

Fiscal Estimate Narratives

DOT 03/19/2002

LRB Number	01-3656/1	Introduction Number	SB-423	Estimate Type	Original
Subject					
Codify DOT mowing procedures					

Assumptions Used in Arriving at Fiscal Estimate

The Department would assert a programmatic exception to permit mowing as needed for safety.

To achieve necessary flexibility, vegetation management plans would be required for 50% of the system's 12,000 miles of highway. Assume that adequate plans could be developed for a cost of \$200 per mile or \$1.2 million for the 6,000 miles requiring such plans.

To effectively achieve the 12 foot maximum width of cut, all three pan mowers in the equipment fleet (rented from counties) would have to be replaced by narrower two pan mowers. The unit cost of such replacement mowers is assumed to be \$8,500 to \$9,000. Total cost for 56 replacement mowers is estimated to be \$500,000.

It is assumed that 50% of the existing fleet of single and double pan mowers are not capable or designed to achieve the required height of cut. The capability to provide a higher height of cut has been made known and is being achieved incrementally as the fleet is replaced through the normal replacement cycles of the counties. Assuming the conversion would need to be accomplished immediately, the costs to replace single pan mowers not currently capable of meeting the requirement is estimated to be \$2 million (305 units at a cost of \$6,500 to \$7,000 each) and the cost to replace double pan mowers is an additional \$230,000 (27 units at a cost of \$8,500 to \$9,000 each).

Long-Range Fiscal Implications

Vegetation management plans would require periodic review and revision to accomodate changing land uses and evolving roadside management issues. Costs are assumed to be 5% per year of the initial one time costs (\$1,200,000 x 5%, or \$60,000 annually).

Assumed that there is no significant ongoing cost differential for the equipment or the operation once transition is accomplished.

Fiscal Estimate Worksheet - 2001 Session

Detailed Estimate of Annual Fiscal Effect

Original
 Updated
 Corrected
 Supplemental

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Subject		
Codify DOT mowing procedures		
I. One-time Costs or Revenue Impacts for State and/or Local Government (do not include in annualized fiscal effect):		
Development of vegetation management plans \$ 1,200,000 Replacement of equipment \$ 2,730,000 Total one time costs \$ 3,930,000		
II. Annualized Costs:		
	Annualized Fiscal Impact on funds from:	
	Increased Costs Decreased Costs	
A. State Costs by Category		
State Operations - Salaries and Fringes	\$	
(FTE Position Changes)		
State Operations - Other Costs	60,000	
Local Assistance		
Aids to Individuals or Organizations		
TOTAL State Costs by Category	\$60,000	
B. State Costs by Source of Funds		
GPR		
FED		
PRO/PRS		
SEG/SEG-S (20.395(3)(eq))	60,000	
III. State Revenues - Complete this only when proposal will increase or decrease state revenues (e.g., tax increase, decrease in license fee, etc.)		
	Increased Rev	Decreased Rev
GPR Taxes	\$	\$
GPR Earned		
FED		
PRO/PRS		
SEG/SEG-S		
TOTAL State Revenues	\$	\$
NET ANNUALIZED FISCAL IMPACT		
	<u>State</u>	<u>Local</u>
NET CHANGE IN COSTS	\$60,000	\$
NET CHANGE IN REVENUE	\$	\$
Agency/Prepared By		
Authorized Signature		Date
DOT/ David Vieth (608) 267-8999		03/19/2002
Carol Buckmaster (608) 267-6979		