

Bureau Cost Savings Summary

A combination of a reduction in staff positions and cost savings realized from the relocation of the Air Quality Bureau to the Wallace Building will result in an estimated annual net cost savings of \$640,000. Three operating permit writers were laid off in the Title V Operating Permit section. One staff member was laid off in the Support Unit and a vacancy in the unit was not filled. A vacancy in the Construction Permits section was not be filled.

The building rent, ICN internet connection, and courier service costs at the Hickman location were eliminated with the move. Office expenses are now provided through DNR's indirect costs instead of directly from air quality cost centers.

Item	Annual Savings
Personnel (6)	\$505,400
Building Rent	\$220,900
ICN (Internet Connection)	\$21,700
Courier Service	\$2,900
Ricoh Copiers (4) Lease and Maintenance Agreements	\$15,200
Office Supplies	\$5,400
Increase in DNR Indirect Costs*	-\$131,500
Net Total	\$640,000

*Annual change in indirect expenses beginning in SFY19.

Support Unit Efficiency Update

Receptionist Duties. Relocation of the Air Quality Bureau offices to the Wallace Building eliminated the need for a receptionist to cover phone calls and for greeting and signing visitors in. It also eliminated the need for non-receptionist staff to provide backup coverage of reception when the primary receptionist was out. Staffing was reduced by one member as a result of the reduction in work in this area.

Administrative Support Functions. A number of administrative support functions previously handled by Air Quality Bureau staff were absorbed into the DNR's Customer Service & Employee Bureau as a result of the move. These include receiving and transferring calls from the public, administration of the contracts and servicing for four Ricoh copiers, supply and equipment ordering and restocking, and storing and tracking checkout of equipment such as projectors, cameras, and recorders. DNR Customer Service staff also complete large copy jobs and mailings when requested. The costs associated with these functions are paid for by DNR's indirect costs. Air Quality staff who had previously performed these tasks as part of their normal job duties are now able to devote more time to their primary job duties of records management, asbestos on-line notification system management, and SLEIS and SPARS help desk assistance and data entry.

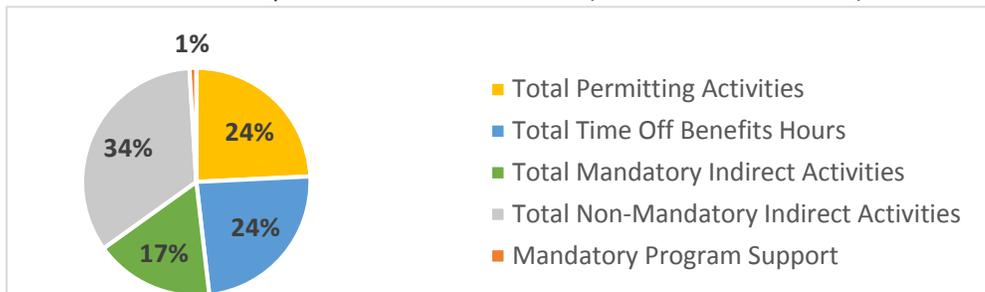
Priorities. Top priorities for the Support Unit over the next 18 months will be working with the contractor for the e-Application system to implement and roll-out the new system. Support Unit staff will also continue to maintain up-to-date posting of final air construction permits on the SPARS Construction Permit Search webpage and in DocDNA.

Title V Efficiency Update

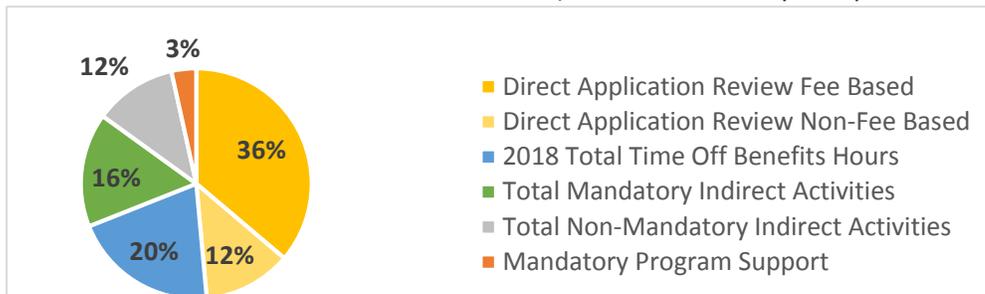
Staffing. Based on DNR evaluation of Title V staffing level and recommendations from the 2017 Funding Work Group, three Title V permit writers were laid off November 13, 2017. A portion of senior staff time is also devoted to drafting permits.

Time allocation. Two hundred percent increase in time spent on primary activities since the reduction in force. Primary activities include initial and renewal permits, modifications and mandatory program support associated with Title V emissions fees.

Title V time allocation prior to reduction in force (annual best estimates)



Title V time allocation after reduction in force (actual data January 1 - April 18, 2018)



Customer satisfaction. Surveys are conducted when initial and renewal permits are issued. When asked to rank their level of satisfaction with the permitting process, 90% of applicants who responded state they are either satisfied or very satisfied. This has remained consistent since the reduction in force.

Productivity. Data from before and after the reduction in force shows no noteworthy changes in turnaround time or the number of permits issued. It may take several years for any changes to become apparent.

- Initial and renewal permits issued Q1 2017 = 13, Q1 2018 = 9
- Turnaround time from completeness review Q1 2017 = 204 days, Q1 2018 = 199 days
- Modifications issued Q1 2017 = 11, issued Q1 2018 = 2
- Modifications received 2017 Q1 = 24, 2018 Q1 = 31 (required for application shield)

Priorities. Title V gives priority to billable applications. Therefore non-billable work (initial and renewal applications received prior to January 15, 2016, modifications) are given lower priority and may take longer to issue. Additionally, less non-mandatory indirect time is available for process improvement, assisting small sources exit the program, and for keeping up with national issues.

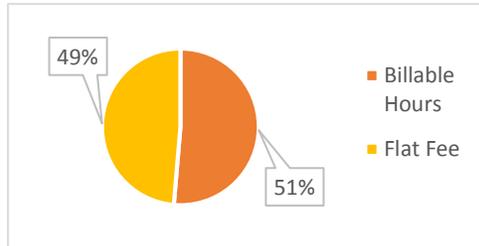
Construction Permit Efficiency Update

Staffing. Based on DNR evaluation of necessary staffing levels and as recommended by the 2017 Funding Work Group, staffing in the construction permit section has decreased by one engineer. A vacancy was not filled when an engineer resigned August 2017.

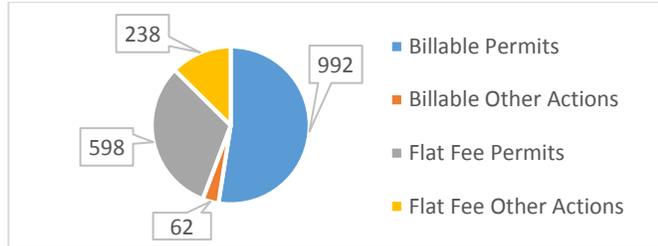
Productivity. Despite losing one staff member, productivity remains high in the section with standard lead times experiencing a nominal increase in the last quarter.

CY 2017

Projects Completed



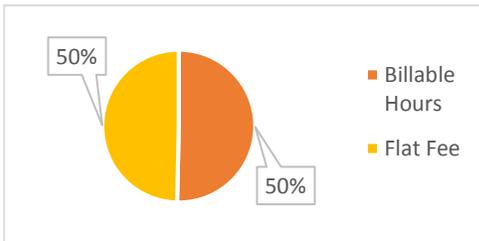
Permits and Actions Completed



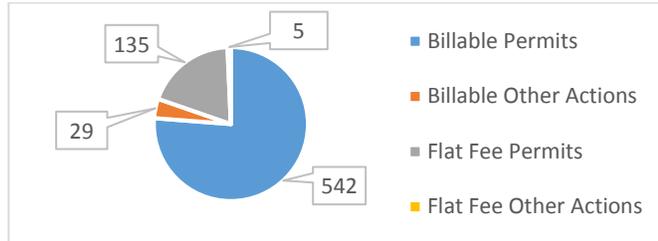
- Highest number of projects completed in last 5 years
- Lead times in 2017 improved due to process improvements implemented mid-2016:
Standard: 38 days on average (38% reduction from 2016)
PSD: 129 days on average (7% reduction from 2016)
- 20% of 2017 permits issued used new Collection of Air Permit (CAP) format. The CAP format allows facilities to combine multiple emission sources into one permit document.

Q1 2018

Projects Completed



Permits and Actions Completed



- Standard lead times see a slight increase with larger increases in PSD lead times
Standard: 40 days on average (5% increase from 2017)
PSD: 169 days on average (31% increase from 2017 but still within 180 day goal)
- 39% of Q1 2018 permits issued used CAP format.

Priorities. Construction permit staff began limiting hours reviewing flat fee applications in February 2018. The flat fee was established at \$385 per application for a standard permit, which combined with the state funded match pays for only 8 hours of direct and indirect time. In 2017 and Q1 2018, flat fee projects averaged 10.5 hours and 9 hours of direct time, respectively. Indirect activities used by these applications, such as the permit determinations, permit hotline, and guidance document development, are additional hours. Accordingly limitations are needed to avoid budget deficits.