Fiscal Estimate - 2019 Session

\boxtimes	Original	Upda	ated	Corre	cted	Suppleme	ental
LR	B Number 1	9-2726/1		Introduct	ion Number	SB-365	
	cription erally prohibiting lo	cal units of gove	rnment from exc	luding from c	onsideration certai	n piping mate	rials
Fisc	al Effect						
State	e: No State Fiscal Indeterminate Increase Existence Appropriation Decrease Ex Appropriation Create New	sting ns isting ns	Increase Ex Revenues Decrease E Revenues	_	Increase Cos absorb within Yes	agency's bud	
Loca	No Local Govern Indeterminate 1. Increase C Permissive 2. Decrease	Costs 3 e ☐Mandatory	. Increase Re Permissive Decrease R Permissive	Mandatory evenue	5.Types of Loca Units Affected Towns Counties School Districts	I Government Village Others WTCS Districts	⊠ Cities
Fund Sources Affected Affected Ch. 20 Appropriations GPR FED PRO PRS SEG SEGS							
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Age	ency/Prepared By	,	Aut	norized Sign	ature		Date
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Fiscal Estimate Narratives DNR 10/7/2019

LRB Number	19-2726/1	Introduction Number	SB-365	Estimate Type	Original				
Description									
generally prohibiting local units of government from excluding from consideration certain piping materials									

Assumptions Used in Arriving at Fiscal Estimate

The bill prohibits local units of government from excluding from consideration the use of piping materials that meet the project's standards, where required and as part of a public contract, unless there are sound engineering practices suggesting that a particular type of piping materials be used for that particular project.

Background Information

Different pipe materials are required on a project specific basis because they have, and are not limited to: different 'C-Factors' impacting the headloss and therefore pipe capacity; a variety of wall thicknesses to meet pressure ratings, which reduces interior diameters and therefore pipe capacity; different Modulus of Elasticity, which directly impacts the fatigue rating and ability to withstand reoccurring and occasional surge pressure tolerances for a given pressure rating; slip-joint or butt-fused joints, which dictates applicability for directional boring or other similar types of installations; different external load ratings/performance needed for shallow or deep bury depths, or heavy live loads such as roadways and railways; an ability to withstand vacuum pressures; an ability to withstand corrosive soil/groundwater environments; and an ability to withstand corrosive soil/groundwater environments.

Local Fiscal Effect

- 1. Expanding the types of piping materials (e.g., force main pipe, water supply pipe, etc.) that could be used for wastewater or drinking water infrastructure projects could result in construction cost savings to local governments. These cost savings are indeterminate.
- 2. Conversely, the expansion and potential use of inappropriate pipe material for a project may result in an increased life cycle cost, as the operation, maintenance and/or replacement costs may be accelerated. These cost increases are indeterminate.
- 3. There is likely no fiscal impact for gravity sanitary sewer installations, which comprise approximately 90-95% of sanitary sewer pipe length statewide. Most gravity sanitary sewer installations use PVC pipe, which is the least costly material for many pipe sizes. In locations where an alternative material is used, constructability or structural constraints would preclude use of PVC pipe.

Long-Range Fiscal Implications