

Fiscal Estimate - 2007 Session

Original
 Updated
 Corrected
 Supplemental

LRB Number 07-2694/1	Introduction Number AB-0444
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Description
 The location for receipt of bids to perform work on state construction projects

Fiscal Effect

State:

<input type="checkbox"/> No State Fiscal Effect	<input type="checkbox"/> Increase Existing Revenues	<input checked="" type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No
<input type="checkbox"/> Indeterminate	<input type="checkbox"/> Decrease Existing Revenues	
<input checked="" type="checkbox"/> Increase Existing Appropriations		<input type="checkbox"/> Decrease Costs
<input type="checkbox"/> Decrease Existing Appropriations		
<input type="checkbox"/> Create New Appropriations		

Local:

<input type="checkbox"/> No Local Government Costs		
<input type="checkbox"/> Indeterminate		
1. <input type="checkbox"/> Increase Costs	3. <input type="checkbox"/> Increase Revenue	5. Types of Local Government Units Affected <input type="checkbox"/> Towns <input type="checkbox"/> Village <input type="checkbox"/> Cities <input type="checkbox"/> Counties <input type="checkbox"/> Others <input type="checkbox"/> School Districts <input type="checkbox"/> WTCS Districts
<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	
2. <input type="checkbox"/> Decrease Costs	4. <input type="checkbox"/> Decrease Revenue	
<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	<input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory	

Fund Sources Affected	Affected Ch. 20 Appropriations
<input type="checkbox"/> GPR <input type="checkbox"/> FED <input type="checkbox"/> PRO <input checked="" type="checkbox"/> PRS <input type="checkbox"/> SEG <input type="checkbox"/> SEGS s. 20.505(1)(kc)	

Agency/Prepared By DOA/ Nancy Foss (608) 266-5877	Authorized Signature Martha Kerner (608) 266-1359	Date 7/12/2007
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Fiscal Estimate Narratives
DOA 7/13/2007

LRB Number 07-2694/1	Introduction Number AB-0444	Estimate Type Original
Description The location for receipt of bids to perform work on state construction projects		

Assumptions Used in Arriving at Fiscal Estimate

If enacted, this bill would require the Department of Administration to receive bids for work to be performed at a project, other than a highway project, at the site of the project or at a publicly owned or leased facility that is located within 20 miles of that site. Existing staff are not available to meet the increased workload that would be required to hold the bid opening at the project site.

The Department of Administration, Division of State Facilities, regularly conducts bid openings at 2:00 p.m. on Tuesdays, Wednesdays, and Thursdays at the DOA Office Building in Madison. If workload deems it necessary, an opening will be held at 2:00 p.m. on a Friday. There are usually three bids open per day.

To comply with the requirements of this bill, DOA would need to create three additional bid teams consisting of a bid officer and a recorder/witness (six total positions). The teams would be assigned to three regions of the state to reduce travel time and expense.

With the assumption that the bid officers would be paid \$20 per hour and the recorder/witnesses \$15 per hour (plus 39.99% fringe benefit rate), the annual salary and fringe benefits for these employees would be \$305,700. Standard supplies cost for these employees would be \$62,300 plus the cost of a fleet car for each team (\$15,000), room rental for the bid opening (\$12,000), and potential overnight lodging and meals associated with the travel to the project sites (\$1,000). The total annual cost is estimated at \$396,000.

Long-Range Fiscal Implications

At a minimum, there would be an annual cost of \$396,000. As salary and fringe benefit costs rise, there would be additional costs for meeting the requirements of the bill.

Fiscal Estimate Worksheet - 2007 Session

Detailed Estimate of Annual Fiscal Effect

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Description The location for receipt of bids to perform work on state construction projects			
I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):			
II. Annualized Costs:		Annualized Fiscal Impact on funds from:	
		Increased Costs	Decreased Costs
A. State Costs by Category			
State Operations - Salaries and Fringes	\$305,700	\$	
(FTE Position Changes)	(6.0 FTE)		
State Operations - Other Costs	90,300		
Local Assistance			
Aids to Individuals or Organizations			
TOTAL State Costs by Category	\$396,000	\$	
B. State Costs by Source of Funds			
GPR			
FED			
PRO/PRS	396,000		
SEG/SEG-S			
III. State Revenues - Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, etc.)			
	Increased Rev	Decreased Rev	
GPR Taxes	\$	\$	
GPR Earned			
FED			
PRO/PRS			
SEG/SEG-S			
TOTAL State Revenues	\$	\$	
NET ANNUALIZED FISCAL IMPACT			
	State	Local	
NET CHANGE IN COSTS	\$396,000	\$	
NET CHANGE IN REVENUE	\$	\$	
Agency/Prepared By		Authorized Signature	Date
DOA/ Nancy Foss (608) 266-5877		Martha Kerner (608) 266-1359	7/12/2007