

STATE OF ALASKA

**DEPARTMENT
OF
TRANSPORTATION AND PUBLIC FACILITIES**



FY2011 OPERATING BUDGET OVERVIEW

TO

HOUSE FINANCE COMMITTEE

February 4, 2010

Priority Program Overview

Department Mission: Provide for the safe movement of people and goods and the delivery of State services.

Department Core Services:

- The department is statutorily responsible for the planning, design, construction, maintenance, and operations of transportation facilities and buildings.
- Maintenance & Operations of State Transportation Systems: Highways, Airports, Alaska Marine Highway System, Public Facilities, Ports and Harbors and State Equipment Fleet.
- Measurement Standards/Commercial Vehicle Enforcement
- Transportation & Facilities Construction Program
- Program and Administrative Support

TOTAL OPERATING BUDGET DISTRIBUTION	GF	FED	OTH	TOTAL	PFT	PPT	NP
FY2010 CURRENT CAPACITY(Management Plan)	241,662.4	4,158.2	296,571.2	542,391.8	3,207	439	220
FY2011 GOVERNOR'S TRANSACTIONS	(5,480.0)	(235.9)	6,309.9	594.0	(17)	(2)	-
TOTAL FY2011 GOVERNOR'S BUDGET	236,182.4	3,922.3	302,881.1	542,985.8	3,190	437	220

Our Operating Budget Distribution crosses three priority program areas: Maintenance & Operations of State Transportation Systems, Measurement Standards/Commercial Vehicle Enforcement & Transportation & Facilities Construction Program.

Maintenance & Operations of State Transportation Systems *is important to the safety of public use of the state's transportation systems; supports economic development in terms of travel industry, general public, and commercial vehicle transportation, etc.*

OPERATING BUDGET DISTRIBUTION	GF	FED	OTH	TOTAL	PFT	PPT	NP
FY2010 CURRENT CAPACITY(Management Plan)	233,143.1	4,158.2	168,532.6	405,833.9	2,160	218	129
FY2011 GOVERNOR'S TRANSACTIONS	(5,669.1)	(235.9)	7,105.2	1,200.2	-	(2)	-
TOTAL FY2011 GOVERNOR'S BUDGET	227,474.0	3,922.3	175,637.8	407,034.1	2,160	216	129

Results of Current Capacity

- ↑ In 2008 Alaska experienced 1.29 traffic fatalities per 100 million VMT, a decrease of 18.87% from 2007, and compared to the national 2008 average of 1.27.
- ↑ The work-related injury rate of department employees decreased from 4.7 in 2007 to 3.2 in 2008, a reduction of 31.9%.
- ↓ The Fairbanks International Airport's occupational injury and illness incidence rate increased from 12.1 in 2007 to 15.3 in 2008, which is above the national rate of 9.9.
- ↑ The rate of public injuries and incidents decreased from 1.7 in FY2007 to 1.2% in FY2008.
- ➡ Customer satisfaction with the Marine Highway System has stayed strong at 96.5% for the 5th year in a row, with a high percentage of respondents giving an excellent rating.
- ➡ Customer satisfaction in transportation services in 2008 compared to 2005 has remained constant at 80%.
- ➡ Government sector customer satisfaction has remained high at 94% for state equipment fleet and increased from 83% to 84% for facilities between FY2008 and FY2009.
- ↑ Rural airport revenues collected in FY2009 exceeded the target of 5% and increased by 6.3% over the prior year.

Measurement Standards/Commercial Vehicle Enforcement *reduces the risk of accidents or road damage from unsafe commercial vehicles and/or loads.*

OPERATING BUDGET DISTRIBUTION	GF	FED	OTH	TOTAL	PFT	PPT	NP
FY2010 CURRENT CAPACITY(Management Plan)	1,944.0	-	4,914.2	6,858.2	74	-	-
FY2011 GOVERNOR'S TRANSACTIONS	2.7	-	100.9	103.6	1	-	-
TOTAL FY2011 GOVERNOR'S BUDGET	1,946.7	-	5,015.1	6,961.8	75	-	-

Results of Current Capacity

- ➡ 99.2% of the commercial motor vehicles that were inspected in 2009 were weight compliant.
- ⬆ Fatalities resulting from accidents involving commercial motor vehicles decreased by 28.57% from 7 in 2007 to 5 in 2008, which is less than the 5 year average of 7.2 fatalities.

Transportation & Facilities Construction Program *provides the planning and management of construction projects across the department. This includes major repair and rehabilitation of all transportation modes, and state owned facilities, operated and maintained by the State of Alaska.*

OPERATING BUDGET DISTRIBUTION	GF	FED	OTH	TOTAL	PFT	PPT	NP
FY2010 CURRENT CAPACITY(Management Plan)	6,575.4	-	123,124.4	129,699.8	973	222	91
FY2011 GOVERNOR'S TRANSACTIONS	186.4	-	(896.2)	(709.8)	-18	0	0
TOTAL FY2011 GOVERNOR'S BUDGET	6,761.8	-	122,228.2	128,990.0	955	222	91

Results of Current Capacity



The percentage difference between bid and final contractor payments increased to 12% in 2009. By using the last three fiscal years for source data, the department has established a three year average of about 10% that is still short of the 8% goal.

Accomplishments in 2009

AIAS - On-Schedule and Under Budget!

Ted Stevens International Airport A & B Concourses

- Opened for Business on November 2, 2009
- Passenger/Baggage screening centralized
- A&B concourses 352,000 ft² renovation



Fairbanks Passenger Terminal

- Opened May 7, 2009
- Authorized \$96.2M
- Cost \$92.3M



Highways

Dowling Road Extension



Sitka Roundabout



North Pole Interchange



Alaska Marine Highway System

- 92% on Time Departures
- 96% customer satisfaction level
- Schedule
 - Winter '09 /Spring '10 released July 17th
 - Summer '10 schedule released October 1st
- Power Management /Fuel Savings
- Alaska Class Ferry – STIP Funding Approved



Taku Crew Receiving Coast Guard Award



Highway Safety Corridors

- Education
 - Includes distracted and aggressive driving
 - <http://www.youtube.com/user/asthwsads#p/u>
 - <http://www.youtube.com/watch?v=yjmAy2Q4BRY>
- Enforcement
 - Bureau of Highway Patrols 2nd year
- Engineering
 - Knik Goose Bay & Vine Rd; Knik Goose Bay & Fairview Loop signals
 - Sterling Highway Rut repair



Rumble Strips

- Installed on the Richardson Highway – 2009
- Highway Safety Corridors – to be constructed in 2010



Safety Projects Elsewhere

Pedestrian Countdown Signals

- Reduce pedestrians crashes by 25%
- Started in Anchorage & Fairbanks in 2009
- 2010 complete Anchorage, Matsu and Kenai



Emergency Response

- Flooding
- Portage Road to Whittier Tunnel
- Highway Erosion



Prepared by DOT&PF 02/03/10

7/5/2009 12:11

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Portage Rock Slide

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Worked with legislators

- Committee Meetings
- House Transportation Committee Education
- Dalton Highway Trip



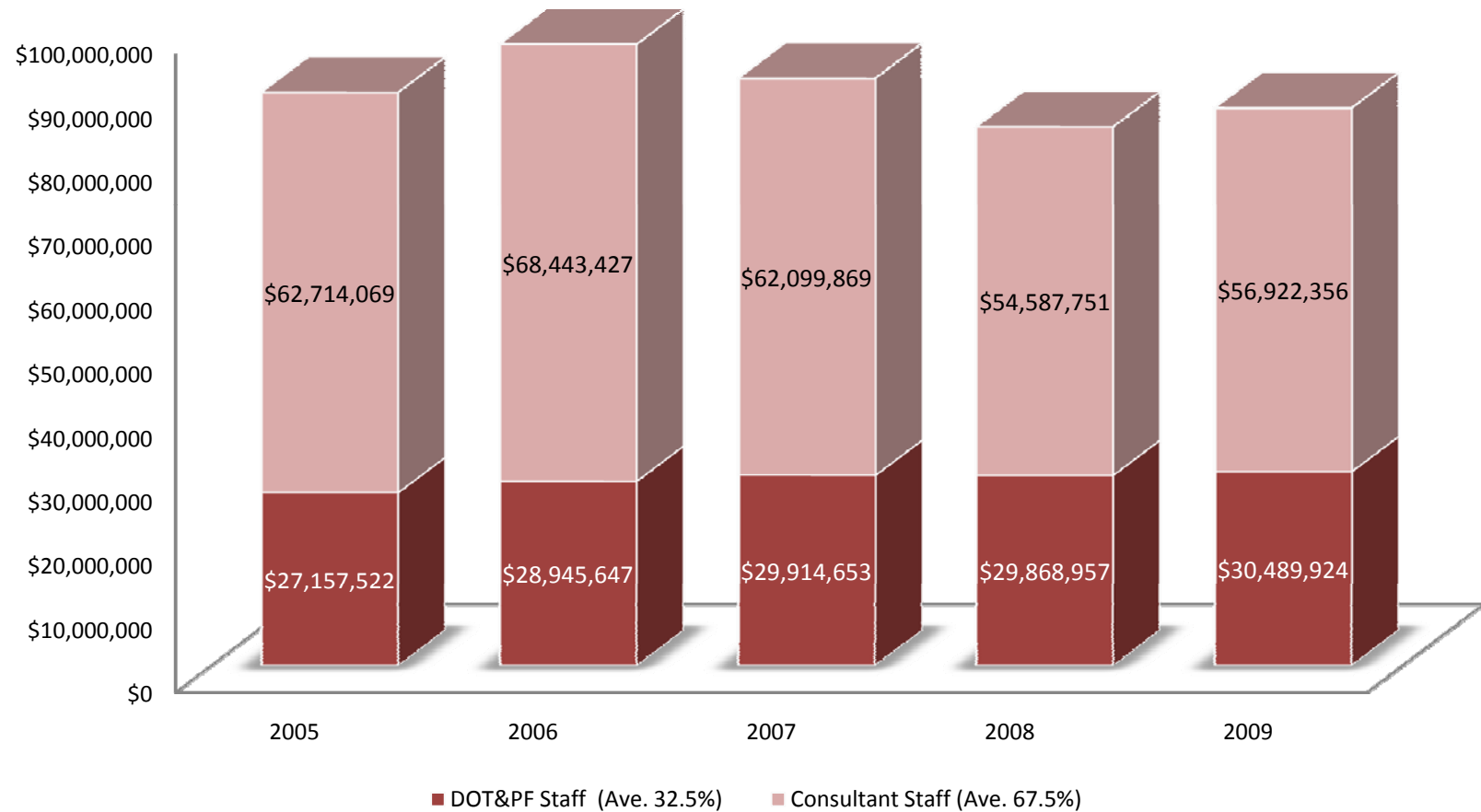
Prepared by DOT&PF 02/03/10



DOT&PF Successes

- Fatality rate dropped over 24% between 2006 – 2007
- ARRA and regular program
- Department safety
 - 3.2 injuries/illness per hundred employees
- Team Approach – DOT&PF and Consultants

Team Approach – DOT&PF and Consultants



DOT&PF Challenges

- Uncertainty and timing of adequate funding levels
- Replacing our aging workforce as large number of employees are approaching retirement age
- Cost of doing business continues to go up

FY10 Maintenance & Operations

- Maintain 15,221 lane miles, 256 airports
- M&O is half of DOT&PF's GF budget
- \$1.5M Facilities FY10 increment:
 - \$172.6 to avoid supplemental
 - \$1,309.7 for increased service
- \$11.2M Highways & Aviation FY10 increment:
 - \$2,550.1 to avoid supplemental
 - \$8,689.1 for increased service

FY10 Maintenance & Operations

- Central Region Highways & Aviation \$4,264.4
 - \$1,617.6 Avoid Supplementals
 - \$2,646.8 Higher Level of Service
- Northern Region Highways & Aviation \$5,412.1
 - \$554.0 Avoid Supplementals
 - \$4,858.1 Higher Level of Service
- Southeast Region Highways & Aviation \$1,562.7
 - \$378.5 Avoid Supplementals
 - \$1,184.2 Higher Level of Service

FY10 M&O

- Additional staffing capacity: \$1,737.8
 - Sidewalk snow removal in Anchorage Bowl
 - Homer Airport improved level of service
 - Reduction in response time to highway and aviation, and highway signal problems in Mat-Su and Peninsula Districts
 - Storm Water Pollution Prevention Plans for all certified airports in Central region
 - Additional equipment operators in Fairbanks, Birch Lake, South Fork Station on the Taylor Highway, Tok, Cantwell, and Tazlina
 - Increased equipment operator capacity for year-round work in Galena and Northway
 - Hire one full time equipment operator each in:
 - Juneau
 - Ketchikan
 - Petersburg

FY10 M&O Cont'd

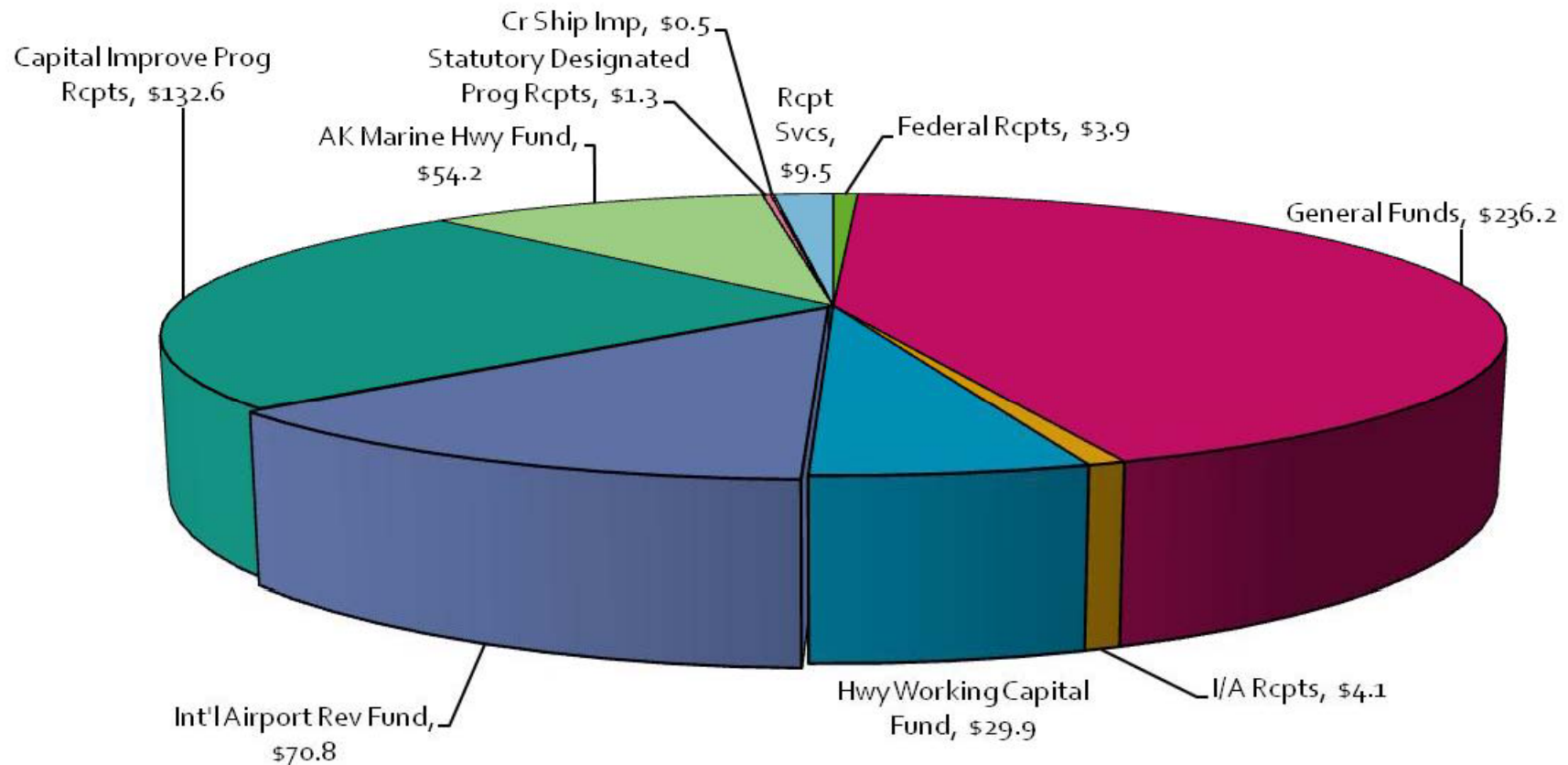
- Contractual & Equipment: \$4,964.6
 - Maintenance and operation of newly purchased sidewalk snow removal tractors in Central region
 - SEF Rates for DOT&PF equipment and rental of specialized equipment in Central region
 - Increased efforts in area of street sweeping and continued air quality in Central region
 - Increase stockpile aggregate for use by state forces in Northern region
 - Equipment rental of specialized equipment for bike path sweeping, brush cutting, riprap placement, and pavement milling in Northern region
 - Guardrail repair and installation and brush cutting contracts along our highways and airports in Northern region
 - Meet equipment funding shortfall in Northern region
 - FAA mandated training for airport fire-fighting crews and wildlife control activities across the Southeast region
 - SEF rates for DOT&PF equipment and rental of specialized equipment in Southeast region
 - Increase reimbursement to Angoon, Gustavus, Hyder, and Kake for maintaining highways and airports
 - Skagway maintenance shop annual lease costs

FY10 M&O Cont'd

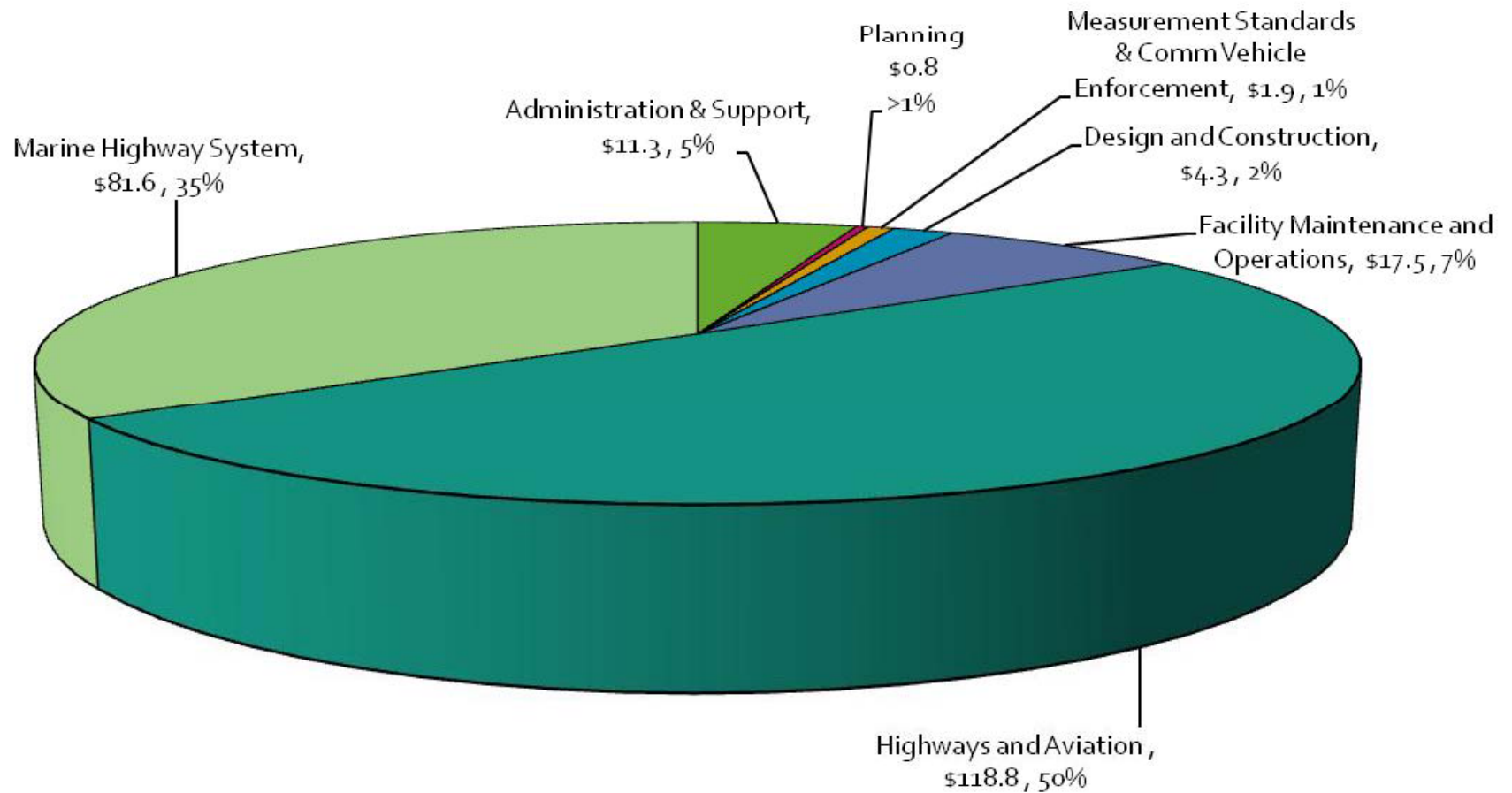
- Commodities: \$4,536.8
 - Emphasis on bringing commodities up to FY09 levels, i.e. potassium acetate (+20%) and grader blades (+12%) in Central region
 - Additional de-icing chemicals for Bethel, Kodiak, and Homer
 - Additional sand in Kodiak
 - Airport Striping to comply with new enhanced taxiway marking requirements for Central region
 - New technology pothole patch for use at Kodiak, Cold Bay, Unalaska and Adak airports
 - Pavement repair to Hiland Road in Eagle River
 - Additional purchase of traffic paint, traffic signs, guardrail, grader blades, sand, salt and other maintenance supplies in Central region
 - Increased purchasing capacity for critical commodities such as guardrail, calcium chloride, grader blades, crack sealant material, sand and culverts in Northern region
 - Bring commodities up to FY09 levels, i.e. paint (+10%) and grader blades (+20%) in Southeast region.
 - Increased commodity purchases in Southeast region:
 - Guardrails to replace substandard guardrail region-wide
 - Paint for highway and airport striping and marking
 - Cover increased costs of sand for highway maintenance

FY2011 Operating Budget

Department of Transportation and Public Facilities
FY2011 Operating Budget Request by Fund Source
(shown in millions)
Total Request \$543 million



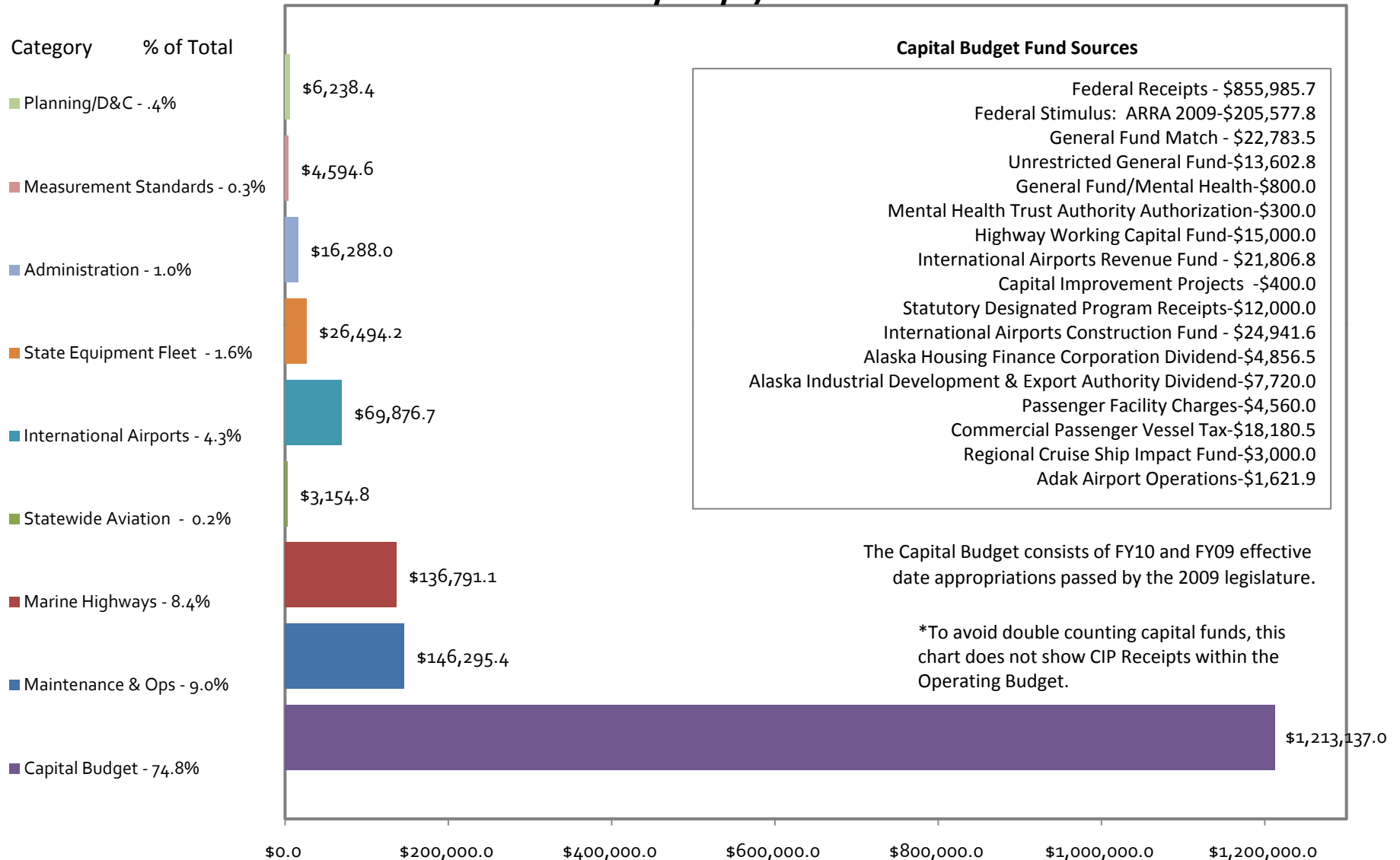
Department of Transportation and Public Facilities
FY2011 Allocation of General Funds
(shown in millions)
Total Request \$236.2 million



Department of Transportation and Public Facilities

FY2010 Capital & Operating Budget - Total Funds Authorized*

Total = \$1,622,870.2



FY2011 Budget Request

	GF*	Federal	Other	Total	PFT	PPT	Nonperm
FY2010 Conference Committee	231,158.8	4,163.3	297,601.8	532,923.9	3,203	436	199
Reverse Funding for FY2010 LTC BU Agreement	(920.3)	(5.1)	(1,030.6)	(1,956.0)			
Add EPA Enforcement Action (SB 256 SLA 08)	173.9			173.9			
Fuel Trigger Supplemental - 1st Allocation	11,250.0			11,250.0			
FY2010 Authorized	241,662.4	4,158.2	296,571.2	542,391.8	3,203	436	199
FY2010 Management Plan	241,662.4	4,158.2	296,571.2	542,391.8	3,207	439	220
Reverse Fuel Trigger Supp - 1st Allocation	(11,250.0)			(11,250.0)			
Reverse EPA Enforcement Action (SB 256 SLA 08)	(173.9)			(173.9)			
PSEA BU Contract/Hlth Insurance Saladj			487.1	487.1			
Dept-wide Hlth Ins (non-covered emps)	24.4		65.8	90.2			
AMHS Bargaining Unit Increases (IBU, MEBA, MMP)	3,131.5		1,235.8	4,367.3			
Delete Vacant positions and funding		(235.9)	(1,420.6)	(1,656.5)	-24	-1	
Tech Adj to reflect revenues for Hwy Safety Fines	(16.9)			(16.9)			
RDU: Admin & Support	44.5		30.0	74.5			
RDU: Aviation			308.0	308.0			
RDU: Measure Standards & Comm Vehicle Enforcement			102.1	102.1	1	-1	
RDU: Design & Construction	275.0		60.1	335.1			
RDU: State Equipment Fleet			2,706.6	2,706.6			
RDU: SW Facility M & O	242.0		110.0	352.0	2		
RDU: Traffic Signal Management	48.4			48.4			
RDU: Highways & Aviation	2,195.0		1,125.0	3,320.0	4		
RDU: Marine Highways System			1,500.0	1,500.0			
FY2011 Governor's Request	236,182.4	3,922.3	302,881.1	542,985.8	3,190	437	220
Change from FY2010 Conference Committee	5,023.6	(241.0)	5,279.3	10,061.9	(13)	1	21
Change from FY2010 Management Plan	(5,480.0)	(235.9)	6,309.9	594.0	(17)	(2)	-
<i>* Pre-Leg Finance fund reclassification.</i>							

\$2,804.9
GF*

FY2011 Budget Request

Administration & Support: EE/Civil Rights

- Position Time Status Part-time to Full-time for Increased Activities in the Disadvantaged Business Enterprise and On-the-Job Training Programs: \$24.5 GF
- Real Time web-based software program maintenance agreement: \$20.0 GF

Administration & Support: Transportation Management & Security

- Federally mandated interactive airport employee training: \$30.0 RSS

FY2011 Budget Request

Aviation: Statewide Aviation

- Bethel Airport Building Lease Revenue Increase: \$88.0 I/A
- Legal Fees for Spring Trial – Willow/Unalaska Float Plane Facilities: \$50.0 RSS
- Increased travel for inspections, property management and training: \$20.0 RSS
- Increased Revenues from Appraisal Work for Non-Aviation use: \$50.0 RSS
- E-Leasing Web Page and Program Updates: \$100.0 RSS

FY2011 Budget Request

Measurement Standards and Commercial Vehicle Enforcement

- Computer Equipment Replacement Program – 16% per year: \$35.0 RSS
- Add 1 PFT Administrative Assistant for Audit Recommendation Implementation: \$67.1 RSS

FY2011 Budget Request

Design & Construction: Statewide Design & Engineering Services

- Transfer Harbor Program Development Administration funding from capital budget to operating (2009 legislative recommendation): \$275.0 GF

Design & Construction: Central Design & Engineering Services

- Increased utility permit work and related revenues: \$60.1 RSS

State Equipment Fleet

- Increased authority for operational costs for parts, commodities, services and fuel purchases: \$2,706.6 Highway/Equipment Working Capital Fund (HEWCF)

FY2011 Budget Request

Statewide Facility Maintenance & Operations: Central Region Facilities

- Interagency-receipts for increased building maintenance costs: \$10.0 I/A

Statewide Facility Maintenance & Operations: Northern Region Facilities

- Interagency-receipts for increased building maintenance costs: \$100.0 I/A
- New Peger Truck Wash and Brining Facility Maintenance and Operations Costs \$40.0 GF
- New Minto Snow Removal Equipment Building Maintenance and Operation Costs: \$12.0 GF
- Add two new maintenance specialist positions: \$190.0 GF

Traffic Signal Management:

- Increase in Municipality of Anchorage Traffic Signal Management Transfer of Responsibility Agreement (TORA): \$48.4 GF

FY2011 Budget Request

Highways and Aviation: Central Highways and Aviation:

- Oversight positions (2) of street sweeping and permit compliance – Environmental Protection Agency (EPA): \$188.0 GF
- Enforcement of Clean Water Act – Environmental Protection Agency (EPA) Street Sweeping and Permit compliance costs: \$1,682.0 GF

Highways and Arterials

- 2 times by June 1
- 1 time between June 1 & August 1
- 1 time between September 1 & October 1

Secondary Roads

- 1 time by June 1
- 1 time between June 1 & August 1
- 1 time between September 1 & October 1



FY2011 Budget Request

Highways and Aviation: Central Highways and Aviation Continued:

- Budget for Ongoing Capital Improvement Project Work: \$1,000.0 CIP
- Bridge Crew (Inspection and Repair) Training and Commodities 5% increase: \$20.0 GF
- Inter-agency receipts for increased Whittier Tunnel Maintenance and Operations: \$60.0 I/A

Highways and Aviation: Northern Highways and Aviation:

- Federal Highway Administration Americans with Disabilities Act (ADA) compliance requirements: \$305.0 GF
- Increase receipt supported services receipts for collection of funds for damage to highway fixtures: \$65.0 RSS

FY 2011 Budget Request

Marine Highway System: Marine Vessel Operations:

- Satellite Communications Contract – Ship to Shore Communications: \$1,000.0 Marine Highway System Fund

Marine Highway System: Marine Shore Operations:

- Bellingham Terminal Facilities Lease Increase – Annualize: \$500.0 Marine Hwy System Fund

- End -