

2009 HOUSE TRANSPORTATION

HB 1514

2009 HOUSE STANDING COMMITTEE MINUTES

Bill/Resolution No. HB 1514 and 1515

House Transportation Committee

Check here for Conference Committee

Hearing Date: 02/12/09

Recorder Job Number: 9312

Committee Clerk Signature/

Jeannette Cook

Minutes:

Representative Kenton Onstad, District 4, introduced HB 1514. He provided basic testimony in support of HB 1514. See attachment #1. He also presented a handout, entitled "Paving the Way to Lake Sakakawea" and a map of Lake Sakakawea. See attachments # 2 and #3. He clarified that most of the discussion will be about Lake Sakakawea, but the actual funding, the interest that comes off of the special use fund, can be utilized for recreational sites across North Dakota. Rep. Onstad discussed future developments around Lake Sakakawea and the entire Missouri River System. There have been fifty-seven sites identified from South Dakota to Montana. On any given week-end, there could be as many as 50,000 visitors (fishermen, tourists, outdoor enthusiasts, campers, local residents) at the lake. The same people come back to the same sites or multiple sites. But, there are some that do not come back. This is the purpose for HB 1514 and 1515. The gravel roads from the state highway systems to the recreational sites need to be upgraded. The distance may be one mile to five miles. People who have invested in campers, boats, and motor homes have to drive across washboard gravel road to get to a recreational site. That is one of the reasons some may not return. Tourism and parks and recreation document that paving the access road to a site will increase the usage about two and one half times. The amount of money that is generated when tourists

come to a certain area is often considered. What really needs to be looked at is the amount of people that DO NOT come. Those are missing dollars. Paving these roads is an investment in a natural resource that we have in North Dakota.

Representative Delmore: When 100% of the dollars went into the fund, previously, how did they decide how to disperse those dollars?

Representative Kenton Onstad: They are dispersed through an application process to the DOT on an allocation basis.

Representative Weisz: How much money will the fund generate at 100% at the current interest rate?

Representative Kenton Onstad: Probably about three to four million dollars.

Representative Weisz: When interest rates are low, based on your proposal, there would be no money left in that road fund for others to apply for, correct?

Representative Kenton Onstad: That may be correct, if everything was dedicated for that. We are not changing that point; we are just looking at changing the formula to increase the dollars for road maintenance, construction, and paving.

Representative Weisz: When you talk about 1514 and 1515 together, that would allocate thirty million from the special road fund. Currently you generate the \$200,000, so you end up with two and one half five, so if you don't generate the thirty million, all of that money would have to go to these projects, correct?

Representative Kenton Onstad: If you mean the fact that you want additional general fund money into the fund, I'm not against that idea. There are already dollars allocated in the current program, that is why we are using this particular fund. The focus is to generate more money to pave roads. What is coming in may not meet the allocation. All the sites would take

about \$70 million. We are hoping that a few of the sites could be put on a priority basis, even two or three sites would be better than what we have now.

Representative Weisz: Currently in committee we score all the applications and take the ones with the highest priority and funnel the funds there until it is out of money. In reality you are asking for more money than 100%.

Representative Kenton Onstad: We are asking that the current amount that is deposited, which is 40%, be changed to 100% and those dollars be allocated towards updating. We feel that we need additional dollars, and think we can get them from this particular fund.

Chairman Ruby: Is the interest that is being pulled out is being generated from the funds that are in the highway fund to be used for road projects, that don't have to be paid for yet? Do you know the numbers from the some of the previous bienniums as to what those dollars were and what was left? You are talking about holding the money for an additional two years before it reverts back to the highway trust fund. In 1515 you are getting the thirty million and taking out of the fund, but you are putting that in from the general fund dollars in addition to this percentage of interest, right?

Representative Kenton Onstad: Correct. The extra dollars that are generated can be explained by some individuals that are here.

Michael H. Gunsch, member of the Friends of Sakakawea and a registered professional engineer in North Dakota, spoke in support of HB 1514. See attachment # 4. It is my interpretation that the dollars generated by 1514 are independent and separate from the dollars that are generated by 1515. The idea is that there is more need for recreation beyond Sakakawea. HB 1514 is a process that assists that as well. HB 1515 looks at the safety and usability of the roads into recreational areas. Some of the roads are narrow and can be

dangerous. As far as the ranking and selection process, the ones that are recommended on the back of attachment #2 were chosen by going to the Corps of Engineers and gathering data relative to the miles of gravel or paved roadways, annual visitation, traffic counts, and businesses. An interpretation was made as to which sites demand the most attention. By doing this, a ranking system was created and the "friends" selected six sites that they feel justified in requesting a paved roadway. In the special roads committee process, which is where the \$30 million dollars would go, that committee would take the applications, review the details, and make a decision and rank them. They would allocate the funds and grants accordingly based on the dollars available. The reason for the four year scenario is looking at the current interest rate on that account, funds have dropped dramatically, so the funds going into that account have dropped as well. Raising it to 100% brings up the level of funding or maybe just restoring it to what it was previously. The four year period on 1515 is set up from the standpoint of having a biennium where the counties have already set up their budgets for 2009. To program \$30 million to have it spent in 2010 is probably logistically troublesome. The counties probably can't do that. The idea would be to put the dollars aside now and give a four year period for the planning to take place for the applications to occur. The dollars would go back to the general fund at the end of the four year period.

Chairman Ruby: The goal is to get the funding to initially get the paving done. What about the maintenance?

Michael Gunch: The O&M responsibility would go directly back to the road authority that actually has the responsibility for that road.

Terry Fleck, Chairman of the Friends of Lake Sakakawea, spoke in support of HB 1514.

See attachment #5.

Representative Thorpe: What entity has paid for the roads that have been paved? Has the federal government been involved?

Terry Fleck: Mountrail County, Mercer County, and the state are the focus of most of the paving. We work closely with Congress by going to Senator Dorgan and Senator Conrad and are always asking for help.

Representative Thorpe: Is there anything in the stimulus package that would address this?

Terry Fleck: I don't know.

Representative Thorpe: I have always thought that it was odd that we haven't gotten help from Washington to bring Lake Sakakawea to its full potential with tourism and recreation. We have done some good things, but it is far short of what it could be.

Terry Fleck: I can assure you that if this lake were in Minnesota or Missouri those roads wouldn't be gravel.

Terry Fleck read a letter from Greg Schoneck, a North Dakota fishing guide, in support of HB 1514 and HB 1515. See attachment # 6.

Jill Denning, a Gackle, North Dakota resident and a board member of the Friends of Lake Sakakawea, provided testimony in support of HB 1514 and 1515. See attachment # 7.

Emmanuel Stroh, Dun County director for the Friends of Lake Sakakawea and also chairman of the McKenzie Bay Marine Club, presented testimony in support of HB 1514 and HB 1515. See attachment # 8.

Kelly Sorge, owner of Indian Hills Resort on Lake Sakakawea, a member of the Friends of Lake Sakakawea and a board member from McLean County, spoke in support of HB 1514 and 1515. See attachment # 9a and 9b. She also provided letters that were written by

previous customers when they became aware of the possibility of getting the road paved to Indian Hills Resort. See attachment # 9c.

Representative Frantsvog: How many miles unpaved road lead to Indian Hills Resort?

Kelly Sorge: It is about four miles.

Arlo Borud, a Mountrail County commissioner and member of the Mountrail County Park Board, spoke in support of HB 1514 and 1515. See attachment # 10.

Representative Gruchalla: As a county commissioner you may be able to answer this, are the oil companies helping maintain that road or paving that road?

Arlo Borud: They are helping with the snow removal, right now. The county does most of the maintaining, but with the excess travel we are not keeping up. They are helping, but it is not near enough to go around for what needs to be done. The road is very heavily traveled, when they move equipment in, it is 50 plus trucks and when they move out it is 50 plus trucks. We are thankful for the good wells in our county, there will be oil to be hauled in and out of there in addition to the service all of the time. The oil companies want to keep the roads up as well because that is their lifeline. The bulk of the upkeep is falling back on the county. The way the revenues are today, we don't get enough to even do the maintaining. There is no money for improving, rebuilding, or paving.

Representative Gruchalla: So, the excess money that the county is getting is not enough to help rebuild the roads?

Arlo Borud: No, we are capped on the gas tax at \$3, 070,000 and that is not enough to go around. We have 16,000 miles of roads within the county, which are county paved roads and township roads.

Representative Thorpe: If this bill should pass and they use this chart of prioritization, how does it fit into the overall picture of Mountrail County with all of your problems?

Arlo Borud: The first roads that we can repave as a county will be the two roads that we tore up. In 2009 the road that comes off of the highway will be widened and repaved to go through the park at Van Hook. It is a safety issue that we feel has to be addressed as a county. DOT, Game and Fish, and Mountrail county are helping us.

Bill Mitzel, publisher of "Dakota County", spoke in support of HB 1514 and HB 1515. See attachment #11.

There was no further support for HB 1514 or HB 1515.

Tim Horner, Deputy Director for Business Support for the North Dakota DOT, spoke in opposition to HB 1514. See attachment # 12. **The DOT is neutral on HB 1515.**

Representative Weiler: We have heard a lot of talk about the stimulus package coming from Washington. Have you heard any numbers about the amount of money that may come to DOT from the federal government.

Tim Horner: The number that we are targeting at the moment is in the vicinity of \$200 million. This would be distributed through our normal federal aid distribution program to the state, cities, and the counties. If it does come through, there will be funding that goes to the counties. There are eligibility ties to it that are similar to the current highway legislation. The roadways must be on federal aid eligible routes, meaning they are major collectors. Some of these roads may be eligible, some may not be. The stimulus money that does come would have to be for federal aid eligible activities. Snow and ice control is not eligible. Crack pouring and contract patching of a certain nature that we do with maintenance dollars, is not eligible.

Representative Weiler: In your testimony you stated that the DOT will lose \$2,000,000. With the stimulus dollars that go to the DOT you will more than make up that loss.

Representative Delmore: Can you explain to me why the fund was split the way that it was for these special roads?

Tim Horner: I don't know the exact history. It is a statutory provision that was split 60%/40%. I would have to get back to you on that.

Representative Gruchalla: Are there other recreational roads that are waiting for funding that are similar to this?

Tim Horner: I suspect that there are more projects every year. We do have our projects in, but I didn't get a chance to look at them before I came over. Historically, there are more projects than funding.

Representative Gruchalla: I am wondering how many recreational sites will be trying to access this additional source of dollars other than the ones listed on this map.

Tim Horner: To help with that, we (DOT) could help you by showing you the history of the applications. We will provide that.

Chairman Ruby: The two million that you would be losing is based on interest. Are you expecting that to drop this biennium because of interest?

Tim Horner: We are budgeting 3.2 million dollars. It is tough to know exactly what it will be. Mostly it depends upon how rapidly the contractor payments are made throughout the construction year. If there is heavy payment schedule going out early in the fiscal year, it keeps that balance a bit lower. We'll have to put _____ inaudible? Emergency relief causes aggressive cash flow. The way the process works, is the state highway fund makes the contractor payment and then gets reimbursement from the federal component. It is a short

period, but if there is another program resulting in higher expenditures it would reduce the balance.

There was no further testimony in opposition to HB 1514 or HB 1515.

The hearing was closed on HB 1514 and HB 1515.

2009 HOUSE STANDING COMMITTEE MINUTES

Bill/Resolution No. HB 1514

House Transportation Committee

Check here for Conference Committee

Hearing Date: 02/12/09

Recorder Job Number: 9386

Committee Clerk Signature

A handwritten signature in black ink, appearing to read "Jeannette Cook", is written over a horizontal rectangular box. The signature is fluid and cursive.

Minutes:

Chairman Ruby asked the committee's wishes on HB 1514. There may be some questions about the dollar amounts, but Representative Weisz stated that he didn't mind the idea of this, but the depending upon the dollar amount, it is a little bit out of the highway funds that we have (about 1.2 million). He didn't like the idea of 100%, but thought that the amount should go up.

Representative Delmore moved an amendment to state 80%. It is twice as much and gives them a little bit more money for what they think is a very legitimate purpose.

Representative Weiler seconded the motion.

Representative Gruchalla: Will the new formula in Representative Weisz's bill give more money to the counties?

Chairman Ruby: The formula itself is designed to be relatively neutral to each of the parties, if the dollars are exactly the same. The goal is to get as much in the fund as possible, so that we can get more to **all** parties. The people that spoke on this bill are not part of that formula. This money would be the interest off the money that is in the State Highway Fund for special projects. It is questionable as to whether they will be eligible for part of the stimulus dollars.

A voice vote was taken on the amendment; all were in favor. The motion carried.

Representative Sukut moved a Do Pass on HB 1514 as amended.

Representative R. Kelsch seconded the motion.

A roll call vote was taken. **Aye 12 Nay 0 Absent 2**

The motion passed.

Representative Vigesaa will carry the HB 1514.

VK
2/13/09

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1514

Page 2, line 8, replace "one hundred" with "eighty"

Renumber accordingly

Date: 2-12-09

Roll Call Vote #: 1

2009 HOUSE STANDING COMMITTEE ROLL CALL VOTES

BILL/RESOLUTION NO. HB 1514 Amendment

House TRANSPORTATION Committee

Check here for Conference Committee

Legislative Council Amendment Number _____

Action Taken Do pass Don't Pass Amended

Motion Made By Delmore Seconded By Weiler

Representatives	Yes	No	Representatives	Yes	No
Representative Ruby - Chairman			Representative Delmore		
Rep. Weiler - Vice Chairman			Representative Griffin		
Representative Frantsvog			Representative Gruchalla		
Representative Heller			Representative Potter		
Representative R. Kelsch			Representative Schmidt		
Representative Sukut			Representative Thorpe		
Representative Vigasaa					
Representative Weisz					

all in favor

Total Yes _____ No _____

Absent _____

Bill Carrier _____

If the vote is on an amendment, briefly indicate intent:

Date: 2-12-09

Roll Call Vote #: 2

2009 HOUSE STANDING COMMITTEE ROLL CALL VOTES

BILL/RESOLUTION NO. 1514

House TRANSPORTATION Committee

Check here for Conference Committee

Legislative Council Amendment Number _____

Action Taken Do pass Don't Pass Amended

Motion Made By Sukut Seconded By Kelsch

Representatives	Yes	No	Representatives	Yes	No
Representative Ruby - Chairman	✓		Representative Delmore	✓	
Rep. Weiler - Vice Chairman	✓		Representative Griffin	✓	
Representative Frantsvog	✓		Representative Gruchalla	✓	
Representative Heller	✓		Representative Potter	A	
Representative R. Kelsch	✓		Representative Schmidt	✓	
Representative Sukut	✓		Representative Thorpe	✓	
Representative Vigesaa	✓				
Representative Weisz	A				

Total Yes 12 No 0

Absent 2

Bill Carrier Vigesaa

If the vote is on an amendment, briefly indicate intent:

REPORT OF STANDING COMMITTEE

HB 1514: Transportation Committee (Rep. Ruby, Chairman) recommends AMENDMENTS AS FOLLOWS and when so amended, recommends DO PASS (12 YEAS, 0 NAYS, 2 ABSENT AND NOT VOTING). HB 1514 was placed on the Sixth order on the calendar.

Page 2, line 8, replace "one hundred" with "eighty"

Renumber accordingly

2009 SENATE TRANSPORTATION

HB 1514

2009 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. Engrossed HB 1514

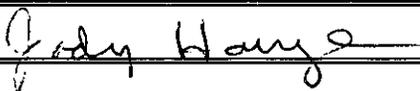
Senate Transportation Committee

Check here for Conference Committee

Hearing Date: March 19, 2009

Recorder Job Number: 11258

Committee Clerk Signature



Senator Gary Lee opened the hearing on Engrossed HB 1514 relating to use of the special road fund. All committee members were present.

Representative Onstad introduced Engrossed HB 1514 and says what this does is change the formula for Special Road Funds (SRF) from 40% to 80% of the income derived from the interest-bearing account in a special interest-bearing account in the state treasury known as the special road fund. That SRF is designated for roads for construction and maintenance of roads leading up to recreational areas or within recreational areas. The last part of the bill on page 2, lines 19-22, "Any moneys in the fund not obligated by the special road committee by June thirtieth of each odd-numbered year must be held for an additional two years after which the funds revert to the state highway trust fund." This is for all recreational area in the state.

Senator Nething asked if there was anything magical about the 80%.

Rep. Onstad said the original bill called for 100% but it was amended by the House Transportation to 80%.

Michael Gunsch, Friends of Lake Sakakawea (FOLS) testified in support of HB 1514. Written testimony #1

Senator Potter had questions on what they can actually do with this amount of money and whether they had looked at the stimulus package to help fund.

Gunsch said that realistically for \$400,000 they could pave less than a mile of roadway. He added that these improvements don't necessarily have to be paved. As for the Stimulus package there has been discussion on whether that is available but as they understand, most of the stimulus money is going through DOT and there isn't any stimulus available for this particular purpose.

Terry Fleck, Chairman of the FOLS testified in support of Engrossed HB 1514. Written testimony #2

Senator Potter asked what his priority would be.

Fleck said it is hard to say that because of county participation. Counties have more problems than just recreational areas. He can't answer the question because it would be unfair to his constituents.

Opposing Testimony

Bob Fode, Director of the Office of Transportation Programs at the ND DOT testified in opposition to Engrossed HB 1514. Written testimony #3

Senator Nodland he said that he represents some of these counties and he believes that this is economic development but for Counties like Dunn County, recreational roads are not a priority. He said 1.2 Million isn't that much money when we look at DOT's budget and he wondered if DOT couldn't help.

Fode said that it is not that the counties don't need this money. He said what is more important for economic development, our interstates and major roads, or recreational areas.

Senator Fiebiger said the amount use to be 100% but moved back to 40%. He asked when this happened.

Fode said he wasn't sure but he has been with DOT for 16 years and it has always been at 40%.

Senator Potter said it occurs to him that increased tourist traffic to these sites increases the number of miles people are driving and increases the gas tax and increase revenue. Isn't that good for the department?

Fode said that it depends on what they are driving. The gas tax is depleting.

Senator Nething asked how they came up with 3 million.

Fode said he didn't know how they came up with these numbers but could find out.

Discussion followed on the discrepancy of the word usage of State Highway Fund and State Highway Trust Fund and whether they were the same or two different funds. Mr. Fode said he would get a clarification.

Senator Lee closed the hearing on Engrossed HB 1514.

Written testimony from Greg Schoneck in support of HB 1514.

2009 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. Engrossed HB 1514

Senate Transportation Committee

Check here for Conference Committee

Hearing Date: March 20, 2009

Recorder Job Number: 11330

Committee Clerk Signature

Minutes:

Committee work on Engrossed HB 1514 relating to use of the special road fund

Senator Nething asked Jana, the intern to do some research for the committee and he asked her to explain what she discovered. Attachment #1

Jana Connor she discovered that this particular section was passed in 1989, repealed in 1997, and added back in 1999 at the 40% rate.

Senator Nething said that this fund has a lot of appeal. It gives help to some projects which probably wouldn't go anywhere otherwise. He said he wished we could do more but reality is always around us. With the House coming in at 80% he doesn't think it is worth the fight to get it to 90 or 100%. He doesn't have any problem with the bill at all.

Senator Lee handed out some project history that goes back to 2000-2009. It shows the funding that the Lake Sakakawea have been getting. The funds seem to be working the way it was intended.

Senator Nodland said that he would like to look at 100%.

Senator Lee cautioned about this and said the conference committee may be difficult because the House Chair did not like the bill the way it was.

Discussion followed on what we needed in the amendment.

Senator Nething moved a Do pass on the amendment which removes the word “trust” from

Page 2, line 22.

Senator Nodland seconded.

Roll call vote: 5-0-1 Senator Marcellais was absent.

Senator Nething moved a Do Pass as amended.

Senator Nodland seconded.

Roll call vote: 5-0-1 Senator Marcellais was absent.

REPORT OF STANDING COMMITTEE

HB 1514, as engrossed: Transportation Committee (Sen. G. Lee, Chairman) recommends AMENDMENTS AS FOLLOWS and when so amended, recommends DO PASS (5 YEAS, 0 NAYS, 1 ABSENT AND NOT VOTING). Engrossed HB 1514 was placed on the Sixth order on the calendar.

Page 2, line 22, remove "trust"

Re-number accordingly

2009 TESTIMONY

HB 1514

Rep. Onstad Attachment #1
HB 1514 + 1515

The reasons to support both bills:

1) \$6.5 million has been spent between 2001- 2008 on ramps, parking lots and lake access over the past few years, but the roads to get to those areas are often gravel, narrow washboard roads.

2) Better roads make for better access for residents and tourists. Based on visitation records paved roads leading to the lake have about 2.4 times the visitor use compared to those with gravel roadways.

3) The counties can't afford to develop the roads to the level residents and tourists need and expect these roads are county and township roads and not part of the State Highway system.

4) Lake Sakakawea is a valuable economic engine for the state. Paving the roads is the fuel to power that engine HB 1515 and HB 1514 pave the way.

5) The ND Tourism Department spends millions to get people to North Dakota. Let's give them what they expect when they get here.

North Dakota Parks and Recreation estimate \$88.per person is spent in direct and indirect impact to the economy of North Dakota. We always discuss what we gain. But nobody discusses the loss revenue associated with not improving the roads entering these sites. The What ifs:

Mr. Chairman and Members of the committee, HB 1515 and HB 1514 is a bold step but it time the State of North Dakota really looks to improve these areas.

I stand for any questions

Attachment # 2



P.O. Box 309
Garrison, ND 58540
Phone (701) 463-2201
Fax: (701) 463-7487
friends@lakesakakawea.com

Paving the Way to Lake Sakakawea – HB 1515

The Friends of Lake Sakakawea believe it's time to step forward to improve access to recreational facilities on Lake Sakakawea. Lake Sakakawea is clearly one of our state's most valuable resources and the primary access roads need to be paved to both improve public safety and to develop this resource. The economic value of Lake Sakakawea is over \$100 Million per year.¹ Improving access to the lake will fuel growth in this value.

A preliminary engineering estimate indicates that \$75.6 million would be required to pave all the existing gravel roadways that provide access to established recreational sites on Lake Sakakawea. To build upon the recreational, economic and environmental opportunities of Lake Sakakawea, approximately \$30 million is requested for such improvements to be completed within the next four years.

Based on available visitation records paved roadways leading to the lake have about 2.4 times the visitor use compared to those with gravel roadways. Improving access will significantly enhance the economic value and benefits of Lake Sakakawea as well as disperse the ever increasing demand for recreational activities on the lake.

It has been nearly 60 years since North Dakota sacrificed the great river bottom to protect our friends and neighbors downstream. Yet, our existing access roadways to Lake Sakakawea are suffering and continue to deteriorate. Nearly 60 percent of the public boat ramps and a number of small businesses are located at the end of sometimes long and narrow gravel roadways. Demands on these roads continue to increase as the people of North Dakota and tourists discover the vast opportunities on Lake Sakakawea. Paved roads to recreation areas are expected by out-of-state visitors and would significantly improve the quality of their visits, their perceptions of North Dakota and their desire to return.

The Friends of Lake Sakakawea requests the State of North Dakota elevate the priority of these roadway improvements and fund these economic development projects around Lake Sakakawea to enhance the future and value of our lake.

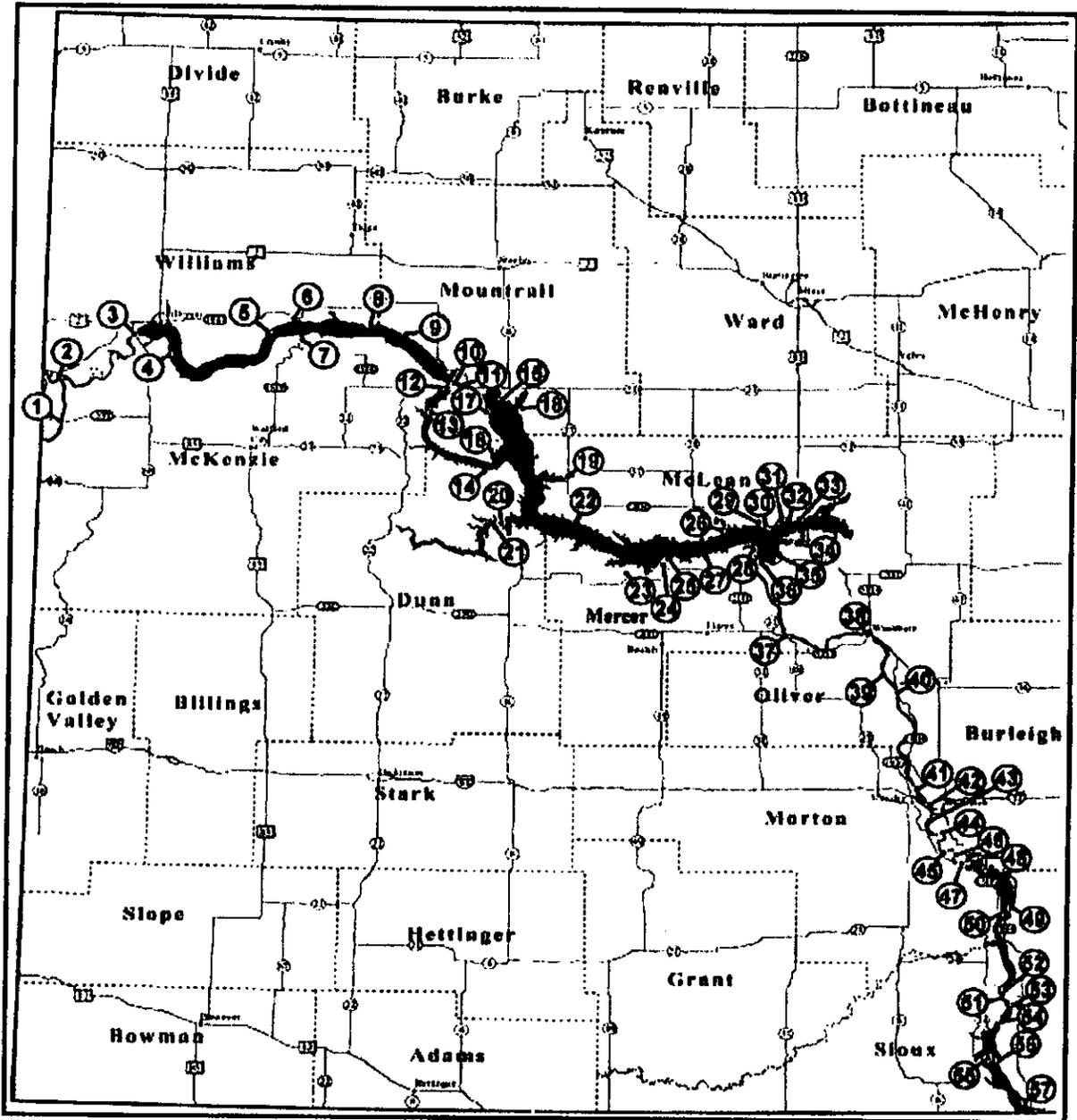
The following page illustrates a suggested prioritization of projects, understanding that implementation will take time and require a substantive commitment of resources and support from several partners such as; our Congressional Delegation, the State of North Dakota, County Commissions, Townships, Tribal Authorities, Communities, as well as various recreational groups, businesses and individuals.

All improvements will be constructed to state and local standards, by the designated federal, state or local roadway authority. All funds would be administered by the NDDOT, with funds provided to the applicable roadway authority. Given the nature of these improvements we are also requesting assistance from our congressional delegation and local sponsors to share in this investment.

¹ ND Game & Fish

Friends of Lake Sakakawea is a 400-member strong organization of cities, chambers, counties, landowners, fishermen and stakeholders interested in enhancing the lake's recreational, economic and environmental opportunities.

Attachment #3



SUGGESTED PRIORITIZATION FOR PAVING ROADWAYS 2009 - 2012

29	CAMP OF THE CROSS / TRIANGLE "Y" CAMP (6 MILES)	\$ 4,536,000
22	INDIAN HILLS (4 MILES)	\$ 3,024,000
20	MCKENZIE BAY (6 MILES)	\$ 4,536,000
13	REUNION BAY (8 MILES)	\$ 6,048,000
9	WHITE EARTH BAY (10 MILES)	\$ 7,560,000
34	WOLF CREEK RECREATION AREA (5 MILES)	\$ 3,780,000
8	LITTLE BEAVER BAY (3 MILES)	\$ 2,268,000
TOTAL		\$ 31,752,000

This list was compiled and prioritized from the thirty-four unpaved access roadways to Lake Sakakawea based on current roadway conditions, number of annual visitors, cabin sites, business proximity, and a distribution of access around the lake.

Attachment #4

House Transportation Committee

February 12, 2009, 10:30 am

In support of House Bill #1514 – Special Road Funds
Michael H. Gunsch, Member - Friends of Lake Sakakawea
Phone 701-527-2134 (cell)

Good Morning, I'm Michael Gunsch, a member of the Friends of Lake Sakakawea (FOLS) and a registered professional engineer in North Dakota. During the recent drought the Friends focused on upgrading and extending boat ramps to provide access the lake. Now it is time to switch our attention to the roadways leading to these ramps.

Working with Dave Johnson, who is also a member of the FOLS and professional engineer with the Garrison Conservancy District, we considered a number of alternatives to fund improvements to recreational access roadways. The proposed modifications to NDCC 24-02-37 outlined in HB1514 will assist in that funding process.

Currently the ability to provide adequate funding to construct roadways to recreational, tourist and historic areas under the State Road Fund program is limited by the interest earnings on the special road fund account. HB1514 increases the percentage of earned interest going into the SRF program from 40% to 100%. Considering today's interest rates and earnings versus those from several years ago this is a reasonable approach to maintain and moderately enhance funding levels. In addition we understand that the funding level was once 100 percent so we find the modification reasonable.

We understand the current SRF cost share policy is to fund up to 60% of actual construction costs, with a cap of \$250,000 per project. This limits project size to only about a one-half mile roadway; therefore we believe changing the timeline to accumulate and use funds is an important consideration. HB1514 proposes to extend the timeline to retain funds with the State Road Fund from two years to four. The extended time line would allow the State Road Fund Committee the option to consider funding a larger project or to increase their current cost share contribution and funding cap.

In summary SB #1514 reasonably increases funding levels and the ability of the oversight committee to participate in enhancing access to recreational, tourist and historical areas, including areas on Lake Sakakawea.

Thank you for the opportunity to present testimony. I encourage you to support HB1514 with a "DO PASS" recommendation.

Attachment # 5

Testimony on HB1514
House Transportation Committee
Terry Fleck

Good morning. I'm Terry Fleck, chairman of the Friends of Lake Sakakawea and it is my pleasure today to talk to you about HB1514, which would revise the percentage of interest that is deposited in the Special Road Fund.

At one point, 100 percent of the interest went into a Special Road Fund for tourist, historical and recreational areas. Then it was rolled back to 40 percent and we're asking for 100 percent again. The money will be used for the construction and maintenance of access roads to and roads within recreational, tourist and historical areas as designated by the special road committee.

Between 2001 and 2008, \$6.5 million was spent by the Corps, state agencies and private investors on roads, parking lots and lake access of all kinds. Unfortunately, those areas are at the end of gravel, narrow, winding washboard roads that are often dangerous and uninviting.

It's time. It's time to invest in this valuable economic engine of Lake Sakakawea. Please vote yes on HB 1514.

Attach #6



*House Transportation Committee
In Support of HB1514 and 1515
Feb. 12, 2009*

Mr. Chairman and Members of the Committee,

I'm unable to join you today, but I'd like to share my written testimony regarding the paving of roads leading to areas of public access on Lake Sakakawea.

As a lifelong fisherman and ND fishing guide, I have had the opportunity to travel to many areas both inside as well as outside of our state. North Dakota's Lake Sakakawea is one of the very few areas I have fished in the Midwest that is still without quality roads to major areas of interest for fishermen. A large percentage of fishermen and campers will simply not visit areas without clean and reasonable access.



From the economic standpoint of tourism, if we hope to market our resources, we have to, at the very least, compete with states that have a higher priority on providing quality access to resorts and marinas. While road improvement is certainly not the magic bullet it would at least put us on a level playing field with other states.

In my opinion Lake Sakakawea is one of the top 5 walleye fisheries in the upper Midwest. It has incredible potential that has yet to be tapped. Providing quality access is one of the keys that will unlock its future.

Greg Schoneck
1515 7th ST NW
Minot, ND 58703



Attach # 27

Testimony in support of HB1515
House Transportation Committee
Jill Denning Gackle

Mr. Chairman and Members of the Committee,

I'm Jill Denning Gackle, a Friends of Lake Sakakawea board member and business owner.

It doesn't seem like I've lived near Lake Sakakawea for more than 20 years.

But I've been able to measure my longevity here based on the lake levels. First it was average, then low, then high, then low again and now ... probably high again.

Each cycle I've observed something – the economic impact that lake has on businesses from Minot to Bismarck and from Dickinson to Williston.

As a newspaper publisher of 12 newspapers – of which eight of them are in the Sakakawea region – we feel the lake in our pocketbooks. When the lake is up, the gas stations are full, the restaurants and grocery stores thrive and all the businesses are impacted directly from sales to lake users, or as the dollars turn over again and again through the payroll to more employees.

Your own state tourism director said Lake Sakakawea has been a major draw for tourists for many years. During the Lewis and Clark bicentennial years, the lake was ranked one of the top attractions along the trail. 2006 research show us visitors to the lake counties spent \$146 million. Tourism says 2.3 million travelers visiting the west region of the North Dakota in 2006 and of those 23 percent cited outdoor recreation as the reason for their visit – that's more than half a million people with recreation on their minds.

By paving more access roads, campers, fishermen and sailors will find it easier to get to and enjoy the lake. All of a sudden people would come here and find that it meets their expectations. We want to be what the Tourism Department has been touting for 25 years.

Thank you for investing in North Dakota. By developing the Lake Sakakawea region, it will be an investment that will pay off as businesses see continued growth for many years to come.

Attach # 8



Testimony on HB1515
House Transportation Committee
Emmanuel Stroh

Mr. Chairman and Members of the Committee,

I am here to testify for paving the way to our great lake.

There are roads that are in dire need of improvements. I have used the roads to the lake for 40 years and know there are improvements to be made.

One area I have used most is the McKenzie Bay area which lies in Dunn County and a good portion of the road to the area lies in McKenzie County.



The McKenzie Bay Marine Club spent a lot of their own funds to develop and maintain the road for 50 plus years. This a public use area that is open to the public for recreation with full public facilities and is the only public use area with full facilities in Dunn County. We have received funding over the years from ND DOT, Dunn County, McKenzie County and the Corps of Engineers but these funds have been very limited.

Right now Dunn and McKenzie Counties are strapped for funding because of the high oil traffic on roads that need to be updated and maintained. We have appreciated all the funding we received over the years but more is needed to restructure and pave the roads to accommodate larger and heavier units. The traffic causes dust and safety problems for landowners and for boaters and campers.

We are in the process of restructuring our road leading to the recreation area. By doing so, we know we'll increase traffic. In 2008 we had approximately 20,000 vehicles use the road to McKenzie Bay. We will need funding for pavement.



Passage of HB1515 will help us improve a road badly in need of improvement. Thank you for your time and consideration.

Attach. #9a

"Paving the Way"

Kelly Sorge, Indian Hills Resort, Garrison ND.

In Support of HB1515

House Transportation Committee

First impressions are lasting and irreplaceable. I spend thousands of dollars and countless hours on advertising our beautiful oasis on the lake. We boast fantastic camping, lodging, newly constructed world class mountain bike trails and customer service beyond compare. Then when I finally have them coming, their first experience after traveling several hours or hundreds of miles is, a primitive country road full of washboards and loose rock. Imagine what is going on the camper or boat. That is the first impression I have to compete with as they battle with dusty new fishing rods, damaged trailers and cupboard goods sent flying.

It seems a bit like false advertising. It can actually be quite embarrassing sometimes.

The goal of any business is to grow and prosper. Another major hurdle for us is the delivery trucks. Some refuse to travel in to the resort and others have threatened to stop delivering.

If I can't get restaurant supplies I have no restaurant! Currently we are making a trip of 30 miles per week just to meet the Land O' Lakes truck, who will NOT come on our road, at the expense of an employee, gas, and having that extra vehicle around, just to have fresh milk. If I lose anymore trucks due to the roads I don't know what I'm going to do.

My most important mission today is to share the letters that our customers wrote when they learned about the possibility of paving the road. I realize reading them all may take some time on your part but I know they were appreciate your reading what they have to share.

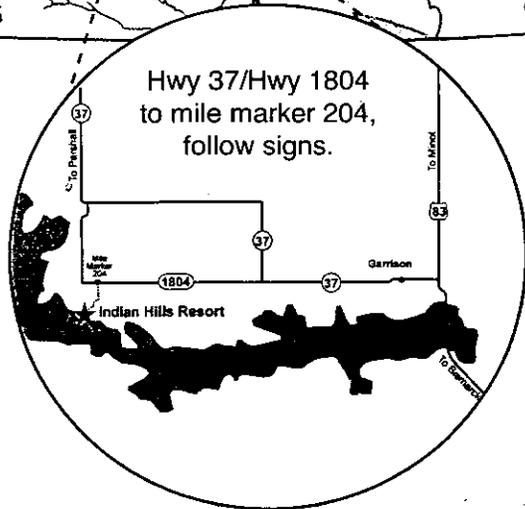
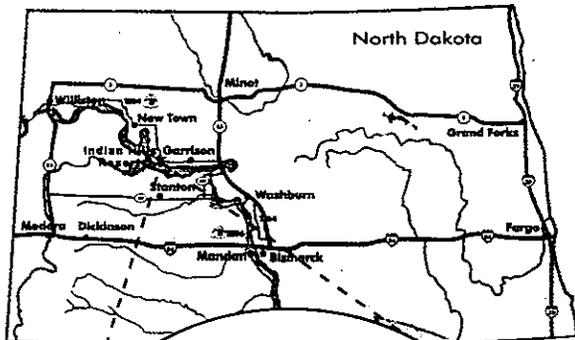
In closing, I know the improvements may sound self serving. More importantly they are for the people who want to experience and utilize the great resource of Lake Sakakawea.

Attached: Testimony from Indian Hills Customers.

us on the web

FishIndianHills.com

- On Line Reservations
- Fishing, Weather & Lake Reports
- Up to Date Photos and Maps
 - Booking Info & Rates
- Links to: ND Licenses, Guides, the Area and Much More



Distance from: Billings—410 miles, Bismarck—110 miles, Dickinson—133 miles, Fargo—305 miles, Grand Forks—278 miles, Minot—80 miles, Minneapolis—535 miles, Pierre—317 miles, Rapid City—406 miles, Washburn—71 miles, Williston—125 miles

FishIndianHills.com



For Information & Reservations

Book your Reunions & Gatherings Today

Indian Hills Resort

7276 14th St. NW

Garrison, ND 58540

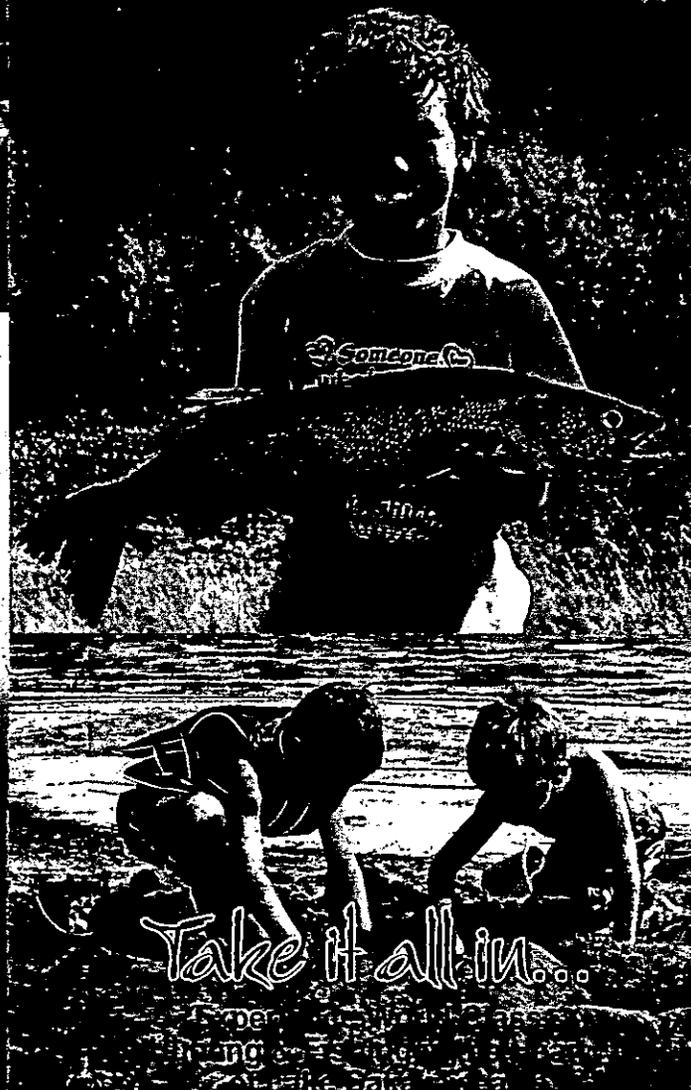
FishIndianHills.com

(701) 743-4122

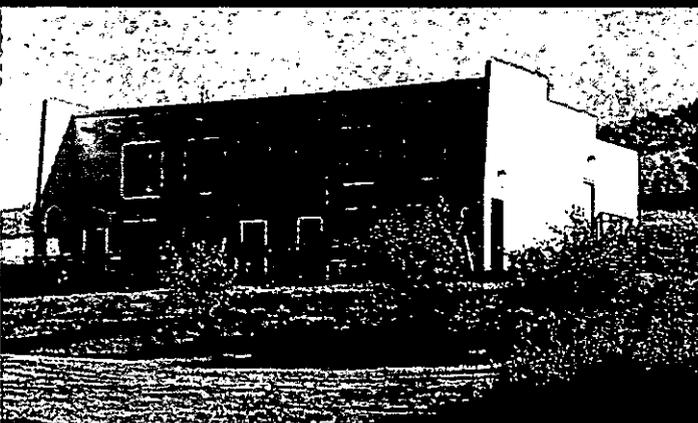
Owners: Dale & Kelly Sorg



Indian Hills Resort & Campground



Condos...



Stay in one of 4 Condo units.
Fully modern with kitchenette, fridge, freezer,
two bedrooms, bedding, cookware & dishes.
No towels or appliances. Each sleeps 7.

Arrowhead Lodge



The Arrowhead Lodge.
This family size modern
cabin is great for larger
groups and families:
Including the same
amenities as the Condos
plus large deck and gas
grill. Sleeps 10.



Log Camping Cabins

Go rustic in one of 4 cedar log cabins. Two sizes of cabins
will sleep 3 to 6. Some equipped with electricity. Quietly
hidden in the primitive campground. Picnic table and fire pits
included. Walking distance to the shower house.

The Nux Baa Ga Trail



The Nux Baa Ga (Nucks-Ba-Ga) (All the people) trail is
a "Lewis and Clark Legacy Trail," featuring educational
nature trails for hikers and bikers. Discover over six miles
of new Mountain Bike trails.

Quiet, Beautiful Campgrounds...

RV Camping (with 20 Add'l Elec/Water Sites)

Primitive Camping

Group Sites

Seasonal Sites

Shower House

Dump Station

Boat & Camper Storage

Picnic Shelter

Everything you need.

Open May 15-Oct. 15

Convenience Store

Live Bait & Tackle

Restaurant

Cement Boat Landing

Modern Fish Cleaning Station

Hunting & Fishing Licenses

Kayak & Paddle Boat Rentals

Reunions & Business Gatherings Welcome

Sorry, No Off-Sale

Miles of Shoreline,
Sandy Beaches...

There is something
for everyone.

Attach #9c

Kelly:

Thank you for this e-mail. This is great news. My son and I and some of our friends have, in the past, come to your resort. That graveled road is ugly. We have not been to Sakakawea the last couple of years because of that road and because the Big Lake has been down. With paved roads and the water level coming up, we would again return to this Great North Dakota site. Paving the road would be a great asset to people who drive those "dusty, wash board" roads.

Thanks again Kelly and crank hard on those supporting this project to get something beneficial done for our "Great State".

Gordie Baumgartner
Fargo, ND

Kelly,

I won't be able to make it to the hearings but I see two main things

1. Wear and tear on vehicles and boats - I have had personal experience with busted bolts that caused my trailer axle to swing back and almost wrecked my boat 1 year old trailer so it was not from normal wear and tear.
2. Paved roads would also attract more people due to the resorts due to less dust, mud when it rains and just the fact that paved roads look better than gravel.

I think those are the two main issues.

Thanks

AL

Hi Kelly,

The news of the possible pavement of the road leading into Indian Hills is more than welcome. The dust that is generated when traveling the road gets into all areas of our camper trailer, and boat no matter how we try to seal it out. I believe that more people would use your facility if the road was more conducive to travel. Whenever I talk of access to the lake, it seems that the "road" is part of the discussion. I hope that this paving of the road comes to pass! Good Luck!!

Daniel and Jamie Kinsella
Bismarck

We really hope they pave the road to Indian Hills.. The road into Indian Hills is busier than the roads that are paved to the ranchers east of Indian Hills. It is like a wash board going over it, all summer. It really damages the boat and RV with chips and gets everything so dusty also. We live at Indian Hills all summer. Everyone that comes to visit us at Indian Hills, complain about the road and can not believe how BAD it is to drive on. Most people from out of state, complain about the road also.

Dave and Connie Kovash

A few things that come to mind regarding the paving of the roads to various Sakakawea destinations.

1) Rock Chips and Dust - - My camper and boat are full of rock chips, which decreases the value of my personal property. I know numerous people that will not pull their camper or boat down a gravel because of the rock chips.

2) Broken windshield, both on the vehicle and boat. Here again, when passing a pickup/5th wheel camper and boat you have 5 or 6 sets of tires that are constantly through rocks and the chances of getting a rock chip are that much greater.

3) I grew up in SD and my family went to Akaska (Swan Creek) recreation area just about every weekend for 10+ years. Akaska is the size of Pick City and thrives in the summer time with fisherman and such.

The one draw back that this area had was gravel. From Akaska to Swan Creek, was 9 miles of gravel one way. The area did not have a park or electrical sites and was strictly a primitive area. I made a trip back to this area in July of 08 (the first time in 12 years) and it has changed for the better. Akaska has added a couple of 20-25 camper parking lots, the 9 miles of once gravel is now paved and the area at Swan Creek now has 20 or so electrical sites. Improvements like paving a road will result in additional people using these facilities and bringing additional dollars into the region.

Kent Fischer
Bismarck, ND

Dear Representatives Onstad, Nathe, Porter and Weiler,

As a frequent visitor to Lake Sakakawea, I commend you on your sponsorship of HB 1515, which would allocate funds to pave access roads into the "Big Lake". The lake is a wonderful resource for the state, yet underutilized due to the dusty, washboard road conditions. It's understandable why recreationists, particularly out of state visitors accustomed to paved roads, would choose to avoid the dust-filled boats, shaken RV contents, and gravel-pitted windshields resulting from travel to the lake!

Thank you,

Jim Ringelman, Bismarck

Larry and I were very excited to hear about this Bill being presented in the 2009 Legislative Session. Many of our friends have always commented how Indian Hills is such a beautiful resort. Well unfortunately we have only seen a small glimpse of Indian Hills from the water. We have many dollars invested in our pickup and boat and will not travel to Indian Hills due to the gravel road. Should this Bill pass and Indian Hills gets a paved road, you can count on us to finally be able to come and spend many weekends at the resort and to enjoy all the amenities it has to offer!

Chris Fitterer

I have just about beat the fender wells off my trailer in years past over wash boarded roads. The Road maintainers are stretched too thin to handle the roads and keep up w/ the traffic load on these access roads. Our area has great facilities. We need to keep the public coming if we are going to continue to have these available. Lack of good roads sends people to other more accessible locations. As a group a few of us from Indian Hills went to Washburn 2 years ago to meet w/ the County Commissioners about the shape the roads where in and the LACK of maintenance we were receiving. We did get them to provide Speed bumps, Gravel and grading to the road servicing our cabins that summer. It seems that it slipped this past summer.

Going forward, We have 3 full time families living at the END of our access road. Soon to be 4 or 5. Wiggins and Christofferson(??), 2009. Hopefully by paving our Road we will have better snow maintenance as well.

It is not Fair for the local Farmer to have to spend his time and \$\$\$\$ opening the road so people can get to town for Dr appts, groceries etc. I myself have not come this winter twice after calling Art to get Road reports. Yes this winter has been extraordinary, but let's look into the future.

Rod Greene

Grand Forks, ND 58208

To whom it may concern;

I believe that when a person considers what affect a paved road has on people and equipment, the first thing that usually comes to mind is the money lost every year in wear and tear on vehicles, campers, boats and rv's. You have chipped paint, dust and dirt and not to forget the intense mud when it's rained. These are only a few items that come to mind and are miserable to contend with every time you go to the lake. Now for the real reason I have written this note. Safety should be the first concern on everyone's mind. You can't put a price tag on people's lives. Gravel roads are dangerous! These roads need to be paved just for the simple reason that it will be safer for everyone who travels to the lake.

Larry LaBere

Bismarck, ND

I would just like to give my opinion on the need for paved roads around the Lake Sakakawea area. These days, it is expensive enough to try and maintain your boat and trailer with the upkeep and to try and keep it looking halfway decent. I have traveled in and around lake Sakakawea for many years and have enjoyed the area and have many great memories of fishing and camping around the area but a couple years ago we had a chance to go up to lake of the woods and one of the advantages of going up there is that the roads in and out of the area that we went was paved right to the lake (north of Baudette, mn.) When you have to travel the washboard gravel, screws loosen up on both the truck, trailer, boat etc. and I can't tell you how many times I have either broken roller mounts on my trailer, chewed up wiring, or wounded, cracked or broken other various parts. The last two years, traveling to lake of the woods we just have not had the problems like that. Hopefully the lake sakakawea can modernize just a little bit as I know quite a few people that feel the same way.

Doug Brennan

West Fargo, N.Dak.

Attachment #10

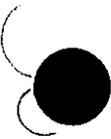


Testimony in support of HB1515
House Transportation Committee
Arlo Borud

Mr. Chairman and Members of the Committee,

I'm Arlo Borud, a Mountrail County commissioner and member of the Mountrail County Park Board.

As you know Mountrail County has changed a lot over the past couple of years. Today, those windy, dangerous hills and curves that lead to White Earth Bay are now getting beat up by heavy trucks and rigs involved in oil activity. The 10-mile stretch of road was bad last year and I'm sure it will be even worse by this summer. I'm told that more oil activity can be expected in that region.



Mountrail County doesn't have enough money from the oil impact money to do much more than maintain the roads we have. If we don't get some new dollars to improve the roads, our road maintenance is going backwards instead of forward.

Improving the road to White Earth Bay means a lot to the county ... and to the state. The people that enjoy recreation in our area spend money, buy gas and groceries, fishing licenses and rent places for their campers. We know that Van Hook and Parshall Bay have enjoyed more tourists since their roads were paved.

Please give HB1515 your support.



Attachment # 11

Good morning. My name is Bill Mitzel. I have published a hunting and fishing magazine called Dakota Country for the past 31 years. We distribute the magazine to nearly 16,000 subscribers monthly.

As is obvious, our readers are sportsmen and women who enjoy the outdoors. Living in North Dakota, we're accustomed to gravel roads, as are farmers and others in the rural community. When I received news recently that the possibility of some of the more popular destinations on Lake Sakakawea could be paved, I was overjoyed. As a fishermen and hunter who has traveled many of these roads for years through dust, bumps and holes, the news of possible pavement was almost angelic.

I don't think there's any doubt the recreational public would absolutely relish this improvement. Similarly, there's no doubt it would pay for itself in increased recreation on beautiful Lake Sakakawea. Certainly, the economic community would welcome the improvement, but those traveling with campers, boats and expensive vehicles would relish it also.

It's interesting to me, that despite our connection with the outdoors in North Dakota, we are often still a bit lacking in many areas of priority. There's been talk of spending a few million dollars to renovate the Governor's mansion, in the interest of public image... that is, impressing those who come to visit. Yet we have this sparkling treasure in Lake Sakakawea that, to a large degree, goes undeclared, and under-appreciated in its importance to our state. Lake Sakakawea is unique. It's beautiful, it's productive and it's a treasure that would tremendously benefit from improved access.

Imagine the pleasure of both local folks and the visiting community when driving on smooth, paved roadways to the lake to enjoy the camping, fishing, boating and hunting. Up until now, I didn't think these roads ever had a chance of seeing pavement. Now I have my hopes high, and I encourage this committee and the legislative body to support HB 1515. It would be a wonderful tribute to a great lake and to a great state. Thank you.

Bill Mitzel
Bismarck, ND
255-3031

HOUSE TRANSPORTATION COMMITTEE

February 12, 2009

10:30 a.m. – Fort Totten Room

**North Dakota Department of Transportation
Tim Horner, Deputy Director for Business Support**

HB 1514

Good morning, Mr. Chairman and members of the committee. My name is Tim Horner; I'm the Deputy Director for Business Support for the North Dakota Department of Transportation.

The Department of Transportation has historically been very supportive of the Special Roads Fund. Unfortunately, while this bill provides an increased level of funding for the Special Roads Fund, it does so at the expense of the State Highway Fund which NDDOT depends upon to deliver its mission.

Under current law, forty percent of the interest earned on the State Highway Fund is dedicated to the Special Roads Fund; the remaining sixty percent is deposited into the State Highway Fund. Under the present law, the Special Roads Fund receives approximately \$1.2 million per biennium and the DOT receives about \$2 million. If this bill becomes law, the DOT will lose the ability to use this \$2 million of funding on anything but Special Roads Projects. This reduction in state funds would impact our ability to provide snow, ice and pavement maintenance to the state highway system.

For this reason, the Department of Transportation is opposed to this piece of legislation and we urge you to give this bill a "Do Not Pass" recommendation.

Mr. Chairman, I would be happy to answer any questions at this time. Thank you.

1

Senate Transportation Committee
In support of House Bill #1514 – Special Road Funds
Michael H. Gunsch, Member - Friends of Lake Sakakawea
Phone 701-527-2134 (cell)

Good Morning, I'm Michael Gunsch, a member of the Friends of Lake Sakakawea (FOLS) and a registered professional engineer in North Dakota. During the recent drought the Friends focused on upgrading and extending boat ramps to provide access the lake. Now it is time to switch our attention to the roadways leading to these ramps.

Working with Dave Johnson, who is also a member of the FOLS and a professional engineer with the Garrison Conservancy District, we considered a number of alternatives to fund improvements to recreational access roadways. The proposed modifications to NDCC 24-02-37 as outlined in HB1514 will assist in that funding and implementation process.

Currently the ability to provide adequate funding to construct roadways to recreational, tourist and historic areas under the State Road Fund program is limited by the interest earnings on the special road fund account. HB1514, as amended, increases the percentage of earned interest going into the SRF program from 40% to 80%. Considering today's interest rates and earnings versus those from several years ago this is a reasonable approach to maintain and moderately enhance funding levels.

We understand the current SRF cost share policy is to fund up to 60% of actual construction costs, with a cap of \$250,000 per project. This policy limits project size to only about a one-half mile roadway; therefore we believe the increased funding levels and changing the timeline to accumulate and use funds is a valid consideration. HB1514 also extends the timeline to retain funds with the State Road Fund from two years to four. The extended time line will allow the State Road Fund Committee the option and flexibility to consider funding for larger projects or to increase their current cost share contribution and funding cap.

In summary SB #1514 reasonably increases funding levels and the ability of the committee to participate in enhancing access to recreational, tourist and historical areas, including areas on Lake Sakakawea.

Thank you for the opportunity to present testimony. I encourage you to support HB1514 with a "DO PASS" recommendation.

Testimony on HB1514
Senate Transportation Committee
Terry Fleck

2

Good morning. I'm Terry Fleck, chairman of the Friends of Lake Sakakawea and it is my pleasure today to talk to you about HB1514, which would revise the percentage of interest that is deposited in the Special Road Fund.

At one point, 100 percent of the interest went into a Special Road Fund for tourist, historical and recreational areas. Then it was rolled back to 40 percent and now we're asking for 80 percent. The money will be used for the construction and maintenance of access roads to and roads within recreational, tourist and historical areas as designated by the special road committee.

Between 2001 and 2008, \$6.5 million was spent by the Corps, state agencies and private investors on roads, parking lots and lake access of all kinds. Unfortunately, those areas are at the end of gravel, narrow, winding washboard roads that are often dangerous and uninviting.

It's time. It's time to invest in this valuable economic engine of Lake Sakakawea. Please vote yes on HB 1514.

SENATE TRANSPORTATION COMMITTEE

March 19, 2009

9:00 a.m. – Lewis and Clark Room

**North Dakota Department of Transportation
Robert Fode, Office of Transportation Programs, Director**

HB 1514

Good morning, Mr. Chairman and members of the committee. I'm Bob Fode, Director of the Office of Transportation Programs, for the North Dakota Department of Transportation (NDDOT).

The Department of Transportation is generally very supportive of measures that provide more funds for transportation purposes. Unfortunately, while this bill provides an increased level of funding for the Special Roads Fund, it does so at the expense of the State Highway Fund.

Under current law, forty percent of the interest earned on the State Highway Fund is dedicated to the Special Roads Fund; the remaining sixty percent is deposited into the State Highway Fund. Under present law, the Special Roads Fund receives approximately \$1.2 million per biennium and the NDDOT receives about \$1.8 million. If this bill becomes law, the NDDOT will lose the ability to use \$1.2 million of the \$1.8 million funding on anything but Special Roads Projects. This reduction in state funds would impact our ability to provide snow, ice and pavement maintenance to the state highway system.

For this reason, the North Dakota Department of Transportation is opposed to this legislation and we urge you to give this bill a "Do Not Pass" recommendation.

Mr. Chairman, I would be happy to answer any questions at this time. Thank you.

*Senate Transportation Committee
In Support of HB1514 and 1515
March 12, 2009*

Mr. Chairman and Members of the Committee,

I'm unable to join you today, but I'd like to share my written testimony regarding the paving of roads leading to areas of public access on Lake Sakakawea.

As a lifelong fisherman and ND fishing guide, I have had the opportunity to travel to many areas both inside as well as outside of our state. North Dakota's Lake Sakakawea is one of the very few areas I have fished in the Midwest that is still without quality roads to major areas of interest for fishermen. A large percentage of fishermen and campers will simply not visit areas without clean and reasonable access.

From the economic standpoint of tourism, if we hope to market our resources, we have to, at the very least, compete with states that have a higher priority on providing quality access to resorts and marinas. While road improvement is certainly not the magic bullet it would at least put us on a level playing field with other states.

In my opinion Lake Sakakawea is one of the top 5 walleye fisheries in the upper Midwest. It has incredible potential that has yet to be tapped. Providing quality access is one of the keys that will unlock its future.

Greg Schoneck
1515 7th ST NW
Minot, ND 58703

airplane and leasing or purchasing a new or used airplane. The department shall present a report on its evaluation to the budget section by November 1998.

SECTION 5. EXPENDITURES FOR SCHAFER STREET LIMITED. No funds from any source may be used to widen Schafer street in the city of Bismarck. However, funds may be used to maintain or improve the street.

SECTION 6. A new section to chapter 24-02 of the North Dakota Century Code is created and enacted as follows:

Intergovernmental cooperation - Infrastructure bank. The director may contract and cooperate with other states, with political subdivisions of this state, and with the United States government to establish, maintain, and operate a multistate infrastructure bank pursuant to section 350 of the National Highway System Designation Act of 1995 [Pub. L. 104-59; 109 Stat. 568, 618-622] and the Department of Transportation and Related Agencies Appropriations Act of 1997 [Pub. L. 104-205, Title I]. The director may transfer and commit to the multistate infrastructure bank state and federal-aid highway funds, up to a maximum of ten percent of eligible federal-aid highway funds, and the required state matching funds. All funds and revenue allocated or generated under this section must be used for purposes of funding eligible projects as determined by agreement of the members of the multistate infrastructure bank and as authorized by state and federal law.

SECTION 7. AMENDMENT. Subsection 3 of section 24-02-37 of the North Dakota Century Code is amended and reenacted as follows:

3. The state treasurer shall deposit the moneys in the state highway fund in an interest-bearing account at the Bank of North Dakota. The state treasurer shall deposit any Any income derived from the deposit of the moneys in a special fund in the state treasury known as the special road fund. Moneys, and any earnings on the moneys, in the special road fund may be used, within the limits of legislative appropriation, exclusively for the construction and maintenance of access roads to and roads within recreational, tourist, and historical areas as designated by the commissioner with the advice of the special road advisory committee. Requests by political subdivisions or state agencies for funding from the special road fund must be made to the commissioner on forms designated by the commissioner. The commissioner may require the political subdivision or state agency to contribute to the cost of the project as a condition of any expenditure authorized from the special road fund.

* **SECTION 8. AMENDMENT.** Section 24-02-37.1 of the 1995 Supplement to the North Dakota Century Code is amended and reenacted as follows:

24-02-37.1. Special road advisory committee - Special road fund. The special road advisory committee consists of one member of the senate transportation committee and one member of the senate appropriations committee appointed by the chairman of the legislative council and one member of the house of

* Section 24-02-37.1 was repealed by section 11 of Senate Bill No. 2012, chapter 41, and also amended by section 15 of Senate Bill No. 2052, chapter 432.

PORTATION

ing the expenses of the various director of the department of air streets; to create and enact a North Dakota Century Code, relating to reenact subsection 3 of section 154-06-09 of the North Dakota Code, special trip permits, and state 24-02-37.1 of the North Dakota road advisory committee; and to

MBLY OF NORTH DAKOTA:

ds provided in this section, or so appropriated out of any moneys and other income, to the various the department of transportation biennium beginning July 1, 1997,

\$ 22,383,770
6,625,312
8,950,358
384,730,803
<u>30,662,535</u>
\$453,352,778

Upon approval of the emergency transportation may transfer between appropriation authority of up to ten pending circumstances in meeting transfers must be approved by the

by transferred to the state highway use tax revenue, collected pursuant the purpose of reimbursing the in the collection of motor vehicle

BUDGET SECTION REPORT.

the department of transportation a airplane. The evaluation should tenance and repair of the airplane may include selling or trading the

CHAPTER 247

SENATE BILL NO. 2267
(Senators B. Stenehjem, Christmann, Tomac)
(Representatives Grande, Hanson, Henegar)

SPECIAL ROAD COMMITTEE AND FUND

AN ACT to create and enact a new section to chapter 24-02 of the North Dakota Century Code, relating to the special road committee; to amend and reenact subsection 3 of section 24-02-37 of the North Dakota Century Code, relating to the special road fund; to provide an effective date; and to declare an emergency.

BE IT ENACTED BY THE LEGISLATIVE ASSEMBLY OF NORTH DAKOTA:

SECTION 1. AMENDMENT. Subsection 3 of section 24-02-37 of the 1997 Supplement to the North Dakota Century Code is amended and reenacted as follows:

- 3. The state treasurer shall deposit the moneys in the state highway fund in an interest-bearing account at the Bank of North Dakota. Any The state treasurer shall deposit forty percent of the income derived from the deposit of the moneys must be retained in the state highway interest-bearing account in a special interest-bearing account in the state treasury known as the special road fund. The special road fund may be used, within the limits of legislative appropriation, exclusively for the construction and maintenance of access roads to and roads within recreational, tourist, and historical areas as designated by the special road committee. A political subdivision or state agency may request funds from the special road fund by applying to the committee on forms designated by the committee. The committee may require the political subdivision or state agency to contribute to the cost of the project as a condition of any expenditure authorized from the special road fund. Any moneys in the fund not obligated by the special road committee on June thirtieth of each odd-numbered year must revert to the state highway fund.

SECTION 2. A new section to chapter 24-02 of the North Dakota Century Code is created and enacted as follows:

Special road committee. The special road committee consists of one member of the senate and one member of the house of representatives appointed by the chairman of the legislative council, the director of the game and fish department, the director of the parks and recreation department, and the director of the department of transportation. The director of the department of transportation is chairman of the committee. The committee must meet at the call of the director to review requests for funding from the special road fund. The committee shall decide which project requests will receive funding. The director shall provide staff services to the committee. The members of the committee who are members of the legislative assembly are entitled to compensation from the department of transportation, from moneys appropriated from the special road fund, for attendance at committee meetings at the rate provided for members of the legislative assembly for attendance at interim committee meetings and are entitled to reimbursement for expenses

Transportation)

MENT SYSTEM

of the North Dakota Century ent system.

IBLY OF NORTH DAKOTA:

2-03.3 of the 1997 Supplement enacted as follows:

all state-owned licensed motor

department a central vehicle operation, maintenance, and or leased by the state subject 39-05. Upon the request of a he agency and director for the L, the director may purchase or include that equipment within

vide a uniform method of n of motor vehicles and motor

The director shall advise the nd budget as to the need to icles. The specifications for y be y the highway patrol stit department, board, director must use the

with a state employee who has vehicle to pay a mileage rate 54-06-09 for the employee's motor vehicle while conducting n the rate provided in section r mile caused by the special t associated with the special is the depreciated fair market by forty thousand miles.

shall submit records of the director.

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**SRF PROJECTS
FOR PROJECT AWARD YEARS 2000, THROUGH 2009**

March 12, 2009, 8:16 AM

County	Project	Year for which funds were awarded & amount	Project No.	SRF Funding S = funds spent TBS = funds to be spent W = funds withdrawn	Project Status
Barnes Co. & Barnes Co. Park Dist	Clausen Springs access road 2.5 miles asphalt patching & chip seal	2000 \$14,400	SRF-02(010)	\$14,400 S	complete
Barnes Co.- Valley City	Public Golf Course access road from the Kathryn Road Interchange	2001 \$78,900	SRF-2(014)	\$77,090.76 S	complete
Bottineau Co.	Butte St. Paul - Access Road reshaping & gravel	2003 \$16,800	SRF-05(013)	\$15,053.56 S	complete
Bottineau Co.	Mystical Horizons – Access road paving	2007 \$47,000	SRF-05(022)	\$30,061.77 S	complete
Bottineau Co.	Mystical Horizons – seal coat of access road	2008 \$13,616	SRF-5(025)	\$13,616	Planning
Bowman Co.	Bowman Haley Dam – Access road gravel & chip seal	2007 \$22,000	SRF-06(019)	\$22,000 S	Planning
Bowman Co.	Gascoyne Lake – reshape & gravel access road	2008 \$7,200	SRF-6(021)	\$7,200	Planning
Burleigh Co.	Double Ditch Recreation Area - Access Road paving	2003 \$15,000	SRF-08(020)	\$15,000 S	Complete

Dunn Co.	Mel's Marina access road	2001 \$100,000	SRF-13(016)	\$90,614.92 S	Complete
Dunn Co.	Dunn Center north to Mel=s Resort 9.6 miles chip seal	2000 \$76,200	SRF-13(014)	\$58,029.43 S	Complete
Dunn Co.	McKenzie Bay – regrade access road	2008 \$182,141	SRF-13(022)	\$182,141	Ready to bid
Emmons Co.	Langeliers Bay Road - Asphalt surfacing	2002 \$95,700	SRF-15(011)	\$95,700 S	complete
Emmons Co.	Lawrence Welk Birthplace access road 2.5 miles grading & aggregate surfacing	2000 \$77,000	SRF-15(010)	\$67,771.50 S	complete
Fargo	Red River Zoo – access road reconstruction	2008 \$70,000	SRF-8-984(111)114	\$70,000	Planning
Foster Co.	Tri-County Recreation Project in Carrington access road	2001 \$30,000	SRF-16(010)	\$28,008.26 S	Complete
Foster Co.	Lake Juanita Park - Access road paving	2003 \$21,000	SRF-16(011)	\$21,000 S	Complete
Grafton	Leistikow Park – Asphalt overlay of park road	2007 \$28,000	SRF-50(022)	\$28,000 S	Under contract
Harvey	Schroeder Park – resurfacing of park road	2008 \$134,700	SRF-52(018)	\$134,700	Planning
Hettinger Co./NDG&F	Indian Creek WMA access road	2003 \$30,000	SRF-21(013)	\$30,000 S	Complete
International Peace	Parking lot seal coat	2007	SRF-40(016)	\$70,000 TBS	

Gardens		\$30,000			
LaMoure Co.	Lake LaMoure Recreation Area - Seal coat	2003 \$7,800	SRF-23(020)	\$7,800 S	Complete
LaMoure Co.	LaMoure County Memorial Park	2002 \$17,300	SRF-23(019)	\$7,105.79 S	Complete
LaMoure Co. & LaMoure Recreation Board	Lake LaMoure access road 4,600' of asphalt surfacing	2000 \$45,500	SRF-23(017)	\$45,500 S	Complete
LaMoure Co. & LaMoure Recreation Board	Lake LaMoure access roads	2007 \$111,513	SRF-23(022)	\$52,255.68 S	Complete
Mc Lean Co. NDG&F	Lake Audubon WMA	2002 \$60,000	SRF-28(012)	\$60,000 S	Complete
McIntosh Co.	Doyle Rec. Area & Hoskins Lake access roads 6.8 miles seal coat	2000 \$33,900	SRF-26(006)	\$33,542.53 S	Complete
McIntosh Co.	Dry Lake & Coldwater Lake access roads	2001 \$28,000	SRF-26(007)	\$8,405.40 S	Complete
McKenzie Co.	Tobacco Garden Bay Recreation Area	2002 \$39,900	SRF-27(030)	\$39,900 S	Complete
McLean Co. and Lewis & Clark Foundation	Fort Mandan access road reconstruction	2000 \$7,500	SRF-28(011)	\$7,500 S	Complete
Mercer Co.	Hazen Bay - Walleye Road reconstruction	2007 \$138,000	SRF-29(023)	\$67,807.20 S \$70,192.80 TBS	Planning
Mercer Co./SHSND	Fort Clark Historic Site Access Road	2002	SFR-29(019)	\$66,197.39 S	complete

		\$75,000			
Mountrail Co.	White Earth Bay access road 4,200' of grading 7 aggregate surfacing	2000 \$43,700	SRF-31(O14)	(\$43,700) W	withdrawn
Mountrail Co.	Van Hook Traynor Bay – Access road paving	2007 \$195,000	SRF-31(O17)	\$195,000 TBS	Planning To be done in 2009
ND Parks & Recreation	Turtle River State Park timber bridge	2001 \$200,000	SRF-9999(015)	\$200,000 S	Complete
ND Parks & Recreation	Beaver Lake State Park	2007 \$67,221	SRF-24(O06)	\$67,221 TBS	Planning
ND Parks & Recreation	Lake Sakakawea State Park	2007 \$200,000	SRF-29(O22)	\$200,000 TBS	Planning
ND Parks & Recreation	Graham's Island – seal coat of park roads	2008 \$117,000	SRF36(O19)	\$117,000	Planning
Ransom Co.	Sheyenne River Nat. Scenic Byway - Asphalt pullouts	2003 \$13,500	SRF-37(O06)	\$12,510.06 S	Complete
Ransom Co.	Fort Ransom - Community park access road	2003 \$24,000	SRF-37(O07)	(\$24,000) W	withdrawn
Ransom Co.	Dead Colt Creek Recreation Area -	2007 \$107,580	SRF-37(O12)	\$107,580 S	Complete
Renville Co.	Mouse River Park – Pave access road from ND 5	2008 \$250,000	SRF-38(O27)	\$250,000	Planning

Rolette Co.	Lake Upsilon access road	2007 \$250,000	SRF-40(014)	\$250,000 S	Planning
Stark Co.	Enchanted Highway - Geese in Flight access road	2003 \$6,000	SRF-45(037)	\$6,000 S	Complete
Stutsman Co.	Jamestown Reservoir & Pipestem Lake access roads six segments	2000 \$32,300	SRF-47(025)	\$27,609.46 S	Complete
Stutsman Co.	Jamestown Reservoir & Pipestem Lake – asphalt overlay & seal coat of access roads	2008 \$250,000	SRF-47(028)	\$250,000	Planning
Walsh Co. and Grafton	Heritage Village access road 2500' repair & asphalt surface	2000 \$6,900	SRF-50(012)	\$6,900 S	Complete
Ward Co.	County Road No. 22 access road to Nelson & Carlson Lakes	2001 \$60,000	SRF-51(011)	(\$60,000) W	withdrawn
Ward Co.	Ward County Old Settlers Park	2002 \$21,000	SRF-51(012)	\$15,049.31 S	Complete
Williams Co.	Trenton Indian Service Area access road to Trenton Lake Recreational Area	2001 \$60,000	SRF-53(013)	\$60,000 S	Complete
Williams Co.	Little Beaver Bay access road to new boat ramp	2001	SRF-53(014)	\$82,000 S	complete

Williams Co.	Spring Lake Park	2002 \$20,400	SRF-53(016)	\$9,871 S	Complete
Williams Co.	Williston Frontage Road to museum, park, campground, and golf course	2001 \$45,000	SRF-53(012)	\$36,264.86 S	Complete
Williams Co.	Little Beaver Bay – Access road from ND 1804 reconstruction Phase 1	2007 \$136,000	SRF-53(020)	\$136,000 TBS	Planning
Williams Co.	Little Beaver Bay – regrade access road from ND 1804 Phase 2	2008 \$93,000	SRF-53(021)	\$93,000	Planning
TOTAL SPENT				\$1,802,528.88	
TOTAL TO BE SPENT				\$1,856,070.80	
TOTAL WITHDRAWN				\$127,700	

SRF BALANCE AS OF JANUARY 26, 2009	\$1,950,452.82
LESS TOTAL TO BE SPENT	\$1,856,070.80
<u>PLUS PROJECTED EARNINGS (June 1, 2008 through June 30, 2009)</u>	<u>\$ 180,000.00</u>
Projected balance as of June 30, 2009	\$ 274,382.02

Interest earned in the current biennium:

July 1, 2007 through December 31, 2008 \$1,112,578.98

Recently interest rates have dropped dramatically resulting in a projected monthly earnings of \$30,000.

24
30

720

Interest earned in the previous biennium

July 1, 2005 through June 30, 2007 \$1,252,225.41

Bennett R. Kubischta, Local Government Division, January 27, 2009