

---

## **Project Management and Engineering Department**

*Anchorage: Performance. Value. Results.*

---

### **Mission**

To deliver public capital road and drainage improvement projects as good stewards to ensure the integrity of the municipality's transportation infrastructure (streets, roads, non-motorized facilities) network meets service performance levels.

To protect the quality of all Anchorage's streams and waterways in order to comply with federal and state regulations, specifically the Alaska Pollutant Discharge Elimination System (APDES).

### **Core Services**

- Manage the timely repair and replacement of aging roadway infrastructure by implementing a capital improvement program (CIP) that monitors the asphalt paving condition
- Delivering cost-effective capital project contracts that are procured through a competitive bidding process and are administered effectively to minimize change order costs
- Protect Anchorage's streams and waterways from pollutant sources by managing permit programs to meet stormwater discharge compliance with State and Federal permit requirements

### **Accomplishment Goals**

- Monitor road rideability grades to inform project selection and prioritization
- Minimize construction change order costs
- Investigate stormwater pollutant sources and respond to public inquiries

---

**Engineering & Design (Project Technical Support) Division**  
**Project Management and Engineering**  
*Anchorage: Performance. Value. Results.*

---

**Purpose**

To provide engineering designs and technical support of roadway infrastructure projects to ensure the timely repair and replacement of aging infrastructure is accomplished within the CIP goals.

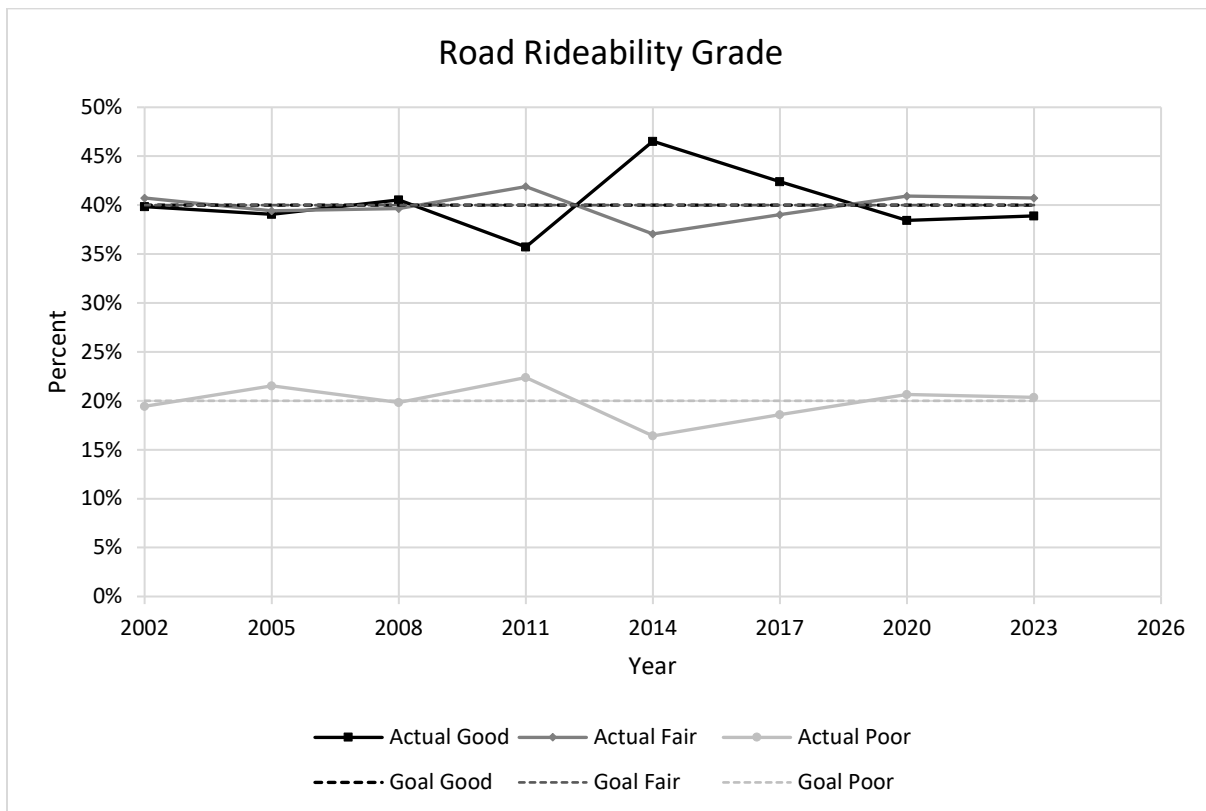
**Direct Services**

- Design specific projects and create the necessary documentation that provides a framework for constructing those projects.

**Accomplishment Goals**

- Rehabilitate streets and roadways to maintain or improve service level conditions that existed in 2002, which were approximately 40% of the network in Good condition, 40% of the network in Fair condition, and 20% of the network in Poor condition.

**Measure #1: Road Rideability Grade**



Comments:

The distribution of 870 roadway miles in the three categories (Good, Fair and Poor) have remained relatively constant over the last 21 years. Note that this data includes all roads throughout the Municipality of Anchorage, including roadways outside of the Anchorage Road and Drainage Service Area (ARDSA). The roadways evaluated do not include roads owned, operated and maintained by the State of Alaska Department of Transportation and Public Facilities.

Explanatory Information:

In 2002, the MOA started using Governmental Accounting Standards Board (GASB) 34 accounting principles, which requires government entities use a method for accounting for infrastructure that recognizes a government's long-term commitment to provide service through maintenance and preservation of infrastructure at a specified condition level. The approach allows a government to recognize the amounts expended to maintain infrastructure assets in a specified condition as expense for cost of services instead of depreciating them.

GASB 34 requires that there be a current inventory of infrastructure assets and that an assessment of the assets' condition be performed and reported on using a scale of measurement at least every three years. The measurement scale selected in 2002 consists of measuring International Roughness Index (IRI) and rutting values for each pavement section within the network and converting the measured values into a letter grade.

**Project Management Division**  
**Project Management and Engineering**  
*Anchorage: Performance. Value. Results.*

**Purpose**

Provide project management services for delivering capital road and drainage improvement projects that are competitively bid and constructed by local contractors

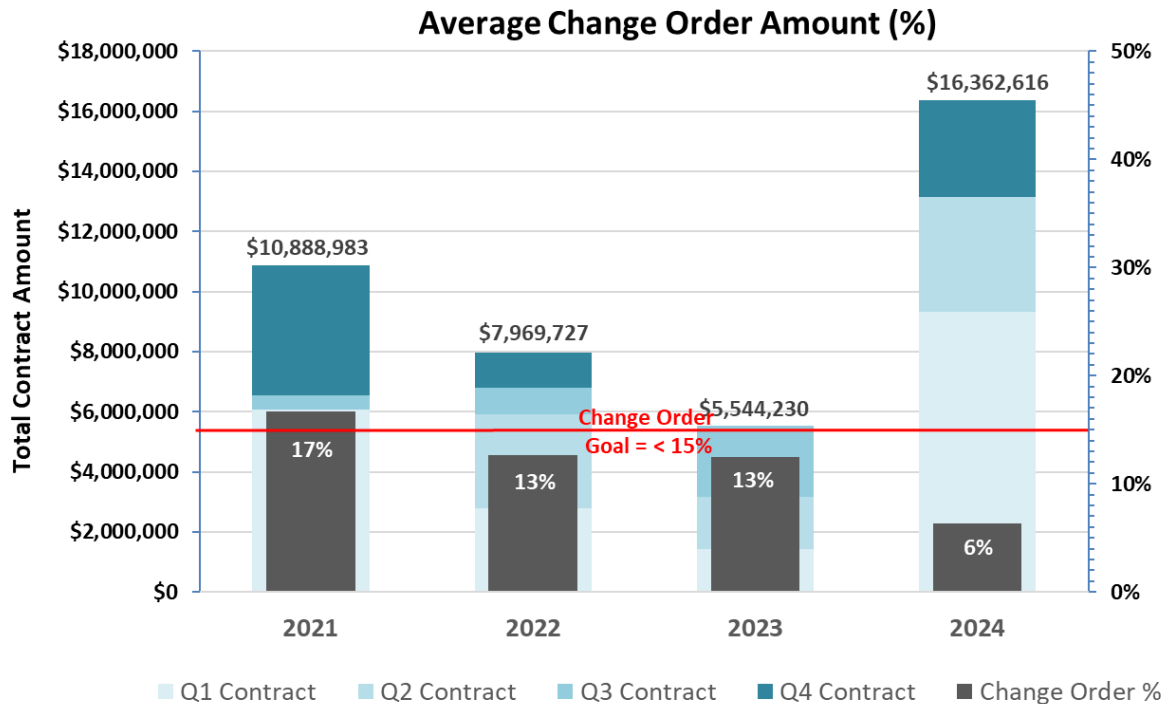
**Direct Services**

- Manage the design development process and construction contracts to reduce exposure to construction cost increases and ensure the greatest cost-effectiveness of capital funding spending

**Accomplishment Goals**

- Manage construction change order percentages to be within or below industry standard levels. A change order is the industry term for an amendment to a construction contract that changes the contractor’s scope of work. Change orders in construction are very common and occur in almost every commercial and public project. Circumstances that could necessitate change orders include: design errors; unforeseen issues; or elective change orders, which is additional work that the contractor is directed to perform.

**Measure #2: Construction Contract Change Orders**



Comments:

The total contract amount of completed construction projects fluctuates annually since funding levels fluctuate and project timelines span over the course of several years depending on the complexity and cost of the project. Project closeout is not necessarily in the same year that the construction is completed. After a constructed project meets the final acceptance status, the one-year warranty begins, and contract percentages are withheld until the project is certified as complete. The completed project is recognized months or years later due to this contract administration process.

In 2024, the total contract amount of approximately \$16.3 million included several large multi-million-dollar projects. As explained above, the low change order percentage of 6% may be attributed to the contracts being large amounts. For example, one of the contracts included a contract award of \$6.5 million and there were several others in the \$3 million range. It is generally more achievable to keep change order amounts low on large contracts.

Explanatory Information:

Change orders on roadway projects are often due to unforeseen below ground conditions and the potential of encountering unsuitable material in larger quantities than anticipated resulting in additional costs. Geotechnical exploration activities conducted during the design aim to characterize the below ground conditions but are limited to the sampled locations. The industry standard for change order percentages for construction projects typically range from 10 to 20 percent of the contract amount. Similar to economy of scale principals, larger, multi-million-dollar projects typically have lower change order percentages. While, smaller contracts are more susceptible to larger change order percentages upwards of 20 percent is not unreasonable for contracts that are less than one million dollars. A goal of 15 percent is used on this performance measure due to the capital program delivering a variety of small and large projects.

---

**Watershed Management Services Division**  
**Project Management and Engineering**  
*Anchorage: Performance. Value. Results.*

---

**Purpose**

To oversee the discharge of the Municipal storm sewer system based on the Federally mandated Alaska Pollutant Discharge Elimination System (APDES) Permit which allows discharge from the Municipal storm sewer system into waters of the United States. Compliance with the APDES Permit is necessary to avoid penalties enforced by the Environmental Protection Agency in accordance with the Clean Water Act.

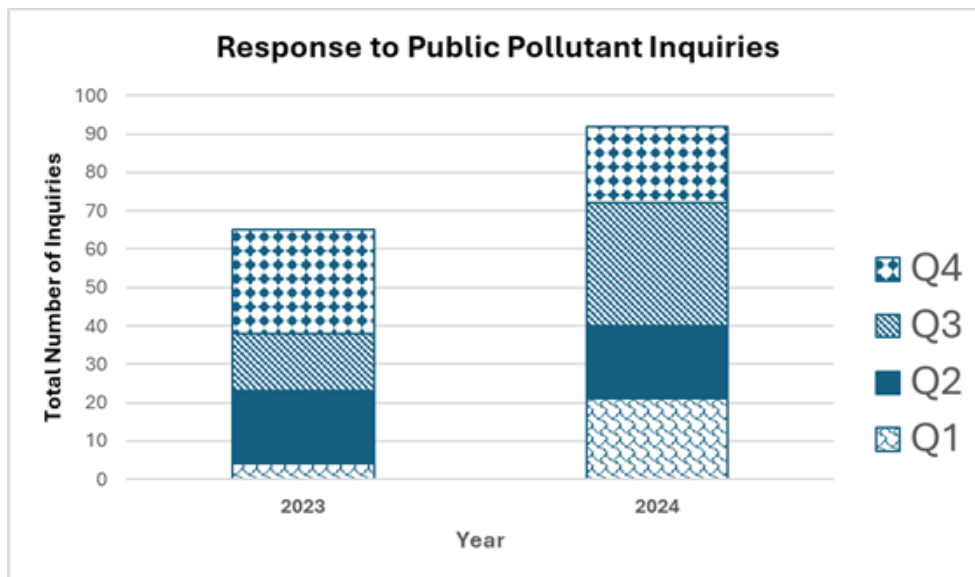
**Direct Services**

- Respond to drainage and pollutant concerns from the public.

**Accomplishment Goals**

- Respond to public inquiries and resolve to eliminate pollutants within one week of receipt.

**Measure #3: Response to Public Pollutant Inquiries**



**Comments:**

The number of calls fluctuates based on seasonal conditions.

**Explanatory Information:**

A Pollution Hotline, (907) 343-4141, continues to operate with staff taking calls during regular business hours and retrieving messages from callers with complaints during non-business times. These hotline complaints are recorded in the MOA's Infor (Hansen) Complaint Management System and forwarded to the appropriate department for response. An online complaint portal #ANCWorks is available to community members on the Muni.org website for complaints recording and tracking. Complaints are followed up within the required two working days and, when possible, resolved within a week.

**Measure WC: Managing Workers' Compensation Claims**

Reducing job-related injuries is a priority for the Administration by ensuring safe work conditions and safe practices. By instilling safe work practices, we ensure not only the safety of our employees but reduce the potential for injuries and property damage to the public. The Municipality is self-insured and every injury poses a financial burden on the public and the injured worker's family. It just makes good sense to WORK SAFE.

Results are tracked by monitoring monthly reports issued by the Risk Management Division.

