

Agency: 163 Consolidated Tech Serv
Decision Package Code/Title: C9 Counties Moving into Allocation

Budget Period: 2015-17
Budget Level: PL - Performance Level

Recommendation Summary Text:

Consolidated Technology Services (WaTech) requests \$815,000 to fully fund Washington counties' connectivity to the state's network. This request fully subsidizes counties' network access to state agencies and provides circuit connections within each county. By funding this request, the entire costs for network services to counties will be funded through the central services model network allocation.

Agency Total

Fiscal Detail

Operating Expenditures	<u>FY 2016</u>	<u>FY 2017</u>	<u>Total</u>
458-6 -Con Tech Serv Rev Acct-Non-Appropriated	0	815,000	815,000

Staffing

FTEs

Revenue

<u>Fund</u>	<u>Source</u>	<u>FY 2016</u>	<u>FY 2017</u>	<u>Total</u>
458 Tech Serv Rev Acct	0420 Charges for Services	0	815,000	815,000

Package Description:

Counties need consistent, secure connectivity to the state's networks. Often those connections are less than adequate because of various competing fiscal considerations within the 39 counties. Washington's counties connect to the state networks for the purpose of reaching five state agency 'anchor tenants'. These anchor tenants are: the Department of Health, Department of Social and Health Services, Administrative Office of the Courts, Washington State Patrol, and the Secretary of State's office. Currently, counties pay 20% of the cost of this connectivity. Even this modest portion of the cost to counties causes some to make choices that are burdensome or even risky to the state networks.

In order to provide consistent and secure access to the anchor tenants, WaTech is requesting \$815,000 in FY 2017. Of this amount, \$314,000 is for continuing maintenance and operation of the network connection and \$501,000 is a one-time expense to install provider edge devices in each county. These devices, essentially routers, allow multiple circuits to be consolidated into one connection from each county. This is much more cost effective than having multiple circuits each with its own connection to the state's networks. After installation, WaTech will be able to connect multiple customers from cities, counties, and state agencies through the devices located in each county.

Narrative Justification and Impact Statement

What specific performance outcomes does the agency expect?

Funding this request will relieve the counties of the fiscal burden of reaching the anchor tenants. It aligns funding with the anchor tenants' responsibilities to provide their various services at the local level. The security and consistency of these connections will no longer have to be measured against other local government fiscal pressures. For the state, the result will be more appropriate and consistent management of the equipment and methods that connect counties to the state networks.

Performance Measure Detail

Activity	A403	Data Network Services	Incremental Changes	
			<u>FY 2016</u>	<u>FY 2017</u>
Output Measures				
		000412 Intergovernmental Network (IGN) Traffic (Terabytes)	0.00	0.00

Is this decision package essential to implement a strategy identified in the agency's strategic plan?

This package supports the WaTech goals of providing high-quality Information Technology (IT) services and secure systems and data through a strategy of consistently managing all statewide networks end-to-end in a consolidated fashion. Networks would be operated under an optimized cost model and provide high reliability and security; efficient network sharing; and strategic capacity and performance planning.

Does this DP provide essential support to one or more of the Governor's Results Washington priorities?

Network operations and capacity are critical for the Governor's priorities of reducing congestion and pollution associated with commuting to work.

As noted in the Governor's Executive Order 14-02, expanding telework opportunities supports the following:

Results Washington outcome measure 3.2 of Goal 2: Prosperous Economy: Telework opportunities support an increase in the percentage of Washingtonians using alternative transportation commute methods.

Results Washington outcome measure 1.2 of Goal 5: Efficient, Effective, and Accountable Governments: Telework opportunities will help increase Washington's rank as an employer of choice from 63% to 66% by January 2016.

Results Washington outcome measure 1.2 of Goal 5: Efficient, Effective, and Accountable Governments: Network operations and capacity will support an increase in the amount of data available in downloadable and searchable formats.

Results Washington outcome measure 1.1 of Goal 3: Sustainable Energy and a Clean Environment: Telework opportunities reduce transportation-related greenhouse gas emissions.

Results Washington outcome measure 1.1 of Goal 3: Sustainable Energy and a Clean Environment: Efficient network operations in the state-of-the-art State Data Center reduce greenhouse gas emissions from electrical energy consumption.

What are the other important connections or impacts related to this proposal?

Counties will be supportive of this proposal. No other network customers are affected.

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

The only alternative is to continue to bill counties for the 20% of network costs that they already bear. These costs are increased in the 2015-17 biennium by 15% due to the ending of the network rate holiday that was in place for three years.

What are the consequences of adopting or not adopting this package?

Counties' costs of connection to the anchor tenants will increase by 31% and counties will continue to make decisions that best fit their finances rather than best fitting the optimization of the state's network.

What is the relationship, if any, to the state's capital budget?

None

What changes would be required to existing statutes, rules, or contracts, in order to implement the change?

Not applicable

Expenditure and revenue calculations and assumptions

Details provided under separate cover.

Which costs and functions are one-time? Which are ongoing? What are the budget impacts in future biennia?

The costs for maintenance and operation (\$314,000) are ongoing and will carry forward into future biennia. This costs for installing the provider edge devices in each county is one-time (\$501,000).

<u>Object Detail</u>	<u>FY 2016</u>	<u>FY 2017</u>	<u>Total</u>
E Goods\Other Services	0	815,000	815,000
Total Objects	0	815,000	815,000