

Testimony Prepared for the  
**Senate Appropriation Committee**  
March 21, 2023  
By: Jason Benson, Cass County Engineer



**RE: Support for HB 1379 – Relating to county highways and bridges funding**

Chairman Bekkedahl and Senate Appropriations Committee members, thank you for the opportunity to provide testimony on HB 1147. I am Jason Benson, the Cass County Engineer, and I also serve on the legislative committee for the ND Association of County Engineers. I am here to support the bill as proposed.

In 2019 the North Dakota Legislature requested a study of the transportation infrastructure needs of all counties, townships, and tribes in the state. The Upper Great Plains Transportation Institute (UGPTI) at the North Dakota State University recently completed this 2022 Highway and Bridge Needs Study. Counties across North Dakota assisted in a significant data collection effort providing a complete and current data on the condition of the state's county and township roadway and bridge system.

According to the UGPTI Draft 2022 study, across North Dakota counties maintain over 6,800 miles of paved highways, 17,000 miles of gravel roads, and 2,996 bridges. Counties maintain all township road bridges and many counties maintain the 47,000 miles of gravel township roads. Through this collaborative effort, the UGPTI infrastructure needs study identified critical funding needs across the State of ND on county, township, and tribal roads and bridges. Across the state from 2022-2041 it is estimated that counties, townships, and tribes will need \$10.5 billion to maintain and preserve its roads and bridges.

- \$6.5 billion in predicted statewide unpaved infrastructure needs over the next 20 years.
- \$3.25 billion in paved road investment and maintenance expenditures will be needed during the next 20 years.
- \$715 million in estimated bridge investment and maintenance needs for county, township and tribal bridges for 2022-2041.

In Cass County alone the estimated cost for county and township unpaved roads, paved highways, and bridges for 2022-2041 is \$514 million. This includes \$289 million for county gravel roads, \$157 million for county paved roads, and \$68 million for county bridges.

These significant long-term infrastructure needs are influenced by the agricultural industry across North Dakota, especially in Cass County. Higher crop yields require more trucks to haul across our county roads and bridges. Using 2017 data, ND produced 6.5 million tons of sugar beets, 7 million tons of hay, 1.6 million tons of silage, and 1.1 billion bushels of corn/soybeans/wheat (USDA 2017 data) for a total crop production that gets hauled from the field, to bins, and on to the elevator of 56 million tons of product. This requires over 1.4 million truckloads just to get the crop off the field. In addition, there are hundreds of thousands of other truckloads hauling the seed, fertilizer, equipment, and other agricultural items to keep our farms producing high quality crops.

This heavy agricultural traffic taxes the durability and safety of these local roads, which must be maintained to ensure continued safety as well as making sure goods get to market. These roads were designed and built for the trucks and farm equipment of the 1960's, they were not built in a way that

reflects today's traffic and use. These needs are, of course, in addition to the needs the NDDOT faces for investment on the state highway system.

This level of agricultural production also increases the demand for grain and ag product transportation within the state to additional destinations, especially elevators, processors, ethanol plants, and rail loading facilities. Most often, these storage and processing facilities are located along county roads. Cass County has an ethanol plant located along a county highway. This plant requires 150-250 truckloads a day to haul in about 54 million bushels of corn annually. This plant produces 150 million gallons of ethanol and about 450,000 tons of dried distiller's grain each year. When the ethanol plant was constructed, the County took over the adjacent township road and reconstructed and paved the road at a cost of over \$2.5 million. Fortunately, at that time there was additional state funding to assist in paying for this road.

In 2022 there was a groundbreaking ceremony for a soybean processing plant along a new Cass County highway. This \$400 million plant will process over 82 million bushels of soybeans annually, requiring between 300-400 truckloads per day, and even more during harvest season. Cass County worked with the township and North Dakota Soybean Processors to take over control of the township road and to prepare to pave it before the plant is operational. This is needed to have a high quality, concrete road to handle the significant truck traffic. This project will cost nearly \$4 million with roughly \$1 million being paid for by the North Dakota Soybean Processors, and \$3 million split between Cass County funding and NDDOT funding. This improved road infrastructure is needed to provide year-round access to this significant agriculture commodities processing facility.

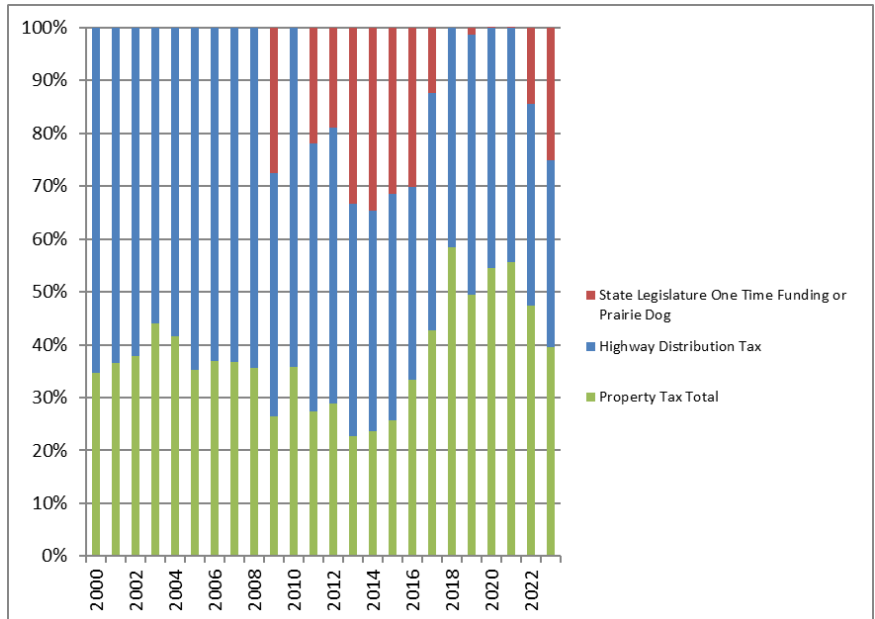
Cass County and Counties across North Dakota need long term funding solutions to better plan and prioritize future road projects. Increases in state funding through this bill are critical to provide the efficient highway and bridge network to access agriculture storage, rail, and processing facilities. Without this additional funding, it will be difficult for counties to pay for the needed improvements of our highways and bridges to access these new facilities.

Cass County has invested a significant amount of funding in developing and maintaining its transportation network. Since 2000 around \$212 million was spent on both our highway and bridge projects. The current average cost to completely rebuild a paved highway is over \$1.5 million per mile. To rebuild our 311 miles of paved highway to a width of 32 feet would cost over \$467 million.

With 565 structures, our bridges and large box culverts also have a significant asset value. A total replacement cost of our highway and bridge infrastructure is nearly \$700 million. While no local government can bear the replacement cost of this large amount of infrastructure, it emphasizes the importance of funding and sustaining an effective maintenance program.

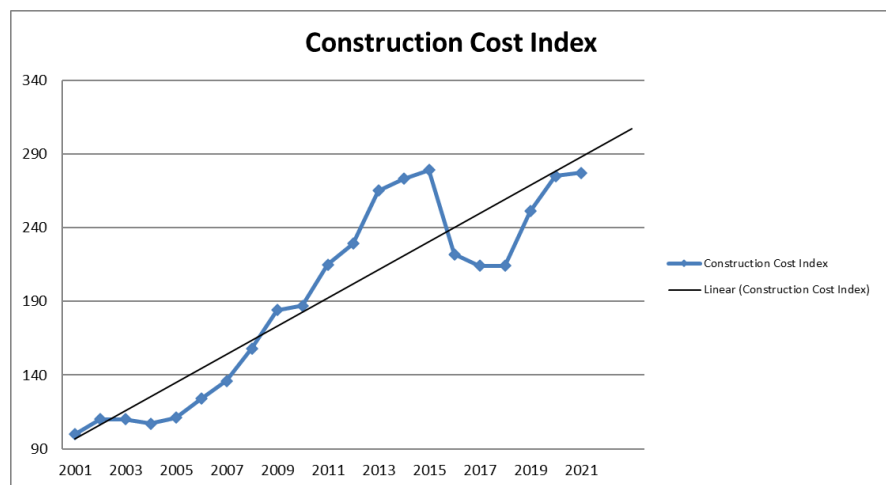
An organized and well-planned maintenance and replacement program will keep replacement costs down, efficiently spend the County's resources, extend the life of our infrastructure, and ensure the long-term viability of our highway system.

The County relies upon a combination of the 23-cent state fuel tax, state motor vehicle license fees, federal road and bridge funds, local property tax, and when available, one-time state or Prairie Dog funding. Cass County also continually pursues federal and state grant funding opportunities as they become available. As the chart above indicates, the state highway distribution tax and one-time funding used to make up 60%-70% of county transportation funding. However, in the years without one-time funding from 2018-2021, state highway distribution tax and one-time funding only made up 40%-50% of county transportation funding. This reduction on one-time funding and the inability of the highway distribution funding to keep up with construction costs have reduced North Dakota counties ability to keep up with bridge and highway infrastructure needs.



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Influencing the cost of construction is the significant rise in ND Construction Cost. Cass County's 2023 Federal Aid Highway Fund allocation is \$1.3 million. To keep up with the 9% construction cost index increase since the year 2000, Federal Aid Highway Funds received by our county would have to be approximately \$2 million a year. It is no secret to



anyone that the current inflationary environment we find ourselves in only adds to our decrease in buying power.

Federal-Aid Bridge funding to North Dakota counties is based on need as the NDDOT has \$5 million allocated statewide for county bridges and inspections. In 2000, Federal Aid made up 21% of Cass County's revenues. From 2000-2005 Federal Aid averaged 19% of our total funding and from 2006-2012 it averaged 13% of our total funding. Now Federal Aid only makes up 8% of our county road and bridge fund revenues. While our costs have increased 9% annually since 2000, our Federal-Aid buying power has decreased.

The projected bridge needs of ND Counties over the next twenty years exceeds \$715 million. In Cass County we have worked with the NDDOT to construct nearly \$7.8 Million in bridges over the last 10 years and have completed \$47 million in county bridge projects since 2000. These Federal funds are in addition to funds I referenced earlier, and we appreciate the NDDOT's continuing support on such investments, notwithstanding that the State also faces cost increases from inflation. Cass County currently maintains 8% of all County and Township bridges in North Dakota. The six counties along the Red River maintain 24% of all bridges in North Dakota to include bridges on the state highway and interstate system.

Cass County expects to replace over 41 major bridge structures in the next twenty years at a cost of \$65 million. Cass County also has 337 minor structures that are not eligible for federal funding and we expect to spend over \$20 million in replacing or maintaining these smaller structures.

Cass County and Counties across North Dakota need long term funding solutions to better plan and prioritize future road projects. Increases in state funding through this bill are critical to maintain our highway and bridge network. Without this additional funding, we will not be able to keep up with the required maintenance and replacement of our highways and bridges. Consistent long-term funding will allow Cass County to effectively plan and construct projects that most efficiently utilizes funding to extend the life of roads and bridges now, to avoid larger costs for complete reconstruction in the future.

Chairman Bekkedahl and Senate Appropriations Committee members, thank you for the opportunity to provide testimony and I urge you to support HB 1379.