

### Fiscal Estimate - 2017 Session

Original     
  Updated     
  Corrected     
  Supplemental

<b>LRB Number</b> 17-5411/1	<b>Introduction Number</b> SB-788	
<b>Description</b> the I 94 east-west corridor project		
<b>Fiscal Effect</b>		
<b>State:</b> <input type="checkbox"/> No State Fiscal Effect <input checked="" type="checkbox"/> Indeterminate <input type="checkbox"/> Increase Existing Appropriations <input type="checkbox"/> Increase Existing Revenues <input checked="" type="checkbox"/> Increase Costs - May be possible to absorb within agency's budget <input type="checkbox"/> Decrease Existing Appropriations <input type="checkbox"/> Decrease Existing Revenues <input type="checkbox"/> Yes <input checked="" type="checkbox"/> No <input type="checkbox"/> Create New Appropriations <input type="checkbox"/> Decrease Costs		
<b>Local:</b> <input type="checkbox"/> No Local Government Costs <input type="checkbox"/> Indeterminate 1. <input type="checkbox"/> Increase Costs      3. <input type="checkbox"/> Increase Revenue              5. Types of Local Government Units Affected <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input type="checkbox"/> Towns <input type="checkbox"/> Village <input type="checkbox"/> Cities 2. <input type="checkbox"/> Decrease Costs      4. <input type="checkbox"/> Decrease Revenue <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input type="checkbox"/> Counties <input type="checkbox"/> Others <u>0</u> <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input type="checkbox"/> Permissive <input type="checkbox"/> Mandatory <input type="checkbox"/> School Districts <input type="checkbox"/> WTCS Districts		
<b>Fund Sources Affected</b> <b>Affected Ch. 20 Appropriations</b> <input type="checkbox"/> GPR <input type="checkbox"/> FED <input type="checkbox"/> PRO <input type="checkbox"/> PRS <input type="checkbox"/> SEG <input checked="" type="checkbox"/> SEGS s.20.395(3)(aq)		
<b>Agency/Prepared By</b> DOT/ Shawn Smith (608) 261-6120	<b>Authorized Signature</b> Joan Meier (608) 267-6978	<b>Date</b> 2/16/2018

## Fiscal Estimate Narratives

DOT 2/16/2018

LRB Number	17-5411/1	Introduction Number	SB-788	Estimate Type	Original
<b>Description</b> the I 94 east-west corridor project					

### Assumptions Used in Arriving at Fiscal Estimate

The bill enumerates the I-94 East-West project under the major and mega project statutes: 84.013(3)(c) and 84.0145(3)(b).

The bill requires WisDOT to identify efficiencies in programs it administers, designate not less than \$25 million from appropriations to WisDOT from the transportation fund that WisDOT determines are not necessary for the satisfactory administration of departmental programs, and lapse the designated moneys to the transportation fund for the I-94 East/West project.

Additionally, WisDOT must request that FHWA reinstate the record of decision (ROD). The Environmental Impact Statement (EIS) for this project was completed in 2016 with FHWA's approval of the ROD. WisDOT requested and FHWA acted by rescinding the ROD in October 2017 due to no enumeration. This estimate assumes that the results of the 2016 EIS are still valid, and only minor environmental analysis is needed to reinstate the ROD. This would result in minimal administrative cost to the department. If the ROD is reinstated, the resulting project would meet the definition of a Southeast Mega Project and a Major Project, so the I-94 East-West project could be funded from the Ch. 20 appropriations designated for the Southeast Mega Projects and Major Projects.

The \$25 million earmarked by the bill in the current biennium would be used to reinstate the ROD, perform design engineering, re-establish public involvement, coordinate impacts to utilities and begin the right of way plat. The \$25 million would be insufficient to complete these functions or fund construction. Additional funding in future budget cycles is needed for remaining design, utility adjustments and relocations, real estate acquisitions and construction.

### Impact on Other Projects:

Currently, the department is required to lapse \$16.3 million in the first year of this biennium and \$13.7 million in the second. The bill requires WisDOT identify \$25 million in programs administered by the department. WisDOT has already initiated numerous cost saving initiatives, which have been reallocated to the continued delivery of administered programs. Lapsing this \$25 million from other programs will result in reduced funding availability for other projects already funded (Backbone and 3R), which could result in project delays or terminations elsewhere in the state. Backbone and 3R cover the basic preservation and maintenance of the highway system including essential activities to preserve the system; backbone includes the highest volume roads (including interstates) and 50% of the state's highway traffic.

### Long-Range Fiscal Implications

WisDOT has a cost projection of \$1,106,000,000 in year-of-expenditure dollars to complete the I-94 East-West Project.

Rescinding the ROD in October 2017 rendered the pending litigation to block the project moot. Reinstating the ROD would most likely result in renewed litigation and undetermined litigation costs.