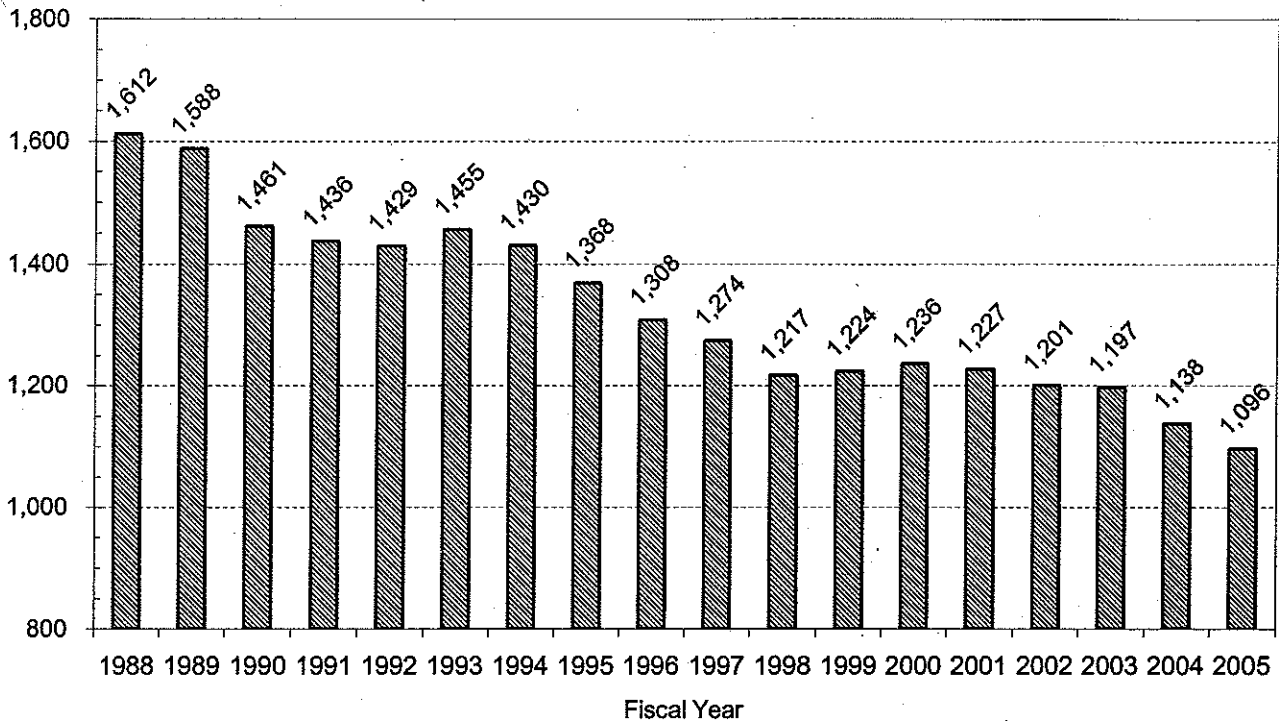
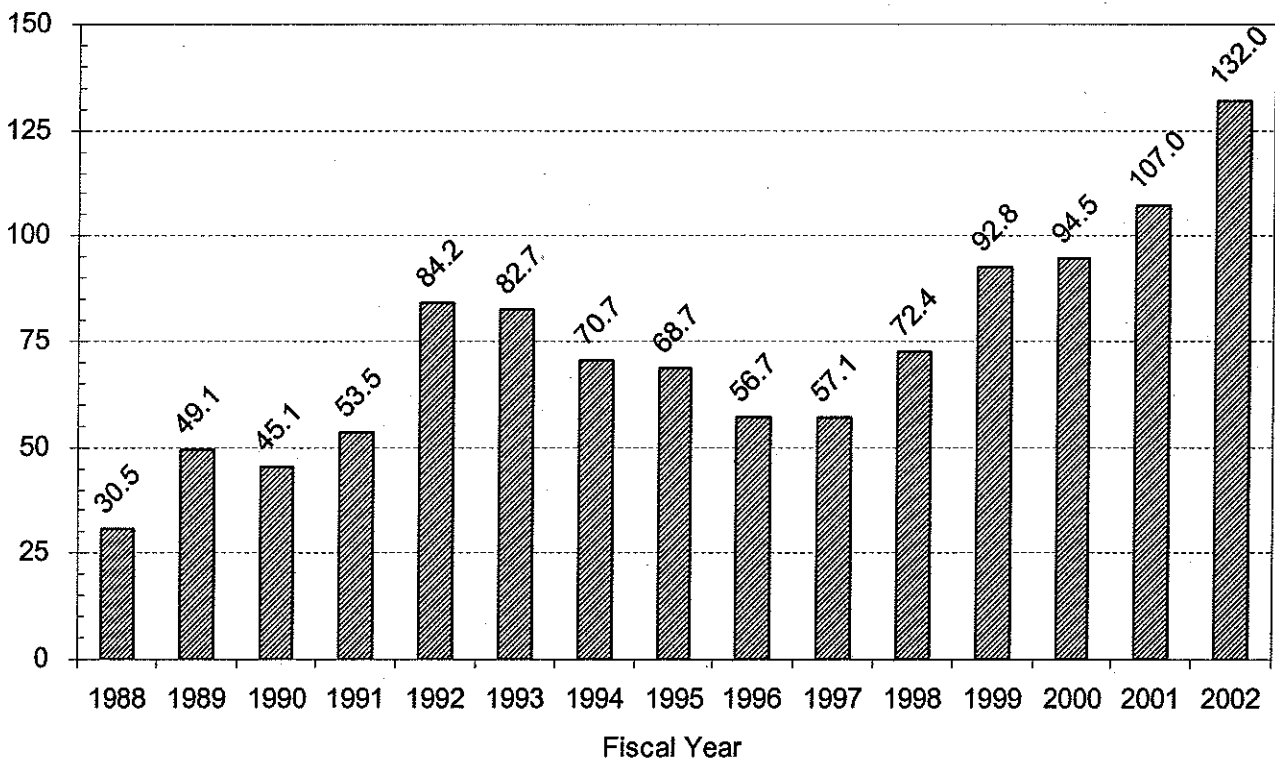


Number of Engineering Positions at WisDOT Over Time
 Including SEA, WSEU and Non-Represented Supervisory Positions



Encumbered Budget for Outsourced Engineering at WisDOT
 In Millions, Adjusted for Inflation in 2001 Dollars



WisDOT reorganization proposed

November 16, 2004

By Jeremy Harrell, Daily Reporter Staff

Two divisions merge under plan

The state Department

of Transportation has proposed a large-scale reorganization, prompting concern about the agency's ability to deliver its building program. The internal shuffle merges two key WisDOT divisions, eliminates 365 jobs and, as the agency's proposal notes, flattens the managerial flow chart. Randy Romanski, executive assistant to WisDOT Secretary Frank Busalacchi, said the reorganization would allow the department to fulfill its mission while dealing with the massive employee layoffs Gov. Jim Doyle imposed two years ago to help stem a \$3.2 billion state budget deficit. "Our goal is still a robust infrastructure improvement program, and that means all modes," he said. "This will help us improve the way we do business." WisDOT presented its overhaul on Monday and submitted it for Department of Administration review.

If approved, the reorganization will form part of Doyle's upcoming two-year budget proposal. A crucial piece of the reorganization combines the Division of Transportation Infrastructure Development and the Division of Transportation Districts. Romanski described the first bureau as WisDOT's policy- and standards-setting arm, while the second carries out those objectives. "It makes sense from the secretary's perspective to combine those two," he said. "That change made sense from a business standpoint." The proposal also reduces the number of district offices from eight to five. In a 36-page slideshow describing the reorganization, WisDOT argues that "major corridors fall logically within the new regional boundaries" and that the reduction will balance workloads and achieve administrative efficiencies. More with less?

Though the agency will try to reduce administrative staff before it eliminates engineering positions, the prospect of losing 365 more employees raises the possibility that WisDOT will have difficulty managing a building program that is not slated for a similarly sized reduction. A recent report concluded that WisDOT, in the last seven years, has slipped in its ability to deliver projects within the year they're scheduled.

In 1997, WisDOT attained a 99.8 percent success rate, compared with 78.5 percent in 2003. "We believe WisDOT is having trouble delivering the program today," said Tom Walker, executive director of the Wisconsin Transportation Builders Association. "Our position is that there should be no more staff cuts except where there's true savings." Walker also raised the possibility that the staff cuts could force WisDOT to outsource more of its design and management functions to consulting engineers. He said the agency should rely on consultants only if the size of the building program increases.



Mark Klipstein, a WisDOT project manager and president of the State Engineers Association, which represents agency employees, predicted the proposed staff cuts would fuel the continued expansion of consultant involvement, which has leapt by 45 percent in five years. He referred to a state report released this week concluding that WisDOT state employees are 18 percent cheaper than consultants. "The discouraging part is that this (reorganization) ignores the cost savings that are out there," Klipstein said. "It's amazing that they think they can continue to cut and deliver the program. The growth of outsourcing will continue." A second state report, backed by Doyle, found that consultants save the state 43 percent once other cost factors are calculated. Carol Godiksen, executive director of the American Council of Engineering Companies of Wisconsin, which represents consulting engineers, said her members await direction from WisDOT, a valued client. "We're here to partner with the state in any way necessary to provide a safe transportation program," she said. Romanski would only say that WisDOT would continue its policy of mixing state engineers with consultants, and he wouldn't forecast whether the balance would swing heavily in one direction. "It's too early to speculate on what impact this will have on the number of consultants and the number of state employees," he said. Jeremy Harrell can be reached at 608-260-8570 or by email.

The Associated Press contributed to this report.

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A TWENTY YEAR HISTORY OF THE NUMBER OF ENGINEERING STAFF AT DOT

By Tim Hanley, Wisconsin Rapids Section

State engineering positions have been under attack since 1990 and it should start "sounding an alarm." The continued cutting of engineering positions at the Department of Transportation (DOT) is hollowing out an agency that has responsibility for the stewardship of \$2.5 billion dollars per year of taxpayer money. The graph (below at the right) is alarming when you consider that over the same time period the spending on transportation projects went up every year and continues to rise. (Data provided by the Wisconsin.)

The growth in State government has not been in the engineering staff at DOT. The growth in State employees has been primarily at two State agencies – Department of Corrections and the University System. Then why would the governor and legislature continue to cut DOT staff at the same time they are increasing the dollars they want DOT to spend?

DOT conducted a thorough cost analysis to compare in-house staff costs vs consultant staff costs. The report documented that DOT staff deliver projects a minimum of 18 percent more cost effective than consultants. Eighteen percent is the minimum. Many at DOT feel the number is much greater than the conservative 18 percent reported by DOT. Why would any politicians want to attack and cut staff at a State agency which delivers their products and services 18 percent more cost effective than the competition? Taxpayers need an answer to this question.

Why should the public be concerned? They expect someone is looking out for their interest. They expect that their tax dollars are spent wisely with good engineering practices and accountability. Unfortunately in today's environment, we are spending lots of tax dollars, but the quality and detailed engineering the public is expecting is missing. Consultants who replaced cut State employee positions serve a profit interest, not a State

interest. Every time the public interest and profit interest competes, the public interest comes in last.

There are many examples where the public interest has finished last:

- DOT signing shop contract;
- Marquette interchange web site design;
- FHWA report of sloppy plan preparation by consultants on the Marquette interchange;
- Bid rigging by contractors;
- Consultant debarment proceedings for fraud; and
- DOT major project cost overruns.

The continued reduction of State engineering positions at DOT is directly linked to these failures and the public's interest finishing behind private profit interest.

We know from talking with our members at other agencies that the engineering functions are under attack at their agencies too. For example at Commerce the State building plan review group repeatedly is pressured to be a factory – collecting fees and turning out plan reviews without being allowed the time to do detailed engineering reviews.

The approach Governor Doyle is taking of cutting employees who are more efficient and replacing them with consultants who cost more is like giving a bleeding patient blood thinner. This is simply not something Wisconsin can afford to do.

