

PREPARED BY: Mike Lovelace
 DATE PREPARED: January 24, 2018
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LB 775

Revision: 00

FISCAL NOTE
LEGISLATIVE FISCAL ANALYST ESTIMATE

ESTIMATE OF FISCAL IMPACT – STATE AGENCIES (See narrative for political subdivision estimates)				
	FY 2018-19		FY 2019-20	
	EXPENDITURES	REVENUE	EXPENDITURES	REVENUE
GENERAL FUNDS				
CASH FUNDS				
FEDERAL FUNDS				
OTHER FUNDS				
TOTAL FUNDS				

Any Fiscal Notes received from state agencies and political subdivisions are attached following the Legislative Fiscal Analyst Estimate.

LB 775 gives the Game and Parks Commission the authority to solicit and execute a design-build contract or construction manager-general contractor contract for a project in the state park system. The bill details the process to be followed and provides the act shall be named the State Park System Construction Alternatives Act.

The commission indicates the use of these alternative contracting methods will save time on project delivery on specialty or complex projects. The commission's fiscal note does not indicate which specific projects these alternative contracting methods will be used on, or estimate the dollar impact on project costs or inflationary savings. At this point any savings are indeterminate since it is not known how many projects the new methodologies may be used on or their size.

ADMINISTRATIVE SERVICES STATE BUDGET DIVISION: REVIEW OF AGENCY & POLT. SUB. RESPONSE			
LB: 775	AM:	AGENCY/POLT. SUB: Nebraska Game and Parks Commission	
REVIEWED BY: Claire Oglesby	DATE: 1/17/18	PHONE: (402) 471-4174	
COMMENTS: Nebraska Game & Parks Commission's statement appears reasonable based on the assumptions provided.			

Please complete ALL (5) blanks in the first three lines.

2018

LB⁽¹⁾ 775 State Park System Construction Alternatives Act

FISCAL NOTE

State Agency OR Political Subdivision Name: ⁽²⁾ Nebraska Game and Parks Commission

Prepared by: ⁽³⁾ Patrick H. Cole Date Prepared: ⁽⁴⁾ 1/5/2017 Phone: ⁽⁵⁾ 402-471-5523

ESTIMATE PROVIDED BY STATE AGENCY OR POLITICAL SUBDIVISION

	<u>FY 2018-19</u>		<u>FY 2019-20</u>	
	<u>EXPENDITURES</u>	<u>REVENUE</u>	<u>EXPENDITURES</u>	<u>REVENUE</u>
GENERAL FUNDS	_____	_____	_____	_____
CASH FUNDS	_____	_____	_____	_____
FEDERAL FUNDS	_____	_____	_____	_____
OTHER FUNDS	_____	_____	_____	_____
TOTAL FUNDS	=====	=====	=====	=====

Explanation of Estimate:

The proposed legislation appears to mirror similar language adopted for the Department of Transportation under LB960, 2016-104th Legislature.

It provides for alternative contracting methods related to State Park system construction projects. Two methods are provided for: 1) Design-Build (DB) and 2) Construction Manager/General Contractor (CM/GC).

The DB method allows designers and contractors to interact on construction solutions and design improvements under an overall contract with specified delivery date and budget. The DB contractor manages the final design and construction to ensure quality, innovation and time savings are all captured.

The CM/GC method allows the hiring of a construction manager at the beginning of the project to furnish preconstruction services during the design development phase, oversee the contracting process including final design and contractor selection which could include a negotiated guaranteed maximum price.

The fiscal impact is not immediately determinable since it is unknown how many projects might be implemented following the new methodologies. It is anticipated that the use of these proposed alternatives may save time on project delivery, especially on complex or specialty projects, and result in more cost-effective projects.

BREAKDOWN BY MAJOR OBJECTS OF EXPENDITURE

Personal Services:

<u>POSITION TITLE</u>	<u>NUMBER OF POSITIONS</u>		<u>2018-19</u>	<u>2019-20</u>
	<u>18-19</u>	<u>19-20</u>	<u>EXPENDITURES</u>	<u>EXPENDITURES</u>
Benefits.....	_____	_____	_____	_____
Operating.....	_____	_____	_____	_____
Travel.....	_____	_____	_____	_____
Capital outlay.....	_____	_____	_____	_____
Aid.....	_____	_____	_____	_____
Capital improvements.....	_____	_____	_____	_____
TOTAL.....	_____	_____	_____	_____