

NORTH CAROLINA GENERAL ASSEMBLY

LEGISLATIVE FISCAL NOTE

BILL NUMBER: House Bill 244

SHORT TITLE: Relocation Costs for Counties

SPONSOR(S): Representative Edd Nye

FISCAL IMPACT:      Expenditures:      Increase (X)      Decrease ( )  
                          Revenues:              Increase ( )      Decrease ( )  
                          No Impact ( )  
                          No Estimate Available ( )

FUND AFFECTED:    General Fund ( )    Highway Fund (X)    Local Fund ( )  
                          Other Fund ( )

**BILL SUMMARY:** This bill amends G.S. 136-27.1 to require the Department of Transportation to pay the nonbetterment costs for the relocation of water and sewer lines, located within the existing State highway right-of-way, that are necessary to be relocated for a State highway improvement project and that are owned by a county with a population of 40,000 or less.

**EFFECTIVE DATE:** Upon ratification

**PRINCIPAL DEPARTMENT(S)/PROGRAM(S) AFFECTED:** Department of Transportation - Right-of-Way section

FISCAL IMPACT

	<u>FY</u> 93-94	<u>FY</u> 94-95	<u>FY</u> 95-96	<u>FY</u> 96-97	<u>FY</u> 97-98
<b>EXPENDITURES</b>					
<b>RECURRING</b>	*	\$325,000	*	*	*
<b>NON-RECURRING</b>		(minimum)			
<b>REVENUES/RECEIPTS</b>					
<b>RECURRING</b>					
<b>NON-RECURRING</b>					

**POSITIONS:**

**ASSUMPTIONS AND METHODOLOGY:**

A list of North Carolina counties with populations of 40,000 or less which own water and sewer systems was obtained from the Right-of-Way section of the Department of Transportation. Of the 28 counties that fall into this category, nine have been affected since 1989. In these nine counties, there are 12 Transportation Improvement Program (TIP) projects that have been let since January of 1989 and that involve the relocation of utility lines. The estimate that the Department of Transportation provided for the relocation of these

water and sewer lines since 1989 is \$623,000. One of these nine projects, however, is to be let in June of 1994, so if this bill passes, then DOT will absorb the cost of relocating those utility lines. The project, which runs through two counties, follows:

R-2208 A	Chowan	\$75,000
R-2208 A	Perquimans	\$250,000

Therefore, the minimum cost of this bill will be \$325,000.

The following are contract projects that have been let since January of 1989, but the costs have been absorbed by the counties. They will not be affected by House Bill 244:

B-2211	Davie	2/92	\$10,000
B-2087	Dare	2/90	\$20,000
B-2244	Pasquotank	9/92	\$60,000
R-522	Bladen	6/93	\$13,000
B-1259	Jones	5/91	\$4,000
B-1258	Jones	5/92	\$5,000
R-2418	Dare	7/92	\$20,000
R-2013	Anson	11/91	\$60,000
R-2106	Montgomery	2/92	\$11,000
R-2107	Montgomery	10/89	95,000

The Department of Transportation then determined if any current TIP (1993-1999) projects could impact water and sewer lines in counties with populations of less than 40,000. In addition to the two projects listed above, there are four more that would be affected by this bill. Because the let dates of these four projects are not yet known, no accurate estimate can be made for the cost of these four projects.

The Right-of-Way Section of the Department of Transportation will not know until one year before the let date of a project how much cost is involved. These four projects follow:

R-2561	Bladen	FY 97
R-2562	Bladen	FY 96
R-2228	Currituck	FY 95
R-2548	Washington	FY 97

\* Therefore, the minimum cost for relocating utility lines in counties with populations of 40,000 or less is \$325,000. Although

this number will increase, there is no way to predict its growth until one year before the let dates of the affected projects.

The Department of Transportation also provided a list of maintenance project conflicts, since 1989, in counties with populations of 40,000 or less which own water and sewer systems. In the 28 counties affected, \$69,000 from the Maintenance Fund has been expended since 1989. The Department of Transportation estimates that future maintenance expenditures will be consistent with past expenditures, but there is no way to project the actual cost.

House Bill 244 does not require an appropriation from the General Assembly because the money to relocate these utility lines will come out of already existing construction and maintenance money from the Highway Fund.

Following are the counties with populations of 40,000 or less which own water and sewer systems:

Alexander	Jackson
Anson	Jones
Bladen	Montgomery
Chatham	Northampton
Chowan	Pamlico
Currituck	Pasquotank
Dare	Perquimans
Davie	Person
Duplin	Swain
Franklin	Tyrell
Gates	Warren
Granville	Washington
Greene	Watauga
Hyde	Yadkin

**SOURCES OF DATA:** Department of Transportation - Right-of-Way Section

**TECHNICAL CONSIDERATIONS:**

**FISCAL RESEARCH DIVISION**

**733-4910**

**PREPARED BY:** Courtney Porter  
Richard Bostic

**APPROVED BY:** Tom Covington **TOMC**

**DATE:** May 10, 1993

**[FRD#003]**



**Signed Copy Located in the NCGA Principal Clerk's Offices**