

ALASKA LEGISLATURE SPECIAL COMMITTEE/SUBJECT FILES 8672

2711 SCOMM 122: COMMISSION ON PRIVATIZATION. . . , 1999

Line Item #148.**Relocate Existing Concrete Light Bases [6 per Group]****Scope of Work:**

Payment shall be full compensation for the removal of 6 existing concrete light bases at their original site and the placement of the same 6 existing concrete light bases at a new site approximately 100' away. Includes the associated excavation, backfilling and compaction of the original site and the new site. Remove approximately 200 LF of existing 4" conduits for all 6 existing concrete light bases [approximately 35' for each], remove 6 existing light fixtures, and all other associated demolition work. The depth of an existing concrete light base is approximately 4'. Provide approximately 200 LF of new 4" PVC conduits trenched in place. Tie into the existing edge light system. Re-install 6 existing light fixtures. Removal and replacement of the airfield lighting cable is by others. Dispose of the piping in an off-base disposal site. Includes contractor's quality control and applicable testing.

Unit of Measurement:

Per each Group of 6 relocated Concrete Light Bases.

Line Item #149.**New Parking Lot Light Poles****Scope of Work:**

Payment shall be full compensation for: providing new light poles which includes: new 30' tall flange-mounted luminaire pole with two 10' long luminaire arms, new cutoff style cobrahead lamps with photocell, new PVC electrical conduits with new conductors, new concrete pole foundation that extends 2' above the pavement, new load center with 125' underground run to existing pole mounted transformer, and new disconnect switch at load center. Typically, the new poles will be in groups of three at approximately 150' on center on approximately 350' long concrete islands.

Unit of Measurement:

Per EA of new parking lot pole with 2 lights.

Perform IAW:

Munic of Anchorage Standard Specifications for Streets 1994 - Details 80-17 and 80-20, "Flange-Mounted Luminaire Pole and Concrete Base", NEC 99, Contract Drawings, and 1020-12.

Line Item #150.**Replace Existing Head Bolt Outlet Posts****Scope of Work:**

Payment shall be full compensation for: removal of existing posts which include existing duplex receptacles, existing conduits with wiring, and existing posts. Provide new post assemblies which includes: 4 new GFI waterproof duplex receptacles with 4 waterproof covers per post, new 4" diameter galvanized steel post, new PVC electrical conduits with conductors, new load center with 125' underground run to new transformer, and new disconnect switch at load center. Provide new 112.5 Kva 3 phase pad-mounted transformer. Typically, the new posts will be in groups of sixteen at 20' on center on approximately 350' long concrete islands. Provide approximately 1 CF of concrete at each post for support.

Unit of Measurement:

Per EA of new post with 4 head bolt outlets.

Perform IAW:

NEC 99, Contract Drawings, 1020-12, 16370, and 16375.

Borrow Pit Products for BCE [Base Civil Engineer]

Line Item #151.

New D-1 Base Course for BCE

Scope of Work:

Payment shall be full compensation for providing D-1 base course to the Base Civil Engineer [BCE], which includes: the mining, processing, stockpiling, and storage of the D-1 base course aggregate in the on-base borrow pit [area 12]. When delivery is required, the contractor shall load, scale, haul, and dump the base course at the CE stockpile area [area 13]. The minimum call amount is 1,000 tons, which shall be delivered within 48 hours from issuance of the call. The contractor may accept call amounts for less than 1,000 tons, however, the government has the option to purchase D-1 base course from other sources for call amounts less than 1,000 tons. Includes contractor's quality control and crusher control testing.

Unit of Measurement:

TONS of D-1 Base Course as scaled.

Perform IAW:

Section 2235.

Line Item #152.

New Air Force Hot Mix Asphalt [AC-5] For BCE

Scope of Work:

Payment shall be full compensation for providing hot mix asphalt to the Base Civil Engineer [BCE], which includes: the mining, processing, stockpiling, and storage of the asphalt aggregate, for the mixing, and loading into government end dumps, and for the scaling of the hot mix asphalt in government trucks. Contractor shall load the government trucks, which will use the contractor's scales. The minimum call amount is 300 tons, which shall be available to the government for pick-up within 24 hours from issuance of the call. The contractor may accept call amounts for less than 300 tons, however, the government has the option to purchase AC-5 from other sources for call amounts less than 300 tons. Contractor is only under obligation to provide hot mix asphalt to the government on days of hot mix production for on-base contracts. The government is allowed to purchase all other asphalt mixes from off-base suppliers. Includes contractor's quality control and crusher control testing.

Unit of Measurement:

TONS of Air Force Hot Mix Asphalt [AC-5] as scaled.

Perform IAW:

Section 2550.

**Commission on Privatization and
Delivery of Government Services**

**Subcommittee Report on the Department of Transportation &
Public Facilities**

Appendix C

DOT/PF unified road maintenance study dated August 21, 1992

**UNIFIED ROAD MAINTENANCE
STUDY**

AUGUST 21, 1992

FINAL REPORT

PREPARED FOR:

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CENTRAL REGION
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EXECUTIVE SUMMARY

The State of Alaska and the Municipality of Anchorage are investigating the feasibility and desirability of the Municipality maintaining specific State transportation facilities within Municipal boundaries. Facilities under consideration for transfer include all State roadways, drainage, illumination, bridges, vehicular equipment and buildings. The State has proposed transfer of the Girdwood and Birchwood Airports as well, but the Municipality has thus far declined these facilities. The transfer of responsibilities would be effected by means of a negotiated Unified Road Maintenance (URM) Contract setting forth the details of the maintenance responsibilities, compensation methods and other contract provisions. This study is to evaluate the feasibility and desirability of a URM Contract, including an analysis of the infrastructures, operational budgets, methods and equipment, identification of specific issues to resolve and to prepare recommendations to facilitate implementation.

There are important differences in the infrastructure maintained by the State and the Municipality that affect operations and costs. Of the State's 1,137 lane-miles of maintained roadway, approximately 1,000 lane-miles are classified as freeway or arterial streets. Also included in the State's maintained infrastructure are approximately 37 miles of underground storm drains, less than 500 street lights, and approximately 90 maintenance vehicles. By comparison, the Municipality's 1,385 lane-miles of maintained roadway consist of approximately 1,100 lane-miles of local subdivision and collector streets, 5,500 street lights, 200 miles of storm drain and 210 maintenance vehicles. It is evident, that although the total maintained lane-mileage of the State and the Municipality is similar, there is a substantial difference in roadway classification and complexity of maintained facilities.

The State roadways are spread throughout the Municipality and are in close proximity to, and frequently intersect Municipal roadways. The State operates from maintenance stations in East Anchorage and in Girdwood. The City operates out of three stations: one each in West and South Anchorage and near downtown. It is clear that considerable effort and cost could be saved if the roadway systems were integrated under one agency and use of the maintenance stations was optimized.

A comparison of operations indicates significant differences in numbers of personnel and types of equipment used by the State and the Municipality. Although both have personnel of similar expertise, the state has approximately 56 people compared to the Municipality's approximately 112 people. The State's equipment fleet has a larger percentage of higher speed equipment, such as dump trucks with belly-blades, for roadway maintenance compared to the Municipality's predominant use of slower road graders. The State's freeway and arterial system allows faster equipment speeds and fewer speed transitions. The Municipality's roadway system consist mostly of low speed local subdivision streets and frequent starts and stops where use of road graders is appropriate.

Variations in operational methods and costs also result from a differences in the State's and the Municipality's philosophy of pavement maintenance. The Municipality, which has relied more heavily on local funding for all types of maintenance and

reconstruction, has found that an emphasis on preventative maintenance, such as crack sealing, local patching and overlays, instead of major reconstruction, results in a lower overall expenditure of capital and maintenance funds. Because of the Federal capital construction funding available for most State roadways, the State relies less on preventative maintenance and more heavily on complete reconstruction of pavement surfaces. However, both approaches to maintaining roadway surfaces are acceptable.

State and Municipal winter snowplowing operations provide similar levels of service, although some differences were noted. The Municipality plans the plow-out of a typical snowfall from Municipal Streets within 84 hours. Initial priorities are designated snow routes which include most Municipal arterial and collector streets. The State's initial efforts focus on plowing the Seward and Glenn Highways followed by the remaining freeways, arterial and collector streets. As a result, the Municipality may be ahead of the State in the initial plowing of arterial and collector streets, but within the first 18 to 24 hours of a snowfall, both agencies have plowed out their major roadways. Both approaches effectively utilize manpower and equipment.

Operational differences result in significant differences in costs the State and the Municipality incur for road maintenance. For this analysis, adjustments were made to each agency's budget to assure comparison of total costs for similar facility maintenance responsibilities. After adjustments, the State's annual budget is approximately \$7.5 million and the Municipality's annual budget is approximately \$18.5 million. This works out to approximately \$6,600 per lane-mile for State roadways and approximately \$13,400 per lane-mile for Municipal roadways. These cost figures are accurate representations of the actual costs that are incurred by each agency.

Combining maintenance operations under the URM Contract will result in potential overall improvement in service levels and economies of operation. Specific major benefits identified in the study include the following:

Route Efficiencies - Integration of road systems will allow optimal equipment routing to minimize non-working travel time. This is estimated to result in operational savings of approximately 1% to 3% of the State and Municipal combined annual budgets, or approximately \$250,000 to \$750,000.

Administrative Savings - Elimination of duplicate responsibilities will save approximately \$145,000 per year.

Maintenance Station Location - Combining all four Anchorage Bowl State and Municipal maintenance stations will reduce travel time to and from work locations by at least 50%, a savings of approximately \$120,000 per year.

Public Perception - Performance of all road maintenance by one agency will be a very beneficial public relation action. Public confusion about whom to call with road maintenance problems will be eliminated.

The potential total savings identified in manpower and equipment utilization resulting from a URM Contract is approximately \$550,00 to \$1,050,000. Alternatively, this savings could be used to improve overall service levels or minimize the differences between State and Municipal operations.

Based on analysis of the differences in infrastructure and operations, the State's annual budget of \$7,457,742, adjusted to include only road maintenance responsibilities, is an appropriate starting point for development of a URM Contract annual budget. Making adjustments for responsibilities not transferred, liability claims loss payments, and duplicate administrative position savings recommended to remain with the State (\$145,000), results in a URM Contract budget of approximately \$6,663,000. The balance of the prospective administrative and operational savings (\$405,00 to \$905,000) should be retained by the Municipality to minimize service level differences and as yet undetermined operational impacts.

Based on the analysis contained in this study, it is recommended that the State and the Municipality continue negotiation and implementation of a Unified Road Maintenance Contract. Having two separate agencies responsible for similar, overlapping road systems in Anchorage is inherently inefficient and an unnecessary waste of public funds. In addition, a potential \$550,000 to \$1,050,000 in administrative and operational savings will be realized from a URM Contract. Public confusion about road maintenance responsibilities will be eliminated. Finally, the citizens of Anchorage will likely perceive the URM Contract as a desirable action saving their taxpayer dollars and resulting in improved service.

Several issues remain to be resolved during negotiation of the URM Contract. They include resolution of the differences in pavement management philosophy and perceived differences in services levels and funding for abnormal weather conditions, among others. Each is resolvable if the State and Municipality commit to realize the potential benefits of a Unified Road Maintenance Contract.

I. INTRODUCTION

Management Analysis Company (MAC) has been retained by the Central Region of the State of Alaska Department of Transportation and Public Facilities (State) to analyze aspects of contracting with the Municipality of Anchorage to perform routine maintenance on specific State-owned and maintained transportation facilities within Anchorage Municipal boundaries. A primary goal of the Study was development of conclusions about the feasibility and desirability of the proposed transfer of maintenance responsibility. In addition, the draft Unified Road Maintenance (URM) Contract was reviewed to assess the appropriateness of the proposed budget, the costs to be charged the State by the Municipality, and to identify specific problems areas in the terms of the Contract or its implementation. The results of this analyses were used to prepare recommendations to facilitate implementation.

To develop an understanding of the requirements of the proposed URM Contract, it was first necessary to analyze and compare the State and Municipality's annual expenditure budgets and operational programs for similarities and differences affecting performance and associated costs under the proposed Contract. Major cost components including personnel, equipment, supplies, contracts and indirect costs were reviewed. Methods of cost determination and allocation used by the two agency's were compared. Operational differences, particularly those resulting from differences in the types and functions of facilities maintained, were investigated. This information and analyses helped explain the differences in cost and methods between each agency's performance of the responsibilities proposed for transfer. The combined operations were also reviewed to determine the potential cost savings and efficiencies resulting from a combined responsibility.

For the required analyses, MAC's Study Team obtained copies of the draft URM Contract, budget and expenditure documents and program descriptions for both the State's Maintenance and Operations Division (M&O) and the Municipality's Street Maintenance Division, and the proposed combined responsibility maintenance budget documents and program description prepared by the Municipality. Our Team also

interviewed selected individuals from the staffs of both agencies to develop further understanding of budget information, program descriptions, maintenance methods and requirements, overhead allocation methods, efficiencies/deficiencies of a combined program, and potential cost savings or level of service improvements.

A. Proposed Unified Road Maintenance Contract

For a number of years, the State and Municipality have entered into agreements to transfer the responsibility for maintenance of specific roadways from one agency to the other. These agreements, commonly referred to as "exchange of responsibility agreements", are intended to require approximately equivalent amounts of effort and cost by each agency for the exchanged roadways. Operational efficiencies have resulted for both agencies including lower costs and improved maintenance service levels. Approximately 80 lane-miles of each agency's roadway have been exchanged. In addition, under existing agreements, the Municipality maintains all Municipal and State traffic signals within Anchorage Municipal boundaries and approximately 15 lane-miles of State roadways in the Eagle River/Birchwood area. The State reimburses the Municipality its costs to perform the agreed maintenance.

In recognition of continually reduced funding and increased costs for road maintenance by the State and Municipality, steps must be taken to increase efficiency. Otherwise, service levels have to be lowered. Based on previous exchange or transfer of responsibility agreement experience, it was decided to explore the feasibility of the State contracting with the Municipality for maintenance of State roadways in Anchorage to determine if desirable efficiencies could be achieved. The proposed URM Contract would transfer all road maintenance responsibilities to the Municipality with funding provided by the State. The Municipality would maintain all State roadways between the intersection of the New and Old Glenn Highways near the Knik River Bridge to the north of Anchorage and the south side of the Placer River Overflow Bridge to the south of Anchorage. All State roads, drainage, illumination,

bridges, vehicular equipment and buildings would also be transferred. The Municipality would obtain existing stockpiles of sand, salt, signs lighting parts and other materials. Transfer of the responsibility for maintenance of the Girdwood and Birchwood Airports was also proposed but declined by the Municipality. The State would retain administration of seasonal weight restrictions, road conditions reporting, permitting of roadway work, and bridge inspection and structural maintenance. In consideration for this transfer of responsibility, the State proposes to pay the Municipality an amount equal to the State Maintenance and Operations Anchorage District FY 92 annual budget, less amounts for responsibilities not transferred and prospective administrative savings. The preliminary amount suggested for reimbursement to the Municipality is \$6,339,000.

B. Issues and Questions

A key objective in the present study is to provide information and analysis to resolve the major issues and questions that have arisen during preliminary negotiation of the proposed URM Contract. These issues and questions are believed to be the following:

1. What differences exist between the annual budgets of the State and Municipal agencies by major categories such as personnel, equipment, overhead, contracted services, supplies and materials in total and on a per lane-mile cost basis? Why do the differences exist?
2. What differences exist between the service levels of each agency?
3. What efficiencies would result from the URM Contract in cost savings or service level improvements?
4. Will the efficiencies to be gained by the URM Contract be sufficient to meet the

precondition requirements of the State/Public Employees Local 71 Labor Agreement for subcontracting for services?

- 5. Is the URM Contract budget proposed by the State appropriate? If not, what adjustments are recommended?**
- 6. Can the different service levels provided on similar Municipal and State roadways be continued by the Municipality under the URM Contract?**
- 7. How will weather-affected cost variations be handled?**

Because certain types of records which would be useful to the required analysis are not kept by either the State or Municipality, the information and analyses in the following sections provide varying levels of satisfaction to the questions and issues raised. In addition, there are some differences in record keeping between the organizations which limit the confidence of the analysis. The limitations are pointed out where pertinent.

II ANALYSIS

An overall understanding of the similarities and differences between the State and Municipal road maintenance programs is necessary to establish a basis for any analysis. The primary components that make up each program are the infrastructure, operational costs and budgets, and maintenance operations methods and policies. The following paragraphs describe the results of the component analysis. The conclusions derived are subsequently used to analyze the URM Contract.

A. Infrastructure Comparisons

There are important differences in the infrastructure maintained by the State and Municipality. The following table shows those most significant by category and amount:

Table 1
INFRASTRUCTURE COMPARISON

Category	State	Municipality
Freeways and Frontage Roads (lane-miles)	353.99	0
Arterial Streets (lane miles)	708.87	163.65
Collector Streets (lane-miles)	73.96	148.52
Local Roads and Streets (lane-miles)	0	1072.89
Total	1136.82	1385.06
Paved Roadway (lane-miles)	1109.53	1250.65
Gravel Roadway (lane-miles)	27.29	134.41
Underground Storm Drains (miles)	37	200
Oil and Grease Separators(each)	20	40
Street Lights(number)	< 500	5500
Bridges/Overcrossings(each)	93	8
Maintenance Vehicles(units)	90	210
Equipment Operational or Fleet		
Maintenance Facility Centers (each)	3	4

The Municipal roadway mileage is taken from the field physical inventory measurements obtained during the Summer of 1991 and is presented here by the general functional classifications listed in the Anchorage Official Street and Highway Plan (OS&HP). The State roadway mileage is taken from the physical inventory prepared as part of the database for the State's Pavement Management System.

Each category of streets and related structures listed in Table 1 requires different maintenance methodology and resultant costs. By inspection, it is readily apparent that the State and Municipal roadway systems vary significantly in composition by category. For example, whereas more than 1000 lane-miles or 90% of State roadways are freeways, frontage roads and arterial streets, less than 165 lane-miles or 15% of the Municipal system falls in this category. The balance of more than 1000 lane-miles of the Municipal system are local roads. The State pays the energy cost and maintains less than 500 street lights compared to more than 5,500 for the Municipality. Substantial differences also occur in the underground storm drainage systems. The impact of these infrastructure differences on each agency's budget and operations is analyzed in the following sections of this Study.

B. Analysis and Reconciliation of Budgets

To develop or analyze a budget for the proposed URM Contract, it was first necessary to understand the maintenance and operation costs incurred by the State and the Municipality for their present programs. Because of important differences in budgeting and cost allocation methods, some adjustments were required to each agency's cost and budget information to assure an "apples-to-apples" comparison. Once this was done, a comparative cost per lane-mile was computed and analyzed for each agency's program. This information in combination with an analysis of the infrastructure and operational differences becomes the basis for development of the URM Contract budget.

The following analysis is based on a review of the budgets for the State and Municipal organizations which are currently responsible for maintenance of roadways and related structures. To validate the budgets, they were compared to actual expenditure records for the current year-to-date and two prior years. The budgets reflect actual expenditures except for cost overruns due to abnormal weather conditions which is discussed in more detail under Part II, Section C - Operational Analysis and Comparisons.

1. State Maintenance and Operations Budget - The total amount of the State's FY 92 budget for the Anchorage Maintenance and Operation District is \$7,845,600. Exhibit I shows adjustments to this budget to remove amounts for responsibilities not related to maintenance of roadways and appurtenances, and for geographic responsibilities outside the Municipality. These are the deductive adjustments that appear in Exhibit I. Also, additive adjustments were necessary for functions supporting the Anchorage District operations for which budgets are kept separately, and for other identified costs not included in the Anchorage District M&O budget for roadway and appurtenance maintenance. These adjustments result in a budget totalling \$7,457,742. This amount was used as the basis for development of the State per lane-mile costs described later. It has also been used as a basis to develop the recommended URM Contract amount described in Part II, Section E - URM Contract Budget Analysis

2. Municipal Maintenance and Operations Budget - Appropriate portions of the Municipal FY 92 budgets for Public Works Street Maintenance and Traffic Engineering Divisions were used for this portion of the analysis. Because the responsibility for line striping, pavement markers and signs on State roadways would most likely be performed by the Traffic Engineering Division of Public Works, applicable portions of that budget have also been included. The total adjusted Municipal budget is shown in Exhibit II. The total budget amount of \$18,584,310 was used as the basis for the Municipal per lane-mile costs described later.

Exhibit I

State of Alaska Anchorage District Station Maintenance & Operations FY 92 Adjusted Budget To Include Only Anchorage Road Maintenance Responsibilities

Anchorage District FY92 Budget **\$7,845,600**

Additive and deductive adjustments (See notes below)

1.	Whittier Airport	-14,866
2.	Birchwood Airport	-135,364
3.	Girdwood Airport	-56,470
4.	Silvertip Station	-792,584
5.	Portion of Regional Signal/Luminaire Crewman	-30,150
6.	Restricted Program Receipts	-50,000
7.	Proration of M&O Administration	160,000
8.	Proration of Personnel Support	14,738
9.	Proration of Supply Support	16,603
10.	Proration of Financial Support	25,235
11.	Self-Insured Losses	<u>475,000</u>

Total Adjusted Budget **\$7,457,742**

Notes:

1. Whittier airport is outside the Municipality and not subject to transfer.
- 2.&3. Preliminary URM contract planning does not include transfer of the Birchwood or Girdwood airports.
4. Silvertip is outside Municipal boundaries.
5. This individual also services the Matsu and Peninsula Maintenance Districts.
6. This amount is budgeted reimbursable funds for third party damage to State facilities.
7. This is a proration to the Anchorage District of the Director's Office administrative support and supervision.
8. Proration of personnel support including payroll, leave accounting, recruitment, labor relations and general personnel services.
9. Proration of supply support including procurement of requested commodities and property items, inventory control, and contract awards.
10. Proration of financial support including processing vendor invoices, travel related claims, support for reimbursable agreements, processing and collecting damage claims, and other financial assistance.
11. From July 1989 until June 1992, the State has incurred losses totalling \$1,207,081 for claims due to design and operational liability. This equates to approximately \$413,856 annually. If claim adjustment costs are added, the loss is closer to \$475,000 per year.

**Exhibit II
Municipality of Anchorage
FY 92 Road Maintenance Budget**

	<u>Traffic (Paint/ Signs)</u>	<u>Street Maint.</u>	<u>Total</u>
Direct Costs:			
Personnel	\$562,470	\$5,883,950	\$6,446,420
Supplies	137,530	990,000	1,127,530
Other Services	1,140	5,704,570	5,705,710
Capital	<u>0</u>	<u>5,000</u>	<u>5,000</u>
TOTAL DIRECT	701,140	12,583,520	13,284,660
Indirect Costs:			
Facility Maint.	63,830	426,320	490,150
Equipment Maint.	59,300	4,060,350	4,119,650
Admin.	39,540	802,950	842,490
Other	<u>39,530</u>	<u>444,040</u>	<u>483,570</u>
TOTAL INDIRECT	202,200	5,733,660	5,935,860
Less:			
Charges to Other Departments	-103,000	-166,010	-269,010
Contract Reim- bursements	<u>-78,700</u>	<u>-288,500</u>	<u>-367,200</u>
TOTAL	<u>721,640</u>	<u>17,862,670</u>	<u>18,584,310</u>

3. Indirect Cost Allocation Methodology Differences - There are significant differences in the allocation of indirect costs between the State and Municipal budgets. Under the State budget process, only costs directly incurred by an organization are included in the organization's budget. Costs incurred by other organizations in support of the serviced organization are not included. For instance, costs for payroll, personnel, engineering, design and computer services, and allocation of the Commissioner's office's supervision do not appear in the District budget, but are considered direct costs within the servicing organization.

The Municipality, however, budgets both direct costs and indirect support costs within the serviced unit. The Municipality road maintenance budget reflects, then, the direct costs and all overhead and support organization costs necessary for performance of the required services.

To develop an all inclusive State budget comparable to the Municipality's, indirect support costs that can be practically identified have been included in the State budget. These are shown in Exhibit I as the costs for M&O Administration and Personnel, Supply, and Financial Support.

4. Per Lane-Mile Cost Comparisons - The adjusted budgets were used to develop the comparison of the per-lane mile costs for the State and Municipality as shown in Exhibit III. The costs were developed from each agency's adjusted FY 92 budget, prorated to specific maintenance activities based on actual FY 91 expenditures.

The cost per lane mile for maintenance of Municipal roadways is approximately twice that of State roadways. This is due to the difference in complexity of the roadway auxiliary features, such as street lights and storm drains, and because of the difference in maintenance methods and equipment required for different types of roadway classifications. This is explained in more detail under Part II, Section C - Operational Analysis and Comparisons.

Exhibit III

MAINTENANCE PROGRAM ANALYSIS

<u>SEASONAL ACTIVITY</u> (Description)	<u>STATE</u> (FY91 Actual)	<u>MUNICIPALITY</u> (FY92 Proposed)
Summer Maintenance - Includes asphalt leveling course, blading and dust control, crack seal and seal coat, ditching and storm drain repair and maintenance, litter and trash control, mowing and vegetation control, striping, and sweeping.	\$815,994	\$4,363,064
Winter Maintenance - Includes snow removal, ice control and avalanche control and removal.	\$1,584,217	\$7,118,327
Year Round Maintenance - Includes pavement repair and patching, pathway and sidewalk maintenance, signs, delineators and markers, inspections, fence and guardrail repairs, street lighting, bridge maintenance, utility payments, administration and leave, operator maintenance/equipment repair.	\$5,057,531	\$7,102,919
TOTAL BUDGET, FY91 ACTUAL	\$7,457,742	\$18,584,310
AVERAGE \$/LANE MILE , ANCHORAGE DISTRICT	\$6,560	\$13,418

It would be most beneficial to the present analysis if the costs per lane-mile for different functional classifications of State and Municipal roadway were available. Comparisons could then be performed on streets that are similar in classification and function to both agencies (most collector and arterial streets). Unfortunately, neither agency currently keeps such records. There has not been a need previously for this information and it is arguably impractical to keep such records when equipment operations may pass over numerous different classifications during a work shift.

The MAC Study Team investigated the synthesis of costs per lane-mile by roadway classification, but found available information inadequate. The Municipal Public Works Department expended considerable effort in developing such a synthesis. It includes considerable cost detail for each type of roadway. However, the assignment of a specific amount to each cost category for a roadway functional classification is not supported by equally detailed operational analysis or cost records. It is questionable whether any such detailed synthetic analysis using available information would yield the necessary confidence in the results.

While it was not possible to develop a cost per lane mile comparison for similar State and Municipal roadways, the foregoing budget analysis provides a sound basis for understanding budget methodologies and identifying significant differences in costs which are necessary for preparation of a URM Contract budget.

C. Operational Analysis and Comparisons

This section provides an analysis of the various elements and issues that affect the road maintenance functions of both the State and the Municipality. However, before the individual elements and issues can be analyzed, it is important to develop a thorough understanding of how the infrastructure and the current roadway classification systems affect these elements and issues.

The current State and Municipal roadway classification systems are not compatible and make it difficult to compare the overall maintenance programs. Consequently, we have converted the current State roadways into classifications that match the classifications used by the Municipality. This allows us to group similar types of roadways into categories and permits a reasonable assessment of the similarities and differences between the State and Municipal roadways. The results of this reclassification have been summarized and appear in Part II, Section A, Table 1 - Infrastructure Comparison. Furthermore, Appendix A provides a detailed tabulation of the reclassified State roadways. In addition, Appendices B and C provide narrative descriptions of the physical characteristics of State and Municipal roadways, the major levels of infrastructure development, and a description of the frequency and level of seasonal maintenance activities.

These documents are the basis from which we performed our analysis of the elements and issues affecting road maintenance. Clearly, there are obvious and significant differences in the types of roadways maintained by the State and the Municipality. These differences are the driving force that dictates the type of personnel and equipment utilized, short and long term maintenance approaches, service levels and, ultimately, overall costs. Although these differences in infrastructure exist, the requirement to perform certain types of maintenance tasks are essentially identical, i.e. snow must be plowed, ditches must be maintained, pavement must be repaired, and street lights must be maintained.

These differing and similar conditions have been incorporated into our analysis of the elements and issues affecting roadway maintenance. We have addressed each significant element and issue independently in the following pages.

- 1. Personnel** - Personnel costs, no matter which agency is reviewed, is the largest line item in the budget. Each agency's organization chart has similar functional work

units with only minor differences appearing in the area of the Street Lighting/Signs function. Each agency's mix of position skills and responsibility requirements is also similar.

An analysis of the impact of the proposed URM Contract on personnel costs indicates labor costs will not be significantly different for the Municipality to perform the transferred program with the same staff, methods and equipment. Conversion of State employees to the Municipal payroll would result in minor increases in labor cost for certain positions. However, because of differences in the standard hours per week worked by the State and Municipality, fewer Municipal positions are required which minimizes the cost increase due to transferred personnel. We estimate that three fewer Municipal positions will be required to achieve the same total manhours included in the State budget. Balancing the increase in labor costs against the need for three fewer positions results in an overall increase in annual personnel costs of about \$70,000.

Under the initial URM Contract, the State indicated there were four positions, two management and two administrative, that would be unnecessary to transfer to the Municipality. Funds for these four positions were not included in the initial URM Contract and represented potential cost savings resulting from the consolidation. We agree the two management positions are duplicative and do not need to be transferred. However, we feel the two administrative positions will be required since the administrative tasks associated with these positions will continue, regardless of which entity is providing maintenance services. Thus we feel it is inappropriate to withhold the funds for these positions. If the State chooses not to transfer the employees themselves to the Municipality as a part of the URM Contract, then they should agree at least to transfer appropriate funding to allow the Municipality to hire the necessary administrative personnel.

On an annual basis, the Municipality incurs more overtime cost (as a percentage of

total personnel costs) than the State. The State has maintenance crews scheduled to work seven days per week, whereas the Municipality has only five days per week coverage. As result, if a weekend response is required due to environmental events, such as snowplow or drainage control, the Municipality must incur overtime. The State may not have to incur this additional cost if scheduled crews are sufficient to respond. Although both approaches appear to have served each organization quite well in the past, the incompatible nature of the work schedules will need to be resolved prior to effecting the transfer to the Municipality. We understand the Municipality is currently experimenting with alternate work schedules and we believe this is an issue that can be easily resolved.

2. Equipment Utilization - The State equipment utilization is based upon the premise that the number of "rolling stock" units is kept to a minimum, and each base unit's platform utilization is maximized by the application of different seasonal attachments. For example, a heavy-duty truck chassis is used as a dump truck during the summer season, but is converted to a sander/belly blade unit for the winter season. Similar utilization is made of light and medium duty trucks, such as flatbed/boiler thaw truck conversions.

By applying these principals to the maintenance equipment fleet, the State has kept its costs to a minimum. The Anchorage District has about 90 pieces of "rolling stock" (trucks, trailers, graders, loaders, etc) plus numerous seasonal attachments, which cost approximately \$ 104,000 per month for amortization and operating expenses. The Municipality's Street Maintenance Division, on the other hand, has over 200 similar pieces of "rolling stock" at a monthly cost of about \$305,000.

Several factors must be considered when analyzing the differences between State and Municipal equipment fleets. The types of roadway each maintains must be reviewed to understand the specific equipment requirements for maintenance. Issues such as traffic volumes, operating speeds, hours available for routine operations, and even

political pressures make some routes inherently more expensive to maintain, no matter which agency performs the work.

Equipment utilization efficiencies should be similar since the types and even brands of equipment actually used are similar. Comparison of the unit costs for similar units between the State and Municipality does not indicate a significant price difference, yet the Municipality has higher average costs associated with its own fleet. (Average cost per State "rolling unit" is \$1,155 per month while the average cost per Municipal "rolling unit" is \$1,452 per month.) This price difference appears to be a result of the Municipality utilizing a greater proportion of higher priced equipment in its fleet than does the State. The following table reflects that observation.

Table 2
COMPARISON OF EQUIPMENT MIX

CLASSIFICATION	STATE		Municipality	
	Number	%	Number	%
Grader	6	7	29	14
Dump truck	14	16	50	24
Light/medium duty trucks	33	43	44	21
Snow blower	1	1	11	5
Asphalt distributor	2	2	5	2
Boiler unit	4	4	11	5
Loader	7	8	10	5

The difference in operating characteristics of the roads is also a major factor effecting the equipment fleet's mix. The Municipality has approximately 12% of its network with operating speeds under 30 MPH, while the State has more than 90% of its roads with

operating speeds of over 30 MPH. The State has almost no on-street parking to contend with, while the Municipality has a significant portion of its routes with on-street parking.

A review of the work tasks each agency performs also emphasizes the need for the Municipality to have a higher percentage of more expensive, slower speed units in order to adequately perform. Summer grading, dust oiling and other gravel road maintenance activities require more effort with graders and oil distributor trucks. The State has only 27 lane miles of roads with gravel surfaces which require grading and dust control efforts, whereas the Municipality has 134 lane miles of roads with gravel surfaces. Consequently, the Municipality has a need for more pieces of equipment, which work effectively at low speeds, to produce the desired result. As a result of the speed at which many of its operations occur, the State is able to provide an adequate level of maintenance at a lower cost per mile than the Municipality, which impacts the equipment fleet's vehicle mix and subsequent costs.

It is apparent that the existing State equipment fleet is adequate to serve the State highway system under the URM Contract at the same level of service it presently receives. The actual determination as to whether or not the existing equipment fleet is sufficient for the Municipality to maintain the State system depends upon whether the Municipality is willing to accept the current service level established by the State. If the Municipality doesn't make any significant changes to the current level of service being provided, then the equipment identified to be transferred would be appropriate for the work to be performed. If, however, there are significant changes, the Municipality would have to change the fleet size and composition commensurate with the proposed service level changes.

Currently, the Municipality does not have capacity to handle any additional heavy equipment maintenance at its Bering Street maintenance facility. Due to a recent fire, the State is using the Alaska Army National Guard maintenance facility on East Tudor

Road for heavy duty maintenance. The State is in the process of design and reconstruction of the fire-destroyed facility. The new facility will provide adequate maintenance capacity.

In summary, we believe the current equipment fleets, equipment utilization and maintenance programs, and operating costs are appropriate to support the overall road maintenance program. With the exception of possible reassignment to alternate home base locations to take advantage of route efficiencies, we believe the transfer of the State's equipment fleet and program to the Municipality will support the ongoing needs of the Anchorage roads and will provide added opportunities to improve on the current overall program.

3. Supplies - Initially, the existing supply budgets for State and Municipality appear to result in different per lane-mile costs for supplies. However, upon further analysis, and reconciliation of cost categories that appear in one budget but not the other, the actual total supply budget for the State and the Municipality is almost equal on a per lane-mile cost basis. Both the State and the Municipality use similar supplies and application rates.

4. Contracted Services - Both the State and Municipality use contracted services to supplement their own maintenance efforts. In fact, many of the tasks performed by each agency is based upon contracted services. Contract services such as snow haul are considered to be a critical element in the program effort by both the State and Municipality. The State contracts snow removal on its Hillside roads and supplements its efforts with contractors in Southwest Anchorage as its primary response strategy. The State contracts the majority of its sweeping effort annually while the Municipality contracts sweeping as an enhancement to an intensive scheduled effort. These efforts should be continued under the URM Contract and pose no problems or concerns.

5. Rehabilitation/Reconstruction Programs - The basic philosophy as to when a roadway is to be "rehabilitated" or when it is to be "reconstructed" is inherent in the level of maintenance performed on a preventative basis, such as crack sealing, chip sealing, and other maintenance efforts which extend the service life of the pavement. Notwithstanding a difference in these philosophies between the State and Municipality, both have significant programs in place to identify and incorporate major rehabilitation and reconstruction projects. Identification of the needs, securing funding for these needs, and actually completing the projects occur over a substantial period of time.

The primary method by which the State funds these projects is through the Federal Highway Administration (FHWA) matching program, whereby the State pays for only about 10% of the actual road costs. Through the AMATS process, the State relies upon the Legislature for the capital project monies, in conjunction with the FHWA match program. The State receives very little State-only monies for road construction for the Anchorage area.

Also, under the AMATS program, the Municipality receives some monies as pass-through from the State and FHWA, but the bulk of the Municipality's capital project monies are received from the State Legislature and combined with local bond funds. The actual percentage expended varies depending upon the price of oil and the largess of the Legislature.

State programs have included such items as simple overlay projects on some highways, major reconstruction of existing roads, and construction of new facilities, such as the Glenn Highway. The Municipality has spent much of its capital monies in the last two years on chip seal, overlay and reconstruction projects on local streets. State and Municipal scheduled projects for the next several years include items ranging from simple intersection safety projects and pavement rehab projects in the Anchorage bowl area, to major construction projects such as the \$50 million Seward Highway realignment project.

There is a direct correlation between pavement surface condition and the cost of routine pavement maintenance and riding comfort. Preventative measures such as crack-sealing and drainage maintenance have a major impact on the life of the roadway surface. If this preventative maintenance is deferred, pavement life is shortened and major maintenance such as pothole patching, section replacement and pavement overlays become necessary at considerable additional cost. In addition, as the surface nears failure, riding comfort is seriously degraded. Eventually, major reconstruction, including base replacement in many instances, becomes necessary much sooner than with adequate maintenance. For the most part the State subscribes to the use of deferred maintenance with the resulting shortened pavement life. This policy results, in part, from the difficulty in obtaining adequate funds for preventative maintenance activities. The policy is further encouraged because preventative maintenance activities are 100% State funded while pavement reconstruction projects are generally eligible for 95% Federal funding. Recent changes in Federal Law may result in some funds for preventative maintenance, but this program is not yet in effect.

Because the cost of pavement maintenance drastically increases with reductions in preventative maintenance activities, the condition of State paved roadways transferred under the URM Contract is of major concern to the Municipality. Significant future decreases in pavement condition will greatly increase maintenance costs. Assurance that the State will provide sufficient capital funding for reconstruction of deferred maintenance roadways to maintain or improve current system conditions is essential.

Through its Coordinated Data System (CDS), the State keeps an inventory of surface conditions for all paved roadways in the State. The inventory includes critical performance parameters and pavement conditions such as surface cracking, deformation, and riding comfort, among others. Surfaces are rated on the following scale:

<u>Relative Pavement Condition</u>	<u>Rating</u>
Very good	.9 - 1.0
Good	.8 - .89
Fair	.65 - .79
Poor	.4 - .64
Very Poor	< .4

With recent capital improvement projects in the Anchorage District, overall pavement condition has risen from Fair to Good. The goal of the proposed State 6-year Capital Improvement Program is to maintain an overall system rating of .85 (Good).

In order to ensure that adequate maintenance is performed on State roadways the State must be willing to continue to provide adequate capital funding for reconstruction/rehabilitation programs. Furthermore, the mechanism utilized to determine when reconstruction/rehabilitation should occur must be incorporated into the URM Contract. We recommend that the State's relative pavement condition inventory program be continued and utilized as a control mechanism. In addition, no portion of roadway exceeding one-half mile in length should have a rating of less than .75. If below minimum ratings occur in either of the above situations, the State should contribute additional funds for maintenance of the substandard roadways. Further, the present biennial inventory frequency should be increased to an annual function to provide an early warning of problems.

6. Abnormal Weather Impact - Abnormal weather conditions such as unusually dry or wet weather over a lengthy period or large snow accumulations, such as occurred this past winter, can result in significant maintenance cost overruns. Because of continuing pressure to reduce budgets, neither organization can afford to budget for weather contingencies. As a result, the State and the Municipality must seek additional appropriations or reduce services to keep from exceeding budgeted funds.

The Municipality received from the Municipal Assembly in 1991 and again this year additional maintenance funds to cover winter maintenance budget overruns. These supplemental appropriations were approximately \$800,000 or 5% of each years original budget.

The State budget suffers the same weather impacts. The state has overrun its Anchorage and Girdwood overtime/premium time budget for FY 92 by more than \$240,000. Similar overruns have occurred in contract plow and hauling activities. The State has received an appropriation from the State Legislature to cover the overruns.

Because of the State and Municipal policy of funding for the average seasonal weather-activity levels, the need to look for additional funds will occur frequently. To effect the URM Contract, the State must commit to a process which allows the Municipality access to supplemental State appropriations to cover the cost of dealing with abnormal weather impacts. This will be an ongoing requirement that must be incorporated in the URM Contract.

7. Service Level Comparisons

A review of the operation and maintenance plans for the State and Municipality reveal differences in services levels for certain maintenance activities. Winter snowplows and surface maintenance are the key activities.

Because of the differing priorities regarding initial plowing of a roadway, some differences may be observed on comparable State and Municipal roadways. The State's initial focus is on snowplowing of the Seward and Glenn Highways, whereas the Municipality's priority is on their arterial and collectors, most of which are "snow routes.". Except when heavier snow conditions warrant and plowing contractors are called out, State maintained arterial and collector streets may be 5 to 10 hours behind Municipal operations on similar streets. It does not appear that this difference is

significant except when snow continues to accumulate for several days or at high rates. Typically, the State improves its response in these situations through additional contract equipment and manpower. In most cases, all major roadways are plowed out in 18 to 24 hours, which has been a generally acceptable time frame. Although some Municipal personnel argue that the State's current level of service is inadequate, our observation is that both the Municipality's and the State's service levels are acceptable and can be maintained or improved under the URM Contract.

Surface maintenance by the State relies on major capital reconstruction projects to rejuvenate roadway surfaces. This is evidenced by less frequent crack sealing, no major patching funds, and generally less intensive surface preventative maintenance efforts. As was discussed previously, this policy is likely the result of inadequate budgets and a heavy reliance on Federal matching grant funds for reconstruction. Unfortunately, such roadways typically are near failure in the few years before a scheduled reconstruction project, with more frequent failure-response maintenance activities required. Although this program may not be considered ideal, it certainly can be maintained under the URM Contract if the State continues to provide funding. We do not consider the resulting service level to be unacceptable.

During 1990 and 1991, the Municipality commenced and completed most of the planned surface reconstruction projects it began. These projects are designed to provide an ongoing preventative maintenance program which produces an acceptable level of service for road surfaces. Based upon the current program, the Municipality is generally keeping up with pavement surface requirements. We believe that, although the service level may vary over time, both the State and Municipal approaches to surface maintenance are acceptable and can be continued under the URM Contract.

D. Efficiencies of a Combined Responsibility

A number of benefits will accrue to the State, the Municipality and the residents of Anchorage by implementation of the proposed URM Contract. These benefits include the potential for overall improvement in service levels and economies of operation. In addition, a consolidated operation will reduce confusion about road maintenance responsibilities and improve the response to public inquiries. Specific benefits include the following:

1. Route Efficiencies - Presently, State maintained routes are intermixed with Municipality maintained streets. This is inefficient, particularly during winter snow removal and sanding, because frequently one organization's equipment must travel over the other's routes, which may also be in need of attention, to get to its work area. The term "high-blading" is commonly used to describe this activity. Inspection of an Anchorage area map showing State and Municipal maintained roads will discover numerous high blade routes for both agencies. Combining road maintenance responsibility under one organization will greatly reduce high-blading, by allowing efficient maintenance route planning. An exact determination of the potential savings requires a detailed analysis (which is beyond the scope of our contract) of the operations of each organization and the combined operations. In lieu of a detailed analysis, we estimate that operational savings between 1% and 3% of the combined annual budgets of both organizations or \$250,000 to \$750,000 will be realized from route efficiencies if the URM Contract is implemented.

2. Administrative Efficiencies - Transfer of maintenance responsibilities to the Municipality would result in some immediately identifiable administrative personnel savings. It will not be necessary to transfer the State Anchorage District Maintenance Superintendent to the Municipality. This function will now be performed by the Municipal ARDSA Superintendent. In addition, other functions for which the Anchorage District Superintendent is responsible can be transferred to other districts

or functional units without significant impact. The vacant Assistant District Superintendent position reporting directly to the Anchorage District Superintendent is surplus and can be eliminated. The personnel savings alone to the State for elimination of these positions is more than \$145,000.

3. Maintenance Station Locations - The State currently operates and maintains its equipment for Anchorage operations at the State Army National Guard complex on East Tudor Road near Boniface Road. The Girdwood station maintains all roadways south of the Potter Way Station. The Municipality operates out of the Metro station at 3rd Avenue and Post Road, the Kleop station at Northwood Drive and International Airport Road, and at the Klatt Station on Klatt Road at Lang Drive. Combining all four Anchorage Bowl facilities will provide optimum coverage within the Bowl and significantly reduce travel/high blade time. In general, travel to and from work locations would be reduced by at least 50% for State routes. Assuming a reduction in travel time lost each day by one-half hour would yield an annual labor savings of approximately \$120,000.

4. Work Hours - Maintenance crews for the State and the Municipality both work a four day week. However, State crews currently work a 37.5-hour week, whereas Municipal crews work a 40-hour week. Conversion of State personnel to the Municipal 40-hour work week will result in an approximate \$34,000 annual savings because a smaller percentage of the work week is lost to non-productive equipment startup and travel time to and from work locations.

5. Public Perception - Though not significant financially, the performance of all road maintenance by one agency will be a very beneficial public relations action. Public confusion about whom to call with road maintenance problems will be eliminated. In addition, we believe most taxpayers would view combining the operations as an obvious cost effective decision.

In the foregoing paragraphs, most of the efficiencies have been described as resulting in some cost savings, the total of which is \$550,000 to \$1,050,000. Reduction in manpower and equipment utilization would be required to effect this savings. An alternative is to utilize this same manpower and equipment to increase services levels. Additional manpower and/or equipment can be used, for instance, to improve response time for snow removal or for additional required crack sealing. Doing so would also help mitigate the Municipality's concerns about the feasibility of a combined operation with differing service levels for certain types of operations on State and Municipal roadways. For example, the additional capacity could be used to speed up snow removal on State arterial and collector streets to more closely match the scheduling on similar Municipal streets. From a practical standpoint, some combination of reduced manpower/equipment and increase in service levels will prove to be the most optimal approach to implementation. Regardless of the exact approach, the fact remains that either costs will be reduced and/or service levels will improve and that the public will benefit in either case.

E. URM Contract Budget Analysis

Reconciliation of the differences between the Municipal and State budgets to perform the URM Contract is critical to the future of the URM concept. The State's preliminary budget is \$6.3 million and the Municipality's is approximately \$18.3 million, a difference of nearly \$12 million. These budgets include funds for all road maintenance activities described in the proposed URM Contract, not including the Birchwood and Girdwood Airports. Although these budgets appear to have significant differences, once they are broken down into comparable elements and the methodologies are analyzed, the majority of the differences disappear. In the following paragraphs the basis for the two budgets are analyzed and a reconciled budget amount is proposed.

Over the last several years the Municipality has developed a model for estimating the cost per lane-mile to operate and maintain Municipal roadways. This same model was

used by the Municipality for estimating the costs to operate and maintain URM Contract roadways. Using the model, the Municipality estimated that it would cost over \$18 Million to maintain the State roadways. This results in an average cost of about \$15,000 per lane mile. The Municipality's actual cost to maintain the current municipal roadways is about \$13,500 per lane mile. In comparison, the State's actual cost to maintain state roadways is about \$6,600 per lane mile. The actual costs incurred by both the State and the Municipality strongly suggest that the Municipality's estimated cost to maintain State roadways is excessive. Furthermore, we believe the use of the Municipality's cost model is an inappropriate method to arrive at a realistic cost estimate. This conclusion is further supported by a number of observations and analyses.

First, based on our analysis of the differences in infrastructure and operations discussed in previous paragraphs, it is not reasonable to expect the State roadways to have a higher per lane-mile cost than Municipal roadways. In fact, one would expect the State roadways to cost considerably less in unit maintenance costs. There is simply not as much infrastructure (street lights and storm drains, for instance) per lane-mile to maintain. Second, as noted previously, State roadways allow much higher equipment operating speeds, with less expensive equipment, compared to Municipal roadways. We believe the per lane mile cost developed by the Municipality for State roadways is overstated in part because of a lack of information about the details of the equipment and methods used by the State. Finally, neither agency keeps records with the detail necessary to determine with reasonable certainty the per lane-mile costs for different functional categories of roadway, such as freeway, arterial, collector, or local streets. In summary, we believe these issues make it inappropriate to use the Municipal model to realistically estimate the cost of maintaining State roadways.

We believe that the actual costs incurred by the State to maintain roadways is a more appropriate basis from which to develop a realistic URM contract budget. Although

some adjustments are required to fully estimate the cost of transferred responsibilities, the actual costs are a much more reliable base from which to work than the Municipal model.

The State FY 92 budget adjusted to include only roadway related maintenance in the Anchorage District is \$7,457,742. This amount was computed as shown in Exhibit I. Adjusting for responsibilities not transferred, the URM Contract budget becomes \$6,807,842 as shown in Exhibit IV. This figure assumes that the State will pay design and maintenance claim losses directly as they occur and thus funds will not be transferred to the Municipality. Although there will be additional costs associated with conversion of State personnel to Municipal pay scales and additional indirect costs, both totaling approximately \$200,000, they could be offset by the portion of the combined administrative and operational efficiency savings (\$550,000 to \$1,050,000). We recommend that the \$145,000 in savings available by not transferring two State management personnel remain with the State as it's share of the overall savings. The resulting URM Contract budget of approximately \$6,663,000 would be sufficient.

It is recommended the balance of the prospective savings (\$405,000 to \$905,000) be retained by the Municipality to minimize service level differences and other as yet undetermined operational impacts.

F. Contracting Preconditions of Union Agreement

Nearly all State positions whose functions would transfer under the URM Contract are represented by the Public Employees Local 71 (AFL-CIO). Contracting of these functions by the State to the Municipality is subject to satisfying specific provisions of the current labor agreement between the State and Local 71.

Article 7 of the labor agreement requires a contractor engaged by the State to pay the hourly wage rates and minimum benefits established in the agreement. The article

Exhibit IV

**State of Alaska
Anchorage District Maintenance & Operation
FY 92 Budget Adjusted for URM TORA Responsibilities**

**Anchorage District FY 92 Adjusted Budget
(from exhibit I)**

\$7,457,742

Deductions for Retained Program Responsibilities:

1.	Avalanche Management	(65,800)
2.	Avalanche Ammo/Equipment/Gun Lease	(35,000)
3.	Railroad Crossing Maintenance/Permit	(40,000)
4.	Risk Management	(29,100)
5.	Right of Way Management	(5,000)
6.	Self-Insured Losses	<u>(475,000)</u>

Deductions Subtotal

(649,900)

Total Adjusted Budget

\$6,807,842

Adjustments rationale (numbers correlate to above line item numbers):

- 1.&
2. Avalanche management and operation functions will remain with the State.
3. This is a chargeback to the State for Alaska Railroad crossing maintenance Payments will continue to be budgeted and paid by the State.
4. These are funds necessary to adjust claims against the State for facility design and maintenance liability. To avoid split liability for design and maintenance responsibilities and because URM TORA costs are to be paid by the State, this amount is deducted from the budget.
5. This is budgeted funding for right-of-way permit issuance and management. This function is to remain with the State.
6. These are funds to pay claims described in 4.

also stipulates a cost-efficiency study be conducted and "unless such study shows that the work can be performed by the contractor or subcontractor with less cost to the Employer, no probationary/permanent employee shall be laid off and replaced by contracted or subcontracted work."

Both of these preconditions for the URM Contract would be met. Conversion of the transferred State personnel to the Municipal system would result in the same or in many cases increased hourly wage rates and benefits. As described previously in Section II-E, URM Contract Budget Analysis, the recommended URM Contract compensation to the Municipality is approximately \$145,000 less than the State's cost to perform the transferred responsibilities. This satisfies the requirement to show a cost savings resulting from contracting the services.

G. Funding of URM Contract

Future security of funding sources for payment of the annual URM Contract budget is important. Currently, the Anchorage District M&O budget is part of the Department of Transportation Southcentral Region overall operating budget. As such, it must compete with other Department operations for a share of the continually shrinking total annual legislative appropriation for operations. Changes in priorities and an overall decrease in funding has reduced the Anchorage District M&O budget over the years.

In recognition of the importance of future funding of the URM Contract, the State plans to seek funds for the Contract under a separately identified line item in the Department budget. This increased visibility should improve future funding security. Furthermore, with the understanding that the appropriation will be to fund a contract and contract payments must be made to avoid a breach of the contract, the state should be more committed to ensuring the continuity of funding.

In addition, there is a proposal under consideration to create a Dedicated Fund which

would provide additional monies for transportation maintenance, operations and improvements to the State and local governments. These additional amounts would come from transportation user taxes (such as motor fuel taxes), and would be restricted to transportation maintenance, operations and improvements. These "dedicated" funds would provide improved funding security for transportation programs in the State, including the URM Contract.

III. CONCLUSIONS AND RECOMMENDATIONS

Based on our Study Team's review of available information, discussion with knowledgeable State and Municipal road maintenance personnel, and the foregoing analysis, MAC recommends continued negotiation and implementation of the proposed Unified Road Maintenance Contract. First of all, it makes good economic sense. Having two separate agencies responsible for similar, overlapping road systems in Anchorage is inherently inefficient and an unnecessary waste of public funds. We have identified \$550,000 to \$1,050,000 in administrative and operational savings to be gained through the URM Contract. Further, response to service requests from the public will be improved by removing the confusing separation of road maintenance responsibility. The citizens will also likely perceive the URM Contract as a desirable action saving their taxpayer dollars and resulting in improved service.

In our analysis, we found minimal differences in service levels provided by the State and Municipality. These differences will likely be corrected and absorbed through the efficiencies to be gained by consolidation of the operations. Based on the assessment that the current personnel, equipment, supplies and method of operation by the State Maintenance and Operations for the Anchorage District is satisfactory, a preliminary URM Contract initial annual budget of \$6,663,000 is recommended. This budget will require adjustments for inflation to adjust to fiscal year 1993 and future years.

The recommended budget of \$6,663,000 is approximately \$145,000 less than the estimated cost for the State to perform the URM Contract work. As such, it satisfies the precondition for contracting the work stipulated in the State's agreement with Public Employees Local 71. The key requirement of this precondition is that unless a "... study shows that the work can be performed by the contractor or subcontractor with less cost to the Employer, no probationary/permanent employee shall be laid off and replaced by contracted or subcontracted work."

The State has proposed transfer of the Birchwood and Girdwood airports to the Municipality under the URM Contract. However, the Municipality has declined this transfer. We recommend the Municipality take a second look at this situation. We believe it would be most efficient to maintain the two airports under the URM Contract. State M&O personnel currently maintain roadways and airports as a combined responsibility. With only a few differences, the manpower, equipment and methods are identical in maintaining the two types of facilities. It would be inefficient for the State's Anchorage Maintenance and Operations District to be left with just two airports to maintain.

ISSUES TO BE RESOLVED

There are a number of issues identified during the study that must be resolved during negotiation of the URM Contract. Failure to resolve these issues will most likely stop negotiations. These issues and recommendations for their resolution, are described in the following paragraphs.

Timely Rehabilitation/Reconstruction of State Roadways. The State's deferred maintenance policy results in roadways having generally shorter lives than Municipal roadways. These deteriorating roadways must be rehabilitated in a timely manner to avoid extraordinarily high maintenance costs. It is recommended that the State's

pavement management system be used to monitor road conditions and specific roadways to assure reconstruction and rehabilitation efforts are keeping up with deteriorating conditions. Minimum standards described earlier for roadways must be achieved through timely reconstruction by the State. The process will require the State and the Municipality to establish an ongoing Capital Improvement Program funded by the State to maintain roadways in an acceptable condition. This process presently exists through the Anchorage Metropolitan Area Transportation System (AMATS) and technical committees. AMATS allows the State and the Municipality to jointly decide on the priorities and amounts for public funded roadway construction and reconstruction throughout Anchorage's transportation system.

Perception of Differences in Service Levels. There has been considerable concern expressed by the Municipality regarding differences in service levels on specific activities between the State and the Municipality. We agree that some differences in levels of service exist on pavement surface maintenance and snow and ice removal between the Municipality and the State. The State performs less routine preventative pavement maintenance, relying more on major rehabilitation or total reconstruction. The Municipality, on the other hand, has an extensive program of maintenance to extend the life of the pavement structure. However, as long as the State agrees to rehabilitate or reconstruct the roadways as required, we believe either approach is acceptable and the difference in service levels will not adversely affect the overall goal of having functional roadways.

A similar situation exists for snow and ice removal. The Municipality normally completes this activity on its arterial and collector streets as part of its snow route system some time before the state has completed these same activities on its collector and arterial streets. Our observations indicate that the actual differences in time, on a system wide basis, are usually only a matter of a few hours. We are confident there will be sufficient operational efficiencies realized by combining these responsibilities under the URM Contract to accelerate snow removal on State routes

and thus reduce any perceived differences in service levels.

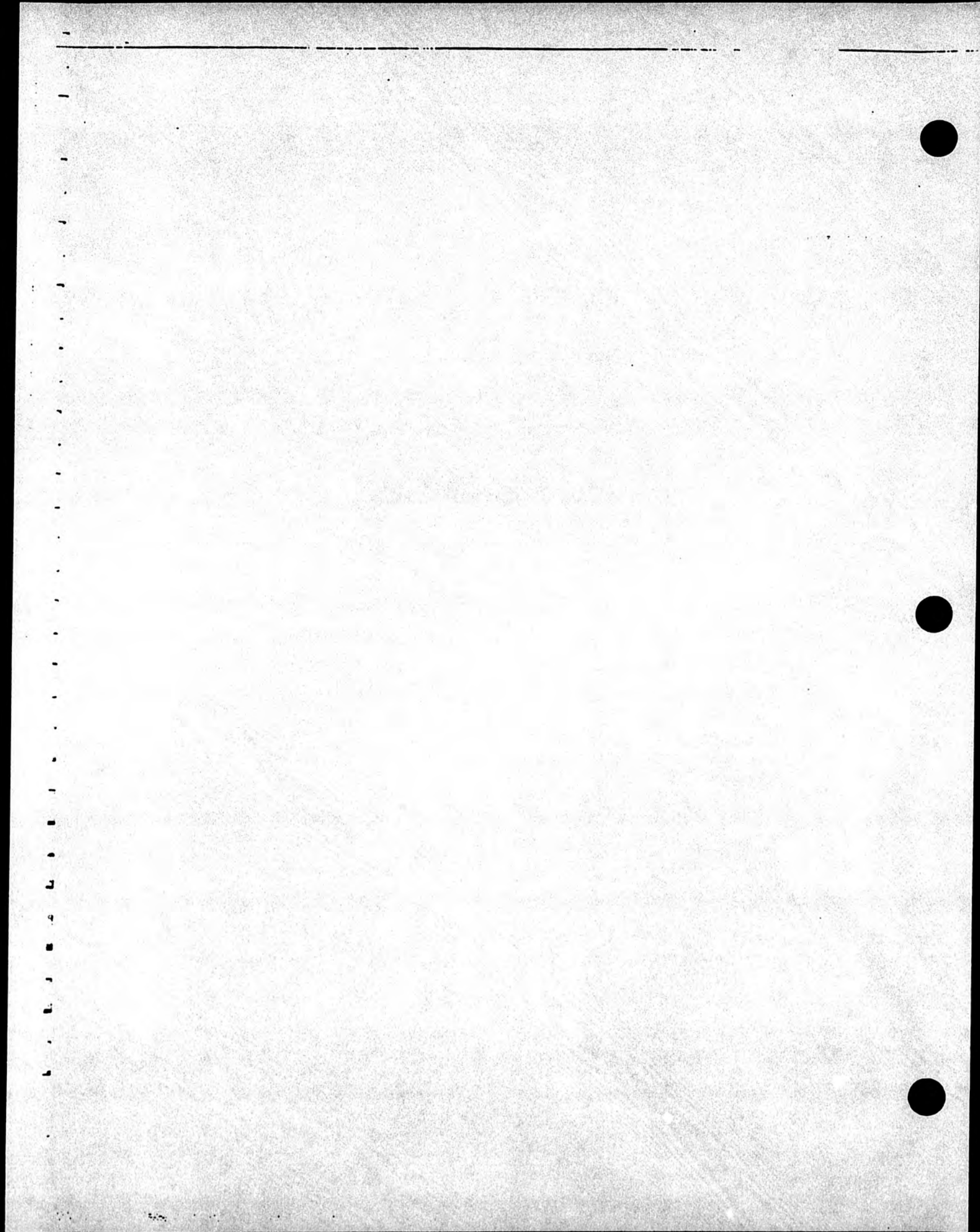
Abnormal Weather Conditions. The State and the Municipality typically budget for operations associated with average weather conditions. If unusual conditions occur, such as the heavy snowfall this past winter, expenditures may exceed budgeted amounts for activities associated with those conditions and may cause an overall budget shortfall. In such cases, the State and Municipality typically seek supplemental appropriations from their respective legislative bodies. Under the URM Contract, it will be necessary for the State to seek supplemental appropriation to cover such budget overruns by the Municipality. Appropriate mechanisms and controls will have to be established to deal with abnormal weather conditions.

URM Contract Termination. Both the State and the Municipality have expressed concern regarding termination of the URM Contract at some future time. Under the URM Contract, selected State personnel, equipment, and supply stockpiles would be transferred to the Municipality. The State would be left without the capacity to perform roadway maintenance work if the contract were terminated. Termination of the contract would require transfer of personnel, equipment and supplies back to the State, which would be at least as involved and time consuming as negotiating and implementing the original transfer. Importantly, the required budget would be as large or larger than the URM Contract budget and service levels would likely decline on State routes. As a result, we do not believe it is practical to consider termination of the URM Contract once the initial transfer to the Municipality has been made. Both the State and the Municipality should enter into this agreement with the understanding that it is a "one way street" and that contract termination and transfer of road maintenance responsibility back to the State is not a viable option.

Each of the foregoing described issues can be resolved through negotiation and an increased understanding by each organization of the other's methods of operations and costs. All our contacts with both staffs indicated a positive attitude and a

willingness to continue with resolution of differences. We are confident that with this shared attitude, and concerted efforts by the State and the Municipality, that a successful Unified Road Maintenance Contract will be negotiated.

APPENDICES



STATE ROUTE INVENTORY, BY CLASSIFICATION

FREEWAYS, RAMPS AND FRONTAGE ROADS

<u>ROUTE</u>	<u>FROM</u>	<u>TO</u>	<u>EQUIVALENT LANE MILES (12' WIDE X 5280' LONG)</u>	
			<u>Gravel</u>	<u>Paved</u>
New Seward Hwy	Rabbit Creek Rd I/C	36th Av		70.60
Minnesota Drive	O'Malley/Old Sewar	Int'l Airport Rd		32.13
Glenn Hwy	Bragaw St	Knik River Bridge		<u>251.26</u>
Total lane miles			<u>0.00</u>	<u>353.99</u>
Total lane miles				<u>353.99</u>

MAJOR ARTERIALS, CBD

<u>ROUTE</u>	<u>FROM</u>	<u>TO</u>	<u>EQUIVALENT LANE MILES (12' WIDE X 5280' LONG)</u>	
			<u>Gravel</u>	<u>Paved</u>
A Street	3rd Ave	15th Ave		3.75*
C Street	3rd Ave	15th Ave		3.75*
I Street	5th Ave	15th Ave		3.13*
L Street	5th Ave	15th Ave		3.00*
Ingra Street	5th Ave	15th Ave		3.00*
Gambell Street	5th Ave	15th Ave		3.00*
5th Ave	Medfra	L Street		5.25*
6th Ave	Medfra	L Street		<u>5.25*</u>
Total lane miles			<u>0.00</u>	<u>30.13</u>
Total lane miles				<u>30.13⁽ⁿ⁾</u>

* Owned by State, Maintained by MOA under Exchange of Route agreement, winter maintenance only

** Owned by MOA, Maintained by State under Exchange of Route agreement, winter maintenance only

⁽ⁿ⁾Includes 30.13 lane miles * roads, 0 lane miles ** roads

STATE ROUTE INVENTORY, BY CLASSIFICATION

MAJOR ARTERIALS, NON-CBD

ROUTE	FROM	TO	EQUIVALENT LANE MILES (12' WIDE X 5280' LONG)	
			Gravel	Paved
New Seward Hwy	Ingram Creek	Rabbit Creek I/C		140.82*
A/C Bridge	3rd Ave	Oceandock Rd		2.39*
Oceandock Rd	A/C Bridge	Gull Ave (Port)		2.13*
15th Ave	Orca St	L Street		5.25**
A Street	15th Ave	Tudor Rd		9.06
C Street	15th Ave	Tudor Rd		9.06
C Street	Tudor Rd	Dimond Blvd		9.56
Minnesota Dr	15th Ave	Int'l Airport Rd		29.12
Ingra/Gambell	15th Ave	20th Ave		2.60
New Seward Hwy	20th Ave	36th Ave		8.50
Arctic Blvd	Fireweed Ln	Raspberry Rd		11.50**
Arctic Blvd	Raspberry Rd	Dimond Blvd		2.68**
Airport Hts Rd	Glenn Hwy	DeBarr Rd		2.43
Lake Otis Pkwy	15th Ave	Northern Lights		3.25**
Lake Otis Pkwy	Northern Lights	Tudor Rd		5.58
Boniface Pkwy	Elmendorf AFB	Glenn Hwy		1.76
Boniface Pkwy	Glenn Hwy	Tudor Rd		16.56*
Muldoon Rd	Elmendorf AFB	Glenn Hwy		1.23
Muldoon Rd	Glenn Hwy	36th Ave		12.04
Tudor Rd	Muldoon Rd (36th Ave)	Minnesota Dr		36.14
5th Ave	Medfra	Airport Hts		5.40
Glenn Hwy	Airport Hts	Bragaw		3.68
15th Ave	Orca	Airport Hts		2.08**
Debarr Rd	Airport Hts	Muldoon Rd		16.80
Northern Lights Blvd	Muldoon Rd	Lake Otis Pkwy		16.70**
Northern Lights Blvd	Lake Otis Pkwy	LaTouche		5.00
Northern Lights Blvd	LaTouche	LaHonda		13.21*
Benson Blvd	LaTouche	Lois Dr		9.20
Fireweed Ln	New Seward Hwy	Spenard Rd		5.25*
Dimond Blvd	Hartzell Rd	Sand Lake Rd		28.74
Raspberry Rd	Minnesota Dr	Jewel Lake Rd		5.50
Loop Rd	A/C Bridge	Elmendorf AFB		3.00*
Bragaw Rd	Tudor Rd	University Dr		2.97*
International Airport Rd	Homer Dr	AIA		25.56
Reeves Blvd	5th Ave	Post Rd		4.10*
Post Rd	3rd Ave	Elmendorf AFB		6.80*
Jewel Lake Rd	Dimond Blvd	Int'l Airport Rd		10.56
Old Seward Hwy	New Seward Hwy	Dowling Rd		37.29
Old Seward Hwy	Dowling Rd	32nd Ave		8.82**
Old Glenn Hwy	New Glenn Hwy	N. ER access		6.88
Total lane miles			0.00	529.20
Total lane miles				529.20***

*** Includes 21.39 lane miles * roads; 50.28 lane miles ** roads

* Owned by State, Maintained by MOA under Exchange of Route agreement, winter maintenance only

** Owned by MOA, Maintained by State under Exchange of Route agreement, winter maintenance only

(1) Avalanche control work performed by State; all snow removal to be performed by MOA under proposed TORA

(2) Roadways normally have snow hauled as first response-not adequate storage area.

STATE ROUTE INVENTORY BY CLASSIFICATION

MINOR ARTERIALS

<u>ROUTE</u>	<u>FROM</u>	<u>TO</u>	<u>EQUIVALENT LANE MILES</u> <u>(12' WIDE X 5280' LONG)</u>	
			<u>Gravel</u>	<u>Paved</u>
Alyeska Rd	Seward Hwy	Lodge		8.79
Abbott Rd	Hillside Rd	Lake Otis Pkwy		8.29
Abbott Rd	Lake Otis Pkwy	Hartzell		2.00**
Abbott Loop Rd	Abbott Rd	E. 68th Ave		3.00
Birch Rd	Huffman Rd	Abbott Rd		4.23
Birchwood Loop Rd	Old Glenn Hwy (South)	Old Glenn Hwy (North)		18.45
Bragaw Rd	Huffman Rd	O'Malley Rd		2.75
DeArmoun Rd	Seward Hwy	Hillside Dr		10.23
Dowling Rd/Potter Dr	Arctic Blvd	Lake Otis Pkwy		5.60
E 68th Ave	Lake Otis Pkwy	Abbott Loop Rd.		3.17
Eagle River Rd	Old Glenn Hwy	Visitor's Center		30.88
Eagle River Loop Rd	Old Glenn Hwy	Eagle River Rd		4.39
Hartzell Rd	Lake Otis Pkwy	88th Ave (Dimond)		3.20**
Hiland Rd	Glenn Hwy	MP 3.7	8.51****	
Hillside Dr	DeArmoun Rd	Abbott Rd		7.89
Huffman Rd	Old Seward Hwy	Birch Rd		10.00
Klatt Rd	Old Seward Hwy	End of Rd		6.00*
Northern Lights Blvd	LaHonda	Detox Center (AIA)		16.03**
O'Malley Rd	Old Seward Hwy	Hillside		13.55
Old Glenn Hwy	N. ER Access Rd	Ski Rd		21.49
Old Seward Hwy	Rabbit Creek Rd	Potter Valley Rd		4.60
Rabbit Creek Rd	New Seward Hwy	Hillside (DeArmoun)		14.10
Raspberry Rd	Jewel Lake Rd	Sand Lake Rd		3.42
Sand Lake Rd	Jewel Lake Rd	Dimond		5.13
Victor Rd	Dimond Blvd	100th Ave		1.16*
W 100th Ave	Victor Rd	Bayshore		4.19*
Total lane miles			8.51	211.54
Total lane miles			221.05 ⁽¹⁾	

* Owned by State, Maintained by MOA under Exchange of Route agreement, winter maintenance only

** Owned by MOA, Maintained by State under Exchange of Route agreement, winter maintenance only

*** Owned by State, Contracted to ERRRSD for Maintenance, winter and summer

⁽¹⁾Includes 11.35 lane miles * roads; 21.23 lane miles ** roads; 8.51 lane miles *** roads

STATE ROUTE INVENTORY BY CLASSIFICATION

COLLECTORS:

<u>ROUTE</u>	<u>FROM</u>	<u>TO</u>	<u>EQUIVALENT LANE MILES</u> <u>(12' WIDE X 5280' LONG)</u>	
			<u>Gravel</u>	<u>Paved</u>
Portage Glacier Rd	Seward Hwy	Visitor's Center		18.00
Portage Glacier Loop	Portage Glacier Rd	End of Route		1.10
Crow Creek Rd	Alyeska Rd	End of Maintenance	3.51	
72nd Ave/Spruce/Lore Rd	Lake Otis Pkwy	Abbott Loop Rd		2.58*
Birchwood Spur/Airport	Birchwood Loop Rd	Birchwood Airport		4.70
Chawa Cir/Clark's Rd	Rabbit Creek Rd	End of Rd		5.26
E 80th Ave	Lake Otis Pkwy	Nadine		0.50*
E 88th Ave	Abbott Loop Rd	End of Rd		0.88*
E 88th Ave	Lake Otis Pkwy	Hartzell		1.30
Eklutna Lake Rd	Old Glenn Hwy	Water Treatment Plant		5.00
Eklutna Lake Rd	Water Treatment Plant	Park/Campgrounds	9.97	
Eklutna Village Rd	Glenn Hwy	ARR		1.08
Fish Hatchery Rd	Old Glenn Hwy	Knob Hill Rd	0.70	
Homestead Rd	Ski Rd (Old Glenn Hwy)	Settlers Dr	1.00***	
Indian Rd	Seward Hwy	End of Route	1.50	
Jayhawk Dr	Birchwood Loop	Newton St		0.10***
Jayhawk Dr	Birchwood Loop	Sunset Dr		1.14
Johns Rd	Klatt Rd	Highview		3.32*
Lore Rd	Lake Otis Pkwy	Dead end	0.29*	
Old Eagle River Rd	Old Glenn Hwy	Dead end		1.69
Mirror Dr	Glenn Hwy (N. Peters Creek)	Dead end	0.73***	
Mirror Lake Dr	Glenn Hwy (Mirror Lake)	Parking Lot	2.86***	
Old Glenn Hwy	4-Wheel Dr	Darn Ave		0.37***
Old Rabbit Creek Rd	Hillside	Rabbit Creek Rd	2.38	
Settlers Dr	Homestead Rd	N. Peters Creek		0.48***
Storage Bin Rd	Artillery Rd	End	0.43***	
Upper Huffman Rd	Hillside Dr	Park entrance		2.64
VFW Rd	Eagle River Rd	Hidden Haven		0.45***
W Dimond/Kincaid/Jodphur	Dimond Blvd (Sand Lk)	Sand Lake Rd	5.85**	
Total lane miles			18.78	61.03
Total lane miles			79.81 ^(m)	

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- ** Owned by MOA, Maintained by State under Exchange of Route agreement, winter maintenance only
- *** Owned by State, Contracted to ERRRSD for all winter and summer maintenance

^(m)Includes 7.57 lane miles * roads; 6.42 lane miles *** roads; 5.85 lane miles ** roads

APPENDIX B

OPERATION/MAINTENANCE ACTIVITIES

FREEWAYS, RAMPS, FRONTAGE ROADS

STATE ROUTES

Description:

Freeway Routes are described as four or more lane roadways with controlled access to the right-of-way, constructed to current design standards for base and subbase. The roadway has a strip-paved surface width of 88' for 4-lane roads and 112' for 6-lane roads. The standard design includes two roadbeds, each with 12' lanes and 10' shoulders on each side of the roadway. (Note - The Seward Highway and the Glenn Highway, Eagle River to Eklutna, do not have 10' shoulders). Urban freeways include one-way multiple-lane frontage roads for surface access. The roads have grassed medians between directional roadbeds, no curb and gutter, and drainage structures are primarily limited to cross-culverts and ditches alongside the roadways. All intersections are grade-separated, with some ramp intersections terminating at signalized cross-streets. All interchanges are illuminated; some sections of freeway have continuous lighting (Glenn Highway, Bragaw to Hiland Road). There is a mixture of high-level lighting and standard roadway lighting fixtures. Fencing is normally installed along all urban sections of freeway for pedestrian access and control; some areas have additional fencing for wildlife control (Glenn Highway, Muldoon to Fort Richardson).

Summer Maintenance Activities:

Line restriping is accomplished twice per year; once in the spring and again in the fall. Pavement cleaning is performed by use of flush trucks prior to restriping. No other road sweeping activities are scheduled. Crack sealing is performed every other year as needed. Pavement patching, culvert cleaning, sign repair, and drainage repair/chasing is done as needed. Street light maintenance is done on an as-needed basis only - not scheduled. Medians and shoulders are mowed once per season, normally on contract. Trails within the freeway corridors are cleaned monthly. Brushing, sweeping and pavement repairs to trails are performed only on an as-needed basis.

Winter Maintenance Activities:

Under Municipal designation, these roads are snow routes, and are cleared of snow within 6-8 hours. Snow hauling is not necessary as median and shoulder areas are normally sufficient for snow storage. Bridge decks and other guardrail areas require extra attention when removing snow. Sanding is done as needed. Trails within the freeway corridor are cleared by others, if done at all. Snow plowing is accomplished by use of belly-blade sander/trucks and nose-plow sander trucks on the first response, and by use of graders with wings for clean-up activities after all roadways are plowed. Snow routes are designated to include all ramps during the second run. Frontage

STATE ROUTE INVENTORY, BY CLASSIFICATION

MAJOR ARTERIALS, NON-CBD

ROUTE	FROM	TO	EQUIVALENT LANE MILES (12' WIDE X 5280' LONG)	
			Gravel	Paved
New Seward Hwy	Ingram Creek	Rabbit Creek I/C		140.82*
A/C Bridge	3rd Ave	Oceandock Rd		2.39*
Oceandock Rd	A/C Bridge	Gull Ave (Port)		2.13*
15th Ave	Orca St	L Street		5.25***
A Street	15th Ave	Tudor Rd		9.06
C Street	15th Ave	Tudor Rd		9.06
C Street	Tudor Rd	Dimond Blvd		9.56
Minnesota Dr	15th Ave	Int'l Airport Rd		29.12
Ingra/Gambell	15th Ave	20th Ave		2.60
New Seward Hwy	20th Ave	36th Ave		8.50
Arctic Blvd	Fireweed Ln	Raspberry Rd		11.50**
Arctic Blvd	Raspberry Rd	Dimond Blvd		2.68**
Airport Hts Rd	Glenn Hwy	DeBarr Rd		2.43
Lake Otis Pkwy	15th Ave	Northern Lights		3.25**
Lake Otis Pkwy	Northern Lights	Tudor Rd		5.58
Boniface Pkwy	Elmendorf AFB	Glenn Hwy		1.76
Boniface Pkwy	Glenn Hwy	Tudor Rd		16.56*
Muldoon Rd	Elmendorf AFB	Glenn Hwy		1.23
Muldoon Rd	Glenn Hwy	36th Ave		12.04
Tudor Rd	Muldoon Rd (36th Ave)	Minnesota Dr		36.14
5th Ave	Medfra	Airport Hts		5.40
Glenn Hwy	Airport Hts	Bragaw		3.68
15th Ave	Orca	Airport Hts		2.08**
Debarr Rd	Airport Hts	Muldoon Rd		16.80
Northern Lights Blvd	Muldoon Rd	Lake Otis Pkwy		16.70**
Northern Lights Blvd	Lake Otis Pkwy	LaTouche		5.00
Northern Lights Blvd	LaTouche	LaHonda		13.21*
Benson Blvd	LaTouche	Lois Dr		9.20
Fireweed Ln	New Seward Hwy	Spenard Rd		5.25*
Dimond Blvd	Hartzell Rd	Sand Lake Rd		28.74
Raspberry Rd	Minnesota Dr	Jewel Lake Rd		5.50
Loop Rd	A/C Bridge	Elmendorf AFB		3.00*
Bragaw Rd	Tudor Rd	University Dr		2.97*
International Airport Rd	Homer Dr	AIA		25.56
Reeves Blvd	5th Ave	Post Rd		4.10*
Post Rd	3rd Ave	Elmendorf AFB		6.80*
Jewel Lake Rd	Dimond Blvd	Int'l Airport Rd		10.56
Old Seward Hwy	New Seward Hwy	Dowling Rd		37.29
Old Seward Hwy	Dowling Rd	32nd Ave		8.82**
Old Glenn Hwy	New Glenn Hwy	N. ER access		6.88
Total lane miles			0.00	529.20
Total lane miles				529.20***

*** Includes 21.39 lane miles * roads; 50.28 lane miles ** roads

* Owned by State, Maintained by MOA under Exchange of Route agreement, winter maintenance only

** Owned by MOA, Maintained by State under Exchange of Route agreement, winter maintenance only

(1) Avalanche control work performed by State; all snow removal to be performed by MOA under proposed TORA

(2) Roadways normally have snow hauled as first response-not adequate storage area.

trucks (normally contracted), and hauling to snow dump. A dozer is used at the snow dump to maintain the area. Some sanding after cleanup may be necessary. Normal equipment consists of two graders, a blower, and a pickup with an arrow board. Snow route designation requires constant contact with towing operators to keep streets open for maintenance. Snow plowing operations are conducted at low speeds (<25 MPH).

Capital Improvement Activities:

Pavement overlays are scheduled at 10 year intervals. Coordination with Municipal utilities is necessary to keep pavement repair work to a minimum.

MOA ROUTES:

Description:

Urban CBD Arterial Roads in this discussion are defined as 3-lane roads with a road base constructed to municipal standards. The road has an asphalt pavement surface 60 feet wide including a parking lane and curb and gutter on each side. Storm drains exist with catch basins in the curb at 600 foot spacing. Lighting is installed on each side at 150 foot spacing. Signals are connected with the signal system and are also actuated by detector loops in the pavement. Signal spacing is every 1/8 mile. Sidewalks are constructed adjacent to curbs on each side of the roadway.

Summer Maintenance Activity:

Pavement crack sealing is done every year when needed. Line restriping is done once a year. Road sweeping is accomplished ten times a year throughout the spring, summer and fall. Pavement patching, storm drain cleaning, catch basin cleaning, street light repair, sign repair, signal repair, and drainage chasing are done as needed.

Winter Maintenance Activity:

Roads are cleared of snow in night operations because of the amount of traffic and parking downtown. All snow is hauled and the clearing operations include plowing, racking, blowing into trucks, and hauling. Sanding, and storm drains are done as needed. Clearance of adjacent sidewalks is done by others. Snow plowing is accomplished using three graders working in tandem.

Capital Improvement Activity:

Pavement overlays are scheduled every 10 years

STATE ROUTE INVENTORY BY CLASSIFICATION

COLLECTORS:

<u>ROUTE</u>	<u>FROM</u>	<u>TO</u>	<u>EQUIVALENT LANE MILES</u> <u>(12' WIDE X 5280' LONG)</u>	
			<u>Gravel</u>	<u>Paved</u>
Portage Glacier Rd	Seward Hwy	Visitor's Center		18.00
Portage Glacier Loop	Portage Glacier Rd	End of Route		1.10
Crow Creek Rd	Alyeska Rd	End of Maintenance	3.51	
72nd Ave/Spruce/Lore Rd	Lake Otis Pkwy	Abbott Loop Rd		2.58*
Birchwood Spur/Airport	Birchwood Loop Rd	Birchwood Airport		4.70
Chawa Cir/Clark's Rd	Rabbit Creek Rd	End of Rd		5.26
E 80th Ave	LakeOtisPkwy	Nadine		0.50*
E 88th Ave	Abbott Loop Rd	End of Rd		0.88*
E 88th Ave	LakeOtis Pkwy	Hartzell		1.30
Eklutna Lake Rd	Old Glenn Hwy	Water Treatment Plant		5.00
Eklutna Lake Rd	Water Treatment Plant	Park/Campgrounds	9.97	
Eklutna Village Rd	Glenn Hwy	ARR		1.08
Fish Hatchery Rd	Old Glenn Hwy	Knob Hill Rd	0.70	
Homestead Rd	Ski Rd (Old Glenn Hwy)	Settlers Dr	1.00***	
Indian Rd	Seward Hwy	End of Route	1.50	
Jayhawk Dr	Birchwood Loop	Newton St		0.10***
Jayhawk Dr	Birchwood Loop	Sunset Dr		1.14
Johns Rd	Klatt Rd	Highview		3.32*
Lore Rd	Lake Otis Pkwy	Dead end	0.29*	
Old Eagle River Rd	Old Glenn Hwy	Dead end		1.69
Mirror Dr	Glenn Hwy (N.Peters Creek)	Dead end	0.73***	
Mirror Lake Dr	Glenn Hwy (Mirror Lake)	Parking Lot	2.86***	
Old Glenn Hwy	4-Wheel Dr	Darn Ave		0.37***
Old Rabbit Creek Rd	Hillside	Rabbit Creek Rd	2.38	
Settlers Dr	Homestead Rd	N. Peters Creek		0.48***
Storage Bin Rd	Artillery Rd	End	0.43***	
Upper Huffman Rd	Hillside Dr	Park entrance		2.64
VFW Rd	Eagle River Rd	Hidden Haven		0.45***
W Dimond/Kincaid/Jodphur	Dimond Blvd(Sand Lk)	Sand Lake Rd	5.85**	
Total lane miles			18.78	61.03
Total lane miles				79.81 ^(m)

- * Owned by State, Maintained by MOA under Exchange of Route agreement, winter maintenance only
- ** Owned by MOA, Maintained by State under Exchange of Route agreement, winter maintenance only
- *** Owned by State, Contracted to ERRRSD for all winter and summer maintenance

^(m)Includes 7.57 lane miles * roads; 6.42 lane miles *** roads; 5.85 lane miles ** roads

trucks on first the response then using graders with wings for clean-up activities after all roadways are plowed. Plowing is done at moderate to high speeds (30 > 40 mph) depending upon the time of day and traffic volumes.

Capital Improvement Activities:

Pavement overlays are scheduled on a 10-year cycle.

MOA ROUTES:

Description:

Urban major arterial roads in this discussion are defined as 5-lane roads with a road base constructed to municipal standards. The road has an asphalt pavement surface 60 feet wide with a curb and gutter on each side. Medians separate traffic and provide channelization for left turns. Storm drains exist with catch basins in the curb at 600 foot spacing. Lighting is installed on each side at 150 foot spacing. Signals are connected with the signal system and are also actuated by detector loops in the pavement. Signal spacing is every 1/2 mile. A separated sidewalk and trail are constructed behind the curb on each side.

Summer Maintenance Activity:

Pavement crack sealing is done every year when needed. Line restriping is done once a year. Road sweeping is accomplished three times a year, in the spring, summer and fall. Pavement patching, storm drain cleaning, catch basin cleaning, street light repair, sign repair, signal repair, and drainage chasing are done as needed.

Winter Maintenance Activity:

Roads are designated as snow routes and are cleared of snow within 6-8 hours. Snow hauling, sanding and storm drain thawing are done as needed. Clearing of adjacent sidewalks is done by others. Snow plowing is accomplished using three trucks with belly blades working in tandem. Plowing occurs at speeds around 20 mph.

Capital Improvement Activity:

Pavement overlays are scheduled every 10 years.

roads are lower priority than ramps. Plowing is done at high speeds (>40 mph). Sanding is augmented by use of a 20-yd flowboy sander as required.

Capital Improvement Activities:

Pavement overlays are scheduled on a 10-year cycle.

MOA ROUTES

The Municipality does not have any roads of this classification.

OPERATION AND MAINTENANCE ACTIVITIES

ARTERIAL, CBD

STATE ROUTES

Description:

Central Business District arterials are normally 3 or 4-lane roadways, primarily one-way traffic, and constructed to urban arterial standards. The streets are paved with asphalt, widths of normally 60', and with parking lanes on one or both sides of the street. They have curb and gutter, storm drains, continuous illumination, traffic signals (connected to master signal system), and most have on-street parking. Sidewalks are constructed adjacent to the curb section.

Summer Maintenance Activities:

Line restriping is accomplished twice per year; once in the spring and again in the fall. Pavement cleaning is performed with sweepers prior to restriping and additional sweeping is done to maintain clean downtown streets throughout the summer months as money is allocated. Pavement crack sealing is done every other year as required. Pavement patching, storm drain cleaning, catch basin maintenance and cleaning, sign repair and street light repair are done as needed (for those facilities not maintained by the Municipality under the signal maintenance TORA). Traffic signals are maintained by the Municipality through an existing TORA. Sidewalks are cleaned by either private property owners or Municipality of Anchorage Parks and Recreation Department.

Winter Maintenance Activities:

Due to heavy traffic volumes, snow plowing activities are concentrated during night operations. Some sanding operations with belly blade plows can occur during the day. All snow must be hauled from these streets at night. Sidewalks are cleared by others (same as summer). Clearing/hauling operations include plowing, racking, blowing into

Capital Improvement Activities:

Pavement overlays scheduled on 10 year cycle.

MOA ROUTES:

Description:

Urban minor Arterial Roads in this discussion are defined as 3-lane roads with a road base constructed to municipal standards. The road has an asphalt pavement surface 40 feet wide with a curb and gutter on each side. Storm drains exist with catch basins in the curb at 600 foot spacing. Street lighting is installed on each side at 150 foot spacing. Signals are connected with the signal system and are also actuated by detector loops in the pavement. Signal spacing is every 1/2 mile. A sidewalk and trail are constructed on each side with spacing behind curb. Medians are included at intersections.

Summer Maintenance Activity:

Pavement crack sealing is done every year when needed. Line restriping is done once a year. Road sweeping is done twice a year, in the spring and fall. Pavement patching, storm drain cleaning, catch basin cleaning, street light repair, sign repair, signal repair, and drainage chasing are done as needed.

Winter Maintenance Activity:

Roads are designated as snow routes and are cleared of snow within 6-8 hours. Snow hauling, sanding and storm drain thawing are done as needed. Clearance of adjacent sidewalks is done by others. Snow plowing is accomplished using two trucks with belly blades working in tandem. Plowing occurs at speeds around 20 mph.

Capital Improvement Activity:

Pavement overlays are scheduled every 10 years.

OPERATION/MAINTENANCE ACTIVITIES

COLLECTORS

STATE ROUTES:

Description:

Collectors are normally 2-lane roadways, suburban or rural, two-directional traffic and are constructed to rural road standards. The streets are normally paved with asphalt, with widths normally 24'-32' wide for two-lane roadways. Generally drainage is

OPERATIONS AND MAINTENANCE ACTIVITIES

MAJOR ARTERIAL - NON CBD

STATE ROUTES:

Description:

Major arterials are normally 4 or 5-lane roadways, two-directional traffic with raised channelization for turn movements at major intersections, and are (for almost all roadways) constructed to urban arterial standards. The streets are paved with asphalt, with widths of normally 60 feet with no parking lanes on the street. They have curb and gutter, storm drains, continuous illumination, actuated traffic signals (connected to master signal system). Sidewalks and/or bike trails are constructed behind the curb section. In addition to these multi-lane roadways, the New Seward Highway from Rabbit Creek I/C south to Ingram Creek qualifies as a major arterial. It is nominally 40 feet wide, with ditches and culverts for drainage. Extensive areas of guardrail exist along Turnagain Arm.

Summer Maintenance Activities:

Line restriping is done twice a year; once during the spring and again during the fall. Pavement cleaning is normally performed with sweepers prior to restriping, flush trucks are utilized to assist; with some additional sweeping done to maintain clean streets occasionally during the summer months as money is allocated. Pavement crack sealing is done every other year as required. Pavement patching, storm drain cleaning, catch basin maintenance and cleaning, sign repair and street light repair are done as needed (for those facilities not maintained by the Municipality under a signal maintenance TORA). Traffic signals are maintained by the Municipality through an existing TORA. Sidewalks are cleaned by sweepers, or by the Municipality of Anchorage Parks and Recreation Department.

Winter Maintenance Activities:

Under Municipal designation, these roads would be snow routes. They are cleared of snow within 12 hours. Snow hauling is generally not necessary as areas behind the curb sections, or in non-curb and gutter sections, the areas behind the shoulders, are normally sufficient for snow storage. Snow is allowed to accumulate for several snowfalls prior to hauling to areas necessary for further snow storage. Bridge decks and other guardrail areas require extra attention to remove snow from shoulders and/or walks. Sanding is done as needed. Signalized intersections are given high priority for sanding due to high volumes of traffic. Walkways immediately adjacent to the roadway are cleared during routine wing-back operations; trails within the arterial corridor not adjacent to the roadway are cleared by others if done at all. Snow plowing is accomplished by use of belly-blade/sander trucks and nose-plow/sander

spacing. No signals are included. A sidewalk and trail are constructed on each side with spacing behind curb. Medians are included at intersections.

Summer Maintenance Activity:

Pavement crack sealing is done every other year as needed. Line restriping is done once a year. Road sweeping is done twice a year, in the spring and fall. Pavement patching, storm drain cleaning, catch basin cleaning, street light repair, sign repair, and drainage chasing are done as needed.

Winter Maintenance Activity:

Roads are designated as snow routes and are cleared of snow within 6-8 hours. Snow hauling, sanding and storm drain thawing are done as needed. Clearance of adjacent sidewalks or trails is done by others. Snow plowing is accomplished using two trucks with belly blades working in tandem. Plowing occurs at speeds around 20 mph.

2) Suburban Collector

Description:

Suburban Collector Roads in this discussion are defined as 2 lane roads with a road base constructed to municipal standards. The road has a strip paved surface 24 feet wide with 4 foot paved shoulders, well defined ditches, and adequate culverts on each side. No storm drains exist. Street lighting is included at intersections. Lane striping is provided for center lanes and outside lane edges.

Summer Maintenance Activity:

Pavement crack sealing generally occurs once every two years. Road sweeping is done once a year, in the spring or early summer. Sign repair, street light repair, shoulder and ditch regrading, drainage maintenance, pavement patching, culvert cleaning and drainage chasing are done as needed.

Winter Maintenance Activity:

Roads are designated as snow routes and are cleared of snow within 6-8 hours. Snow hauling is minimal as snow is usually stored in ditch areas all winter. Ditch and culvert thawing are performed as needed. The snow plowing operation usually consists of a truck with a belly blade working in tandem with a grader. The belly blade clears the center of the road and the grader follow, plowing the shoulders. Gates are not used. One pass on each side of the street is required.

3) Both Urban and Suburban Classifications

Pavement overlays are scheduled every 10 years.

OPERATION/MAINTENANCE ACTIVITIES

MINOR ARTERIAL

STATE ROUTES:

Description:

Minor arterials are normally 2 to 4-lane roadways, two-directional traffic with raised channelization for turn movements at major intersections, and are constructed to Municipal standards. The streets are paved with asphalt, with widths normally 32'-40' wide for two-lane roadways. Generally, they do not have curbs and gutters, storm drains, or continuous illumination. They do have actuated traffic signals (connected to master signal system) at major intersections. Bike trails/pathways may be constructed in the right-of-way.

Summer Maintenance Activities:

Line restriping is accomplished once per summer season. Pavement cleaning is normally performed with flush trucks and brooms prior to restriping. Pavement crack sealing is done every other year as required. Pavement patching, storm drain cleaning, catch basin maintenance and cleaning, sign repair and street light repair is done as needed (for those facilities not maintained by the Municipality under a signal maintenance TORA). Traffic signals are maintained by the Municipality through an existing TORA. Pathways are generally cleaned by the Municipality of Anchorage Parks and Recreation Department.

Winter Maintenance Activities:

Under Municipal designation these roads would be snow routes. They are cleared of snow within 6-12 hours after snow ceases falling. Snow hauling is not necessary as areas behind shoulders are normally sufficient for snow storage. Snow is allowed to accumulate for several snowfalls prior to hauling to areas necessary for further snow storage. Bridge decks and other guardrail areas require extra attention to remove snow from shoulders. Sanding is done as needed. Hills, curves and signalized intersections are given high priority for sanding due to high volumes of traffic. Walkways immediately adjacent to the roadway are cleared during routine wing-back operations; trails within the arterial corridor not adjacent to the roadway are cleared by others if done at all. Snow plowing is accomplished by use of belly-blade sander/trucks and nose-plow sander trucks on the first response to these roads, except for the Hillside roadways, where contract graders are used with graders/wings for clean-up activities after all roadways are plowed. Plowing is accomplished at moderate to high speeds (30+ to 40+ mph) depending upon time of day and traffic volumes.

and 2 foot gravel shoulders, well defined ditches, and adequate culverts on each side. No storm drains exist. Street lighting is included at 500 foot spacing.

Summer Maintenance Activity:

Pavement crack sealing generally occurs once every three years as needed. Road sweeping is performed once a year in the spring or early summer. Sign repair, street light repair, shoulder and ditch regrading, drainage maintenance, pavement patching, culvert cleaning, and drainage chasing occurs as needed.

Winter Maintenance Activity:

Roads are cleared of snow within 84 hours. Snow hauling is minimal as snow is usually stored in ditch areas all winter. Ditch and culvert thawing are performed as needed. The snow plowing operation usually consists of a truck with a belly blade working in tandem with a grader. The belly blade clears the center of the road and the grader follow, plowing the shoulders. Gates are used on graders in plowing to minimize driveway berming. One pass on each side of the street is required.

Capital Improvement Activity:

Chip Seal resurfacing is scheduled once every 8 years with overlays planned 5 years later.

3) Local gravel roads

(Note: The state has no gravel roads classified as local.)

Description:

Gravel roads in this discussion are defined as 2-lane roads with a road base constructed to municipal standards. The road has a gravel surface 24 foot wide including shoulders with well defined ditches and adequate culverts. No storm drains exist. Street lights are included at 500 foot spacing.

Summer Maintenance Activity:

Grading and oiling are performed in the spring and early summer each year. Roads are also graded in the fall. Culvert cleaning, regrading, drainage maintenance, sign repair, street light repair, and gravel surface repair are performed as needed.

Winter Maintenance Activity:

Roads are cleared of snow within 84 hours. Snow hauling is minimal as snow is usually stored in ditch areas all winter. Ditch and culvert thawing are performed as needed. The snow plowing operation usually consists of a truck with a belly blade working in tandem with a grader. The belly blade clears the center of the road and the grader follow, plowing the shoulders. Gates are used on graders in plowing to minimize driveway berming. One pass on each side of the street is required.

controlled by use of culverts and roadside ditches. Bike trails/pathways may be constructed in the right-of-way. Illumination is usually only installed at major intersections.

Summer Maintenance Activities:

Line restriping is accomplished once per summer season. Pavement cleaning is normally performed with flush trucks and brooms prior to restriping. Pavement crack sealing is done every other year as required. Pavement patching, culvert and ditch maintenance, sign repair and street light repair are done as needed (for those facilities not maintained by the Municipality under a signal maintenance TORA). Pathways are cleaned by the Municipality of Anchorage Parks and Recreation Department. Those roadways which are gravel-surfaced are graded during the summer season as the traffic volumes require. Dust control measures are used in areas adjacent to residences.

Winter Maintenance Activities:

Roads are designated as snow routes, and are cleared of snow within 12-24 hours after snow ceases falling. Snow hauling is not necessary as areas behind shoulders are normally sufficient for snow storage. Snow is allowed to accumulate for several snowfalls prior to hauling areas necessary for further snow storage. Bridge decks and other guardrail areas require extra attention to remove snow from shoulders. Sanding is done as needed. Hills, curves and intersections are given high priority for sanding due to the high volume/high speed of traffic. Pathways/trails within the right-of-way are cleared by others if done at all. Snow plowing is done by use of belly-blade sander/trucks and nose-plow sander trucks on the first response; contract graders are used on the Hillside area roads if heavy snowfall requires existing State equipment to be used on higher priority roads, with graders/wings for clean-up activities after all roadways are plowed. Plowing is accomplished at moderate to high speeds (30+ to 40+ mph) depending upon time of day and traffic volumes.

Capital Improvements Activities:

Pavement overlays are scheduled on a 10-year cycle.

MOA ROUTES:

1) Urban Collector

Description:

Urban Collector Roads in this discussion are defined as 3-lane roads with a road base constructed to municipal standards. The road has an asphalt pavement surface 36 feet wide with curb and gutter on each side. Storm drains exist with catch basins in the curb at 600 foot spacing. Street lighting is installed on each side at 150 foot

APPENDIX C

DOT/PF Anchorage Maintenance District

Analysis of Maintenance Efforts by Activity

Winter Maintenance:

Manpower resources are scheduled into four shifts per week, with each shift equally sized at about 6-8 operators. Shift overlap occurs one day per week. The work week is 37.5 hours with each shift consisting of three 10 hour days and one 7.5 hour day.

1) Snow Removal — Per shift

Initial Response — Belly blade/sander units and nose plows are assigned to work teams 1 & 2 with the routes determined by the snow plan. Sanding is incidental to the plowing operation during the initial response. If the amount of snowfall exceeds what State crews can remove as defined by the general guidelines established by the Area Superintendent, contract graders are called out to work area II and III roads and Dimond Blvd as defined in the snow plan. 15th Avenue requires immediate snow removal instead of just plowing the snow to the sides of the roadway. After initial snow removal response, additional effort is made to clean roadways with existing equipment as assigned on an area basis. If the supervisor determines the crew size is adequate, first effort sanding may be performed.

Secondary Response — Clean Up Operations - Urban Routes - Two graders are used with loader/blower units to rack snow for loading into contract trucks. A dozer is operated at the snow dump site for stockpiling snow. An arrow-board pickup shadows the operation for safety. Occasional sanding is required after cleanup. Graders are used to wing back snow from pavement edges on rural routes (non-curb and gutter). After major snowfalls, or after several smaller snowfalls, additional efforts are made to clean guardrails and areas around other fixtures, such as luminaires or abutments.

- 2) **Sanding Operation** — Sanding is accomplished using a belly blade or nose plow combination for all routes as needed during first response snow plowing operations. On the Glenn Highway, Seward Highway and Minnesota Drive, a 20-yd sander unit is utilized to maximize coverage. Sanders are assigned by work area (Areas I-V) as required by roadway conditions and by staffing availability.
- 3) **Avalanche Control and Cleanup** — Control work for avalanches is provided by one technician working out of the Girdwood station. The technician determines what work is required. Road closures, including notification and signing, are performed by station personnel. Cleanup operations are normally performed using dozers and loaders, depending upon the size of a slide and the amount of snow to be removed from the roadway. This has been done using contract equipment as the State doesn't have the necessary equipment.

OPERATION/MAINTENANCE ACTIVITIES

RESIDENTIAL ROADS/STREETS

STATE ROUTES:

The state does not have any roads of this classification:

MOA ROUTES:

1) Urban residential routes

Description:

Urban residential roads in this discussion are defined as 2-lane roads with a road base constructed to municipal standards. The road has an asphalt surface 32 feet wide, curb and gutter on each side and an attached sidewalk on one side. Storm drains exist with catch basins in the curb at 600 foot spacing. Street lighting is included at 150 foot spacing.

Summer Maintenance Activity:

Pavement crack sealing occurs once every three years. Road sweeping is performed once a year in the spring or early summer. Pavement patching, storm drain cleaning, catch basin cleaning, curb and gutter replacement, street light repairs, sign repairs, and drainage chasing are done as needed.

Winter Maintenance Activity:

Roads are cleared of snow within 84 hours. Sanding, snow hauling, and storm drain thawing are done on an as needed basis. Extensive snow hauling is required on cul-de-sacs. Snow is usually plowed with a truck with a belly blade working in tandem with a grader. The belly blade plows the middle of the road with the grader following using the gates to minimize driveway berming. Two graders are required in heavy snows over 8 inches.

Capital Improvement Activity:

Chip Seal resurfacing is scheduled once every 8 years with overlays planned 5 years later.

2) Local strip paved residential streets

Description:

Strip paved roads in this discussion are defined as 2-lane roads with a road base constructed to municipal standards. The road has a strip paved surface 24 feet wide

- 3) **Striping** — Roadways are normally striped twice per year. The first striping is done as early in the Spring as the roads can be cleaned. The second striping is normally done in the fall just prior to freeze-up. All multi-lane roadways are striped twice; some two-lane roadways are striped only once depending upon traffic loads and abrasion to stripes. Crosswalk striping is performed by the Municipality under a Traffic Signal TORA agreement. A stencil crew repaints arrows and/or legends in critical areas only.
- 4) **Dust Control** — The Anchorage District has very few gravel roads left which it maintains. A water truck and grader are used for most gravel dust control on these roads. Calcium chloride is the chemical preferred for dust control. Occasional use of an approved oil requires a distributor truck and perhaps a chip or sand truck.
- 5) **Gravel Road Surface Maintenance** — Minimal effort is given to gravel roads by State crews. Grading activities are performed approximately one week per month. Some gravel roads in the Chugiak/Eagle River area are maintained by a Municipal contractor. Note, the first half mile of Crow Creek Road is maintained year-round and the remainder is maintained from June 1 to October 1.
- 6) **Chip Sealing** — Not normally scheduled as a maintenance activity.
- 7) **Crack Sealing** — This is the single-most intensive effort expended in terms of manpower and equipment for routine summer maintenance. The equipment consists of a distributor truck, 2 dump trucks for chips (one with trailer and roller), a pickup with an air-compressor, a shadow truck with an arrow board, a sign pickup, and a foreman's pickup. Manpower requirements, including traffic control efforts, call for 12 people (1 foreman, 5 equipment operators, 6 laborers). Weather is a limiting factor in performing this work. The State uses CRS-2 with F-chips for crack sealing.
- 8) **Pothole Patching/Minor Surface Repair** — Permanent repairs are made to small areas of existing pavement failure by removing temporary, winter-time pothole patches and replacing them with hot mix asphalt. Removal includes cutting failed pavement back to a solid pavement area and may include removing contaminated base materials in certain situations. A crew size can be very large depending upon roadway characteristics and the number of repairs to be made. Required equipment is similar to crack sealing with the inclusion of a loader and/or backhoe for removal of spoiled or waste materials. A smaller crew is required if areas to be repaired are few and not closely connected.
- 9) **Storm Drain System Maintenance** — Normal work includes inspection,

Capital Improvement Activity:

No capital improvements are regularly scheduled on gravel roads. Application of a recycled or "crushed" asphalt surface has been done in some areas on a periodic basis.

flashers. Work is limited due to small a crew (one to three persons depending upon task) servicing a large geographical area. Complete maintenance includes relamping, locate services, pole maintenance for knockdowns, circuit repairs and trouble shooting.

- 15) **Mowing, Vegetation Control** — Mowing is performed on a contract basis for the median and shoulder areas on the freeway system and on major urban routes which have extensive vegetative cover. Brushing is included in this operation on an as-needed basis.
- 16) **Miscellaneous Other Maintenance** — Other work which is assigned on an as-needed basis includes rock patrol along the Seward Highway from Potter Station to Indian, curb and sidewalk concrete repair, litter control and trash pickup, and encroachment removal after right-of-way notification.

- 4) **Ice Control and Snow Pack Removal** — Ice and snow pack are removed from pavement on an as-needed basis by increasing the efforts of belly blade units and graders with scarifying blades. Normally, this is done only once or twice per year and takes several days.
- 5) **Drainage Chasing & Steam Thawing** — This is done on an as-needed basis using steam thawing units to chase blocked drainage structures. These include cross-culverts, driveway culverts where stoppage of water creates a danger to the safety and stability of roadway prism, and storm drain sections where it is determined that steam thawing is appropriate. In urban sections (roadways curb and gutter) normal drainage chasing efforts remove blockages from curb inlets either by ripping ice build up along curb faces using graders or by manually locating and thawing inlets. A Normal crew size consists of one boiler truck and two operators for steam thawing. During warm weather episodes where extreme melting occurs, several units (up to four) are assigned to this task.
- 6) **Pothole Patching (Winter Only)** — During warm weather episodes and breakup, normal crew assignments are made using one 8-yd truck equipped with a special insulated asphalt box to carry patch material. A standard crew is two operators assigned to the truck. Some routes require the use of a shadow truck with a mounted arrow board for safety.

Summer Maintenance:

Manpower resources are scheduled to allow maximum crew size Monday through Thursday with a nominal crew of two covering the evening/night shift and Friday/Saturday day shifts. The work week schedule is the same as the winter schedule. (Three 10-hour days, one 7 1/2 hour day)

- 1) **Sweeping** — Priority is given to cleaning roadways for seasonal striping operations, which begins in early April. Contract sweepers are utilized for Anchorage area streets. A 10,000 gallon flush truck is used on most routes in Anchorage prior to striping. Additional efforts are made on downtown and urban road sections. The Municipality maintains the downtown streets for sweeping during the summer.
- 2) **Bike Paths** — Bike paths are maintained by State crews performing minor drainage repairs, brush cutting (minimal work, most performed manually) and sweeping the pathways with a Terrain King broom. Sidewalks adjacent to urban roadways are normally maintained on contract.

**Commission on Privatization and
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Appendix D

Central Region agreements/contracts

cleaning and repair as necessary of catch basins, lateral lines, oil/grease separators and includes lab tests as required. A work crew normally consists of 2 operators using the Aquatech cleaner truck. Work is normally scheduled between May 1 and October 15 annually.

- 10) **Guardrail and Fence Repair** — Normal maintenance is restricted to State crews repairing only those damages which are deemed to be critical and which have a major safety impact if not repaired quickly. A crew size for fencing repair consists of 2 operators, and for guardrails 3 operators with a guardrail truck (occasional use of shadow truck may be dictated by the work area). Most of the State's guardrail and fence repair is performed under contract.
- 11) **Shoulder Pulling** — The average amount of work is three man-days per month.
- 12) **Drainage Ditching** — This work is required to maintain clean ditches, clear of obstacles and impediments to free-flowing water. The normal crew composition includes a Gradeall with operator, two flagmen with sign truck, and two dump trucks with operators. Work on Turnagain Arm usually requires one additional dump truck. The estimated time required for this work is 1 1/2 to 2 months per season.
- 13) **Bridge Inspection and Maintenance** — Normal maintenance efforts are restricted to support of DOT Bridge inspectors by providing personnel to assist in annual inspections. Removal of graffiti occupies about 1 week per year for two men. Bridge deck maintenance includes repairing spalled deck areas, membrane repair, drainage structure cleaning and repair. Normal work for a two-man crew is about one month per year. Damage to bridges due to accidents (such as high loads) is usually incidental, however, significant effort can be expended if major structural repair is required. Bridge preventative maintenance programs (deck repair, replacement, bearing and anchor repairs) have been underfunded in the past.
- 14) **Sign and Lighting Maintenance** — Sign maintenance requires one person full time for routine repairs to small signs, and requires two or three people for work on large freeway signs. Winter maintenance is normally restricted to cleaning, replacing downed signs and posts from breakaway mountings, and temporary installation of seasonal signs (weight restrictions, etc). Permanent sign installation is only accomplished when there is no frost in the ground. Most street lighting maintenance in the Anchorage district is performed by the Municipality under the Traffic Signal TORA for all areas having either signals or flasher installations. State crews maintain those roads without signals or

all region -
near N, S, E

Central Region Agreements / Contracts

Memoranda of Understanding with the Municipality of Anchorage:

These agreements transfer funds from the State to Municipality of Anchorage and are predominantly for design and construction engineering on Federal Highway Administration (FHWA). These projects are for facilities that belong to the Municipality of Anchorage and are or will be their maintenance and operations responsibility.

We occasionally transfer general funds to the Muni via this mechanism as well. These transfers occur when funding that the Muni requested was appropriated to DOT/PF and we have no interest in or responsibility for the improvement.

Contact: Laurie Dilley, Project Control Chief

Landscaping / Ownership & Maintenance Agreements:

To date this type of agreement has been enacted only with the Municipality of Anchorage but could later involve other governmental agencies. These agreements obligate the other agency to maintain landscaping and other enhancements that are included in capital projects at their request on facilities where the remainder of maintenance and operations responsibility lies with the State.

Contact: Diana Rigg, AMATS Planner

Transfer of Responsibility Agreements (TORAs):

On occasion DOT/PF is the recipient of funds that are to be transferred to other entities for implementation. There are a number of types of TORAs:

Local Government: These agreements transfer funds and responsibility for the capital improvement to these governments.

Contact: Laurie Dilley

Corp of Engineers Match: The state supplies match to selected Corps of Engineers harbor projects.

Contact: Harold Moeser

Harbor Transfers: Recently the State legislature has appropriate funds to repair existing harbors and transfer ownership of the harbors to the local governmental agencies. We have completed transfers to Homer, Seward and Kodiak.

Contact: Harold Moeser

Contact: Laurie Dilley

Servicing: The Department of Transportation holds contracting authority on major capital improvements for the State of Alaska. Other State agencies that must implement capital improvements often transfer the funds appropriated to their agency to the DOT/PF for project development and management. Our Public Facilities Design & Construction group is funded almost entirely by RSAs from other state agencies.

Contact: Laurie Dilley

Professional Services Agreements:

We currently contract out approximately 50% of our design work and 25%-30% of our construction administration to outside firms. This is accomplished via Professional Services Agreements. In addition to design work the consulting community also provides specific services such as aerial photography and ground modeling, geotechnical engineering and materials testing.

We also have Term Contracts for such work as surveying and hazardous materials investigation / mitigation.

Contact: Sharon Smith

Utility Relocations:

Our construction contracts often require relocation of various utilities. Our Utilities section prepares and manages relocation agreements with all major utility companies in Central Region. The agreements specify the work to be performed and the responsible parties. The work can be undertaken by the individual utility or be included in the associated construction contract.

Contact: Bill Strickler

Construction Contracts:

The Contracts section advertises and awards contracts for all of our highway, aviation, building and harbor projects.

Contact: Bob Wilson

Airport Lease Agreements:

The airport leasing group is responsible for managing all of the lease lots on our airports (103 in Central Region). The lease agreements define the type of activity that can occur on each individual property.

Contact: Bob Norton

**Commission on Privatization and
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**Subcommittee Report on the Department of Transportation &
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Appendix E

***Director of Privatization Commission letter to Fairbanks and
Anchorage Mayors, DOT/PF and Local 71 regarding joint
maintenance and operations recommendations dated October 7,
1999***

Sanitation Roads Program: Transfer FHWA funds with specific scope to Public Health Service (via MOA) or Village Safe Water (via RSA) for participation in the rural sanitation program. FHWA funds, to date, have been for roadway and boardwalk improvements to provide a transportation route to improved sewage lagoons constructed with funds from other federal and state agencies.

Contact: Project Managers

Roadway Surface and Transfer Program:

This is a FHWA funded program to upgrade and surface roads currently owned by the State and transfer ownership, upon completion of the work, to the local government. The roads included in this program are more appropriately the responsibility of the local governments; the improvements provide the incentive to the local governments to take over ownership. Agreements must be prepared to legally transfer the ownership once the work has been completed.

Contact: Regional Planning / Right of Way

M&O Maintenance Contracts:

Equipment Rental: Annual contracts to supplement the department's staff and equipment. Example: end dumps / operators for snow haul.

Specific Services: Annual contracts for street sweeping, airport bird control, and other specialty work.

Airport Maintenance Contracts: We have contracted out the maintenance work at 75 of our non-certificated rural airports.

Traffic Signal / Lighting: We have an operating agreement, with the Muni, for maintenance and operations of the traffic signals and street lighting within the Municipality of Anchorage.

Winter Maintenance Road Swaps: Since 1991 we have had an agreement with the Municipality of Anchorage to swap maintenance responsibilities for specific routes in the winter to maximize efficiencies of these operations.

Contact: Chris Kepler / Chuck Swenor

Reimbursable Services Agreements (RSA):

We participate in RSAs as both the 'requesting' and the 'servicing' aspect. The RSAs can be for 'Capital' (continuing) or 'Operating' (annual) appropriations.

Requesting The Department of Natural Resources, Division of Parks is the most frequent RSA partner where we are requesting the work and they provide the services. They provide design, construction administration and interpretive signing for the projects involving trailhead and wayside facilities. We receive the funding from the FHWA, provide overall project oversight and pass the day to day operations on to DNR or other agencies. We have ongoing agreements with the Department of Public Safety for trooper support.



and Delivery of Government Services

Co-Chairs:
Representative John Cowdery
Senator Jerry Ward

October 7, 1999

VIA FAX

Senator Al Adams
Bill Allen
Representative Tom Brice
Tom Fink
Michael Harper
Emil Notti
Kathryn Thomas
Don Valesko
George Wuerch

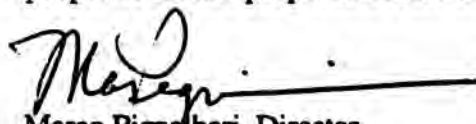
Mayor Jim Hayes, City of Fairbanks, 907-459-6710
Mr. Hank Hove, Fairbanks North Star Borough, 907-459-1102
Mayor Rick Mystrom, Municipality of Anchorage, 343-4499
Commissioner Joe Perkins, DOT/PF State of Alaska, 907-586-8365
Mr. Don Valesko, Local 71, 279-7171

Gentlemen:

The Commission on Privatization and Delivery of Government Services subcommittee on transportation is considering a recommendation, that road maintenance operations be combined in certain areas where state and local government operations overlap. Anchorage and Fairbanks have been suggested as likely candidates for combined operations. Please review the following possible suggestions.

- 1) Joint MAINTENANCE - and OPERATIONS AGREEMENTS: Significant savings are possible by combining similar efforts between municipalities-, state- and federal agencies. All too often several entities perform the exact same services in the same area. It would be one way to solve the problem, which we now have, in which local government does not fulfill its maintenance responsibility for local roads, because the specific routes are still under state Jurisdiction. This is significant primarily for larger communities and boroughs in the State. As an example: a 1992 independent study showed that over 1 Million dollars could be saved annually if the Municipality of Anchorage and the State DOT would combine road services through unified road maintenance ('unified Road Maintenance Study', August 21, 1992, Final report by Management Analysis Company, 3201 C St., Anchorage.) There are many other examples like this. Washington DC is in the process on a large citywide scale right now.
- 2) Many DUPLICATE EFFORTS are evident In RURAL ALASKA and remote sites. Federal agencies, state offices, local Government units (REAA's, PHS, BIA, Military, Airports, schools, facilities etc.) often have similar maintenance and service requirements. Combining these under performance based contracts with private enterprise could save money and show better service.
- 3) EQUIPMENT/ ROLLING STOCK: Several governmental offices maintain and operate similar fleets of equipment Through joint lease- and operations agreements significant savings are feasible, especially if operations are combined also, as outlined under 1) and 2). This could also include procurement of equipment, parts- and repair services and preventive maintenance programs.

The Commission and the subcommittee would appreciate comments from you and your road maintenance people about this proposal. Please send your comments to:


Marco Pignatelli, Director
Privatization Commission
Email: privatize@legis.state.ak.us
Fax: 907-269-0222

716 W. 4th Ave. Anchorage, AK 99501
Senator Jerry Ward: 907-269-0106 Fax 907-269-0109
Representative John Cowdery: 907-269-0222 Fax 907-269-0223
<http://www.privatizealaska.org>

Marco Pignalberi

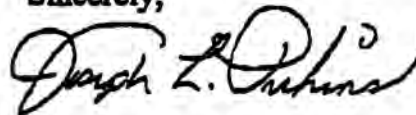
Page 2

October 27, 1999

- 4) DOT&PF - Palmer M&O pays the City of Palmer to maintain 5 streets in Palmer that are owned by the State.
- 5) DOT&PF - Homer M&O pays the City of Homer to maintain Pioneer Street in Homer.
- 6) DOT&PF - Soldotna M&O trades with the Cities of Kenai and Soldotna traffic painting, snow haul, sweeping, and storm drain clean-outs.
- 7) DOT&PF - Kenai Peninsula District trades with the Kenai Peninsula Borough some sanding and blading for gravel.
- 8) DOT&PF - Dutch Harbor and the City of Unalaska: The City maintains the roads, DOT&PF maintains the airport. The roads and airport are State owned.
- 9) DOT&PF - King Salmon and the U.S. Air Force: The Air Force provides some equipment and pays DOT&PF a part of the cost of maintaining the runway to accommodate the jet fighters.

Hopefully, this information will be helpful for you to use.

Sincerely,



Joseph L. Perkins, P.E.
Commissioner

cc: John D. Horn, P.E., Director, Central Region
K. Chris Kepler, P.E., Chief, Central Region M&O

**Commission on Privatization and
Delivery of Government Services**

**Subcommittee Report on the Department of Transportation &
Public Facilities**

Appendix F

***Privatization Subcommittee member report on maintenance and
operations***

STATE OF ALASKA

DEPARTMENT OF TRANSPORTATION AND PUBLIC FACILITIES

OFFICE OF THE COMMISSIONER

TONY KNOWLES, GOVERNOR

3132 CHANNEL DRIVE
JUNEAU, ALASKA 99801-7898

TEXT: (907) 465-3652

FAX: (907) 586-8365

PHONE: (907) 465-3900

October 27, 1999

Marco Pignalberi, Director
Privatization Commission
716 West 4th Avenue
Anchorage, AK 99501

Dear Mr. Pignalberi:

Your recommendation mentioned in your letter dated October 7, 1999 for combining efforts and resources between State and local maintenance forces has been in practice with Central Region, Department of Transportation and Public Facilities (DOT&PF) for many years. Here are agreements and practices that exist at the present time:

- 1) DOT&PF - Anchorage Maintenance and Operations (M&O) with the Municipality of Anchorage (MOA):
 - a. DOT&PF maintains 50-lane-miles of MOA streets.
 - b. MOA maintains 87-lane-miles of DOT&PF routes.
- 2) DOT&PF - Palmer M&O with the Matanuska-Susitna Borough (Mat-Su Borough):
 - b. DOT&PF maintains Seward-Meridian and Bogard/49th Roads
 - c. Mat-Su borough maintains 8-10 DOT&PF farm roads.
- 3) A project is currently out to bid to pave 12 DOT&PF roads in the Mat-Su Borough. Upon completion, the Borough will take over maintenance and ownership. In past years, transfers have been made with Bogard Extension/Lake View, Edgerton Parks Road, and Gershmael/Herning Roads.

H+A
MHO

September 3, 1999

Mr. Frank Dillon

Re: Sub-committee ADOT/PF

In the limited time I had available, I never assembled the members of the sub-sub on M&O. I did visit with John Horn, Regional Director. You will find his compilation of statewide figures attached.

I understand that Lincoln once said, "Government should provide those services that the people cannot provide for themselves." If in fact he made the statement for which I give him credit and he were around today looking at privatization, I would expect him to add something like this: "Government should only be staffed and equipped to perform the regular services the public requires."

When we look at the many services an operation like DOT & PF - M&O provides, we can be dazzled, but shouldn't be. Keep it simple; break the task down. To make a breakdown of all M&O operation is a very time-consuming job, and we don't have that much time. We should have rules that cause the managers to analyze these questions.

It is the responsibility of the Legislature to write the rules (laws) by which the Executive Branch is to conduct the people's business.

My years of experience with government operations with a keen sense of getting the private sector involved has resulted in my reaching some conclusions.

Years ago a law was enacted with the strong support of the state employees' unions. The law required that state agencies seeking to privatize be prepared to prove that the privatization of services would save money! I think the legislature could use the "prove you can save money" bill as a foundation for something better.

Let's look at the creation of legislation that would create the requirement for privatization where the model, framed by law, tilts in favor of privatization. Examples:

Bid graders, loaders, etc. for bush runway work and to support main line state crews when dealing with heavy snow falls, avalanche, mud slides, wash outs, etc. The contracted services would get the job done faster, be manageable, quality control assured, etc.

Bid some of the highway striping services. This is a critical path (small opportunity window—weather, etc), and there are private contractors available. Let me repeat— this works— and sweeping services as well would be manageable with measurable parameters for quality and pay.

Subject: privatization

Date: Wed, 03 Nov 1999 04:03:56 -0900

From: Kurt Parkan <Kurt_Parkan@DOT.STATE.AK.US>

To: Representative John Cowdery <Representative_John_Cowdery@legis.state.ak.us>

Marco- Here is information on Northern Region's agreements in response to your recent letter. We have already forwarded to you the info on Central Region. When do you think you will have a final draft report we can review in preparation for our 11/18 meeting with the commission?
Kurt

. The Northern Region, Department of Transportation and Public Facilities (DOT&PF) is currently working with other agencies for combined work efforts and has had similar agreements in the past. Here are the current agreements for the Northern Region.

1. Fairbanks DOT provides labor and equipment to paint traffic markings for the City of Fairbanks, University of Alaska, Fairbanks International Airport and Denali National Park. State services are exchanged for paint to paint State roads.
2. Fairbanks DOT traffic control technicians provide all repairs for 25 City of Fairbanks owned traffic control cabinets. The City reimburses the State for time and materials.
3. Fairbanks DOT allows the city to use various snow dumps around the Fairbanks area in exchange for use of city owned snow dumps to minimize haul distances.
4. Fairbanks DOT will be turning over maintenance responsibilities to the city for 1 mile of the Old Steese Hwy after the road is upgraded with a construction project.
5. DOT has an agreement with the National Parks Service to maintain 5 miles of road and the airport at Kantishna. DOT provides all materials and personnel as required for special projects on the road. The benefit to the NPS is that DOT is not traveling through the park to maintain the road and airport.
6. Tok DOT plows selected city streets in Eagle for reimbursement from the city. The city benefits by not having to purchase and maintain equipment.
7. Valdez DOT provides traffic markings on 5 miles of city streets. In exchange the city sweeps 3 miles of bike path and 2 miles of road for DOT several times each summer.
8. Valdez DOT cuts brush along city streets in exchange for free office space at the airport terminal and free storage for the DOT ARFF truck.
9. Cordova DOT provides traffic markings on 3 miles of city streets in exchange for the city sweeping 2 miles of DOT roads several times each summer.
10. Nome DOT provides sanding operations for the city on paved intersections in exchange for the city plowing Steadman Street and helping haul and stockpile winter sand at the DOT yard.
11. Nome DOT utilizes city owned snow dumps in exchange for DOT dozer pushing up the snow.
12. The city of Nome plows Nome Bypass road for the State when the weather is bad and the State can't keep up with drifting snow.

There are many other agreements that happen on a one-time basis throughout the year that benefit both the DOT and local governments/other agencies. Hopefully, this information will be helpful

**Department of Transportation and Public Facilities
Maintenance and Operations FY98 Contracted Services**

	Central Region	Northern Region	Southeast Region	Total
Rural Airports operations & maintenance	1,020,137	1,259,409	173,681	2,453,227
Airport Repairs	75,000		0	75,000
Bird Control & wildlife studies	75,000		52,186	127,186
Street Sweeping	410,000		13,315	423,315
Dust Control	-			0
Road Illumination & traffic control	25,000		4,182	29,182
Brush removal	175,000		105,100	280,100
Striping	-		192,861	192,861
Aggregate Processing	-	851,765		851,765
Equipment Rental	35,000	103,800	58,742	197,542
Gravel Haul	9,000			9,000
Communications	-	69,198	3,085	72,283
Maintenance				0
Road	26,600		270,124	296,724
Guardrail	-	117,820		117,820
Waysides	-	14,083		14,083
Floats & harbors	-		270,381	270,381
Buildings (Facilities)	119,000	152,783	511,500	783,283
Janitorial	162,100	270,861	498,600	931,561
Elevator Maintenance	54,200	28,452		82,652
Snow Removal	405,000	19,165		424,165
Lawn Care	9,700			9,700
Engineering and architectural svcs.	-		41,870	41,870
Building Improvements	-	890,514		890,514
Environmental Compliance	-	558,846		558,846
Hazardous Waste (Remediation, UST removal, SPCC plans, etc.)	235,400			235,400
Training	50,000			50,000
Outhouses/ dumpsters	50,000			50,000
Security		49,444		49,444
Cranes & hoist repairs		7,370		7,370
Solid waste removal		6,127		6,127
	2,936,137	4,399,637	2,195,627	9,531,401

**Commission on Privatization and
Delivery of Government Services**

**Subcommittee Report on the Department of Transportation &
Public Facilities**

Appendix G

Privatization Subcommittee member report on joint agreements

I would encourage an audit of the equipment rental account and insist on action to fit the crime if the equipment fleet is being circumvented.

It is easy and popular to be critical of government, politicians and state employees. The wonder of our form of government is that anyone can seek any office—executive or legislative. If you don't like the way our system is performing, you can join the parade of those who would change it.

One last thought! I heard the Director of Marine Transportation explain that a shuttle ferry from road's end to Haines would take the profit segment! If a shuttle would enable him to salvage an "old blue canoe" (main-line ferry), he might gain better understanding of profit.

Such a shuttle could improve service—less time, less cost, more frequent service in the interest of improved public service. How can you not look at privatization of this segment?

Respectfully,

A handwritten signature in cursive script, appearing to read "Pat Ryan".

Pat Ryan

To: Subcommittee, Privatization Taskforce Alaska DOT/PF

Under the topic "DOT/PF" we have concentrated on activities which would reduce State expenditures and would increase service levels and efficiency. Side benefits would include reduction of federal- and local spending.

One of the major ways to reduce the State FISCAL GAP is the reduction of the State's OPERATING BUDGET and reduction of GRANTS to local Governments and specific interest groups. Combining services through joint agreements between various entities is a prudent way to address these problems.

We have identified six major activity groups, which should be considered for privatization:

1) Joint MAINTENANCE - and OPERATIONS AGREEMENTS: Significant savings are possible by combining similar efforts between municipalities-, state- and federal agencies. All too often several entities perform the exact same services in the same area. It would be one way to solve the problem, which we now have, in which local government does not fulfill its maintenance responsibility for local roads, because the specific routes are still under state Jurisdiction. This is significant primarily for larger communities and boroughs in the State. As an example: a 1992 independent study showed that over 1 Million dollars could be saved annually if the Municipality of Anchorage and the State DOT would combine road services through unified road maintenance ("unified Road Maintenance Study", August 21, 1992, Final report by Management Analysis Company, 3201 C St., Anchorage). There are many other examples like this. Washington DC is in the process on a large citywide scale right now.

2) Many DUPLICATE EFFORTS are evident in RURAL ALASKA and remote sites. Federal agencies, state offices, local Government units (REAA's, PHS, BIA, Military, Airports, schools, facilities etc.) often have similar maintenance and service requirements. Combining these under performance based contracts with private enterprise could save money and show better service.

3) EQUIPMENT/ ROLLING STOCK: Several governmental offices maintain and operate similar fleets of equipment. Through joint lease- and operations agreements significant savings are feasible, especially if operations are combined also, as outlined under 1) and 2). This could also include procurement of equipment, parts- and repair services and preventive maintenance programs.

**Commission on Privatization and
Delivery of Government Services**

**Subcommittee Report on the Department of Transportation &
Public Facilities**

Appendix H

***DOT/PF list of Category III roads in Southeast and
Northern Region***

Category Three (III) Road Lane Miles By Community

Total All Category III 167.1