

COMMITTEE ON LEGISLATIVE RESEARCH
OVERSIGHT DIVISION

FISCAL NOTE

L.R. No.: 5508-02
Bill No.: HCS for HB 2047
Subject: Parks and Recreation; Natural Resources, Department of; Motor Vehicles
Type: Original
Date: April 18, 2016

Bill Summary: This proposal allows certain individuals to use all-terrain vehicles and golf carts on the Katy Trail on certain days.

FISCAL SUMMARY

ESTIMATED NET EFFECT ON GENERAL REVENUE FUND			
FUND AFFECTED	FY 2017	FY 2018	FY 2019
Total Estimated Net Effect on General Revenue	\$0	\$0	\$0

ESTIMATED NET EFFECT ON OTHER STATE FUNDS			
FUND AFFECTED	FY 2017	FY 2018	FY 2019
State Parks Earnings Fund*	\$0	\$0	\$0
State Parks Sales Tax Fund	(\$5,293,947)	(Unknown or Greater than \$234,935)	(Unknown or Greater than \$237,632)
Total Estimated Net Effect on <u>Other</u> State Funds	(\$5,293,947)	(Unknown or Greater than \$234,935)	(Unknown or Greater than \$237,632)

*Transfer In and Costs Net to Zero
 Numbers within parentheses: () indicate costs or losses.
 This fiscal note contains 8 pages.

ESTIMATED NET EFFECT ON FEDERAL FUNDS			
FUND AFFECTED	FY 2017	FY 2018	FY 2019
Total Estimated Net Effect on <u>All</u> Federal Funds	\$0	\$0	\$0

ESTIMATED NET EFFECT ON FULL TIME EQUIVALENT (FTE)			
FUND AFFECTED	FY 2017	FY 2018	FY 2019
DNR State Parks Earnings Fund	4 FTE	4 FTE	4 FTE
Total Estimated Net Effect on FTE	4 FTE	4 FTE	4 FTE

Estimated Net Effect (expenditures or reduced revenues) expected to exceed \$100,000 in any of the three fiscal years after implementation of the act.

ESTIMATED NET EFFECT ON LOCAL FUNDS			
FUND AFFECTED	FY 2017	FY 2018	FY 2019
Local Government	\$0	\$0	\$0

FISCAL ANALYSIS

ASSUMPTION

Officials at the **Department of Natural Resources - Division of State Parks (DSP)** assume this proposal would have a negative fiscal impact on their organization.

This proposal would allow for the use of utility vehicles and golf carts at a speed of 15 miles per hour or less by individuals who are disabled or 60 years of age or older on the Katy Trail on Wednesdays.

Currently the Department of Natural Resources - Division of State Parks (DSP) allows electric golf carts on the Katy Trail for people with mobility disabilities. The use of the electric golf cart is very minimal at this time and no redesign of the squeeze gates had to be made since the electric golf carts are typically 48" wide which is the width of the current squeeze gates.

The existing width of the trail is not sufficient for two utility vehicles/golf carts to pass each other on the trail safely. Therefore, the trail width would have to be increased to over 14' wide, including shoulders, to accommodate two-way traffic. So the cost for a new base, ballast and surface, if contracted out, would be about \$168,000 per mile for the 240 miles. This does not include what it would cost to modify our bridge decks. The cost to modify the bridge decks is unknown at this time and is not included in the fiscal estimates. The expense of the redesign and construction work is spread over the first three years of the fiscal note to accommodate design work, estimated to be \$5 million, in the first fiscal year and construction during the following two fiscal years.

After the trail is rebuilt to accommodate utility vehicles/golf cart use, the increased annual maintenance costs would be about \$100 per mile. This would begin after construction of any mile is completed; therefore the cost for the annual maintenance begins during Fiscal Year 2018.

The Katy Trail has roughly 50 squeeze gates that are in place to keep unauthorized vehicles off the trail. DSP would also need to redesign the squeeze gates to allow utility vehicles and golf carts passage. DSP estimates 50 gates that would need to be redesigned and installed at an estimated \$1,000 per gate.

DSP would also need to install new signs along the Katy Trail State Park to ensure they meet highway standards to be break-away signs. Further study would be needed to determine the exact number of signs that would require updating. DSP currently estimates the sign replacement to be \$50,000.

The DSP manages the Katy Trails' 240 miles by sectioning it into four managerial units. Based on the proposed legislation the department would request the equivalent of one additional Maintenance Worker II (Park and Historic Site) per management unit, or 4 FTE. (NOTE: The

ASSUMPTION (continued)

Maintenance Worker II (Park and Historic Site) was approved by the Personnel Advisory Board on the January 12 meeting at a range 15, which replaces the previous Park Maintenance Worker II position). DSP would also need one additional Park Ranger per management unit, or 4 FTE, to assist with the monitoring of the Katy Trail to ensure the utility vehicles and golf carts are being used on appropriate days and by appropriate drivers. Each Park Ranger will need to be outfitted with a dedicated equipped police vehicle (includes gun rack, light bars, radar, antenna, hitch, etc.) as well as the necessary communication equipment inside the car and a car computer. The additional Maintenance Worker II (Park and Historic Site) would not need standard office equipment set-up. However, DSP anticipates these Maintenance Workers would need small tools such as shovels, picks, chalk lines, personal protective equipment, string trimmers, back-pack blowers and other miscellaneous equipment. Both the Park Rangers and the Maintenance Workers would require both initial uniform installments as well as annual uniform replacements.

Neither the State Parks Sales Tax Fund nor Earnings Fund has sufficient cash balances to cover these additional operating and construction costs. Therefore, DSP assumes General Revenue Fund would be requested for these additional costs resulting from this proposal.

Oversight would like to note the balance in the DNR State Parks Earnings Fund and State Parks Sales Tax Fund for the fiscal years listed in Table A below.

Table A			
DNR State Parks	FY13	FY14	FY15
0415 Earnings Fund Balance	\$32,824,173.86	\$33,437,664.26	\$38,264,215.46
Increase (Decrease) in \$	n/a	\$613,490	\$4,826,551.20
0613 Sales Tax Fund Balance	\$19,462,132.95	\$17,510,740.12	\$19,538,529.76
Increase (Decrease) in \$	n/a	(\$1,951,392.83)	\$2,027,789.64
Combined Balance of these Funds (0415 & 0613) as of June 30, 2015			\$57,802,745.22

Oversight has included Table B, located on page 5, which contains information regarding width, weight, and maximum speed for two different make-model Adult Scooters, two different make-model Golf Carts, and three different make-model All-Terrain Utility Vehicles for comparison and informational purposes.

ASSUMPTION (continued)

Table B provides the width of ATV's or utility vehicles which range from 52.6 to 60 inches based on the three models shown in the following table. If two of these vehicles were to pass (meet side by side) on the trail the combined width would be 120 inches or 10 feet (based on the John Deere model) without taking into consideration allowing for space in between them. If they were to allow a reasonable safe distance between them of 3 feet or 36 inches to pass each other on the trail, this would now require 156 inches of width or 13 feet.

The proposed redesign is to make the Katy Trail 14 feet or 168 inches including the shoulders; this would only allow 6 inches of shoulder on each side for two John Deere ATV's to pass each other.

DNR estimates the use of utility vehicles/golf carts on the trail would result in annual maintenance costs estimated at \$100 per mile. **Oversight** would like to note, the use of only Adult Scooters on the trail could eliminate the need to expand the width of the trail and reduce annual maintenance costs due to the minimal weight and maximum speed limit of these particular make - model.

Oversight obtained the information in Table B through manufacturer websites.

Table B							
Make - Model	Adult Scooters 4 - Wheel (Electric)		Golf Carts (Gas)		All Terrain/Utility Vehicles (Gas)		
	Spin Life	Spit fire	Yamaha G-Max 4	Precedent	Kawasaki Mule 610 4 x 4	Kubota RTV 500	John Deere Gator TX 4 x 4
Width in Inches	21.5	21.5	47.2	47.25	52.6	54.7	60.0
Weight in Pounds	108	113	670	606	1020.9	1358	1430
Maximum Speed (mph)	0 to 4	0 to 4.25	8 to 15	5 to 19	5 to 25	5 to 25	5 to 20
Per MSP - The width of the Katy Trail after redesign would be 14 feet or 168 inches							

ASSUMPTION (continued)

DNR estimates the costs for FY17 to be \$5,000,000 which would be primarily for design but also, includes construction costs. **DNR** stated the majority of construction for new base, ballast and surface would occur during FY18 and FY19. **Oversight** will show a \$5,000,000 fiscal impact in FY17 for the new design and expansion of the trail.

DNR provided an estimate for design and expansion costs for FY18 and FY19 of \$18,101,500 and \$18,554,038 respectively. **Oversight** will show an unknown fiscal impact in FY18 and FY19 for the construction, expansion and redesign of the Katy Trail based on the balance in the State Parks Earnings Fund and State Parks Sales Tax Fund can absorb some of the construction costs, see Table C below. Also, Oversight notes the historical trend for the State Parks Earnings Fund to increase each fiscal year as exhibited in Table A, located on page 4 of this fiscal note.

Table C	
State Parks Earnings Fund as of 6/30/15	\$38,264,215.46
State Parks Sales Tax Fund as of 6/30/15	\$19,538,529.76
Subtotal	\$57,802,745.22
FY17 Expansion and Redesign	(\$5,000,000)
FY18 Expansion and Redesign	(Unknown)
FY19 Expansion and Redesign	(Unknown)
Balance after Expansion and Redesign	Less than \$52,802,745.22

Oversight will show a fiscal impact for the addition of 4 FTE's (Maintenance Worker II) per management unit of the Katy Trail. This will include salaries, fringe benefits, equipment and expenses related to the addition of these 4 FTE's for FY17 through FY19.

Oversight will show a fiscal impact for new squeeze gate, breakaway signs, and continued maintenance of the trail for FY 17 through FY19.

<u>FISCAL IMPACT - State Government</u>	FY 2017 (10 Mo.)	FY 2018	FY 2019
STATE PARKS SALES TAX FUND			
<u>Transfer Out</u> - To State Parks Earnings Fund	(\$5,293,947)	(Unknown or Greater than \$234,935)	(Unknown or Greater than \$237,632)
ESTIMATED NET EFFECT ON STATE PARKS SALES TAX FUND	<u>(\$5,293,947)</u>	(Unknown or Greater than \$234,935)	(Unknown or Greater than \$237,632)
STATE PARKS EARNINGS FUND			
<u>Transfer In</u> - From State Parks Sales Tax Fund	\$5,293,947	Unknown or Greater than \$234,935	Unknown or Greater than \$237,632
<u>Costs</u> - State Parks Earning Fund			
Personnel Services - 4 Maintenance Workers			
	(\$93,680)	(\$113,540)	(\$114,676)
Fringe Benefits	(\$59,233)	(\$71,387)	(\$71,697)
Annual Uniform Replacement - 4 total	(\$1,500)	(\$1,845)	(\$1,891)
Squeeze gates - 50	(\$50,000)	\$0	\$0
Signs - Breakaway	(\$50,000)	\$0	\$0
Data Processing and Office Equipment	(\$8,376)	\$0	\$0
Maintenance Equipment and Small Tools	(\$12,000)	\$0	\$0
Other Expenses	(\$19,158)	(\$23,563)	(\$24,153)
Annual Trail Maintenance - 240 miles	\$0	(\$24,600)	(\$25,215)
Trail and Expansion and Redesign	<u>(\$5,000,000)</u>	<u>(Unknown)</u>	<u>(Unknown)</u>
		(Unknown or Greater than	(Unknown or Greater than
<u>Total Cost</u> - State Parks Earnings Fund	<u>(\$5,293,947)</u>	<u>\$234,935)</u>	<u>\$237,632)</u>
FTE Change - DNR	4 FTE	4 FTE	4 FTE
ESTIMATED NET EFFECT ON STATE PARKS EARNINGS FUND	<u>\$0</u>	<u>\$0</u>	<u>\$0</u>
NET FTE CHANGE ON STATE PARKS EARNINGS FUND	4 FTE	4 FTE	4 FTE

FISCAL IMPACT - Local Government

FY 2017
(10 Mo.)

FY 2018

FY 2019

\$0

\$0

\$0

FISCAL IMPACT - Small Business

No direct fiscal impact to small businesses would be expected as a result of this proposal.

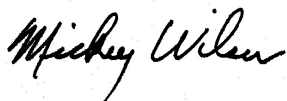
FISCAL DESCRIPTION

This bill allows for the use of all-terrain vehicles and golf carts at a speed of 15 miles per hour or less by individuals who are disabled or 60 years of age or older on the Katy Trail on the first and third Wednesday of each month.

This legislation is not federally mandated, would not duplicate any other program and would not require additional capital improvements or rental space.

SOURCES OF INFORMATION

Department of Natural Resources



Mickey Wilson, CPA
Director
April 18, 2016

Ross Strobe
Assistant Director
April 18, 2016