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4 *COMMISSION ON GOVERNMENT FORECASTING AND ACCOUNTABILITY*

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JULY 31, 2008

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STATE FACILITY CLOSURE ACT HEARING:

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IDOT, DIVISION OF TRAFFIC SAFETY CLOSURE

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SPRINGFIELD, ILLINOIS

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1 *COMMISSION MEMBERS IN ATTENDANCE:*

2 *REPRESENTATIVE RICH BRAUER (R)*

3 *REPRESENTATIVE FRANK MAUTINO (D)*

4 *REPRESENTATIVE RICHARD MYERS (R)*

5 *REPRESENTATIVE RAYMOND POE (R)*

6 *SENATOR BILL BRADY (R)*

7 *SENATOR DON HARMON (D)*

8 *SENATOR CHRISTINE RADOGNO (R)*

9 *SENATOR JEFFREY SCHOENBERG (D)*

10 *SENATOR DAVID SYVERSON (R)*

11 *SENATOR DONNE TROTTER (D)*

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1 SENATOR SCHOENBERG: The hour of five o'clock having
2 arrived, the Commission on Government Forecasting and
3 Accountability will come to order.

4 We'd like to welcome everyone here in the hearing
5 room this evening as well as those who are joining us outside
6 and watching on the big screen. I am State Senator Jeff
7 Schoenberg and am joined by the Co-Chairman, Rich Myers.

8 Before we call the roll, I would like to ask
9 everyone to abide by our rules, which is to turn off your cell
10 phones entirely. Put them on "silent" or "vibrate".

11 In addition, I want to let everybody know that we're
12 going to stay until everyone has had a chance to say what they
13 want said - which means that we're going to wish to move the
14 agenda along. It means that we specifically ask that there be
15 no cheering, booing, or demonstrations of sentiment one way or
16 the other. No signs of any kind, and that we adhere to the
17 quorum of the Capitol. With that, I'd like to ask the Clerk
18 to call the roll. (Clerk takes roll call. See attendance
19 list on previous page.)

20 SENATOR SCHOENBERG: A total of ten members
21 answering the roll. A quorum is present, and we will proceed
22 with our business.

23 According to the State statute, the purpose of this
24 hearing is under the State Facility Closure Act. We are to be

1 conducting a formal public hearing on the proposed closure of
2 the Illinois Department of Transportation, Division of Traffic
3 Safety facility here in Springfield. It has been announced by
4 the administration that their intentions are to relocate that
5 department to Harrisburg.

6 In order to expedite matters, and have a more
7 thorough discussion and analysis of this important issue, we
8 are going to be calling people forward in panels. We will be
9 calling groups of people forward throughout much of the
10 hearing so this will eliminate some of the time of going back
11 and forth with people entering and leaving the witness chair.

12 I would like to ask that everybody who wishes to
13 testify, particularly members of the general public who wish
14 to make a public statement - we have "witness slips", and we
15 would like you to fill out those witness slips.

16 In addition, if you have prepared written testimony,
17 it is my hope that we be able to post all testimony on the Web
18 so that the Commission members can have the most extensive
19 look at every side of this issue.

20 Finally, I would just like to add one other point by
21 way of background. This is really the first time that we have
22 gone through this stage of the process for the State Facility
23 Closure Act. There have been a couple of other occasions
24 where it's been announced that offices were to be closed or

1 relocated. That ended up not following the entire process to
2 this point. As the person who wrote this law, the chief
3 sponsor of the bill, the reason why we do it, is in order to
4 examine all the criteria and all the facts, and to make the
5 most sound, intelligent decision based on that information
6 before we go ahead and implement the decision, which in fact
7 could impact not only how well state government functions, but
8 the livelihoods of countless individuals in the State.

9 With that, I'd now like to turn matters over to
10 Representative Myers to make any opening comments he wishes to
11 make.

12 REPRESENTATIVE MYERS: Thank you, Senator
13 Schoenberg. We welcome all of you here tonight. We're here
14 to listen to all of you and get as much of the facts straight
15 as we can. Our Commission members will be asking questions of
16 those who testify for us. They will be assembling the
17 information with the help of staff after the hearing has
18 concluded, and we intend to offer a recommendation.

19 My request would be for those of you -- and I know
20 that everybody would like to offer a comment - we do have, as
21 Senator Schoenberg said, the witness slips. If the meeting
22 goes way too long and you want to make yourself heard, you can
23 sign a witness slip, either in "favor of" or in "opposition
24 to" the action that we're looking at tonight. Those witness

1 *slips will be recorded with your position on them. That will*
2 *enable all of us to know how many support the action and how*
3 *many oppose the action, as well as any comments that you might*
4 *want to offer.*

5 *We hope to proceed in a timely and fair manner*
6 *tonight. If you feel that we are not doing our duties*
7 *properly, please let us know, and we will try to accommodate*
8 *you. I believe that's all I have, Senator Schoenberg.*

9 *SENATOR SCHOENBERG: Thank you. I'd like to add one*
10 *other housekeeping point that does not relate to this*
11 *particular facility, but to another one, that as it turns out*
12 *that this committee is considering. I know there has been in*
13 *the context of the proposed Pontiac prison closure, there has*
14 *been some discussion over the fact that the Illinois*
15 *Department of Corrections has submitted its' Economic Impact*
16 *Analysis after the stated deadline. They had formally*
17 *requested an extension, and that question remains open -*
18 *primarily because the law is silent. So without indulging in*
19 *a lot of discussion this evening, I just wanted to pose it to*
20 *all the Commission members that any time we can provide*
21 *greater transparency and accountability in government, it's a*
22 *good thing, and anytime we can approve a law to do that, we*
23 *should do so.*

24 *I talked with Representative Myers, and it would be*

1 our hope that the Commission members over the course of the
2 next few months would develop a bipartisan, bicameral
3 Commission to sponsor a proposal to strengthen that and to
4 address where we may feel that law has been deficient up until
5 now. Primarily, the fact that it's "silent" on whether or not
6 the information is provided by the stated deadline. I know I
7 speak for Representative Myers in that we look forward to
8 working with the other Commission members who are interested.
9 I know that Senator Radogno has expressed interest in looking
10 at this law to make it even more responsive.

11 With that, I would now like to call the first panel
12 forward. I would like to call acting Secretary, Milton Sees
13 from the Department of Transportation and acting Director,
14 Maureen O'Donnell with the Department of Central Management
15 Services. If you could please come forward and proceed
16 whenever you're ready.

17 MILTON SEES: Good evening, Chairman Schoenberg and
18 Chairman Myers, and ladies and gentlemen of the Committee. My
19 name is Milton Sees. I'm the Secretary of Transportation.
20 During my testimony tonight, I intend to discuss the whole
21 story of this geographic relocation from the beginning.

22 First, there are some key points which I would like
23 to make. As a part of this geographic relocation, none of our
24 employees are being forced to move to keep a job. They don't

1 *have to move. They don't have to relocate their families.*
2 *They do not have to separate from their families. It is their*
3 *choice to move or stay.*

4 *Thirteen people have already transferred to other*
5 *Springfield jobs even though we have not yet engaged in formal*
6 *discussions, as we are to hold firm on this proposal until the*
7 *Commission makes its' recommendation, some time in September.*

8 *The Governor said that we are committed to finding*
9 *other jobs for those who don't wish to leave Springfield, and*
10 *I believe in and am personally committed to that effort also.*

11 *So the impact on Springfield economy should be*
12 *negligible. Houses will not need to be sold. Springfield*
13 *incomes and spending should remain the same. Children will*
14 *remain in their schools, and families can keep their own*
15 *doctors.*

16 *The operation of Traffic Safety will not be*
17 *impacted. We are committed to maintaining a high level of*
18 *production that we now have in traveling safety. In the State*
19 *of Illinois, seat belt usage is at an all-time high, and*
20 *highway fatalities are at an all-time low.*

21 *We will continue to offer our many services like*
22 *child restraint services through St. John's Hospital, as well*
23 *as other hospitals statewide. We will not compromise the*
24 *successes and accomplishments of the Traffic Safety division.*

1 We expect those successes to build and continue.

2 We are, however, committed to help one of the most
3 economically depressed high unemployment areas of the State,
4 without hurting Springfield. Five counties in the Harrisburg
5 area have the highest unemployment in the State of Illinois.
6 They are starving for jobs, literally. We can help, and we
7 can help them without hurting Sangamon County. In short, IDOT
8 is helping the taxpayers of Springfield and southern Illinois
9 in one fell swoop.

10 Now I know that some of you are skeptical about
11 that, and that's okay. I understand. But let me walk you
12 through the details, and I think you will agree with me that
13 this is an opportunity to do something very positive for the
14 citizens of the State of Illinois.

15 Here's the history. This all started over the need
16 to replace some carpet in the Traffic Safety annex building.
17 The dollars for the current Traffic Safety annex lease are not
18 spent in Springfield. The owners of the property are in
19 California, and that's where our lease payments go to. We
20 looked at the condition of the facility, and saw that we
21 needed to have the carpet replaced, and when we read the
22 lease, we found out that it would cost us \$200,000 out of
23 taxpayer money to replace the carpeting because that was the
24 way the lease read. So we took a closer look at the lease,

1 and what we found was, that it costs us \$1.6 million a year in
2 taxpayers' dollars to occupy our portion of that building.
3 This is more expensive per square foot than the IDOT facility
4 that we have in Chicago next to the Sears tower.

5 In one year, we can buy space in southern Illinois
6 for less than we spend for the one-year lease on the property
7 in Springfield. So the way that we see it, we're losing a
8 lease liability and buying a State asset.

9 Let me further explain. In 2002, the previous
10 administration renewed an annex lease and took the whole
11 building, although GMOB was against it. In 2006, as I said,
12 the carpeting was a mess in the annex, and it was determined
13 we would have to pay the landlords for new carpet. When we
14 reviewed the lease and found what it cost and realized that we
15 were leasing more space than Traffic Safety really needed, we
16 decided to look at options.

17 In early 2007, an IDOT committee began looking at
18 all of the IDOT leases and found that this was really not a
19 good deal for the State of Illinois or for taxpayers. We
20 looked at the opportunity to buy the building, but whenever we
21 did the calculations relative to that, we found that it would
22 probably cost about \$10 million to buy that facility.

23 Realizing that the annex lease ended in June, 2007,
24 we looked again at what our options were. We realized that

1 over the last five years, we had paid \$6.3 million in space
2 rent for more space than we needed. So in mid 2007, we began
3 to look at where else we could go. As a part of the
4 Governor's efforts to address the economic depression in other
5 parts of the State and give other people in the State of
6 Illinois the opportunity to realize more prosperity, we began
7 to look at southern Illinois.

8 Bill Grunloh was dispatched to take a look at
9 available properties. Bill is here tonight. He is the Chief
10 Operating Officer for IDOT. Considering that it would have
11 cost us \$10 million to buy the annex, we determined that a
12 southern Illinois location would afford us the most effective
13 use of our limited dollars and found that we could purchase
14 space that we needed in southern Illinois for around \$812,000.

15 In the fall of 2007, discussions were started to try
16 and obtain property in southern Illinois. Several trips were
17 made and a site was selected in West City, Illinois.

18 But in May, 2008, negotiations fell through on that
19 particular facility, and we began to look at other sites,
20 finally settling on a southeastern Illinois community college
21 site in Harrisburg. This property is adjacent to the property
22 that IDOT currently owns for the Illinois thirteen connector
23 and the intersection of that connector with U.S. State Highway
24 45.

1 The site selected involves a small land swap for
2 part of the college building in exchange for some IDOT owned
3 property. The final cost to the taxpayers is \$812,000. The
4 \$20,000 land swap includes 150 parking places.

5 Let me emphasize at this point that this building is
6 not yet purchased, regardless of public comment to the
7 contrary. Again, that building is not purchased, and IDOT, in
8 their agreement, has five days in which to terminate that
9 option for any reason.

10 July 1 of 2008, IDOT filed with the Commission as
11 required, and the building purchase was frozen until the
12 Committee could have this hearing and render their decision
13 sometime in September.

14 Again, we can purchase the Harrisburg facility and
15 renovate the building in about one and a half years at the
16 cost of about \$1.5 million.

17 If the current Traffic Safety employees choose to
18 stay in Springfield, they can. Some have already transferred,
19 so there will be very little relocation cost, and no loss to
20 the Springfield economy. No homes for sale in Springfield,
21 and the Springfield economy remains about the same.

22 The lease of the annex building is no longer a State
23 liability of \$1.6 million each year, and instead we have
24 purchased an asset. IDOT no longer has to pay property taxes

1 as it does under our current annex lease because we will own
2 the building in Harrisburg. That all results in a cost
3 savings to the Illinois taxpayers.

4 Property taxes on the State annex building will not
5 be lost, but will now be paid by the California-based owners
6 of that facility. We can help Illinois, and we can save
7 taxpayers' money at the same time.

8 We have provided a study from the Doctor of
9 Economics at SIU Carbondale that shows this will be a major
10 boost to the southern Illinois economy and will not have a
11 significant adverse impact on Springfield or Sangamon County
12 as current employees do not have to relocate if they do not
13 wish to.

14 I have IDOT staff here with me tonight who can
15 discuss the details, but in conclusion, let me say again, no
16 one will be forced to move to keep a job. There will be no
17 family disruption and unless current Traffic Safety employees
18 choose to move, we will find a way to keep them here in like
19 positions at like pay with like benefits.

20 We have not yet begun negotiations with the
21 bargaining units, and we will not be able to until after this
22 Commission renders its' recommendations in late September.

23 So, in summary, I wish to say again that I do not
24 and I will not accept the supposition that the efforts of

1 *Traffic Safety to reduce fatalities and increase the safety of*
2 *our States' highways will be adversely impacted. They will*
3 *not as a result of the move to Harrisburg be impacted in any*
4 *way.*

5 *This is a win-win for everyone, but most*
6 *importantly, for the taxpayers of Illinois.*

7 *There have been a number of unfair accusations about*
8 *this decision, and a number of unfounded rumors designed to*
9 *impugn the integrity and the motives of IDOT and the Governor.*

10 *Obviously, people are entitled to be upset if they*
11 *are facing an uncertain future, and I am certainly not*
12 *belittling that concern in any way, because I have experienced*
13 *that personally myself. But IDOT and CMS are here today to*
14 *get the truth on the table and show the Commission that this*
15 *is good for the taxpayers, it will not hurt Springfield, it is*
16 *good for our southern Illinois neighbors, and the Traffic*
17 *Safety employees get to choose whether or not they want to*
18 *move. And finally, we will lose a State lease liability of*
19 *\$1.6 million a year and replace it with a State building,*
20 *which will be an asset.*

21 *I thank you very much for your kind intention to my*
22 *opening remarks. We stand ready to answer any questions that*
23 *you might have of the Illinois Department of Transportation.*
24 *First, I will yield to my colleague, Maureen O'Donnell of CMS.*

1 SENATOR SCHOENBERG: Thank you very much, Mr.
2 Secretary. If the clerk please would add Senator Radogno to
3 the roll. In addition, we have a letter from House Republican
4 Leader Cross indicating that Representative Brauer is
5 replacing - pinch hitting, I should say - for Representative
6 Bellock. She would want me to say it that way, since she's at
7 Komisky. So, Director, please proceed.

8 MAUREEN O'Donnell: Senator Schoenberg,
9 Representative Myers, and members of the Commission, my name
10 is Maureen O'Donnell, and I am acting Director of Central
11 Management Services.

12 I've been acting Director of CMS since March of
13 2007, and one of my biggest concerns when I became acting
14 Director was the area of property management. We were
15 aggressively trying to look at State-owned and State-leased
16 space in a more analytical manner. What's the true cost?
17 What's the total cost of ownership? Not only for leased
18 facilities, but also for State facilities.

19 In compiling all of the data and doing some
20 analyses, we have identified leases which are simply a bad
21 deal for the taxpayers. We have sat down with numerous
22 agencies to discuss their agency mission and how best to align
23 their mission with their space need. Since 2006, we have
24 terminated over 153 leases. We decreased the square footage

1 of owned and leased property by the State in excess of 340,000
2 square feet. We've decreased lease expenses by over \$5
3 million. It is important that we be analytical in terms of
4 making decisions with respective property management, and
5 IDOT's decision to move forward and look at other more cost-
6 effective opportunities is exactly the type of participation
7 that we need from other agencies. And in fact, we've had a
8 number of those meetings with other agencies to date.

9 So far this year, we've had six, possibly seven
10 moves in terms of restacking. We've got more restacking
11 underway. I know that's been an issue - it's certainly been
12 covered well in the press. I'm here to answer any questions
13 you might have. Thank you.

14 SENATOR SCHOENBERG: Thank you. Questions from the
15 members of the Commission. Representative Brauer.

16 REPRESENTATIVE BRAUER: I guess this pinch-hitter
17 wants to lead off. Let me just start off by saying to the
18 people of Harrisburg that we certainly understand that it's
19 the State government's role to do what we can to help you to
20 have economic activity and to provide what stimulus that we
21 can.

22 Also, to Mr. Secretary, I have the highest regard
23 for you and the team that you have together out of the
24 department, although some of the directives that you're

1 required to fulfill - that's where I take issue. This is
2 certainly one of them.

3 No one questions your authority to establish your
4 offices. I think it says in your statute, "for the efficient
5 administration and operation of the department".

6 In your recommendation, you claim that these
7 services will be improved, but you don't explain how this move
8 will impact the operations or how the services will be
9 improved. Would you care to comment on that?

10 MILTON SEES: Well, as I said in my opening remarks,
11 Representative, I'm pleased to sit here and say that things
12 like... indicators like seat belt usage are at an all-time high
13 and that highway fatalities are at record lows. A lot of that
14 I attribute to the aggressive efforts of the department of
15 Traffic Safety. I certainly commend all of those employees
16 for their efforts.

17 There is always room for improvement, and we strive
18 for that in terms of efficiencies. I do not think that the
19 geographic location of that particular operation is directly
20 linked to its' ability to be effective. I would point out
21 that the lease... the Federal Highway Administration, Illinois
22 division office happens to be located in Springfield, but the
23 headquarters for Traffic Safety divisions happen to be in
24 Homewood, Illinois. So I don't really know that the

1 geographic location will contribute directly to an increase in
2 efficiencies or a decrease in efficiencies. What I look at is
3 the indicators. That's how we carry out our mission
4 throughout the State to reduce fatalities and make our
5 highways safe to that extent. I do not see the move as
6 anything but positive because it does save money, and as a
7 result, it should stretch our dollars a little bit farther.

8 REPRESENTATIVE BRAUER: Would you just take a moment
9 and talk about your mission statement at IDOT?

10 MILTON SEES: Certainly. Our mission is really to
11 design, build and maintain highways and bridges; to oversee
12 the operation of airports; to provide for highway safety, and
13 quite frankly, the safety of all transportation modes as well
14 as oversee public transit and passenger rail. Facilities are
15 throughout the State of Illinois, and that does include the
16 Illinois Division of Traffic Safety.

17 REPRESENTATIVE BRAUER: Is there anything in there
18 at all that talks about stimulating the economic development
19 of the State?

20 MILTON SEES: No, there is not.

21 REPRESENTATIVE BRAUER: That sounds like something
22 that DECO should do, maybe.

23 MILTON SEES: Well, I think that it is a global
24 community, and any time that you can use government as a whole

1 to stimulate the economy of the State, it is certainly
2 incumbent on us to take a look at it. Likewise, and in the
3 same vein, I would say that our highway system and our
4 transportation network is the very lifeblood of the economy of
5 the State of Illinois. Without our roads and bridges, there
6 is no Illinois economy in my opinion. I'm somewhat biased
7 because I'm Secretary of Transportation, so I've always looked
8 at highways as being an extension, if not the very basic
9 building block of our economic vitality and well-being in the
10 State of Illinois.

11 While I do not look at my mission statement and say
12 specifically, Representative, that yes I'm obligated to do
13 something for economic stimulation, I also am very cognizant
14 of the fact that without the highway system, you don't have an
15 economy anyway, so why not expand that a little bit and
16 extrapolate it out, and when we have a chance to do something
17 good, let's do it.

18 REPRESENTATIVE BRAUER: Oh, I agree with you, and I
19 think it would be an excellent time for a Capital bill.

20 MILTON SEES: So do I, Representative.

21 REPRESENTATIVE BRAUER: What way do you see this
22 move pushing ahead the goal of Traffic Safety? When you talk
23 about safe roads and seat belt usage - how do you see this
24 move furthering those goals?

1 MILTON SEES: It is difficult to say that the move
2 would further the goals. Again, I would not lay claim to the
3 fact that or make a promise that moving the facility from
4 Springfield, Illinois to Harrisburg, Illinois was going to
5 result in even fewer fatalities or greater seatbelt usage or
6 reduce the level of DUIs that we see in the State of Illinois.
7 But again, I do not think that having a site other than
8 Springfield is going to impair our ability to deliver the
9 products that we have. It's very hard to improve on 90.2%
10 seatbelt usage, and it's very hard to improve on the lowest
11 fatalities since 1924, but we'll keep struggling. Again, I
12 can't make a promise that it will, Representative.

13 REPRESENTATIVE BRAUER: Okay, well you state that
14 the move will make the facilities more accessible to all of
15 the citizens - how will that happen?

16 MILTON SEES: We will continue to have our field
17 operations throughout the State. All we're doing is removing
18 from Springfield and relocating to Harrisburg our core
19 operations for the Division of Traffic Safety. We will still
20 have our Vehicle Compliance officers, our seatbelt events to
21 promote that. We will still have our child restraint training
22 opportunities throughout the State of Illinois. In other
23 words, the fact that Traffic Safety is located in Springfield,
24 by no way suggests that our entire operation is a Springfield

1 operation. We have this operation throughout the State, and
2 so making it accessible to all of the citizens and users of
3 our services, is something that we can easily do from any
4 location in Illinois.

5 REPRESENTATIVE BRAUER: Do you foresee a rise in
6 traveling expenses or a rise in... actually, in the cost of
7 doing business, because now instead of three hours from any
8 location in Springfield, now the majority of people are in the
9 northern most end of the State, and now you have to drive up
10 there because of the length of the drive and stay overnight
11 and drive back the next day. Have you looked at those
12 additional costs?

13 MILTON SEES: I have not specifically looked at
14 those additional costs, Representative, but considering how
15 Traffic Safety conducts its operation, it's largely
16 electronic. Anyway, we will still have our field employees,
17 field inspectors and field operations located throughout the
18 State. They do not necessarily leave from Springfield every
19 morning to go, say to Chicago, or to Marion, or to Quincy, or
20 to Danville. We have people located in those areas already.

21 As IDOT, we're used to managing facilities
22 throughout the State. We have nine highway district offices,
23 as well as over 150 maintenance yards, so it should be easy

1 for us to locate people closer to where they need to be to do
2 their job.

3 Again, I don't think that certain functions will in
4 fact leave Springfield. I think that if you have a Vehicle
5 Compliance function in this part of the State, you will still
6 have it in this part of the State.

7 REPRESENTATIVE BRAUER: I understand that the list
8 of employees targeted for relocation includes everyone who is
9 based or who is headquartered at the Traffic Safety annex?

10 MILTON SEES: That was our original intent. We will
11 look at... again, we will take an inventory of those functions.
12 We're not going to be penny-wise and pound-foolish and
13 relocate people, so we do incur greater cost if their primary
14 mission is in this region, then we will make those
15 adjustments, such is the function of good management.

16 REPRESENTATIVE BRAUER: So are all of those managers
17 - are they actually based in the annex now, or are they
18 located someplace else?

19 MILTON SEES: No, the managers are located there,
20 and yes, their positions will be relocated.

21 REPRESENTATIVE BRAUER: Well how will their absence
22 affect the Harrisburg operation then?

23 MILTON SEES: The managers will be relocated to
24 Harrisburg.

1 *REPRESENTATIVE BRAUER: Oh, so you're going to move*
2 *150 of them down there then, jobs.*

3 *MILTON SEES: Well, it will be management as well as*
4 *the positions... I don't know the exact number represented, but*
5 *I'm not keeping management here and function there.*

6 *REPRESENTATIVE BRAUER: Okay.*

7 *MILTON SEES: I think that was your question.*

8 *REPRESENTATIVE BRAUER: Yes, it was.*

9 *MILTON SEES: Okay. No, management will be in*
10 *Harrisburg, as well as function.*

11 *REPRESENTATIVE BRAUER: Well, my next concern is a*
12 *safety concern, and when you talk about the Hazmat people and*
13 *these Motor Care and Compliance officials, they decided not to*
14 *move down there. These federal regulations are rather lengthy*
15 *and complicated, and now you're going to have a whole new*
16 *operation with no experience, no institutional knowledge, no*
17 *one to turn to to ask those questions.*

18 *MILTON SEES: Well, in the private sector as well as*
19 *in government, there is always turnovers, so what we will have*
20 *to do necessarily as early as possible, is to determine who is*
21 *willing to go, or who desires to go and who does not. If the*
22 *people who perform particular functions wish not to go, then*
23 *we will have to begin an intensive training effort to insure*
24 *that we do not lose that expertise.*

1 *REPRESENTATIVE BRAUER: I realize that you have that*
2 *normal turnover, and I'm going to wrap up here real quick - I*
3 *think I've fouled off enough balls already.*

4 *Truly, the concern that I have, and I think that*
5 *you'll hear more of that from the chemical and fertilizer*
6 *industry, is that they work hand-in-hand with the Hazmat*
7 *people and for them to have a whole new team in there and no*
8 *sort of institutional knowledge at all - no sort of supervisor*
9 *that they can turn to to get those questions asked - there's a*
10 *real concern, and I think that's a safety concern we all have.*

11 *MILTON SEES: I respect that, Representative.*
12 *Anytime you have a change, it affords a challenge to*
13 *management, but there again, I think that the advantages*
14 *outweigh the challenges, and I think we can rise to the*
15 *challenge of training new people if necessary.*

16 *REPRESENTATIVE BRAUER: I have about six more pages*
17 *of questions, but out of respect for everybody's time, I want*
18 *to thank you for your appearance here this evening.*

19 *MILTON SEES: Well, you know Representative, I would*
20 *say that was a pretty good "at bat".*

21 *SENATOR SCHOENBERG: Thank you. Representative*
22 *Mautino, then Representative Poe, then other members will be*
23 *recognized - Senator Syverson, and would anyone else like to*
24 *get in line? Senator Brady.*

1 *REPRESENTATIVE MAUTINO: Thank you. I have a few*
2 *questions as well for Maureen and for Secretary Sees.*

3 *Just to start off with. I appreciate the great*
4 *interest here and the concern of the people who are currently*
5 *working in Springfield and the hopes of those from Harrisburg*
6 *as well. This is a very difficult situation that we find*
7 *ourselves in.*

8 *To start off with, one of the things with this*
9 *Commission is, although we do not have veto authority, is to*
10 *make sure that you did things right.*

11 *What's the revenue stream to purchase the building?*
12 *First of all, we don't have a copy of the contract. Who*
13 *signed the contract from IDOT? I know that three members of*
14 *the Board did.*

15 *MILTON SEES: If it's permissible to the Chair, can*
16 *I have Ellen Schanzel-Haskins respond to that?*

17 *SENATOR SCHOENBERG: Sure.*

18 *MILTON SEES: She's Legal Counsel.*

19 *ELLEN SCHANZEL-HASKINS: Thank you. The revenue*
20 *stream is the 6900 line item.*

21 *REPRESENTATIVE MAUTINO: Does that mean the Road*
22 *Fund?*

23 *ELLEN SCHANZEL-HASKINS: Yes it does.*

1 *REPRESENTATIVE MAUTINO: Why don't we start with the*
2 *contract. On the contract itself. Whose signature is on*
3 *that?*

4 *ELLEN SCHANZEL-HASKINS: It is signed by Secretary*
5 *Sees, Ann Schneider and myself. There is a contract... it is a*
6 *Proposal to Purchase, and it contains - I think you have a*
7 *handout which I have provided - that has a clause that says*
8 *that IDOT can get out of the contract at any time with five*
9 *days notice for any reason.*

10 *Now this is a standard provision of our contracts*
11 *when we purchase buildings. This is the one page document,*
12 *and it was signed on June 27, 2008. On July 1, 2008, we filed*
13 *our recommendation for closure with the Commission, and we*
14 *froze all other activity with regard to any relocation at that*
15 *point because we know that by statute, we are required to do*
16 *that and to wait until this Commission has had an opportunity*
17 *to render their decision. So I want you to know that we froze*
18 *everything at that point.*

19 *SENATOR SCHOENBERG: Excuse me, if I could just*
20 *interject. I've been advised by our staff that we do not have*
21 *a copy of that document.*

22 *REPRESENTATIVE MAUTINO: Correct. That's why I*
23 *asked.*

24 *SENATOR SCHOENBERG: For our review.*

1 ELLEN SCHANZEL-HASKINS: I have that for you, and I
2 can provide copies.

3 SENATOR SCHOENBERG: Could you? Thank you. Please
4 proceed.

5 REPRESENTATIVE MAUTINO: So to that line, we do have
6 a signed contract that is in place, and you have an out clause
7 that at anytime within five days notice by either side, I take
8 it?

9 ELLEN SCHANZEL-HASKINS: No. By IDOT. Just by
10 IDOT.

11 REPRESENTATIVE MAUTINO: Okay. Why the Road Fund?
12 My question to you is do you have statutory authority to
13 actually purchase and renovate a building through road funds?

14 ELLEN SCHANZEL-HASKINS: Yes. I would point you now
15 to the handout I have given you which is a entitled,
16 "Statutory Authority". As you know, statutory authority of
17 IDOT originated with the federal government, and when the
18 federal government decided to do federal highways, they
19 directed in the federal law that the states were to give
20 authority to the Departments of Transportation in the
21 respective state in order to be able to adequately have the
22 powers and be suitably equipped to discharge to the
23 satisfaction of the U.S. Secretary of Transportation, the
24 duties for roads.

1 *REPRESENTATIVE MAUTINO: Okay, and now under our*
2 *State statutes, it appears that the purchase of office*
3 *buildings by the statute is under the review of CMS with a*
4 *specific appropriation requirement from the General Assembly.*
5 *Maureen, is that your understanding?*

6 *MAUREEN O'DONNELL: I do believe that CMS has*
7 *authority to lease and purchase office space, however, I don't*
8 *think it's exclusive. IDOT, DNR, Agriculture - they have*
9 *specific authorizations to purchase property as well.*

10 *ELLEN SCHANZEL-HASKINS: And Representative, if I*
11 *could point you to the second page of my handout, it says, "A*
12 *Civil Administrative Code", and that is the Illinois law which*
13 *specifically gives the Secretary of Transportation and the*
14 *Director of Natural Resources as well as CMS later on in the*
15 *Act, the power to purchase buildings and land, and that sort*
16 *of thing. It's part of our Highway Mission and Purposes.*

17 *REPRESENTATIVE MAUTINO: "However, before leasing or*
18 *purchasing any office or storage space buildings, land or*
19 *other facilities, the Department of CMS shall serve in the*
20 *existing State-owned properties" - that's actually in the*
21 *statute?*

22 *ELLEN SCHANZEL-HASKINS: That is in a separate*
23 *statute. That is in a CMS statute. I'm talking about the*
24 *Civil Administrative Code.*

1 *REPRESENTATIVE MAUTINO: Okay, well under that*
2 *statute, was that done?*

3 *ELLEN SCHANZEL-HASKINS: Well, actually it was. It*
4 *was not done by CMS. This was a purchase that IDOT made, and*
5 *we did do a survey in the municipality per the statute of*
6 *various leased properties and various properties that we*
7 *looked at to purchase, and I believe that the Space Needs*
8 *Assessment has been provided to the Commission with an earlier*
9 *filing that we made. It looks like this.*

10 *REPRESENTATIVE MAUTINO: I do have that. In the*
11 *Space Needs Assessment... also, from CMS, Maureen, did you also*
12 *do the Space Needs Assessment, or did you contact the Attorney*
13 *General? I believe that when we purchase a property, no money*
14 *can be expended until the Attorney General has signed off on*
15 *the Title of Authority. Has that been done at this point?*

16 *MAUREEN O'DONNELL: No. CMS did not do an*
17 *assessment of State-owned and leased property, simply because*
18 *this was an IDOT purchase. It was not a lease. It was a*
19 *purchase.*

20 *ELLEN SCHANZEL-HASKINS: To further answer your*
21 *question. We regularly purchase buildings such as this. I've*
22 *given you a list of buildings in the last twenty years that we*
23 *have purchased without CMS through our authority which has*
24 *been signed off by the Attorney General, as you have*

1 mentioned. We did contact the Attorney General, because any
2 time we purchase a building, we must do it through the
3 Attorney General. You were absolutely correct, and we did
4 make that contact, yes.

5 REPRESENTATIVE MAUTINO: Now, for each of these
6 purchases that you gave me on the listing, did they have
7 distinct lines or were they done using Road Fund dollars?
8 What was the funding structure? Was that through a designee
9 of the agency and paid for with line item appropriations?

10 ELLEN SCHANZEL-HASKINS: Yes. Most of them - if you
11 look at the list - the first one is the Bloomington office
12 building, which we bought in 2003 for \$375,000. We used the
13 6900 permanent improvement appropriation line item which is
14 the same one we're proposing to use for Harrisburg, and that
15 is Road Fund, yes.

16 REPRESENTATIVE MAUTINO: Okay. Maureen, have we
17 entered into any other lease agreements at this same property
18 proposed at Harrisburg at this point in time?

19 MAUREEN O'DONNELL: CMS has not entered into any
20 leases, no.

21 REPRESENTATIVE MAUTINO: Okay, I believe that DNR
22 has. Are you familiar with the lease at the 3575 College Road
23 in Harrisburg - that's the property?

1 MAUREEN O'DONNELL: I am not aware of that. I can
2 certainly check it and get back to you.

3 REPRESENTATIVE MAUTINO: If you would. It was
4 signed on and effective from July 1, 2008 through June 30,
5 2009. We'll see if that also has to have renovation or if
6 that's a different site?

7 I know that you have a lot of questions, so I'll
8 hold off, and I'll have a few more for some of our other
9 witnesses. Thank you.

10 SENATOR SCHOENBERG: Thank you. I have some
11 questions that relate to the real property acquisition of
12 this, but I'll hold off on them as well.

13 Representative Poe, then Senator Syverson followed
14 by Senator Brady.

15 REPRESENTATIVE POE: I too would like to thank
16 everyone for coming. This will follow-up along the lines that
17 Representative Mautino mentioned.

18 The other state agencies - have they been contacted
19 through the constitutional officers to review approval of the
20 contract?

21 You mentioned that you talked to the Attorney
22 General's office. Is there any other officials required to
23 approve this contract, or is it strictly through the Attorney
24 General's office?

1 ELLEN SCHANZEL-HASKINS: No, we strictly go through
2 the Attorney General's office. They give us a legal opinion
3 of clear title, and then at that point, we are required under
4 the statute that once we actually purchase the property and
5 the deed has changed hands, to publish it in the "Bulletin of
6 Procurement Policy Board".

7 REPRESENTATIVE POE: Has a closing date been set?
8 You have an option basically, right? Is that what you're
9 telling me?

10 ELLEN SCHANZEL-HASKINS: Yes, sir.

11 REPRESENTATIVE POE: So you have told them that
12 there won't be a closing date until after... has there been a...
13 what kind of time table have you given them?

14 ELLEN SCHANZEL-HASKINS: Well, we have a proposed
15 closing date in the document. It is September 15, 2009,
16 however, I think that we contemplated 2008. It is after the
17 time period. That is not set in stone... we already know,
18 because we have been frozen, we can't go forward. That is
19 absolutely fine with us, but we think that the closing date
20 will have to be put off.

21 REPRESENTATIVE POE: Okay, what was the contract
22 price that you eluded to, and what was the asking price? Who
23 negotiated that?

24 ELLEN SCHANZEL-HASKINS: I'm sorry?

1 *REPRESENTATIVE POE: The contract price on the*
2 *building - who negotiated that, and where to start out and how*
3 *did we end up?*

4 *ELLEN SCHANZEL-HASKINS: It was negotiated through*
5 *an attorney in my office, Cindy Buscher-Hallon and Bill*
6 *Grunloh. I would defer to Bill Grunloh with regard to that.*

7 *REPRESENTATIVE POE: That's fine. So the money... you*
8 *were talking about the money. Where does that come from? Is*
9 *that all State money, federal money, or where is that money*
10 *coming from?*

11 *ELLEN SCHANZEL-HASKINS: From the Road Fund, so it*
12 *would be a combination.*

13 *REPRESENTATIVE POE: And so, Traffic Safety*
14 *basically operates under federal funds?*

15 *MILTON SEES: Representative, actually that's all*
16 *State money because it comes from our State MFT Fund. There*
17 *is no federal money involved.*

18 *REPRESENTATIVE POE: You know, Director, you and I*
19 *have worked very hard on... I've supported a Capital Plan, and*
20 *as we go around on venues together, we're talking about how*
21 *hard up the State of Illinois is, especially on transportation*
22 *and hiring different facilities. I know in Chicago, we don't*
23 *go up there because there isn't enough fuel to put in our*
24 *trucks, and we just have this money laying around available?*

1 MILTON SEES: No, no, we do not, and that's one of
2 the reasons why when we looked at what the current lease was
3 costing us, and what our payout was annually versus owning a
4 building in southern Illinois, we made the decision to save
5 the money on the lease and go with the purchase of a building
6 which we could buy for an amount... buy and rehabilitate and
7 remodel for an amount equivalent to one year's lease at our
8 current facility.

9 REPRESENTATIVE POE: What was the procurement
10 process that was utilized in selecting this particular
11 location?

12 ELLEN SCHANZEL-HASKINS: We filed all of the usually
13 required statutes which include the need and necessity to get
14 an appraisal. The fact is, this property is appraised at more
15 money than what we are paying for it. Because of the U.S.
16 Constitution and the Illinois Constitution, that says that you
17 have to pay just compensation, we will be required to get a
18 letter, a donation letter, from the community college donating
19 in effect, the difference in what we're actually paying and
20 what the appraisal was because the appraisal was more than
21 \$812,000.

22 So we have that statute that we must look at. We
23 must have a survey of the property. We must make sure that we
24 have a clear title to the property, and we must do an

1 *Environmental Assessment, and all of those have been done.*
2 *This was handled through our Land Acquisition division, and*
3 *was handled just as all purchases made through the Department*
4 *of Transportation for highways and highway support purposes.*

5 *REPRESENTATIVE POE: Are those documents available*
6 *for the Committee?*

7 *ELLEN SCHANZEL-HASKINS: Yes, sir, and I believe*
8 *that you have received at least the Environmental Assessment.*
9 *I don't know if you have the survey, but I would be happy to*
10 *get that to you. I don't know if you have the appraisal, but*
11 *I can also get that to you.*

12 *REPRESENTATIVE POE: In our own districts, we always*
13 *deal with anything that has to do with construction with CDB.*
14 *Have they done an assessment?*

15 *ELLEN SCHANZEL-HASKINS: Not as yet, because we are*
16 *frozen, and we have not purchased the property, so we can't*
17 *really go to CDB to talk about that until after the Commission*
18 *has rendered their opinion.*

19 *REPRESENTATIVE POE: Since you have that*
20 *environmental study, what response has the Illinois EPA given*
21 *to you?*

22 *ELLEN SCHANZEL-HASKINS: The environmental study*
23 *came back fine. There was a little bit of mold in one of the*

1 areas near the roof that has already been mitigated and there
2 are no environmental concerns with the building.

3 REPRESENTATIVE POE: Wouldn't CDB though... it being a
4 function of the State of Illinois that when you're doing
5 asbestos, and EPA is the same way, I know that they have a
6 whole asbestos division - why wouldn't that have been prudent
7 to have some of those agencies help us out on this?

8 ELLEN SCHANZEL-HASKINS: Well, we did this as we do
9 any building that we purchase. We have environmental
10 consultants who go in. They did check for asbestos, and we
11 have just handled this like we would any other purchase.

12 The IEPA doesn't really get involved unless there
13 are problems, and the Attorney General of course will look at
14 the environmentals as well. There just aren't any problems
15 with the building that we know of, and our experts have
16 checked it thoroughly.

17 REPRESENTATIVE POE: I have a couple of questions
18 for the Secretary. Was a Realtor used, or since Bill is
19 familiar with that area down there, did we just negotiate
20 directly with the community college, or how was that handled?

21 MILTON SEES: Representative, let me just bring Bill
22 Grunloh up here. He's Chief Operating Officer for IDOT, and
23 I'll let him explain the process.

1 BILL GRUNLOH: Yes, Representative. It was actually
2 negotiated with the Community College Foundation, who owns the
3 building. There was no Realtor involved in this particular
4 piece of property.

5 REPRESENTATIVE POE: What about the appraisal?

6 BILL GRUNLOH: The appraisal was completed as the
7 General Counsel said through the highway acquisition. The
8 appraisal was done through our legal department and was hired
9 and paid for through IDOT.

10 REPRESENTATIVE POE: And they hired who to do that?

11 BILL GRUNLOH: One of the approved IDOT appraisers.

12 REPRESENTATIVE POE: Is that appraiser located in
13 Illinois?

14 BILL GRUNLOH: Yes.

15 REPRESENTATIVE POE: According to our notes, it was
16 George Cox out of Kentucky who did the appraisal.

17 BILL GRUNLOH: I stand corrected, but Mr. Cox is one
18 of IDOT's approved appraisers. We have several throughout the
19 State.

20 REPRESENTATIVE POE: Is he a former IDOT employee?
21 Did he work for IDOT?

22 BILL GRUNLOH: I can't answer that question.

1 *REPRESENTATIVE POE: His resume indicated that he's*
2 *a former IDOT employee, and what I'd really like to know, is*
3 *how much his fees were.*

4 *BILL GRUNLOH: I can tell you that the building*
5 *appraised for about \$860 some thousand dollars, and the*
6 *purchase price agreed to was around \$812,000.*

7 *REPRESENTATIVE POE: That's the whole appraisal?*
8 *And that was his fee, or was that...*

9 *BILL GRUNLOH: No, no, no. His appraisal gave the*
10 *stated value of the building to be about \$865,000. The*
11 *agreement that we have to purchase the building is a purchase*
12 *price of about \$812,000.*

13 *REPRESENTATIVE POE: A little bit of the same thing,*
14 *just on the environmental and the ecology - who was the one*
15 *that did that survey and where were they located? How were*
16 *they chosen? I guess was there an RFP or something sent out?*
17 *Most people bid on performing those services.*

18 *BILL GRUNLOH: It was done for... and again I*
19 *apologize as it was handled through the Chief Counsel's*
20 *office. I am aware of the results of the finding... it looks*
21 *like Test America was the environmentalist company that did*
22 *the study.*

23 *REPRESENTATIVE POE: And they're located where?*

1 BILL GRUNLOH: It looks like in Chicago - University
2 Park.

3 REPRESENTATIVE POE: So is that a bid process, or do
4 you have a list of preferred...

5 MILTON SEES: Representative, that particular firm
6 happens to be on contract with the State already, and they are
7 involved in all of our land purchases.

8 REPRESENTATIVE POE: So is there a standard fee?

9 MILTON SEES: It's an existing contract for various
10 services.

11 REPRESENTATIVE POE: Just quickly... I know everybody
12 needs to move it along here. Just a little bit of talking to
13 the Director of CMS for a minute.

14 What's your involvement been so far in this
15 purchase?

16 MAUREEN O'DONNELL: IDOT had approached us, and we
17 had talked about this early when it was made public. I think
18 that CMS' involvement prior to that point was limited.

19 That said, as Ellen has already illustrated, IDOT
20 has made a number of purchases in the past without CMS'
21 involvement. This was independent. This was a purchase, it
22 wasn't a lease, and consequently, IDOT exercised under its'
23 own authority in doing this purchase.

1 *REPRESENTATIVE POE:* And you remember the last time
2 this happened - have any other agencies went out and purchased
3 their own property?

4 *MAUREEN O'DONNELL:* Well, I don't know if I've been
5 here long enough to talk with any great history. Last year,
6 we purchased a building with Illinois State Police. Illinois
7 State Police does not have independent authority to purchase
8 property.

9 *REPRESENTATIVE POE:* Okay, Senator Bomke,
10 Representative Brauer and myself toured some State facilities
11 in Springfield. We wrote a letter to you after that, and at
12 that point, you were working on a study of State facilities.
13 Your response was that all the space that we happened to see
14 that day had been identified. I guess this would be a really
15 good time for you to identify all of that open space, so that
16 we can have a better idea of what we're going to do with that
17 extra space here in Springfield.

18 *MAUREEN O'DONNELL:* We have looked at accessing
19 State-owned space in Springfield, DNR building, EPA, the AIG
20 building, where ISP is currently consolidating. We have
21 talked to numerous agencies, and the limitation on getting
22 more specific discussions about this, is that you don't manage
23 space adequately in a vacuum. We've got the agencies
24 currently looking at their operations and determining what

1 their specific needs would be. We've met with numerous
2 agencies thus far, and our focus is to move agencies, where 1)
3 they're more consolidated, and 2) they're either in State-
4 owned space or a more attractive lease.

5 REPRESENTATIVE POE: I've talked to some former
6 directors, and in 2000 and 2001, there was between 1100-1200
7 employees in the Hanley building. I think the last number we
8 got from May of 2008 that there was somewhere around 747.

9 Also, at one time you were talking about putting
10 Shared Services out there which could have been 200. I guess
11 my question is, we can move them a block or two and not 200
12 miles, so what's your response to that?

13 MAUREEN O'DONNELL: I would have to defer to
14 Director Sees on that question.

15 ELLEN SCHANZEL-HASKINS: I believe that Ann
16 Schneider would be able to respond to that.

17 I would like to point out though... I believe that
18 you asked a question regarding whether any other State
19 agencies purchased property without CMS' involvement. There
20 are two IDNR purchases. They also have independent authority
21 to make purchases of offices.

22 ANN SCHNEIDER: Hi, Representative. The building
23 has around 800 employees in there right now - the Hanley
24 building. The reason that there is a difference between then

1 *and now, and we don't have sufficient space, is the type of*
2 *people that are in the building.*

3 *We have a division from CMS that is located in the*
4 *Hanley building - it is the Graphic Artists. Their equipment*
5 *takes up considerable space. So why they only have seventeen*
6 *people located there, their equipment and those people are in*
7 *a space that used to house over 60 people.*

8 *Additionally, we have a group of student*
9 *professionals with disabilities, and we've re-outfitted some*
10 *space that normally would have a larger number of people.*
11 *Because of making the spaces handicapped accessible for people*
12 *in wheelchairs, that takes up additional space.*

13 *On the Shared Services, while it's true that there*
14 *was going to be 200 people in that Shared Service center, over*
15 *60% of those people were already located in the building, so*
16 *we were not going to get that many more people into the*
17 *building. There isn't sufficient space in our estimation for*
18 *additional people.*

19 *REPRESENTATIVE POE: Thank you. Also we noticed at*
20 *the Department of Natural Resources, there was about 221 open*
21 *cubicles in that building.*

22 *At the State Police... their consolidation... they're*
23 *moving out and building there at the fairgrounds which houses*
24 *about 200. So I just wanted to ask the Director to make... we*

1 really need to know sooner than later what kind of plans -
2 what kind of long-range plans that you have for those open
3 spaces in Springfield. And you know, we're... the Secretary was
4 talking about saving money for the State of Illinois, well we
5 don't have to pay to buy buildings. We don't have to rent new
6 space. We don't have to do a lot of things that would end up
7 being a savings for the State of Illinois.

8 At this time, I'd like to wait a little while, but
9 if you have more time, I'd like to ask some more questions.

10 SENATOR SCHOENBERG: Thank you. Senator Syverson,
11 Senator Brady, and then does any other Commissioner wish to be
12 recognized for the first round of questions? I'd like to
13 start moving it along to subsequent panels. Senator Syverson,
14 please proceed.

15 SENATOR SYVERSON: Thank you. Director, thank you
16 for being here and also thanks to the others. I appreciate
17 the difficult position that you're in and that you have to
18 deal with.

19 I want to follow-up on some questions that have been
20 previously asked. With the amount of open space that's
21 available throughout a series of locations here in town, were
22 those ever looked at since the decision was trying to save
23 money, or were the decisions to move solely based on a desire

1 to help one community and not what was best from a business
2 model from your division?

3 MILTON SEES: Whenever we began to explore options
4 that would allow us to get out of the existing leased facility
5 because we're on a month-to-month extension... When we began to
6 look at options, that was a time when at that time the
7 consideration was given to the possible relocation of that
8 division as a free-standing division to another part of the
9 State.

10 So, to be honest about it and try to answer your
11 question as fairly as I can, at that point, we did not look at
12 the additional options within the city of Springfield or in
13 Sangamon County. We entered into discussion with the
14 Governor's office and said that this division probably could
15 be free-standing. It could operate independent of the other
16 divisions within IDOT, and it is a candidate for possible
17 relocation if it were so desired. At that time, it became
18 more of an issue of looking at those areas that were
19 experiencing the most economic difficulty.

20 We identified the I-57 corridor basically from the
21 Jefferson County/Franklin County line, south through almost to
22 Marion. That was the basis for our original investigation.
23 As I said, our first property that was identified was in West

1 City, Illinois, but that deal fell through, so we ended up
2 going to Harrisburg.

3 SENATOR SYVERSON: So this was never an issue about
4 saving money, this was an issue that it was a directive from
5 the Governor's office to you to say is there a division that
6 we can move out of Springfield into an area that was more
7 desirable, or an area that the Governor wanted done.

8 So the issue wasn't about the fact that the lease
9 was too high, or looking at other issues, the directive to you
10 was to find a location, to find a division that was easy
11 enough to relocate to southern Illinois.

12 MILTON SEES: No, the first trigger on it was really
13 the lease as I said...

14 SENATOR SYVERSON: But you just said that you
15 wouldn't consider any other locations in town, and from an
16 economic - or from a business model, you would never move key
17 people from the community that they're in. So it wasn't an
18 economic decision then. The directive was, yes, this is a bad
19 lease, but the directive was not to look in town, but the
20 directive was all along that we want them to move there, not
21 to look at what's the most economically effective.

22 MILTON SEES: Well, the bad lease was the trigger to
23 it. At that point, as I said, once we began to look at
24 options, then we said, "Okay, this is a candidate for a

1 relocation to another area of the State", and at that point,
2 we no longer looked at options within Sangamon County or in
3 Springfield.

4 SENATOR SYVERSON: Right. But those were free. The
5 fact that there were three locations right here in town, and
6 you were told not to consider those, that means that the
7 decision was already made to that location. So it wasn't an
8 economic decision then, it was a political decision to make
9 that move.

10 Would you agree that if we had free space in town,
11 which clearly we do, and that's not considered, then the
12 decision made to move would have been a political decision,
13 not a business model decision?

14 MILTON SEES: I still think it's based on economics,
15 Senator, because we would be saving a considerable amount of
16 money and also stimulating an economy in a part of the State
17 that's been largely neglected. So I guess that I would argue
18 that it's still an economic decision, but yes, the driver at
19 that point ended up being, where can we relocate it so that we
20 would derive the greatest benefit to a depressed economy.

21 SENATOR SYVERSON: So were other depressed economies
22 around the State looked at? Communities that maybe percentage
23 wise didn't have that high of a number, but the totality would
24 be suffering significantly more with much higher numbers of

1 unemployed individuals? Or was this area the particular area
2 that you were directed to go to?

3 MILTON SEES: No, whenever we looked at it, we
4 looked at which counties have the highest unemployment rates,
5 and five of the ten...

6 SENATOR SYVERSON: Rates, or highest unemployment
7 numbers of individuals?

8 MILTON SEES: The highest percentage of
9 unemployment.

10 SENATOR SYVERSON: Rates. Percentage-wise, not
11 numbers.

12 MILTON SEES: Yes. Five of the highest ten counties
13 are in that vicinity, so those were the counties that we felt
14 that we could draw from or provide benefit to in terms of
15 bringing those dollars, those additional dollars, into the
16 economies of that area. I think that Senator Forby and
17 perhaps Representative Phelps could speak a little bit more to
18 that situation whenever they're allowed to testify.

19 SENATOR SYVERSON: The building that was purchased -
20 you got an estimate of \$860,000 - that was your appraisal on
21 it. Was it just one appraisal that you had done or were there
22 multiple independent appraisals?

23 MILTON SEES: No, I believe that was the only

1 appraisal, and it was done under an agreement that we have by
2 an appraiser that traditionally appraises property for us.

3 SENATOR SYVERSON: Was that appraisal before or
4 after the flood? (Laughter.)

5 MILTON SEES: It would have been appraised after
6 the... I guess the question would have to be which flood. I've
7 had about ten of them this year, I think.

8 SENATOR SYVERSON: The one that flooded that
9 building.

10 MILTON SEES: Well, actually the building was not
11 flooded, and I think that some people from Harrisburg can
12 speak to that. I would also suggest that as an engineer with
13 a degree in hydraulic engineering, when you get 10 inches of
14 rain in a brief period of time, everything gets wet. If you
15 doubt that, well you can talk to the Mayor of the Village of
16 Sherman...

17 SENATOR SYVERSON: The Hanley building didn't get
18 wet, but...

19 MILTON SEES: No, it had a blackout as a result of a
20 tornado.

21 SENATOR SYVERSON: Was there any water damage done
22 to the building at all? I mean if it didn't flood out, was
23 there any water damage?

1 MILTON SEES: No, not as a result of the rain and
2 the alleged flooding at that location.

3 SENATOR SYVERSON: How much did the Community
4 College Board pay when they purchased the building?

5 MILTON SEES: I have no idea. We can probably get
6 that information.

7 SENATOR SYVERSON: That would've been part of the
8 appraisal. I'm sure they would be looking at what the
9 building was worth by what it was paid for.

10 MILTON SEES: \$1.5 apparently.

11 BILL GRUNLOH: \$1.5 million for 67,000 square feet.

12 SENATOR SYVERSON: They paid \$1.5 million for that?

13 BILL GRUNLOH: (Inaudible discussion.)

14 SENATOR SCHOENBERG: Why don't we nail that down and
15 if you could furnish our staff with that, that'd be great.
16 Senator Syverson.

17 SENATOR SYVERSON: The number of employees in this
18 unit - in this division, is there 140, or what's the total
19 number that are... or at least the ones in Springfield.

20 MILTON SEES: Well, apparently we have 150 in the
21 division, but I don't know that that's the total number that
22 would be based in Harrisburg, because we have Compliance
23 Officers throughout the State. Director Stout is here. About
24 140.

1 SENATOR SYVERSON: About 140 are located here, and
2 those are the ones that would be moving. Of the 140, how many
3 of those... do they travel? You said before that now it's all
4 done electronically and those that travel aren't based out of
5 there, so out of the 140 people, none of those people travel?
6 It's all in-house?

7 MILTON SEES: I'm going to ask Director Stout to
8 come up, because he's obviously more familiar with the staff
9 of this division than I am.

10 DIRECTOR STOUT: Senator, we have about 140
11 employees in the annex total. We have seven Compliance
12 Officers who serve central Illinois for Commercial Vehicle,
13 Compliance, Hazmat, and Motor Compliance. We have two
14 supervisors that also travel around Illinois.

15 SENATOR SYVERSON: So about ten then?

16 DIRECTOR STOUT: Approximately ten. We also have
17 two Crash Constructionists that go out, so probably eleven.

18 SENATOR SYVERSON: So about eleven of the 140 travel
19 and the rest are in-house.

20 DIRECTOR STOUT: Yes.

21 SENATOR SYVERSON: Are they skilled? Are these
22 trained, skilled workers? What kind of experience do they
23 have?

1 DIRECTOR STOUT: Well, we don't require professional
2 licenses, no.

3 SENATOR SYVERSON: If the 140 people, for example,
4 didn't move. If they weren't forced to move, if they stayed
5 here, could you replace those 140 people with the people that
6 live in that community now?

7 DIRECTOR STOUT: I feel that we will be able to. We
8 will be reaching out to Southern Illinois University
9 Carbondale, the college in Harrisburg, Rend Lake Community
10 College, and others, and we have talked about job fairs. We
11 will draw from not just the Harrisburg area, but other areas,
12 yes.

13 SENATOR SYVERSON: So they would be trained. They
14 will already have the experience and training, or they would
15 all have to be trained?

16 MILTON SEES: Since southern Illinois has been an
17 oil production and coal production community, there are a
18 large number of people down there that are skilled in things
19 like Hazmat and all of the skill sets that are related to that
20 area -- the Division of Traffic Safety.

21 So like Director Stout, I'm fairly confident that
22 we'll be able to staff it. There are always going to be
23 learning curves related to how the State does its' portion of
24 the job, but I recently brought a professional engineer in

1 from the mining industry, and he pretty well heads up the
2 district office in Carbondale. It's been a seamless
3 transition, and he's really not a civil engineer.

4 SENATOR SYVERSON: I'd like to ask a couple of
5 questions then. If a large number of those individuals don't
6 uproot and move their families down there, there's a guarantee
7 that these individuals will all have jobs here with longevity
8 included -- even with what's going on with the current budget
9 issues and layoffs and the other things that are going on -
10 you can place that many people in positions that are currently
11 open at this stage?

12 MILTON SEES: Well, since it's not going to happen
13 overnight... If I had to say "yes" on Monday morning, then it
14 might be a little difficult, but since this is going to be an
15 extended time period before we can actually make that move,
16 based on retirements and normal turnover in state government,
17 then yes, we feel that we can. It's also a commitment that
18 the Governor has made, so we will find ways to fulfill that.

19 SENATOR SYVERSON: Okay. A last question then. I
20 was looking at this special warranty deed, trying to get the
21 purchase price here. What was the portion that was
22 transferred for \$1.00? Is there something from the Bank of
23 Marion to Southeastern?

1 All right, the question is how much did Southeastern
2 pay for... So you're saying they paid \$1.5 million for this?
3 It's what they paid for the entire building?

4 SENATOR SCHOENBERG: Excuse me. Maybe when the
5 Foundation testifies later on in the hearing, we'll have a
6 chance for them to provide greater particulars as well in
7 between the two answers. We'll ask everybody to fill in the
8 gaps.

9 SENATOR SYVERSON: Okay, because even if it wasn't
10 \$1.5, and you're purchasing less than half of it, that would
11 only be \$750 and if property values are significantly lower
12 now than they were when that was purchased... So I guess then,
13 my question would be when we talk later that unless they paid
14 significantly more than they should have for a building, and
15 it doesn't seem that the building was even purchased at \$1.5,
16 or why we would pay \$860 for it at a time when property values
17 have plummeted over the last 12 months.

18 MILTON SEES: I think maybe that as the Chairman
19 said, we could fill in the gaps here, and make the numbers a
20 little bit more understandable, but obviously, the Foundation
21 could probably bring more information to the table than we can
22 at this time.

23 SENATOR SYVERSON: I'll wrap it up. Again, I
24 appreciate your time for being here, and certainly, my concern

1 is that we're looking at this from an economic standpoint when
2 we're telling people from back home that we can't fix your
3 potholes, but we're going to turn around and buy a building
4 and renovate a building, and move all of these individuals
5 when we have open space here that can be used for nothing.

6 It's difficult for us to go back to our districts
7 and say that this was a good business or good financial
8 decision - but I do understand the pressures that certainly
9 you're under.

10 MILTON SEES: Thank you.

11 SENATOR SCHOENBERG: Thank you. Before we hear from
12 Senator Brady and Representative Myers, Senator Radogno wishes
13 to waive her earlier request. Is there anyone else who wishes
14 to have an initial opportunity to ask questions of the
15 directors? Okay, Senator Trotter, can you go after
16 Representative Myers?

17 All right. So with that, I know that some of the
18 members would like a second opportunity to ask some questions,
19 so what I'm going to suggest is, that in the interest of time,
20 those questions be submitted in writing to the two directors.
21 We can get them to our staff, and then in a 7-business day
22 turn around, the answers can then be distributed to the
23 Commission members. Because we have a number of people who
24 traveled a great distance to participate in this hearing, and

1 we have greater access to the directors than everyone else
2 does. With that, Senator Brady.

3 SENATOR BRADY: Thank you, Chairman. Let me first
4 add my apologies to the people of Springfield and people in
5 Harrisburg for putting you in this position where someone
6 apparently will lose. That's unfortunate.

7 Mr. Secretary, earlier you made a statement that
8 causes me to ask you a question, and that is, if this
9 Commission, or when this Commission makes its' recommendation,
10 and it is against this move, have you been given directive
11 from the Governor, or do you know how you will act?

12 MILTON SEES: No, I do not.

13 SENATOR BRADY: Have you had any discussions with
14 the Governor's office as to what your response should be?

15 MILTON SEES: No, I have not.

16 SENATOR BRADY: Earlier, we talked about the
17 Attorney General's rule in purchasing real estate. Has the
18 Attorney General done everything statutorily necessary to
19 complete this move?

20 MILTON SEES: I would have to defer to Counsel on
21 that.

22 ELLEN SCHANZEL-HASKINS: At this time, since we are
23 frozen because of the Commission, we have not gone forward
24 with the Attorney General. We have talked to the Attorney

1 General's office on a couple of occasions about this, but no,
2 we haven't done anything because we are frozen and not allowed
3 by law to do so.

4 SENATOR BRADY: Do you believe that she has the
5 power to veto this?

6 ELLEN SCHANZEL-HASKINS: She has the power to
7 determine whether or not we have a clear title. I don't
8 believe that there is a power to make a policy decision on
9 behalf of IDOT, but I have not researched that issue and have
10 never had this situation before.

11 SENATOR BRADY: So Mr. Secretary, at any time were
12 you asked directly or indirectly by the Governor or his office
13 to put this facility or any facility for that matter, in
14 Senator Forby's district?

15 MILTON SEES: No, I was not.

16 SENATOR BRADY: So at no point in time was that a
17 directive?

18 MILTON SEES: No, it was never a part of any
19 discussion.

20 SENATOR BRADY: When the discussions broke down on
21 the previous location, being a real estate developer myself, I
22 know how negotiations go. Who made the call that we no longer
23 negotiate on that site?

1 MILTON SEES: I think that was an in-house decision.
2 As my recollection is that it was Director Snyder and Chief
3 Counsel Schanzel-Haskins and myself, and we said this was not
4 going to be acceptable, so look at alternative properties, and
5 we dispatched Bill Grunloh back to southern Illinois. At one
6 time, we looked at a property in Benton additionally, so there
7 were several properties that Bill Grunloh looked at.

8 SENATOR BRADY: Did the Governor or his office ever
9 have any influence in whether or not those negotiations
10 supersede?

11 MILTON SEES: None whatsoever.

12 SENATOR BRADY: So there was no input. No one asked
13 the Governor's office if we should continue on this location.
14 There was never any... this was just a discretionary decision
15 based on...

16 MILTON SEES: Yes sir, yes sir, it was totally in-
17 house.

18 SENATOR BRADY: Let me ask you this. If a like-
19 sized site -- economically identical to this site -- could be
20 found, in this community, would you have recommended that it
21 stay there?

22 MILTON SEES: You always run the risk when you try
23 to answer a hypothetical question, and so whenever you say
24 "like-sized", there are a variety of red flags that pop up in

1 my mind. It would also be influenced on what the cost was,
2 what the conditions were...

3 SENATOR BRADY: Here's the question. I would just
4 like to know how we make decisions - how businesses make
5 decisions based on employees. We, in the State of Illinois
6 have to hire a lot of people to get good people to work for
7 us. Part of the ability to do that has to do with how we
8 treat our people. The business community doesn't take lightly
9 the way in which it treats its' employees. My question is to
10 you, simply, if we had an apples-to-apples location, do you
11 think the State of Illinois should value keeping that facility
12 in its' present location?

13 MILTON SEES: I think we do value our employees.

14 SENATOR BRADY: That's not what I asked, Mr.
15 Secretary.

16 MILTON SEES: Well, I think we do, and if you'll let
17 me finish... We looked at the possibility of buying the annex
18 building. That did not seem to make good business sense. We
19 looked at other properties...

20 SENATOR BRADY: Now wait a second. I heard you say
21 earlier that you didn't look at any other properties in
22 Sangamon County.

23 MILTON SEES: We didn't. That was to lease, but we

1 *did not. I'm going to let Counsel finish that answer, but we*
2 *did look at "to lease", but we didn't look at "to buy".*

3 *ELLEN SCHANZEL-HASKINS: I believe the earlier*
4 *question was about leasing. We did not look at...*

5 *SENATOR BRADY: No, I'm sorry... My question was*
6 *about... Go ahead, please.*

7 *ELLEN SCHANZEL-HASKINS: Well we did look at... First*
8 *of all, we looked at the possibility of purchasing the annex.*
9 *There was a 2002 letter from the owners that said it could not*
10 *be purchased because it is mortgaged with the Prescott Bloom*
11 *building, and I believe the Sears building. There would be*
12 *huge penalties for early payment of the mortgage, and so in*
13 *2002, there was a letter from the owners saying it could not*
14 *be purchased. I believe that we've provided that to the*
15 *Commission.*

16 *we did look at the cost of purchasing the property,*
17 *comparable property in Springfield, and it was substantially*
18 *more money than the property that we wanted to purchase or*
19 *that we would like to purchase in Harrisburg, and we felt it*
20 *was a better economic decision to purchase in Harrisburg.*

21 *SENATOR BRADY: How many properties did you look at?*

22 *ELLEN SCHANZEL-HASKINS: I can't tell you that. The*
23 *individual who looked at those properties is here. He is a*
24 *person that works in my office, and he might be able to...*

1 SENATOR BRADY: Did that individual give you a
2 report on those properties?

3 ELLEN SCHANZEL-HASKINS: Yes.

4 SENATOR BRADY: Can I have a copy of those reports?

5 ELLEN SCHANZEL-HASKINS: Yes, and I believe that
6 it's contained in a PowerPoint that we've provided for you
7 today.

8 SENATOR BRADY: So you did look at properties in
9 Springfield to lease and purchase?

10 ELLEN SCHANZEL-HASKINS: Not to lease.

11 SENATOR BRADY: Not to lease, just to purchase.

12 ELLEN SCHANZEL-HASKINS: We were trying to get away
13 from lease liability and to attain a State asset by buying a
14 building.

15 SENATOR BRADY: Did you look at properties that the
16 State owned?

17 ELLEN SCHANZEL-HASKINS: I did not look at
18 properties that the...

19 SENATOR BRADY: Did your Task Force, or whoever's
20 trying to make this decision, look at properties that the
21 State owned?

22 ELLEN SCHANZEL-HASKINS: It was our understanding
23 that there was not available space in any State-owned
24 properties.

1 SENATOR BRADY: How did you get that understanding?

2 ELLEN SCHANZEL-HASKINS: I'm not sure that I can
3 answer that. I was not the person who actually reviewed this.

4 SENATOR BRADY: Who was?

5 ELLEN SCHANZEL-HASKINS: We had a group of people
6 from our office looking at leases and that sort of thing. We
7 understood that we couldn't move the people into the Hanley
8 building and did not believe there was a State property that
9 was available. I believe that Ann Schneider would have more
10 detail on that than I have.

11 SENATOR SCHOENBERG: Could you furnish us in writing
12 with a narrative of which individuals were involved, and the
13 chronology in which this all unfolded? Thank you.

14 SENATOR BRADY: My next question, Mr. Secretary.
15 Earlier you made some statements that gave me the feeling that
16 you have been and may be under a directive to finding free-
17 standing facilities that could be relocated from Springfield
18 to other parts of the State. Is that true?

19 MILTON SEES: Yes, that's true.

20 SENATOR BRADY: Who gave you that directive?

21 MILTON SEES: Basically, it came from the Governor's
22 office as a result of traveling around the State and looking
23 at opportunities for economic development and expansion. It's
24 not a new idea. This idea was discussed several years ago.

1 I've only been Secretary now for actually less than a year if
2 you include acting over a year, but it was something that was
3 already on the table long before I arrived.

4 SENATOR BRADY: Are you still under that directive?

5 MILTON SEES: I'm sorry...

6 SENATOR BRADY: This relocation or closure aside,
7 are you still under that directive?

8 SENATOR BRADY: Yes, sir.

9 SENATOR BRADY: So, the Governor still wants to move
10 more jobs out of Springfield and Sangamon County?

11 MILTON SEES: No, I didn't say that. I said I'm
12 under that directive, and I...

13 SENATOR BRADY: What's the difference between that
14 directive and the Governor wanting to move jobs out of
15 Sangamon County?

16 MILTON SEES: Well, I only speak for the Illinois
17 Department of Transportation and the division we're proposing
18 to move is free-standing. I do not anticipate looking at any
19 other moves within my agency.

20 SENATOR BRADY: But you're still under the directive
21 to look for divisions that can move to other parts of the
22 State.

1 MILTON SEES: But this is the only division that I
2 could possibly identify that would fulfill that criteria, so
3 no, I will stop looking because there are no other.

4 SENATOR BRADY: All right. Thank you.

5 SENATOR SCHOENBERG: Senator Brady, thank you.
6 Representative Myers and then Senator Trotter. We'll move it
7 along.

8 REPRESENTATIVE MYERS: Thank you. I have a couple
9 of questions actually for both of you.

10 For the Director of CMS, are you going to leave your
11 Graphic Design department at the Department of Transportation
12 headquarters in the Hanley building, or are they going to be
13 moving in the near future?

14 MAUREEN O'DONNELL: We've considered moving them out
15 of that building. We have some large pieces of equipment.
16 They only occupy roughly 5,000 square feet.

17 REPRESENTATIVE MYERS: So if we move your division -
18 Graphic Design - out of the Hanley building, and looking at a
19 previous newsletter from Miss Schneider that says in the
20 formation of the Shared Services department, you would have
21 been able to house everybody there from all of the different
22 agencies at that time, creating more space by moving the
23 Graphic Design out of that building. We have documentation

1 that a number of other buildings owned by the State have space
2 in them.

3 I want to turn my attention now to Secretary Sees.

4 You said this is an "economic" decision, correct?

5 MILTON SEES: Correct.

6 REPRESENTATIVE MYERS: Okay. The economic decision
7 was to save the money on the rent that you were paying at the
8 annex.

9 MILTON SEES: Yes.

10 REPRESENTATIVE MYERS: We have space in Springfield
11 in some of our existing buildings. You could make a
12 tremendous economic impact on the State's expenses by
13 utilizing some of our existing space, could you not?

14 MILTON SEES: That is a true statement. I cannot
15 dispute that, no.

16 REPRESENTATIVE MYERS: So if you are interested in
17 economic development - and I can tell you that in our part of
18 the State, we do consider road building economic development -
19 could you not use that \$812,000 that you were going to spend
20 on a building in Harrisburg, to repair a bridge? Or at least
21 to help finance the repair of a bridge that would insure the
22 safety of our citizens traveling our State highways today?

23 MILTON SEES: Hypothetically, I suppose that you
24 could argue that the money could be spent anywhere, but the

1 long-term savings if you look at what lease space was versus
2 buying a building, and moving certain job opportunities to a
3 depressed area of the State to put those folks on the taxpayer
4 role also, then in the global sense, it's all an economic
5 decision, and one which I still believe is good government and
6 sound business.

7 REPRESENTATIVE MYERS: I respectfully disagree with
8 you, because I think we're blurring the lines of different
9 State agencies here, because if you really are interested in
10 savings over the long run, then you would take that \$800,000
11 that you're going to spend and the \$1.2 million that you were
12 spending on rent, and it goes to another area of our existing
13 State buildings - you don't have that expense now, unless the
14 State is charging you back for that particular square footage.

15 Isn't it the role of the Department of Commerce and
16 Economic Opportunity to help economic development in the
17 different communities around the State, rather than IDOT?

18 MILTON SEES: That is true, but in the past DCEO
19 along with IDOT and the Department of Natural Resources and
20 the Department of Human Services have been partners in many
21 developments that have resulted in economic improvement. More
22 recently in Danville, Illinois where IDOT and DCEO partnered
23 to bring about some economic development and job retention.
24 So it's not an unusual situation for us to do that.

1 *REPRESENTATIVE MYERS:* Well why can't DCEO relocate
2 one of their offices or some of their staff to a facility in
3 Harrisburg and the Department of Transportation provide the
4 infrastructure for roads and bridges to that particular
5 facility?

6 *MILTON SEES:* That would probably be a question for
7 Director Lavin, and I can't critique his operation.

8 *REPRESENTATIVE MYERS:* Did you not provide
9 infrastructure improvements for economic development in
10 Bloomington when Diamond Star Motors was built? The
11 Department of Commerce and Economic Opportunity provided the
12 incentive for the business, and you provided the
13 infrastructure, correct?

14 *MILTON SEES:* Yes, sir, and that again...

15 *REPRESENTATIVE MYERS:* Isn't that the role of IDOT
16 rather than relocating their sections of administration, their
17 sections of their staff to different locations?

18 *MILTON SEES:* That has been a traditional
19 partnership, yes.

20 *REPRESENTATIVE MYERS:* Thank you. One last
21 question. Does the Governor give any written assurances to
22 the employees that choose to stay in Springfield that their
23 jobs will indeed be protected?

1 MILTON SEES: Not to my knowledge, but publicly he
2 has stated that that is his intent.

3 (Laughter.)

4 REPRESENTATIVE MYERS: We've heard his public
5 statements before. Thank you. (Cheers.)

6 SENATOR SCHOENBERG: Excuse me. At the onset of the
7 hearing, I indicated that there'd be no demonstrations one way
8 or the other for any of the testimony or any of the questions,
9 and we're going to adhere to that. We're going to follow the
10 rules and the order of the Chamber. Thank you.

11 Are there any further questions? Senator Trotter,
12 and then we'll proceed to the next panel.

13 SENATOR TROTTER: Thank you very much, Mr. Chairman.
14 It's been a very interesting time. I'm just going to make a
15 comment.

16 I think that you're absolutely correct, Mr.
17 Secretary, when you talk about this as being an economic model
18 that we're looking at. I'm just sort of confused about the
19 rhetorical questions that have been asked about the difference
20 between spending \$1.5 million and paying \$1.7 million annually
21 in a one-time cost versus an ongoing cost of things that are
22 out here.

23 I just have one question. This is all precipitated
24 first and foremost because our lease was up in 2007, so we had

1 to do something in the interim. You looked at repairs and
2 costs that had to be spent on this particular site, and that
3 just exceeded the realities of making it economically doable.
4 So we did look at other sites.

5 Economic development to me, Mr. Chairman and members
6 of the Committee, is in fact insuring that all partners -
7 that all of us are partners throughout the State and as our
8 State assets are spent.

9 I would say that my questions are for the other
10 people from the cities that have come here, but I think that
11 you are on target - that it is a partnership of all of our
12 agencies.

13 The mantra of this General Assembly and the General
14 Assembly that's before, is that we find every kind of way to
15 save dollars. How do we downsize, Governor. How do we make
16 best with the dollars that we have. I think it's the
17 responsibility of every agency, not just one that we're
18 talking about. Thank you.

19 SENATOR SCHOENBERG: Thank you. That concludes this
20 round of questioning. If any other members have additional
21 follow-up questions or need further information, if you could
22 direct those to our staff. We'll collect them, and we'll
23 expect to get answers back within seven business days from the
24 time that we send them out if that's okay with everybody.