

# REGION MANAGEMENT

INFRASTRUCTURE AND GENERAL GOVERNMENT APPROPRIATIONS SUBCOMMITTEE  
STAFF: MARK BLEAZARD AND GARY RICKS

BUDGET BRIEF

## SUMMARY

The Utah Department of Transportation consists of a central office, four region offices, and three district maintenance offices. The four regional offices are located in Ogden, Salt Lake, Orem, and Richfield. The three district maintenance offices are located in Richfield, Price, and Cedar City.

While the regions and districts were originally organized to perform only maintenance work, they acquired the function of construction, preconstruction and materials labs when these functions were partially decentralized. The reasons for decentralization were to have work planned and supervised in close proximity to the area and people being served.

Traditional work performed by a district or region is divided into six functional areas of responsibility. The functional areas are administration, preconstruction, materials labs, construction, maintenance, and safety/loss management.

## ISSUES AND RECOMMENDATIONS

### **Base Budget**

The Analyst recommends a base budget for the Region Management line item of the Department of Transportation for FY 2014 is \$27,214,500.

### **Intent Language**

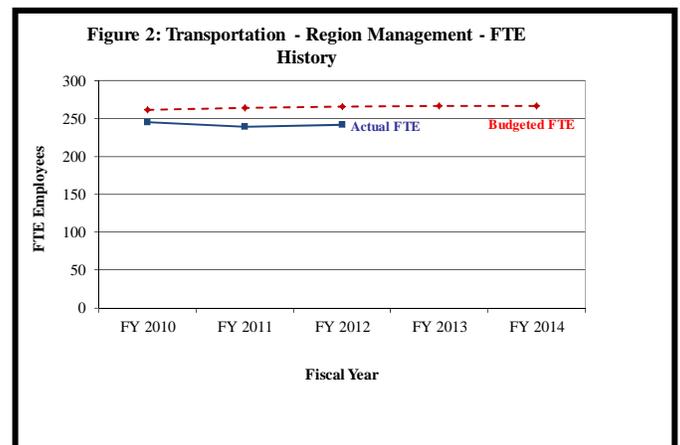
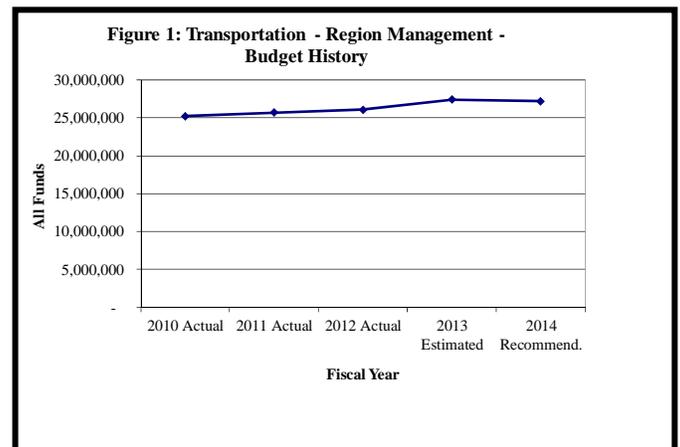
The Analyst recommends the following intent language to make a portion of the Region Management line item non-lapsing at the end of FY 2013:

*Under terms of Section 63J-1-603-(3)(a) Utah Code Annotated the Legislature intends that appropriations provided for Region Management in item 5 of Chapter 12 Laws of Utah 2012 not lapse at the close of Fiscal Year 2013. The use of any non-lapsing funds limited to the following: Region Management \$200,000.*

### **Region One**

Region One is responsible for highway needs in Box Elder, Cache, Morgan, Rich, Weber, and Davis Counties in the northern part of Utah. The region headquarters is located in Ogden. They are assigned responsibility for designing, constructing and maintaining State highways in those counties.

The FY 2014 base budget of \$5,469,500 is recommended for Region One.



**Region Two**

Region Two is responsible for highway needs in Salt Lake, Summit, and Tooele Counties. This Region oversees the highways of approximately one half of the State's population.

The FY 2014 base budget recommendation for Region Two is \$9,867,900.

**Region Three**

Region Three covers an area from the east side of the State to the west border with Nevada. They serve the six counties of Dagget, Duchesne, Juab, Uintah, Utah, and Wasatch. Headquarters for Region Three are located at Orem. With both rural and urban demands, the Region has a diversified work load.

The base budget of \$4,778,600 is recommended for FY 2014 for Region Three.

**Region Four**

Region Four is the consolidation in Richfield of the preconstruction, materials laboratories, and construction functions in what was previously Districts Three, Four and Five. Fifty FTEs now are based at Richfield and oversee completion of construction projects in that region. Region Four has fourteen counties they coordinate environmental challenges, right of way acquisitions, traffic safety, and local government concerns as they plan and construct highways. The base budget of \$6,407,900 is recommended for FY 2014 for Region Four.

**Richfield Warehouse**

Richfield Maintenance District has been consolidated into Region 4's Administration. The only individual and cost being associated with this appropriation code is the Richfield Warehouse.

The FY 2014 base budget recommendation for the Richfield Warehouse is \$70,700.

**Price East Engineer and Warehouse**

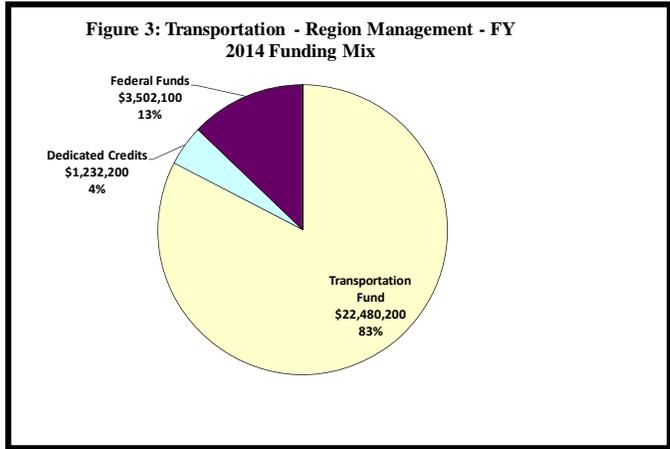
In FY 2011, the operations of the Price Administrative District were aligned with and consolidated into the Region 4. The East District Engineer and warehouse will continue to be reported financially as the Price organizational unit.

The base budget of \$285,800 for FY 2014 is recommended for the Price East Engineer and Warehouse.

**Cedar City West Engineer and Warehouse**

In FY 2010, the operations of the Cedar Administrative District was aligned with and consolidated into Region 4. The West District Engineer and warehouse will continue to be reported financially as a separate organizational unit, but with the Region's appropriations coding.

The FY 2014 base budget recommendation for the Cedar West Engineer and Warehouse is \$334,100.



**BUDGET DETAIL**

The base budget funding for the Region Management Division line item is in the amount of \$27,214,500. Of this amount \$22,480,200 is from the Transportation Fund, \$3,502,100 is from Federal Funds and \$1,232,200 is from Dedicated Credits Revenue.

| <b>Transportation - Region Management</b> |                           |                                 |                  |                            |                    |                                 |
|---|---------------------------|---------------------------------|------------------|----------------------------|--------------------|---------------------------------|
| <b>Sources of Finance</b>                 | <b>FY 2012<br/>Actual</b> | <b>FY 2013<br/>Appropriated</b> | <b>Changes</b>   | <b>FY 2013<br/>Revised</b> | <b>Changes</b>     | <b>FY 2014*<br/>Recommended</b> |
| Transportation Fund                       | 22,071,800                | 22,480,200                      | 0                | 22,480,200                 | 0                  | 22,480,200                      |
| Federal Funds                             | 3,090,300                 | 3,502,100                       | 0                | 3,502,100                  | 0                  | 3,502,100                       |
| Dedicated Credits Revenue                 | 1,670,400                 | 1,232,200                       | 0                | 1,232,200                  | 0                  | 1,232,200                       |
| Transfers - Within Agency                 | (56,400)                  | 0                               | 0                | 0                          | 0                  | 0                               |
| Beginning Nonlapsing                      | 200,000                   | 0                               | 200,000          | 200,000                    | (200,000)          | 0                               |
| Closing Nonlapsing                        | (200,000)                 | 0                               | 0                | 0                          | 0                  | 0                               |
| Lapsing Balance                           | (689,500)                 | 0                               | 0                | 0                          | 0                  | 0                               |
| <b>Total</b>                              | <b>\$26,086,600</b>       | <b>\$27,214,500</b>             | <b>\$200,000</b> | <b>\$27,414,500</b>        | <b>(\$200,000)</b> | <b>\$27,214,500</b>             |
| <b>Programs</b>                           |                           |                                 |                  |                            |                    |                                 |
| Region 1                                  | 5,305,200                 | 5,469,500                       | 50,000           | 5,519,500                  | (50,000)           | 5,469,500                       |
| Region 2                                  | 9,482,800                 | 9,867,900                       | 11,000           | 9,878,900                  | (11,000)           | 9,867,900                       |
| Region 3                                  | 4,538,300                 | 4,778,600                       | 39,000           | 4,817,600                  | (39,000)           | 4,778,600                       |
| Region 4                                  | 6,131,700                 | 6,378,900                       | 129,000          | 6,507,900                  | (100,000)          | 6,407,900                       |
| Richfield                                 | 71,400                    | 70,100                          | 600              | 70,700                     | 0                  | 70,700                          |
| Price                                     | 239,300                   | 300,600                         | (14,800)         | 285,800                    | 0                  | 285,800                         |
| Cedar City                                | 317,900                   | 348,900                         | (14,800)         | 334,100                    | 0                  | 334,100                         |
| <b>Total</b>                              | <b>\$26,086,600</b>       | <b>\$27,214,500</b>             | <b>\$200,000</b> | <b>\$27,414,500</b>        | <b>(\$200,000)</b> | <b>\$27,214,500</b>             |
| <b>Categories of Expenditure</b>          |                           |                                 |                  |                            |                    |                                 |
| Personnel Services                        | 21,777,500                | 23,757,300                      | 129,700          | 23,887,000                 | 150,900            | 24,037,900                      |
| In-state Travel                           | 77,500                    | 96,700                          | (20,700)         | 76,000                     | (3,600)            | 72,400                          |
| Out-of-state Travel                       | 15,900                    | 10,100                          | 4,200            | 14,300                     | (700)              | 13,600                          |
| Current Expense                           | 3,763,000                 | 3,114,700                       | 11,200           | 3,125,900                  | (330,100)          | 2,795,800                       |
| DP Current Expense                        | 98,700                    | 49,300                          | 2,500            | 51,800                     | (16,500)           | 35,300                          |
| Capital Outlay                            | 348,600                   | 145,500                         | 114,000          | 259,500                    | 0                  | 259,500                         |
| Other Charges/Pass Thru                   | 5,400                     | 40,900                          | (40,900)         | 0                          | 0                  | 0                               |
| <b>Total</b>                              | <b>\$26,086,600</b>       | <b>\$27,214,500</b>             | <b>\$200,000</b> | <b>\$27,414,500</b>        | <b>(\$200,000)</b> | <b>\$27,214,500</b>             |
| <b>Other Data</b>                         |                           |                                 |                  |                            |                    |                                 |
| Budgeted FTE                              | 266                       | 267                             | 0                | 267                        | 0                  | 267                             |
| Actual FTE                                | 241                       | 0                               | 0                | 0                          | 0                  | 0                               |

**LEGISLATIVE ACTION**

The Analyst recommends the Legislature:

1. Adopt the FY 2014 base budget of \$27,214,500 as shown in the budget detail.
2. Approve the intent language on page 1.