

1993-94 SESSION
COMMITTEE HEARING
RECORDS

Committee Name:

Joint Committee on
Finance (JC-Fi)

Sample:

Record of Comm. Proceedings ... RCP

- 05hrAC-EdR_RCP_pt01a
- 05hrAC-EdR_RCP_pt01b
- 05hrAC-EdR_RCP_pt02

➤ Appointments ... Appt

➤ **

➤ Clearinghouse Rules ... CRule

➤ **

➤ Committee Hearings ... CH

➤ **

➤ Committee Reports ... CR

➤ **

➤ Executive Sessions ... ES

➤ **

➤ Hearing Records ... HR

➤ **

➤ Miscellaneous ... Misc

➤ 93hrJC-Fi_Misc_pt56

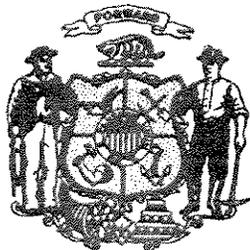
➤ Record of Comm. Proceedings ... RCP

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State of Wisconsin

SENATE CHAIR
JOE LEEAN

Room 119 South, State Capitol
P.O. Box 7882
Madison, WI 53707-7882
Phone: 266-0751



ASSEMBLY CHAIR
BARBARA J. LINTON

Room 127 South, State Capitol
P.O. Box 8952
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JOINT COMMITTEE ON FINANCE

June 24, 1993

TO: Mr. James R. Klauser, Secretary
Department of Administration

FROM: Senator Joe Leean
Representative Barbara J. Linton
Co-Chair, Joint Committee on Finance

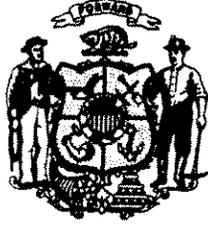
We have reviewed the request from the Department of Administration dated June 3, 1993, under ss. 16.505(2) and 16.515 pertaining to the DOA and DOJ positions and the DNR space planner project position extension.

Please be advised that we have found no objections to these and accordingly, they have been approved effective June 24, 1993.

JL:BJL:ns

cc: Roger Grossman

State of Wisconsin



JOINT COMMITTEE ON FINANCE

June 3, 1993

TO: JOINT COMMITTEE ON FINANCE MEMBERS

FROM: Senator Joe Leean
Representative Barbara J. Linton
Co-Chair, Joint Committee on Finance

Attached is a copy of a request from the Department of Administration dated June 3, 1993, under ss. 16.515/16.505(2) of the statutes.

Please review these items and notify Senator Leean's office not later than Friday, June 18, 1993, if you have any concerns about the request or would like the Committee to meet formally to consider it.

Also, please contact us if you need additional information.

JL:BJL:ns

Attachments

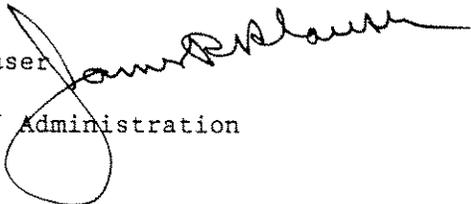
CORRESPONDENCE/MEMORANDUM

**STATE OF WISCONSIN
Department of Administration**

Date: June 3, 1993

To: Honorable Joseph Leean, Co-Chair
Honorable Barbara J. Linton, Co-Chair

From: James R. Klauser
Secretary
Department of Administration



Subject: s. 16.515/16.505(2) Requests

Enclosed are requests which have been approved by this department under the authority granted in s. 16.515 and s. 16.505(2). The explanation for each request is included in the attached materials. Listed below is a summary of each item:

<u>AGENCY</u>	<u>DESCRIPTION</u>	<u>1991-92</u>		<u>1992-93</u>	
		<u>AMOUNT</u>	<u>FTE</u>	<u>AMOUNT</u>	<u>FTE</u>
D.O.A. 20.505(2)(ki)	Risk Mgmt. Admin.			\$ 194,400	2.0*
D.O.J. 20.455(1)(km)	Inter & Intra Agency Assis.			114,700	1.5*
D.N.R. 20.370(8)(mk)	Space Planner				1.0**

* Recommendation for fiscal year 94.
** Three year extension of existing project position.

As provided in s. 16.515, this request will be approved on June 24, 1993 unless we are notified prior to that time that the Joint Committee on Finance wishes to meet in formal session about this request.

Please contact Roger Grossman at 266-1072, or the analyst who approved the request in the Division of State Executive Budget and Planning, if you have any additional questions.

Attachments:

CORRESPONDENCE/MEMORANDUMSTATE OF WISCONSIN
Department of Administration

Date: June 1, 1993

To: James R. Klauser, Secretary
Department of Administration

From: Michael Heifetz, Policy and Budget Analyst
Cynthia Archer, Policy and Budget Analyst
State Budget Office

Subject: Joint request under s. 16.505/515 from the Departments of Administration (DOA) and Justice (DOJ) for positions to coordinate the state's environmental compliance and defense in Superfund cases.

Request:

The Department of Administration requests increased PRS expenditure authority of \$35,500 in FY93 under s. 20.505(2)(ki), risk management administration, and authorization for an additional 1.0 FTE permanent administrative officer position and an additional 1.0 FTE permanent program assistant position to coordinate compliance, training and monitoring functions related to the Comprehensive Environmental Response, Compensations and Liability Act (CERCLA). The Department of Justice requests increased PRS expenditure authority of \$18,600 in FY93 under s. 20.455(1)(km), interagency and intra-agency assistance, and authorization for an additional 1.0 FTE permanent attorney position and a .50 FTE permanent legal secretary to defend the State in cases involving potential liabilities under the CERCLA. Revenues to support these requests are derived from insurance premiums paid by agencies to the State Risk Management program.

This request originated on January 15, 1993. However, the Joint Committee on Finance raised an objection, offering that DOJ should be included in this request. Consequently, DOA elected to defer the request in order to further review the state risk management situation and to work with DOJ to find the best manner of addressing this potential liability.

Background:

In 1980, Congress enacted the Comprehensive Environmental Response, Compensations and Liability Act (CERCLA), also known as the "Superfund". This act is intended to provide emergency response and cleanup funds for hazardous substances that are released into the environment and for cleanup of inactive hazardous waste sites where there is post closure liability. In addition, CERCLA authorizes the federal government to recover the costs of cleanup from responsible parties. The definition of a potentially responsible party (PRP) includes any person who arranged for the disposal, treatment or transportation of hazardous substances. Parties determined to be PRP's are subject to a very strict standard of liability. Under CERCLA, a party can be held liable even if there is no proof of negligence and the party acted legally when disposing of waste in the past. In addition, parties can be held liable for more than their share if other parties are not identified or are unable to pay.

There are 39 sites in Wisconsin which have been designated as Superfund sites by the Environmental Protection Agency (EPA) and an additional 160 sites have been identified as problem sites. To date, eight state agencies have been identified as possible contributors at those sites currently creating environmental problems. Those agencies named as PRP's are required to work with the EPA and the Wisconsin Department of Natural Resources (DNR) to develop a remediation plan.

Analysis:

The Department of Administration is requesting additional expenditure authority of \$35,500 in FY93 and authorization for an additional full-time administrative officer position and full-time program assistant position to coordinate interagency efforts in addressing CERCLA issues. The DOA request includes additional expenditure authority of \$6,100 for salary and fringe benefits, \$800 for supplies and services and one-time funding of \$10,000 to cover office setup costs. Also included is \$18,600 of special purpose funds for DOA to pay DOJ for legal services related to CERCLA cases. The annualized cost of the DOA request is \$184,400. In addition, the Department of Justice is requesting additional expenditure authority of \$18,600 in FY93 and authorization for an additional full-time attorney position and a half-time legal secretary to defend the State in cases where the State is named as a potential responsible party. The DOJ request includes additional expenditure authority of \$7,200 for salary and fringe benefits, \$1,800 for supplies and services and \$9,600 one-time funding for office setup costs. The annualized cost of the DOJ request is \$105,100. The positions in both DOA and DOJ are requested in an effort to limit the State's liability exposure relating to environmental claims against the State.

To date there has been one case settled for \$100,000 and another case is pending. The caseload is expected to rise dramatically within the next six months and continue for at least the next four years as enforcement at the federal level increases. An additional position in DOA devoted entirely to CERCLA issues will ensure that the state has a coordinated plan for advising agencies on environmental compliance issues. Specifically, the DOA environmental compliance coordinator will work with state agencies in order to minimize the use of hazardous materials, to recycle such waste when possible and to assure legal and responsible disposal of such waste. The state can better protect itself by taking a proactive approach to these issues before they reach the potentially costly litigation phase. However, it is inevitable in the future that some of these cases will result in litigation, and therefore it is also necessary to create an attorney position in DOJ to protect the state's interests.

Currently, the State Bureau of Risk Management within the DOA Division of Finance and Program Management administers the state's risk management program, which is responsible for payments under CERCLA. The bureau is staffed with six positions, including the State Risk Manager and subordinate staff who focus on worker's compensation, property and liability cases. Given DOA's responsibility for state risk management issues, it is appropriate for DOA to assume the responsibility for developing and coordinating a comprehensive environmental risk management program targeted at liability prevention, training and claims administration. The Department of Justice, on the other hand, is charged with the statutory responsibility of representing the State and its agencies in legal actions as well as negotiating out-of-court settlements of claims against the State. Providing the additional environmental attorney position in DOJ will ensure that the State's interests in CERCLA issues are protected and will provide the resources necessary to avert potentially large liability claims against the State.

In some cases, the cost of remediation will be low. In others, the cost of remediation could reach millions of dollars. Since parties can be held liable for more than their share of the costs of remediation, the state will be a prime target in the immediate future and beyond due to its perceived "deep pockets". Providing the staff resources necessary to develop a coordinated compliance and legal defense program will ensure that potential costs to the state and consequently to the taxpayers of Wisconsin will be minimized.

Recommendation:

Approve the requested funding increase beginning in FY94 since the positions are expected to be filled in July, 1993 (FY94). FY94 approval consists of approval of 2.0 FTE additional positions in DOA and 1.5 FTE additional positions in DOJ and FY94 expenditure authority increases of \$194,400 PRS (includes one-time costs of \$10,000) for DOA under s.20.505 (2)(ki) and \$114,700 (includes one-time costs of \$9,600) for DOJ of under s. 20.455 (1)(km).



TOMMY G. THOMPSON
GOVERNOR
JAMES R. KLAUSER
SECRETARY

May 27, 1993

Senator Joseph Lean, Co-Chair
Representative Barbara Linton, Co-Chair
Members, Joint Committee on Finance
113 South, Capitol
Madison, WI 53702

Dear Senator Lean and Representative Linton:

The Department of Justice and the Department of Administration request additional positions and expenditure authority under section 16.505 and 16.515, Wis. Stats., to implement a program relating to the State's potential liabilities as a hazardous substance contributor.

The Department of Justice requests 1.00 FTE Attorney, 0.50 FTE Legal Secretary, and increased PR-S expenditure authority to defend the State in cases involving potential liabilities as a hazardous substance contributor. An increase of \$18,600 is requested for FY 1993, and a permanent annual increase of \$105,100 is requested for future years in the appropriation under s. 20.455 (1) (km). Revenues will be received from payments by DOA from its risk management appropriation under s. 20.505 (2) (ki).

The Department of Administration requests 1.00 FTE Administrative Officer, 1.00 FTE Program Assistant, and increased PR-S authority to provide environmental compliance coordination, training and monitoring functions. An increase of \$35,500 is requested for FY 1993, and a permanent annual increase of \$184,400 for future years. These amounts include costs incurred directly by DOA as well as authority to pay for the services provided by DOJ. DOA spending authority is requested in the appropriation under s. 20.505 (2)(ki) Risk Management Administration. Revenues to cover these costs are paid by agencies through insurance premiums charged by the State Risk Management program.

Background

The Comprehensive Environmental Response, Compensation and Liability Act (CERCLA) was enacted in 1980 to provide emergency response and cleanup funds relating to hazardous substances. This act authorizes the federal government to clean up environmental contamination caused by hazardous substances. The act also authorizes the federal government to recover hazardous waste cleanup costs from potentially responsible parties or PRPs. Included in the definition of "potentially responsible parties" are any persons who arranged for the disposal, treatment or transportation of hazardous substances.

Under CERCLA, liability is joint and several and can be assigned to a responsible party even where there is no negligence or where the party acted legally when disposing of hazardous waste; and the amount can exceed the party's share if other responsible parties are not identified or are unable to pay.

The Environmental Protection Agency (EPA) has designated 39 sites in Wisconsin as "Superfund" sites, and an additional 160 as problems. To date, 8 state agencies have been identified as possible contributors, and are required to work with the EPA and the Wisconsin Department of Natural Resources to develop remediation plans.

Analysis

One Superfund case in which the State was a party has already resulted in a liability of more than \$200,000. Additional cases are pending, and pose estimated potential state liability in the tens of millions of dollars. Hazardous waste cleanup and liability involve complex factual and legal issues and the potential for substantial costs to the State and its citizens.

The need for additional legal resources to defend state agencies against this new area of potential cleanup liability has been recognized by an interagency committee, formed by the Secretary of Administration, known as the Hazardous Materials Management Advisory Committee. Unless such resources are provided, the State's "deep pockets" could result in very costly adverse judgments.

This liability exposure presents DOA and DOJ with substantial new responsibilities in the coordination of risk management and the provision of legal services. DOA has established multi-agency working groups and is putting in place procedures designed to minimize losses. DOJ is developing the expertise to provide the necessary level of legal services and is establishing procedures that will enable it to provide these new services in a manner that will not restrict its ability to carry out its statutory duty to enforce the state's environmental laws.

A comprehensive team approach is recommended by DOJ and DOA. DOJ will focus on legal representation, Justice Staff Resources, negotiation and settlement issues for the agencies. DOA will focus its role on environmental risk management, liability prevention, training and claims administration.

Department of Justice Staffing

An attorney position and secretarial support are clearly needed in the Department of Justice, for the following reasons.

First, as provided in section 165.25 (1) and (6), Stats., the Department of Justice has statutory responsibility to represent the State and its agencies. DOJ's legal staff has extensive experience in environmental matters and will defend other state agencies.

Second, the possibility of out-of-court settlements requires substantial negotiation in environmental cases. Under state law, the ability to compromise and settle claims, both before and after a legal action is started, falls within the exclusive authority of the Attorney General.

Third, DOA and DOJ agree that representation will be most effective if the same attorney who coordinated environmental claims against the State also litigates those claims if they cannot be settled. State law already requires that claims against state officers and employees be filed with the Department of Justice because the Department is responsible for defending any lawsuits arising out of those claims if they are not settled.

The significant responsibilities of the Department of Justice, with regard to hazardous waste liability claims, were sent in a January 11, 1993 memorandum from DOA to all agency heads. Any agency receiving Potentially Responsible Party

notification documents is directed to submit this documentation and a request for legal representation to the DOJ, which is responsible for developing a response strategy for, and managing, each case. The notification process and case management responsibilities are both appropriate and consistent with the statutory responsibilities assigned to the Department of Justice. Approval of this request would give the Department of Justice the resources needed to provide these services.

Concerns have been raised regarding how the DOJ will structure the legal representation where the State, at the request of the DNR, is actively involved in establishing liability, seeking clean-up or attempting to recover costs in relation to a contaminated site involving one or more state agencies as potentially responsible parties. Justice has developed and is implementing procedures that define how enforcement and defense aspects of environmental cases will be handled when this circumstance arises. This procedure will provide for effective representation of all state interests in all but the most unusual case where other arrangements would need to be made.

Department of Administration Staffing

An Environmental Compliance Coordinator and supporting clerical position are also needed with the Department of Administration to complete an effective interagency team.

Most of the hazardous substance problems that beset the agencies today are the result of disposal practices which occurred several years ago, at a time when standards, laws and knowledge of environmental impact were in their infancy. Yet, what may have been legal disposal practices then are no longer acceptable. Today the realm of law, policies and regulatory procedures has become so complex it requires a special effort by DOA to advise and counsel agencies in appropriate disposal methods, as well as provide a long-term, structured training program to minimize risk losses.

Agencies must have hazardous materials programs and policies in place that:

- ✓ minimize the use of such materials in the first place
- ✓ recycle such waste when possible; and
- ✓ assure legal and responsible disposal of hazardous waste.

Some agencies are doing a better job than others. The latter are often struggling to attain basic knowledge and meet requirements. The Department of Administration must put in place a comprehensive program both to train agencies as well as ensure inspection and compliance.

The Environmental Compliance Coordinator will:

- (1) advise agencies on environmental compliance issues;
- (2) develop statewide environmental risk management compliance programs;
- (3) develop and conduct training opportunities for agency management and staff;
- (4) coordinate environmental audits to determine degree of compliance;
- (5) monitor changes in rules and regulations (coordinating with DOJ);
- (6) monitor rule and regulation development by the federal Environmental Protection Agency and the State DNR, and provide timely input (coordinating with DOJ legal counsel);
- (7) work with agency staff to develop recycling programs involving hazardous waste;
- (8) work closely with DOJ attorneys and staff to ensure PRP investigations are performed properly and thoroughly.
- (9) develop and recommend policy changes to minimize environmental liability claims

Detail of Request - Justice

The Department of Justice requests 1.00 FTE Attorney 15, .50 FTE Legal Secretary 1 and \$18,600 PR-S in FY 1993. The ongoing, annual cost is \$105,100 PR-S, and it is requested that this amount be added to the base spending currently authorized for the appropriation under s. 20.455 (1) (km). This amount is also shown in the DOA appropriation under s.20.505(2)(ki). The request is based on these assumptions:

	Attorney 15 (1.00)		Legal Secretary 1 (.50)	
	<u>FY 1993</u>	<u>Ongoing</u>	<u>FY 1993</u>	<u>Ongoing</u>
Salaries (1)	\$4,600	\$55,000	\$800	\$9,900
Benefits (2)	1,500	18,100	300	3,300
Supplies/Services:				
-Ongoing (3)	500	5,100	300	2,600
-one-time (4)	2,000	0	2,000	0
-Legal Expenses (5)	1,000	11,100	0	0
Property (6)	<u>2,800</u>	<u>0</u>	<u>2,800</u>	<u>0</u>
Total (7)	\$12,400	\$89,300	\$6,200	\$15,800

Explanatory Notes

- (1) Salaries are requested at slightly above the midpoint of the range for the Attorney and at the minimum for the Legal Secretary.
- (2) The Department's fringe benefit rates are 31% of permanent salaries for FY 1993 and 32.9% beginning in FY 1994.
- (3) Ongoing costs include space rent, telephone, postage, etc.
- (4) One-time costs include data processing software (\$1,000) and furniture items (e.g. table, chair, file cabinet) costing less than \$500 each.
- (5) Legal Expenses are based on FY 1992 actual costs averaged over the number of attorneys whose work typically involves these types of expenditures.
- (6) Permanent property costs include a Personal Computer (\$2,000) and desk (\$800).
- (7) FY 1993 costs include one-time start-up costs plus 1 month of ongoing costs, assuming that positions are filled 6/1/93.

Detail of Request -- DOA

The Department of Administration requests 1.0 FTE Administrative Officer 1, 1.0 FTE Program Assistant 1, and \$35,500 PR-S in FY 1993. The on-going, annual cost is \$184,400 PR-S and is requested that this amount be added to the base spending currently authorized for the appropriation under s.20.505(2)(ki). The request is based on these assumptions:

	Adm. Officer 1 (1.00)		Program Asst. 1 (1.00)	
	<u>FY 1993</u>	<u>Ongoing</u>	<u>FY 1993</u>	<u>Ongoing</u>
Salaries (1)	\$3,000	\$35,400	\$1,600	\$18,800
Benefits (2)	1,000	11,500	500	6,100
Supplies/Services:				
-Ongoing (3)	500	5,000	300	2,500
-one-time (4)	2,000	0	2,000	0
Property (5)	3,000	0	3,000	0
Special Purpose (6)	<u>12,400</u>	<u>89,300</u>	<u>6,200</u>	<u>15,800</u>
Total (7)	\$21,900	\$141,200	\$13,600	\$43,200

Explanatory Notes

- (1) Salaries are requested at PSICM.
- (2) The Department's fringe benefit rate is 32.59%.
- (3) Ongoing costs include space rent, telephone, postage, printing, software upgrades, etc.
- (4) One-time costs include data processing software and furniture items.
- (5) Permanent property costs include a Personal Computer.
- (6) Payment for costs incurred by DOJ.
- (7) FY 1993 costs include one-time start-up costs plus 1 month of ongoing costs, assuming that positions are filled 6/1/93.

Long-Term Outlook

The history of hazardous material liability has been relatively slow to unfold, but is likely to increase substantially in the next 1-2 years. Federal enforcement efforts are likely to increase in the next several years. In the biennial budget DOA has requested supplemental budget authority to cover costs of hazardous liability claims of up to \$2,000,000 in each year of the biennium. The coordination of effort between DOJ, DOA and potentially responsible agencies has been adequate to date but there is both apparent and growing need to fortify this effort. The costs of remediation could be low in some cases, high in others. On a case-by-case basis, the state's potential liability will be even greater if DOJ and DOA staff resources are not bolstered.

Permanent position authority is requested by both the DOJ and DOA because it is likely that Superfund and other environmental claims involving state agencies as defendants will be seen for a number of years to come. It is highly unlikely that this problem, which has been growing steadily for the past decade, will be disposed of within the next four years, meaning that project position authority would not be the most appropriate option.

Letter to Co-Chairs
Joint Committee on Finance
May 28, 1993, page 6

Increased expenditure authority is requested in the DOJ appropriation under section 20.455 (1) (km), Stats. This is a PR-S appropriation under which Justice is authorized to receive and spend sub-grants from other agencies.

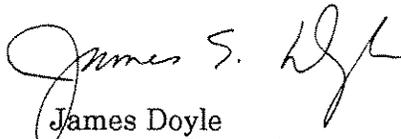
The appropriation under section 20.505 (2) (ki), Stats. is authorized to pay costs associated with risk management administration. This is a sum-certain PR-S appropriation that requires an increase in spending authority to cover the transfer of funds to the Department of Justice being requested here.

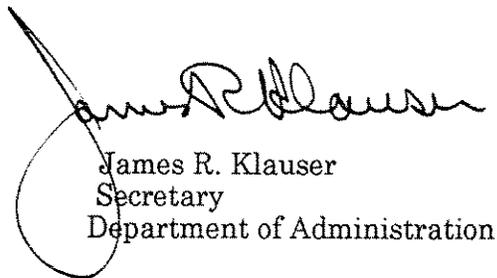
Summary

The Department of Justice requests 1.0 FTE Attorney, 0.5 FTE Legal Secretary, and increased PR-S expenditure authority in the appropriation under section 20.455 (1) (km), Stats. for the legal defense of the State in Superfund cases. An increase of \$18,600 is requested for FY 1993, and a permanent annual increase of \$105,100 is requested for future years, along with permanent position authority.

The Department of Administration requests 1.0 FTE Administrative Officer, 1.0 FTE Program Assistant, and increased PR-S authority under section 20.505 (2)(ki), Stats to provide environmental compliance coordination, training and monitoring functions. An increase of \$35,500 is requested for FY 1993, and a permanent annual increase of \$184,400 for future years, along with permanent position authority. These amounts include costs incurred directly by DOA under 20.505 (2)(ki) as well as authority to pay for the services provided by DOJ under s.20.455(1)(km), Stats.

Sincerely,


James Doyle
Attorney General
Department of Justice


James R. Klauser
Secretary
Department of Administration

CORRESPONDENCE MEMORANDUM

STATE OF WISCONSIN
Department of Administration

Date: May 28, 1993

To: James R. Klauser, Secretary
Department of Administration

From: Shelley L. Moore, Policy and Budget Analyst 
Department of Administration

Subject: Department of Natural Resources s. 16.505 Request for Space Planner
Project Position Extension

REQUEST

The Department of Natural Resources (DNR) requests a three-year extension of a current PR-S project position under s. 20.370 (8)(mk) in the Bureau of Program Services. Since s. 20.370 (8)(mk) is a continuing appropriation, expenditure authority increase can be approved through the allotment process.

BACKGROUND

The current position is classified as an entry level architect, and was approved by the Joint Committee on Finance for a one-year period, which expired May 17, 1993. The position was created as a one-year project position because DNR believed the work associated with the central office General Executive Facility (GEF) II moves would be completed by May, 1993. The position is funded by proportional chargebacks to DNR programs, based on the relative amount of space housed by those programs.

ANALYSIS

The DNR has projected that the GEF II reconfiguration will continue through the spring of 1994. In addition, the DNR projects continuing workload associated with reconfiguration and moves at southeast, southern, western, and Lake Michigan district offices, as well as the Wisconsin Rapids and Eau Claire area offices.

This position is additionally responsible for the agency's strategic space planning and design-related duties. These duties include: coordination with the Department of Administration (DOA) Division of Buildings and Police Services; writing repair and maintenance work orders, including production of computer-generated (AutoCAD) maps; evaluating remodeling versus new construction costs of DNR-owned facilities, and; reviewing existing rental space for potential increased efficiencies in space usage.

The requested extension has been supported by the DOA Division of Buildings and Police Services, which believes that "...agencies that employ professional space planners, most large agencies, utilize allocated space much better and seem to have a more satisfied and more productive work force."

It appears that many of the job duties, including the strategic space planning and design-related duties, are permanent in nature. The DNR did not request conversion of this position to permanent in its 1993-95 biennial budget submission, nor is it requesting conversion now, because of what it believes are uncertainties regarding continuing workload once the GEF II, district and area office reconfigurations are done. They have stated they will evaluate the ongoing workload and will consider requesting conversion of this position to permanent as part of the agency's 1995-97 biennial budget request.

It appears that continuation of this position is vital to effectively utilize and plan the DNR's efficient use of space both in central office and in the districts. Effective space utilization, particularly with the demands presented by growth in staffing levels, will result in substantive dollar savings in rental costs, as well as maximum worker productivity.

RECOMMENDATION

Approve a three-year project position extension under s. 20.370 (8)(mk), to continue the current space planner position.

CORRESPONDENCE/MEMORANDUM

State of Wisconsin

DATE: April 2, 1993

FILE REF: 9310

TO: Shelley Moore
State Budget Office
Department of AdministrationFROM: Joe Polasek, Director
Bureau of Management and Budget
Department of Natural ResourcesSUBJECT: Request for Space Planner Project Position Extension Under s.16.505
and Spending Authority under s.16.515**REQUEST**

The Department of Natural Resources requests a three year extension to project position #319567 to continue to provide space planning and design services for the Department's ongoing central office moves in GEF II and for ongoing Departmentwide space planning and design needs.

The position will continue to be an Entry level Architect. The hourly rate is \$14.133. The annual salary, fringe and supplies and services costs for the position will be \$45,743. The Department currently has sufficient spending authority in appropriation 20.370 (8)(mk) to pay the costs of this position through May 17, 1993. The Department requests an additional \$5,022 in spending authority in FY 93 in appropriation 20.370 (8)(mk) to cover the costs of extending this position through June 30, 1993. If the three year extension is approved, the Department will request an additional \$45,743 in spending authority in FY 94 for FY 94 costs. All of the programs in the Department are now and will continue to be charged for their share of the costs of this position, as outlined in the attached schedule.

BACKGROUND

This project position was approved for one year and currently is set to expire on May 17, 1993. The Department requested the position as a one-year project because it believed that it was likely that the work associated with the central office GEF II moves would be complete by May of 1993. It is now clear that the work associated with the GEF II moves will continue beyond that time, that there is additional space planning and design work that will be required for planned district moves and expansions, and that there is a significant need for ongoing space planning and design expertise in the Department in both the central office and the districts. This is due to major moves and space reconfigurations now underway in addition to those planned in the future for the central office and district offices.

Unguided space decisions by individual bureaus and districts have resulted in over-crowding, improper division of ventilation zones, and the introduction of electronic equipment that overtaxes heating, ventilation and air conditioning systems (HVAC). As a result, worker productivity has declined and handicapped access is restricted. Improved interior space design would result in a more

open working environment that allows better air circulation, increased penetration of natural light, decreased cleaning and maintenance costs and decreased moving costs.

The Department has established four broad goals for its Space Management Program. The Space Planner will be primarily responsible for the implementation of these goals:

1. Increase the efficient use of DNR-occupied space.
2. Perform long range space planning, set standards for use of space, estimate future DNR space requirements.
3. Analyze the impact of space reconfigurations on facility systems such as electrical, ventilation, heating, air conditioning.
4. Develop building layouts and designs.

DUTIES OF REQUESTED POSITION

The main duty of this position over the past 12 months has been to coordinate the Department's GEF II bureau moves. The need for this coordination will continue for the next several months. In addition, this position is also needed to work on upcoming district moves and expansions and to provide ongoing strategic space planning and design assistance departmentwide. The specific duties to be performed in each of these three categories are described below.

1. Complete Current Central Office Move Plan

The Facility Designer will complete the central office move plan. The remaining tentative agenda is roughly as follows:

1. March 29: Design layout for the Bureau of Research in GEF III.
2. April 5: Move the Bureau of Water Supply.
3. April 6 - April 30: Reconfigure second floor for the Bureau of Water Resources and the Bureau of Wastewater, and reconfigure the Bureau of Solid Waste area on the third floor.
4. April 15 - May 28: Licensing Section remodeling and move.
5. May 31 - June 14: The Bureau of Research remodeling and move.
6. June 15 - June 18: Configure Gef III Plaza training and conference center.
7. June 28 - July 16: Reconfigure fourth floor.

8. July 19 - August 31: Reconfigure and remodel first floor for the Bureau of Finance.
9. September 1 - September 30: Update floor plans to reflect changes on fifth, sixth, seventh and eighth floors.
10. October 1 - October 31: Use AutoCAD to draw new electrical and universal wiring layout.
11. November 1 - December 31: Reconfigure the Bureau of Water Regulation and Zoning and the Bureau of Environmental Analysis and Review.
12. Spring '94: Possible minor reconfigurations due to potential staff growth on second, third and fourth floors.

2. District Moves and Expansions

In addition, the Space Planner is necessary for the successful completion of the following specific projects:

- a. Southeast District Headquarters: Space reconfiguration to determine more effective use of existing space. Coordinate any move efforts needed to more efficiently use the space. (October 1 - October 31, 1993)
- b. Southern District Headquarters: Space reconfiguration to determine more effective use of existing space. Coordinate any move efforts needed to more efficiently use the existing space. Anticipated to occur August 1, 1993 - August 31, 1993.
- c. North Central District Wisconsin Rapids Area Office: Provide specifications and cost for furniture and moveable equipment for new building. Inventory existing furniture for potential reuse and/or surplus. Coordinate move to new building. Anticipated to occur November 1, 1993 - November 30, 1993.
- d. Western District Headquarters/Eau Claire Area Office: Provide layouts for the reconfiguration of existing space to accommodate both the area and headquarters office staff in the headquarters building. Provide specifications and costs for furniture and moveable equipment in the building. Inventory existing furniture for potential reuse and/or surplus. Coordinate temporary move of headquarters staff, move of area office staff into headquarters, and permanent move of headquarters staff into final space. Anticipated to occur May 1, 1994 - June 15, 1994.
- e. Lake Michigan District Headquarters: Provide consultation and layout for new headquarters building, provide specifications and costs for furniture and moveable equipment, inventory furniture and moveable equipment, and coordinate move, if the project receives approval; or reconfigure existing space if the project is not approved. Anticipated to occur September 1, 1994 - September 30, 1994.

3. Ongoing Space Planning and Design

The Space Planner will also provide and perform the following strategic space planning and design-related duties:

- a. Act as liaison to the Department of Administration (DOA) on specific space needs and potential solutions.
- b. Review existing rental sites for potential increased efficiencies in space usage.
- c. Study the cost effectiveness of remodeling versus new construction of DNR-owned facilities, utilizing depreciation and building life expectancy techniques.
- d. Write work orders (including AutoCAD drawings for specific locations within the building) for repair and maintenance within GEF2.
- e. Ensure that the Department meets all of the requirements of the Americans with Disabilities Act, and other building code requirements in GEF 2 and the DNR-occupied portions of GEF 3. For example, work with DOA to develop signs for GEF 2, as required by the new Americans with Disabilities Act.
- f. Implement the building orientation project. This program will result in an AutoCAD map at each elevator to orient users to the building and floor layouts (including entrances).
- g. Coordinate Department-wide furniture reuse. This program allows bureaus to surplus existing furniture and equipment items for distribution and reuse by other bureaus or districts in need of specific items.
- h. Provide DOA with AutoCAD drawings, when requested, for various uses such as building maintenance projects, or other Division of Buildings and Police Services projects.
- i. Develop cost estimates for remodeling and refurbishing DNR office space.
- j. Produce visual materials, such as design layouts, for use by facility management staff in evaluating construction and renovation projects.

If this project position is not extended, the duties described above will, for the most part, not be performed. This may result in less efficient use of space by the Department, potentially causing the Department to spend more on space rental. It will result in the Department having less expertise available to make decisions regarding new construction vs. remodeling; less staff and expertise available to respond to DOA requests for space-related information; and less staff available for coordinating Department moves and expansions, potentially resulting in mistakes and wasted time and effort.

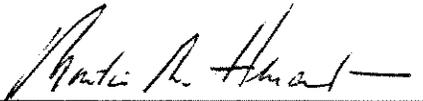
The Department is uncertain as to whether the duties this position performs will be ongoing and permanent. It is difficult to determine at this point due to the number of short-term office moves that this position is currently working on. After the current schedule of short-term moves has been completed, the Department will be better able to determine the remaining, ongoing space planning needs of the Department.

The Department is certain, however, due to the current schedule of office moves and the backlog of demand for more general space planning expertise, that the duties of this position will continue for at least another three years. If the Department determines that the duties of this position will be permanent, the Department will consider requesting the conversion of this project position to permanent in the Department's 1995-97 Biennial Budget request.

If you have any questions regarding this request, or need additional information, please contact John Hagman at 266-2130 or Tanace Matthiesen at 266-2159.

Thank you.

Approved:


Marty Henert, Administrator

4.2.93
Date

cc: Ron Novak	AD/5
Marty Henert	AD/5
Ken Weidner	FN/1
Susan Felker-Donsing	MB/5
Paul Willinghamz	PE/5
John Hagman	PM/4

Attachment 1

FY 93 Costs:		\$4,783	FY 94 Costs:		\$45,743*
	%	\$	%	\$	%
					\$
			7/1/93 - 12/31/93	1/1/94 - 6/30/94	
			(\$22,871.50)	(\$22,871.50)	
RM	17.39	831.82	17.39	3,977.35	42.5
EQ	56.83	2,718.18	56.83	12,997.87	28.1
ENF	3.42	163.58	3.42	782.20	10.2
CA	6.83	326.68	6.83	1,562.12	2.6
AD	15.53	742.80	15.53	3,551.94	16.6
					9,720.39
					6,426.89
					2,332.89
					594.66
					3,796.67

FY 95 Costs:		\$45,743*	FY 96 Costs:		\$41,931
RM	42.5	19,440.77	42.5	17,820.67	
EQ	28.1	12,853.78	28.1	11,782.61	
ENF	10.2	4,665.78	10.2	4,276.96	
CA	2.6	1,189.31	2.6	1,090.21	
AD	16.6	7,593.34	16.6	6,960.55	

Detail on Cost Calculations

FY 93 Costs: (May 18, 1993 - June 30, 1993)

31 days = 248 hrs

\$3,504 salary + \$1,279 fringe = \$4,783 Total

FY 94 & FY 95 Costs:

\$30,278 salary + \$10,465 fringe + \$5,000 supplies and services = \$45,743

FY 96 Costs: If the position extension is approved for three years, costs will continue through eleven months of FY 96. (July 1, 1995 - May 17, 1996)

\$45,743 - 3,812 (1/12th) = \$41,931

* Costs will likely increase approximately 3% in FY 95 and FY 96 due to an anticipated salary increase.