (AMHS) annually in order to maintain operational readiness of the fleet in a safe, reliable condition, and within regulatory guidelines.

Core Services

- Inspect and maintain all vessels in the AMHS fleet in accordance with the regulatory requirements of the United States Coast Guard (USCG), the American Bureau of Shipping (ABS), U.S. Code of Federal Regulations (CFR), Department of Environmental Conservation, Food and Drug Administration, Canadian enforcement agencies (as applicable), and International Safety of Life at Sea (SOLAS) convention, in addition to state vessel maintenance policies.
- Manage all contracts necessary to accomplish the annual overhauls, including dry-docking, hull and structure inspections, fire and lifesaving equipment inspections, repairs, cleaning, preservation work, system upgrades, machinery overhaul, and others.

Major Component Accomplishments in 2023

- Managed state overhauls for nine vessels at Vigor Alaska ship repair facility in Ketchikan, Alaska and at the JAG ship repair facility in Seward, Alaska.
- Received Certificates of Inspection for eight vessels from the USCG.
- Completed a re-activation project on the M/V Columbia in order to allow the vessel to return to service after an extended layup period.
- Completed an activation project resulting in the M/V Hubbard entering service.
- Completed steering system upgrades, large steel replacements, and ride control system repairs to the M/V Kennicott.

Key Component Challenges

- Managing the volume of work required to ensure safe and reliable operation of an aging fleet. With vessels reaching a half-century or more of service, the list of material and mechanical deficiencies identified outpaces available resources and is worsening each year. Many vessel systems are becoming outdated or obsolete, requiring costly upgrades.
- Shortages in staff place pressure on the human and material resources required to complete the work.
- Meeting increasing amounts of restrictive safety and environmental standards during overhauls.
- Increased scrutiny of vessel condition and operational readiness by USCG, ABS, Occupational Safety and Health Administration, Civil Rights, environmental departments, and other regulators in the wake of recent casualties in the marine industry. This includes the enforcement of continuously updated and expanded regulatory rules and codes by these agencies.

Significant Changes in Results to be Delivered in FY2025

- Maintenance Management System software upgrades for the fleet and shoreside facilities. This software program will improve forecasting, planning, and record keeping of maintenance and repair needs and activities. The upgrade will modernize this tool which is currently several software generations behind.
- Re-activation of the M/V Matanuska.
- Enhanced focus on preservation schedules including superstructure, hull, and internal tanks to avoid exponential growth in costs associated with long-term deferred maintenance.

Statutory and Regulatory Authority

AS 19 Highways & Ferries

AS 44 State Government

Contact Information
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Component Detail All Funds
Department of Transportation and Public Facilities

Component: Overhaul (1212)
RDU: Marine Highway System (334)

Non-Formula Component

	FY2023 Actuals	FY2024 Enrolled	FY2024 Authorized	FY2024 Management Plan	FY2025 Governor Adjusted Base	FY2025 Governor	FY2024 Management Plan vs FY2025 Governor		
1000 Personal Services	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0%	
2000 Travel	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0%	
3000 Services	0.0	637.1	637.1	637.1	637.1	637.1	0.0	0.0%	
4000 Commodities	0.0	1,062.5	1,062.5	1,062.5	1,062.5	1,062.5	0.0	0.0%	
5000 Capital Outlay	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0%	
7000 Grants, Benefits	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0%	
8000 Miscellaneous	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0%	
Totals	0.0	1,699.6	1,699.6	1,699.6	1,699.6	1,699.6	0.0	0.0%	
Fund Sources:									
1004 Gen Fund (UGF)	0.0	1,699.6	1,699.6	1,699.6	1,699.6	1,699.6	0.0	0.0%	
Unrestricted General (UGF)	0.0	1,699.6	1,699.6	1,699.6	1,699.6	1,699.6	0.0	0.0%	
Designated General (DGF)	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0%	
Other Funds	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0%	
Federal Funds	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0%	
Positions:									
Permanent Full Time	0	0	0	0	0	0	0	0.0%	
Permanent Part Time	0	0	0	0	0	0	0	0.0%	
Non Permanent	0	0	0	0	0	0	0	0.0%	

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

Component: Overhaul (1212)
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 FY2024 Enrolled To FY2024 Authorized *****												
FY2024 Enrolled	Enrolled	1,699.6	0.0	0.0	637.1	1,062.5	0.0	0.0	0.0	0	0	0
1004 Gen Fund		1,699.6										
	Subtotal	1,699.6	0.0	0.0	637.1	1,062.5	0.0	0.0	0.0	0	0	0
***** Changes From FY2025 Governor Adjusted Base To FY2025 Governor *****												
	Totals	1,699.6	0.0	0.0	637.1	1,062.5	0.0	0.0	0.0	0	0	0

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

Component: Overhaul (1212)

Line Number	Line Name		FY2023 Actuals	FY2024 Management Plan	FY2025 Governor
3000	Services		0.0	637.1	637.1
Object Class	Servicing Agency	Explanation	FY2023 Actuals	FY2024 Management Plan	FY2025 Governor
3000 Services Detail Totals			0.0	637.1	637.1
3006	Delivery Services	Postage, courier, or freight charges.	0.0	2.0	2.0
3008	Utilities	Public utilities consumed while vessels are in shipyard undergoing overhaul.	0.0	5.0	0.8
3009	Structure/Infrastructure/Land	Costs related to engineering, surveying and inspections during the annual overhauls for vessels.	0.0	150.0	129.0
3010	Equipment/Machinery	Repair and inspection of vessels in shipyard including all forms of United States Coast Guard and American Bureau of Shipping required repairs to obtain Certificate of Inspection. Various services are provided for dry docking, shaft/rudder measurements, sea valves, underbody cleaning and painting, bow thrusters, ballast tanks and voids, cathodic protection, fire extinguishing systems, life raft recertification, heating, ventilation, and air conditioning (HVAC) system cleaning, deck equipment, superstructure painting, steel and piping repairs, electrical and galley repairs, regulatory inspection work, and main and auxiliary engine repairs.	0.0	466.1	500.0
3011	Other Services	Costs of equipment and vehicle rentals during the vessels annual	0.0	14.0	5.3

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

Component: Overhaul (1212)

Object Class	Servicing Agency	Explanation	FY2023 Actuals	FY2024 Management Plan	FY2025 Governor
3000 Services Detail Totals			0.0	637.1	637.1
		overhaul.			

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

Component: Overhaul (1212)

Line Number	Line Name		FY2023 Actuals	FY2024 Management Plan	FY2025 Governor
4000	Commodities		0.0	1,062.5	1,062.5
Object Class	Servicing Agency	Explanation	FY2023 Actuals	FY2024 Management Plan	FY2025 Governor
4000 Commodities Detail Totals			0.0	1,062.5	1,062.5
4000	Business	General business supplies, furniture and equipment.	0.0	30.0	30.0
4002	Household/Institutional	General cleaning supplies.	0.0	10.0	10.0
4003	Scientific and Medical	Industrial chemicals and testing supplies.	0.0	5.0	5.0
4004	Safety	First aid and research and rescue supplies.	0.0	8.0	8.0
4006	Signs and Markers	Signs and markers.	0.0	5.0	5.0
4011	Electrical	Electrical supplies.	0.0	18.0	14.0
4012	Plumbing	Plumbing supplies.	0.0	9.0	14.0
4013	Lube Oils/Grease/Solvents	Lube oils/grease/solvents used for overhaul of ships.	0.0	7.0	10.0
4014	Bottled Gas	Bottled gas.	0.0	1.5	300.0
4015	Parts and Supplies	Parts and supplies.	0.0	892.5	630.0
4016	Paint/Preservatives	Paint and preservatives.	0.0	20.0	20.0
4018	Surface Chemicals	Surface chemicals used on overhaul of ships.	0.0	1.5	0.5
4019	Small Tools/Minor Equipment	Small Tools/Minor Equipment.	0.0	50.0	15.0
4020	Equipment Fuel	Fuel for overhaul of ships.	0.0	5.0	1.0