

COMMITTEE ON LEGISLATIVE RESEARCH
 OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 0690-01
Bill No.: HB 196
Subject: Roads & Highways—City of St. Louis
Type: Original
Date: January 30, 2001

FISCAL SUMMARY

ESTIMATED NET EFFECT ON STATE FUNDS			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
Highway & Road Fund	(\$17,872,380)	(\$18,408,551)	(\$18,960,808)
Total Estimated Net Effect on <u>All</u> State Funds	(\$17,872,380)	(\$18,408,551)	(\$18,960,808)

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
None	\$0	\$0	\$0
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2002	FY 2003	FY 2004
Local Government	\$1,704,650	\$1,755,790	\$1,808,463

Numbers within parentheses: () indicate costs or losses.
 This fiscal note contains 4 pages.

FISCAL ANALYSIS

ASSUMPTION

Officials of the **Department of Transportation (MoDOT)** assume this legislation adds an additional 108 centerline miles to the state road system (as classified by MoDOT, the U.S. Department of Transportation and the Federal Highway Administration as principal arterial highways). Section 227.020 states, "There is hereby created and established a statewide connected system of hard-surfaced public roads..., which shall be located, acquired, **constructed, reconstructed, and improved and ever after maintained** [emphasis added] as public roads, and the necessary grading, **hard-surfacing, bridges and culverts therefor shall be constructed** [emphasis added] by the state of Missouri. MoDOT interprets this language to say that any roads in the state road system are subject not only to maintenance, but also reconstruction and construction as MoDOT determines will deliver the best road system and ensure the safety of the traveling public.

MoDOT assumes an average lane width of 4.25 lanes for the roads covered by the proposal. This gives a total of 459 lane miles. In response to similar legislation in the previous session, MoDOT estimated an average lane width of six lanes, for a total of 648 lane miles.

MoDOT calculates the annual fiscal impact of maintaining the principal arterial roads within the City of St. Louis at state standards to be \$36,501 per lane mile, or \$155,128 per centerline mile. Maintenance activities include milling & resurfacing, routine maintenance, traffic signal maintenance & upgrades, continuous lighting maintenance & upgrades, signing maintenance, and lane & intersection striping. Additionally, MoDOT estimates bridge replacement costs of \$4,896,000 per year for ten years. Total maintenance and upgrading costs are assumed to be \$21,649,880 for FY 2002, \$22,299,376 for FY 2003, and \$22,968,357 for FY 2004. Finally, these figures are adjusted downward by MoDOT to account for existing maintenance & resurfacing agreements between the Department and the City of Saint Louis. Because of these agreements, under which MoDOT would already be responsible for maintenance for a portion of the roads covered by the proposal, the actual cost of the proposal is approximately \$3.8 million less, for a maintenance cost of \$17,872,380 for FY 2002, \$18,408,551 in FY 2003, and \$18,960,808 in FY 2004.

MoDOT also estimates that it needs to employ 36 FTE for routine maintenance work on the roads, lighting, and traffic signals in the additional miles added to the state highway system by this legislation. The 36 FTE are estimated at a cost of \$1,039,545 in FY 2002, \$1,278,640 in FY 2003, and \$1,310,606 in FY 2004.

Finally, MoDOT assumes that it will require new equipment (trucks, vans, etc.) and buildings to complete the additional duties created by the proposal. These items, and maintenance on them, ASSUMPTION (continued)

are expected to total \$4,036,570 in FY 2002, \$244,697 in FY 2003, and \$252,038 in FY 2004.

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Oversight notes that these costs were not included in response to similar legislation in the prior session, and assumes that employment and equipment costs should be included in the average maintenance costs per mile as calculated above. Costs of new personnel and employment are not included as a separate item for fiscal note purposes.

Officials with the **City of Saint Louis** assume the proposal will result in 81 centerline miles of city streets becoming the responsibility of MoDOT. This is expected to save the city \$1,155,000 in personnel, material, and energy costs. The city's need for equipment purchases will be reduced over time, as well.

Oversight notes that in response to similar legislation in the prior session, the city assumed savings of \$905,000 due to maintenance, and \$750,000 due to resurfacing. Oversight has adjusted savings to the city to reflect the same information provided for the prior fiscal note, with an inflation adjustment of 3%.

Officials with the **Bi-State Development Agency** assume the proposal would have no fiscal impact on their agency.

<u>FISCAL IMPACT - State Government</u>	FY 2002 (10 Mo.)	FY 2003	FY 2004
HIGHWAY AND ROAD FUND			
<u>Costs--MoDOT</u>			
Maintenance and other costs	<u>(\$17,872,380)</u>	<u>(\$18,408,551)</u>	<u>(\$18,960,808)</u>
<u>FISCAL IMPACT - Local Government</u>	FY 2002 (10 Mo.)	FY 2003	FY 2004
CITY OF SAINT LOUIS			
Savings--Reduced cost of maintenance	<u>\$1,704,650</u>	<u>\$1,755,790</u>	<u>\$1,808,463</u>
<u>FISCAL IMPACT - Small Business</u>			

No direct fiscal impact to small businesses would be expected as a result of this proposal.

DESCRIPTION

This bill requires all highways in the City of St. Louis which are functionally classified as of January 1, 1999, by the Missouri Department of Transportation and the Federal Highway Administration as principal arterial highways to be considered part of the state highway system.

This legislation is not federally mandated, and would not duplicate any other program. MoDOT indicates that the proposal will require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Transportation
City of Saint Louis
Bi-State Development Agency



Jeanne Jarrett, CPA
Director
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