

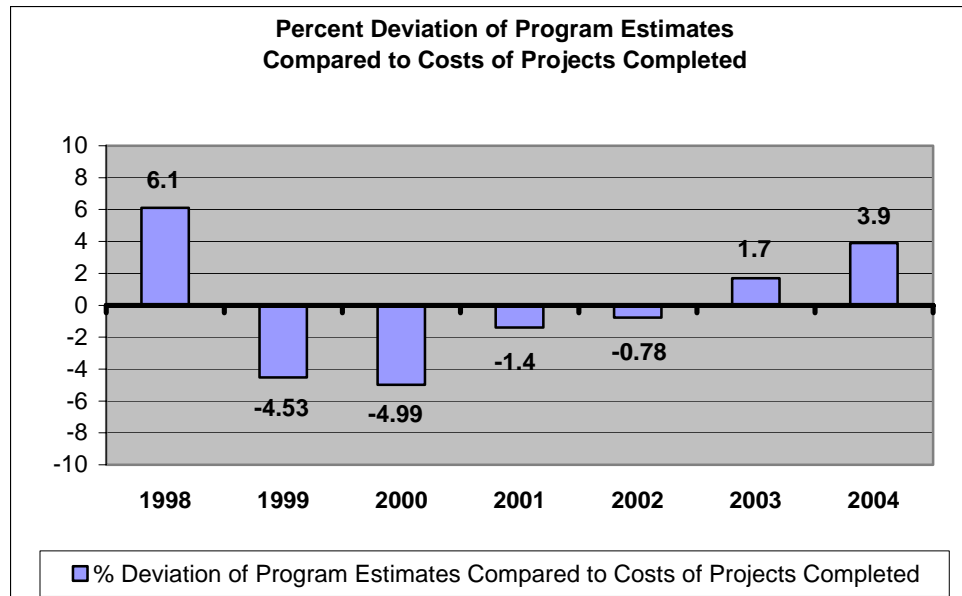
## **Program Estimates Compared to Costs of Projects Completed in 2004 RSMo 21.795.3(5,6)**

### **Introduction**

The information in this section is in accordance with the following sections of the reporting statute. *"(5) The current status as to completion, by project, of the fifteen-year road and bridge program adopted in 1992. The first written report submitted pursuant to this section shall include the original cost estimate, updated estimate and final completed cost by project. Each written report submitted thereafter shall include the cost estimate at the time the project was placed on the most recent five-year highway and bridge construction plan and the final completed cost by project; (6) The reasons for cost increases or decreases exceeding five million dollars or ten percent relative to cost estimates and final completed costs for projects in the state highway and bridge construction program or any other projects relating to other modes of transportation completed in the preceding state fiscal year. Cost increases or decreases shall be determined by comparing the cost estimate at the time the project was placed on the most recent five-year highway and bridge construction plan and the final completed cost by project. The reasons shall include the amounts resulting from inflation, department-wide design changes, changes in project scope, federal mandates, or other factors; ..."* Section 21.795.3(5) and (6), RSMo Supp. 2002 (L. 2003 TAFP HB 668).

In this section, the programmed cost estimates and completed costs are compared. Included in the estimate and award costs are costs for preliminary engineering (developing the roadway and bridge plans), right of way, construction engineering (inspecting the project during construction) and construction. The programmed cost on the most recent Five-Year Highway and Bridge Schedule is compared with the total cost of each project completed in fiscal year 2004. Reasons are provided for projects that indicate a difference of more than 10 percent or \$5 million between the programmed cost estimate and the amount spent on the project.

The figures show MoDOT is practicing good fiscal management and is delivering transportation projects within a reasonable deviation from the most recently programmed estimates. The 359 projects completed in fiscal year 2004 were constructed within **4 percent** of the project estimates. The project estimates equaled \$787,230,000. The cost to complete the projects totaled \$818,545,000. This represents a \$31.3 million overrun. This trend is displayed below.



This overrun is 2 percent higher than last years. This increasing trend can be attributed to the higher awards that occurred in state fiscal years 2000 and 2001, which comprise a large portion of the projects completed in state fiscal year 2004.

A list of the completed highway rail safety projects is also included in this section. These 28 projects were completed within 2 percent of their estimated amount.

For the other modes of transportation, the estimate for all capital projects completed in state fiscal year 2004 equaled \$17,934,953. The actual cost to complete these projects was \$17,074,955, which is a savings of \$859,998 or 4.8 percent less than the project estimate. These numbers do not include operating assistance for the other modes, such as Amtrak, OATS, Missouri Elderly and Handicapped Transportation Assistance Program and traffic control tower operating assistance.