



Alaska Department of Transportation & Public Facilities

FY2016 Governor's Endorsed Budget Overview

Presented to the House Finance Committee

Marc Luiken, Commissioner
Mary Siroky, Administrative Services Director

February 9, 2015



Mission and Core Services

“Keep Alaska Moving through service and infrastructure.”

Core Services:

- *Design, engineer, and manage* construction of transportation infrastructure and facilities
- Maintenance and operations of the state transportation systems
- Measurement standards/commercial vehicle enforcement



Priorities

- Live within our means
- Take care of what we have
- Operate and maintain safe and reliable roads, airports, ferries & facilities
- Ensure Alaska has the transportation infrastructure necessary to grow the economy
- Develop and implement efficiencies in both the operating and capital budgets

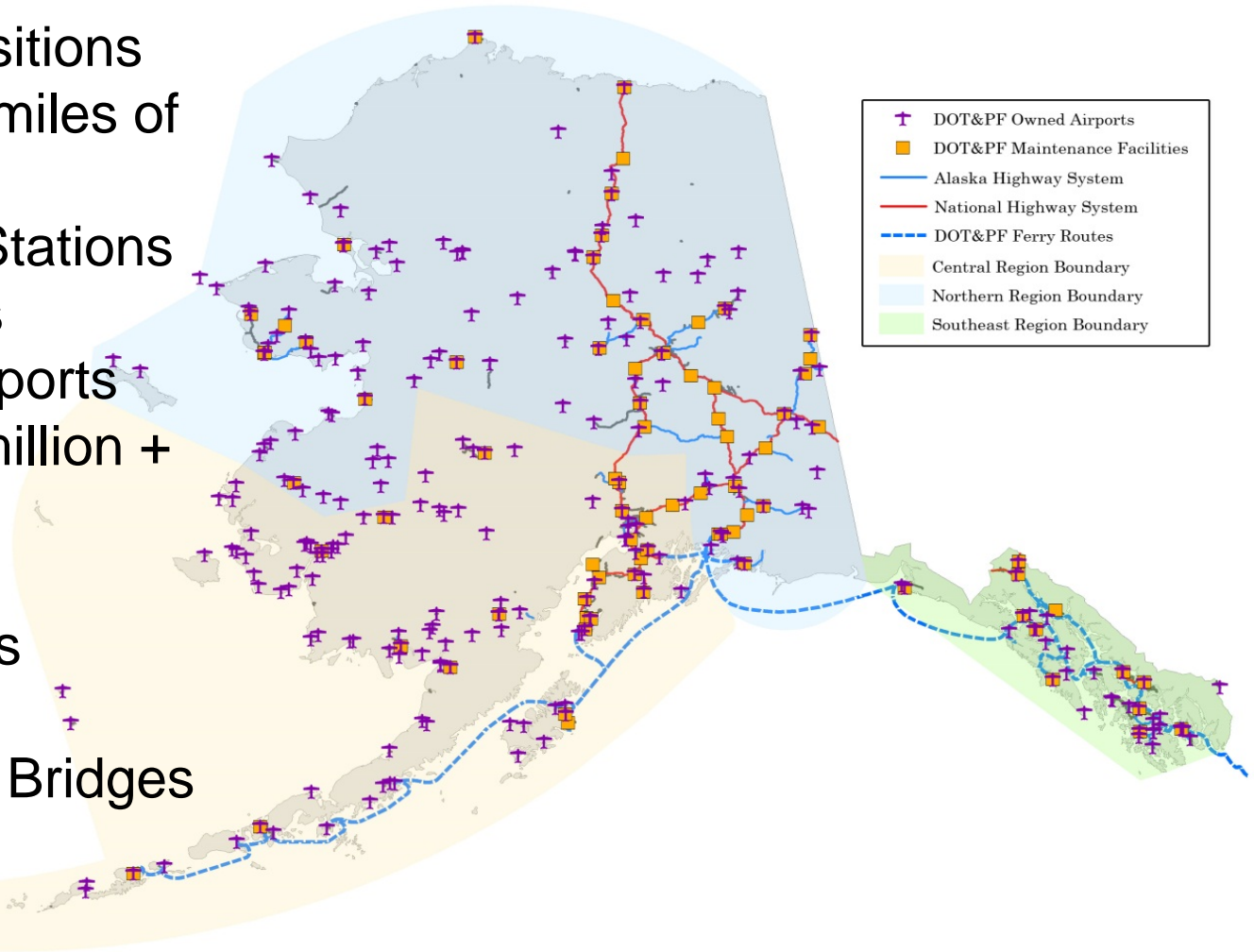


Statutory Requirements

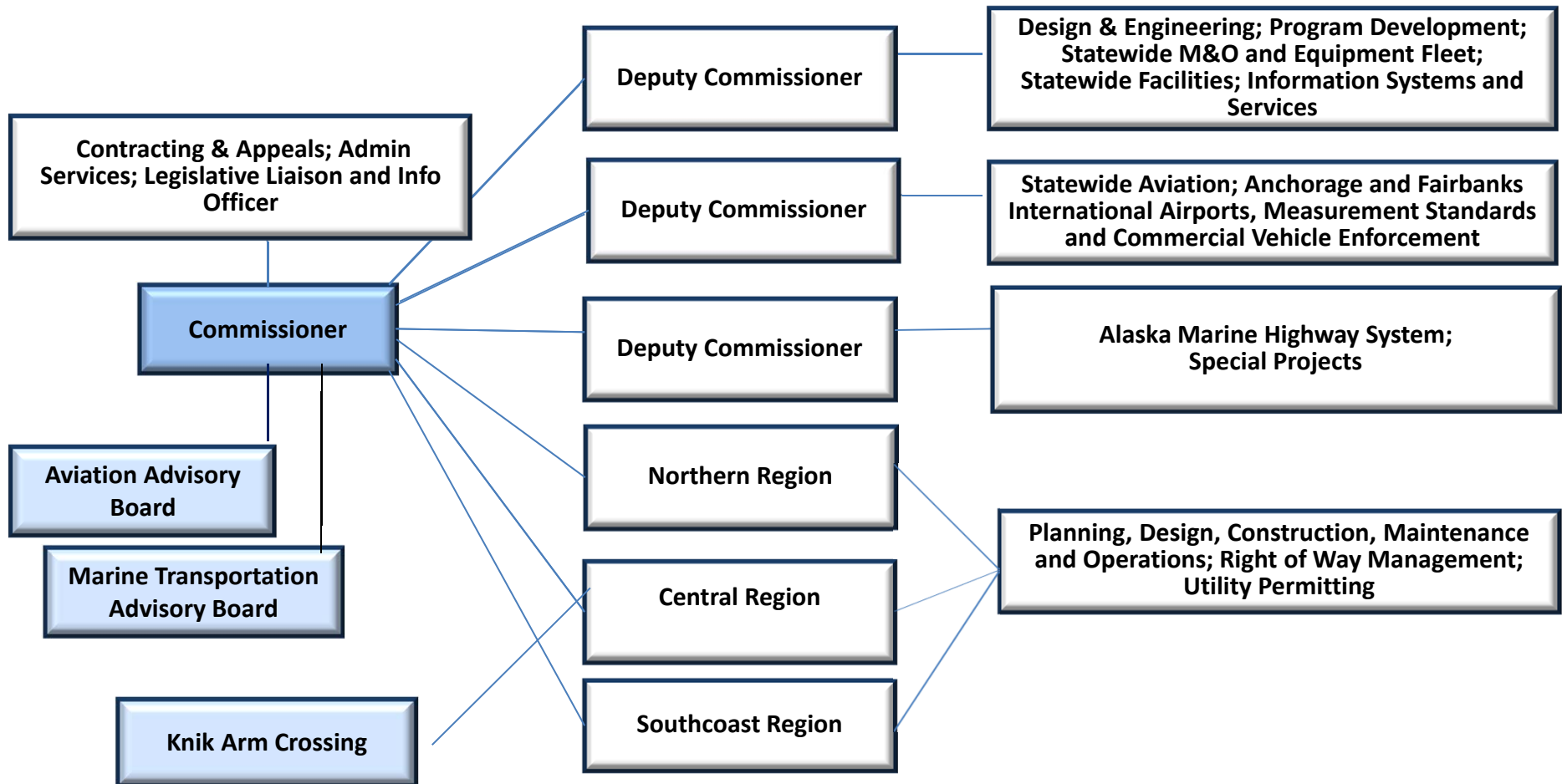
- AS 44.42 Department of Transportation and Public Facilities
- AS 44.68.010 Use of State-owned Vehicles
- AS 44.68.210 Highway Equipment Working Capital Fund
- AS 35 Public Buildings, Works, and Improvements
- AS 19 Highways and Ferries
 - AS 19.10 State Highway System
 - AS 19.10.300 Commercial Motor Vehicle Requirements
 - AS 19.25 Utilities, Advertising, Encroachment and Memorials
 - AS 19.65 Alaska Marine Highway System
 - AS 19.65.050 Alaska Marine Highway System Fund and Budget
 - AS 19.75 Knik Arm Bridge and Toll Authority
- AS 2 Aeronautics

DOT&PF Assets

- 3,180 full time positions
- 5,619 center line miles of roads/highways
- 79 Maintenance Stations
- 249 State Airports
- 2 International Airports
- 720 Facilities (4 million + sq. ft.)
- 11 Ferries
- 35 Ferry Terminals
- 22 Harbors
- 810 State Owned Bridges
- 7 Weigh Stations



Organization



DOT&PF Structure Overview

Commissioner's Office – Marc Luiken, Commissioner

- 20 full-time budgeted positions
- .6% of DOT&PF's FY2016 Endorsed Operating Budget Request
- \$3,522.6 (all sources)
- Department leadership, contracting appeals, transportation & management security
- Challenges – Reducing department costs while meeting Alaskan's needs for safe reliable transportation, Moving Ahead for Progress 21st Century (MAP-21), federal oversight

Administrative Services Division – Mary Siroky, Director

- 95 full-time budgeted positions
- 2.7% of DOT&PF's FY2016 Endorsed Operating Budget Request
- \$16,894.2 (all sources)
- Finance, budget, human resources, procurement, internal review, equal employment and civil rights, building management
- Challenges - implementation of the new accounting system; and increased federal financial reporting requirements

DOT&PF Structure Overview

Program Development – Jeff Ottesen, Director

- 34 full-time budgeted positions
- .7% of DOT&PF's FY2016 Endorsed Operating Budget Request
- \$4,630.0 (all sources)
- Statewide Transportation Improvement Program (STIP), federal-aid highway agreements, long range plan transportation plan, capital budget, Strategic Highway Safety Plan, Alaska Highway Safety Office, community transit program
- Challenges – increased federal oversight and requirements (Transportation Asset Management, Performance Measures), shifting of federal funds serving local roads and lesser highways to major highways (National Highway System)

Information Systems and Services Division – Bill Anker, Director

- 70 full-time budgeted positions
- 1.6% of DOT&PF's FY2016 Endorsed Operating Budget Request
- \$9,899.8 (all sources)
- System oversight, network support, security, application development and management, client support services, server and database administration, enterprise geospatial data system maintenance and reporting
- Challenges-implementation and maintenance of secure and reliable systems that maximize performance; consolidating disparate systems to minimize cost

DOT&PF Structure Overview

Statewide Design and Engineering Services – Roger Healy, Chief Engineer

- 78 full and part-time budgeted positions
- 2.2% of DOT&PF's FY2016 Endorsed Operating Budget Request
- \$13,818.7 budget request (all sources)
- Major division responsibilities are: bridge design, design and construction standards, asset management, materials and quality assurance, National Environmental Policy Act (NEPA) review and approval
- Challenges – implementing changes required by MAP-21, assuming federal responsibility for NEPA decisions, transitioning department to an asset/performance management agency, recruiting and retaining technical staff, continuous improvements through streamlining processes

Public Facilities – David Kemp, Chief

- 31 full-time budgeted positions
- .7% of DOT&PF's FY2016 Endorsed Operating Budget Request
- \$4,642.9 budget request (all sources)
- Project management for new construction and deferred maintenance for DOT&PF and other departments; Alaska Energy Savings Performance Program
- Challenges – range in complexity of the work; recruitment and retention

DOT&PF Structure Overview

Measurement Standards and Commercial Vehicle Enforcement – Dan Smith, Director

- 61 full-time budgeted positions
- 1.1% of DOT&PF's FY2016 Endorsed Operating Budget Request
- \$6,611.0 budget request (all sources)
- Commercial vehicle inspections, oversize permitting, weigh stations, weights and measuring device certification, metrology lab
- Challenges – attracting and retaining commercial vehicle inspectors, generating permit changes after hours, increasing federal regulations

Statewide Equipment Fleet – Diana Rotkis, Fleet Manager

- 164 full and part-time budgeted positions
- 5.4% of DOT&PF's FY2016 Endorsed Operating Budget Request
- \$34,040.6 budget request (all sources)
- Management of Highway Working Capital Equipment Fund (HWCF), credit card fuel process, fleet maintenance, parts and repairs, fleet procurement, fleet sales
- Challenges - increased cost of equipment and diagnostics; and training and attracting a skilled maintenance workforce in rural Alaska

DOT&PF Structure Overview

Statewide Aviation – John Binder, Deputy Commissioner

- 24 full-time budgeted positions
- .5% of DOT&PF's FY2016 Endorsed Operating Budget Request
- \$3,214.0 budget request (all sources)
- Aviation leasing, planning, capital program management, carrier compliance
- Challenges – increasing federal regulations, lack of geospatial information data, land-use compliance, airport obstructions, wildlife management

AK International Airport System (AIAS)—John Binder, Exec. Dir./Deputy Commissioner

- 478 full and part-time budgeted positions
- 13.3% of DOT&PF's FY2016 Endorsed Operating Budget Request
- \$83,402.8 budget request (all sources)
- Composed of Ted Steven's and Fairbanks International Airports
- Operate the system office, maintain the runways, float ponds, fields and equipment, manage the airside leases, manage the airport terminals and concessions, airport police and fire department.
- Challenges – International cargo mode shifts; competitor airports, carrier fleet mix changes, global economy

DOT&PF Structure Overview

Alaska Marine Highway System - John Falvey, General Manager

- 928 full-time and part-time budgeted positions
- 25.6% of DOT&PF's FY2016 Endorsed Operating Budget Request
- \$160,673.4 budget request (all sources)
- Provides management, reservation and marketing for the system, oversees the operation of the fleet and construction and repair of 11 vessels and 35 Terminals . Operates 3,500 route miles serving 35 ports of call
- Challenges – maintaining aging vessels requiring increased repair and refurbishment; adhering to yearly published schedules

Central Region – Robert Campbell, Regional Director

- 600 full and part-time budgeted positions
- 17.6% of DOT&PF's FY2016 Endorsed Operating Budget Request
- \$110,877.6 budget request (all sources)
- Planning; design & engineering; construction; facilities, highways, aviation maintenance and operation; traffic signal maintenance; Whittier Tunnel; Knik Arm Crossing
- Challenges – disasters, urban congestion, the public's expectations particularly for winter maintenance, recruitment and retention of equipment operators in rural areas

DOT&PF Structure Overview

Northern Region – Robert Campbell, Acting Regional Director

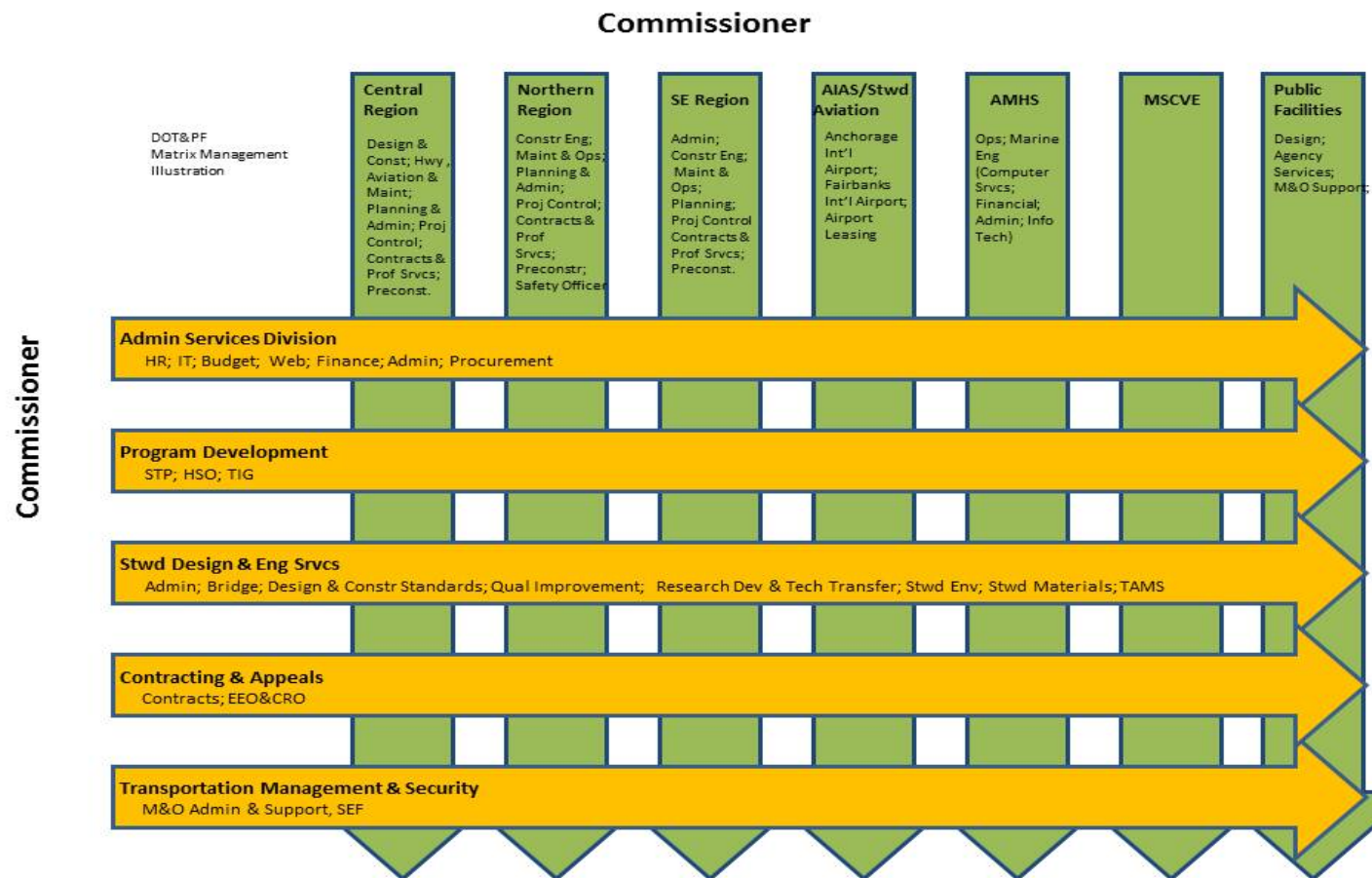
- 708 full and part-time budgeted positions
- 19.9% of DOT&PF's FY2016 Endorsed Operating Budget Request
- \$124,737.1 budget request (all sources)
- Planning; design & engineering; construction; facilities, highways and aviation maintenance and operation; traffic signal maintenance
- Challenges – disasters, meeting the public's expectations particularly for winter maintenance, recruitment and retention of equipment operators in rural areas

Southcoast Region – Vacant Regional, Director

- 276 full and part-time budgeted positions
- 8.2% of DOT&PF's FY2016 Endorsed Operating Budget Request
- \$51,292.3 budget request (all sources)
- Planning; design & engineering; construction; facilities, highways and aviation maintenance and operation; traffic signal maintenance
- Challenges – disasters, meeting the public's expectations particularly for winter maintenance, recruitment and retention of equipment operators in rural areas



Fabric of DOT&PF



CREDIT: Shelly Saviers & Amanda Holland

What did we Accomplish in 2014?

- Operated and maintained safe and reliable roads, airports, ferries & facilities
- Operational efficiencies
 - Use recapped tires Bethel pilot foreman
 - Closed gift shops Everyday lean innovations
- Organizational efficiencies
 - Information Systems and Services Division
 - Regional boundary change = Southcoast Region

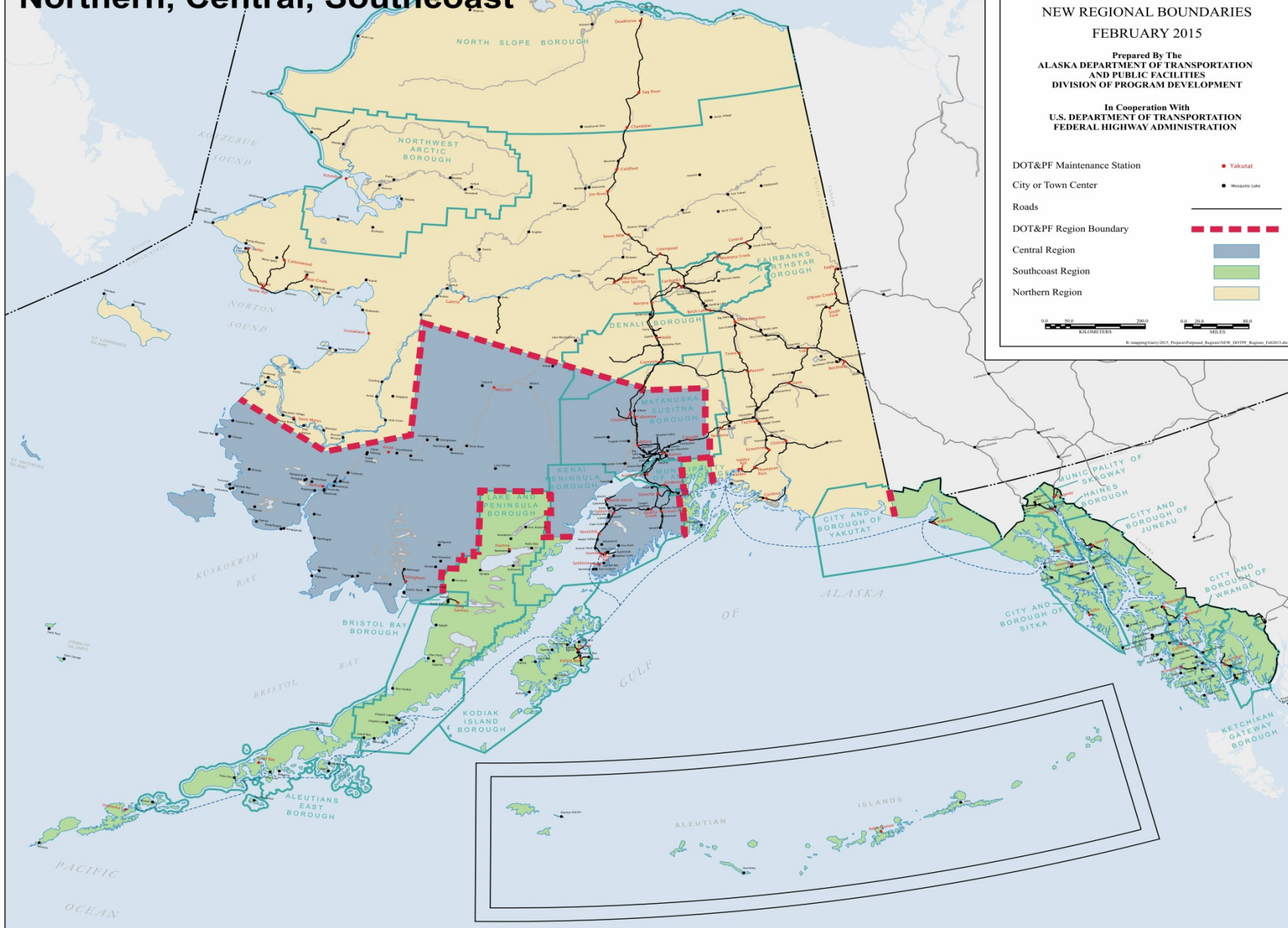
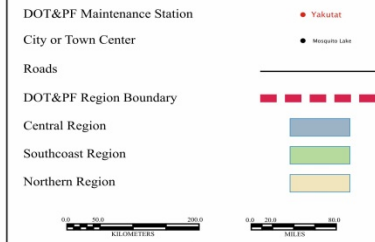
DOT&PF New Regional Boundaries: Northern, Central, Southcoast

ALASKA

DOT&PF REGIONS
NEW REGIONAL BOUNDARIES
FEBRUARY 2015

Prepared By The
ALASKA DEPARTMENT OF TRANSPORTATION
AND PUBLIC FACILITIES
DIVISION OF PROGRAM DEVELOPMENT

In Cooperation With
U.S. DEPARTMENT OF TRANSPORTATION
FEDERAL HIGHWAY ADMINISTRATION





Where are We Headed?

- Organizing to meet budget challenges
 - Consolidations and efficiencies
 - Minimize service level impact
 - Institute sustainable changes
- Continue to enhance legislative and public communications
- Exploring revenue generating opportunities

FY2016 Proposed Fee Increases

AMHS Fare Increase

- 4.5% = \$1.8M

Deadhorse Landing Fees

- \$285.0 in FY2016
 - \$570.0 in FY2017
-
- Whittier Tunnel Fare increase 10%



Challenges

- Balancing budget against public needs, changing conditions and expectations
- Moving Ahead for Progress 21st Century Act (MAP-21)
- Growing population in South Central
- Federal Oversight
 - Environmental
 - Processes
 - Financial
 - Reporting requirements

Operating Budget by Core Services

FY2015 Management Plan to FY2016 Adjusted Base Comparison

	FY2015 Management Plan					FY2016 Adjusted Base					
	<u>UGF</u>	<u>DGF</u>	<u>Other</u>	<u>Federal</u>	<u>Total</u>	<u>UGF</u>	<u>DGF</u>	<u>Other</u>	<u>Federal</u>	<u>Total</u>	<u>Changes from FY2015 Management Plan</u>
Maintenance & Operations of State Transportation Systems	\$ 269,852.5	\$ 57,642.6	\$ 143,437.5	\$ 2,850.4	\$ 473,783.0	\$ 270,470.7	\$ 57,883.8	\$ 143,956.3	\$ 2,854.3	\$ 475,165.1	\$ 1,382.1
Measurement Standards/Commercial Vehicle Enforcement	\$ 2,252.6	\$ 2,671.3	\$ 2,420.2	\$ -	\$ 7,344.1	\$ 2,288.8	\$ 2,713.6	\$ 2,465.0	\$ -	\$ 7,467.4	\$ 123.3
Transportation & Facilities Constructions Programs	\$ 6,499.5	\$ 7,853.8	\$ 133,556.4	\$ -	\$ 147,909.7	\$ 6,594.1	\$ 7,942.6	\$ 135,961.0	\$ -	\$ 150,497.7	\$ 2,588.0
Totals	\$ 278,604.6	\$ 68,167.7	\$ 279,414.1	\$ 2,850.4	\$ 629,036.8	\$ 279,353.6	\$ 68,540.0	\$ 282,382.3	\$ 2,854.3	\$ 633,130.2	\$ 4,093.4

Key Changes from FY2015 Management Plan to FY2016 Adjusted Base

	<u>UGF</u>	<u>DGF</u>	<u>Other</u>	<u>Federal</u>	<u>Total</u>
Salary and Health Insurance Increases	\$ 804.0	\$ 372.3	\$ 2,968.2	\$ 3.9	\$ 4,148.4
Reversal of One-Time Items (OTI)	\$ (55.0)	\$ -	\$ -	\$ -	\$ (55.0)
	<u>\$ 749.0</u>	<u>\$ 372.3</u>	<u>\$ 2,968.2</u>	<u>\$ 3.9</u>	<u>\$ 4,093.4</u>

Operating Budget by Core Services

FY2016 Adjusted Base to FY2016 Governor's Endorsed Budget Request Comparison

	FY2016 Adjusted Base					FY2016 Governor's Endorsed Budget Request					Changes from FY2015 Management Plan	% Increase/ (Decrease)
	UGF	DGF	Other	Federal	Total	UGF	DGF	Other	Federal	Total		
Maintenance & Operations of State Transportation Systems	\$ 270,470.7	\$ 57,883.8	\$ 143,956.3	\$ 2,854.3	\$ 475,165.1	\$ 259,598.8	\$ 60,808.0	\$ 148,067.4	\$ 2,028.7	\$ 470,502.9	\$ (4,662.2)	-1.0%
Measurement Standards/Commercial Vehicle Enforcement	\$ 2,288.8	\$ 2,713.6	\$ 2,465.0	\$ -	\$ 7,467.4	\$ 2,106.9	\$ 2,714.0	\$ 2,465.0	\$ -	\$ 7,285.9	\$ (181.5)	-2.4%
Transportation & Facilities Constructions Programs	\$ 6,594.1	\$ 7,942.6	\$ 135,961.0	\$ -	\$ 150,497.7	\$ 6,119.3	\$ 7,953.0	\$ 136,395.9	\$ -	\$ 150,468.2	\$ (29.5)	0.0%
	<u>\$ 279,353.6</u>	<u>\$ 68,540.0</u>	<u>\$ 282,382.3</u>	<u>\$ 2,854.3</u>	<u>\$ 633,130.2</u>	<u>\$ 267,825.0</u>	<u>\$ 71,475.0</u>	<u>\$ 286,928.3</u>	<u>\$ 2,028.7</u>	<u>\$ 628,257.0</u>	<u>\$ (4,873.2)</u>	<u>-0.77%</u>

% Increase from FY2016 Adjusted Base to FY2016 Governor's Endorsed Request (GF Only): -4.1%

Key Changes from FY2016 Adjusted Base to FY2016 Endorsed Governor's Request					
	UGF	DGF	Other	Federal	Total
Full National Environmental Policy Act Assignment ('6005')			\$ 1,235.4		\$ 1,235.4
Airport Maintenance Contracts and Insurance		\$ 110.8			\$ 110.8
Increase Highway Safety Corridor Safe Driving Program Authority	\$ 24.7				\$ 24.7
Mission Critical Incentive Pay-Bethel Airport		\$ 151.7	\$ 70.8		\$ 222.5
Deadhorse Airport Extended Operations	\$ 285.3	\$ 285.4			\$ 570.7
Parts and Supplies-State Equipment Fleet			\$ 1,100.0		\$ 1,100.0
Telematics Fleet Management System-State Equipment Fleet			\$ 250.0		\$ 250.0
Fund Source Change Due to Fare Increase-AMHS	(1,800.0)	\$ 1,800.0			\$ -
Continue Existing Alaska Marine Highway System Service Levels	\$ 2,317.4	\$ 567.1			\$ 2,884.5
Deicing Material Costs-International Airports			\$ 513.4		\$ 513.4
Maintenance and Support of Information Systems Development-AIA			\$ 153.0		\$ 153.0
Maintain Wildlife Hazard Management Contract-AIA			\$ 55.4		\$ 55.4
Replace Uncollectible Federal Receipt Authority with International Airport Revenue Fund Authority-AIA			\$ 500.0	\$ (500.0)	\$ -
Change Five Equip Operator Sub-Journey I Positions from Part-Time to Full-Time and Additional Authority-AIA			\$ 168.4		\$ 168.4
Services and Commodities Increases-AIA			\$ 1,124.8		\$ 1,124.8
Municipality of Anchorage Traffic Signal Management Transfer of Responsibility Agreement (TORA)	\$ 154.2		\$ 0.3		\$ 154.5
Reductions-Administration and Support RDU	(934.0)		\$ (100.0)		\$ (1,034.0)
Reductions-Design and Construction RDU	(278.8)		\$ (700.5)		\$ (979.3)
Reductions-International Airports RDU				\$ (325.6)	\$ (325.6)
Reductions-Alaska Marine Highway System RDU	(3,560.0)				\$ (3,560.0)
Reductions-Highways and Aviation Components	(7,347.5)				\$ (7,347.5)
Reductions-Facilities Components	(194.9)				\$ (194.9)
	<u>\$ (11,333.6)</u>	<u>\$ 2,915.0</u>	<u>\$ 4,371.0</u>	<u>\$ (825.6)</u>	<u>\$ (4,873.2)</u>

FY2016 Governor Endorsed Operating Budget Changes

New Initiatives

Deadhorse Airport Extended Operations	\$	570.7
Telematics Fleet Management System	\$	250.0
Full National Environmental Policy Act Assignment ('6005')	\$	1,235.4

One-Time Items

Reduce Naturally Occurring Asbestos Ch 13 SLA 2012	(HB 258) (Ch 15 SLA 12 P45 L30 P46 L1) (HB 284)	\$	(55.0)
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Position Count Reductions

9 full-time; 3 part-time; 4 non-permanent

Reductions

Administration & Support RDU	\$	(1,034.0)
Design & Construction RDU	\$	(979.3)
International Airports RDU	\$	(325.6)
Highways & Aviation Components	\$	(5,837.5)
Facilities Components	\$	(194.9)
Alaska Marine Highway System	\$	(3,560.0)
Total Reductions	\$	(11,931.3)

Fund Sources for Reductions: General Funds \$11,000.2; Federal \$325.6; Inter-agency \$700.5; Statutory Designated Program Receipts \$100.0

(Funding in Thousands)



Reductions

Administration and Support RDU

- Positions (3 PFT, 2 PPT), travel, supplies, services, use vehicle pools

Highways and Aviation – maintenance and operations

- 3 PFT positions Bethel airport– reduce operations to 5am to 10pm
- Winter maintenance – reduce 2 PFT positions, overtime, commodities
 - Will use service levels to set maintenance priorities
- Use federal preservation funding when allowable to do routine maintenance

• Design and Construction RDU

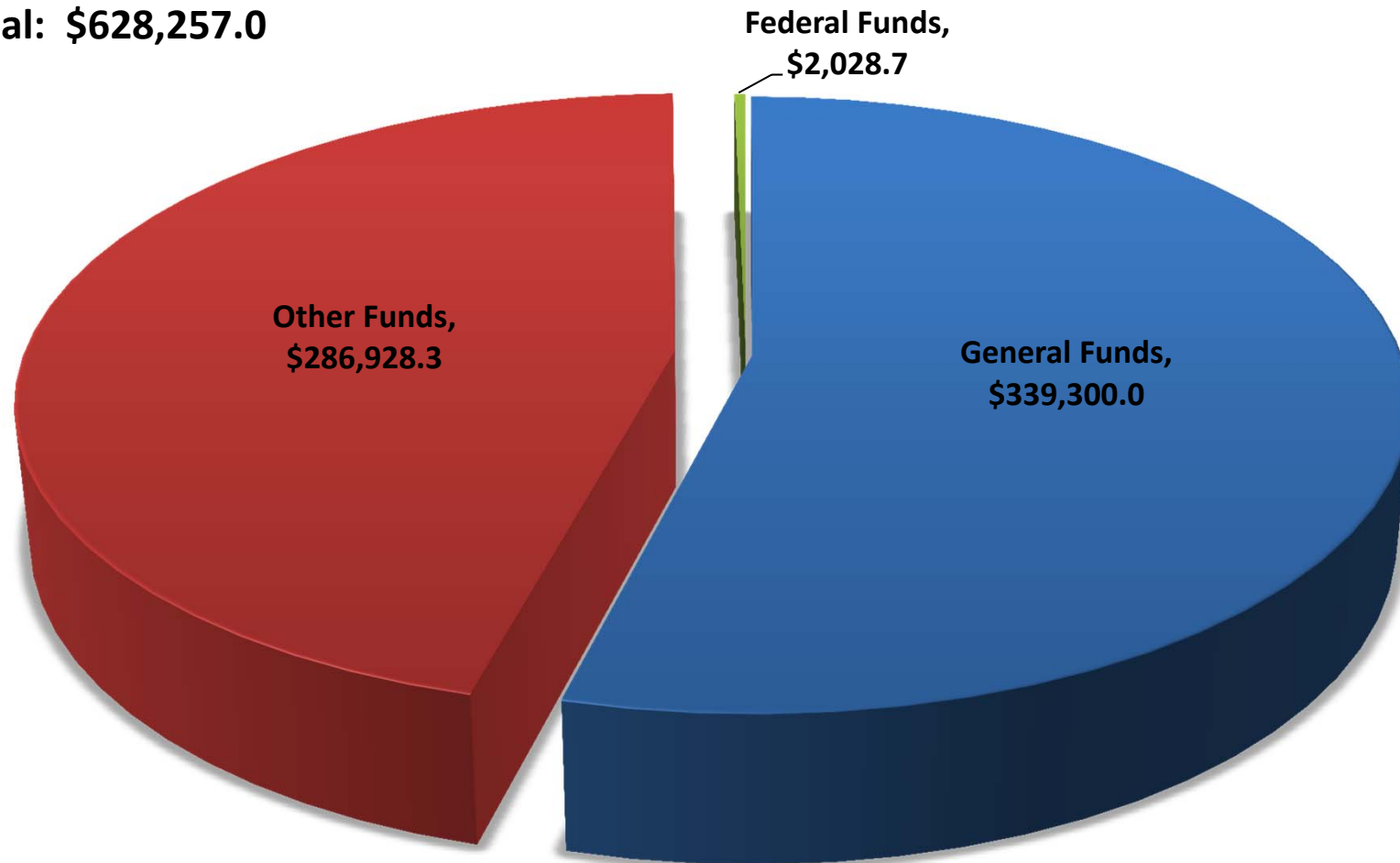
- Positions (1 PFT, 1 PPT, 4 NP) travel, training, services

• Alaska Marine Highway System

- Eliminate 39 weeks of service
- Bars

FY2016 Governor's Endorsed Budget

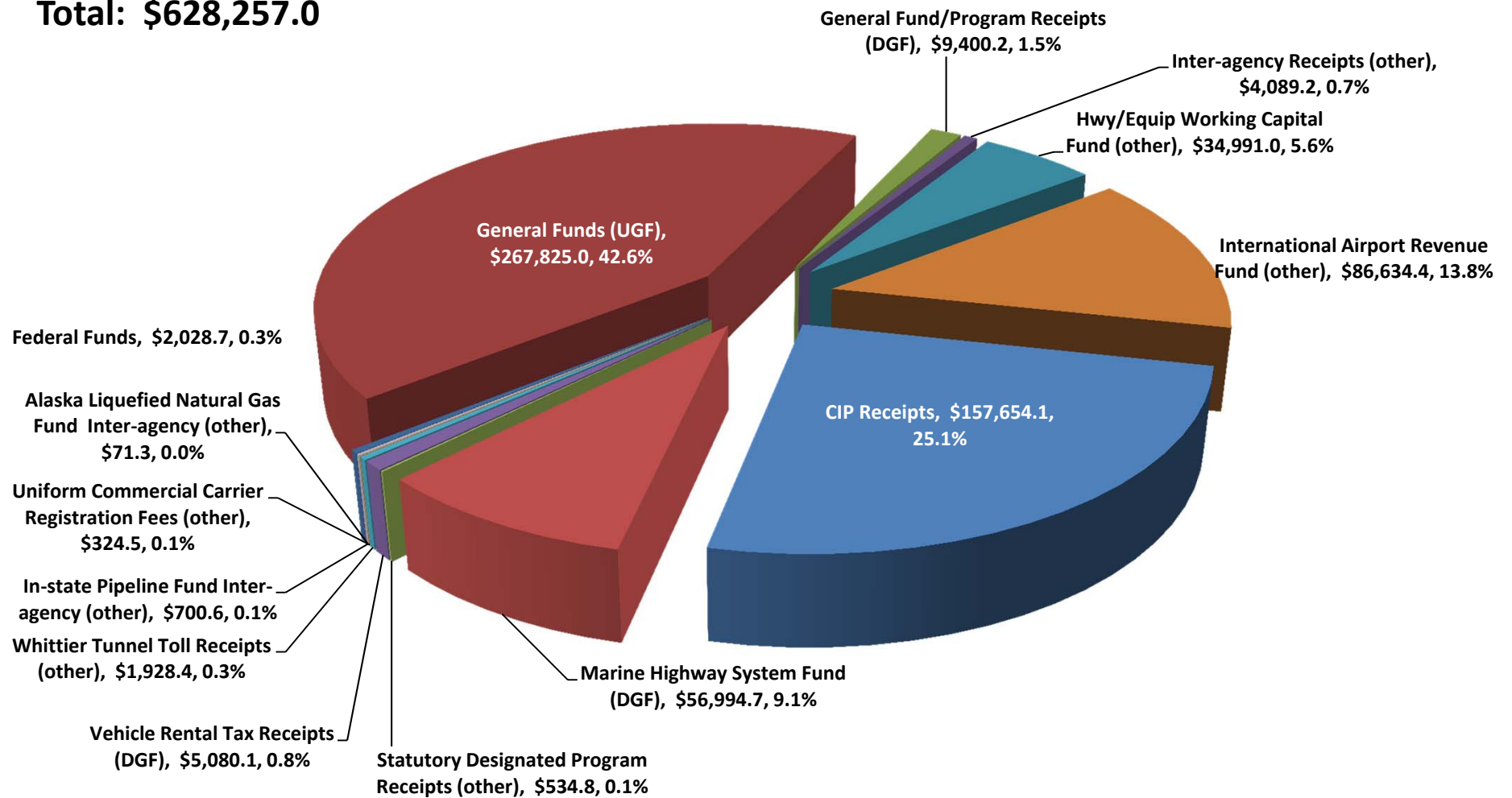
Total: \$628,257.0



(Funding in Thousands)

FY2016 Governor's Endorsed Operating Budget Funding Sources

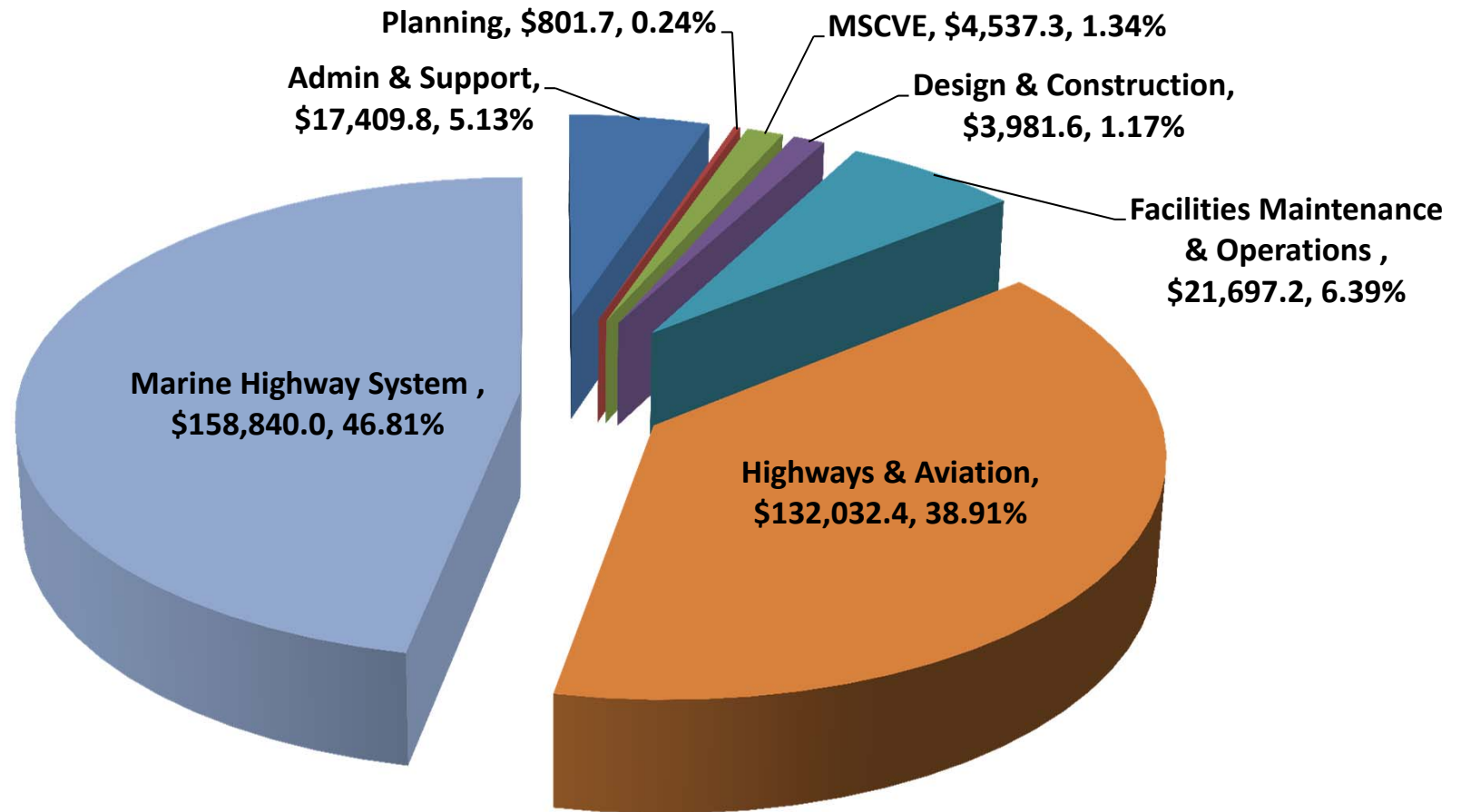
Total: \$628,257.0



(Funding in Thousands)

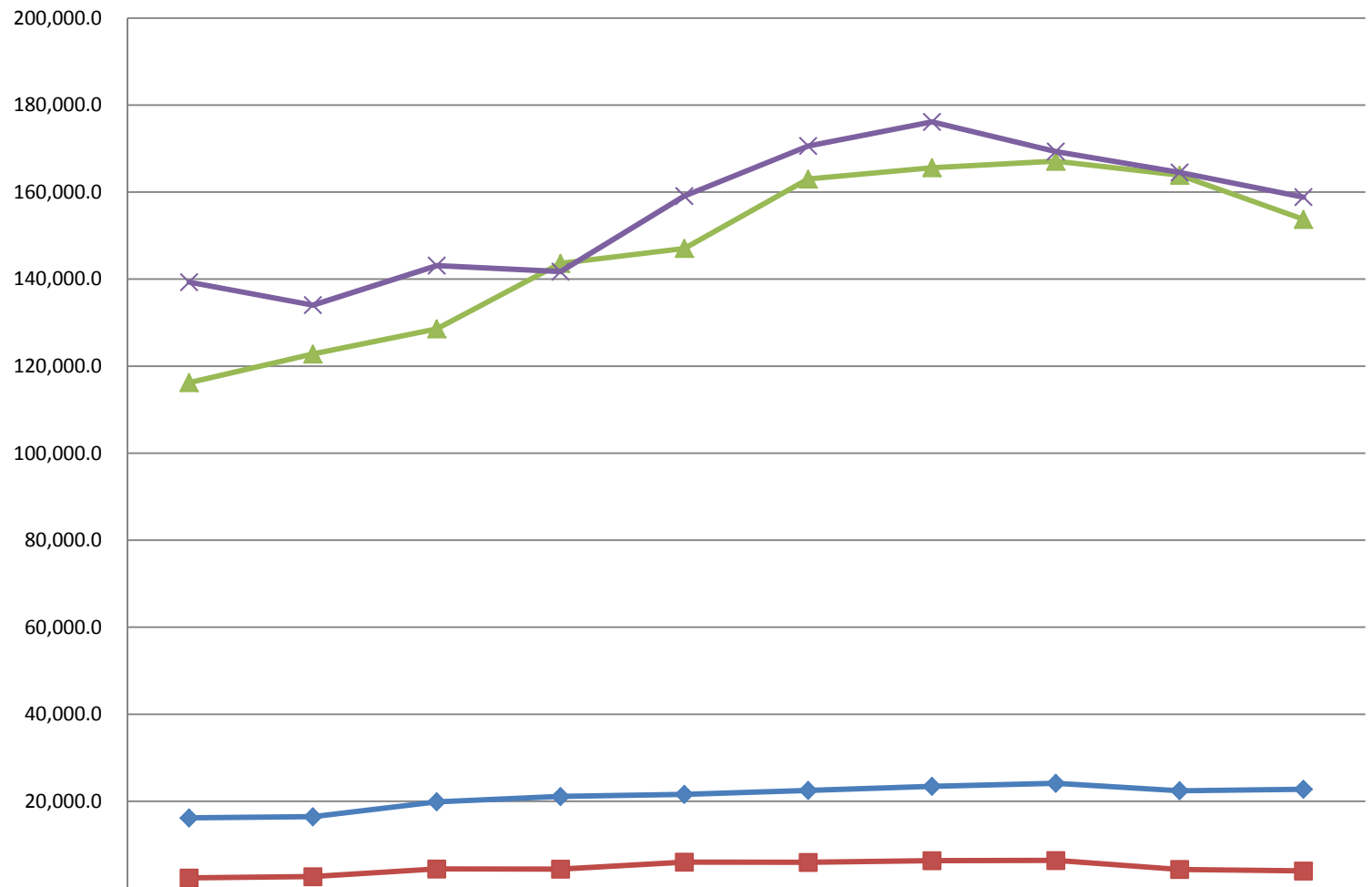
FY2016 General Fund Governor's Endorsed Operating Budget by Allocations

Total: \$339,300.0



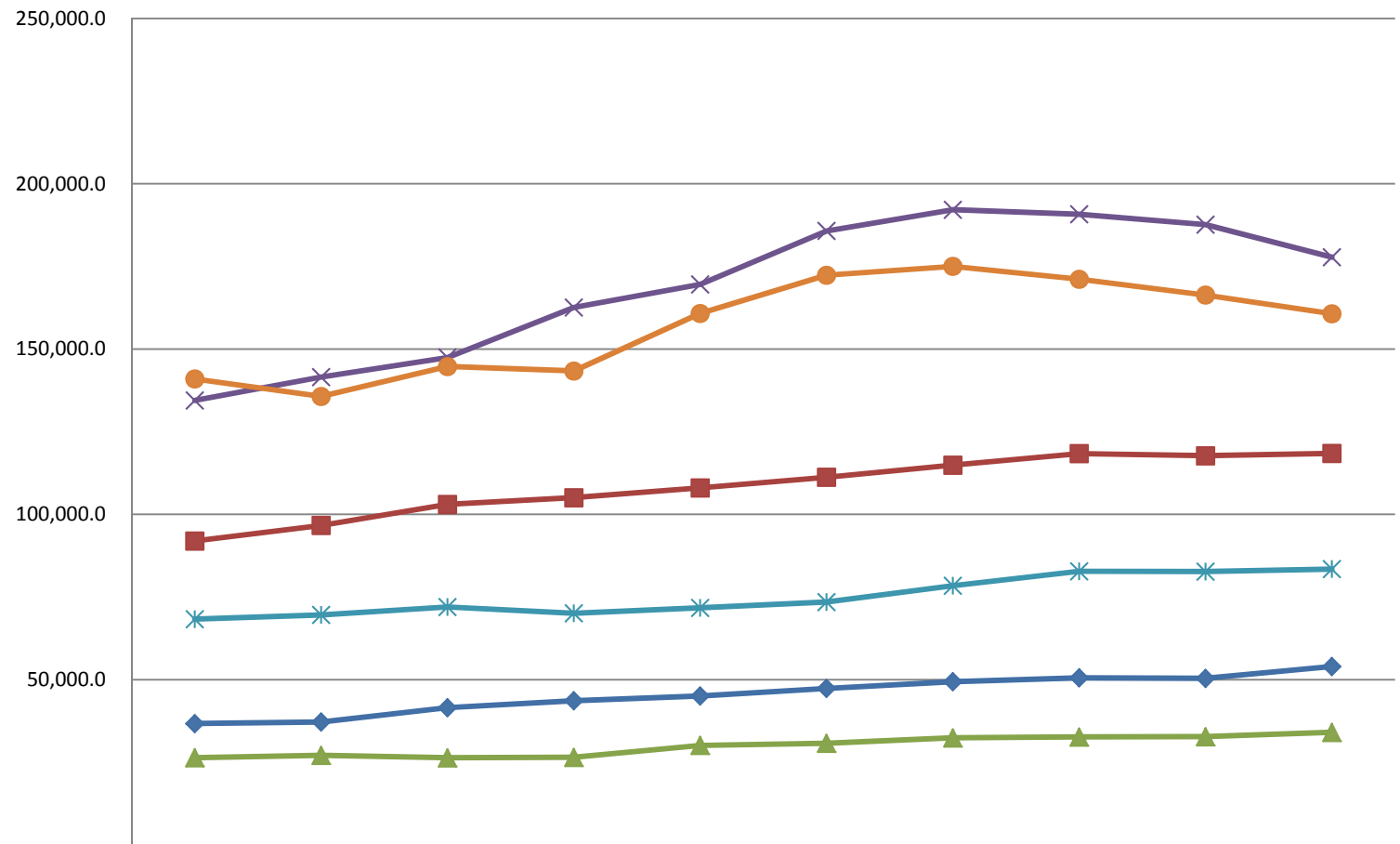
(Funding in Thousands)

**Appropriations within the Department of Transportation and Public Facilities
(GF Only)
(\$ Thousands)**



	07 MgtPln	08 MgtPln	09 MgtPln	10 MgtPln	11 MgtPln	12 MgtPln	13 MgtPln	14 MgtPln	15 MgtPln	16Gov 1/22
Administration and Support	16,178.0	16,444.2	19,879.6	21,101.1	21,587.0	22,479.3	23,428.0	24,122.2	22,424.4	22,748.8
Design, Engineering and Construction	2,371.9	2,685.4	4,444.2	4,395.4	6,007.4	5,961.6	6,343.5	6,390.3	4,335.9	3,981.6
Highways, Aviation and Facilities	116,212.6	122,789.3	128,567.9	143,617.1	147,058.0	163,011.3	165,596.4	167,092.9	163,880.8	153,729.6
Marine Highway System	139,305.2	134,026.7	143,099.3	141,704.9	159,086.8	170,601.3	176,127.8	169,320.5	164,523.7	158,840.0

Appropriations within the Department of Transportation and Public Facilities
(All Funds)
(\$ Thousands)

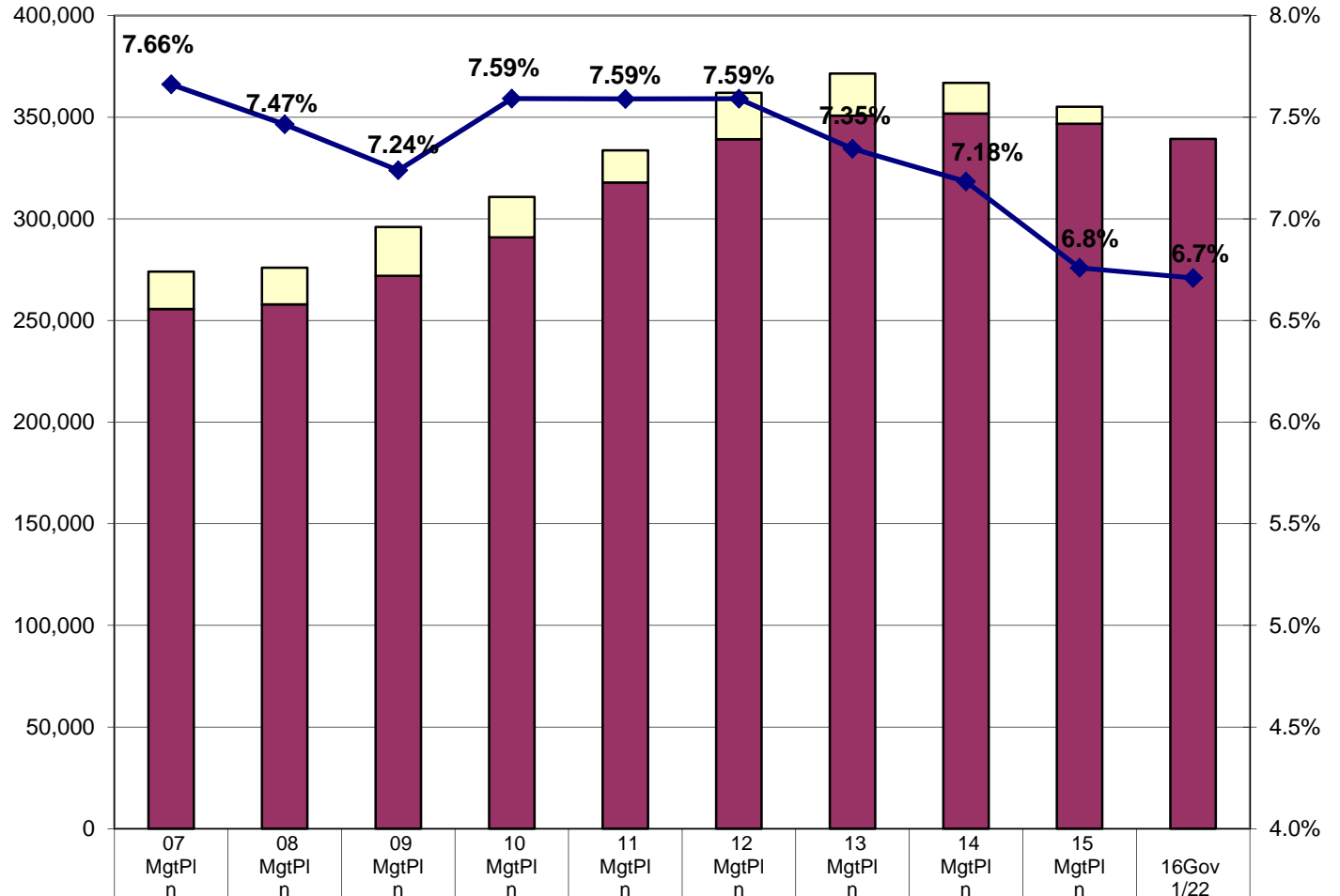


	07 MgtPln	08 MgtPln	09 MgtPln	10 MgtPln	11 MgtPln	12 MgtPln	13 MgtPln	14 MgtPln	15 MgtPln	16Gov 1/22
Administration and Support	36,705.5	37,166.4	41,498.1	43,593.6	45,046.8	47,325.1	49,361.3	50,520.7	50,367.8	53,962.2
Design, Engineering and Construction	91,948.6	96,640.4	102,996.3	105,018.7	108,007.7	111,209.6	114,880.3	118,369.4	117,722.0	118,402.2
State Equipment Fleet	26,368.8	27,100.2	26,343.0	26,494.2	30,102.8	30,736.4	32,380.7	32,648.6	32,743.3	34,040.6
Highways, Aviation and Facilities	134,443.4	141,508.1	147,437.3	162,569.7	169,529.3	185,707.4	192,121.5	190,745.4	187,610.5	177,775.8
International Airports	68,272.0	69,559.8	71,967.4	70,053.4	71,694.7	73,439.1	78,401.3	82,758.3	82,665.5	83,402.8
Marine Highway System	140,944.7	135,666.2	144,702.0	143,347.5	160,774.2	172,331.0	175,012.6	171,115.8	166,320.2	160,673.4

Department of Transportation & Public Facilities Share of Total Agency Operations (GF Only) (\$ Thousands)

The department's GF budget grew by \$65.2 million between FY07 and the FY16 Governor's 1/22 GF Request - an average annual growth rate of 2.4%.

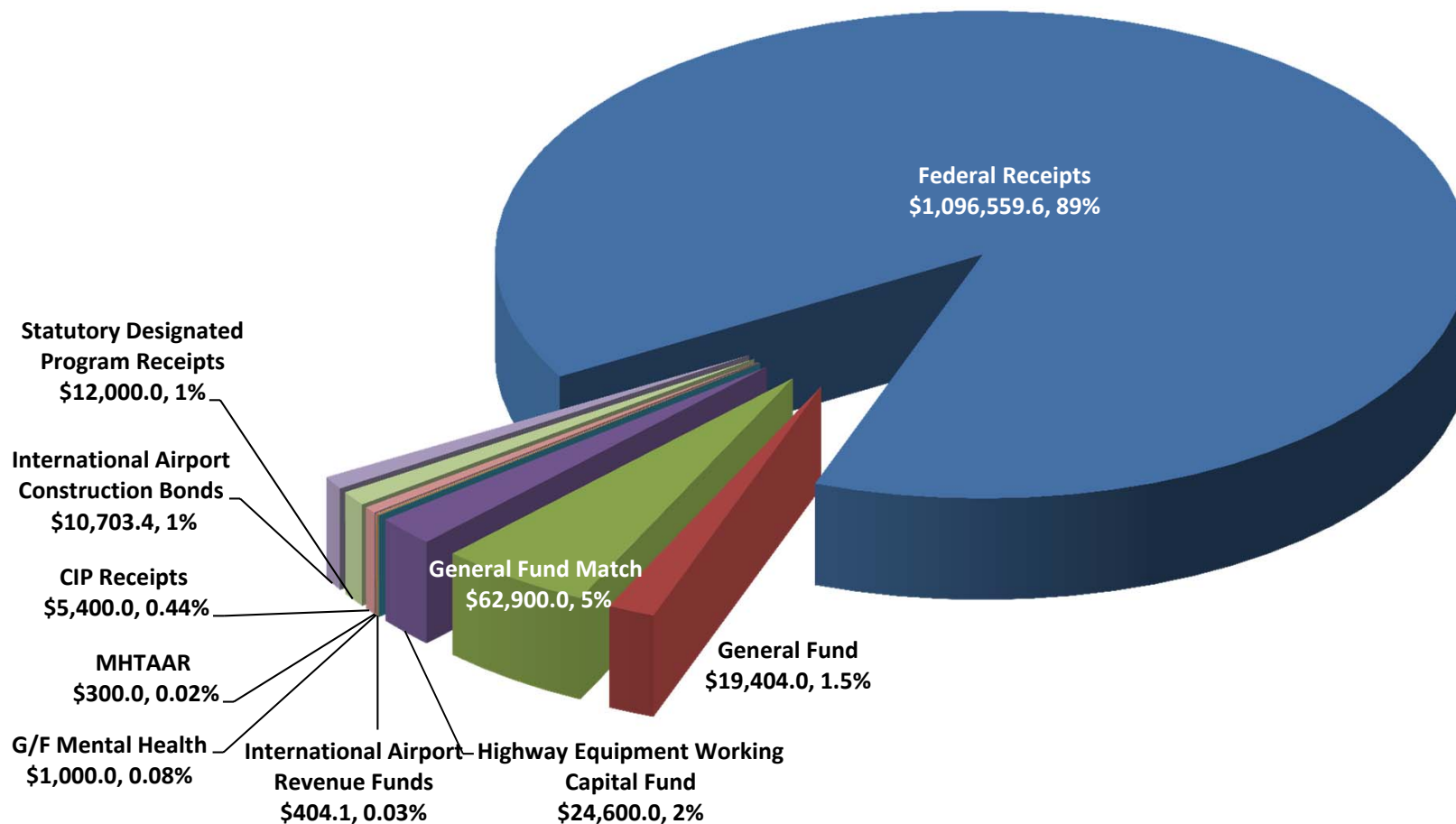
The department's total FY16 Governor's 1/22 GF budget request equals \$1,018 per resident worker.*



Fuel Trigger Distribution	18,442.0	18,011.8	24,026.0	19,935.3	15,850.1	22,853.2	20,681.6	15,116.7	8,392.5	-
GF Budget (Less Fuel Trigger)	255,625.7	257,933.8	271,965.0	290,883.2	317,889.1	339,200.3	350,814.1	351,809.2	346,772.3	339,300.0
% of Agency Budget to Total Agencies' budgets	7.66%	7.47%	7.24%	7.59%	7.59%	7.59%	7.35%	7.18%	6.8%	6.7%

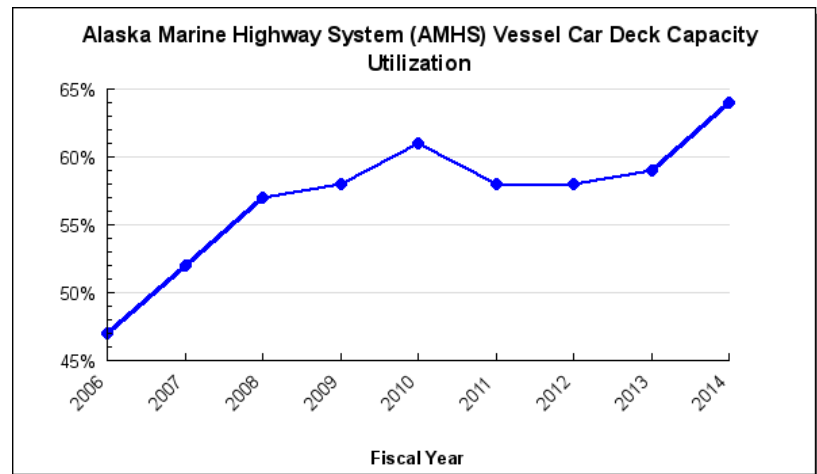
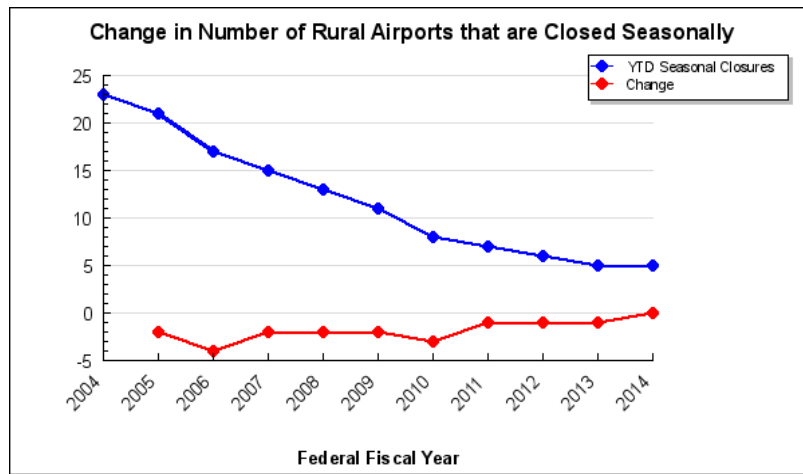
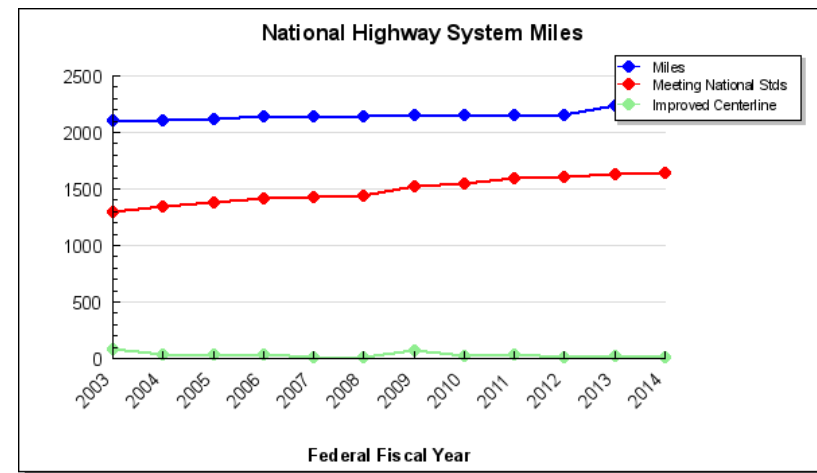
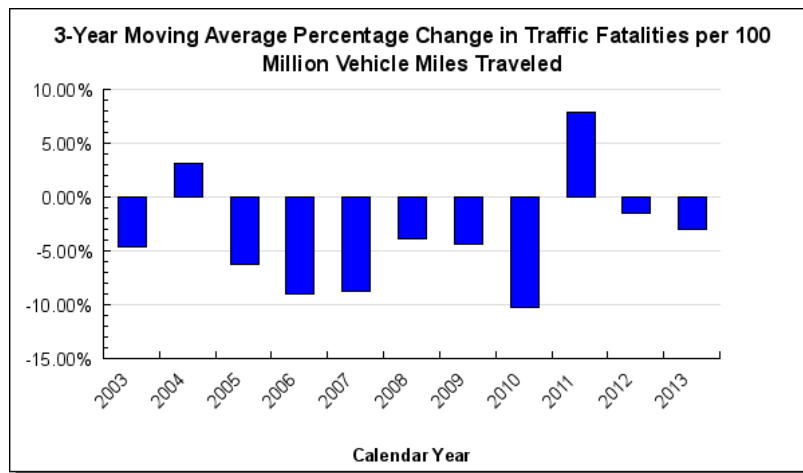
FY2016 Governor's Endorsed Capital Budget

Total: \$1,233,271.1



(Funding in Thousands)

Measures and Results



DOT&PF Information Sources

- DOT&PF Website <http://dot.state.ak.us/>
- 511 – Traveler Information (Road Conditions, Road Weather Information System...)
<http://511.alaska.gov/alaska511/mappingcomponent>
- Navigator Construction Status - <http://alaskanavigator.org/>
- Active Project Status - <http://dot.alaska.gov/projects-status/>
- Links to Project Websites http://dot.alaska.gov/project_info/index.shtml
- State Transportation Improvement Program
<http://www.dot.state.ak.us/stwdplng/cip/stip/index.shtml>
- Office of Management & Budget Performance Reporting
<https://www.omb.alaska.gov/html/performance/departments-details.html>

Information



Current Information on Alaska's Roadways

- Weather Cameras
- Weather Watches
- Road Construction
- Future Construction
- Incidents
- Driving Conditions
- Available by Phone or on the web

Project Information Reporting Improvements on web



RWIS Camera

Parks Highway @ Little Coal Creek MP 163.2

Fair Driving Conditions

Elliott Highway from Steese Highway to Milepost 27

Warnings: Reduce your speed - Drive with headlights on - Be prepared for winter driving .

Atmospherics: - Cloudy - Fog .

Pavements: Icy patches - Rough icy patches
Road surface in poor condition .

Snow:

Wind Speed:

Last updated: Jan 5, 2011

Road construction

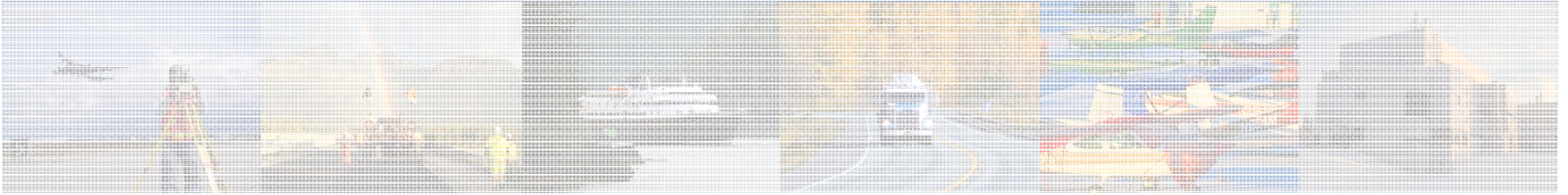
Alaska Highway from Milepost 1222 to Milepost 1235

roadwork

Closures: Future lane closure - Short delays (5 - 15 min) .

Warnings: Be prepared to stop - Heavy equipment on roadway - Heavy equipment on shoulder - Use caution when traveling through this area - Use extreme caution - Warning - Workers on roadway -

Last updated: Dec 27, 2010 12:07 PM



Questions?