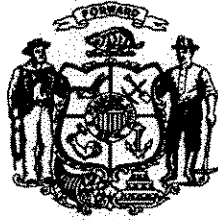


THE STATE OF WISCONSIN

SENATE CHAIR
BRIAN BURKE

316-S Capitol
P.O. Box 7882
Madison, WI 53707-7882
Phone: (608) 266-8535



ASSEMBLY CHAIR
JOHN GARD

315-N Capitol
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Madison, WI 53708-8952
Phone: (608) 266-2343

JOINT COMMITTEE ON FINANCE

August 13, 1999

Secretary George Meyer
Department of Natural Resources
101 South Webster Street
Madison, Wisconsin 53707-7921

Dear Secretary Meyer:

We are writing to inform you that the members of the Joint Committee on Finance have reviewed your July 23, 1999, request pursuant to s. 20.370(2)(gh), Stats., regarding position and expenditure authority for mining regulation and administration.

No objections to this request have been raised. Accordingly, the request is approved.

Sincerely,

Handwritten signature of Brian Burke in black ink.

BRIAN BURKE
Senate Chair

Handwritten signature of John Gard in black ink.

JOHN GARD
Assembly Chair

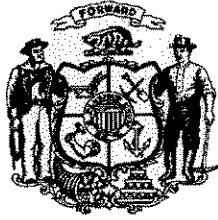
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cc: Members, Joint Committee on Finance
Bob Lang, Legislative Fiscal Bureau
Vicki LaBelle, Department of Administration

THE STATE OF WISCONSIN

SENATE CHAIR
BRIAN BURKE

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ASSEMBLY CHAIR
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JOINT COMMITTEE ON FINANCE

MEMORANDUM

To: Members
Joint Committee on Finance

From: Senator Brian Burke
Representative John Gard
Co-Chairs, Joint Committee on Finance

Date: July 26, 1999

Re: s. 16.515/16.505(2), Stats. Request

Attached is a copy of a request from the Department of Administration, received on July 26, 1999, pursuant to s. 16.515/16.505(2), Stats., pertaining to a request from the Department of Natural Resources.

Please review the material and notify **Senator Burke** or **Representative Gard**, no later than **Wednesday, August 11, 1999**, if you have any concerns about the request or if you would like to meet formally to consider it.

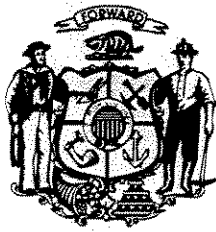
Also, please contact us if you need further information.

Attachment

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STATE OF WISCONSIN
DEPARTMENT OF ADMINISTRATION
101 East Wilson Street, Madison, Wisconsin

TOMMY G. THOMPSON
GOVERNOR
MARK D. BUGHER
SECRETARY



Office of the Secretary
Post Office Box 7864
Madison, WI 53707-7864
Voice (608) 266-1741
Fax (608) 267-3842
TTY (608) 267-9629

Date: July 26, 1999

To: The Honorable Brian Burke, Co-Chair
Joint Committee on Finance

The Honorable John Gard, Co-Chair
Joint Committee on Finance

From: Mark D. Bugher, Secretary
Department of Administration

Subject: S. 16.515/16.505(2) Request(s)

Enclosed are request(s) that 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>1999-2000</u>		<u>2000-01</u>	
		<u>AMOUNT</u>	<u>FTE</u>	<u>AMOUNT</u>	<u>FTE</u>
DNR	Mining regulation	\$273,200	2.50	\$273,200	2.50
20.370(2)(gh)	and administration		1.50*		1.50*

* Four-year project positions.

As provided in s. 16.515, the requests will be approved on August 16, 1999, unless we are notified prior to that time that the Joint Committee on Finance wishes to meet in formal session about any of the requests.

Please contact Vicky LaBelle at 266-1072, or the analyst who reviewed the request in the Division of Executive Budget and Finance, if you have any additional questions.

Attachments

CORRESPONDENCE MEMORANDUM

STATE OF WISCONSIN
Department of Administration

Date: July 23, 1999

To: Mark D. Bugher
Secretary

From: Manyee Wong *uw*
State Budget and Policy Analyst

Subject: Request under 16.505/515 from the Department of Natural Resources
for Positions and Expenditure Authority

Request

DNR is requesting 3.0 permanent PR FTE positions in the Bureau of Waste Management, 1.0 permanent PR FTE position in the Bureau of Legal Services, and an increase of \$208,700 in PR expenditure authority under appropriation s. 20.370(2)(gh). The additional resources are needed to address workload increases related to the regulation of metallic mining activities as a result of the Crandon Mine proposal.

Revenue Sources

Under the metallic mining reclamation law, the department is authorized to charge various fees associated with regulatory oversight of mining activities (e.g., licensing, permit application review, mandatory Environmental Impact Statement preparation, and legal review and analysis). As a result of the Crandon Mine proposal, revenue collected under appropriation s.20.370(2)(gh) for mining regulation and administration has increased significantly. In FY99, the appropriation has an opening balance of \$83,650 and an additional \$1,192,739 has been collected to date. DNR estimates that a total of \$1.46 million will be collected by the end of FY99. Expenditure authority for s.20.370(2)(gh) is currently at \$60,900. Adequate resources are available to meet the request.

Background

Currently, the Bureau of Waste Management is actively reviewing the Crandon Mine Project (proposed in 1994). In response to concerns about the environmental impact of the proposed mine, the Legislature banned the issuance of permits for the mining of sulfide ore bodies unless the department determined, based on information provided by the applicant, that a similar mining operation has operated in the United States or Canada for at least 10 years and has been closed for at least 10 years without causing environmental pollution. In addition, to address the public's concerns over the Crandon Mine Project, the Governor created a Science Advisory Council on Metallic Mining to further study the issue.

Analysis

The proposed Crandon Mine Project is extremely complex. Under current law, DNR must conduct a thorough review of all proposed mining operations. This includes determining whether the project complies with statutes and administrative rules, reviewing extensive permit applications, preparing an Environmental Impact Statement, overseeing groundwater modeling efforts, reviewing design of non-waste facilities on the project site, coordinating the development of monitoring, surface water mitigation, and reclamation plans, as well as preparing for master hearings as the permitting process progresses.

Review of Mining Activities

Given the size of the Crandon Project, combined with the added analysis and review required by the mining moratorium law, workload within the Bureau of Waste Management has significantly increased over past few years. Due to the controversial nature of the project, it is important that adequate resources are available to thoroughly review and monitor the project. DNR currently allocates 6.5 FTE positions worth of work effort in mining-related activities. Four of these positions work specifically with the Crandon Project and were reallocated from other program areas in 1994. Not only will these positions continue to be needed but additional staff will be needed to address future workload increases. DNR estimates future workload will require 3,800 hours of work effort and requests that 2.0 permanent PR FTE positions be provided. One of the positions will be located in the northern region while the other will be located in the central office.

Policy Development and Program Support

Since the Crandon Project was proposed, criticism of state mining laws has led to numerous legislative proposals, increasing the department's policy development workload. As new mining policy initiatives are likely to continue to be proposed, analyzed, and implemented in the future, DNR estimates that an additional 1,000 hours (0.5 FTE position) will be needed annually to address this additional workload. In addition, in response to public concerns over the Crandon Project, the Governor created the Science Advisory Council on Metallic Mining to further investigate the issue and specified that DNR provide technical assistance and staff support to the Council. DNR has diverted resources from other tasks (e.g., permit application review) in order to meet the needs of the council. In order to address the increased workload in the above two areas, DNR is requesting authorization to create two additional 0.5 permanent PR FTE positions.

Legal Review

The controversial nature of the Crandon Project has increased workload for the Bureau of Legal Services. This workload is expected to dramatically increase in the future. Some of the tasks performed by the Bureau of Legal Services related to the Crandon Project include review of new policy proposals; verification and interpretation of the mining moratorium bill; and preparation for the master hearing which includes drafting of direct testimony, developing exhibits, reviewing testimony filed by other parties, and responding to requests.

The department estimates an increased workload of 2,000 hours and requests authorization to create 1.0 permanent PR FTE attorney position. The request to create a permanent position rather than a project position is due to the difficulty in hiring for project positions in the legal profession. In addition, given the controversial nature of the Crandon Mine Project, a deep understanding of the case's history and legal expert

knowledge in mining will be needed to defend the department's position and address any legal challenges. The use of attorneys from the Department of Justice has also been considered. However, attorneys at the Department of Justice work mostly in the area of litigation and do not have the expertise in administrative law that is needed for the Crandon Mine Project.

After discussions with DNR, it appears that approximately half of the workload increase will be administrative and clerical (e.g., photocopying and preparing and locating relevant documents). The other half of the workload increase will, however, involve legal expertise. As such, the Bureau of Legal Services can adequately address the expected future workload increase with an additional 0.5 permanent PR FTE attorney position and a 0.5 four-year project PR FTE program assistant position.

The additional 0.5 permanent PR FTE attorney will backfill other attorneys' responsibilities (e.g., solid waste, hazardous waste, and air permitting, water regulation and zoning, shoreland zoning, river regulation, and dam safety) when needed by the Bureau of Waste Management to work exclusively on the Crandon Mine project. This attorney will also represent the department at meetings with mine permit applicants, consult with department staff affected by various aspects of mining issues, and review approved and draft permits as amendments to existing documents are proposed. The 0.5 project PR FTE program assistant will perform basic clerical work and assist attorneys where possible to alleviate the burden of any workload increase resulting from the Crandon Mine project.

Position Transfers to Offset a Salary Deficit in the Bureau of Waste Management

If the mining positions are approved, DNR will be able to offset part of a \$127,600 federal salary deficit in the Bureau of Waste Management by transferring 2.0 permanent FTE positions from GPR and SEG appropriations to the mining PR appropriation. Two positions will then be transferred from the federal hazardous waste grant funding to GPR and SEG. Besides reducing the overall salary deficit, these position transfers are also part of a larger reallocation plan to better align positions with the appropriate funding source.

Expenditure Authority Re-estimate

Due to DNR's position reallocation plan and the recommended changes to the request for an attorney position, the requested expenditure authority will need to be re-estimated. The positions identified for transfer to the mining appropriation have higher classifications than what DNR used to calculate the requested expenditure authority. Further, the recommendation to provide 0.5 permanent PR FTE attorney position and 0.5 project PR FTE program assistant position requires a recalculation of salary, fringe, and supplies and services. The requested increase in expenditure authority is re-estimated to be \$273,200 (see table below).

	<u>Request</u>	<u>Recommended</u>	<u>Difference</u>
Salary	135,000	182,000	47,000
Fringe Benefits	50,800	68,600	17,800
Supplies and Services	<u>22,900</u>	<u>22,600</u>	<u>(300)</u>
Total	208,700	273,200	64,500
Permanent FTE Positions	4.0	2.5	(1.5)
Project FTE Positions	0.0	1.5	1.5

Recommendation

Modify the request to create 2.5 permanent PR FTE positions and 1.5 project PR FTE positions. Authorize DNR to increase PR expenditure authority in s.20.370(2)(gh) by \$273,200, create 2.0 permanent PR FTE positions for mining regulation, and create 0.5 permanent PR FTE attorney position and 0.5 four-year project PR FTE clerical position for legal activities. Because increased workload in policy development and technical support for the Council is temporary, provide two 0.5 PR FTE four-year project positions rather than permanent positions in these two areas.

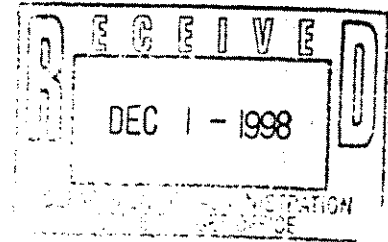
DATE: November 16, 1998

TO: Richard G. Chandler, Director
State Budget Office
Department of Administration

FROM: George E. Meyer, Secretary

George

SUBJECT: Program Revenue Appropriation Supplement under ss. 16.505 and 16.515, Stats., for the Bureau of Waste Management and Bureau of Legal Services



REQUEST

The Department requests 4.0 PR FTE and increased expenditure authority of \$208,700 PR in FY 99 in appropriation s. 20.370.(2)(gh), Stats., for the Bureau of Waste Management and Bureau of Legal Services. Specifically, the Department is requesting funding for 4.0 FTE (3.0 permanent FTE in the Bureau of Waste Management and 1.0 permanent FTE in the Bureau of Legal Services) beginning in FY 99. The positions are needed to address excessive workload related to the Department's regulation of metallic mining activities. The request would be funded from the available cash balance and anticipated future revenues to the appropriation.

BACKGROUND

Since the passage of the first metallic mine reclamation law in Wisconsin in 1974, the Department has been authorized to charge various fees for regulatory oversight of metallic mining and mining related activities. All metallic mining-related fees have been deposited in a program revenue account. That the Legislature intended the moneys accumulating in the program revenue account to be used by the Department to facilitate its regulation of metallic mining and mining-related activities is evident in s.20.370(2)(gh), Stats.:

Section 20.370(2)(gh) Mining -- mining regulation and administration. The amounts in the schedule for the administration, regulation and enforcement of exploration, prospecting, mining and mine reclamation activities under ch. 293. All moneys received under ch. 293 shall be credited to this appropriation.

The Department is authorized to collect licensing and drillhole fees for metallic mineral, oil and gas, and radioactive waste site exploration. The Department also collects fees for the regulatory review of proposed metallic mineral prospecting and mining projects. These fees are structured so the Department recovers all expenses incurred in the regulatory review of proposed projects, and expenses for reviews performed in association with all permits and approvals required of an applicant. Permit application review fees constitute the largest portion of the revenue that has been collected to date.

The Department is responsible for conducting a thorough review of all proposed mining operations to determine whether the project will comply with applicable statutes and administrative codes. The permit review, mandatory Environmental Impact Statement preparation, and associated verification activities constitute a significant effort by the Department, necessitating participation of virtually every program within the agency. While the individual programs can reallocate existing available resources accomplish much of this work; the Waste Management and Legal Services programs are more substantially affected. The Bureau of Waste Management has the lead role within the Department for mine permitting and surveillance and, as a result, has the largest mining-related workload. Metallic mining projects also present an unusual and heavy workload for the Bureau of Legal Services since such projects are extremely controversial and, by law, culminate with a comprehensive, contested case

hearing as part of the decision-making process.

The ongoing review of the Crandon Project poses a great challenge to the Bureau of Waste Management. Not only is the project very complex, but it has led to significant legislative debate and action pertaining to metallic mining. For instance, the mining moratorium law was passed in response to the Crandon Project. Similarly, the Governor created the Science Advisory Council on Metallic Mining to address concerns about the project. The regulatory review combined with the added analysis and review required by the moratorium law and providing staff assistance to the Science Advisory Council result in significant increased workload for the Bureau of Waste Management.

Adequate resources exist in the mining program revenue account to provide for the greatly increased activities required by statute in relation to existing and proposed mining operations in Wisconsin. The following table illustrates the mining program revenue account balance and expected revenues over the next several years:

Mining Program Revenue Account Fund Condition

	FY96	FY97	FY98	FY99	FY00	FY01
Beginning Balance	180,548	114,850	100,420	83,649	1,208,639	1,274,539
Revenues	2,700	3,100	1,200	1,459,090	400,000	250,000
Expenditures	68,398	17,530	17,971	334,100*	334,100*	442,000*
Ending Balance	114,850	100,420	83,649	1,208,639	1,274,539	1,082,539

* Includes this request for 4.0 FTE PR positions and additional mining related activities such as master hearing expenses, increased surveillance, monitoring and oversight of mining operations, public information efforts, increased laboratory analysis, and installation and operation of gauging stations.

ANALYSIS OF NEED

1. **JUSTIFICATION FOR 3.0 ADDITIONAL FTE IN WASTE MANAGEMENT PROGRAM**
5.0 FTE positions within the Waste Management Program work solely on mining-related issues. Two of these positions are situated in the Central Office and three are located in the Northern Region. In addition to working on the proposed Crandon Project, these staff also are involved in compliance assistance at existing permitted mining operations, (i.e., the Flambeau Mine), development and implementation of the non-metallic mining reclamation program, public information and education, exploration drilling oversight, and development of policy and procedures. Two other staff within the program, with responsibilities besides mining, devote over 75% of their time to review of the Crandon Project. Thus, within the Waste Management Program, mining-related activity currently occupies 6.5 FTE positions.

The continuing review of the proposed Crandon Project will require commitment of significant additional staff resources. Besides implementation of the mining moratorium law and the normal plan review functions, the program is responsible for a variety of other project-wide activities. These include overseeing the groundwater modeling efforts for the project, reviewing the design of a number of non-waste facilities on the project site, and coordinating the development of the monitoring, surface water mitigation, and reclamation plans critical to the project. In addition, as the permitting process continues, program staff will be instrumental in the Department's preparation for the master hearing, working closely with Department legal staff on numerous far-reaching issues. The degree of program staff involvement will intensify significantly and will remain at a high level. In addition, the mining moratorium law requires an applicant for a mining permit to submit information regarding mining operations in other locales that have not resulted in environmental pollution. It further provides that the Department must verify the information and make a formal finding as to the acceptability of the example mining operation in meeting the statutory criteria. The responsibility to conduct this review will rest with the Waste Management Program. The long-term continuing workload demands for these additional responsibilities are estimated at 3,800 hours (2.0 FTE positions) annually.

Over the past two years increased involvement in policy development, related to both metallic and non-metallic mining, has required a substantial investment of staff time. The State's mining laws and rules have been the subject of intense debate and criticism, resulting in the introduction of numerous legislative proposals and rule-making petitions. Given the controversy surrounding mining, we expect that this level of activity will continue well into the future as other policy initiatives are proposed, analyzed and implemented. On-going work on mining-related policy will require an additional 1,000 hours (0.5 FTE position) annually.

Executive Order #309, which created the Science Advisory Council on Metallic Mining, specifies that the Department provide staff support to the Council. This function has been assigned to the Bureau of Waste Management and has been accomplished at the expense of other mining-related work. Specifically, work on certain aspects of the Mining Permit Application review for the proposed Crandon Mine has been neglected to provide technical and administrative support to the Science Advisory Council. These activities have required 1,000 hours (0.5 FTE positions) annually.

The Department believes that the significant increase in mining-related work described above justifies authorization of three additional positions within the Waste Management Program. We request that 2.0 FTE Hydrogeologist positions and 1.0 FTE Waste Management Specialist position be authorized.

2. **JUSTIFICATION FOR 1.0 ADDITIONAL FTE IN THE BUREAU OF LEGAL SERVICES**
The Bureau of Legal Services has one full time attorney assigned to work 50% on metallic mining-related matters (0.5 FTE position). In addition, it has been necessary to draw upon other Bureau staff on certain mining-related issues. Demands on the Bureau of Legal Services will increase drastically over the next 6 months and will continue indefinitely. Most of this increase is related to the proposed Crandon project.

The Crandon project has served as the impetus for numerous policy proposals related to metallic mining regulation, several of which are currently under review. These proposals, whether they are enacted or not, require a significant amount of work by Bureau of Legal Services staff. We anticipate that mining-related policy initiatives will continue to be pursued over the course of the next several years.

Implementation of the mining moratorium bill will also require substantial legal review and interpretation. This is especially true given that this will be the agency's first attempt at applying the new law. While much of the review and verification work related to the mining moratorium law will be technical in nature, legal interpretation will be necessary to ensure that criteria delineated in the law are satisfied.

In addition, the permitting process requires that a contested case hearing (master hearing) be conducted for all metallic mining proposals. The hearing is to cover the adequacy of the Environmental Impact Statement, and all licenses, permits and approvals required of the Department. The master hearing process is a very structured legal process and requires extensive preparation. This will commence well in advance of the actual hearing and will include drafting direct testimony, preparing exhibits including all draft permits, reviewing testimony filed by other parties, conducting discovery of other parties to the hearing, and responding to discovery requests made of the Department. The hearing is conducted in a trial-like manner and will involve a substantial commitment of legal and technical staff resources. It will be followed by a post-hearing briefing period and subsequent legal challenges are possible. In combination with the policy and mining moratorium work we estimate that 2,000 hours (1.0 FTE position) of additional annual mining-related work will be required of the Bureau of Legal Services. Thus, we are requesting authorization for 1.0 FTE additional attorney position to work on metallic mining issues.

If you need additional information or have any questions concerning this request, please contact Brian Dranzik, MB/5 (267-7418) or Kevin Kessler, WA/3 (266-5207). Thank you for your consideration of this request

cc: Jay Hochmuth- AD/5
Eric Ebersberger - MB/5
Sue Bangert - WA/3
Kevin Kessler - WA/3
Larry Lynch - WA/3
Diane Hintz - FN/1
Paul Willihnganz - PE/5
Mark Stokstad - NOR
Russ Rasmussen - WA/3
Brian Dranzik - MB/5

STATE OF WISCONSIN

LAH

SENATE CHAIR
BRIAN BURKE

316 South, State Capitol
P.O. Box 7882
Madison, WI 53707-7882
Phone: 266-8535

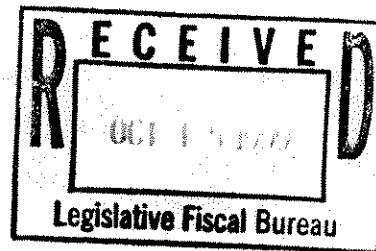


ASSEMBLY CHAIR
JOHN GARD

315 North, State Capitol
P.O. Box 8952
Madison, WI 53708-8952
Phone: 266-2343

JOINT COMMITTEE ON FINANCE

October 15, 1999



Secretary George Lightbourn, Acting Secretary
Department of Administration
101 East Wilson Street, 10th Floor
Madison, WI 53703

Dear Acting Secretary Lightbourn:

We are writing to inform you that the Joint Committee on Finance has reviewed your request, dated September 27, 1999, pursuant to s. 16.505(2), Stats., pertaining to a request from the Department of Natural Resources.

A meeting will be scheduled to further discuss this request. Therefore, the request is not approved at this time.

Sincerely,

Handwritten signature of Brian Burke in black ink.

BRIAN BURKE
Senate Chair

Handwritten signature of John Gard in black ink.

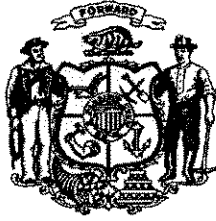
JOHN GARD
Assembly Chair

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THE STATE OF WISCONSIN

SENATE CHAIR
BRIAN BURKE

316-S Capitol
P.O. Box 7882
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Phone: (608) 266-8535



ASSEMBLY CHAIR
JOHN GARD

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JOINT COMMITTEE ON FINANCE

MEMORANDUM

To: Members
Joint Committee on Finance

From: Senator Brian Burke
Representative John Gard
Co-Chairs, Joint Committee on Finance

Date: September 27, 1999

Re: s. 16.515/16.505(2), Stats. Request

Attached is a copy of a request from the Department of Administration, received on September 27, 1999, pursuant to s. 16.515/16.505(2), Stats., pertaining to requests from the Department of Natural Resources.

Please review the material and notify **Senator Burke** or **Representative Gard**, no later than **Wednesday, October 13, 1999**, if you have any concerns about the request or if you would like to meet formally to consider it.

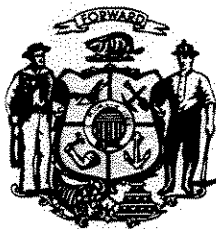
Also, please contact us if you need further information.

Attachment

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STATE OF WISCONSIN
DEPARTMENT OF ADMINISTRATION
101 East Wilson Street, Madison, Wisconsin

TOMMY G. THOMPSON
GOVERNOR
GEORGE LIGHTBOURN
ACTING SECRETARY



Office of the Secretary
Post Office Box 7864
Madison, WI 53707-7864
Voice (608) 266-1741
Fax (608) 267-3842
TTY (608) 267-9629

Date: September 27, 1999

To: The Honorable Brian Burke, Co-Chair
Joint Committee on Finance

The Honorable John Gard, Co-Chair
Joint Committee on Finance

From: George Lightbourn, Acting Secretary
Department of Administration

Subject: S. 16.515/16.505(2) Request(s)

Enclosed are request(s) that 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>1999-2000</u>		<u>2000-01</u>	
		<u>AMOUNT</u>	<u>FTE</u>	<u>AMOUNT</u>	<u>FTE</u>
DNR 20.370(8)(nk)	Geographic information systems, general program operations-- service funds		2.0		2.0

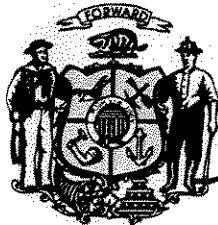
As provided in s. 16.515, the requests will be approved on October 18, 1999, unless we are notified prior to that time that the Joint Committee on Finance wishes to meet in formal session about any of the requests.

Please contact Vicky LaBelle at 266-1072, or the analyst who reviewed the request in the Division of Executive Budget and Finance, if you have any additional questions.

Attachments

TOMMY G. THOMPSON
GOVERNOR

GEORGE LIGHTBOURN
ACTING SECRETARY



Office of the Secretary
Post Office Box 7864
Madison, WI 53707-7864
Voice (608) 266-1741
Fax (608) 267-3842
TTY (608) 267-9629

Date: September 21, 1999

To: George Lightbourn
Acting Secretary

From: Kirsten M. Grinde
Policy and Budget Analyst

Subject: Request under s. 16.505 from the Department of Natural Resources
for Geographic Information Services Positions

REQUEST:

The Department of Natural Resources (DNR) requests 4.0 FTE PR-S permanent positions under s. 20.370(8)(nk) (geographic information systems, general program operations -- service funds) for development of geographic information system data, which is currently completed by LTE staff.

The positions are in the Bureau of Enterprise Information Technology and Applications. The affected appropriation [s. 20.370(8)(nk)] is a continuing appropriation, and therefore, any necessary expenditure authority modifications can be approved through the allotment process.

REVENUE SOURCES FOR APPROPRIATION:

Revenues for the appropriation under s. 20.370(8)(nk) are generated through chargebacks to DNR divisions for geographic information systems (GIS) projects and support.

BACKGROUND:

The requested 4.0 FTE Information Specialist Professional, Geographic Applications Analyst - Entry positions are requested to conduct GIS data development. GIS is a data processing discipline that combines database management systems, mapping sciences, automated spatial and numeric data analysis, and computer graphics capabilities to quickly analyze, model and display information in an easy-to-understand format. GIS allows integration of numerous databases and models to provide more integrated and comprehensive decisionmaking on a more timely basis.

The Governor and Legislature have recognized the value of GIS through creation of the Land Information Board (attached to the Department of Administration) and numerous initiatives in several state agencies, including DNR. As an

example, in March 1996, the Joint Committee on Finance and the Governor approved a s. 16.505 request from DNR which provided 4.0 FTE positions to conduct GIS production associated with multiple projects, including the Wisconsin Initiative for Statewide Cooperation on Land Cover Analysis and Data (WISCLAND) project, which began in 1993. WISCLAND is an ongoing project designed to pool resources of 11 state, federal and private entities to cooperatively develop a statewide land cover mapping project which is cost-effective, complete, detailed and current.

In addition to the WISCLAND project, several bureaus in DNR have identified GIS data development needs. In FY99, bureaus for which GEO Services staff completed work include:

- Wildlife Management;
- Forestry;
- Endangered Resources;
- Watershed Management;
- Parks and Recreation; and
- Facilities and Lands.

ANALYSIS:

The requested positions would be located in the DNR Bureau of Information Management, GEO Services Section, which is currently operated as a service center for DNR program bureaus. The Production Unit currently consists of 16.0 FTE permanent positions and 12.5 full-term equivalent LTE positions. DNR plans to use the requested positions to convert existing LTEs to permanent position status. This will enable retention of experienced and trained LTE staff.

Contracting

When necessary, DNR has hired contractors to fulfill project commitments. However, contractors create additional project costs. The comparable cost of contractors is estimated at \$44 to \$85/hr., whereas DNR chargeback rates are \$20 to \$44/hr., depending on the professional level of the employee.

GEO Section Workload Projections

The following table summarizes the projected workload for FY00. "Committed" workload represents staff needs associated with projects requested and approved by the GEO section. "Uncommitted" workload is based on past experience and includes miscellaneous small projects which are received on short notice and new projects which were not identified at the beginning of the fiscal year. "Billable staff hours" are those elements of a position's workload that can be attributed to a project and billed to its requester.

Table 1: Committed and Uncommitted Workload (Billable Staff Hours)

GEO Production Unit	FY99 Actuals		FY00 Projected	
	Committed	Uncommitted	Committed	Uncommitted
Endangered Resources	613.0	0	945.0	0.0
Wildlife Management	2,947.8	0	2,483.0	542.0
Forestry	5,232.3	0	1,761.0	798.0
Facilities and Land	5,831.5	0	5,663.0	513.0
Water Resources	11,434.5	0	19,353.0	1,571.0
Small and On-going Projects	6,695.8	0	4,467.0	10,058.5
Data Orders	475.0	0	1,037.5	0.0
Support Services	1,673.5	0	2,207.0	0.0
Total	34,903.4	0	37,916.5	13,482.5

As Table 1 illustrates, all available staff hours were utilized in FY99, and 3,000 more hours are already committed for FY00.

Position Needs

DNR continues to rely on LTE positions to cover GEO workload, which allows them to address increased customer demand. Currently, DNR utilizes 12.5 full-term equivalent LTE positions and plans on utilizing additional LTE positions to meet projected growth. Table 2 provides additional detail on DNR's workload projections.

Table 2: Available and Needed Production Unit Capacity

	FY00
Available Base Staff Hours (Billable Hours)	
Permanent Hours	22,838
LTE Hours	23,877
Total Available Staff Hours	46,715
Workload	
Committed Workload	37,916.5
Anticipated Workload (DNR Programs) ¹	13,482.5
Total Workload (Committed and Projected)	51,399.0
Available Staff Hours Less Committed Workload	8,798.5
Available Staff Hours Less Total Workload	(4,684)

¹ DNR expects that these projects will become committed workload upon passage of the 1999-2001 biennial budget.

Demand for qualified GIS employees continues to grow as the computer software becomes more user friendly and as more situations requiring GIS data are identified. DNR has found it difficult to hire and retain trained personnel because of its reliance on LTE positions. As Table 2 illustrates,

over 50 percent of available staff hours are provided by LTE positions. As governmental units and organizations become more knowledgeable in GIS, demand for qualified personnel has increased. DNR indicates that recruiting for LTE positions has become more difficult and that less qualified candidates have been hired to meet demand.

Because of the short-term nature of the position, LTE staff members are difficult to retain. Before beginning to produce billable hours, each new GIS LTE position receives three to six months of training at a cost of \$500 to \$1,500 per position. Once staff members are trained, they are often recruited for permanent positions in other government agencies or in the private sector. To compete with other employers, DNR has requested the permanent positions so that it can offer qualified candidates better incentives and improve retention of staff.

If the request for additional permanent staff is not approved, DNR will continue to operate at the current or increased level of LTE staff to meet demand. Since fiscal year 1996-1997, the GIS production unit has experienced an LTE position turnover rate of approximately 20 percent. This level of turnover has reduced the production unit's ability to meet deadlines and produce a high quality product because project leaders and senior employees must allocate time away from production to the recruitment, interviewing, orientation and training of new staff.

DNR previously requested the creation of 2.0 FTE permanent positions to convert trained LTE staff to permanent status. The current request for 4.0 FTE positions reflects an increase in reliance on LTE staff since the earlier request. However, DNR currently has 2.0 FTE permanent positions vacant in the production unit. Approval of the previously requested 2.0 FTE permanent positions, along with the filling of the 2.0 FTE vacant positions, would provide 4.0 FTE positions for retention of trained staff.

RECOMMENDATION:

Approve 2.0 FTE permanent positions for development of GIS data, under s. 20.370(8)(nk) (geographic information systems, general program operations -- service funds).

DATE: April 29, 1999 *Pick*
TO: Richard G. Chandler, State Budget Director
Department of Administration
FROM: George Meyer, Secretary *George*
Department of Natural Resources

MAY - 7 1999

SUBJECT: Position Authorization Request under s. 16.505 Wisconsin Statutes for GIS Staffing

The Department of Natural Resources (DNR) requests 4.0 FTE permanent position authority under s. 16.505 in PRS Appropriation (8)(nk) for the Bureau of Enterprise Information Technology and Applications, GEO Services Section. The positions are requested effective June 7, 1999. This request will allow the Geographic Services Section to convert equivalent LTE positions to permanent status, thereby being able to more effectively serve the GIS and mapping needs of DNR. The proposed positions will be in the Information Systems (IS) Professional occupational area, classified as Geographic Applications Analyst, Geographic Cartographer, and/or Geographic Data Professional. We propose that these positions be approved for use at the Entry/Intermediate/Senior level, to allow flexibility in recruitment to meet charge-back production requirements.

No additional spending authority is required in FY 99. The Bureau will absorb any additional FY 99 salary and fringe costs within current expenditure authority.

The need for quality GIS applications and data development continues to grow steadily in many DNR programs, and GEO Services has been successful in meeting these needs. We anticipate that this workload will continue to increase. Revenues from the charge-back PGA Unit of GEO Services totaled \$787,700 in FY 97 and \$930,000 in FY 98. Revenues for FY 99 are projected at more than \$1,000,000, rising at an annual rate of approximately \$100,000 per year in the 00-01 biennium.

The proposed new permanent positions are essential to the success of major initiatives identified in DNR's Strategic Information Technology Plan submitted to the Department of Administration in October of 1998. The plan clearly identifies the importance to the agency of a number of strategic projects which require GIS support. These projects include: the Aquatic and Terrestrial Resource Inventory (ATRI); the FACT System for public access to environmental data; the GIS Framework and Data Collection initiative; GIS support for DNR Region and Geographic Management Unit (GMU) staff; the DNR Land Ownership and Surface Water GIS Layer development; the agency-wide Distributed GIS initiative for data and application distribution; and Internet Map Server technology development.



LTE expenditures have remained consistently high. PRS expenditures for LTEs in the GEO Services Section totaled \$121,644 in FY97 and rose to \$186,847 in FY98. PRS expenditures for LTEs during FY99 are anticipated to total \$270,000. GEO Services currently employs 14 LTE employees who work the equivalent of 11 full-time positions. These figures indicate an excessive reliance on LTEs to complete critical workload assignments, especially in light of the amount of specialized technical training invested, and the relatively high rate of LTE turnover.

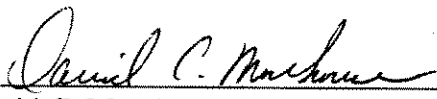
Increased growth of program GIS project needs has forced GEO Services to assign vital work assignments to LTE positions during the last 24 months. Recently, we have experienced turnover of key senior-level LTEs, which has impaired progress on several major GIS project initiatives. Additionally, the current market for Geographic Information Systems professionals is very competitive, and it is difficult to recruit and retain qualified people for temporary LTE positions.

This request will raise the total number of permanent PRS positions from 15 FTE to 19 FTE and will leave a minimum of 9 full-time equivalent LTEs employed in the GEO Services Section. However, given workload demands, GEO Services anticipates that it will hire at least two additional LTEs, which will result in a net LTE decrease of two. This level of LTE hours will provide a margin of safety in the unlikely event that workload estimates are less than anticipated.

If you have additional questions, please contact Joy Stewart in the Bureau of Management and Budget at 266-2159.

Thank you for your assistance.

Approved:


David C. Morehouse, Administrator
Administration & Technology Division

Date

4/23/99

Cc: David Morehouse - AD/5
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Shelly Young - FN/1
Sharon Michel - ET/8
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