

SENATE BILL REPORT

SB 5860

As Reported By Senate Committee On:
Transportation, February 23, 1995

Title: An act relating to transportation construction project cost estimates.

Brief Description: Improving transportation project cost estimates.

Sponsors: Senators Prentice, Owen, Heavey, Oke, Wood, Haugen, Fairley, Sellar, Schow, Rasmussen and Winsley.

Brief History:

Committee Activity: Transportation: 2/22/95, 2/23/95 [DPS].

SENATE COMMITTEE ON TRANSPORTATION

Majority Report: That Substitute Senate Bill No. 5860 be substituted therefor, and the substitute bill do pass.

Signed by Senators Owen, Chair; Heavey, Vice Chair; Fairley, Morton, Oke, Prentice, Prince, Rasmussen, Schow, Sellar and Wood.

Staff: Robin Rettew (786-7306)

Background: Detailed design efforts, environmental assessments, and public hearings for construction projects occur almost two years after the projects are initially scoped. During the more detailed phase of project development, preliminary cost estimates must be revised to reflect more current and detailed information.

The Department of Transportation has sought to improve their scoping process over the past two years. They have: (a) initiated an environmental checklist procedure that is intended to capture preliminary environmental issues; (b) sought regulatory and public input during the initial scoping phase; (c) convened an internal committee to evaluate scoping procedures; and (d) required major projects that prioritize for preliminary engineering in one biennium to be reprioritized in the succeeding biennium based upon updated project data. Due to revenue constraints, the department has submitted a number of projects solely for preliminary engineering in both the 1994 and 1995 legislative sessions.

Historically, the Legislature has tended to fund all phases of a project from preliminary design through construction with one appropriation. Although the Transportation Commission has authority to actually make project selections, the Legislature is provided with a construction list identifying specific projects that ties to the final appropriation level contained within the enacted transportation budget.

Three principle issues relate to the current scoping process. The first is that project cost estimates are often inaccurate since detailed project analysis does not occur until after the scoping phase. The second is the perception that a project has been approved by virtue of

receiving appropriation authority before a thorough environmental analysis has been performed and project alternatives considered. The third is that regulatory agencies cannot make commitments about environmental requirements based on the rudimentary information available during the scoping phase of project development.

Summary of Substitute Bill: The department is required to submit separate appropriation requests for the preliminary engineering/right of way phase and construction phase for any improvement project with an estimated total cost of \$15 million or greater.

Substitute Bill Compared to Original Bill: The requirement that the department use the design engineer as the construction engineer on a trial basis is eliminated.

Appropriation: None.

Fiscal Note: Not requested.

Effective Date: Ninety days after adjournment of session in which bill is passed.

Testimony For: Segregating the preliminary engineering from the construction appropriation provides for better cost estimates and allows for enhanced public involvement and regulatory agency involvement in the project design and development process.

Testimony Against: Segregating the preliminary engineering from the construction appropriation may create delays in the delivery of a project and cause costs to increase due to inflation. Appropriating preliminary engineering separately will not address the initial scoping problems that occur before any specific appropriation has been made.

Testified: Randy Hain, WSDOT; Jerry Alb, WSDOT; Carol Jolly, Department of Ecology (pro).