

02/07/14
BUDGET
OVERVIEW
FY 15:
DEPARTMENT OF
TRANSPORTA-
TION

<TARGET><BILL></BILL><SUBJECT>02-07-14 BUDGET OVERVIEW
FY 15 DEPARTMENT OF
TRANSPORTATION</SUBJECT><COMM>HFIN28</COMM></TARGET>



THE STATE
of **ALASKA**
GOVERNOR SEAN PARNELL

**Department of Transportation and
Public Facilities**

COMMISSIONER'S OFFICE

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February 12, 2014

The Honorable Representative Austerman
The Honorable Representative Stoltze
Co-chairs, House Finance Committee
State Capitol Bldg., Room 505 & 515
Juneau, Alaska 99801

Dear Co-Chairs Austerman and Stoltze,

In response to questions posed by House Finance Committee members on February 7, 2014, the following information is provided:

- **A lessor in Yakutat was asked to move fuel tanks at their own cost.**

Delta Western (DW) had been leasing airport property and conducting bulk fuel operations and other non-aviation functions since the state acquired the Yakutat airport in 1966. According to FAA and EPA guidelines, as well as the airport master planning process that was conducted, Delta Western was notified more than 10 years ago that their lease would not be renewed in 2010 for the same location. The state attempted to work a leasing agreement with DW for another location on the airport, but they declined all other options. Recently, another tenant expressed interest in beginning fuel operations on the airport and submitted an application for such. The state invited DW to submit a competing application and they again declined, resulting in the other tenant acquiring the lease lot for planned fuel operations. DW has continued to operate under a permit, which was renewed for five years, to provide additional time for them to develop a relocation plan (if desired) and conduct contamination remediation of their lease lot. As is standard for state airport leasing agreements, the tenant is responsible for the cost of any improvements and/or alterations to a lease-lot, unless a state project (capital or otherwise) is the impetus behind any required modifications. The state continues to work with DW as they determine their best course of action.

- **Is there any Intl Airport Construction Bond bonding authority left? What is the aggregate interest rate? Is FY2015 the last year we'll need the authority?**

The Alaska International Airport System (AIAS) has approximately \$23.2M remaining of a total \$812.5M issuance authority. The aggregate interest rate on the outstanding \$539M in construction bonds is approximately 4.5%, resulting in \$24M in interest expense for FY14. The AIAS has a debt management program which includes optional redemptions for some of the debt (early pay-off). Legislative authority is required for those payments, which is reflected in the FY15 budget request. Additional authority will likely be required in future years to facilitate additional debt management payments.

- **What would it cost AMHS to bring the Inter-Island Ferry Authority (IFA) service to Prince of Wales Island (PWI)? Is the Lituya part of the review?**

Based on past informal analyses the department believes that if IFA ceases to operate the AMHS might be able to provide service to PWI with little additional subsidy beyond the fares that are currently collected. This assumes that many of the administrative functions that IFA maintains are already in place at AMHS. However, there are policy and legal issues that will impact the cost of AMHS operating the IFA vessels and they need to be resolved in order to determine the total cost with any accuracy. Just a few of these include:

- the contracts for the vessels' operations (IFA crews are non-union, AMHS vessels are subject to contracts with MEBA, IBU and MMP);
- fares (IFA fares are currently higher than AMHS fares on similar distance routes);
- schedule - IFA's 7 days per week schedule is not something the department would likely support;
- IFA's legal and financial obligations – we do not know what all the department would inherit.

The original grant agreements for both of the IFA vessels make clear that if IFA does not run the vessels they revert to the State of Alaska. As such, AMHS would serve PWI with one or more of the current IFA vessels. The M/V Lituya is too small to provide routine service to PWI and is committed 5 days/week to Metlakatla, so the department does not anticipate that the Lituya would be a major component of AMHS service to PWI.

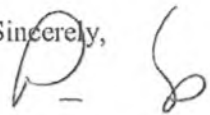
- **What is the cost of the Richardson avalanche?**

The Richardson Highway reopened on February 5th. The full extent of the cost for this event will not be known until early March when personal services, equipment usage and services invoices can be reconciled.

- **How many center line miles of new road has DOT&PF added since 2000?**

In summary, the department has added 35.48 center line miles of road in Central Region; 15.028 in Northern Region; and 28.15 in Southeast Region. Details are attached.

If you or your committee members have any further questions, please feel free to contact Mary Siroky at 465-8974.

Sincerely,

Patrick J. Kemp, P.E.
Commissioner

cc: House Finance Transportation Committee Members
John Binder, Deputy Commissioner, DOT&PF
Kim Rice, Deputy Commissioner, DOT&PF
Reuben Yost, Deputy Commissioner, DOT&PF
Mary Siroky, Administrative Services Director, DOT&PF

Attachment-DOT&PF Department-wide Center Line Miles Added Since 2000

DOT&PF Department-wide Center Line Miles Added Since 2000

| Region | Project Name | Additional Road Miles | |
|------------------------------|---|-----------------------|--|
| Central | Aklahack Airport Access Road | 1.17 | (Highways) |
| Central | Akutan Airport - Akun Access road | 0.29 | (Highways) |
| Central | Chefornak Airport Access Road | 1.55 | |
| Central | Chevak Airport Access Road | 0.57 | |
| Central | Creek Side Town Center Imps | 0.20 | (Highways) |
| Central | Glenn Hwy / Dogwood | 0.25 | (Highways) |
| Central | Kenai Various Roads - HEA Access | 0.26 | (Highways) |
| Central | Kwethluk Access Road | 1.37 | |
| Central | Manokotak Airport Access Road | 2.63 | |
| Central | New Stuyahok Airport Access Road | 2.17 | |
| Central | Ouzinkle Airport Access Road | 1.66 | |
| Central | Port Mackenzie Intermodal Facility | 0.50 | (Highways) |
| Central | Scammon Bay Landfill Access | 0.92 | |
| Central | Takotna Airport Access Road | 1.05 | (Highways) |
| Central | Toksook Airport Access Road | 0.62 | (Road reconstruction) |
| Central | Trunk Road Phase I/II | 5.92 | |
| Central | Whittier Access - Portage | 1.83 | |
| Central | Atka Runway Extension and Resurfacing | 0.00 | Apron relocation reduced access road length |
| Central | Atmauthluk Reconstruction Phase II | 0.14 | Embankment placed in 1998, surface course placed in 2002 |
| Central | Chuathbaluk Airport Relocation | 0.66 | |
| Central | Clarks Point Airport Relocation Stage I | 0.30 | |
| Central | Eek airport Relocation Stage II | 0.40 | |
| Central | Goodnews Airport Improvements | 0.24 | |
| Central | Kipnuk Airport Relocation Phase I | 0.36 | Boardwalk constructed around airport, not access road |
| Central | Kokhanok Airport Improvements | 0.34 | |
| Central | Levelock Airport Relocation | 0.90 | |
| | | | 0.23 miles of new road, but approximately 0.06 miles of existing access road was removed, for a total increase of 0.17 miles |
| Central | Nikolai Airport Reconstruction | 0.17 | |
| Central | Nunapituk Airport Improvements | 0.07 | |
| Central | Perryville Airport Improvements | 0.46 | |
| Central | Platinum Airport Runway Relocation | 0.03 | |
| Central | St. George Airport Pavement | 0.02 | Road realignment; old alignment removed from mileage |
| Central | Tuluksak Airport Relocation | 1.42 | |
| Central | Tuntutuliak Airport Relocation Stage II | 0.67 | Boardwalk access to airport only, no access road |
| Central | C street O'Malley to Dimond | 1.44 | |
| Central | Elmore 64th to MLK | 1.06 | |
| Central | E. Dowling Norm to Elmore | 0.59 | |
| Central | W. Dowling Rd to Potter | 0.87 | |
| Central | AK Best | 0.11 | |
| Central | Glen/Parks Highway Interchange Ramps | 2.27 | |
| Total Central Region: | | 35.48 | |

| Region | Project Name | Additional Road Miles | |
|--------------------------------|--|-----------------------|--|
| Northern | Alakanuk-Airport Access Road | 1.44 | |
| Northern | Anvik-Airport Access Road | 0.84 | |
| Northern | Bettles-Airport Access Road | 0.15 | |
| Northern | Elim-Airport Access Road | 0.64 | |
| Northern | Galena-Airport Access Road | 0.32 | |
| Northern | Grayling-Airport Access Road | 0.22 | |
| Northern | Huslia-Airport Access Road | 0.41 | |
| Northern | Koyukuk-Airport Access Road | 0.31 | |
| Northern | Manley-Airport Access Road | 0.08 | |
| Northern | Minto-Airport Access Road | 0.16 | |
| Northern | Mountain Village-Airport Access Road | 0.08 | |
| Northern | Russian Mission-Airport Access Road | 0.22 | |
| Northern | Shageluk-Airport Access Road | 0.23 | |
| Northern | Stevens Village-Airport Access Road | 0.45 | |
| Northern | Tetlin-Airport Access Road | 0.74 | |
| Northern | Airport Way Frontage, Univ-Market | 0.192 | Construction of a new intersection on Airport Way between University Ave. and Market St. frontage road connections to relieve traffic demand at Airport/Market intersection. |
| Northern | Helmericks Avenue Extension and Bentley Trust Road Upgrade | 0.4 | Extend Helmericks Avenue on a new alignment across the Alaska Railroad tracks to the College Road / Illinois Street intersection. |
| | Hughes Landfill Road | 3 | Construct a new road to the proposed landfill and cemetery. |
| | Richardson Hwy MP 341 Eielson Access Ramps | 0.456 | Construct a grade separated access to Eielson Air Force Base at the new main entrance from the Richardson Highway. |
| | Russian Mission Landfill Road | 0.9 | Construct a road to the new landfill. |
| | Selawik Boardwalk & Landfill Road | 1.3 | Construct a landfill access road approximately one mile in length and reconstruct approximately 3.5 miles of boardwalk. |
| | Stevens Village Sanitation Road AK090 | 1.8 | Construct a new 1.8 mile road to the proposed landfill site. |
| Northern | Unalakleet Sanitation Road | 0.1 | Construct a road to the new sewage lagoon site. |
| Northern | UAF/New Gelst Road Access | 0.45 | Construct new access road to the University of Alaska campus from the Gelst Road/Loftus intersection. |
| Northern | Illinois Street Extension/Barnette Bridge | 0.14 | Construct a new road segment and a new bridge to connect Illinois Street to Barnette Street, across the Chena River. |
| Total Northern Region: | | 15.028 | |
| Region | Project Name | Additional Road Miles | |
| Southeast | Glacier Hwy-Echo Cove to Cascade Point | 2.55 | 2-lane chip sealed road Junction with North Prince of Wales Island Rd to Coffman Cove, |
| Southeast | Coffman Cove Road | 20.60 | Sandy Beach Road. (2-lane, asphalt paved road) |
| Southeast | Sheiter Cove Road | 5.00 | White River Road Segment (single lane gravel road) |
| Total Southeast Region: | | 28.15 | |



Department of Transportation and Public Facilities
Joint Transportation Committee Meeting
January 23, 2014

2013 Noteworthy Milestones

1. In 2006 the Department of Transportation and Public Facilities (the Department) issued a Request for Proposal to construct a new day boat ferry that would allow more “hub and spoke” routes similar to the fast ferry vehicles. Over the next six years the vessel became known as the Alaska Class Ferry and the scope changed from a day boat to a conventional mainline vessel without passenger staterooms. Faced with an estimate that had grown from \$30 million in 2006 to over \$150 million in 2012, the Department revisited how the cost could be brought back to the legislative appropriated amount of \$120 million, why the scope changed, and whether the change was appropriate. The Department determined the best course of action was to return the vessel back to a day boat operation and construct two vessels for the amount appropriated. The change reduced capital costs, operating costs, provided more capacity, more flexibility, and more opportunity to travel. It was recently found that over the 50 year life of the vessels the change will save the state \$250 million.
2. The Department instituted a policy to incorporate hard rock aggregate into new pavements in high traffic areas to reduce the rate of rutting. This policy will result in significant cost savings and safer roadway surfaces as pavement life is increased throughout many areas of the state. A hard rock site near Cantwell was utilized to pave Dimond Boulevard and DeBarr Road in Anchorage last summer.
3. The Anchorage Airport master plan is being updated. The revised plan includes a phased approach that will maximize all operations at the airport and incorporate Fairbanks International Airport into the cargo operations mix before considering the construction of a new runway. This is an acceptable plan to the community and the users, as well as a sensible, fiscally responsible, path forward for the airport.
4. The Commissioner requested the Attorney General (AG) settle the Fast Ferry Litigation. The state and the engine manufacturer had come to loggerheads in the negotiations and a long protracted court case was scheduled to begin in the spring of 2013. The

settlement, under the direction of the AG, resulted in four new engines installed in each vessel plus a heavily discounted "swing" engine that could be used as a spare during periods of maintenance. Engines are currently being installed on the FVF Fairweather and next winter they will be installed on the FVF Chenega. The new engines have a proven past unlike the hybrid engines that were initially installed.

5. The Department modified its speed limit policy to allow for more reasonable driving speeds, especially on our remote corridors such as the Glenn, Richardson, and Alaska Highways. The Department's policy on speed limits evolved from one that fulfilled the intent of speed limit designs to one that incorporated other roadway features to justify speed limits over 55 miles per hour. Department staff unwound the additional requirements which actually lessened safety. Residents from smaller communities that use the highways on a regular basis have expressed their thanks with the more common sense approach.
6. The Department eliminated almost all of the discount fare programs and retooled the way travel agents are paid for commissions for travel on the Alaska Marine Highway System. Over the past decade discount fares were put into place with the anticipation of increasing ridership. Ridership (and corresponding revenue) did not materialize as predicted but the discounts were left in place. The Department also brought a common sense approach to travel agency commissions much like the airlines have incorporated with expanded use of the internet. The Department has eliminated all in-state and military commissions and asked that travel agencies focus on bringing in new out-of-state or overseas business to the system.
7. For the first time the Department published a status book of all state owned airports in Alaska. The Alaska Airport Needs Directory provides runway information, navigation aids in place, revenues, enplanements, and other information for those in the aviation industry. It is the Department's intent to work with the Aviation Advisory Board and carriers to better describe the capital needs and possible changes to operations to enhance the use. The report is available at:
http://dot.alaska.gov/documents/aviation/Airport_Needs_Directory.pdf
8. Each year the Department has to "obligate" about \$500 million of federal highway funds prior to October 1. Obligating a project for construction means that approvals are given for the design, the right of way is secured, utilities have been moved or contracted to be moved, the environmental documentation is approved and, all permits are in hand. 2013 was a record year for the Department, obligating \$714 million.

9. The Department's goal over the next few years is to get a full year ahead in federal obligations. This will reduce a significant amount of stress put on our staff and our consultants each year as we face the "use it or lose it" proposition at the end of each federal fiscal year. In 2013 the Department had to obligate \$100 million more than expected because of de-obligations that materialize when a project is closed. In addition to that unanticipated need, the Department also made about \$140 million of projects ready for federal fiscal year 2014 obligations. By the end of the current federal fiscal year we are hoping to have about \$240 million of "shelf ready" projects ready to go in federal fiscal year 2015.
10. In addition to highway funding the Department also secured about \$200 million in aviation grants, advertised a number of 2008 bond projects, and a variety of general funded projects for facilities, highways, airports and ferries. The Department processed about a billion dollars of capital work last year which is a new high.
11. Working with our sister agency, Public Safety, crashes in our designated safety corridors were significantly reduced. The rates were reduced so much that the Department doubts the Seward Highway, Sterling Highway, Parks Highway, and Knik Goose Bay Road would qualify for such a designation today.
12. We improved our external communications via social media – creating multiple forums for two-way communication between the Department and the general public. The Department Facebook "likes" increased by 2,672 (600%) in 2013. The Department has also expanded its audience reach via its GovDelivery attracting nearly 1,000 new subscribers in 2013. The Department continues to maintain a strong relationship and presence with traditional media statewide. Central Region continues to provide quarterly reports and Statewide Aviation publishes the quarterly newsletter "Plane Talk." The Department also increased its proactive efforts in notifying the public of maintenance, construction, and other significant events that may impact travel across the state. The Department recently garnered positive national news for its innovative and industry-leading methods used for winter maintenance.
13. The Department entered into a ten year operating agreement with the carriers who use our international airport system. This is almost unheard of nationwide and its implementation brings fiscal stability and transparency between the Department and carriers. We have entered a new level of communication with these carriers and

continue to work hard to accommodate their needs, ensure economic viability, and see the system grow in a healthy manner.

14. The Department has incorporated a number of efficiencies with our equipment fleet. Tow plows, ice grinders, protection of our anti-icing chemicals, and other changes have increased our level of maintenance at nominal costs.

15. The Department developed a strategic Integrated Pest Management Plan that incorporates the use of herbicides as a vegetation management tool. The use of herbicides in a strategic, targeted manner will provide economic benefits in future years by establishing longer maintenance cycles. By establishing longer maintenance cycles, herbicide-treated areas require less-frequent intervention and lower costs than mechanical methods. Herbicides also effectively control tree roots, which eliminates incompatible vegetation and allows low-growing plants to form a barrier against invading brush, weeds, and tall-growing trees. The use of herbicides will allow us to change the vegetation within the Department's Right of Way from tall woody vegetation to natural or native low-growing desirable plant communities. Ultimately our integrated vegetation management program will help the Department with our overall effectiveness regarding budget, social, environmental, and safety goals.

16. The expanded use of anti-icing chemicals improved traveler safety and has reduced the amount of sand purchased. The purchase and use of less sand has reduced the cost of street sweeping and storm drain cleaning. In addition, the construction of simple, covered salt storage has allowed us to purchase bulk salt as opposed to bagged salt at a cost savings of over \$150 per ton.



Alaska Department of Transportation & Public Facilities

FY2015 Governor's Request Overview

Presented to the House Finance Committee

Patrick J. Kemp, P.E., Commissioner
Mary Siroky, Administrative Services Director

February 7, 2014

Executive Organization

- Management team
- Intellectual capital
 - Unique opportunity to improve our services
- Break down silos in the department
 - Cohesive management team
- Improve communications
 - Internal and external

What did We Accomplish in 2013?

- Routine services and operations
 - Maintenance and Operations
 - Construction Program Administration
 - Commercial Vehicle Enforcement
- Noteworthy accomplishments



Where are We Headed?

- Our lingering MAP-21 challenge
- Focus on mission and essential public services
- Utilize the team and experience to find more efficiencies
- Continue to enhance legislative and public communications
- Institute changes that are sustainable



Mission and Core Services

“Keep Alaska Moving through service and infrastructure.”

Core Services:

- Construction of transportation infrastructure and facilities
- Maintenance and operations of the state transportation systems
- Measurement standards/commercial vehicle enforcement



Priorities

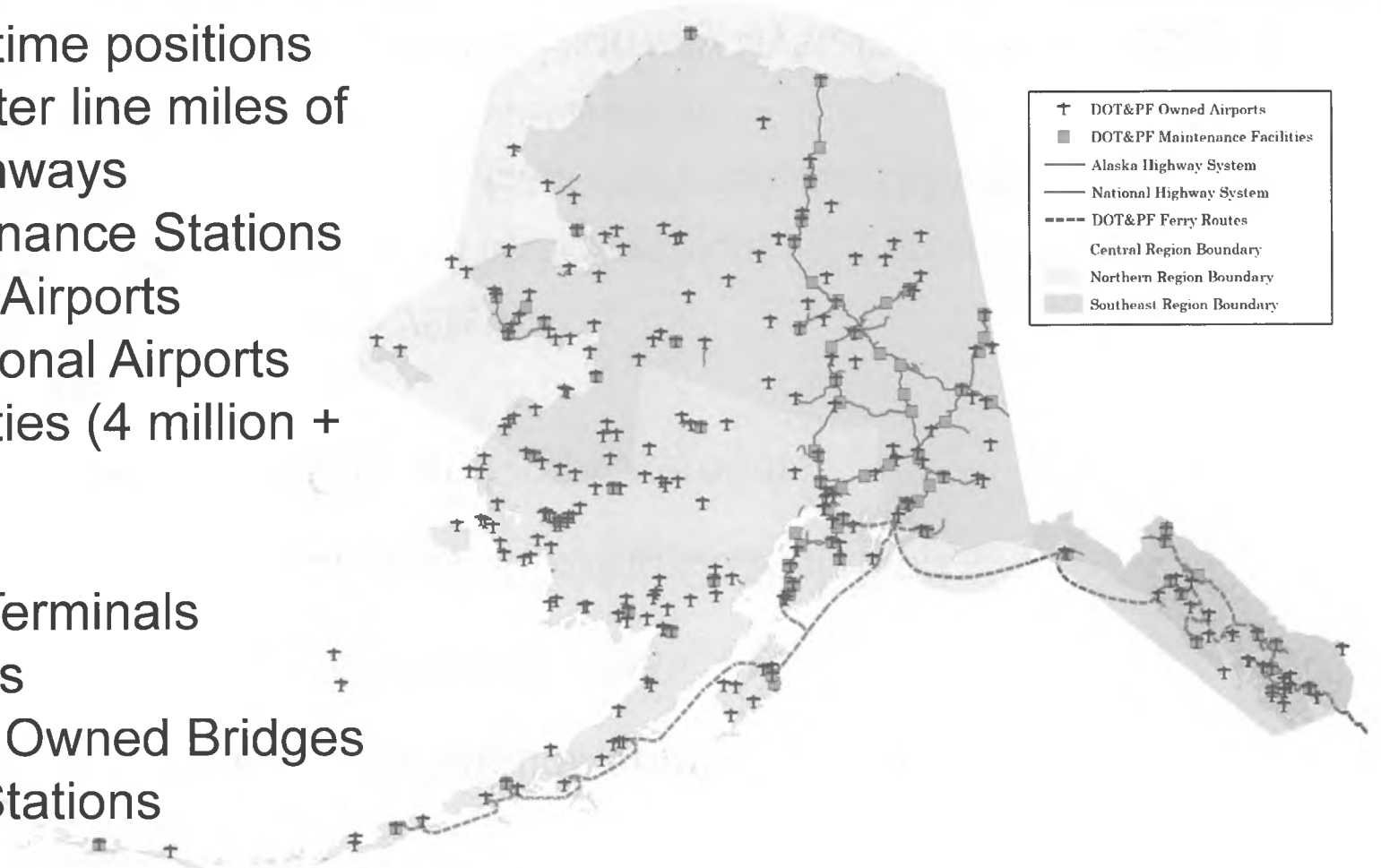
- Live within our means
- Take care of what we have
- Operate and maintain safe and reliable roads, airports, ferries & facilities
- Ensure Alaska has the transportation infrastructure necessary to grow the economy
- Develop and implement efficiencies in both the operating and capital budgets

Statutory Requirements

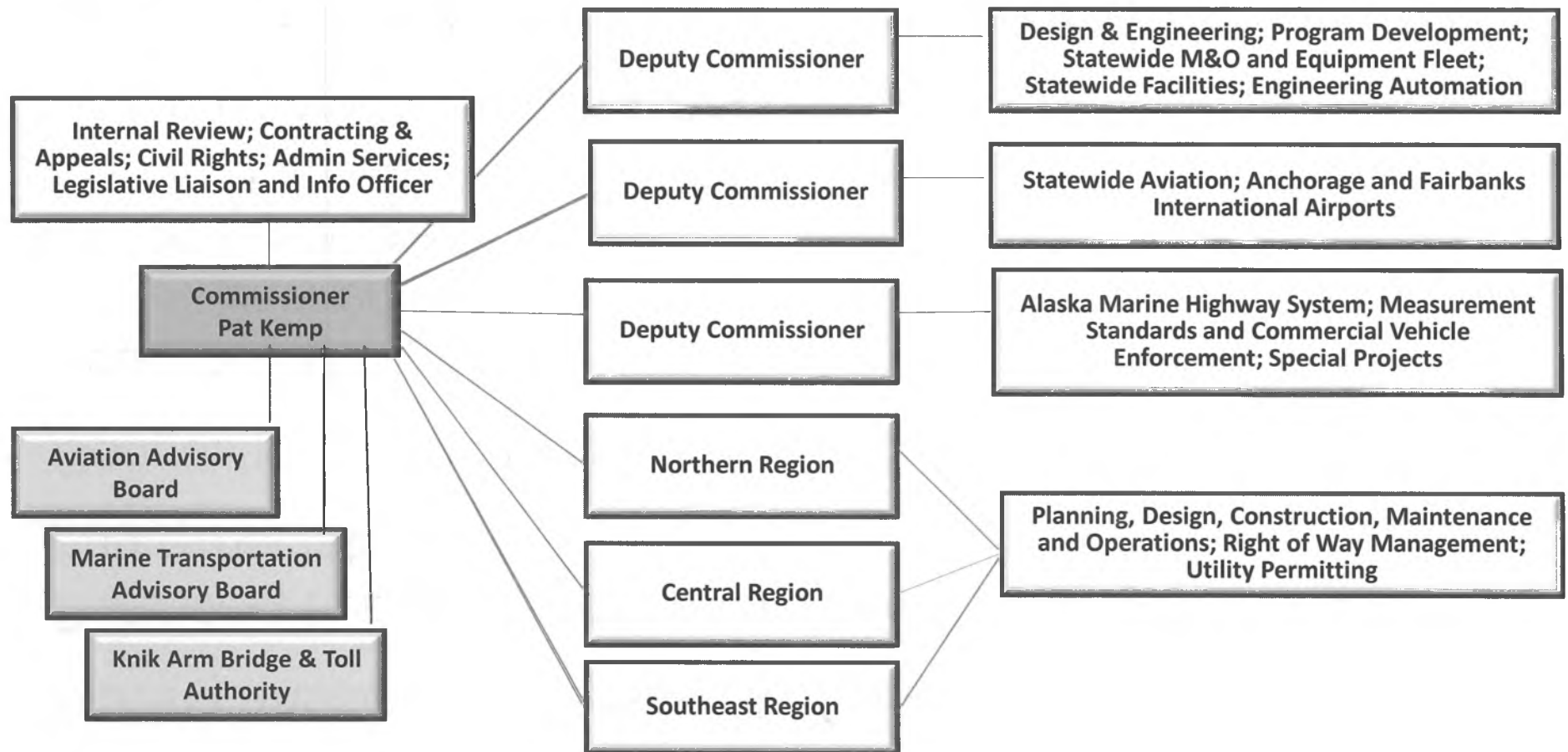
- AS 44.42 Department of Transportation and Public Facilities
- AS 44.68.010 Use of State-owned Vehicles
- AS 44.68.210 Highway Equipment Working Capital Fund
- AS 35 Public Buildings, Works, and Improvements
- AS 19 Highways and Ferries
 - AS 19.10 State Highway System
 - AS 19.10.300 Commercial Motor 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
- 80 Maintenance Stations
- 254 State Airports
- 2 International Airports
- 720 Facilities (4 million + sq. ft.)
- 11 Ferries
- 35 Ferry Terminals
- 25 Harbors
- 805 State Owned Bridges
- 7 Weigh Stations



Organization





Challenges

- Moving Ahead for Progress 21st Century Act (MAP-21)
- Balancing budget against public needs, changing conditions and expectations
- Congestion in Anchorage and Mat-Su
- Federal Oversight
 - Environmental
 - Processes
 - Financial
 - Reporting requirements
- Budgeting for the severity of events and winter



CHALLENGES

EVENTS



02/07/2014

Integrity · Excellence · Respect

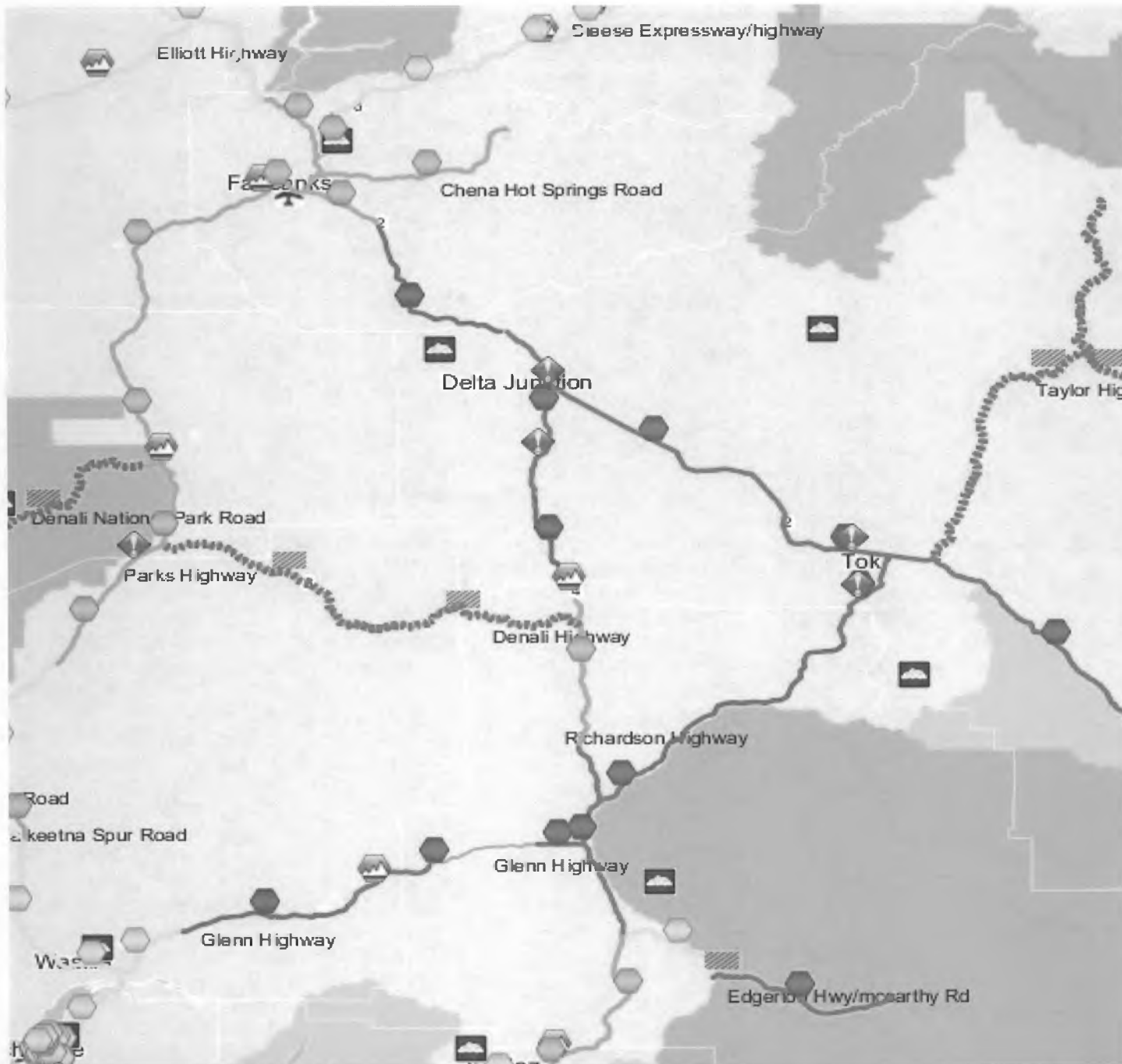
12



02/07/2014

Integrity · Excellence · Respect

13



511 Snap shot of driving conditions on Jan. 24, 2014.

Richardson Hwy. avalanches are not on this map

Driving Conditions

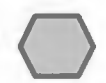
Hazardous



Very Difficult



Difficult



Fair



DOT&PF Regional Boundaries

Main Office Locations

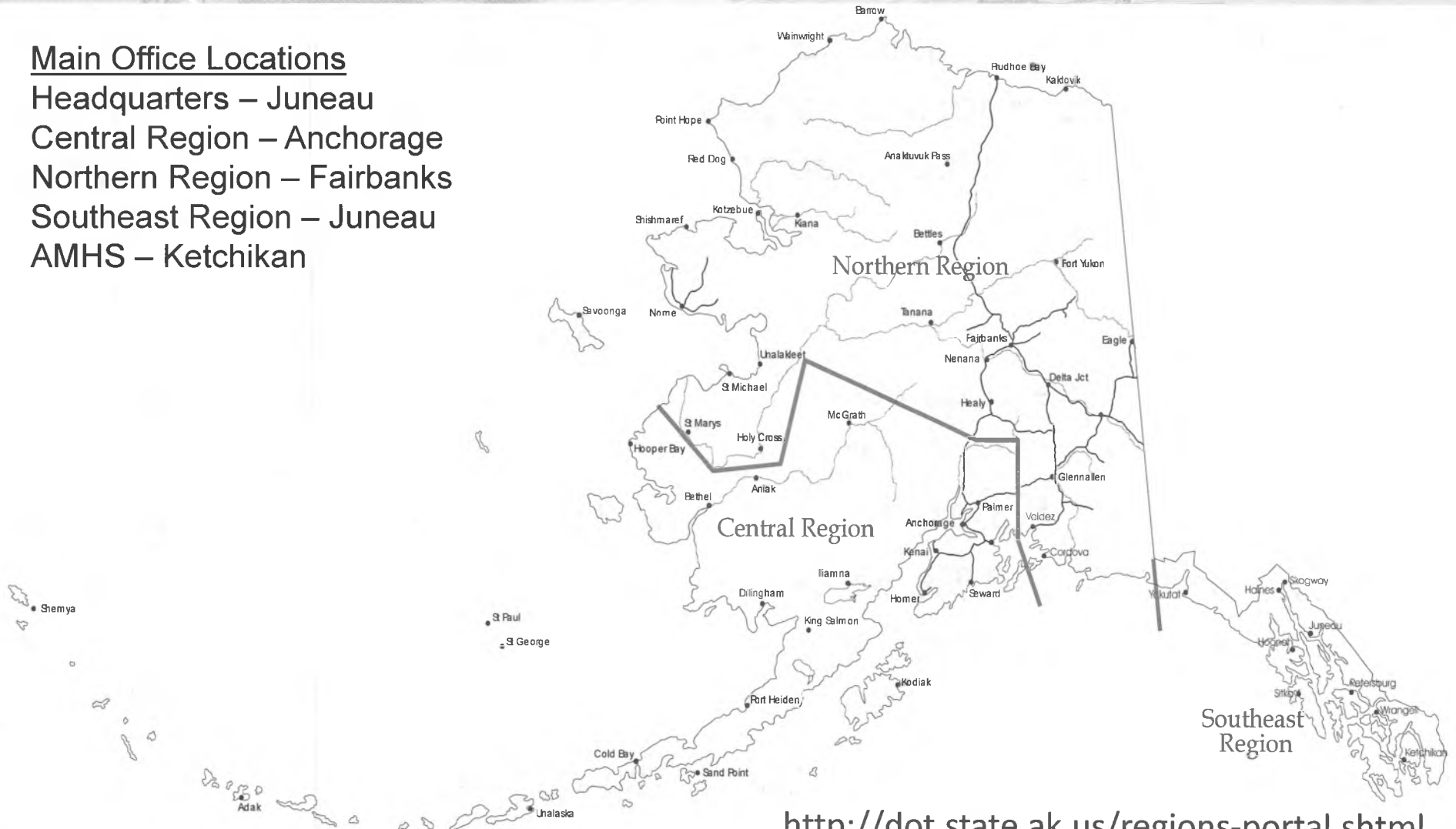
Headquarters – Juneau

Central Region – Anchorage

Northern Region – Fairbanks

Southeast Region – Juneau

AMHS – Ketchikan



<http://dot.state.ak.us/regions-portal.shtml>



Central Region

Robert Campbell – Regional Director

- Support Services
- Planning
- Design and Engineering
- Construction and CIP Support
- Facilities M&O
- Highways and Aviation M&O
- Traffic Signal Maintenance
- Whittier Tunnel
- KABATA
- 651 full and part-time budgeted positions
- 19.9% of DOT&PF's FY2015 Operating Budget Request
- \$125,413.5 budget request (all sources)

Challenges – Winter/events; Urban Congestion, % of the population; meeting the public's expectations particularly for winter maintenance; growth in the infrastructure we are responsible for maintaining; recruitment and retention of equipment operators in rural areas; and increasing federal requirements.

A banner image for the Northern Region showing various infrastructure and transportation scenes, including an airplane, a person on a tripod, a construction site, and a city skyline.

Northern Region

Steve Titus – Regional Director

- Support Services
- Planning
- Design and Engineering
- Construction and CIP Support
- Facilities M&O
- Highways and Aviation M&O
- 718 full and part-time budgeted positions
- 20.3% of DOT&PF's FY2015 Operating Budget Request
- \$128,148.4 budget request (all sources)

Challenges – Winter/events; meeting the public's expectations particularly for winter maintenance; growth in the infrastructure we are responsible for maintaining; recruitment and retention of equipment operators in rural areas; and increasing federal requirements.

Southeast Region

Al Clough – Regional Director

- Support Services
- Planning
- Design and Engineering
- Construction and CIP Support
- Facilities M&O
- Highways and Aviation M&O
- 236 full and part-time budgeted positions
- 6.4% of DOT&PF's FY2015 Operating Budget Request
- \$40,564.8 budget request (all sources)

Challenges – Winter/events; meeting the public's expectations particularly for winter maintenance; growth in the infrastructure we are responsible for maintaining; recruitment and retention of equipment operators in rural areas; and increasing federal requirements.

Alaska International Airport System (AIAS)

John Binder – Executive Director/ Deputy Commissioner

- AIAS Systems Office
- Administration
- Facilities
- Field and Equipment Maintenance
- Operations
- Safety
- 488 full and part-time budgeted positions
- 13.1% of DOT&PF's FY2015 Operating Budget Request
- \$82,587.6 budget request (all sources)

Challenges – International cargo mode shifts; competitor airports; carrier fleet mix changes; and the global economy.

Alaska Marine Highway System

John Falvey – General Manager

- Marine Vessel Operations
- Marine Engineering
- Overhaul
- Reservation and Marketing
- Marine Shore Operations
- Vessel Operations
- Marine Vessel Fuel
- 935 full and part-time budgeted positions
- 25.8% of DOT&PF's FY2015 Operating Budget Request
- \$162,563.3 budget request (all sources)

Challenges – maintaining aging vessels that require increasing repair and refurbishment; adhering to yearly established schedules; and meeting revenue projections based on these published schedules.

Measurement Standards and Commercial Vehicle Enforcement

Daniel Smith – Division Director

- Weights & Measures
- Commercial Vehicle Inspections
- Oversize Permitting
- Metrology Laboratory
- Weigh Stations
- 64 full-time budgeted positions
- 1.1% of DOT&PF's FY2015 Operating Budget Request
- \$7,041.2 budget request (all sources)

Challenges – attracting and retaining commercial vehicle inspectors; increasing federal requirements; increasing costs for annual device inspections in rural areas; and generating permit changes after normal business hours.

A banner image at the top of the slide showing various public facilities including an airport terminal, a train, and industrial buildings.

Public Facilities

David Kemp – Chief

- Project Management
 - New Projects
 - Deferred Maintenance
- Alaska Energy Savings Performance Program
- 31 full-time budgeted positions
- .7% of DOT&PF's FY2015 Operating Budget Request
- \$4,582.6 budget request (all sources)

Challenges – Range in complexity of the work; and recruitment and retention.

Commissioner's Office

Patrick J. Kemp – Commissioner

- Commissioner's Office
- Contracting and Appeals
- Equal Employment and Civil Rights
- Internal Review
- Transportation Management and Security
- 38 full-time budgeted positions
- 1% of DOT&PF's FY2015 Operating Budget Request
- \$6,049.4 (all sources)

Challenges – Moving Ahead for Progress 21st Century Act (MAP-21); balancing budget against public needs, changing conditions and expectations; congestion in Anchorage and Mat-Su; federal oversight; and budgeting for the severity of events and winter.

Administrative Services Division

Mary Siroky – Director

- Administrative Support
 - Budget
 - Financial Services
 - Building Management
- Information Systems
- Human Resources
- Procurement
- Leased Facilities
- 101 full-time budgeted positions
- 3% of DOT&PF's FY2015 Operating Budget Request
- \$18,690.8 (all sources)

Challenges – implementation of the new accounting system; and increased federal financial reporting requirements.

Program Development

Jeff Ottesen – Division Director

- Statewide Planning:
 - Long Range Plan
 - Statewide Transportation Improvement Program (STIP)
 - Hwy data systems
- Federal-aid agreements
- Capital budget
- Highway Safety office
- Transit program
- 43 full-time budgeted positions
- .9% of DOT&PF's FY2015 Operating Budget Request
- \$5,808.0 (all sources)

Challenges: Fulfilling rapidly expanding federal requirements; coping with decrease in federal-aid serving local roads and lesser highways; numerous occurring and imminent retirements.

Statewide Equipment Fleet

Diana Rotkis – Fleet Manager

- Procurement
- Fleet Maintenance
- Parts Depots
- Administration
 - Highway Working Capital Fund
 - Credit Card Fuel
 - Equipment Management System
- 165 full and part-time budgeted positions
- 5.2% of DOT&PF's FY2015 Operating Budget Request
- \$32,743.3 budget request (all sources)

Challenges – aging fleet; increased cost of equipment and diagnostics; and training and attracting a skilled maintenance workforce.

Statewide Design & Engineering Services

Roger Healy – Chief Engineer

- Bridge Design
- Design & Construction Standards
- Harbor Program Development
- Asset Management & Quality Improvement
- Statewide Environmental & Materials
- Research Development & Technology Transfer
- 80 full and part-time budgeted positions
- 2.1% of DOT&PF's FY2015 Operating Budget Request
- \$13,478.5 budget request (all sources)

Challenges-Implementing changes required by the new federal highway bill; recruitment and retention of technical professionals; transitioning department to an asset/performance management agency; establishing engineering and technical guidance for use of federal funding on the state's transportation system; and minimizing regulatory restrictions from federal agencies.

Statewide Aviation

John Binder – Deputy Commissioner

- Administrative Support
 - Budget
 - Financial Services
 - Carrier Compliance Program
- Transportation Planning
- Training Development
- Aviation Leasing
- 25 full-time budgeted positions
- .5% of DOT&PF's FY2015 Operating Budget Request
- \$3,248.3 budget request (all sources)

Challenges – Increasing federal regulatory pressure; lack of airport geospatial information data; wildlife management; land-use compliance; and airport obstructions.



Efficiencies

- Ice breakers
- Anti-icing chemicals – reducing need for sand
- Herbicides – save \$'s spent on brush cutting
- Hard aggregate increasing pavement life
- Eliminate low use equipment
- Simplifying processes
- Automating engineering processes

Operating Budget by Core Services

FY2014 Management Plan to FY2015 Adjusted Base Comparison

| | FY2014 Management Plan | | | | | FY2015 Adjusted Base | | | | | <u>Changes from FY2014 Management Plan</u> |
|--|------------------------|--------------------|---------------------|-------------------|---------------------|----------------------|--------------------|---------------------|-------------------|---------------------|--|
| | <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> | |
| Maintenance & Operations of State Transportation Systems | \$ 272,554.0 | \$ 57,755.2 | \$ 141,512.5 | \$ 3,844.6 | \$ 475,666.3 | \$ 272,350.9 | \$ 57,571.6 | \$ 141,677.6 | \$ 3,845.6 | \$ 475,445.7 | \$ (220.6) |
| Measurement Standards/Commercial Vehicle Enforcement | \$ 2,313.5 | \$ 2,728.5 | \$ 2,462.8 | \$ - | \$ 7,504.8 | \$ 2,319.8 | \$ 2,721.3 | \$ 2,465.2 | | \$ 7,506.3 | \$ 1.5 |
| Transportation & Facilities Constructions Programs | \$ 8,300.9 | \$ 8,157.1 | \$ 131,412.4 | \$ - | \$ 147,870.4 | \$ 8,219.5 | \$ 8,214.2 | \$ 131,490.3 | | \$ 147,924.0 | \$ 53.6 |
| Totals | <u>\$ 283,168.4</u> | <u>\$ 68,640.8</u> | <u>\$ 275,387.7</u> | <u>\$ 3,844.6</u> | <u>\$ 631,041.5</u> | <u>\$ 282,890.2</u> | <u>\$ 68,507.1</u> | <u>\$ 275,633.1</u> | <u>\$ 3,845.6</u> | <u>\$ 630,876.0</u> | <u>\$ (165.5)</u> |

| Key Changes from FY2014 Management Plan to FY2015 Adjusted Base | | | | | |
|--|-------------------|-------------------|---------------|-----------------|-------------------|
| | <u>UGF</u> | <u>DGF</u> | <u>Other</u> | <u>Federal</u> | <u>Total</u> |
| Salary and Health Insurance Increases | \$ 165.0 | \$ 24.2 | \$ 1.0 | \$ 1,161.1 | \$ 1,351.3 |
| Reversal of Multiple One-Time Items (OTI) | \$ (242.1) | \$ (157.9) | \$ - | \$ (781.9) | \$ (1,181.9) |
| Transfer Nome Office Building to Department of Administration/Division of General Services | \$ (201.1) | \$ - | \$ - | \$ - | \$ (201.1) |
| Transfer 09-T005 Digital Mapping Project Manager to Department of Natural Resources | \$ - | \$ - | \$ - | \$ (133.8) | \$ (133.8) |
| | <u>\$ (278.2)</u> | <u>\$ (133.7)</u> | <u>\$ 1.0</u> | <u>\$ 245.4</u> | <u>\$ (165.5)</u> |

Operating Budget by Core Services

FY2015 Adjusted Base to FY2015 Governor Request Comparison

| | FY2015 Adjusted Base | | | | | FY2015 Governor Request | | | | | <u>Changes from FY2014</u> | |
|--|----------------------|--------------------|---------------------|-------------------|---------------------|-------------------------|--------------------|---------------------|-------------------|---------------------|--------------------------------|-----------------------------------|
| | <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>Management Plan</u> | <u>% Increase/ (Decrease)</u> |
| Maintenance & Operations of State Transportation Systems | \$ 272,350.9 | \$ 57,571.6 | \$ 141,677.6 | \$ 3,845.6 | \$ 475,445.7 | \$ 272,440.6 | \$ 57,571.6 | \$ 143,073.2 | \$ 2,845.6 | \$ 475,931.0 | \$ 485.3 | 0.1% |
| Measurement Standards/Commercial Vehicle Enforcement | \$ 2,319.8 | \$ 2,721.3 | \$ 2,465.2 | | \$ 7,506.3 | \$ 2,267.6 | \$ 2,671.3 | \$ 2,407.5 | | \$ 7,346.4 | \$ (159.9) | -2.1% |
| Transportation & Facilities Constructions Programs | \$ 8,219.5 | \$ 8,214.2 | \$ 131,490.3 | | \$ 147,924.0 | \$ 6,828.2 | \$ 7,853.8 | \$ 132,960.3 | | \$ 147,642.3 | \$ (281.7) | -0.2% |
| | <u>\$ 282,890.2</u> | <u>\$ 68,507.1</u> | <u>\$ 275,633.1</u> | <u>\$ 3,845.6</u> | <u>\$ 630,876.0</u> | <u>\$ 281,536.4</u> | <u>\$ 68,096.7</u> | <u>\$ 278,441.0</u> | <u>\$ 2,845.6</u> | <u>\$ 630,919.7</u> | <u>\$ 43.7</u> | <u>0.01%</u> |

% Increase from FY2014 Adjusted Base to FY2014 Governor Request (GF Only): -0.5%

| | Key Changes from FY2015 Adjusted Base to FY2015 Governor | | | | |
|---|--|------------------|--------------|-------------------|----------------|
| | <u>UGF</u> | <u>DGF</u> | <u>Other</u> | <u>Federal</u> | <u>Total</u> |
| New Facilities Costs for 10 Facilities Added in FY2014/2015 | \$ 453.7 | \$ - | \$ - | \$ - | \$ 453.7 |
| Deletion of Long-Term Vacant Positions | \$ (442.0) | \$ (50.0) | \$ - | \$ (1,021.0) | \$ (1,513.0) |
| Reduce Highway Safety Corridor Safe Driving Program Authority | \$ (7.7) | \$ - | \$ - | \$ - | \$ (7.7) |
| Rural Airport Maintenance Contracts and Insurance | \$ 303.8 | \$ - | \$ - | \$ - | \$ 303.8 |
| Alaska Railroad Corporation Signal Crossing Agreement Renewal | \$ 123.0 | \$ - | \$ - | \$ - | \$ 123.0 |
| Lease Cost Increase and Accumulated Shortfalls | \$ - | \$ - | \$ - | \$ 438.2 | \$ 438.2 |
| Shore Maintenance Crew Increase | \$ 60.0 | \$ - | \$ - | \$ - | \$ 60.0 |
| Port of Bellingham Lease Increase | \$ 166.0 | \$ - | \$ - | \$ - | \$ 166.0 |
| Municipality of Anchorage Traffic Signal Management Transfer of Responsibility Agreement (TORA) | \$ 8.9 | \$ - | \$ - | \$ 10.8 | \$ 19.7 |
| | <u>\$ 665.7</u> | <u>\$ (50.0)</u> | <u>\$ -</u> | <u>\$ (572.0)</u> | <u>\$ 43.7</u> |

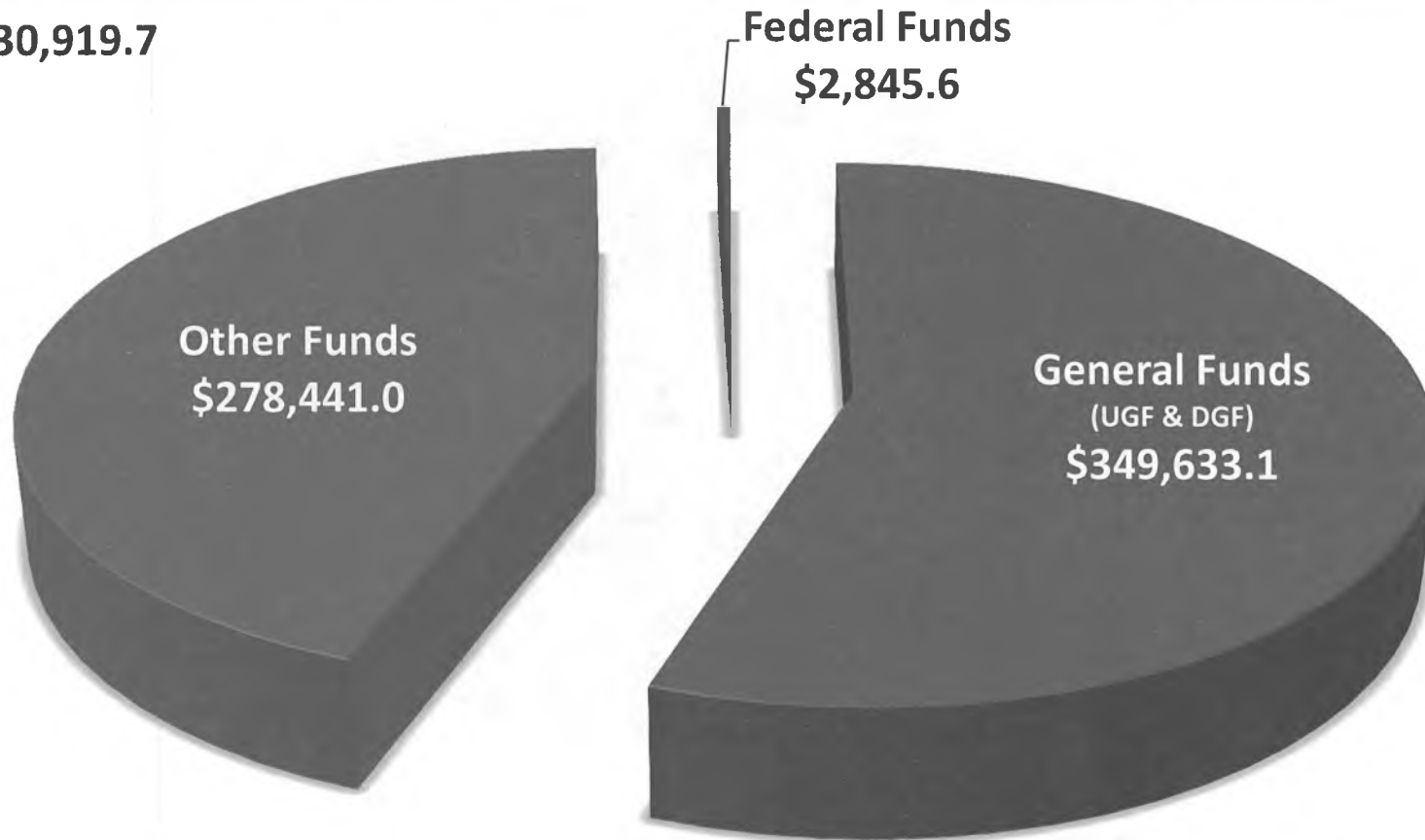
FY2015 Operating Budget Changes

- **Salary and Health** **\$1,351.3**
- **New Initiatives** **\$453.7**
- **Maintain Current Level of Service** **\$1,110.7**
- **Deletion of Long-Term Vacant Positions** **(\$1,513.0)**
(15 full-time; 2 part-time; 4 non-perm)
- **Technical Adjustments** **(\$342.6)**
- **One Time Items** **(\$1,181.9)**

(Funding in Thousands)

FY2015 Operating Budget

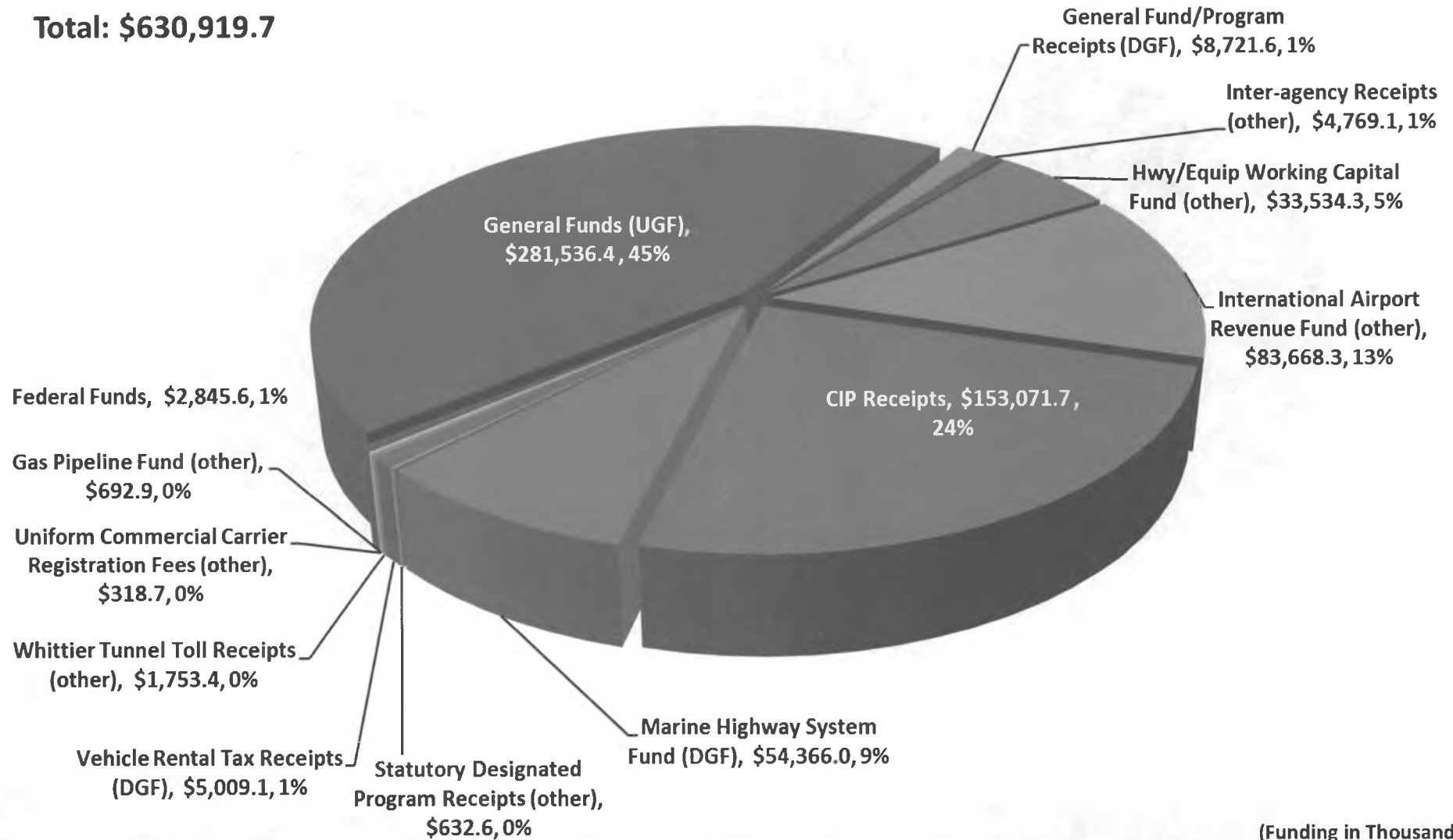
Total: \$630,919.7



(Funding in Thousands)

FY2015 Operating Budget Funding Sources

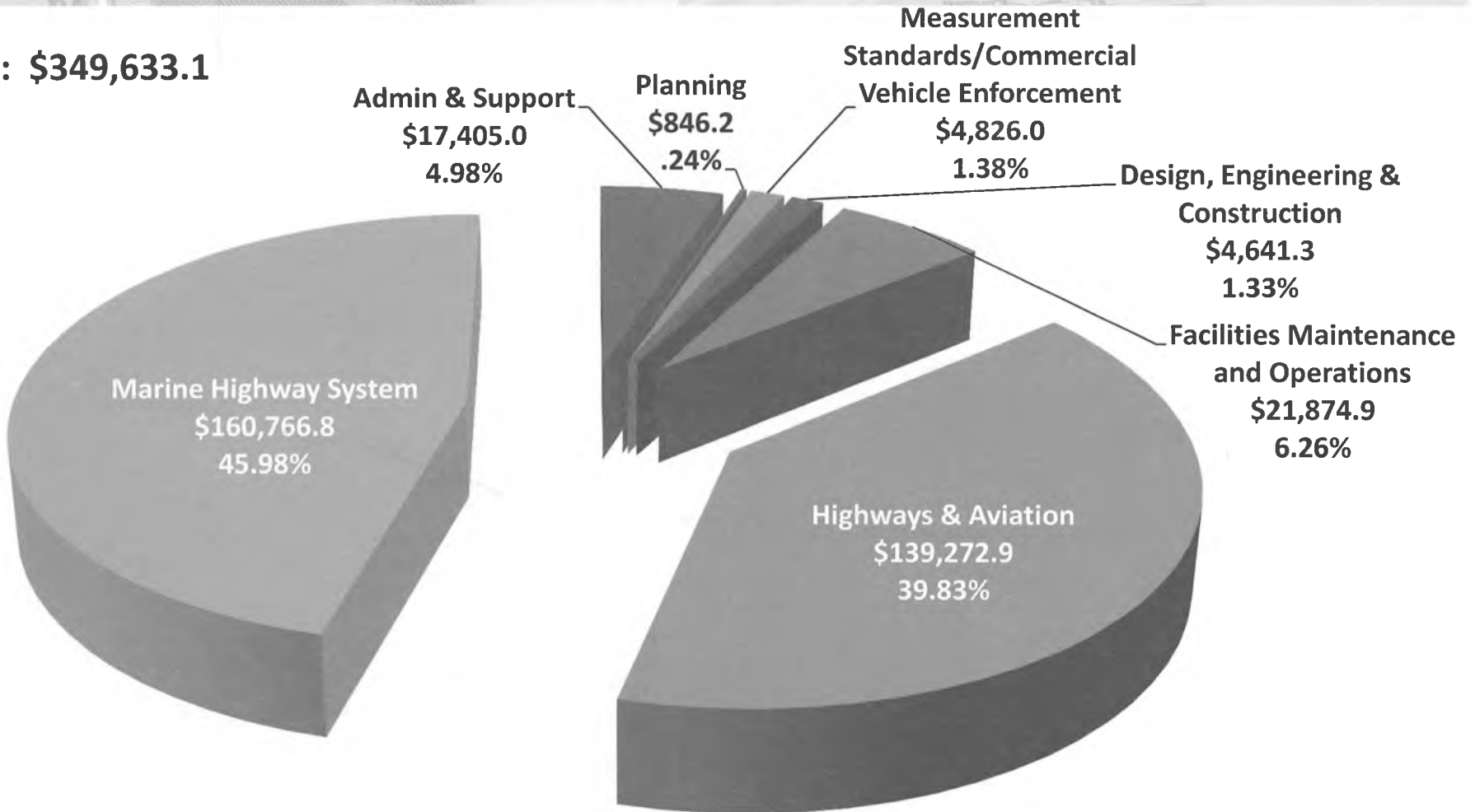
Total: \$630,919.7



(Funding in Thousands)

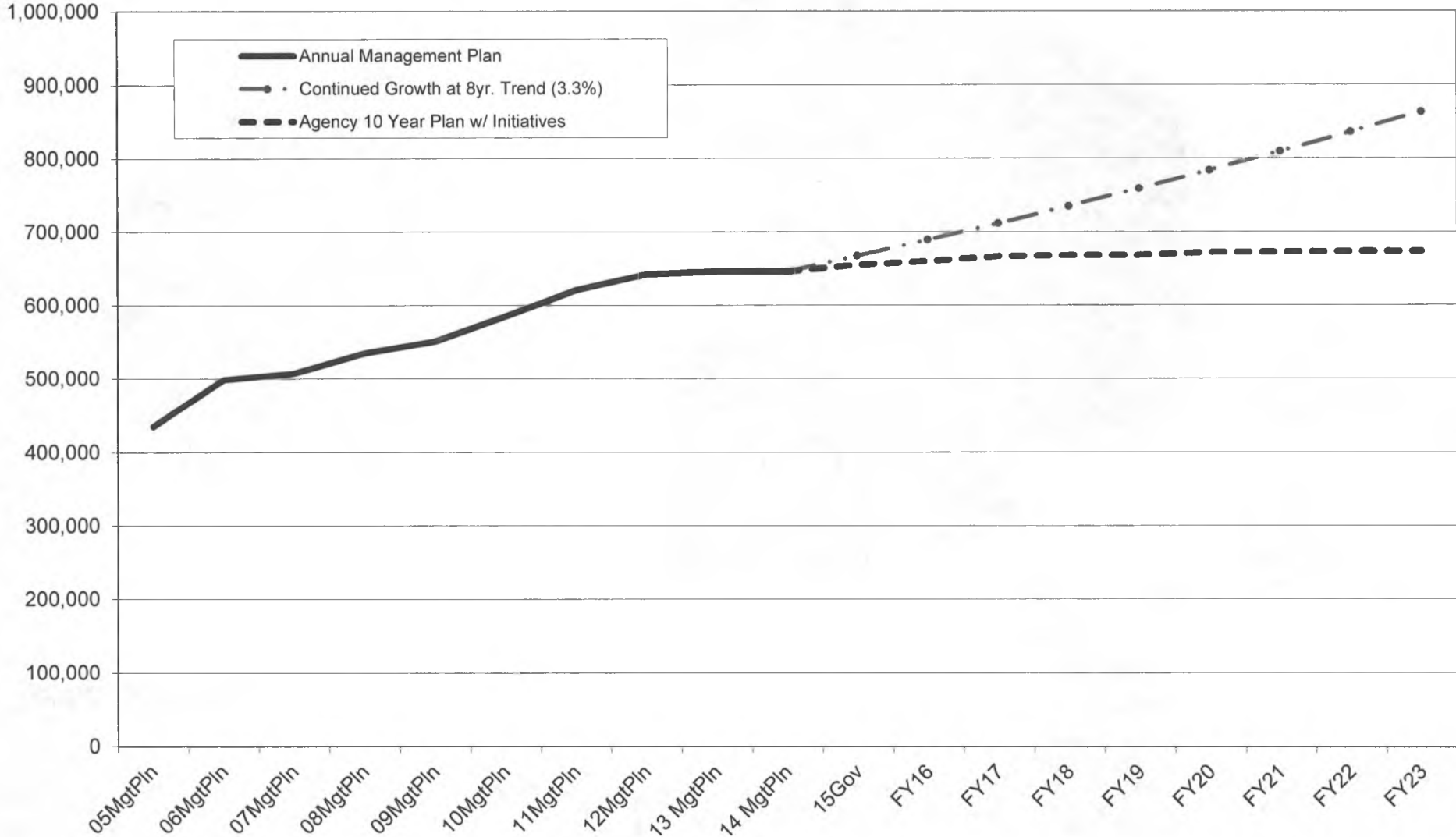
FY2015 General Fund Operating by Allocations

Total: \$349,633.1

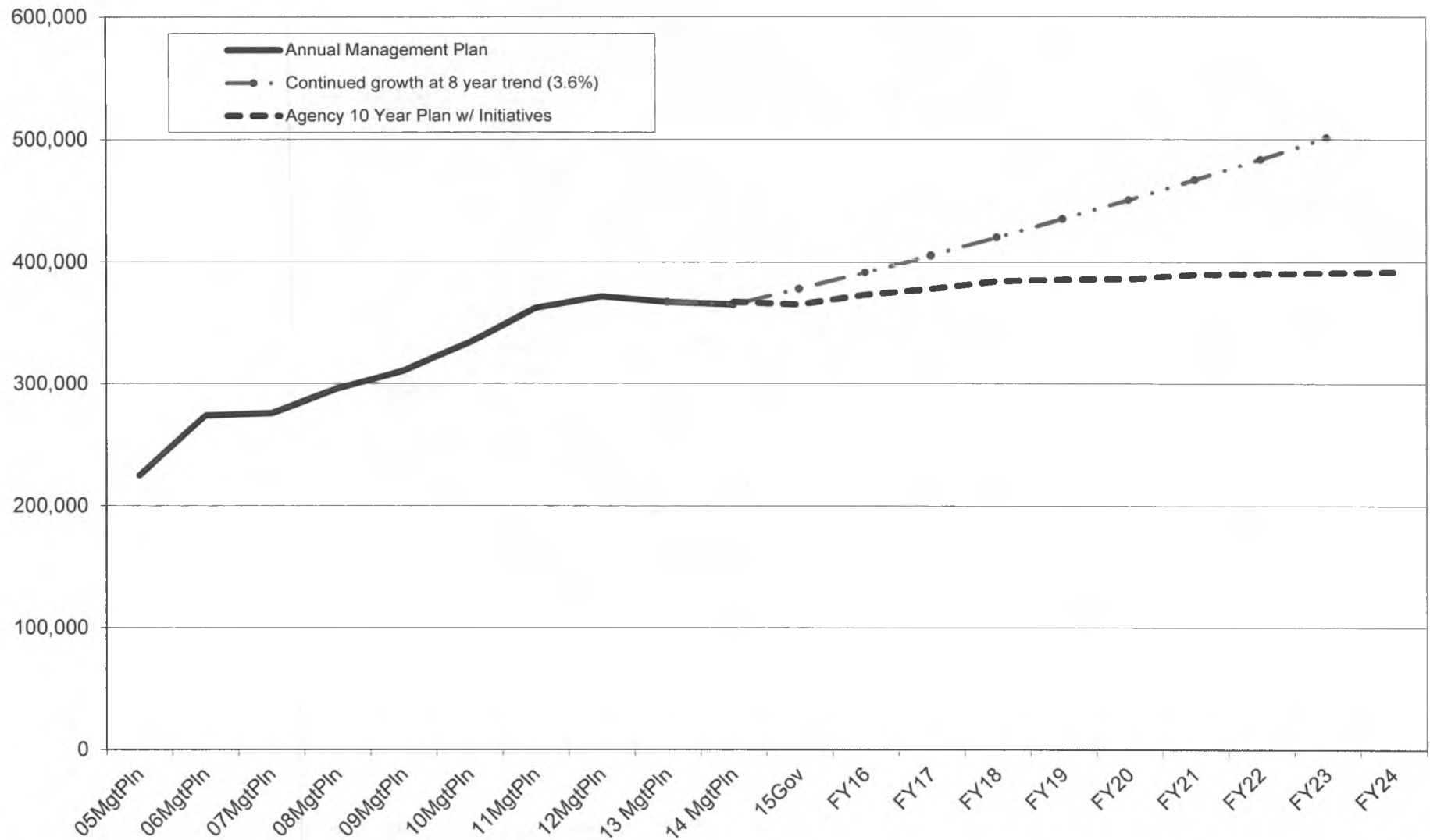


(Funding in Thousands)

**Department of Transportation & Public Facilities
 Continued Budget Growth Compared to 10-Year Plan
 (All Funds)
 (\$ Thousands)**

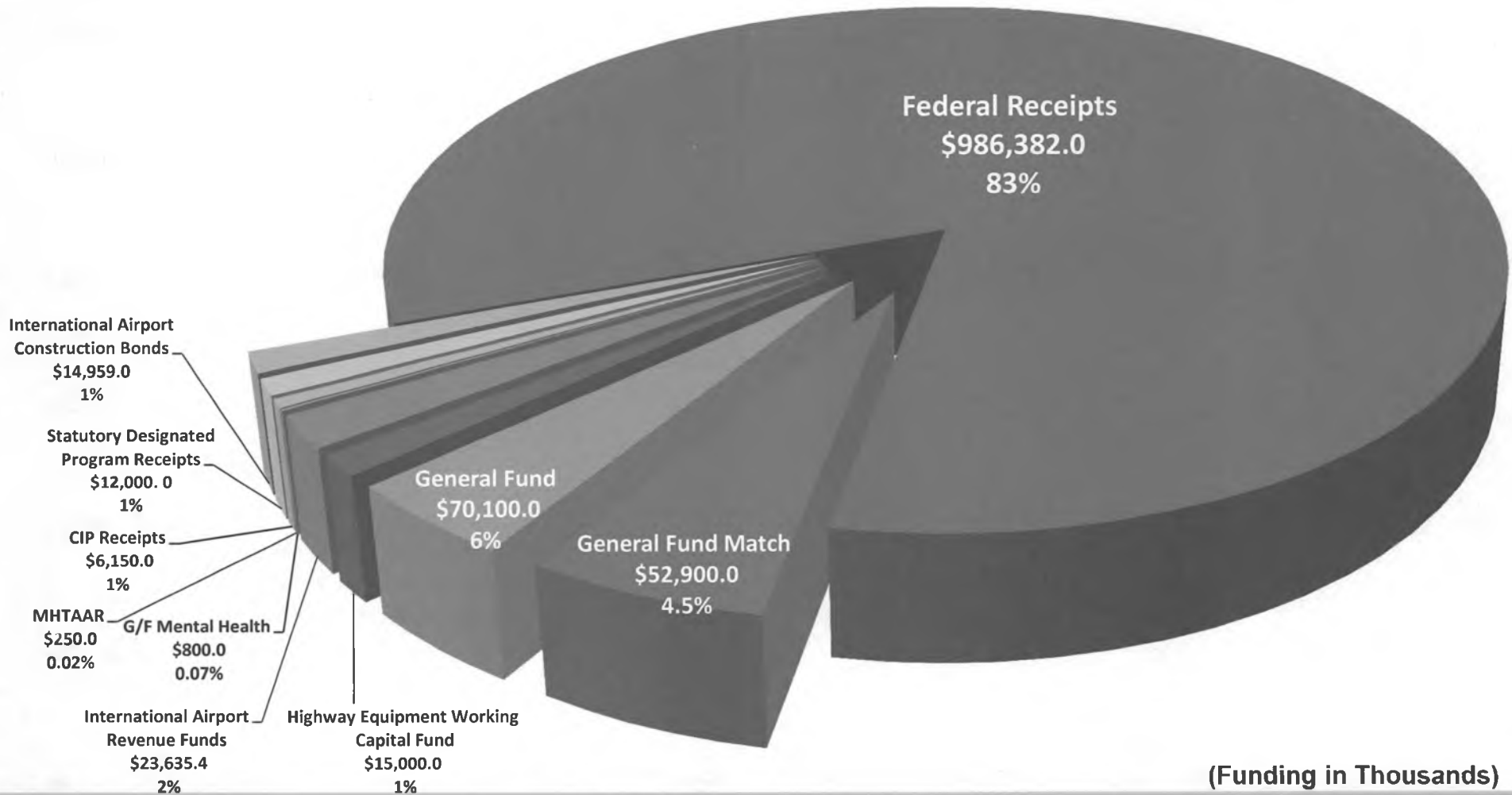


Department of Transportation & Public Facilities
Continued Budget Growth Compared to 10-Year Plan
 (GF Only)
 (\$ Thousands)



FY2015 DOT&PF Capital Budget

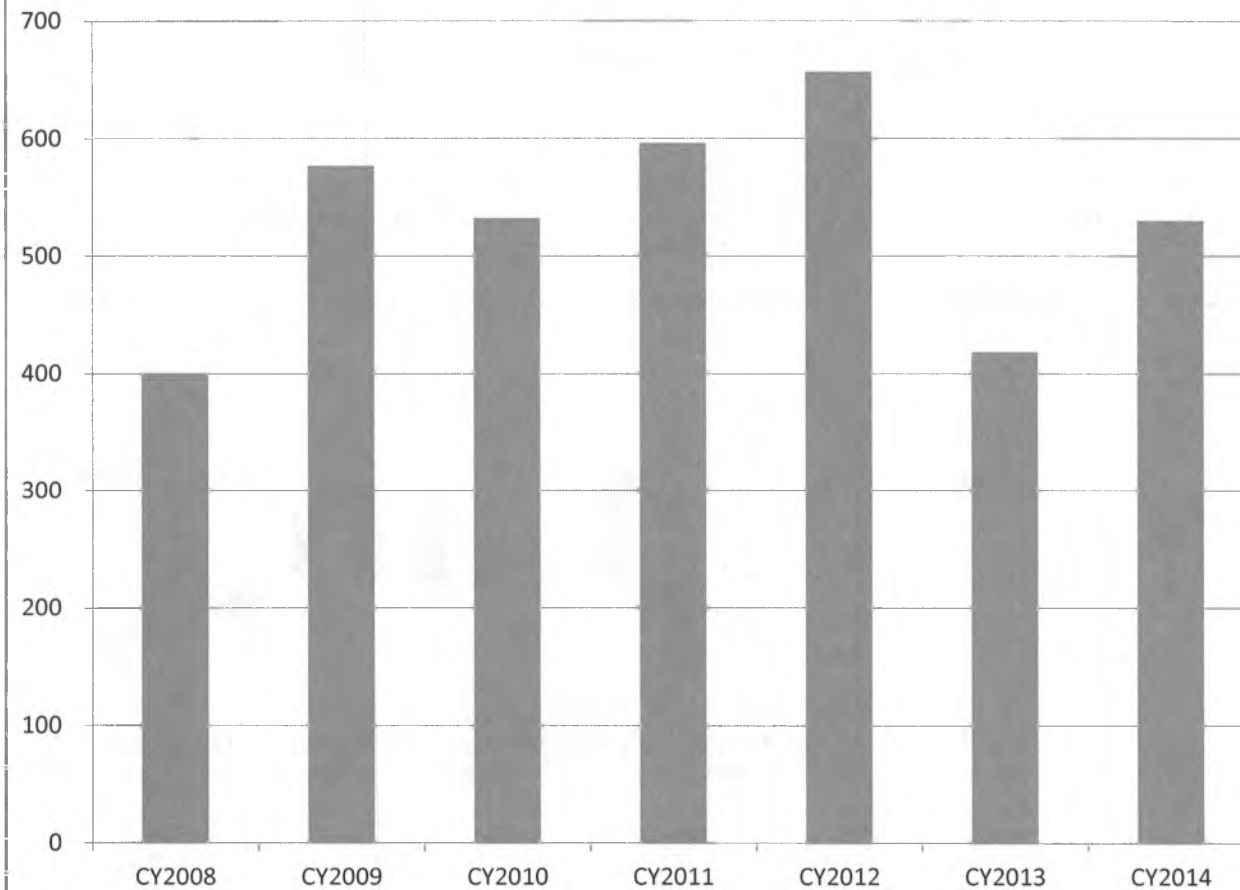
Total: \$1,182,176.4



(Funding in Thousands)

DOT&PF Capital Construction Projects

Millions of Contract Awards



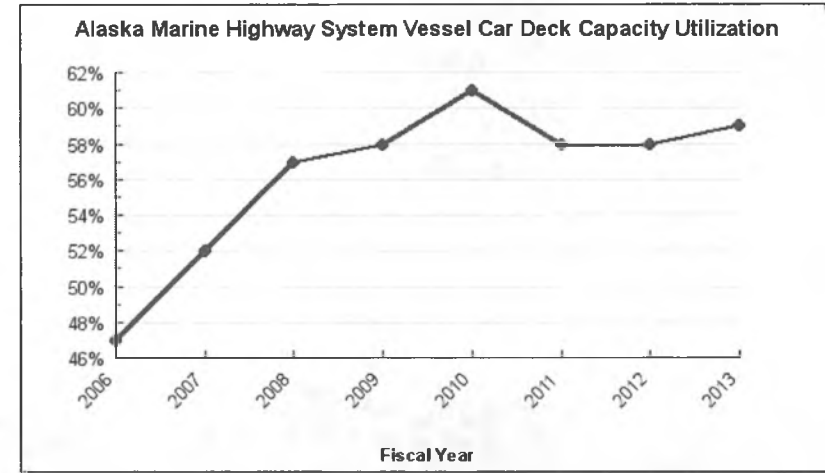
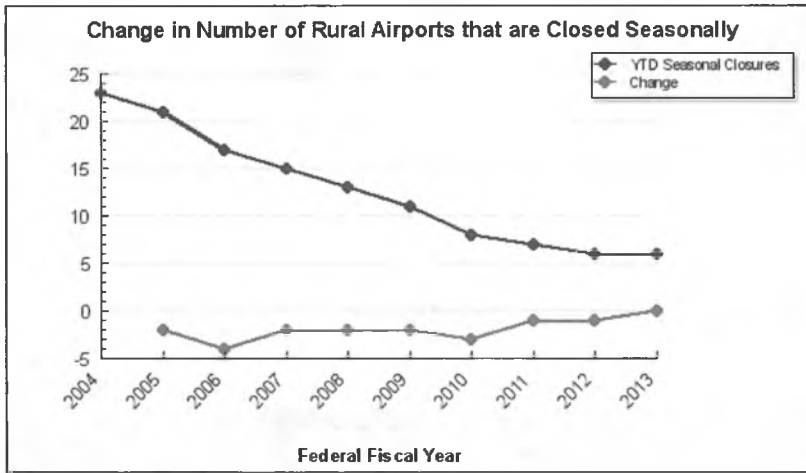
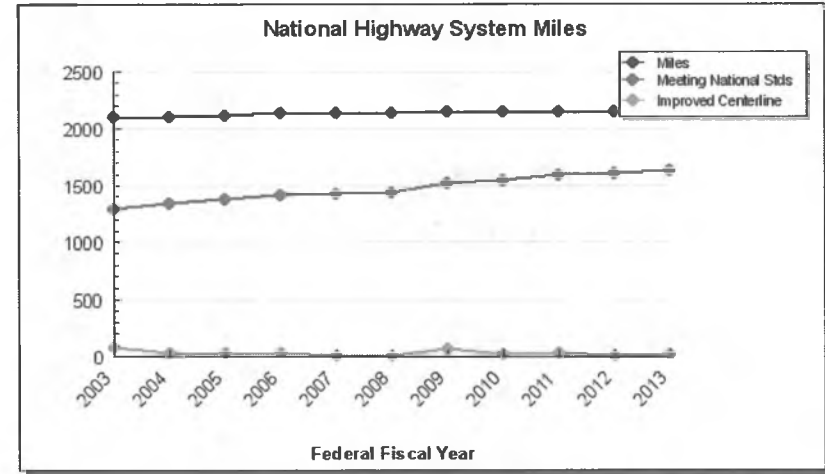
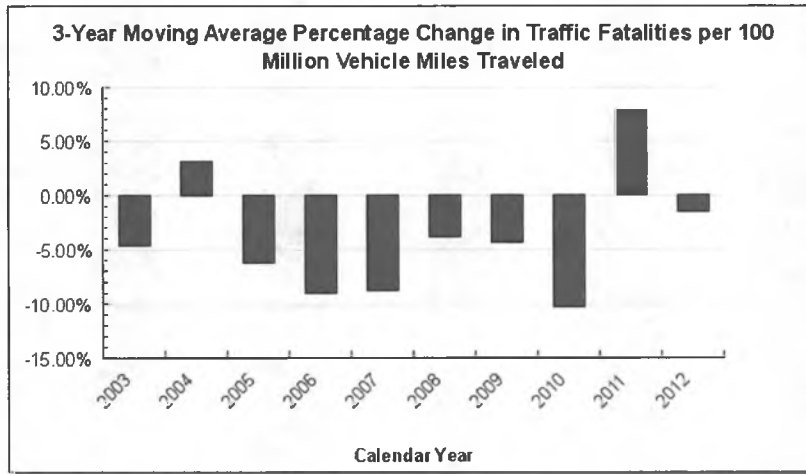
NOTE:

a. All construction awards (aviation, marine highways, highways, facilities)

b. All fund sources – State, GF, Federal

c. 2014 is estimated. – 6-year average.

Measures & 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>

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

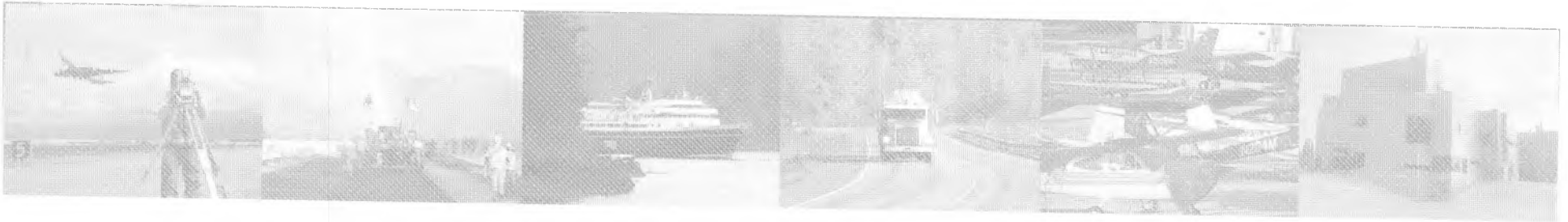
Road construction
Alaska Highway from Milepost 1222 to Milepost 1235

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?