

Recommendation at Agency Level

BASS - BDS024

State of Washington

Recommendation Summary

Agency: **179 Department of Enterprise Services**

8:57:04AM

9/2/2016

Dollars in Thousands

	Annual Average FTEs	General Fund State	Other Funds	Total Funds
2015-17 Current Biennium Total				
CL AA Carry Forward	772.8	660	319,696	320,356
Total Carry Forward Level	772.8	660	319,696	320,356
Percent Change from Current Biennium				
Carry Forward plus Workload Changes	772.8	660	319,696	320,356
Percent Change from Current Biennium				
M2 8U Utility Rate Adjustments			1,556	1,556
Total Maintenance Level	772.8	660	321,252	321,912
Percent Change from Current Biennium				
PL AC Capitol Campus Security Program	2.0		3,173	3,173
PL AE Risk Mgt Info Sys Replacement Proj	3.8		1,758	1,758
PL AF Real Estate Srvcs Funding Alignment				
PL AG Campus Heat and Power Plant Debt			5,491	5,491
PL AH DOT Building Preservation Debt			197	197
PL AI Campus Undergrd Utility Repair Debt			296	296
PL AJ E Plaza Water&Elevator Repair Debt			451	451
PL AK Transfer DES application support	29.0		9,654	9,654
Subtotal - Performance Level Changes	34.8		21,020	21,020
2017-19 Total Proposed Budget	807.6	660	342,272	342,932
Percent Change from Current Biennium				

Recommendation Summary

Agency: 179

8:57:04AM

9/2/2016

Dollars in Thousands

Annual Average FTEs	General Fund State	Other Funds	Total Funds
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M2 8U Utility Rate Adjustments

The Department of Enterprise Services (DES) partners with local utility companies, the Washington State Patrol (WSP), the Olympia Fire Department (OFD), and Kone Inc. to provide building utilities, security, fire protection and elevator maintenance services, respectively. This decision package requests funding for increases to the utilities and contracts in the 17-19 biennium.

PL AC Capitol Campus Security Program

The multiple partners sharing responsibility for Capitol Campus security, currently struggle with providing adequate support for the security and safety of 6,000 + state employees and 500,000 + annual campus visitors. Security systems on the Capitol Campus are antiquated, failing, and do not provide adequate support for campus security and safety. Challenges include: multiple security systems, aging and obsolete security system technology and infrastructure, and limited capacity for coordinated management of the Capitol campus security operations. In collaboration with our campus security partners, DES has developed a strategy to respond to these challenges and fulfill our responsibilities for the campus security program. This request will implement a suite of enterprise security applications for the Capitol campus to improve campus safety and security. Additionally, the implementation of a shared infrastructure would enable state agencies to leverage the systems in their off campus properties, providing the opportunity for cost avoidance through economies of scale. A companion request in the capital budget invests in infrastructure and technology improvements necessary to support the Capitol Campus Security Program (CCSP).

PL AE Risk Mgt Info Sys Replacement Proj

The Risk Management Information System used by the state Department of Enterprise Services, Office of Risk Management for tracking and managing tort claims filed against the State of Washington is no longer updated, actively maintained or supported by the vendor. ORM seeks to replace this aged system to reduce risk of failure and to better meet its business needs and those of its customer agencies.

PL AF Real Estate Svcs Funding Alignment

The cost recovery methods for the Department of Enterprise Services Real Estate Services Division (RES) are adjusted to better reflect current activity levels. In 2010 the Department of Social and Health Services (DSHS) facilities team was consolidated into the statewide team at what is now DES and the amount to recover the cost of DSHS-related services was estimated. Revised estimates indicate a need to realign the lease renewal and DSHS fees to current work patterns. This adjustment is revenue neutral.

In the 2015-2017 biennium \$1,750,000 in revenue was obtained through an inter-agency agreement (IAA) to support services provided to DSHS. DES proposes that in the 2017-2019 biennium the DSHS IAA be reduced by (\$1,150,000) and the CSBM for lease renewal activity increase by \$1,150,000 per year.

CSBM allocation (04/20/000523)	\$1,150,000
DSHS IAA (04/20/000514)	(\$1,150,000)

PL AG Campus Heat and Power Plant Debt

Recommendation Summary

Agency: 179

8:57:04AM

9/2/2016

Dollars in Thousands

Annual Average FTEs	General Fund State	Other Funds	Total Funds
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This request is for the debt service costs associated with the Campus Combined Heat and Power Plant project that was submitted in the Department of Enterprise Services (DES) 17-27 Capital Budget request. The Campus Combined Heat and Power Plant project proposes to construct a new central power plant facility on the east campus. The new facility would mitigate all environmental and safety concerns that occur in the current 90-year old steam system. In addition, the new facility would reduce operating costs, reduce carbon emissions and ensure a cost effective growth option for the Capitol Campus in the future.

PL AH DOT Building Preservation Debt

This request is for the debt service costs associated with the Department of Transportation Building Preservation project that was submitted in the Department of Enterprise Services (DES) 17-27 Capital Budget. The building systems in the 45-year old Transportation Building are failing. The building envelope, HVAC system and plumbing systems have caused damage to the interior and exterior components of the building. These failures create risks to the health and safety of tenants and affect the continuity of the Department of Transportation's (DOT) operations. In addition, the facility also needs seismic upgrades to reduce the risk of life-threatening injuries in the event of an earthquake.

PL AI Campus Undergrd Utility Repair Debt

This request is for the debt service costs associated with the Capitol Campus Underground Utility Repair project that was submitted in the Department of Enterprise Services (DES) 17-27 Capital Budget. This project corrects critical infrastructure failures and safety risks on the Capitol Campus. The current system has broken sewer lines, constricted egress, failing water and irrigation mains and failing electrical utility equipment. Current conditions are unacceptable to campus tenant, and will continue to worsen with time.

PL AJ E Plaza Water&Elevator Repair Debt

This request is for the debt service costs associated with the East Plaza Water Infiltration and Elevator Repairs project that was submitted in the Department of Enterprise Services (DES) 17-27 Capital Budget. The East Plaza parking garage, which houses 2,000 vehicles for approximately 3,000 staff is a key component of the Capitol Campus infrastructure. The southern portion of the East Plaza Garage roof has been leaking for over 12 years and as a result has caused significant deterioration to the structure. The corrosive and invasive leaks have created significant risks to employees and visitors. The East Plaza Water Infiltration project would replace the Plaza Garage roof and the plaza surface and landscaping.

PL AK Transfer DES application support

In July 2015, all information technology activities at the Department of Enterprise Services (DES) were moved to the Consolidated Technology Services (CTS) agency as part of a realignment of technology activities in state government. Since that time, DES and CTS have determined that some of the transferred activities, those related to DES applications support, would be a better fit at DES. This proposal is a budget-neutral transfer of costs and revenue that enables CTS to focus on truly statewide technology service offerings, and enables DES to manage the systems which support its business as is the case with other agencies.

Decision Package Summary

BASS - BDS031

State of Washington

Agency Budget Request Decision Package Summary

(Lists only the agency Performance Level budget decision packages, in priority order)

Agency: **179 Department of Enterprise Services**

Budget Period: **2017-19**

Decision Package

<u>Code</u>	<u>Decision Package Title</u>
PL-AC	Capitol Campus Security Program
PL-AK	Transfer DES application support
PL-AE	Risk Mgt Info Sys Replacement Proj
PL-AF	Real Estate Srvcs Funding Alignment
PL-AG	Campus Heat and Power Plant Debt
PL-AJ	E Plaza Water&Elevator Repair Debt
PL-AI	Campus Undergrd Utility Repair Debt
PL-AH	DOT Building Preservation Debt

Maintenance Level Decision Packages

M2-8U Campus Utilities and Contracts

2017-19 Biennium Budget Decision Package

Agency: 179 - Department of Enterprise Services

Decision Package Code/Title: 8U - Campus Utilities and Contracts

Budget Period: 2017-19

Budget Level: M2 - Inflation and Other Rate Changes

Agency Recommendation Summary Text:

The Department of Enterprise Services (DES) partners with local utility companies, the Washington State Patrol (WSP), the Olympia Fire Department (OFD), and Kone Inc. to provide building utilities, security, fire protection and elevator maintenance services, respectively. This decision package requests funding for increases to the utilities and contracts in the 17-19 biennium.

Fiscal Summary: Decision package total dollar and FTE cost/savings by year, by fund, for 4 years. Additional fiscal details are required below.

Operating Expenditures	FY 2018	FY 2019	FY 2020	FY 2021
045-6 State Vehicle Parking Account – Non-Appropriated	107,000	108,000	107,000	108,000
422-6 Enterprise Services Account – Non-Appropriated	670,000	671,000	670,000	671,000
Total Cost	777,000	779,000	777,000	779,000
Staffing	FY 2018	FY 2019	FY 2020	FY 2021
FTEs	0	0	0	0
Revenue	FY 2018	FY 2019	FY 2020	FY 2021
045 - State Vehicle Parking Account – 0402 Income From Property	107,000	108,000	107,000	108,000
422 - Enterprise Services Account – 0402 Income From Property	670,000	671,000	670,000	671,000
Object of Expenditure	FY 2018	FY 2019	FY 2020	FY 2021
E – Goods\Other Services	777,000	779,000	777,000	779,000

Package Description

DES has the responsibility to provide a safe and secure Capitol Campus with facilities that meet customer agency needs. DES partners with local utility companies, the Washington State Patrol (WSP), the Olympia Fire Department (OFD), and Kone Inc. to provide necessary building utilities, critical security fire protection services and elevator maintenance services. This decision package requests additional funding to maintain these services in the 17-19 biennium.

Base Budget: If the proposal is an expansion or alteration of a current program or service, provide information on the resources now devoted to the program or service. Please include annual expenditures and FTEs by fund and activity (or provide working models or backup materials containing this information).

Decision Package expenditure, FTE and revenue assumptions, calculations and details: Agencies must clearly articulate the workload or policy assumptions used in calculating expenditure and revenue changes proposed.

The total increase to utilities and campus contract expenses is estimated to be \$1,556,000 in the 17-19 biennium. This decision package also includes changes to campus contracts as a result of the new 1063 Building. These services are funded through the Central Service Billing Model (CSBM) by the following fees:

- Campus Rent(Utilities)
- Campus Rent (Parking)
- Public and Historic Fee

For facilities outside the CSBM, revenue is collected through negotiated tenant rent.

The table below shows the biennial increase for the utilities campus contract.

Utility Vendor	Biennial Increase
City of Olympia – Olympia Fire Dept.	\$200,000
Washington State Patrol	\$618,000
Elevator Contract	\$617,000
Sewer	\$14,000
Water	\$76,000
Natural Gas	\$23,000
Landfill	\$8,000
Total	\$1,556,000

The table below breaks out the utility and campus contract increases by fee. It also displays the incremental impact to each fee.

Funding Sources for WSP, OFD, and Kone Contracts by Line of Business

Contractor	Central Service Billing Model			Fee for Service		Biennial Increase
	On Campus Office-Utilities & Contracts	PHF	Parking (1)	Off Campus Office	Parking-Employee & Other(1)	
WSP	\$ 136,000	\$ 362,000	\$ 25,000	\$ 7,000	\$ 88,000	\$ 618,000
OFD	\$ 111,000	\$ 9,000	\$ 16,000	\$ 7,000	\$ 57,000	\$ 200,000
Elevator	\$ 390,000	\$ 45,000	\$ 6,000	\$ 156,000	\$ 20,000	\$ 617,000
Utilities	\$ 58,000	\$ 57,000	\$ 1,000	\$ 3,000	\$ 2,000	\$ 121,000
Grand Total	\$ 695,000	\$ 473,000	\$ 48,000	\$ 173,000	\$ 167,000	\$ 1,556,000

Notes: (1) Parking is distributed between the CSB 22% and Fee for Service 78% based on the current participation of Revenues.

Rate Impacts by Contract and Line of Business

Unit Factor/ Allocation Basis	Central Service Billing Model			Fee for Service	
	On Campus Office-Utilities & Contracts	PHF	Parking (1)	Off Campus Office	Parking-Employee & Other(1)
	Occupied RSF	Thurston County	Occupied RSF	Occupied	Parking Stall
Total Units	1,775,898	23,124	1,775,898		
2015-17 Current Rate per Unit	\$ 5.53	\$ 189.33	\$ 0.42	Varies (2)	Varies (3)
	Incremental Increase in Unit Cost				
WSP	\$ 0.08	\$ 15.65	\$ 0.01		
OFD	\$ 0.06	\$ 0.39	\$ 0.01		
Elevator	\$ 0.22	\$ 1.95	\$ 0.00		
Utilities	\$ 0.03	\$ 2.46	\$ 0.00		
Increase Incremental Rate	\$ 0.39	\$ 20.45	\$ 0.02		
2017-19 Adjusted Rate	\$ 5.92	\$ 209.78	\$ 0.44		

Notes: (1) Parking is distributed between the CSB 22% and Fee for Service 78% based on the current participation of Revenues.

(2) Off Campus Rental Rates are negotiated and typically based on Market Rates within the location of the Office Facility. Adjustments to these rates will have to be negotiated with client agencies in DES Off Campus Facilities.

(3) Parking stalls, have a variety of rates including; Zoned, Assigned, Agency Assigned, Metered Parking, & Motorcycle.

Decision Package Justification and Impacts

What specific performance outcomes does the agency expect?

Describe and quantify the specific performance outcomes the agency expects as a result of this funding change.

The Washington State Patrol (WSP) and the Olympia Fire Department (OFD) provide essential security and fire protection services to the Capitol Campus. These life safety services are necessary to ensure the safety and security of state employees and visitors to the Capitol Campus. Kone Incorporated (Kone) provides essential elevator and conveyance services for 84 elevators on the Capitol Campus to ensure elevators in all state owned facilities are fully functional.

Performance Measure detail: B017 – Asset Management

Fully describe and quantify expected impacts on state residents and specific populations served.

This request would ensure state employees and visitors of the Capitol Campus would have a safe, fully operational campus in which they can conduct necessary state business.

This package will continue to support 8 WSP troopers on the Capitol Campus. Troopers provide critical daily enforcement support to the Capitol Campus. Increased enforcement services are available during legislative sessions, First Amendment events and other events as necessary to ensure the safety of employees and visitors of the Campus.

Kone, Inc. provides necessary elevator maintenance and repair services to the Capitol Campus. In the past year there have been 27 elevator entrapments, 98 stuck elevators and 242 elevator repairs. Adequate funding is needed to properly maintain the elevators and significantly reduce the number of malfunctions, breakdowns, and unplanned repairs.

What are other important connections or impacts related to this proposal? Please complete the following table and provide detailed explanations or information below:

Impact(s) To:		Identify / Explanation
Regional/County impacts?	No	Identify:
Other local gov't impacts?	Yes	Identify: City of Olympia will receive funding for the fire protection on the Capitol Campus.
Tribal gov't impacts?	No	Identify:
Other state agency impacts?	Yes	Identify: Capitol campus tenants receive the benefit of these services
Responds to specific task force, report, mandate or exec order?	No	Identify:

Does request contain a compensation change?	No	Identify:
Does request require a change to a collective bargaining agreement?	No	Identify:
Facility/workplace needs or impacts?	No	Identify:
Capital Budget Impacts?	No	Identify:
Is change required to existing statutes, rules or contracts?	No	Identify:
Is the request related to or a result of litigation?	No	Identify lawsuit (please consult with Attorney General's Office):
Is the request related to Puget Sound recovery?	No	If yes, see budget instructions Section 14.4 for additional instructions
Identify other important connections		

Please provide a detailed discussion of connections/impacts identified above.

What alternatives were explored by the agency and why was this option chosen?

WSP is required by RCW 43.43.035 and 43.43.037 to provide security to the Governor and Legislature. DES has an inter-agency agreement (IAA) with the Washington State Patrol for Capitol Campus security.

RCW 35.21.775 requires DES to contract with the City of Olympia for an equitable share of fire protection for DES owned facilities.

RCW 70.87.060 requires DES to have an appointed agent (a contractor) to ensure elevators are in safe working order and that proper maintenance and testing has been completed during the time LNI has issued the operating permit.

What are the consequences of not funding this request?

If these contracts are not fully funded a reduction to these critical services would occur possibly resulting in the following consequences:

A reduction to the WSP contract could result in decreased security to the campus. The likely outcome is an increase in crime such as vandalism, graffiti, thefts, increased vagrancy and homeless camping. Costs incurred as a result of these potential outcomes could be substantial in clean up, repairs and replacement, shifting the costs to the maintenance and operations budgets. Reduced campus security also poses potential monetary risks to the state in the form of lawsuits should such events occur.

Since fire protection is a necessity, reduction of the Olympia Fire Contract is not a realistic option and would require that other activities such as maintenance and operations for the buildings on the campus be reduced to pay for the contract.

The Kone elevator contract keeps campus elevator and conveyance systems in service and compliant with state codes. Inadequate funding of this contract could result in entrapments, breakdowns and fines from the Department of Labor & Industries. Elevator closures would force employees and visitors to use auxiliary means of ingress and egress such as stair towers throughout the campus facilities, which would create compliance issues with barrier free code requirements. In addition, elevators that are not properly calibrated and synchronized can cause injuries, which could result in lawsuits to the state.

How has or can the agency address the issue or need in its current appropriation level?

Other supporting materials: Please attach or reference any other supporting materials or information that will help analysts and policymakers understand and prioritize your request.

Information technology: Does this Decision Package include funding for any IT-related costs, including hardware, software, services (including cloud-based services), contracts or IT staff?

No 

Yes Continue to IT Addendum below and follow the directions on the bottom of the addendum to meet requirements for OCIO review.)

Performance Level Decision Packages

PL-AC Capitol Campus Security

2017-19 Biennium Budget Decision Package

Agency: 179 Department of Enterprise Services

Decision Package Code/Title: AC Capitol Campus Security Program

Budget Period: 2017-19

Budget Level: PL – Performance Level

Agency Recommendation Summary Text:

The multiple partners sharing responsibility for Capitol Campus security, currently struggle with providing adequate support for the security and safety of 6,000 + state employees and 500,000 + annual campus visitors. Security systems on the Capitol Campus are antiquated, failing, and do not provide adequate support for campus security and safety. Challenges include: multiple security systems, aging and obsolete security system technology and infrastructure, and limited capacity for coordinated management of the Capitol Campus security operations. In collaboration with our campus security partners, DES has developed a strategy to respond to these challenges and fulfill our responsibilities for the campus security program. This request will implement a suite of enterprise security applications for the Capitol Campus to improve campus safety and security. Additionally, the implementation of a shared infrastructure would enable state agencies to leverage the systems in their off campus properties, providing the opportunity for cost avoidance through economies of scale. A companion request in the capital budget invests in infrastructure and technology improvements necessary to support the Capitol Campus Security Program (CCSP).

Fiscal Summary: Decision package total dollar and FTE cost/savings by year, by fund, for 4 years. Additional fiscal details are required below.

Operating Expenditures	FY 2018	FY 2019	FY 2020	FY 2021
422-6 Enterprise Services Account-Non-Appropriated	1,509,000	1,664,000	1,664,000	1,664,000
Total Cost	1,509,000	1,664,000	1,664,000	1,664,000
Staffing	FY 2018	FY 2019	FY 2020	FY 2021
FTEs	2	2	2	2
Revenue	FY 2018	FY 2019	FY 2020	FY 2021
422-6 Enterprise Services Account-Non-Appropriated 0402 – Income From Property	1,509,000	1,664,000	1,664,000	1,664,000
Object of Expenditure	FY 2018	FY 2019	FY 2020	FY 2021
A - Salaries	\$153,000	\$153,000	\$153,000	\$153,000
B - Benefits	\$49,000	\$49,000	\$49,000	\$49,000
E – Other Goods/Services	\$1,307,000	\$1,462,000	\$1,462,000	\$1,462,000

Package Description

The multiple partners sharing responsibility for Capitol Campus security, currently struggle with providing adequate support for the security and safety of 6,000 + state employees and 500,000 + annual campus visitors. Challenges include: multiple security systems, aging and obsolete security system technology and infrastructure, and limited capacity for coordinated planning and management of the Capitol Campus Security Program. This request provides for the planning capacity, software license costs, and technology support staff to operate and effective security program. A companion request in the capital budget invests in infrastructure and technology improvements.

The funding requested in this package would support: This request is to establish the CCSP which will develop and implement a comprehensive and coordinated security environment for the Capitol Campus. Working in partnership with Campus Security Partners and other state agencies the CCSP will provide a proactive and responsive security environment for the employees and visitors of the Capitol Campus facilities and grounds.

This request would also provide DES with necessary funding to expand our existing contract with the WSP to provide 24/7 security and law enforcement services to the Capitol Campus. The campus detachment staffing levels would change from the existing 8 WSP trooper detachment to 12 WSP troopers. At this time the WSP campus detachment does not provide full coverage 24/7, increasing the risk for inadequate or delayed response to campus security incidents during this time period.

For the purpose of this request, "Campus Security" is defined as the combination of policy, procedures, design features, equipment, and personnel needed to ensure the safety of people, property, and the continuity of government operations on the Capitol Campus.

The current state of physical security on the Capitol Campus is very poor, creating significant risk and exposure to property, employees as well as visitors. Presently, agencies have a variety of interest and areas of security operational responsibility, as described below, however DES has lacked the resources necessary to fulfill our responsibilities in maintain and operating an effective Capitol Campus Security Program.

- Washington State Patrol - Responsibility for law enforcement on the campus (RCW 43.43.035 and 43.43.037). This does not include responsibility for development or maintenance of a Campus Security program.
- Senate Security Director – Responsible for security of Senate occupied facilities and employees (Senate Rule 14).
- House Security Director – Responsible for security of House occupied facilities and employees (Authority of the Chief Clerk).
- Bailiff – Responsible for court security at the Temple of Justice facility and employees.
- Senate, House and Bailiff are Special Deputies as authorized by Thurston County Sheriff (RCW 36.28.010 and 36.28.020).
- DES – Responsible for care and custody of the campus as well as coordination of visitor services. DES has a patchwork of business activities that individually support security, but they are aging and obsolete, underfunded, and are not integrated in such a way to support an effective campus security program. (RCW 43.19)

- Other Campus Tenants – Individual agencies may or may not have a security program, as most expect this to be provided as a broader enterprise security program.

Security technology on the campus includes both aging and obsolete technology hardware. DES manages security devices from card readers, cameras, distress alarms, building controls systems and infrastructure vary in age from 5 – 20 years in age, do not provide adequate security protections, exposing the campus to risk of system failure. The systems that support these devices do not communicate with each other causing delayed response times, as well as delay's in the distribution of investigative evidence.

Recent examples of weaknesses in our systems and program include:

- **Security and Risk Mitigation Planning** – The Governor's Executive Order on State Agency Risk Management, Executive Order 16-06, requires agencies to address loss prevention and safety. At this time there isn't a coordinated approach to blend security and risk mitigation planning with security system technology, which aids in compliance.
- **Office Break-Ins** – Video and access systems fail to support the detections of office break-ins. Additionally, video equipment and building access controls are inadequate, providing poor video images of the perpetrators committing the crime as well as taking days, instead of hours to pull the video footage. It was only due to a combination of luck and the great work of the WSP that resulted in apprehension and conviction in a specific instance. The inadequacy of the equipment was also demonstrated by the poor video quality of the vehicle and inability to read the license plate or discern the bumper stickers on the back of the vehicle.
- **Drug use and Encampments** – There have been numerous instances of assault, disorderly conduct and rampant drug use at transient encampments at campus parks, to include a large volume of needles, presenting a danger to the public and staff tasked with cleaning up the campus grounds and restrooms.
- **Unauthorized Access** – Security equipment failures at the campus facilities have allowed unauthorized access, placing tenants, visitors, and property at risk.

While there are many more specific examples of security weaknesses, our greatest risk is for those security incidents we have not adequately planned for.

This request is for 2 FTEs, security system licensing costs, IT purchased services through WaTech, and an incremental increase in funding for WSP staffing to provide 24/7 law enforcement on the Capitol Campus. The WMS 3 FTE will serve as the DES Security Director and will be responsible for development, coordination and implementation of security policies, a coordinated incident response plan, supervision of DES security staff and operation of DES campus security systems.

Base Budget: If the proposal is an expansion or alteration of a current program or service, provide information on the resources now devoted to the program or service.

Please include annual expenditures and FTEs by fund and activity (or provide working models or backup materials containing this information).

DES Security and Access staffing and system costs are funded through tenant rental rates.

Agency	FTEs	Fund	Activity	Source/Funds	FY 2016
DES	5.25	422	Physical Security. Includes hard key, card key, cameras, distress alarms	Tenant rental rates	\$1,399,000

Decision Package expenditure, FTE and revenue assumptions, calculations and details: Agencies must clearly articulate the workload or policy assumptions used in calculating expenditure and revenue changes proposed.

Decision package FTE expenditure assumptions are as follows:

Service	Salary (Object A)	Benefits (Object B)	Other Purchased Services (Object E)	Total
Fiscal Year 18				
Security Director (WMS 3)	\$100,000	\$32,000	\$183,000	\$315,000
Management Analyst 2	\$53,000	\$17,000	\$29,000	\$99,000
IT Infrastructure (WaTech)			\$115,000	\$115,000
Security System Licensing			\$0	\$0
24X7 WSP Security			\$980,000	\$980,000
Fiscal Year 18 Total				\$1,509,000
Fiscal Years 19-21				
Security Director (WMS 3)	\$100,000	\$32,000	\$183,000	\$315,000
Management Analyst 2	\$53,000	\$17,000	\$29,000	\$99,000
IT Infrastructure (WaTech)			\$115,000	\$115,000
Security System Licensing			\$155,000	\$155,000
24X7 WSP Security			\$980,000	\$980,000
Fiscal Years 19-21 Total				\$1,664,000

Decision Package Justification and Impacts

What specific performance outcomes does the agency expect?

Describe and quantify the specific performance outcomes the agency expects as a result of this funding change.

Performance Measure detail: In funding this package, DES expects the following performance outcomes:

- Compliance with Office of Chief Information Officer (OCIO) IT Security Policy 141.10.5.1 through establishment of a cross campus shared service network.
- Compliance with the Governor’s Executive Order 16-06 on State Agency Risk Management through the creation of a Risk mitigation and loss prevention plan.
- Centralized monitoring, alerting and reporting.
- Detailed alerts delivered automatically and in real time to the people who need to know what is happening and what to do about it.
- Skilled and knowledgeable Security Director who can manage and provide effective management of the Capitol Campus Security Program.
- A security culture that supports government security priorities but can be adjusted to align with individual agency priorities and appreciation for risk.
- A single point of contact for Campus Security who will coordinate the response to an average of 236 incidents per year.
- Implementation of Security policies and procedures that reflect state and agency security objectives.
- Processes in place to regularly conduct risk and vulnerability assessments for buildings and other critical assets.
- Contingency plans in place establishing procedures to be followed in the event of specific types of threat (fire, bomb, and active-shooter).

- Confidence that the CCSP is effective for the safety and security of campus tenants and visitors.
- Updated building maps for Capitol Campus buildings.
- Improved situational awareness for DES and Campus Security Partners through analytics and other intelligent technologies.
- Plans for continuity of operations and campus emergency management.
- Integrated security systems that allow DES and campus security partners to quickly obtain security information from a single platform.
- A campus security system leveraged under a federated model to support both on-campus and off-campus facilities.
- Campus Security and Emergency Management planning, in accordance with the Governor's Directive 13-02 for Continuity of Government Operations Preparation, will be complete and kept current.

Fully describe and quantify expected impacts on state residents and specific populations served.

The current state of security on the Capitol Campus is disjointed, fragmented, inefficient and does not provide adequate support for the security and safety of 6,000 + state employees and 500,000 + annual campus visitors. Today's campus security approach is reactive and includes multiple security partners with separate security systems utilizing aging, and in many cases, obsolete security system technology on an information technology infrastructure that is not compliant with the OCIO security requirements.

The CCSP will improve security and situational awareness for the multiple partners sharing responsibility for Capitol Campus security and will shift the security approach from reactive to proactive through centralized monitoring, alerting and reporting. The CCSP will procure security technology through the corresponding Capital Budget request that will inform campus security teams before or as incidents happen, allowing for rapid response and precision monitoring which could eliminate or mitigate security incidents from occurring and ultimately will improve the safety and security of campus tenants and visitors.

State agencies and Campus Security Partners will benefit from CCSP centralized oversight and improved security culture. The CCSP will hire a skilled and knowledgeable Security Director who can manage day-to-day security operations and provide strategic direction for the future. This position will develop and implement enterprise security policies and procedures to include guidance to agencies on how to assess risks, threats and vulnerabilities related to agency operations. The CCSP will also develop contingency plans for different types of threats and provide a single point of contact for campus security incidents.

State agencies and Campus Security partners will benefit from a cross campus shared service network that is OCIO IT security compliant. The cross campus shared service network upgrades will help mitigate the risk for a security breach of the IT infrastructure on the West Campus or SGN. These improvements also ensure the network can be expanded to support security operations.

The security technology purchases planned for in the companion request in the Capital Budget will help CCSP increase operational efficiency of DES, Campus Security Partners and other campus agencies through improved investigative capabilities, reduced investigation times and real-time access to security operations.

Visitors will benefit from an improved security culture, new security technology, and new policies and procedures designed to provide a safe and secure environment while visiting the Capitol Campus.

First responders, law enforcement, fire department and state agencies will benefit from updated building maps and detailed risk mitigation plans. This will improve DES, Campus Security Partners and agencies ability to rapidly respond to security incidents and protect campus assets.

Agencies and employees on the Capitol Campus will benefit from 24/7 coverage by WSP troopers. Currently WSP does not have a presence on campus at all times. This request will increase WSP law enforcement presence to 24/7 campus coverage and will provide for a rapid response to calls for service at all times, provide a deterrent for vandalism and other crimes, as well as improve the patrol's presence of campus parks, garages and other campus facilities.

What are other important connections or impacts related to this proposal? Please complete the following table and provide detailed explanations or information below:

Impact(s) To:		Identify / Explanation
Regional/County impacts?	Yes	Identify: While this system would support the Capitol Campus, DES and WSP do consult with other local and federal jurisdictions and share investigative material generated from security systems.
Other local gov't impacts?	Yes	Identify: While this system would support the Capitol Campus, DES and WSP do consult with other local and federal jurisdictions and share investigative material generated from security systems.
Tribal gov't impacts?	No	Identify:
Other state agency impacts?	Yes	Identify: All campus state agencies would benefit from up to date security systems and all state agencies could use this beyond the boundaries of campus.
Responds to specific task force, report, mandate or exec order?	Yes	Identify: Executive Order 16-06. This would aid in compliance with the Enterprise Risk Management order by creating plans and operational capacity to support safety and loss prevention.
Does request contain a compensation change?	No	Identify:
Does request require a change to a collective bargaining agreement?	No	Identify:
Facility/workplace needs or impacts?	Yes	Identify: This responds to state agencies updating security systems in owned and leased facilities.
Capital Budget Impacts?	Yes	Identify: This is a companion request and supports the Campus Security capital budget request.
Is change required to existing statutes, rules or contracts?	No	Identify:
Is the request related to or a result	No	Identify lawsuit (please consult with Attorney General's

of litigation?		Office):
Is the request related to Puget Sound recovery?	No	If yes, see budget instructions Section 14.4 for additional instructions
Identify other important connections		

Please provide a detailed discussion of connections/impacts identified above.

What alternatives were explored by the agency and why was this option chosen?

DES has explored alternatives to providing a Campus Security Program. Alternatives include:

Alternative 1 – Do Nothing

The campus would continue to have independent security plans and agencies would continue to move down their own path of security. This would continue the disjointed, fragmented and inefficient security model we have today. There would continue to be periods of time on the campus that lacked law enforcement presence, limiting WSP’s ability to respond rapidly to security incidents 24/7 and thereby increasing the risks to employees, visitors and property.

This alternative would also result in DES remaining out of compliance with Executive Order 16-06 (Enterprise Risk Management) and OCIO IT Security Compliance 141.10.5.1

Alternative 2 – Establish the CCSP, Fund IT costs and the WSP 24/7 detachment

This is the recommended alternative. This alternative would establish the CCSP and implement a comprehensive and coordinated security environment on the Capitol Campus. In addition it would provide funding for security system licensing and would mitigate the risk that WSP would not be able to respond rapidly to security incidents on the campus. This will improve the operational efficiency of DES, Campus Security Partners, and other state agencies and could provide cost savings or cost avoidance through elimination or need for multiple stand-alone systems.

What are the consequences of not funding this request?

Campus security operations as well as aging and obsolete systems will continue to fail. Agencies could potentially use their own funding sources to pay to increase their security, which would cause further gaps in coverage and longer response times by WSP and campus security partners. In addition, the following will occur:

- Security technology will continue to become further outdated, unsupported and lead to widespread failures.
- Higher maintenance/break and fix costs and lead toward potential emergency funding if the systems fail entirely.
- Continued issues with apprehension of criminal acts and ability to prosecute due to lack of quality video.
- Continued lack of situational awareness. Employees and visitors of the campus will receive late notifications of security and emergency incidents.
- Continued lack of proper response times to security threats.

- Agencies will continue to spend additional money to independently address their security needs (technology and operations), which will fracture the system that our security partners use. This creates additional state expenses as well as inefficiencies.
- The safety and security of campus tenants and visitors will remain at current risk levels.

How has or can the agency address the issue or need in its current appropriation level?

DES does not have the ability to fund this need within its current appropriation level. DES would have to cut other services to meet this need.

Other supporting materials: Please attach or reference any other supporting materials or information that will help analysts and policymakers understand and prioritize your request.

Information technology: Does this Decision Package include funding for any IT-related costs, including hardware, software, services (including cloud-based services), contracts or IT staff?

No 

Yes Continue to IT Addendum below and follow the directions on the bottom of the addendum to meet requirements for OCIO review.)

2017-19 IT Addendum

PART 1: ITEMIZED IT COSTS

Please itemize any IT-related costs, including hardware, software, services (including cloud-based services), contracts (including professional services, quality assurance, and independent verification and validation), or IT staff. Be as specific as you can. (See chapter 12.1 of the operating budget instructions for guidance on what counts as “IT-related costs”)

Information Technology Items in this DP <i>(insert rows as required)</i>	FY 2018	FY 2019	FY 2020	FY 2021
1 WMS 3- Security Director	315,000	315,000	315,000	315,000
1 Management Analyst 2	99,000	99,000	99,000	99,000
IT Infrastructure	115,000	115,000	115,000	115,000
Security System Licensing	0	155,000	155,000	155,000
Total Cost	529,000	684,000	684,000	684,000

PART 2: IDENTIFYING IT PROJECTS

If the investment proposed in the decision package is the development or acquisition of an IT project/system, or is an enhancement to or modification of an existing IT project/system, it will also be reviewed and ranked by the OCIO as required by RCW 43.88.092. The answers to the three questions below will help OFM and the OCIO determine whether this decision package is, or enhances/modifies, an IT project:

- Does this decision package fund the development or acquisition of a new or enhanced software or hardware system or service? Yes No
- Does this decision package fund the acquisition or enhancements of any agency data centers? (See [OCIO Policy 184](#) for definition.) Yes No
- Does this decision package fund the continuation of a project that is, or will be, under OCIO oversight? (See [OCIO Policy 121](#).) Yes No

If you answered “yes” to any of these questions, you must complete a concept review with the OCIO before submitting your budget request. Refer to chapter 12.2 of the operating budget instructions for more information.

2017-19 Biennium Budget Decision Package

Agency: 179 - Department of Enterprise Services

Decision Package Code/Title: AK - Transfer DES application support

Budget Period: 2017-2019 Biennium

Budget Level: PL - Performance Level

Agency Recommendation Summary Text:

In July 2015, all information technology activities at the Department of Enterprise Services (DES) were moved to the Consolidated Technology Services (CTS) agency as part of a realignment of technology activities in state government. Since that time, DES and CTS have determined that some of the transferred activities, those related to DES applications support, would be a better fit at DES. This proposal is a budget-neutral transfer of costs and revenue that enables CTS to focus on truly statewide technology service offerings, and enables DES to manage the systems which support its business as is the case with other agencies.

Fiscal Summary: Decision package total dollar and FTE cost/savings by year, by fund, for 4 years. Additional fiscal details are required below.

Operating Expenditures	FY 2018	FY 2019	FY 2020	FY 2021
422-6 Enterprise Services Account-Non-Appropriated	4,827,000	4,827,000	4,827,000	4,827,000
Total Cost	4,827,000	4,827,000	4,827,000	4,827,000
Staffing	FY 2018	FY 2019	FY 2020	FY 2021
FTEs	29.0	29.0	29.0	29.0
Revenue	FY 2018	FY 2019	FY 2020	FY 2021
422-6 Enterprise Services Account -0420-Charges for Services	4,635,000	4,635,000	4,635,000	4,635,000
Object of Expenditure	FY 2018	FY 2019	FY 2020	FY 2021
A - Salaries And Wages	1,621,000	1,621,000	1,621,000	1,621,000
B - Employee Benefits	835,000	835,000	835,000	835,000
E - Goods\Other Services	2,371,000	2,371,000	2,371,000	2,371,000

Package Description

In July 2015, all information technology activities at the Department of Enterprise Services (DES) were moved to the Consolidated Technology Services (CTS) agency as part of a realignment of technology

activities in state government. Since that time, DES and CTS have determined that some of the transferred activities, those related to DES applications support, would be a better fit at DES. This proposal is a budget-neutral transfer of costs and revenue that enables CTS to focus on truly statewide technology service offerings, and enables DES to manage the systems which support its business.

The services offered by a business and the technology that supports these services grow ever more inseparable. This is one reason why almost every agency in state government directs or manages the applications that deliver its services.

Over the last 5 years, the state has experimented with different configurations of organizing IT in state government. Part of this experiment has explored the concept of a shared service provider for application services, first at DES and now CTS. The experiment has produced some lasting learnings. DES intends to continue to buy some specialized application support services, in addition to non-application services such as desktop and LAN support, from CTS.

However the agencies have agreed the move of DES application management to DES will strengthen the strategic focus of CTS and provide DES more nimbleness in addressing its business needs.

Today, DES pays CTS directly for some of these services. Others are funded through the Enterprise System Fee (ESF) and other revenue sources. The proposal transfers revenue and expenditure authority currently related to the ESF and other sources to DES. DES intends to purchase some application-related support services from CTS, but will need expenditure authority and revenue to do so.

Base Budget: If the proposal is an expansion or alteration of a current program or service, provide information on the resources now devoted to the program or service. Please include annual expenditures and FTEs by fund and activity (or provide working models or backup materials containing this information).

This proposal is only a transfer of existing activity from CTS to DES.

Decision Package expenditure, FTE and revenue assumptions, calculations and details: Agencies must clearly articulate the workload or policy assumptions used in calculating expenditure and revenue changes proposed.

- Timekeeping data over two years was used to determine the number of FTEs contributing to direct application support for DES systems. The number of indirect application support FTEs related to DES systems was estimated by CTS. (approx. 29 FTEs total)
- A software inventory was prepared and the actual costs for DES-specific business software were identified.
- CTS has a cost pool for capturing the costs of people and goods and services which support all of the different applications cost centers. These support activities include things like the help desk, system operations, application servers and related software, etc. CTS allocates these costs to the application cost centers on the basis of direct costs. This method was used to estimate the share of costs related to DES applications. DES expects to continue to buy a number of these services from CTS on a contract basis. DES will need expenditure authority for both the self-provided and purchased services.
- The cost estimates also include known amounts for service contracts and estimates for training, equipment and supplies.
- CTS and DES have estimated the costs of external and internal indirect cost allocations associated with DES applications.

Decision Package Justification and Impacts

What specific performance outcomes does the agency expect?

Describe and quantify the specific performance outcomes the agency expects as a result of this funding change.

Performance Measure detail:

Fully describe and quantify expected impacts on state residents and specific populations served.

Government services cannot be delivered today in a way that meets customer needs and expectations without technology. Technology and business strategy are intertwined. DES believes it can deliver better service to customers if it can respond nimbly and strategically in how those services are delivered and in how to adapt and improve its business processes. CTS has an important mission to supply statewide technology services and strategy; the micro-focus of DES business will understandably not be a core concern. Moving DES systems to DES, allows the reunion of technology and strategy at the agency that will enable DES to prioritize its resources and efforts to maximize value to customers.

What are other important connections or impacts related to this proposal? Please complete the following table and provide detailed explanations or information below:

Impact(s) To:		Identify / Explanation
Regional/County impacts?	No	Identify:
Other local gov't impacts?	No	Identify:
Tribal gov't impacts?	No	Identify:
Other state agency impacts?	No	Identify:
Responds to specific task force, report, mandate or exec order?	No	Identify:
Does request contain a compensation change?	No	Identify:
Does request require a change to a collective bargaining agreement?	No	Identify:
Facility/workplace needs or impacts?	No	Identify:
Capital Budget Impacts?	No	Identify:
Is change required to existing	No	Identify:

statutes, rules or contracts?		
Is the request related to or a result of litigation?	No	Identify lawsuit (please consult with Attorney General's Office):
Is the request related to Puget Sound recovery?	No	If yes, see budget instructions Section 14.4 for additional instructions
Identify other important connections		

Please provide a detailed discussion of connections/impacts identified above.

What alternatives were explored by the agency and why was this option chosen?

DES explored the option of retaining CTS as a full service application support provider and continued to evaluate its experience with CTS. While the level of technical support from the technical staff has been excellent under this arrangement, there has been less capacity for strategic business support. This is understandable given CTS's statewide focus. CTS has agreed from the outset that the management and support of DES applications would be best situated within DES. A closer alignment of technical and business expertise at DES will help us deliver better solutions as needed to meet customer needs.

What are the consequences of not funding this request?

DES will continue to receive services from CTS and will seek to improve the partnership and access to strategic technology leadership support that we feel is necessary for a successful business endeavor.

How has or can the agency address the issue or need in its current appropriation level?

This proposal simply transfers revenue and expenditure authority between DES and CTS and is a budget-neutral proposal.

Other supporting materials: Please attach or reference any other supporting materials or information that will help analysts and policymakers understand and prioritize your request.

Information technology: Does this Decision Package include funding for any IT-related costs, including hardware, software, services (including cloud-based services), contracts or IT staff?

No 

Yes Continue to IT Addendum below and follow the directions on the bottom of the addendum to meet requirements for OCIO review.)

2017-19 Biennium Budget Decision Package

Agency: 179 - Department of Enterprise Services

Decision Package Code/Title: AE - Risk Management Information System Replacement Project

Budget Period: 2017-2019 Biennium

Budget Level: PL – Performance Level

Agency Recommendation Summary Text: The Risk Management Information System used by the state Department of Enterprise Services, Office of Risk Management for tracking and managing tort claims filed against the State of Washington is no longer updated, actively maintained or supported by the vendor. ORM seeks to replace this aged system to reduce risk of failure and to better meet its business needs and those of its customer agencies.

Fiscal Summary: Decision package total dollar and FTE cost/savings by year, by fund, for 4 years. Additional fiscal details are required below.

Operating Expenditures	FY 2018	FY 2019	FY 2020	FY 2021
546-6 Risk Management Admin Account – Non-Appropriated	\$1,358,000	\$400,000	\$250,000	\$250,000
Total Cost	\$1,358,000	\$400,000	\$250,000	\$250,000
Staffing	FY 2018	FY 2019	FY 2020	FY 2021
FTEs	3.8	1.0	0	0
Revenue	FY 2018	FY 2019	FY 2020	FY 2021
546 Risk Mgmt. Admin Acct; 0420 Charges for Services	\$1,358,000	\$400,000	\$250,000	\$250,000
Object of Expenditure	FY 2018	FY 2019	FY 2020	FY 2021
A – Salaries and Wages	\$316,000	\$82,000	0	0
B – Employee Benefits	\$97,000	\$25,000	0	0
E – Goods/Other Services	\$945,000	\$293,000	\$250,000	\$250,000

Package Description

The DES Office of Risk Management (ORM) currently uses a Risk Management Information System (RMIS) to administer the tort claims process for the state’s Self-Insurance Liability Program. As tort claims are filed against the State of Washington they are entered into the system. Activity is logged in the system throughout the life of the claim. The ORM and state agency risk managers use the system to process, track and monitor claims and also for some reporting needs. Approximately 4,000 tort claims are filed with ORM every year.

On June 3, 2014, the RMIS vendor (Ventiv) announced the version of their system (iVOS) currently in use would no longer be maintained or supported. This vendor cited a move away from client-server technology to cloud-based software-as-a-service technology. (Subsequently, the company sold its technology business and product to another company.) The version of the iVOS system used by the state is now obsolete, unsupported by the vendor and does not meet the business needs of DES Risk Management and its customer agencies.

A system no longer supported by its vendor becomes increasingly vulnerable. The system no longer receives regular upgrades to keep it compatible with changes in browser and office productivity tools, to protect it from known security risks and to update it with current business changes and information. The system can become increasingly hard to use, more isolated from other tools and ultimately prone to failures.

ORM proposes to acquire, implement and maintain a software solution that is needed to support the state's tort claim process needs. The market refers to these claims processing tools as "Risk Management Information Systems". These systems are noted for having rich claims workflow processing capabilities combined with rich data analysis and reporting features.

RMIS systems now on the market provide not only claims processing tools, but also Enterprise Risk Management tools that are much needed by DES and its customer agencies. A new system would include features that support enterprise risk management, safety and loss prevention, insurance policy and exposure tracking and business intelligence-type data analysis and reporting. These additional features will allow agencies to identify and mitigate their unique risks using real-time data, ultimately reducing the number and magnitude of tort claims and lawsuits and their associated costs. These features will also allow agencies to better comply with Governor Inslee's Executive Order 16-06 requiring agencies to implement enterprise risk management. The current system does not provide these functions.

RMIS systems also allows for secure mobile access to claims management and risk management tools. This will allow agencies to better comply with Governor Inslee's Executive Order 16-07 which requires state agencies to build a modern workplace by increasing opportunities for employees to work remotely. This cannot be done with the current system.

Base Budget: If the proposal is an expansion or alteration of a current program or service, provide information on the resources now devoted to the program or service. Please include annual expenditures and FTEs by fund and activity (or provide working models or backup materials containing this information).

DES application and related infrastructure support services are provided by the Consolidated Technology Services agency. Costs related to these services are funded through the Enterprise Systems Fee charged by CTS to state agencies. When DES last contracted with the vendor for maintenance of the iVOS system, the annual maintenance cost was approximately \$72,000 per year. The current system is no longer supported or maintained by the software vendor, although DES hopes to secure access to emergency support services.

The current iVOS system receives additional configuration and reporting support from one IT Specialist 4, located in the DES Office of Risk Management. These costs are covered by the Risk Management Administration fee charged to agencies. (Fund 546)

Decision Package expenditure, FTE and revenue assumptions, calculations and details: Agencies must clearly articulate the workload or policy assumptions used in calculating expenditure and revenue changes proposed.

1. There are quality vendor-provided RMIS solutions available in the market¹.
2. A vendor-provided RMIS solution will be procured through a Request for Proposals.
3. A vendor-provided RMIS solution can meet the current business needs of DES ORM and its customer agencies, which the current iVOS system does not.
4. Agency customers will support replacement of iVOS and the associated costs.
5. Third-party vendors will be utilized for Project Management and Quality Assurance.
6. Project staff will be hired for Change Management, Configuration and Business Analysis.
7. iVOS will remain operationally stable until replaced.

Decision Package Justification and Impacts

What specific performance outcomes does the agency expect?

Describe and quantify the specific performance outcomes the agency expects as a result of this funding change.

Performance Measure detail:

Fully describe and quantify expected impacts on state residents and specific populations served.

The state's current RMIS system provides state agencies with claims management tools, but does not provide Enterprise Risk Management functions. Agencies can see and track their claims in the system, but drawing helpful and organized data from those claims in the current system is difficult, inadequate and time consuming.

An RMIS system would allow state agencies to identify risks based upon their actual claims data and incorporate that information into on-going risk assessments and mitigation strategies. The risk management tools provided in an RMIS system would allow agencies to focus resources on the areas where they would have the greatest impact. Using the tools available in an RMIS system, agencies will be able to identify patterns and trends in their claims data. They will be able to identify the types of claims with the highest dollar impact. Agencies will then be able to conduct root-cause analysis in the areas identified as having the highest impact. They will be better able to identify the agency practices using real-time data, which might be leading to high-cost claims and then change those practices.

Although it is difficult to quantify and predict with currently available data and systems, other organizations have shown that robust risk management will ultimately lead to reduced costs arising from claims and lawsuits and more efficient use of state agency risk mitigation resources.

The general public would also benefit directly from the implementation of an RMIS system. In January 2016, ORM implemented an electronic tort claim form, allowing citizens to file a tort claim on-line. This eased the tort claim filing process for the public. However, the electronic form does not interface with iVOS. Manual entry of the electronically-filed tort claim is still necessary. An RMIS system would populate directly from the electronically-filed form, requiring only quality control from employees, rather than manual entry and quality control. This will speed-up the processing of claims and allow tort claimants to receive a response more quickly.

¹ This is evidenced by the responses to DES ORM's July 2015 Request for Information

ORM, state agencies and the public will also benefit from the potential for implementation of an RMIS system in stages. Through the RFI process, ORM explored with prospective vendors the capacity to implement one portion of the product and then add another portion later. For example, in order to provide value to the agencies more quickly in the project timeline, the claims management portion of the product could be implemented first, with the enterprise risk management features added later. The direct upload of electronically-filed tort claims could also be implemented early. The product vendors were willing and able to implement in this fashion. This phased-in implementation will ensure that customer agencies and the public will see value from the purchase as quickly as possible within the project timeline.

What are other important connections or impacts related to this proposal? Please complete the following table and provide detailed explanations or information below:

Impact(s) To:		Identify / Explanation
Regional/County impacts?	No	Identify:
Other local gov't impacts?	No	Identify:
Tribal gov't impacts?	No	Identify:
Other state agency impacts?	Yes	Identify: DES customer agencies would use an RMIS system to identify, track and mitigate risks in addition to the claims management functions provided by the current iVOS system.
Responds to specific task force, report, mandate or exec order?	Yes	Identify: Executive Order 16-06 requires that state agencies implement risk management policies, identify risks and develop risk mitigation practices. The current iVOS system does not meet this business need. An RMIS system will support agencies in compliance with EO 16-06.
Does request contain a compensation change?	No	Identify:
Does request require a change to a collective bargaining agreement?	No	Identify:
Facility/workplace needs or impacts?	No	Identify:
Capital Budget Impacts?	No	Identify:
Is change required to existing statutes, rules or contracts?	No	Identify:
Is the request related to or a result of litigation?	No	Identify lawsuit (please consult with Attorney General's Office):

Is the request related to Puget Sound recovery?	No	If yes, see budget instructions Section 14.4 for additional instructions
Identify other important connections		

Please provide a detailed discussion of connections/impacts identified above.

The current iVOS system provides state agencies with a claims management system, but does not meet the business need for Enterprise Risk Management tools. Agencies currently can see their own claims in the iVOS system, but have limited capability to create reports from the system in order to analyze risk patterns and trends in their claims and subsequently identify mitigation strategies. RMIS systems resolve this issue by providing robust Enterprise Risk Management tools in addition to claims management.

A new system would also improve the claims management function for state agencies. For example, the Attorney General's Office (AG) uses a case management system that does not interface with iVOS. The AG's system assigns a number to each case which is different than the number assigned to the same case in iVOS. Additionally, iVOS and the AG's system do not share information. The lack of interface between systems necessitates duplicate entry of information and cross-referencing within each system for ORM and the AG's office to jointly track cases. ORM, having consulted with the AG's office on this issue, intends to procure a system that will interface with the AG's system; increasing efficient entry of and accessibility to jointly relevant case information for both agencies.

ORM and state agencies will also benefit from the mobile access capabilities of an RMIS system. ORM's 2015 RFI and market research revealed that RMIS systems now include the capacity to securely access the systems on mobile devices. This feature would allow agency employees to perform case management work remotely. This feature would also support Governor Inslee's Executive Order 16-07 requiring state agencies to move toward a modern workforce by expanding options for employees to work remotely.

An RMIS system would also resolve the problem of iVOS obsolescence. iVOS has not been supported by a third-party vendor since 2014. It is no longer being updated and will become increasingly incompatible with other applications.

Additionally, in May 2016, Governor Inslee issued Executive Order 16-06. This order required state agencies to incorporate risk management strategies into their agency culture. By September 1, 2016, agencies are required to develop agency policies addressing risk management and also to conduct a Risk Assessment and develop a Risk Register—the goal being to identify agency risks and develop strategies to mitigate those risks. Agencies are required to update risk registries annually going forward. Agencies have expressed difficulty accomplishing the requirements of the Executive Order. An RMIS system would allow agencies to identify risks based upon their actual claims data and incorporate that information into on-going risk assessments and mitigation strategies using real-time data rather than the manually-generated reports created from iVOS data. The risk management tools provided in an RMIS system would allow agencies to focus resources on the areas where they have the greatest impact. Robust risk management will ultimately lead to reduced costs arising from claims and lawsuits.

What alternatives were explored by the agency and why was this option chosen?

Alternative 1—Do Nothing

The current iVOS system is currently stable, but relies upon old technologies which do not meet OCIO technology standards (e.g. SQL 2005). As time goes on, this will put a burden on IT resources and create increasing risk to DES and its customer agencies. Additionally, the system becomes increasingly incompatible with systems that are upgraded regularly (e.g. web browsers) and more vulnerable to security risks—thus increasing the risk of system failure. This is not a workable long-term alternative.

Alternative 2—Procure and implement a replacement for iVOS.

This is the recommended alternative. Market research and the results of a Request for Information conducted in the past year indicate that there are several good RMIS solutions- including software-as-a-service solutions-- available in the market. Other local government agencies in Washington have already moved in this direction, including King County and Snohomish County. Alaska, Colorado, Delaware, Florida, and Wyoming have moved into the class of RMIS solutions reviewed through the RFI. The RMIS systems would include additional features, beyond claims management, which are necessary to meet current business needs for conducting Enterprise Risk Management.

Alternative 3—Build our own system.

Analysis of this alternative indicates that the state does not currently have internal resources available with the time and expertise necessary to build its own RMIS system. Additionally, the cost of building our own system would likely be greater than the cost of procuring an already-existing system available in the current market. Maintaining and upgrading a system created in-house and maintaining compatibility with other software programs would increase the on-going cost of this alternative.

What are the consequences of not funding this request?

The current claims management system, iVOS is unsupported by the vendor. If a replacement is not procured the current system will become more obsolete, vulnerable and incompatible with interfacing software, web browsers and systems. Eventually, the current system will no longer be usable as it is a web-based application that must be compatible with web browsers which are consistently being upgraded. The current system does not meet current business needs and will eventually fail if the status quo persists.

How has or can the agency address the issue or need in its current appropriation level?

The current system is stable for the time being and the agency will continue to maintain the system to the greatest extent possible within existing resources. However, at some point, replacement must occur and cannot be done within current resources or expenditure authority.

Other supporting materials: Please attach or reference any other supporting materials or information that will help analysts and policymakers understand and prioritize your request.

DES issued a Request for Information from vendors in June 2015. That RFI and the vendor responses are available at the DES Office of Risk Management.

Market research reports on RMIS systems conducted in 2015 in preparation of the RFI are also available at DES Office of Risk Management.

Governor Inslee's Executive Order 16-06 can be seen here:

http://www.governor.wa.gov/sites/default/files/exe_order/16-06%20-%20Enterprise%20Risk%20Management%20%28tmp%29.pdf

Governor Inslee's Executive Order 16-07 can be seen here:

http://www.governor.wa.gov/sites/default/files/exe_order/eo_16-07.pdf

Information technology: Does this Decision Package include funding for any IT-related costs, including hardware, software, services (including cloud-based services), contracts or IT staff?

No 

Yes Continue to IT Addendum below and follow the directions on the bottom of the addendum to meet requirements for OCIO review.)

2017-19 IT Addendum

PART 1: ITEMIZED IT COSTS

Please itemize any IT-related costs, including hardware, software, services (including cloud-based services), contracts (including professional services, quality assurance, and independent verification and validation), or IT staff. Be as specific as you can. (See chapter 12.1 of the operating budget instructions for guidance on what counts as “IT-related costs”)

Information Technology Items in this DP <i>(insert rows as required)</i>	FY 2018	FY 2019	FY 2020	FY 2021
1 Project Manager for 12 months @ \$180.00 per hour	\$375,000	\$0.00	\$0.00	\$0.00
1 ITAS 4 Business Analyst for 16 months	\$144,000	\$48,000	\$0.00	\$0.00
1 ITAS 5 Business Analyst for 16 months	\$152,000	\$51,000	\$0.00	\$0.00
1 ITAS 5 Configurator for 16 months	\$152,000	\$51,000	\$0.00	\$0.00
1 Change Management person for 10 months	\$163,000	\$0.00	\$0.00	\$0.00
Quality Assurance for 12 months half-time @ \$165.00 per hour	\$172,000	\$0.00	\$0.00	\$0.00
Software Purchase and Licensing	\$200,000 ²	\$200,000	\$200,000	\$200,000
System Maintenance		\$50,000	\$50,000	\$50,000
Total Cost \$2,730,071	\$1,358,000	\$400,000	\$250,000	\$250,000

PART 2: IDENTIFYING IT PROJECTS

If the investment proposed in the decision package is the development or acquisition of an IT project/system, or is an enhancement to or modification of an existing IT project/system, it will also be reviewed and ranked by the OCIO as required by RCW 43.88.092. The answers to the three questions below will help OFM and the OCIO determine whether this decision package is, or enhances/modifies, an IT project:

4. Does this decision package fund the development or acquisition of a new or enhanced software or hardware system or service? Yes No
5. Does this decision package fund the acquisition or enhancements of any agency data centers? (See [OCIO Policy 184](#) for definition.) Yes No
6. Does this decision package fund the continuation of a project that is, or will be, under OCIO oversight? (See [OCIO Policy 121](#).) Yes No

If you answered “yes” to any of these questions, you must complete a concept review with the OCIO before submitting your budget request. Refer to chapter 12.2 of the operating budget instructions for more information. Please itemize any IT-related costs, including hardware, software, services (including cloud-based services), contracts (including professional services, quality assurance, and independent verification and validation), or IT staff. Be as specific as you can. (See chapter 12.1 of the operating budget instructions for guidance on what counts as “IT-related costs”)

² Estimated based upon responses to the Request for Information

2017-19 Biennium Budget Decision Package

Agency: 179 - Department of Enterprise Services

Decision Package Code/Title: AF - Real Estate Services Funding Alignment

Budget Period: 2017-2019

Budget Level: PL - Performance Level

Agency Recommendation Summary Text:

The cost recovery methods for the Department of Enterprise Services Real Estate Services Division (RES) are adjusted to better reflect current activity levels. In 2010 the Department of Social and Health Services (DSHS) facilities team was consolidated into the statewide team at what is now DES and the amount to recover the cost of DSHS-related services was estimated. Revised estimates indicate a need to realign the lease renewal and DSHS fees to current work patterns. This adjustment is revenue neutral.

In the 2015-2017 biennium \$1,750,000 in revenue was obtained through an inter-agency agreement (IAA) to support services provided to DSHS. DES proposes that in the 2017-2019 biennium the DSHS IAA be reduced by (\$1,150,000) and the CSBM for lease renewal activity increase by \$1,150,000 per year.

CSBM allocation (04/20/000523)	\$1,150,000
DSHS IAA (04/20/000514)	(\$1,150,000)

Fiscal Summary: Decision package total dollar and FTE cost/savings by year, by fund, for 4 years. Additional fiscal details are required below.

This is a revenue source adjustment only. The lease renewal fee will be adjusted for all customer agencies as will the DSHS Real Estate Services Inter-Agency Agreement (IAA).

Operating Expenditures	FY 2018	FY 2019	FY 2020	FY 2021
Fund AAA-X	0	0	0	0
Fund BBB-Y	0	0	0	0
Total Cost	0	0	0	0
Staffing	FY 2018	FY 2019	FY 2020	FY 2021
FTEs	0	0	0	0
Revenue	FY 2018	FY 2019	FY 2020	FY 2021
422-6 04/20/000523 CSBM Allocation	\$1,150,000	\$1,150,000	\$1,150,000	\$1,150,000
422-6 04/20/000514 RES DSHS IAA (reduction)	(\$1,150,000)	(\$1,150,000)	(\$1,150,000)	(\$1,150,000)
Total Revenue	0	0	0	0

Package Description

The Real Estate Services Division (RES) at DES is currently funded through three basic types of fees:

- **Lease Renewal Services Fee** - This is an annual allocation of the estimated costs to provide lease renewal services to customer agencies on the basis of dollar value of square feet leased.
- **Fees for Other Real Estate Services** - These services include acquisition of new leased space, alterations to existing space and technical assistance with contractual issues. Agencies are charged as these services are delivered.
- **Interagency agreement with the Department of Social and Health Services** - In 2010, the DSHS facilities team was consolidated into the statewide real estate team at what is now DES as part of a broader effort to consolidate shared services in state government. The DSHS interagency agreement was intended to recover the costs for all types of real estate work at DSHS (work typically covered by the lease renewal services fee and other fee-for-service type activities in addition to assisting with Six-Year Planning, Space Use Assessments, Space Planning Data, and other services not typically provided to other agencies).

In analyzing its workload patterns in recent years, DES has determined that the actual workload of the RES team is no longer aligning well with the rate model assumptions. This decision package seeks to address one aspect of this misalignment – the lease renewal activity for DSHS and other agencies.

While the DSHS contract has been adjusted over time to reflect the relative changes in demand of this complex facilities portfolio, we now believe an adjustment is warranted to better reflect the proportion of lease renewal activity occurring for all agency customers. DSHS is currently paying a disproportionate share of the lease renewal activity through their IAA for reimbursable services. We propose that DSHS move fully into the RES standard billing model of lease renewal and reimbursable fees.

Over the years the workload of Lease renewal activity overall has increased. Some of the contributors to the increase in renewal activities include:

- Customers have asked DES to place more emphasis (and resources) on improving the timeliness of renewing rates,
- On working with landlords to address issues both during the lease term and at the point of renewal.

This improved emphasis has also enabled RES to be in a much better position to negotiate favorable rates for the state agency customers by being more proactive in the lease renewal process, ensuring that negotiations result in rates that are at or below the market.

Base Budget: If the proposal is an expansion or alteration of a current program or service, provide information on the resources now devoted to the program or service. Please include annual expenditures and FTEs by fund and activity (or provide working models or backup materials containing this information).

Decision Package expenditure, FTE and revenue assumptions, calculations and details: Agencies must clearly articulate the workload or policy assumptions used in calculating expenditure and revenue changes proposed.

The purpose of this decision package is to correct the misaligned revenue model. This revenue neutral package will move the DSHS leasing activities back into the RES standard operating processes. This package rebases the CSBM model to more appropriately align the costs of lease renewal activity of all of the agencies receiving lease renewal support and funds the estimated commission and hourly type of activities performed on behalf of DSHS through the same model as all of the other RES clients for reimbursable leasing activities.

As a result, the \$1,750,000 DSHS IAA will be reduced by (\$1,150,000) and the CSBM for lease renewal activity will increase by \$1,150,000 per year. DES estimates are based on the 2015-17 six year facilities plan and historical data. RES will earn approximately \$300,000 per year in commission fees and \$300,000 in hourly other reimbursable activities from DSHS per year.

Decision Package Justification and Impacts

What specific performance outcomes does the agency expect?

Describe and quantify the specific performance outcomes the agency expects as a result of this funding change.

While the change in revenue structure does not directly affect performance outcomes, DES remains committed to improving the lease renewal process for customers. RES has worked with DES Lean Transformation Services to:

- Streamline the renewal process through value stream mapping.
- Increase overall customer satisfaction through the development of predictable process steps.
- Improve staff moral and engagement by using meaningful performance measures.
- Develop reports that show increased performance on negotiated leases rates compared to market lease rates.

RES has implemented a seven step lease renewal process that has increased productivity (improved lease rates compared to market) and timeliness (leases renewed 60 days prior to lease expiration).

Performance Measure detail:

Fully describe and quantify expected impacts on state residents and specific populations served.

Real Estate Services provides value to state agencies by delivering professional leasing and design services so agencies are able to focus on their mission and core business functions. By providing cost effective, efficient facilities RES allows agencies to concentrate on their operational needs to provide services to customers statewide. By consistently negotiating leases under budget, agencies are assured funds allocated to leased facilities will not impact funds allocated for service delivery.

What are other important connections or impacts related to this proposal? Please complete the following table and provide detailed explanations or information below:

Impact(s) To:		Identify / Explanation
Regional/County impacts?	No	Identify:
Other local gov't impacts?	No	Identify:

Tribal gov't impacts?	No	Identify:
Other state agency impacts?	Yes	Identify: Better rates by addressing renewal needs earlier and timely negotiations. An ancillary increase in the client agencies goals of Energy conservation and work towards Modern work place. Central Service Billing model impacts.
Responds to specific task force, report, mandate or exec order?	No	Identify
Does request contain a compensation change?	No	Identify:
Does request require a change to a collective bargaining agreement?	No	Identify:
Facility/workplace needs or impacts?	No	Identify:
Capital Budget Impacts?	No	Identify:
Is change required to existing statutes, rules or contracts?	No	Identify:
Is the request related to or a result of litigation?	No	Identify lawsuit (please consult with Attorney General's Office):
Is the request related to Puget Sound recovery?	No	If yes, see budget instructions Section 14.4 for additional instructions
Identify other important connections		

Please provide a detailed discussion of connections/impacts identified above.
DES RES has a significant role in assisting agencies with their leased facilities needs an outcome of that role is opportunities for agencies to meet their conservation measures.

What alternatives were explored by the agency and why was this option chosen?

DES evaluated the following scenarios:

- Continue the current rate structure with DSHS and other agencies. This approach means that DSHS would continue paying a greater share of the lease renewal costs than they should and other agencies would be paying less than their proportionate share under our current lease renewal allocation basis.
- Explored a larger rate structure that would modify all RES rates. DES will likely bring this proposal forward in the future as the current model overall does not well align cost recovery capabilities with cost recovery needs.

What are the consequences of not funding this request?

The inequity of one agency subsidizing many others would continue. Situations such as this lead to many more complications beyond just funding or money and have a detrimental impact on relationships and trust.

How has or can the agency address the issue or need in its current appropriation level?

Other supporting materials: Please attach or reference any other supporting materials or information that will help analysts and policymakers understand and prioritize your request.

Information technology: Does this Decision Package include funding for any IT-related costs, including hardware, software, services (including cloud-based services), contracts or IT staff?

- No 
- Yes Continue to IT Addendum below and follow the directions on the bottom of the addendum to meet requirements for OCIO review.)

2017-19 Biennium Budget Decision Package

Agency: 179 – Department of Enterprise Services

Decision Package Code/Title: AG - Campus Combined Heat and Power Plant Debt

Budget Period: 2017-2019

Budget Level: PL-Performance Level

Agency Recommendation Summary Text:

This request is for the debt service costs associated with the Campus Combined Heat and Power Plant project that was submitted in the Department of Enterprise Services (DES) 17-27 Capital Budget request. The Campus Combined Heat and Power Plant project proposes to construct a new central power plant facility on the east campus. The new facility would mitigate all environmental and safety concerns that occur in the current 90-year old steam system. In addition, the new facility would reduce operating costs, reduce carbon emissions and ensure a cost effective growth option for the Capitol Campus in the future.

Fiscal Summary: Decision package total dollar and FTE cost/savings by year, by fund for 4 years. Additional fiscal details are required below.

Operating Expenditures	FY 2018	FY 2019	FY 2020	FY 2021
Fund 422-6 Enterprise Services Account – Non-Appropriated	1,976,000	3,515,000	3,515,000	3,515,000
Total Cost	1,976,000	3,515,000	3,515,000	3,515,000
Staffing	FY 2018	FY 2019	FY 2020	FY 2021
FTEs	0	0	0	0
Revenue	FY 2018	FY 2019	FY 2020	FY 2021
Fund 422- Enterprise Services Account – 0402 – Income from Property	1,976,000	3,515,000	3,515,000	3,515,000
Object of Expenditure	FY 2018	FY 2019	FY 2020	FY 2021
P – Debt Service	1,976,000	3,515,000	3,515,000	3,515,000

Package Description

The historic Capitol Campus steam system is at the end of its useful life. The system currently serves 1.2 million square feet of state office space for six thousand state employees. The failing system has many concerns, such as:

- Life and safety risks which could result in severe burns from steam lines and pressure relief valves to state employees and visitors of the Capitol Campus.
- Outdated technology that lacks energy efficiencies. The current heating system wastes two-thirds of energy consumed resulting in higher utility costs and increased carbon emissions.
- The current plant, located on a hillside near Capital Lake, is at risk for serious damage in the event of natural disaster.
- Inability to expand service to new buildings, resulting in one-off systems for new buildings on the Capitol Campus.

The Campus Combined Heat and Power Plant project would do the following;

- Reduce operating expenses by \$16.7million over the next 50 years.
- Reduce greenhouse gases (GHG) by 54% over the next 50 years.
- Eliminate the need to purchase replacement systems in the next 10 years totaling \$18.5.
- Build the foundation to move the Capitol Campus to Net Zero operations, making the Washington State Capitol Campus a model for other state and federal facilities across the country.

Base Budget: If the proposal is an expansion or alteration of a current program or service, provide information on the resources now devoted to the program or service. Please include annual expenditures and FTEs by fund and activity (or provide working models or backup materials containing this information).

This package requests funding to support debt service expenses associated with the 17-27 Campus Combined Heat and Power Plant project. The annual debt payment for this project is \$1,976,000 in fiscal year 18 and \$3,515,000 each year thereafter.

Decision Package expenditure, FTE and revenue assumptions, calculations and details: Agencies must clearly articulate the workload or policy assumptions used in calculating expenditure and revenue changes proposed.

This package proposes an increase in Capitol Campus utilities.

Decision Package Justification and Impacts

What specific performance outcomes does the agency expect?

Describe and quantify the specific performance outcomes the agency expects as a result of this funding change.

The Campus Combined Heat and Power Plant project constructs a new central plant facility with modern heating and cooling equipment and distribution systems for all Capitol Campus buildings. The new system will provide a 2.6- megawatt (MW) co-generation power plant and thermal storage that will dramatically improve overall efficiency and carbon reduction while eliminating the growing risks of the existing system. This cogeneration plant will be used to heat the campus while annually generating over 9 million kWh of electricity. This investment delivers a reduction in maintenance and operation costs and carbon footprint.

Performance Measure detail: B017- Asset Management

Fully describe and quantify expected impacts on state residents and specific populations served.

This project would eliminate the safety concerns we face today using a steam system and provide the Capitol Campus with a modern solution that will reduce the carbon footprint on the Capitol Campus by 54% while also reducing the cost of government operations.

What are other important connections or impacts related to this proposal? Please complete the following table and provide detailed explanations or information below:

Impact(s) To:		Identify / Explanation
Regional/County impacts?	Yes	Identify: This project will reduce the Capitol Campus carbon footprint by 54%
Other local gov't impacts?	No	Identify:
Tribal gov't impacts?	No	Identify:
Other state agency impacts?	Select Y/N	Identify: This project will reduce the cost of energy for the Capitol Campus
Responds to specific task force, report, mandate or exec order?	Yes	Identify: EO 14-04; EO 13-04; EO 12-06;EO 05-01; EO 02-03; RCW 39.35; RCW 43.21M.040;RCW 70.235.050
Does request contain a compensation change?	No	Identify:
Does request require a change to a collective bargaining agreement?	No	Identify:
Facility/workplace needs or impacts?	No	Identify:
Capital Budget Impacts?	Yes	Identify: Campus Combined Heat and Power Plant
Is change required to existing statutes, rules or contracts?	No	Identify:
Is the request related to or a result of litigation?	No	Identify lawsuit (please consult with Attorney General's Office):
Is the request related to Puget Sound recovery?	No	If yes, see budget instructions Section 14.4 for additional instructions
Identify other important connections		

Please provide a detailed discussion of connections/impacts identified above.

What alternatives were explored by the agency and why was this option chosen?

No alternative funding streams were identified to support this project.

What are the consequences of not funding this request?

If this project is not funded the life and safety concerns of the current powerhouse will not be addressed. . The campus will continue to be at risk of interruption to continuity of government operations in the event of a natural disaster. Annual costs will continue to increase, while energy efficiency will decrease, and the carbon footprint of the Capitol Campus will continue to grow.

How has or can the agency address the issue or need in its current appropriation level?

Other supporting materials: Please attach or reference any other supporting materials or information that will help analysts and policymakers understand and prioritize your request.

Information technology: Does this Decision Package include funding for any IT-related costs, including hardware, software, services (including cloud-based services), contracts or IT staff?

- No 
- Yes Continue to IT Addendum below and follow the directions on the bottom of the addendum to meet requirements for OCIO review.)

2017-19 Biennium Budget Decision Package

Agency: 179 - Department of Enterprise Services

Decision Package Code/Title: AH - Department of Transportation Building Preservation Debt

Budget Period: 2017-2019

Budget Level: PL - Performance Level

Agency Recommendation Summary Text:

This request is for the debt service costs associated with the Department of Transportation Building Preservation project that was submitted in the Department of Enterprise Services (DES) 17-27 Capital Budget. The building systems in the 45-year old Transportation Building are failing. The building envelope, HVAC system and plumbing systems have caused damage to the interior and exterior components of the building. These failures create risks to the health and safety of tenants and affect the continuity of the Department of Transportation's (DOT) operations. In addition, the facility also needs seismic upgrades to reduce the risk of life-threatening injuries in the event of an earthquake.

Fiscal Summary: Decision package total dollar and FTE cost/savings by year, by fund, for 4 years. Additional fiscal details are required below.

Operating Expenditures	FY 2018	FY 2019	FY 2020	FY 2021
422-6 - Enterprise Services Account – Non-Appropriated	0	197,000	393,000	393,000
Total Cost	0	197,000	393,000	393,000
Staffing	FY 2018	FY 2019	FY 2020	FY 2021
FTEs	0	0	0	0
Revenue	FY 2018	FY 2019	FY 2020	FY 2021
422-6 - Enterprise Services Account – Non-Appropriated -0402-Income From Property	0	197,000	393,000	393,000
Object of Expenditure	FY 2018	FY 2019	FY 2020	FY 2021
P – Debt Service	0	197,000	393,000	393,000

Package Description

This project is designed to be a phased approach which will take place over the next 10 years, or 5 biennia. The first phase of this project would include the following:

- Complete a predesign to evaluate the building condition.

- Design and install a new roof that includes code compliant fall restraints.
- Explore feasibility of adding photovoltaic panels (PVP) to reduce energy costs.
- Evaluate the feasibility and cost of upgrading DOT's emergency operations center (EOC) to insure it would be fully operational during and after an earthquake

Base Budget: If the proposal is an expansion or alteration of a current program or service, provide information on the resources now devoted to the program or service. Please include annual expenditures and FTEs by fund and activity (or provide working models or backup materials containing this information).

This package requests funding to support debt service expenses associated with the 17-27 Department of Transportation Building Preservation project that is included in the departments 17-27 Capital Budget request. The annual debt payment for this project is \$385,000.

Decision Package expenditure, FTE and revenue assumptions, calculations and details: Agencies must clearly articulate the workload or policy assumptions used in calculating expenditure and revenue changes proposed.

This package proposes an increase in tenant rent.

Decision Package Justification and Impacts

What specific performance outcomes does the agency expect? Describe and quantify the specific performance outcomes the agency expects as a result of this funding change.

The Department of Transportation Building Preservation Project corrects and replaces failing building systems and repairs damage to the interior and exterior. This project will improve the health and safety of the tenants in the Department of Transportation Building on the Capitol Campus.

Performance Measure detail: B017- Asset Management

Fully describe and quantify expected impacts on state residents and specific populations served.

The project temporarily relocates approximately 400 DOT employees to swing space during construction. The completion of the project will provide DOT with a higher performing building that better serves their business needs and ensures continuity of the vital transportation services to the people of Washington State.

The project will protect the state's investment in this building, extending the building system's useful life, improving building system operations and energy performance, reducing risk of life-safety injuries during an earthquake and improving the efficiency and adaptability of space to ensure the continuity of DOT's vital services to Washington State citizens and visitors and to create a healthier and more productive work environment.

What are other important connections or impacts related to this proposal? Please complete the following table and provide detailed explanations or information below:

Impact(s) To:		Identify / Explanation
Regional/County impacts?	No	Identify:
Other local gov't impacts?	No	Identify:
Tribal gov't impacts?	No	Identify:
Other state agency impacts?	Yes	Identify: Increase to tenant rent.
Responds to specific task force, report, mandate or exec order?	No	Identify:
Does request contain a compensation change?	No	Identify:
Does request require a change to a collective bargaining agreement?	No	Identify:
Facility/workplace needs or impacts?	No	Identify:
Capital Budget Impacts?	Yes	Identify: Department of Transportation Building Preservation project
Is change required to existing statutes, rules or contracts?	No	Identify:
Is the request related to or a result of litigation?	No	Identify lawsuit (please consult with Attorney General's Office):
Is the request related to Puget Sound recovery?	No	If yes, see budget instructions Section 14.4 for additional instructions
Identify other important connections		

Please provide a detailed discussion of connections/impacts identified above.

What alternatives were explored by the agency and why was this option chosen?

The alternative has been to make repairs when a failure occurs. However, this approach is more expensive and does not mitigate the health and safety concerns of the tenants. Making the necessary repairs as one capital project is more cost effective and creates the least amount of business disruption to the tenant.

What are the consequences of not funding this request?

If no action is taken building systems will continue to deteriorate, progressively increasing emergency repairs and eventually result in spaces not being inhabitable. This will impact DOT's ability to deliver critical services to the state. If no seismic upgrades are made there is higher risk of life-threatening injuries during and after an earthquake. In addition, the DOT's emergency operations center is at risk of being inoperable in the event of an earthquake, limiting its ability to restore the state's vital transportation system and impairing DOT's ability to ensure the transportation system is safe and functioning during emergencies.

How has or can the agency address the issue or need in its current appropriation level?

The current revenue collected from tenant rent would not fund our current levels of service in addition to this project; therefore we would be unable to operate within our current revenue structure.

Other supporting materials: Please attach or reference any other supporting materials or information that will help analysts and policymakers understand and prioritize your request.

Attached you will find a copy of the companion project submitted in the 17-27 Capital Budget.

Information technology: Does this Decision Package include funding for any IT-related costs, including hardware, software, services (including cloud-based services), contracts or IT staff?

- No 
- Yes Continue to IT Addendum below and follow the directions on the bottom of the addendum to meet requirements for OCIO review.)

PL-AI Capitol Campus Underground Utility Repair Debt

**2017-19 Biennium Budget
Decision Package**

Agency: 179 - Department of Enterprise Services

Decision Package Code/Title: AI - Capitol Campus Underground Utility Repair Debt

Budget Period: 2017-2019

Budget Level: PL – Performance Level

Agency Recommendation Summary Text:

This request is for the debt service costs associated with the Capitol Campus Underground Utility Repair project that was submitted in the Department of Enterprise Services (DES) 17-27 Capital Budget. This project corrects critical infrastructure failures and safety risks on the Capitol Campus. The current system has broken sewer lines, constricted egress, failing water and irrigation mains and failing electrical utility equipment. Current conditions are unacceptable to campus tenant, and will continue to worsen with time.

Fiscal Summary:

Operating Expenditures	FY 2018	FY 2019	FY 2020	FY 2021
422-6 - Enterprise Services Account – Non-Appropriated	0	296,000	590,000	901,000
Total Cost	0	583,000	583,000	583,000
Staffing	FY 2018	FY 2019	FY 2020	FY 2021
FTEs	0.0	0.0	0.0	0.0
Revenue	FY 2018	FY 2019	FY 2020	FY 2021
422-6 - Enterprise Services Account – 04-02 Income From Property	0	296,000	590,000	901,000
Object of Expenditure	FY 2018	FY 2019	FY 2020	FY 2021
P – Debt Service	0	296,000	590,000	901,000

Package Description

Critical underground utilities have failed or are at critical risk of failure. Substandard primary power equipment, untreated sewer discharge to the ground, aged underground fuel tanks and numerous other high risk conditions require action. This project would do the following;

- Replace the broken, undersized and/or obsolete primary electrical switches, distribution switch gear, transformer, primary conductors and 480V electrical panel in Plaza Parking Garage.

- Construct new sanitary sewer lines that divert sewage away from unstable hillsides areas.
- Replace broken sanitary sewer line serving the Insurance Building.
- Replace constricted exit point from the steam tunnel at 12th and Cherry Lane.
- Replace forty-year-old underground fuel tank at the Old Capitol Building. This tank is at the end of its useful life and does not meet current code.
- Other ancillary utility replacements and repairs as necessary.

Base Budget: If the proposal is an expansion or alteration of a current program or service, provide information on the resources now devoted to the program or service.

This package request funding to support debt service expenses associated with the 17-27 Campus Underground Utility Repairs included in the Capitol Budget. The annual debt payment for this project is \$583,000.

Decision Package expenditure, FTE and revenue assumptions, calculations and details:

This package proposes an increase in Capitol Campus tenant rent.

Decision Package Justification and Impacts

What specific performance outcomes does the agency expect?

The Capitol Campus Underground Utility Repair Project corrects critical infrastructure failures and safety risks on the Capitol Campus.

Performance Measure detail: B017- Asset Management

Fully describe and quantify expected impacts on state residents and specific populations served.

This project supports the statewide goal of providing efficient, effective, and accountable government by correcting critical life-safety and public health deficiencies on the Capitol Campus.

What are other important connections or impacts related to this proposal? Please complete the following table and provide detailed explanations or information below:

Impact(s) To:		Identify / Explanation
Regional/County impacts?	No	Identify:
Other local gov't impacts?	No	Identify:
Tribal gov't impacts?	No	Identify:
Other state agency impacts?	Yes	Identify: Increase of tenant rent
Responds to specific task force,	No	Identify:

report, mandate or exec order?		
Does request contain a compensation change?	No	Identify:
Does request require a change to a collective bargaining agreement?	No	Identify:
Facility/workplace needs or impacts?	No	Identify:
Capital Budget Impacts?	Yes	Identify: Capitol Campus Underground Utility Repair capital project
Is change required to existing statutes, rules or contracts?	No	Identify:
Is the request related to or a result of litigation?	No	Identify lawsuit (please consult with Attorney General's Office):
Is the request related to Puget Sound recovery?	No	If yes, see budget instructions Section 14.4 for additional instructions
Identify other important connections	NA	

What alternatives were explored by the agency and why was this option chosen?

No alternative funding streams are available to support this project.

What are the consequences of not funding this request?

By not funding this request the Capitol Campus could experience critical utility failures, life and safety situations and loss of state government functions.

How has or can the agency address the issue or need in its current appropriation level?

The current revenue collected from tenant rent would not fund our current levels of service in addition to this project; therefore we would be unable to operate within our current revenue structure.

Other supporting materials: Please attach or reference any other supporting materials or information that will help analysts and policymakers understand and prioritize your request.

Information technology: Does this Decision Package include funding for any IT-related costs, including hardware, software, services (including cloud-based services), contracts or IT staff?

No 

Yes Continue to IT Addendum below and follow the directions on the bottom of the addendum to meet requirements for OCIO review.)

PL-AJ East Plaza Water Infiltration and Elevator Repairs Debt

**2017-19 Biennium Budget
Decision Package**

Agency: 179 - Department of Enterprise Services

Decision Package Code/Title: AJ - East Plaza Water Infiltration and Elevator Repairs Debt

Budget Period: 2017-2019

Budget Level: PL - Performance Level

Agency Recommendation Summary Text:

This request is for the debt service costs associated with the East Plaza Water Infiltration and Elevator Repairs project that was submitted in the Department of Enterprise Services (DES) 17-27 Capital Budget. The East Plaza parking garage, which houses 2,000 vehicles for approximately 3,000 staff is a key component of the Capitol Campus infrastructure. The southern portion of the East Plaza Garage roof has been leaking for over 12 years and as a result has caused significant deterioration to the structure. The corrosive and invasive leaks have created significant risks to employees and visitors. The East Plaza Water Infiltration project would replace the Plaza Garage roof and the plaza surface and landscaping.

Fiscal Summary: Decision package total dollar and FTE cost/savings by year, by fund, for 4 years. Additional fiscal details are required below.

Operating Expenditures	FY 2018	FY 2019	FY 2020	FY 2021
045-6 - State Vehicle Parking Account – Non-Appropriated	0	451,000	901,000	1,138,000
Total Cost	0	451,000	901,000	1,138,000
Staffing	FY 2018	FY 2019	FY 2020	FY 2021
FTEs	0	0	0	0
Revenue	FY 2018	FY 2019	FY 2020	FY 2021
045-6 - State Vehicle Parking Account – Non-Appropriated – 0420- Charges for Services	0	451,000	901,000	1,138,000
Object of Expenditure	FY 2018	FY 2019	FY 2020	FY 2021
P – Debt Service	0	451,000	901,000	1,138,000

Package Description

The southern portion of the Plaza Garage roof is leaking and has been for many years. Ongoing water infiltration has weakened the structure over time, corroding the reinforced steel and building components.

The concrete is spalling which is exposing deteriorating structural beams. In addition, loosening concrete walls and ceiling panels create risks safety concerns.

An average of 2,000 parkers use the 846,000 gross square foot Plaza Garage daily and many more circulate to and from state facilities on the East and West Campus by way of the Plaza and the garage below. Over the past 12-years, approximately 41 incidents have been reported to the Washington State Risk Management and to the Department of Enterprise Services' Customer Service Center to report spalled concrete and water leaking that create safety hazards or damage to vehicles.

This five-phase project began in 1996 with Phase 4 completed in the 2005-07 biennium that completed seismic improvements in the Plaza Garage and replaced the roof at the north half of the garage and around the Transportation Building. It is critical that the final Phase 5 completes the remaining southern portion of the Plaza so that the state's investment in this valuable asset, with a replacement value of over \$150 million, is protected.

Base Budget: If the proposal is an expansion or alteration of a current program or service, provide information on the resources now devoted to the program or service. Please include annual expenditures and FTEs by fund and activity (or provide working models or backup materials containing this information).

This package requests funding to support debt service expenses associated with the 17-27 East Plaza Water Infiltration project included in the Capitol Budget. The annual debt payment for this project is \$884,000.

Decision Package expenditure, FTE and revenue assumptions, calculations and details: Agencies must clearly articulate the workload or policy assumptions used in calculating expenditure and revenue changes proposed.

This package proposes an increase in Capitol Campus parking fees.

Decision Package Justification and Impacts

What specific performance outcomes does the agency expect?

Describe and quantify the specific performance outcomes the agency expects as a result of this funding change.

Completing this phase of the East Plaza Water Infiltration & Elevator Project will stop the leaks that are causing deterioration to the structure and creating significant risk to life and property.

Performance Measure detail: B017- Asset Management

Fully describe and quantify expected impacts on state residents and specific populations served.

This project supports the statewide goal of providing efficient, effective, and accountable government by correcting critical life-safety and public health deficiencies on the Capitol Campus.

What are other important connections or impacts related to this proposal? Please complete the following table and provide detailed explanations or information below:

Impact(s) To:		Identify / Explanation
Regional/County impacts?	No	Identify:
Other local gov't impacts?	No	Identify:
Tribal gov't impacts?	No	Identify:
Other state agency impacts?	Yes	Identify: An increase to parking fees
Responds to specific task force, report, mandate or exec order?	No	Identify:
Does request contain a compensation change?	No	Identify:
Does request require a change to a collective bargaining agreement?	No	Identify:
Facility/workplace needs or impacts?	No	Identify:
Capital Budget Impacts?	Yes	Identify: East Plaza Water Infiltration & Elevator Project
Is change required to existing statutes, rules or contracts?	No	Identify:
Is the request related to or a result of litigation?	No	Identify lawsuit (please consult with Attorney General's Office):
Is the request related to Puget Sound recovery?	No	If yes, see budget instructions Section 14.4 for additional instructions
Identify other important connections		

Please provide a detailed discussion of connections/impacts identified above.

What alternatives were explored by the agency and why was this option chosen?

No alternative funding streams are available to support this project.

What are the consequences of not funding this request?

If this project is not funded the East Plaza will continue to leak causing more deterioration to the structure and creating risk to Capitol Campus employees and visitors.

How has or can the agency address the issue or need in its current appropriation level?

The current revenue collected from parking fees does not fund our current levels of service in addition to this project; therefore we would be unable to operate within our current revenue structure.

Other supporting materials: Please attach or reference any other supporting materials or information that will help analysts and policymakers understand and prioritize your request.

Information technology: Does this Decision Package include funding for any IT-related costs, including hardware, software, services (including cloud-based services), contracts or IT staff?

- No 
- Yes Continue to IT Addendum below and follow the directions on the bottom of the addendum to meet requirements for OCIO review.)