



Alaska Department of Transportation & Public Facilities

DOT&PF Overview, Federal Impacts, AMHS

Rob Carpenter, Deputy Commissioner
Dom Pannone, Administrative Services Director

February 14, 2022

Our mission is to ***Keep Alaska Moving*** through service and infrastructure.

Agenda



DOT&PF Overview

Overview of FY2023 Governors Budget

Federal Impacts

Direct Federal Funding and COVID Relief Funding

Alaska Marine Highway System (AMHS)

Budget and Overview

FY2023 Governor's Proposed Operating Budget

High Level Overview:

- Decrease over last year -\$76,937.2 (-\$60,435.9 UGF)
- No service level reductions
- Continued use of federal covid relief funds* in place of UGF
- Service level increase for the Alaska Marine Highway System (AMHS)
- Use of federal Bipartisan Infrastructure Law (BIL)** funds in AMHS
- Other IIJA/BIL provisions & impacts unknown, not included



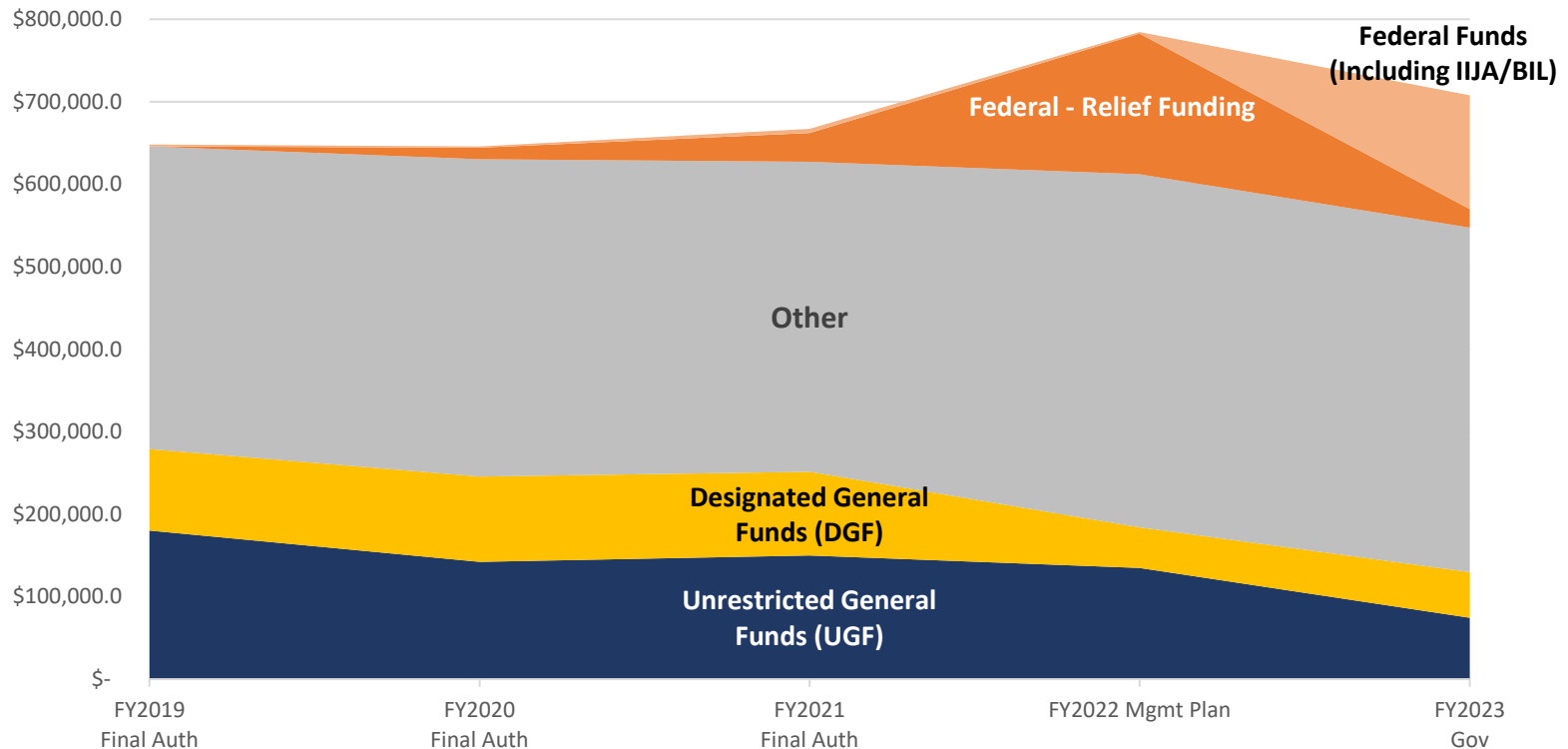
* Federal covid relief funds:

- The Coronavirus Aid, Relief, and Economic Security Act (CARES)
- The Coronavirus Response and Relief Supplemental Appropriations Act of 2021 (CRRSAA)
- The American Rescue Plan Act (ARP)

** The Infrastructure Investment and Jobs Act (IIJA) is referred to as the BIL by our federal partners



Budget History



Fund Source	FY2019 Final Auth	FY2020 Final Auth	FY2021 Final Auth	FY2022 Mgmt Plan	FY2023 Gov
Unrestricted General Funds (UGF)	\$ 179,988.7	\$ 142,107.7	\$ 149,963.0	\$ 134,943.4	\$ 74,507.5
Designated General Funds (DGF)	\$ 98,821.1	\$ 103,419.1	\$ 101,422.8	\$ 49,131.7	\$ 55,386.9
Other	\$ 367,061.7	\$ 384,622.1	\$ 375,619.8	\$ 427,871.7	\$ 417,365.5
Federal - Relief Funding	\$ -	\$ 14,000.0	\$ 35,000.0	\$ 170,638.2	\$ 22,392.2
Federal Funds (Including IIJA/BIL)	\$ 2,135.1	\$ 1,617.1	\$ 4,871.1	\$ 1,932.0	\$ 137,927.7
TOTAL	\$ 648,006.6	\$ 645,766.0	\$ 666,876.7	\$ 784,517.0	\$ 707,579.8

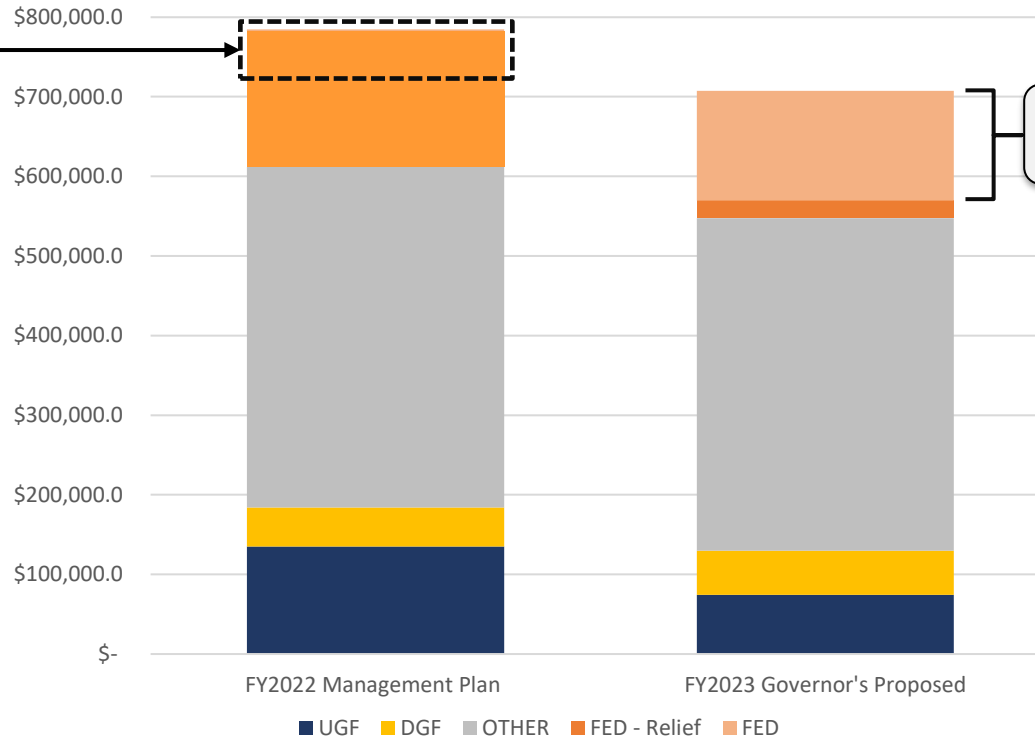
i Note: FY2022 Mgmt Plan includes \$64,236.1 for AMHS forward funding.

\$ in Thousands (1,000)

FY2022, FY2023 Comparison



\$64M of AMHS
One-Time Forward Funding



\$135M of AMHS
Federal Funding



	FY2022 Management Plan	FY2023 Governor's Proposed	\$ Difference FY2022 and FY2023	% Difference FY2021 and FY2022
UGF	\$ 134,943.4	\$ 74,507.5	\$ (60,435.9)	-45%
DGF	\$ 49,131.7	\$ 55,386.9	\$ 6,255.2	13%
OTHER	\$ 427,871.7	\$ 417,365.5	\$ (10,506.2)	-2%
FED - Relief	\$ 170,638.2	\$ 22,392.2	\$ (148,246.0)	-87%
FED	\$ 1,932.0	\$ 137,927.7	\$ 135,995.7	7039%
TOTAL	\$ 784,517.0	\$ 707,579.8	\$ (76,937.2)	-10%

\$ in Thousands (1,000)



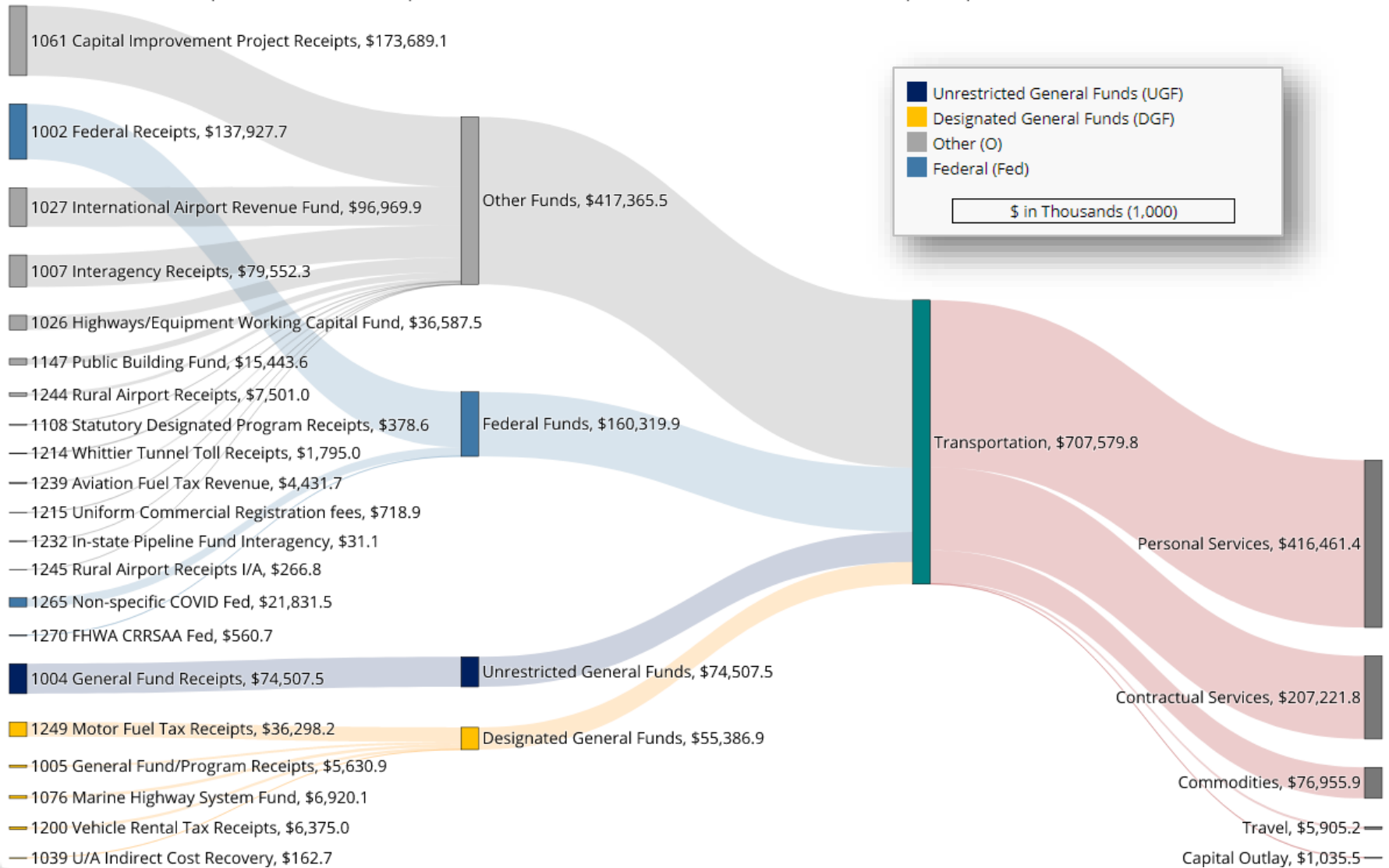
RDU Funding Level Comparison

- Office of Information Technology, -\$399.2
- Information Systems & Services +/- \$3.9M
- Federal Funding Reversals, -\$20.3M
- Division of Facilities Services technical, -\$11.5M
- AMHS service increase, no budgetary layups

Function	FY2022 Mgmt Plan	FY2023 Gov	Change
Facilities Services	\$ 111,030.1	\$ 99,341.4	\$ (11,688.7)
Admin & Support	\$ 69,319.8	\$ 51,954.9	\$ (17,364.9)
Design, Engineering and Construction	\$ 124,643.8	\$ 118,431.1	\$ (6,212.7)
State Equipment Fleet	\$ 35,670.2	\$ 35,691.3	\$ 21.1
Highways, Aviation and Facilities	\$ 165,513.2	\$ 163,011.5	\$ (2,501.7)
International Airports	\$ 95,436.3	\$ 95,184.5	\$ (251.8)
Alaska Marine Highway System (AMHS)	\$ 182,903.6	\$ 141,754.4	\$ (41,149.2)
AMHS less Forward Funding	\$ 118,667.5	\$ 141,754.4	\$ 23,086.9



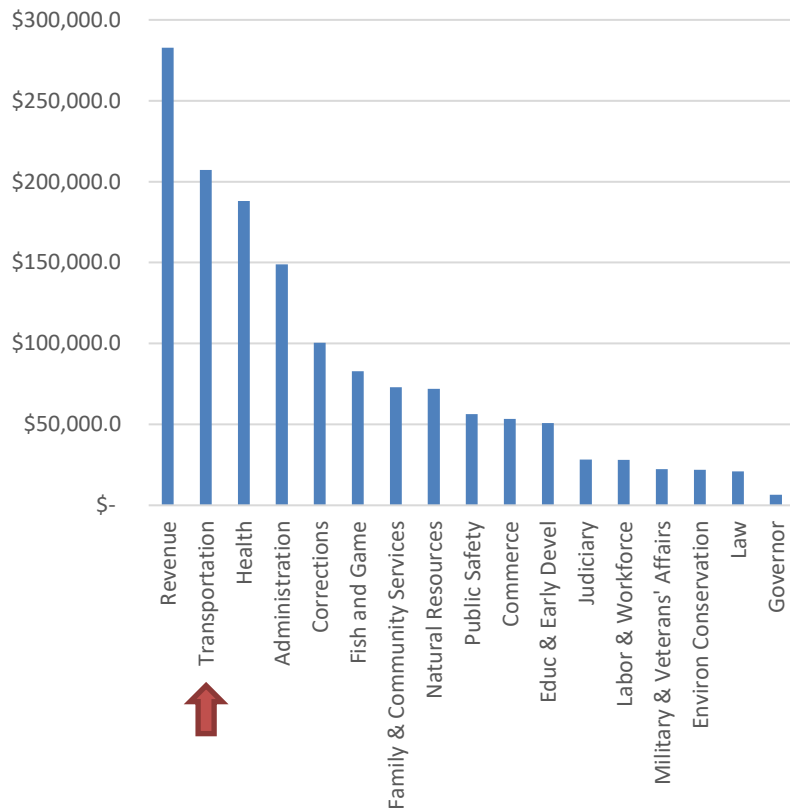
FY2023 Budget Composition



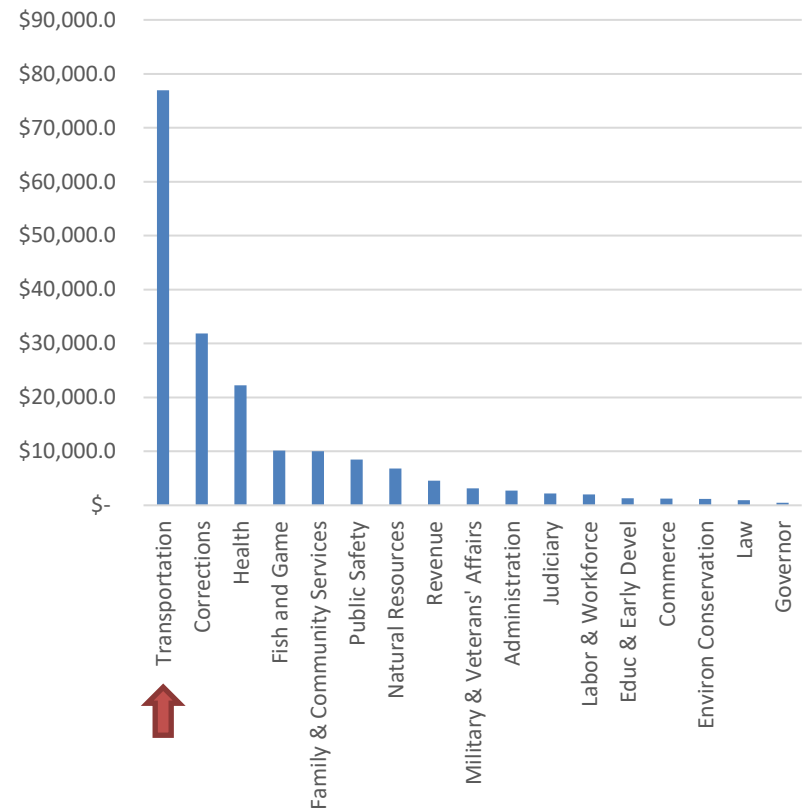
<https://dot.alaska.gov/admsvc/budget/>

Contractual Services and Commodity Budgets

Budgeted Contractual Services

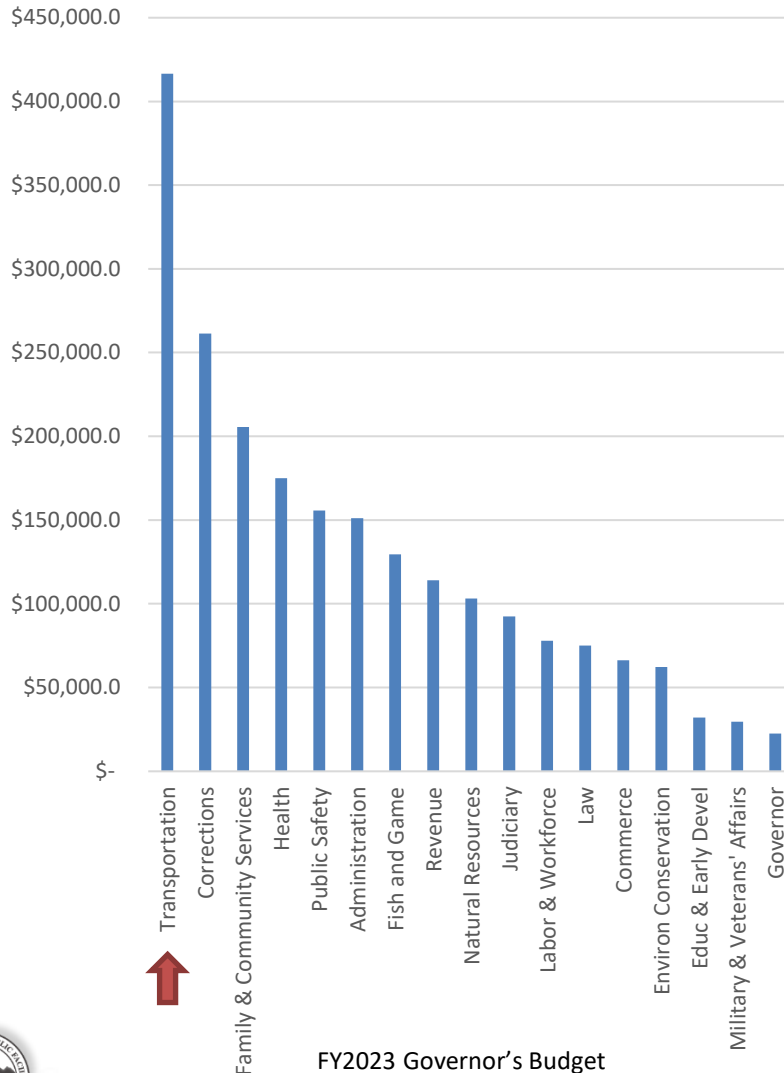


Budgeted Commodities

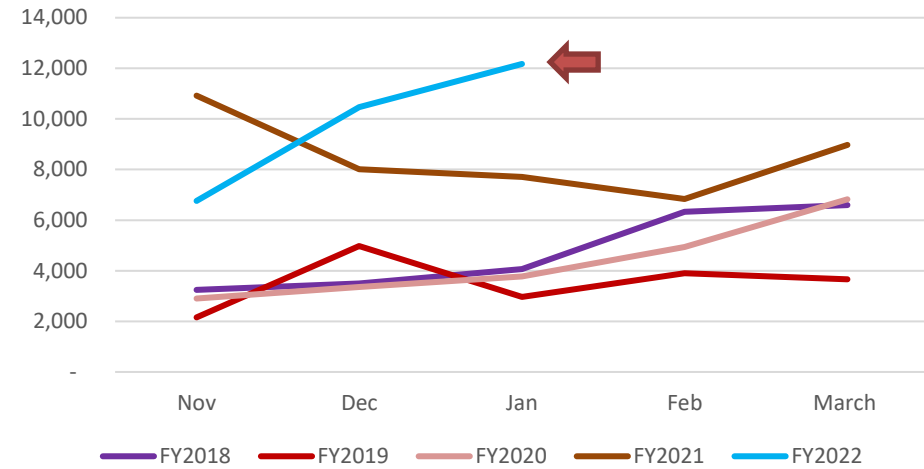


Workforce Trends

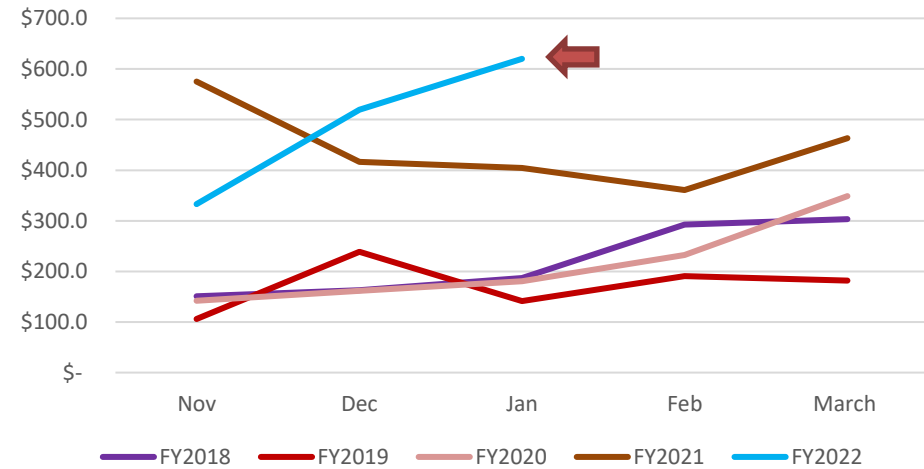
Budgeted Personal Services



DOT Equipment Operator Overtime Hours



DOT Equipment Operator Overtime Total Cost

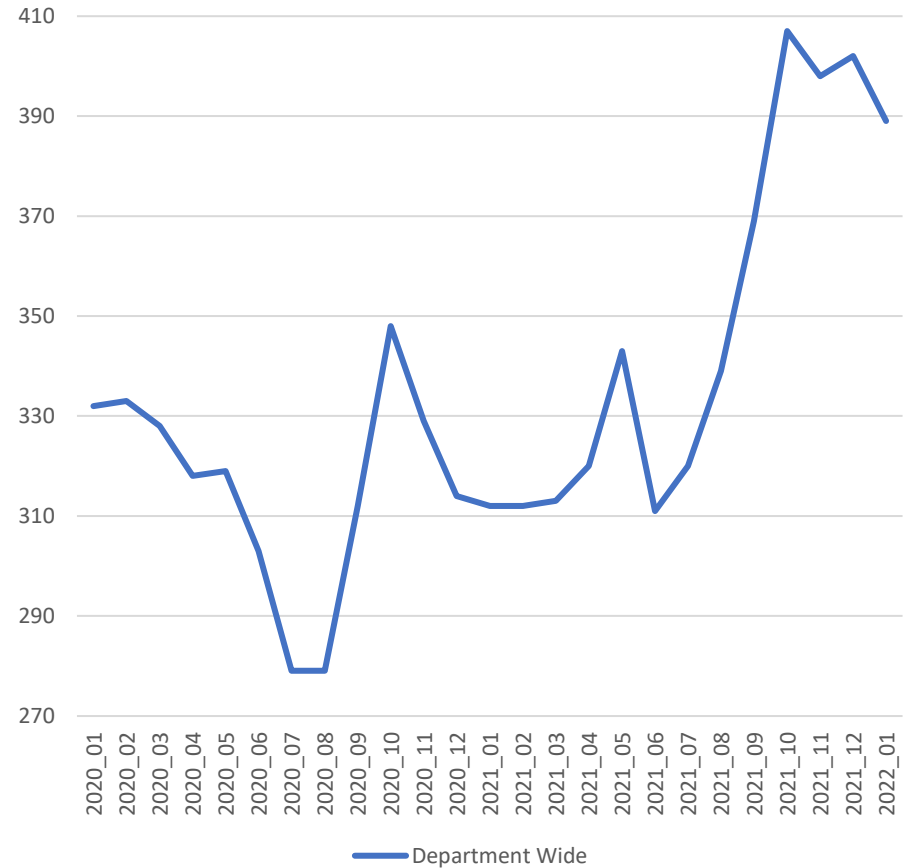


\$ in Thousands (1,000)

Workforce Trends

Month	Department Wide	Equipment Operators	DFS LTC	SEF
2020_01	332	73	15	10
2020_02	333	74	16	10
2020_03	328	66	17	10
2020_04	318	69	16	7
2020_05	319	69	16	7
2020_06	303	62	17	8
2020_07	279	58	18	6
2020_08	279	61	17	8
2020_09	312	80	16	10
2020_10	348	107	19	10
2020_11	329	90	21	9
2020_12	314	78	20	7
2021_01	312	76	21	8
2021_02	312	80	21	7
2021_03	313	77	21	8
2021_04	320	78	21	8
2021_05	343	105	21	9
2021_06	311	79	25	13
2021_07	320	91	24	12
2021_08	339	99	24	15
2021_09	369	119	25	17
2021_10	407	145	24	20
2021_11	398	119	28	20
2021_12	402	121	28	19
2022_01	389	114	27	18

Vacant Positions, Department Wide, 2 Years



Excludes Alaska Marine Highway System, DFS = Division of Facilities Services, SEF = Statewide Equipment Fleet





Workforce Strategies

Mission Critical Incentive Pay (MCIP)

- Fund mission critical incentive pay (MCIP) for Bethel Airport foreman and equipment operators, \$100.0
- Fund mission-critical pay for Fairbanks electricians and Nome duty station equipment operator, \$279.0

Dalton 2x2

Attracts and retains talent from locations with larger workforce pools.



District	Fairbanks	Denali	Tok	Tazlina	Valdez	Dalton	Western	Regional Total
Permanent FT Positions	49	17	20	24	14	61	30	215
Permanent Seasonal Positions	3	7	15	12	10	3	0	50
Total Positions	52	24	35	36	24	64	30	265
Unfilled #	8	5	6	7	7	2	9	44
% Unfilled	15%	21%	17%	19%	29%	3%	30%	17%
Positions with less than 1 year	18	8	8	8	7	10	5	64
# Unfilled or Less than 1 yr exp	26	13	14	15	14	12	14	108
% Unfilled or Less than 1 yr exp	50%	54%	40%	42%	58%	19%	47%	41%
Median longevity (in years)	2.7	2.1	2.3	2.8	2.7	2.8	3.2	2.7

Contracting

When needed, adding extra operators and equipment in response to extreme events.

Extreme Weather Capital Appropriations

FY2021 Supplemental - \$1M

“Reappropriation for Emergency Weather Events”

https://omb.alaska.gov/ombfiles/22_budget/Supp/FY2021_Supplemental_Capital_Governor_Amend_Backup_5.3.2021.pdf

FY2022 Supplemental - \$4.6M

“Reapprop for Emergency Weather & Catastrophic Events”

https://omb.alaska.gov/ombfiles/23_budget/Supp/Final_Regular_Supplemental_Backup_2.1.2022.pdf

Benefits

- Absorbs expenditure spikes in the operating budget, allowing department to deliver consistent levels of service without sacrifice of other services.
- Use of these funds reserved for contained and defined events, for costs above and beyond what is budgeted.
- Requires HQ Budget review and approval.
- Capital appropriation encourages fiscal constraint and conservation of funds.



Extreme Weather Capital Appropriations



Status of FY2021 Supplemental

- Sterling Highway Landslide \$110.0
- Fairbanks Winter Storm \$890.0 (+1,489.5 in additional funding needed)
 - Expenses to date in accounting system: \$636.2
 - Estimated Expenses:
 - M&O Personnel Services (OT) - \$833.0
 - Commodities (Cutting Edges, Chains, Salt, Chemical, etc.) - \$288.1
 - Travel – (Airport Lighting Repairs) - \$50.0
 - Contractor Services (Graders, Loaders, Dozers, and Side Dumps for Approx. 6-8 weeks of service) - \$1,978.9
 - Capital – (Birch Lake Backup Power generation) - \$50.0

Uses of FY2022 Supplemental

- Fairbanks Winter Storm cont. \$1,489.5 (*see above*)
- MatSu Winter Storm \$158.0
- Kodiak – Pasagshak Road \$65.0
- Thane Road Avalanche – Evaluating. Costs small, but contribute to rising costs for SR

Federal Funding in the Operating Budget

Federal Legislation

CARES - The Coronavirus Aid, Relief, and Economic Security Act

CRRSAA - The Coronavirus Response and Relief Supplemental Appropriations Act of 2021

ARP - The American Rescue Plan Act of 2021

IIJA/BIL – Infrastructure Investment and Jobs Act (IIJA) / Bipartisan Infrastructure Law (BIL)

Traditional – Federal grants or agreements with other federal agencies

Federal Partners

FHWA – Federal Highway Administration

FTA – Federal Transit Administration

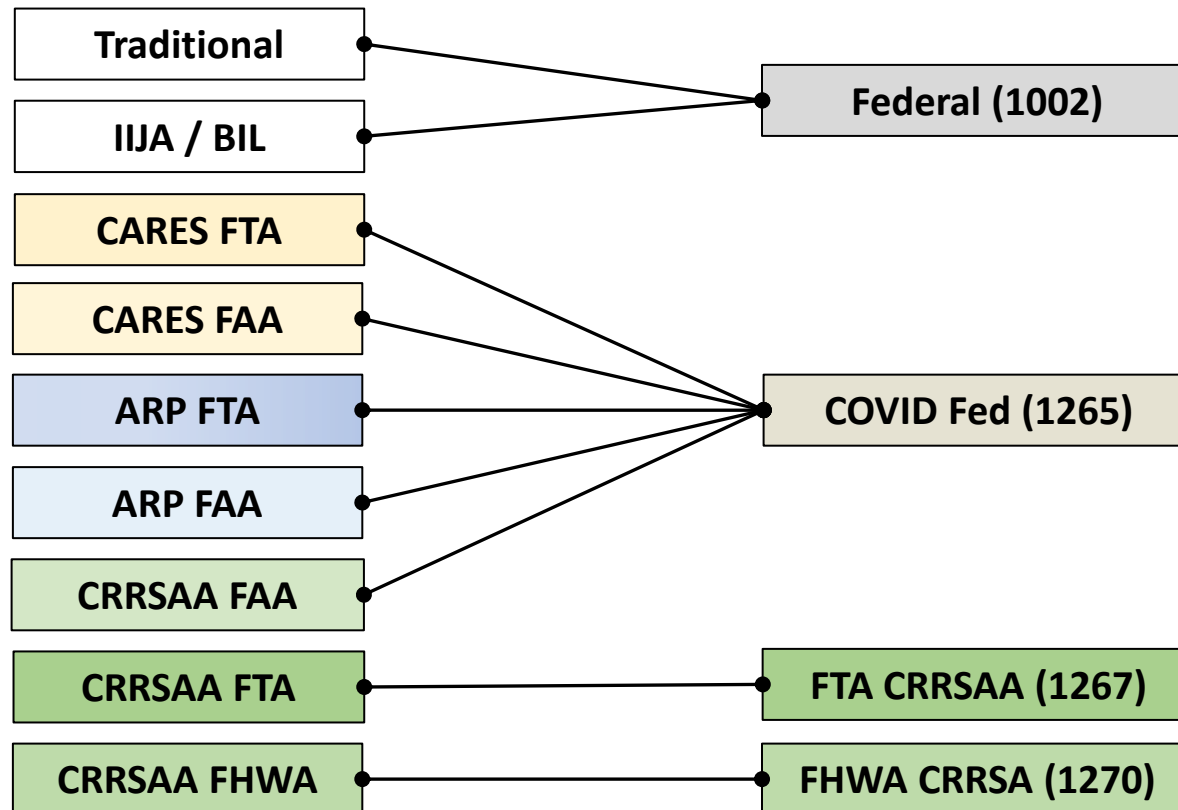
FAA – Federal Aviation Administration

Types of Federal Funding in Operating Budget

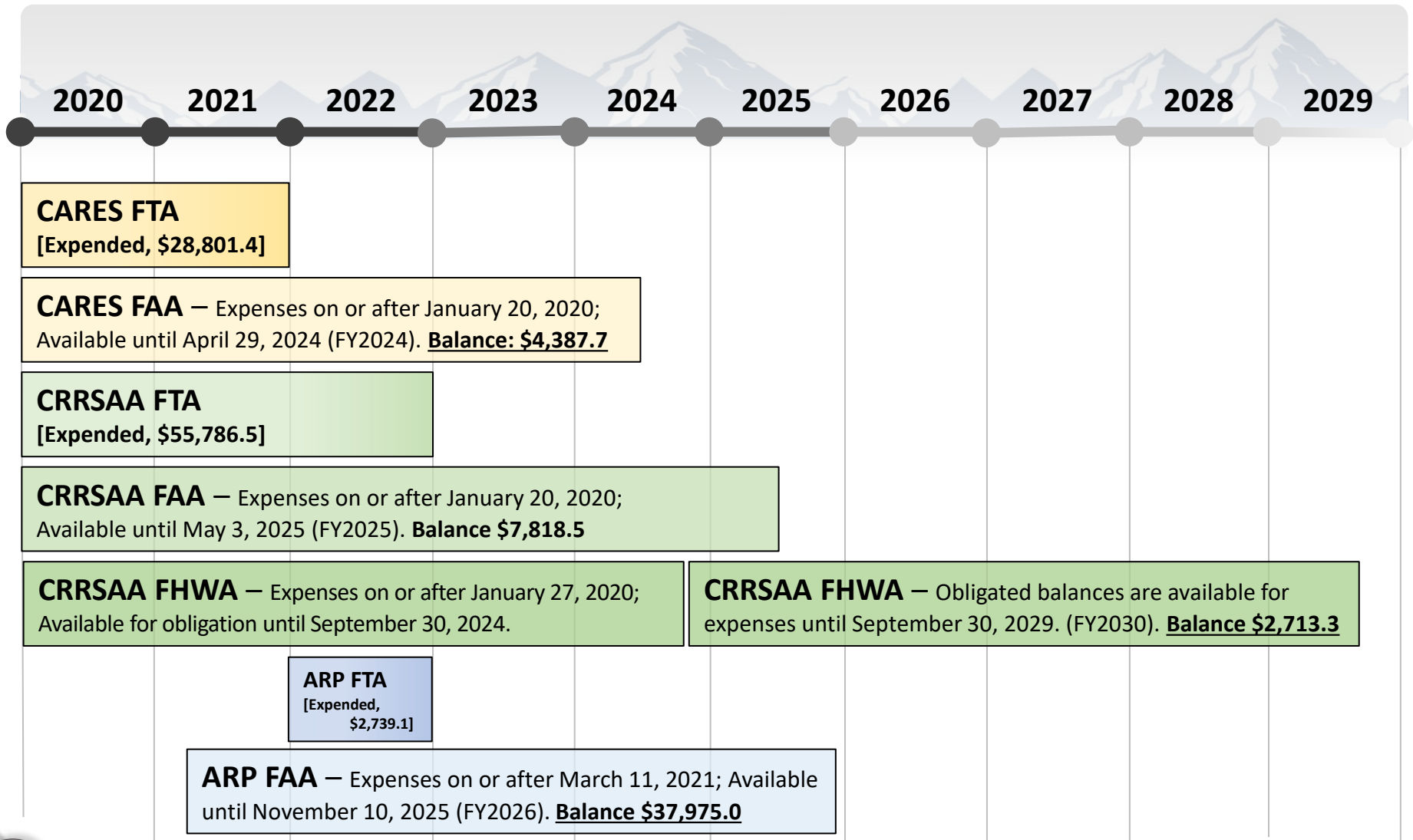
Fund Source



Legislative Finance Classification



Direct Federal COVID Relief Funding Timelines



\$ in Thousands (1,000)

Direct Federal Covid Relief Funding

i FHWA – Federal Highway Administration
FTA – Federal Transit Administration
FAA – Federal Aviation Administration

CARES (\$111,302.5)			CRRSAA (\$224,572.4)				ARP (\$87,081.5)			TOTAL
FAA		FTA	FAA		FTA	FHWA	FAA		FTA	
RURAL	INTERNATIONAL		RURAL	INTERNATIONAL			RURAL	INTERNATIONAL		
1	\$49,367.8	\$ 33,133.3	\$28,801.4	\$26,823.0	\$ 17,560.9	\$55,786.5	\$124,402.0	\$34,763.6	\$ 49,578.8	
0	\$ 8,263.3	\$ 9,942.2	\$ 6,634.1	\$ -	\$ -	\$ -		\$ -	\$ -	\$ -
1	\$ 15,577.7	\$ 13,100.0	\$ 22,167.3	\$ 1,539.4	\$ -	\$ -	\$ 2,130.1	\$ -	\$ -	\$ -
2	\$ 13,759.7	\$ 10,091.1	\$ -	\$ 12,009.8	\$ 17,560.9	\$ 55,786.5	\$ 119,558.6	\$ -	\$ 17,348.0	\$ 2,739.1
3	\$ 7,379.3	\$ -	\$ -	\$ 5,455.2	\$ -	\$ -		\$ 9,019.4	\$ 20,000.0	\$ -
	\$ 4,387.7	\$ -	\$ -	\$ 7,818.5	\$ -	\$ -	\$ 2,713.3	\$25,744.2	\$ 12,230.8	\$ -

UNPROGRAMMED BALANCES	
CARES	\$ 4,387.7
CRRSAA	\$ 10,531.8
ARP	\$ 37,975.0

\$ in Thousands (1,000)

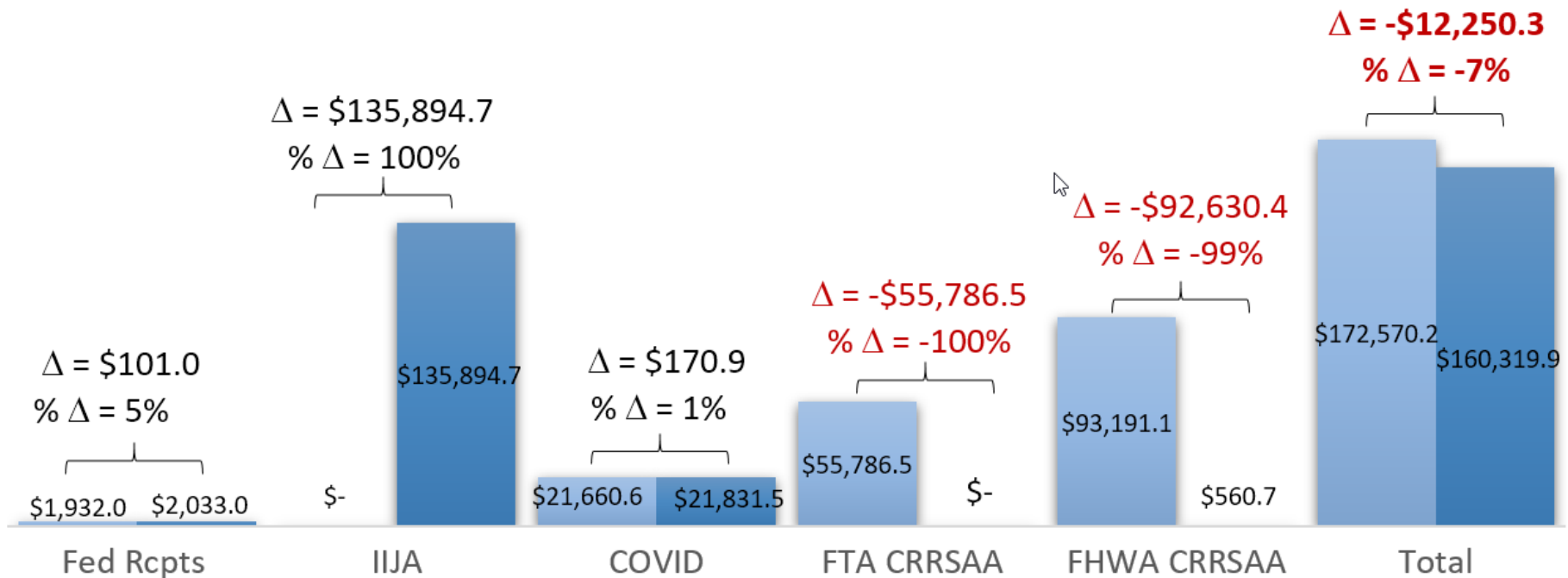


All Federal Funds: Comparison by Fund Source

Federal Fund Source Comparison (\$ in thousands)

■ FY2022 Management Plan

■ FY2023 Governor

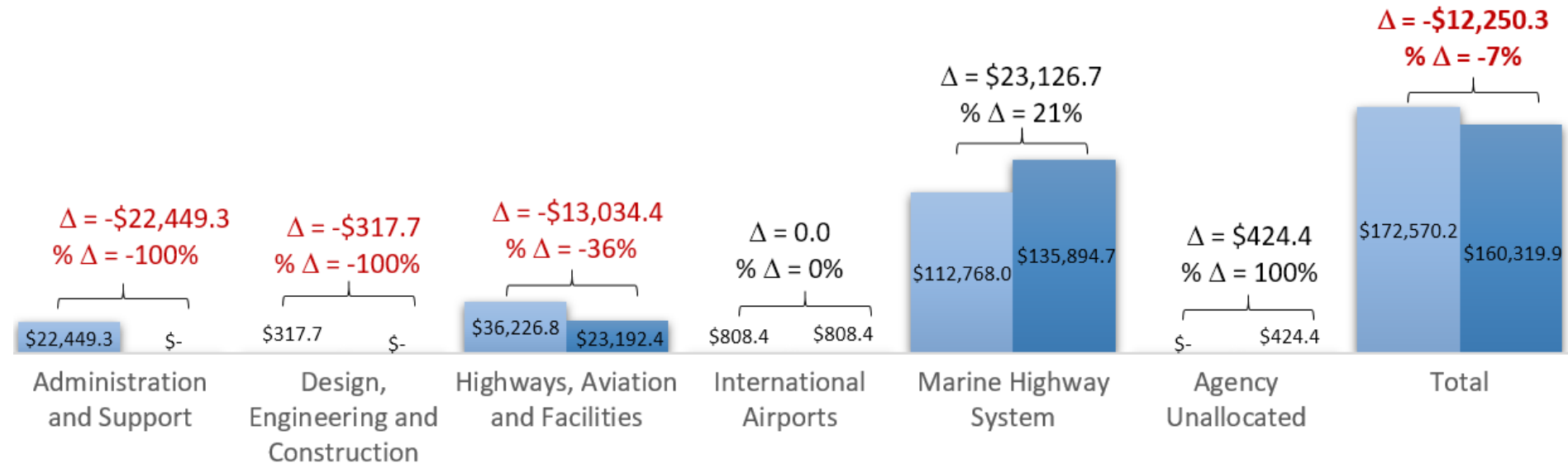


All Federal Funds: Comparison by RDU

Results Delivery Unit Federal Funding (\$ in thousands)

■ FY2022 Management Plan

■ FY2023 Governor



Staying the Course, Toward Reliability!

<https://dot.alaska.gov/amhob/>

- Forward Funded Budget
- First Full Year Advance Schedule Published
- Tustumena Replacement Vessel: CMGC
- Hubbard: Crew Quarters
- Prince Rupert: Working toward May 1st
- Marine Highway Planner in Recruitment
- Contingent Private Contract Service
- Tazlina: Crewed and Sailing
- AMHOB Met February 11th
- New Change Management Director
 - *Katherine Keith, PMP, PMI-ACP*



FY2021 Operating Expenditures

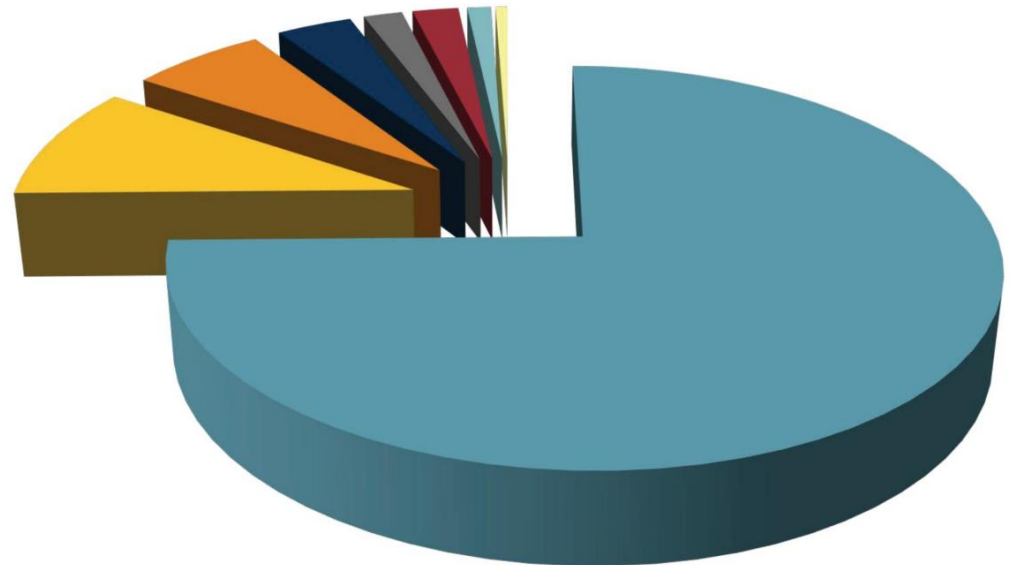
Alaska Marine Highway System Fund OPERATING EXPENDITURES

For the fiscal year ended June 30, 2021

\$96.1 MILLION

Marine Vessel Operations	74.7%	Operations Management	3.6%
Marine Fuel	9.6%	Overhaul	0.6%
Shore Operations	6.4%	Marine Engineering	1.8%
Reservations and Marketing	1.1%	Support Services	2.2%

<https://dot.alaska.gov/amhs/reports.shtml>







FY2021 Operating Revenues

Alaska Marine Highway System Fund

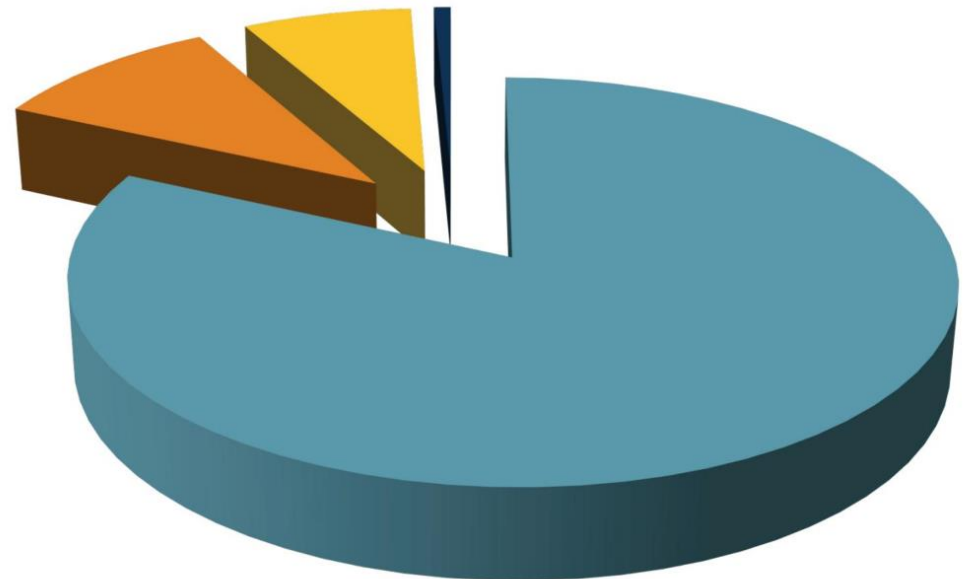
UNRESTRICTED OPERATING REVENUES

For the fiscal year ended June 30, 2021

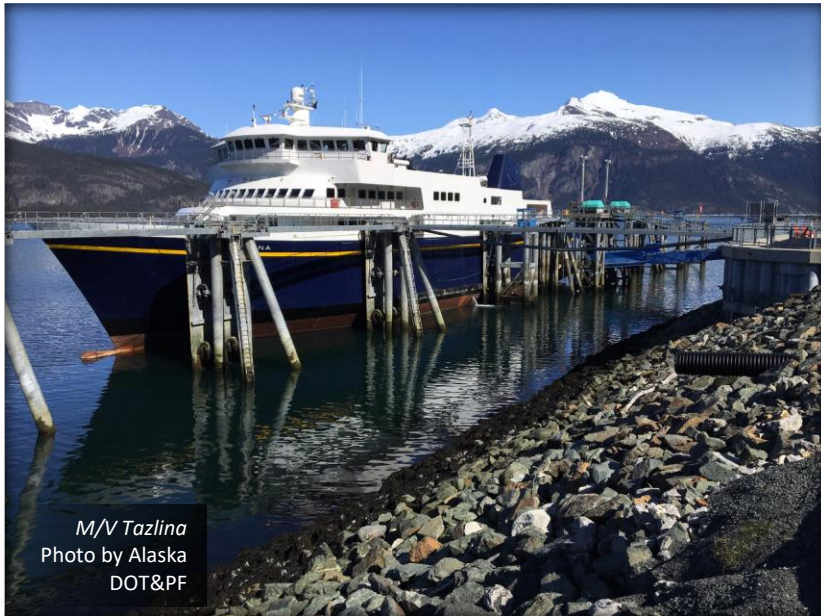
\$27.9 MILLION

	Ticket Sales	82.0%
	Stateroom Sales	10.0%
	Passenger Services Sales	7.2%
	Other Unrestricted Revenue	0.7%

<https://dot.alaska.gov/amhs/reports.shtml>

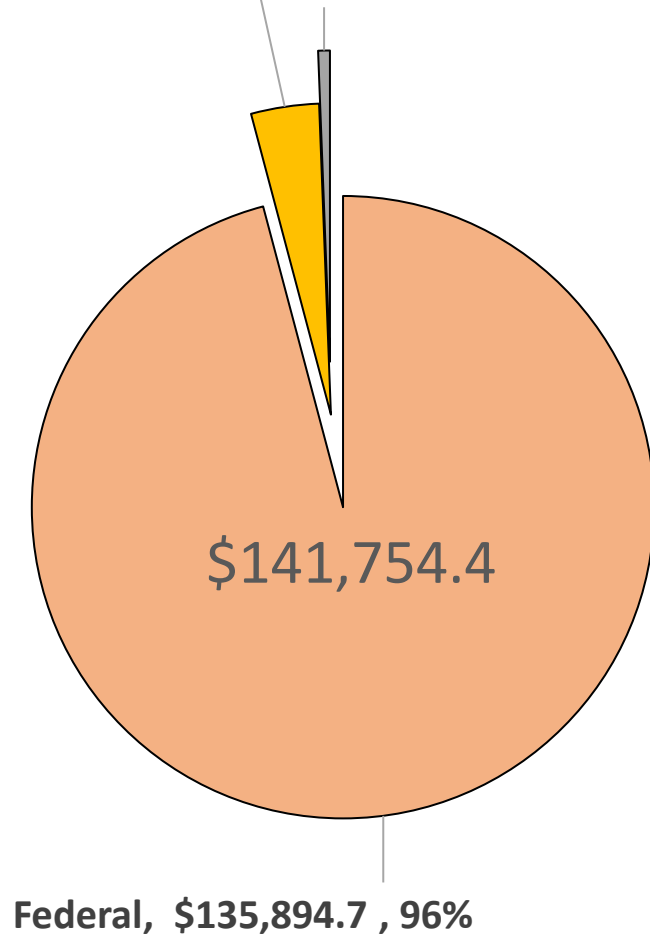


FY2023 Governor's Proposed



All ships, all the time.

DGF, \$5,000.0 , 3% Other, \$859.7 , 1%



\$ in Thousands (1,000)

FY2023 Governor's Proposed Budget



	FY2019 Final Authorized	FY2020 Final Authorized	FY2021 Final Authorized	FY2022 Management Plan	FY2023 Governor's Proposed Budget	Δ	Δ%
Planned Weeks of Service	345.9	254.3	286.7	249.5	362.7	113.2	45%
Planned Port Calls	5,914	4,399	4,959	4,166	6,311	2,145	51%
Projected Revenue	\$ 51,697.6	\$ 48,070.2	\$ 51,779.1	\$ 53,365.1	\$ 53,314.8	\$ (50.3)	0%
Projected Fare Box Recovery	36%	48%	47%	43%	37%	(6)	-14%

Fund Source

Unrestricted General Funds (UGF)	\$ 86,005.5	\$ 46,002.2	\$ 54,011.0	\$ 63,401.6	\$ -	\$ (63,401.6)	-100%
Designated General Funds (DGF)	\$ 52,070.1	\$ 55,492.6	\$ 53,151.4	\$ 5,425.7	\$ 5,000.0	\$ (425.7)	-8%
Other	\$ 2,167.7	\$ 8,071.3	\$ 2,150.0	\$ 1,308.3	\$ 859.7	\$ (448.6)	-34%
Federal- Relief Funding	\$ -	\$ -	\$ 1,122.4	\$ 112,768.0	\$ -	\$ (112,768.0)	-100%
Federal Funds (Including IIJA/BIL)	\$ -	\$ -	\$ -	\$ -	\$ 135,894.7	\$ 135,894.7	100%

Operating Total	\$ 140,243.3	\$ 109,566.1	\$ 110,434.8	\$ 182,903.6	\$ 141,754.4	\$ (41,149.2)	-22%
		<i>AMHS less Forward Funding</i>		\$ 118,667.5		\$ 23,086.9	19%

\$ in Thousands (1,000)

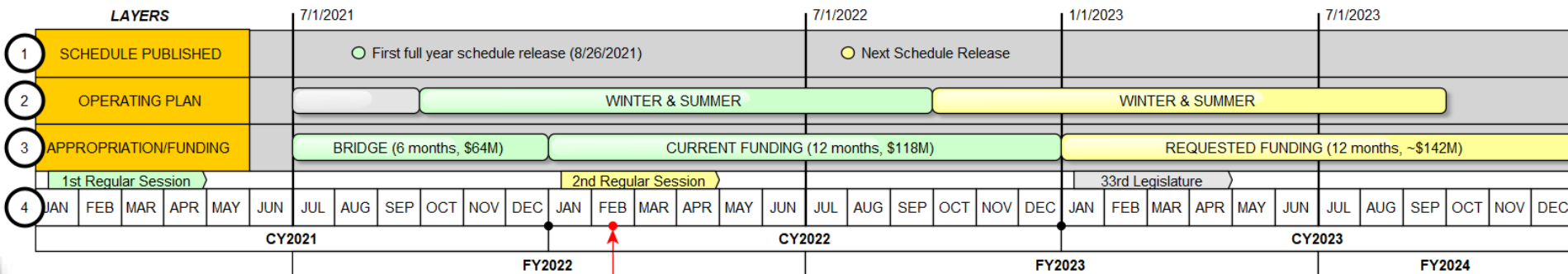


Forward Funded Budget Structure

	FY2022 Single Year (6 months)	FY2022/FY2023 Multi-Year (12 months)
FTA	\$ 26,196.0	\$ 21,804.2
FHWA	\$ 33,393.7	\$ 31,374.1
CIP & OTHER	\$ 1,099.3	\$ 872.1
MFT	\$ 1,808.6	\$ 3,617.1
UGF	\$ 1,738.5	\$ 61,000.0
Totals	\$ 64,236.1	\$ 118,667.5

	FY2023/FY2024 Multi-Year (12 months)
FED	\$ 135,894.7
AMHS FUND	\$ 5,000.0
CIP & OTHER	\$ 859.7
Totals	\$ 141,754.4

AMHS OPERATIONAL LAYERS

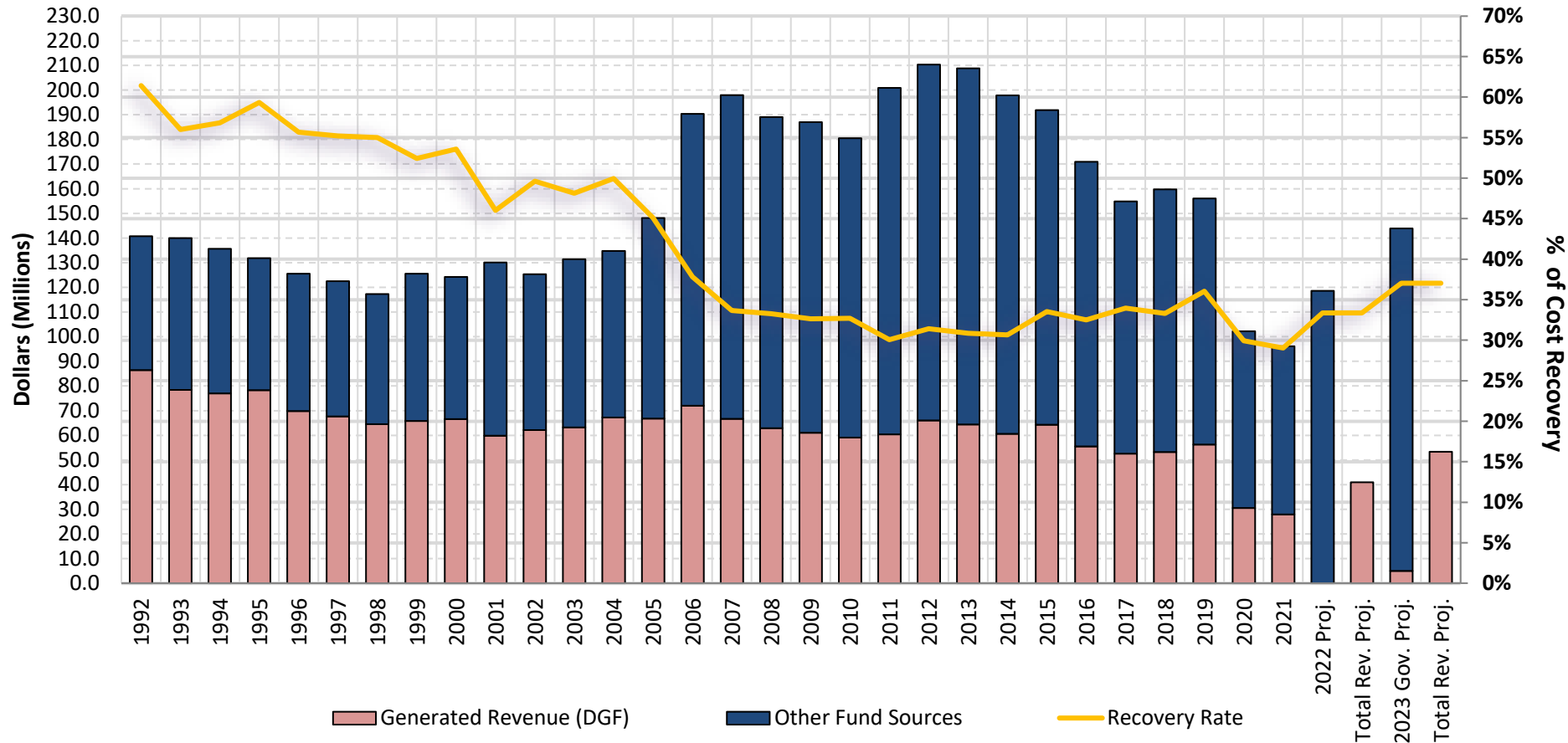


TODAY 2/14/2022

\$ in Thousands (1,000)

Historical Revenues and Operating Costs

AMHS Fare Box Recovery Rate 1992-2023 Gov.

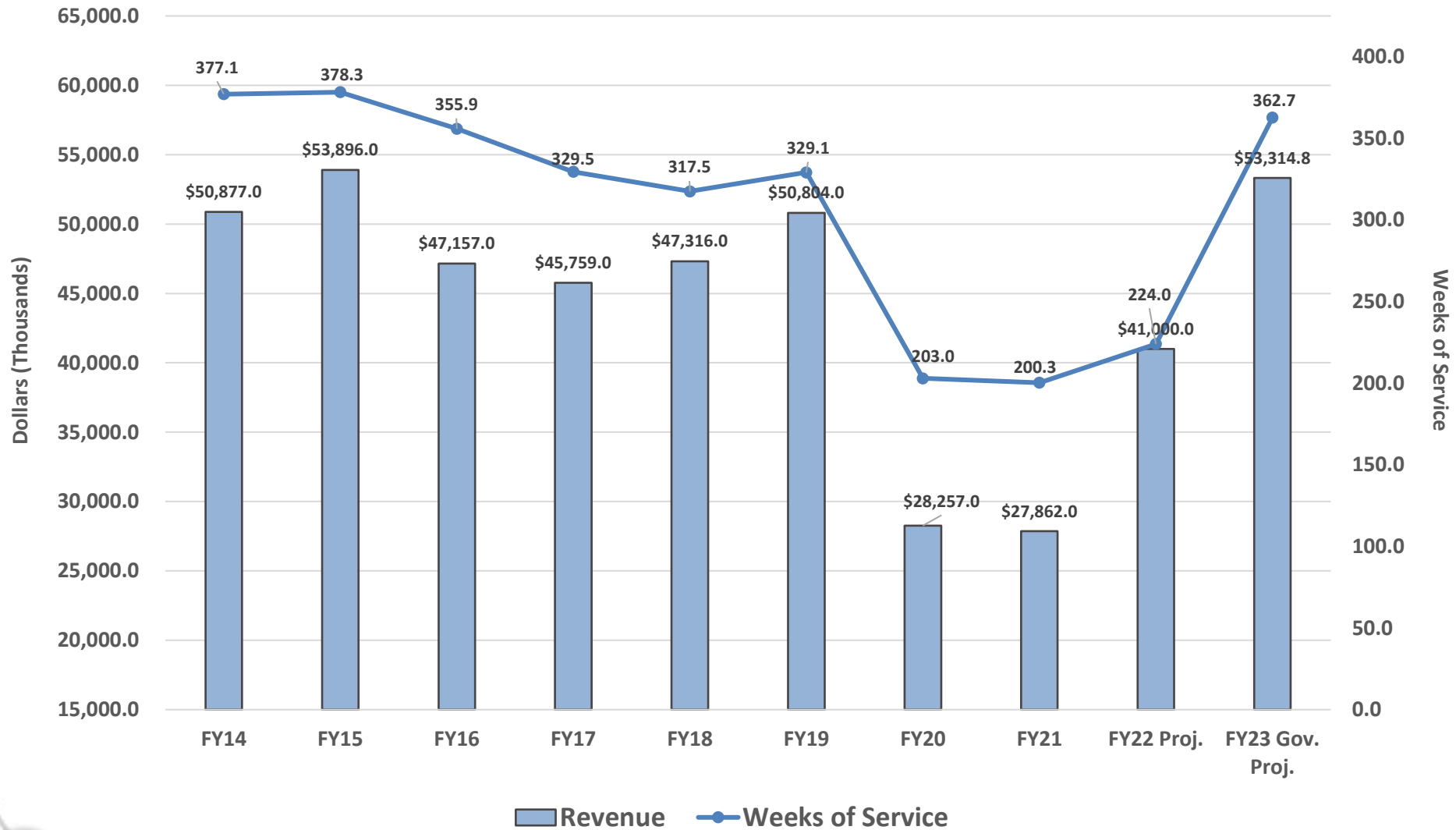


Significant Cost Increases

- FY2004 – FY2007: Added the FVF Fairweather and FVF Chenega. Vessel wage increases of 6%, 7%, and 8%.
- FY2012 – FY2013: Added ports and increased operating weeks

Note: Data is adjusted for inflation to 2021 values. Source: U.S. Bureau of Labor Statistics Consumer Price Index.

AMHS Revenue & Weeks of Service FY2014 – FY2023

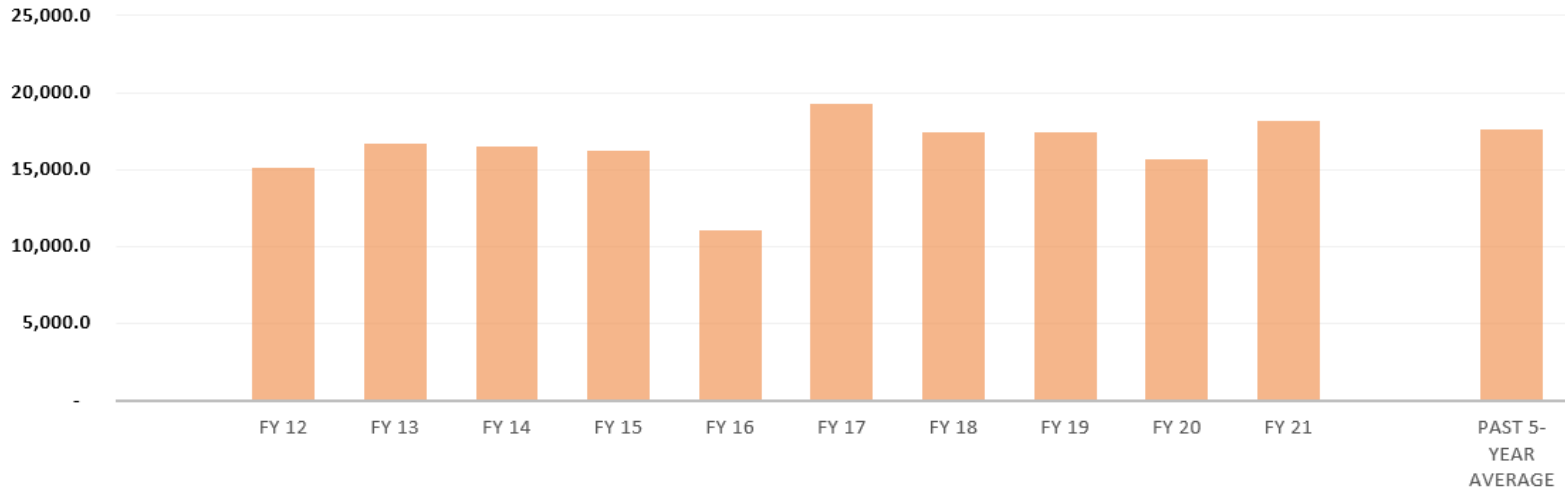


\$ in Thousands (1,000)



State Overhauls

Actual State Overhaul Expenditures FY12-FY21



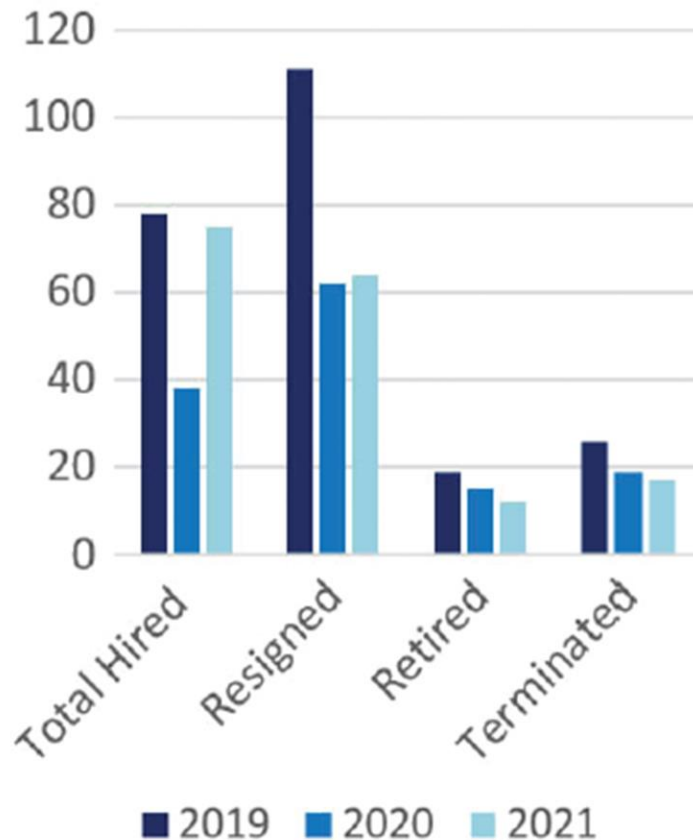
Vessel	FY 12	FY 13	FY 14	FY 15	FY 16	FY 17	FY 18	FY 19	FY 20	FY 21	Vessel Total
Aurora	\$ 645.1	\$ 688.0	\$ 924.2	\$ 980.4	\$ 947.0	\$ 884.3	\$ 805.1	\$ 1,984.1	\$ 856.4	\$ 4,646.7	\$ 13,361.3
Chenega	\$ 548.6	\$ 1,030.0	\$ 1,286.0	\$ 669.5	\$ 877.0	\$ 1,286.0	\$ 769.5	\$ 14.0	\$ -	\$ -	\$ 6,480.6
Columbia	\$ 1,530.0	\$ 2,008.0	\$ 1,919.9	\$ 1,408.4	\$ 1,390.5	\$ 2,319.9	\$ 2,108.4	\$ 3,706.6	\$ 2,363.1	\$ 1,036.3	\$ 19,791.1
Kennicott	\$ 1,459.0	\$ 2,123.5	\$ 2,531.3	\$ 2,782.8	\$ 1,544.5	\$ 2,931.3	\$ 2,582.8	\$ 4,181.0	\$ 2,578.7	\$ 2,023.6	\$ 24,738.5
LeConte	\$ 563.5	\$ 1,361.2	\$ 1,736.8	\$ 1,324.5	\$ 944.0	\$ 2,136.8	\$ 1,564.5	\$ 1,684.0	\$ 5,620.1	\$ 1,280.3	\$ 18,215.7
Malaspina	\$ 2,594.3	\$ 1,985.6	\$ 1,911.8	\$ 763.0	\$ 920.5	\$ 2,411.8	\$ 863.0	\$ 2,316.3	\$ 171.6	\$ -	\$ 13,937.9
Matanuska	\$ 2,548.6	\$ 1,543.3	\$ 1,712.2	\$ 3,949.7	\$ 1,105.5	\$ 2,112.2	\$ 3,949.7	\$ 94.5	\$ 1,299.6	\$ 5,107.6	\$ 23,422.9
Taku	\$ 1,828.8	\$ 2,398.8	\$ 952.7	\$ 696.8	\$ 578.5	\$ 1,052.7	\$ 796.8	\$ -	\$ -	\$ -	\$ 8,305.1
Tustumena	\$ 1,879.3	\$ 1,562.8	\$ 1,953.1	\$ 2,208.9	\$ 1,862.5	\$ 2,353.5	\$ 2,508.9	\$ 2,301.1	\$ 1,954.7	\$ 2,962.9	\$ 21,547.7
Fairweather	\$ 994.4	\$ 1,412.5	\$ 912.0	\$ 923.9	\$ 435.7	\$ 912.0	\$ 1,006.6	\$ 272.8	\$ 36.8	\$ -	\$ 6,906.7
Tazlina	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 19.5	\$ 196.0	\$ 853.9	\$ 1,069.4
Hubbard	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ -	\$ 0.8	\$ 58.2	\$ 49.1	\$ 108.1
Lituya	\$ 539.3	\$ 610.7	\$ 698.6	\$ 476.4	\$ 396.5	\$ 898.6	\$ 476.4	\$ 798.6	\$ 510.2	\$ 238.6	\$ 5,643.9
TOTAL *	\$ 15,130.9	\$ 16,724.4	\$ 16,538.6	\$ 16,184.3	\$ 11,002.2	\$ 19,299.1	\$ 17,431.7	\$ 17,373.3	\$ 15,645.4	\$ 18,199.0	\$ 163,528.9

\$ in Thousands (1,000)



AMHS Staffing Trends

HIRED vs SEPARATED
2019-2021



Position	% Vacant (# of vacancies)
Entry-level Steward	71% (255)
Wiper	75% (6)
3rd Engineers	63% (12)
2nd Cook	61% (14)
Oilers	55% (21)
3rd Mates	41% (21)
2nd Steward	60% (6)
Chief Pursers	41% (8)
Jr Engineer	35% (6)
Chief Engineers	31% (8)



AMHS Staffing Targets

STAFFING SHORTFALL

Vessel Configuration

New Hires Minimum Number

Main fleet (AUR, MAT, LEC, LIT, KEN, TUS) only

24

Adding Tazlina

68

Adding Columbia with no Tazlina

125

Adding both Tazlina and Columbia

166

Staffing goals for all eight ferries over the summer of 2022 are:
IBU-634 (current 315) / MMP-112 (current 81) / MEBA-80 (current 55).

Working to increase recruitment rates for summer season staffing goals to be met.

*Staffing goals must be met by March 1
for Columbia to be available for operations on May 1.*



Questions?

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