

Department of Legislative Services
 Maryland General Assembly
 2007 Session

FISCAL AND POLICY NOTE

Senate Bill 246 (Senator Dyson)
 Budget and Taxation

Transportation - Governor Thomas Johnson Bridge - Second Companion Span

This bill requires the Secretary of Transportation to include sufficient funds in the Consolidated Transportation Program (CTP) for fiscal 2008 through 2013 for the planning, design, and construction of a second companion span of the Governor Thomas Johnson Bridge linking Calvert County and St. Mary’s County. The fiscal 2008 budget must contain enough money through a special fund deficiency for the planning and design of the second companion span.

The bill takes effect July 1, 2007.

Fiscal Summary

State Effect: Transportation Trust Fund (TTF) expenditures would increase by \$9.1 million in FY 2008. Future years reflect increased activities to plan, design, and construct a second span.

(in dollars)	FY 2008	FY 2009	FY 2010	FY 2011	FY 2012
Revenues	\$0	\$0	\$0	\$0	\$0
SF Expenditure	9,080,000	13,340,000	14,040,000	14,040,000	55,000,000
Net Effect	(\$9,080,000)	(\$13,340,000)	(\$14,040,000)	(\$14,040,000)	(\$55,000,000)

Note:() = decrease; GF = general funds; FF = federal funds; SF = special funds; - = indeterminate effect

Local Effect: None.

Small Business Effect: Potential meaningful.

Analysis

Current Law: The State Highway Administration (SHA) must prepare and submit a six-year construction and reconstruction program for primary and secondary highways, updated each year and submitted to the General Assembly for review by January 15 of each year. For each project, the program must contain a proposed schedule of property acquisition, detailed engineering, and construction.

Background: Built in 1977, the Governor Thomas Johnson Bridge crosses the lower Patuxent River joining Calvert and St. Mary's counties. A two-lane road leads to the bridge on both sides. According to *St. Mary's Today*, traffic backs up on both sides of the bridge during prime traffic hours.

The *2007 to 2012 Consolidated Transportation Program* includes \$1.5 million for preliminary project planning for dualization. However, as this project is considered a long-term need, SHA has not begun comprehensive planning for the project. Nevertheless, the project has been placed on the Highway Needs Inventory as costing approximately \$275 million for the bridge itself. SHA advises that design and construction of the bridge could take as long as 8 to 10 years.

State Expenditures: Approximately \$44 to \$60 million of the estimated \$275 million in costs would be required for design. Numerous studies and tasks must be completed before construction of the bridge could begin. These include (in order):

- project scoping to estimate the size of the project and costs of different phases of the project and to determine who will complete work required before construction can commence;
- a Major Investment Statement;
- an Environmental Impact Statement;
- actual design and engineering of the bridge;
- obtaining permits for construction, which could be delayed if permits are determined to be controversial or environmentally sensitive; and
- any necessary land acquisition.

SHA estimates that project planning would take at least four years. Thereafter, design and engineering could take two to three additional years but would more likely take six to seven years. The project planning began in fiscal 2007 and will not be complete until fiscal 2011 at the earliest. Legislative Services concurs that project planning and design and engineering would take at least four years. Therefore, the earliest the project could begin construction would be fiscal 2012.

The \$1.5 million already allocated in CTP for preliminary studies includes \$200,000 in fiscal 2007, \$600,000 in fiscal 2008, and a projected \$700,000 in fiscal 2009.

Thus TTF expenditures for planning and design could increase by \$9.1 million in fiscal 2008, by \$13.3 million in fiscal 2009, and by \$14.0 million each year in fiscal 2010 and 2011. This is based on the following assumptions:

- design activities would be spread out over four years;
- total design costs of \$52 million (the midpoint of \$44 and \$60 million);
- as the major components and the more expensive components of the design process would not be completed in fiscal 2008, expenditures would be lower in fiscal 2008; and
- the money already included in CTP for fiscal 2007 through 2009 would be applied to design costs.

TTF expenditures could increase by \$55 million annually beginning in fiscal 2012. This is based on the following assumptions:

- construction of the bridge would begin in fiscal 2012;
- construction of the bridge would total approximately \$220 million, not including the planning and design stages;
- construction costs would be equal in each fiscal year from 2012 to 2015, at \$55 million each year; and
- the Secretary would request additional funding for the project, instead of shifting money from other projects already in CTP.

Small Business Effect: Small businesses related to highway construction could benefit from increased business. Based on the size of the contract with the State, this could be a significant amount of business for purchase of materials, equipment rental, or other expenditures.

Additional Information

Prior Introductions: Identical bills, SB 338 of 2006 and SB 292 of 2005, have been introduced. Both received an unfavorable report from the Senate Budget and Taxation Committee.

Cross File: None.

Information Source(s): Maryland Department of Transportation, *St. Mary's Today*,
Department of Legislative Services

Fiscal Note History: First Reader - February 5, 2007
ncs/ljm

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