

Multiple Agency Fiscal Note Summary

Bill Number: 6369 SB	Title: Street snow removal/highways
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Estimated Cash Receipts

NONE

Estimated Expenditures

Agency Name	2013-15			2015-17			2017-19		
	FTEs	GF-State	Total	FTEs	GF-State	Total	FTEs	GF-State	Total
Department of Transportation	5.4	0	3,110,000	10.8	0	3,400,000	10.8	0	3,400,000
Total	5.4	\$0	\$3,110,000	10.8	\$0	\$3,400,000	10.8	\$0	\$3,400,000

Local Gov. Courts *									
Loc School dist-SPI									
Local Gov. Other **			(3,400,000)			(3,400,000)			(3,400,000)
Local Gov. Total			(3,400,000)			(3,400,000)			(3,400,000)

Estimated Capital Budget Impact

NONE

Prepared by: Jim Albert, OFM	Phone: (360) 902-0419	Date Published: Final 2/11/2014
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* See Office of the Administrator for the Courts judicial fiscal note

** See local government fiscal note

Individual State Agency Fiscal Note

Bill Number: 6369 SB	Title: Street snow removal/highways	Agency: 405-Department of Transportation
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Part I: Estimates

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No Fiscal Impact

Estimated Cash Receipts to:

NONE

Estimated Expenditures from:

	FY 2014	FY 2015	2013-15	2015-17	2017-19
FTE Staff Years	0.0	10.8	5.4	10.8	10.8
Account					
Motor Vehicle Account-State 108-1	0	3,110,000	3,110,000	3,400,000	3,400,000
Total \$	0	3,110,000	3,110,000	3,400,000	3,400,000

Estimated Capital Budget Impact:

NONE

The cash receipts and expenditure estimates on this page represent the most likely fiscal impact. Factors impacting the precision of these estimates, and alternate ranges (if appropriate), are explained in Part II.

Check applicable boxes and follow corresponding instructions:

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If fiscal impact is greater than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete entire fiscal note form Parts I-V.

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If fiscal impact is less than \$50,000 per fiscal year in the current biennium or in subsequent biennia, complete this page only (Part I).

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Capital budget impact, complete Part IV.

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Requires new rule making, complete Part V.

Legislative Contact: Clinton McCarthy	Phone: 360-786-7319	Date: 01/27/2014
Agency Preparation: Dan Lawrence	Phone: 360-705-7542	Date: 02/10/2014
Agency Approval: Chris Christopher	Phone: 360-705-7851	Date: 02/10/2014
OFM Review: Jim Albert	Phone: (360) 902-0419	Date: 02/11/2014

Request # 14-042-2

Part II: Narrative Explanation

II. A - Brief Description Of What The Measure Does That Has Fiscal Impact

Briefly describe by section number, the significant provisions of the bill, and any related workload or policy assumptions, that have revenue or expenditure impact on the responding agency.

This bill would remove qualifying language from RCW47.24.020, which establishes responsibility for snow plowing operations on city streets that also serve as state highways. That responsibility currently resides with the city where adequate snow plowing equipment exists. The removal of the qualifying language would place all responsibility on the state for snow plowing on city streets that also serve as state highways.

II. B - Cash receipts Impact

Briefly describe and quantify the cash receipts impact of the legislation on the responding agency, identifying the cash receipts provisions by section number and when appropriate the detail of the revenue sources. Briefly describe the factual basis of the assumptions and the method by which the cash receipts impact is derived. Explain how workload assumptions translate into estimates. Distinguish between one time and ongoing functions.

II. C - Expenditures

Briefly describe the agency expenditures necessary to implement this legislation (or savings resulting from this legislation), identifying by section number the provisions of the legislation that result in the expenditures (or savings). Briefly describe the factual basis of the assumptions and the method by which the expenditure impact is derived. Explain how workload assumptions translate into cost estimates. Distinguish between one time and ongoing functions.

Shifting snow plowing responsibilities to the state has a fiscal impact for WSDOT's Highway Maintenance and Operations Program. There are 281 cities in Washington, of which 245 have city streets that are part of the state highway system. The overall fiscal impact is an ongoing biennial cost of \$3.4 million and a one-time equipment cost of \$1.4 million. The ongoing biennial cost of \$3.4 million is the estimated cost to perform snow and ice control activities on 831 lanes miles of city streets, for which 245 cities are currently responsible. The \$1.4 million one-time expenditure is for the purchase of 24 smaller trucks that would be needed to be able to work within the smaller confines and more complex city street configurations.

The methodology used for the calculation for the lane miles affected in these 245 cities and the cost factors used are as follows:

- According to the State Highway Log, there are 20,677 lane miles in the state highway system.
- Of those lane miles, WSDOT currently maintains 19,280 lane miles while cities maintain 1,397 lane miles.
- Of the 1,397 lane miles, 477 lane miles are in rural areas and 920 lane miles are in urban areas.
- Of the 477 lane miles in rural areas, by policy (see note below), WSDOT currently plows snow when passing through 80% of these lane miles resulting in 95 lane miles currently not addressed that would be the added responsibility of WSDOT.
- Of the 920 lane miles in urban areas, by policy (see note below), WSDOT currently plows snow when passing through 20% of these lane miles resulting in 736 lane miles currently not addressed that would be the added responsibility of WSDOT.
- $95 \text{ lane miles} + 736 \text{ lane miles} = 831 \text{ lane miles} * \$4,100/\text{lane mile} = \$3.4 \text{ million (ongoing biennial cost)}$.

In calculating the overall cost per lane mile, historical information for snow and ice control was adjusted to remove pass operations (as those are atypical). Historical costs of \$4,100 per lane mile consist of approximately 38% for salaries and benefits, 30% for materials, 30% for equipment rent, 2% for equipment replacements and upgrades, and a minor amount for travel. Salaries and Benefits are estimated assuming 10.8 FTE of Maintenance Technician 2 snow plow operators with annual salary of \$42,000, and annual benefits of \$18,000.

Additionally, there are a number of other considerations that would have to be taken into account to address the

change in operations for these added lane miles.

Current WSDOT snow plow operations are intended to cover longer distances with larger trucks (for example, trucks fitted with 10 CY hopper sanders, steel bit plow blades, and wing plow attachments). These trucks are not properly equipped to work within city street configurations. Cities typically use smaller trucks with smaller hopper sanders as they trade off material capacity for maneuverability. Passage of this bill would require WSDOT to purchase approximately 24 smaller trucks. The specific configuration would be one-ton trucks equipped with a hopper sander, controller, and reversible plow blade. The cost for each vehicle is estimated at \$60,000 which would add a total one-time cost of \$1.4 million, in addition to the on-going costs shown above. Along with these trucks, it is estimated that WSDOT would need to add 48 temporary employees during the winter months to operate the vehicles. Since these are temporary seasonal employees, this translates to 10.8 FTEs. In addition, smaller trucks would require establishing sand and salt stockpile sites closer to the city jurisdictions in order to avoid longer material hauls. Other challenges with city operations include lane configurations, intersections, traffic control systems, on-street parking, curbs, sidewalks, and increased tort liability risks.

Part III: Expenditure Detail

III. A - Expenditures by Object Or Purpose

	FY 2014	FY 2015	2013-15	2015-17	2017-19
FTE Staff Years		10.8	5.4	10.8	10.8
A-Salaries and Wages		454,000	454,000	908,000	908,000
B-Employee Benefits		194,000	194,000	388,000	388,000
C-Professional Service Contracts					
E-Goods and Other Services		1,020,000	1,020,000	2,040,000	2,040,000
G-Travel		2,000	2,000	4,000	4,000
J-Capital Outlays		1,440,000	1,440,000	60,000	60,000
M-Inter Agency/Fund Transfers					
N-Grants, Benefits & Client Services					
P-Debt Service					
S-Interagency Reimbursements					
T-Intra-Agency Reimbursements					
9-					
Total:	\$0	\$3,110,000	\$3,110,000	\$3,400,000	\$3,400,000

III. B - Detail: *List FTEs by classification and corresponding annual compensation. Totals need to agree with total FTEs in Part I and Part IIIA*

Job Classification	Salary	FY 2014	FY 2015	2013-15	2015-17	2017-19
Maintenance Technician 2	42,000		10.8	5.4	10.8	10.8
Total FTE's	42,000		10.8	5.4	10.8	10.8

Part IV: Capital Budget Impact

NONE

Part V: New Rule Making Required

Identify provisions of the measure that require the agency to adopt new administrative rules or repeal/revise existing rules.

LOCAL GOVERNMENT FISCAL NOTE

Department of Community, Trade and Economic Development

Bill Number: 6369 SB	Title: Street snow removal/highways
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Part I: Jurisdiction-Location, type or status of political subdivision defines range of fiscal impacts.

Legislation Impacts:

- ☒ Cities: Reduction in snow plowing costs.
- ☐ Counties:
- ☐ Special Districts:
- ☒ Specific jurisdictions only: Jurisdictions that currently plow snow on state highways that run through their jurisdiction would no longer be responsible for snow plowing on the state highway portion of their roads.
- ☐ Variance occurs due to:

Part II: Estimates

- ☐ No fiscal impacts.
- ☐ Expenditures represent one-time costs:
- ☐ Legislation provides local option:
- ☐ Key variables cannot be estimated with certainty at this time:

Estimated revenue impacts to:

None

Estimated expenditure impacts to:

Jurisdiction	FY 2014	FY 2015	2013-15	2015-17	2017-19
City	(1,700,000)	(1,700,000)	(3,400,000)	(3,400,000)	(3,400,000)
TOTAL \$	(1,700,000)	(1,700,000)	(3,400,000)	(3,400,000)	(3,400,000)
GRAND TOTAL \$	(10,200,000)				

Part III: Preparation and Approval

Fiscal Note Analyst: Alicia LeDuc	Phone: 360/725-5040	Date: 02/04/2014
Leg. Committee Contact: Clinton McCarthy	Phone: 360-786-7319	Date: 01/27/2014
Agency Approval: Steve Salmi	Phone: (360) 725 5034	Date: 02/04/2014
OFM Review: Jim Albert	Phone: (360) 902-0419	Date: 02/04/2014

Part IV: Analysis

A. SUMMARY OF BILL

Provide a clear, succinct description of the bill with an emphasis on how it impacts local government.

The bill would amend RCW 47.24.020 to make the state responsible for snow plowing operations on city streets that also serve as state highways. Under current statute, cities are responsible for this activity where snow plow equipment is available. The bill would transfer all responsibility for snow plowing such streets to the Washington State Department of Transportation (WSDOT).

B. SUMMARY OF EXPENDITURE IMPACTS

Briefly describe and quantify the expenditure impacts of the legislation on local governments, identifying the expenditure provisions by section number, and when appropriate, the detail of expenditures. Delineate between city, county and special district impacts.

Cities would experience a \$1.7 million per year reduction in snow plowing expenditures as a result of the state assuming sole responsibility for snow plowing on 831 lane miles of state highway that are currently being serviced by city resources. Snow plow, sand, and ice control costs per lane mile vary by jurisdiction and roadway. Projected cost savings are based on WSDOT cost estimates of \$4,100 per lane mile (see WSDOT fiscal note), which was found to be reasonably consistent with the high-end cost estimates for local jurisdictions with snow plow operations.

DISCUSSION:

There are 281 cities in Washington, most of which have roads that serve as state highways running through them. Under current statute, cities that have snow plow equipment available must plow the snow from state highways in their jurisdiction. The costs often include staff time, truck maintenance, truck fuel, snow hauling, ice treatment, and sanding costs, plus additional overhead. Jurisdictions often contract out for snow hauling or plowing services during expanded or severe periods of service demand.

As an illustrative example, the city of Pullman is currently responsible for a portion of SR 270 that runs through its downtown and business district. City staff estimate the average lane mile cost for the 2013 winter season to be \$2,710, including fully-loaded salary. This does not include fuel costs. Pullman advised that in cases of extreme weather, it contracts for additional services and late-night hauling of snow from the downtown area. These additional costs can increase the lane mile costs to as much as \$3,529. Pullman estimates its annual snow plowing budget to be \$300,000 at the most.

In another example, Main Street in the city of Colville is a part of the state highway system, and would be a roadway for which the state would assume snow plow responsibility. The state highway portion of Main Street is approximately 1.5 miles long, for a total of 3 lane miles, and is a major traffic route through the city. Plowing Main Street requires approximately three hours of three plows running simultaneously, for a total of nine work hours. The average fully-loaded salary of snow maintenance staff is \$25 per hour. The snow from Main Street must also be collected and hauled away from the downtown streets and sidewalks. According to Colville staff, the hauling generally requires four to five days of five full-time drivers' time, including four truck drivers and one loader. In a typical winter season, city staff plow and haul the snow from Main Street eight times.

Colville's annual snow plow budget is \$30,000, of which services for the Main Street route constitute approximately 30 percent. During exceptionally inclement weather, the city contracts for additional snow haulers to clear roadways. In 2009, the city exceeded its snow plow budget by nearly \$100,000 due to additional contracting for the Main Street route. In total, Colville spends approximately two full months of three to five worker's full-time work and approximately \$5,000 in fuel costs for clearing the downtown Main Street route each winter season.

C. SUMMARY OF REVENUE IMPACTS

Briefly describe and quantify the revenue impacts of the legislation on local governments, identifying the revenue provisions by section number, and when appropriate, the detail of revenue sources. Delineate between city, county and special district impacts.

None

SOURCES:

Department of Transportation (WSDOT)
Association of Washington Cities (AWC)
City of Bellingham
City of Colville
City of Pullman