

2009 HOUSE TRANSPORTATION

HB 1515

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/

Janette Cosh

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 though 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 1515

House Transportation Committee

☐ Check here for Conference Committee

Hearing Date: 02/12/09

Recorder Job Number: 9387

Committee Clerk Signature

Jeannette Cook

Minutes:

Chairman Ruby brought HB 1515 before the committee. He voiced a concern that we have had a number of projects requesting a special appropriation of funds from the general fund, and we have basically killed those even though were on the state system and part of the STIP plan. He feels that this bill does the same thing, even though the purpose is good.

Representative Thorpe: If HB 1514 should pass, they are going to see some increase funding as well, are they not? Not as much as \$30 million, but it will be some.

Representative Sukut: I wish there was some way that we could keep this alive. I look at what they are doing; it has quite an impact from the standpoint of economic development. We really have a lot of potential in this state for more tourism than what we are experiencing now. Lake Sakakawea has tremendous potential to do a lot of other things. I realize that \$30 million is a lot of money to working with, but it would be nice to keep it alive. Maybe there is a possibility that some of the stimulus funds would fit in there somehow.

Chairman Ruby: I don't know about the workings of the committee and how the projects are funded through this special road fund. The part that I didn't necessarily like was when we give the money, but then don't even give that committee the authority to look over the projects and needs and prioritize.

Representative R. Kelsch: We have two options. If we want to keep it alive, we can take the appropriation and cut it down. We have done that before when the concept is something that we need should money be applicable. The other option is that we have HB 1514, and we could put an amendment on that. I am going to support it, because I feel strongly that this is big deal for the state of North Dakota. We need to have this area taken care of. I know that it kind of goes against what the committee has previously said. If you want to cut the appropriation down to keep it alive until we see what happens with the stimulus money, I can support that. I think we need to move this forward.

Representative Frantsvog: I like the idea of providing some assistance, but I wish they would have come to us with a plan that had a private/public partnership. Then it would not all be money coming from the state. I have a cabin by a lake and pay taxes. I think that the people that live there ought to be supporters.

Representative Thorpe: I know people who have gotten petitions that they brought to Bismarck to the DOT. They got their project on the waiting list, and it is done now. It was not done by law.

Chairman Ruby: Even if we lower the dollars down, we have a situation where under the normal provisions of the special road fund there is a 60/40 match. I don't know if that applies to this because it is saying you put whatever is appropriated directly to those paving projects. I was wondering if some of the cases could just be graded and graveled more often instead of being paved. A gravel road is a lot cheaper to build and maintain. That is additional concern that I have.

Representative Vigesaa: Is the path of this money from the general fund into the special roads fund? Because, section two is a transfer from the general fund into the special roads fund. So, why do we need a fiscal note?

Chairman Ruby: Because it is a direct appropriation.

Representative Gruchalla: I thought that this was a policy committee, so we pass a policy and then we don't have to worry about the nuances of financing. Representative Weisz worked hard on the formula, and I think it is the right way to go. Once we start with financing one project, I think the door is open.

Chairman Ruby: That was also my concern.

Representative Thorpe: I don't like to see it, even though it has been done many times in the legislature. Is there some way that we can amend this bill to direct funding for these projects and not send the money along?

Chairman Ruby: I think that that the special roads funds committee would not need to meet, because we would be telling them how to use the money.

Representative Heller: Could we just delete Section 1 and then come up with an amount of money to transfer into the special road fund? Then whatever entity wanted to get some of that money, they would have to make their case before that committee. That way there would be more money in there.

Representative Griffin: I like Representative Heller's idea, because I think we remain consistent in allowing the special roads committee to determine who gets the funds. Also we could use the argument that the interest rates have been low, so the fund hasn't been generating much money. This would draw some general fund money into it.

Representative Weiler: If we do cut out Section 1, my concern is that we take out the recreational sites on Lake Sakakawea. We would have more money in the fund, but the money would be going all over the state. It cuts out the recreational sites on Lake Sakakawea, and I don't see them getting anywhere near the money that they want. That was the purpose

of the bill. Like Terry Fleck said, "This is North Dakota's lake." It is about time we do something to develop probably the greatest thing we have in this state.

Representative Vigesaa: If the committee wishes to move this bill forward, then we have to keep a significant amount of money in it to keep it worthwhile.

Representative Weiler moved to amend the bill by changing line 5 and 18 from \$30 million to \$15 million.

Representative R. Kelsch seconded the motion.

There was a short discussion about the importance of tourism in North Dakota and the need for development of Lake Sakakawea. The interested parties will have to get creative in ways to use the money and possibly other groups such as tourism will be able to help provide some dollars as well.

A voice vote was taken on the amendment to HB 1515. All were in favor. The motion carried.

Representative Delmore moved a **Do Pass** as amended and re-referred to appropriations.

Representative Weiler seconded the motion.

Chairman Ruby resists the motion because of the concept of what it is doing, changing and directing. I do not believe it is the right way to go.

A roll call vote was taken. **Aye 8 Nay 4 Absent 2**

The motion passed.

Representative Weiler will carry HB 1515.

YR
2/12/09

PROPOSED AMENDMENTS TO HOUSE BILL NO. 1515

Page 1, line 5, replace "\$30,000,000" with "\$15,000,000"

Page 1, line 18, replace "\$30,000,000" with "\$15,000,000"

Renumber accordingly

Voice Vote 1
Roll Call Vote #: _____

BILL/RESOLUTION NO. 1515

ON NO. 1313
Amendment

Committee

Legislative Council Amendment Number _____

Motion Made By Weiler Seconded By Kelsch

[illegible]

Total Yes _____ No _____

Absent

Bill Carrier

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

Date: 2-12-0

Roll Call Vote #: 2

2009 HOUSE STANDING COMMITTEE ROLL CALL VOTES

BILL/RESOLUTION NO. 1515

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					

Total Yes 8 No 4

Absent _____

Bill Carrier Weiler

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

*referred
to appropriation*

REPORT OF STANDING COMMITTEE

HB 1515: Transportation Committee (Rep. Ruby, Chairman) recommends AMENDMENTS AS FOLLOWS and when so amended, recommends DO PASS and BE REREFERRED to the Appropriations Committee (8 YEAS, 4 NAYS, 2 ABSENT AND NOT VOTING). HB 1515 was placed on the Sixth order on the calendar.

Page 1, line 5, replace "\$30,000,000" with "\$15,000,000"

Page 1, line 18, replace "\$30,000,000" with "\$15,000,000"

Renumber accordingly

2009 HOUSE APPROPRIATIONS

HB 1515

2009 HOUSE STANDING COMMITTEE MINUTES

HB 1515

House Appropriations Committee

☐ Check here for Conference Committee

Hearing Date: February 16, 2009

Recorder Job Number: 9580, 9581

Committee Clerk Signature

Holly N. Aand

Minutes:

Chm. Svedjan called on Rep. Ruby to explain HB 1515.

Rep. Ruby: HB 1515 as amended appropriates \$15 million from the General Fund to be put in the special road fund and will direct funds to be used specifically for roads around the Lake Sakakawea for road repair.

Chm. Svedjan: Doesn't DOT generally do a priority project list? (1:16)

Rep. Ruby: Yes. There is a Committee set up and I will be a part of this Committee. The Committee will determine the priorities for the fund.

Chm. Svedjan: Wouldn't this bill prescribe the priority?

Rep. Ruby: Yes it does.

Rep. Bellew: What was the committee vote? (2:03)

Rep. Ruby: 8-4.

Rep. Bellew: What were the objections?

Rep. Ruby: It had to do with using the dollars but the biggest reason was probably that it usurps the normal process of the Committee to determine the priorities.

Rep. Glassheim: How much is in that special fund now? (2:56)

Rep. Ruby: I believe the number we were given was \$3.2 million. Another bill was seeking to use 100 percent of that for these purposes as well. Currently DOT keeps \$2 million and \$1.2

million gets put into the fund. We bumped it from 40 percent. The money that goes into this special use fund is from the interest that we have in our highway fund. What the state holds in its highway fund, the 40 percent of the interest we get from that goes into that special use fund and the other 60 percent was going into the highway fund. The bill we have before us wants to take the 100 percent of the interest and put it into this fund. That was about \$3.2 million and we amended that to 80 percent. So there's \$2.56 million in there that would be going if that bill passes. That's what they would get to use for it and that's why this bill's purpose was to do an influx of money into that fund for the purpose of these paving projects.

Rep. Nelson: The \$15 million that would be appropriated out of the General Fund for this would be would be dedicated to this project and the \$3.2 that is in the special roads fund would still be granted out on a Committee basis? (4:58)

Rep. Ruby: Yes. That's correct.

Rep. Nelson: They're not asking for \$18.4 million?

Rep. Ruby: No.

Rep. Delzer: Historically the use for the special road fund has been non-registered vehicle roads, has it not? Usually bike paths and park situations, not for upgrading existing county roads, has it? (5:42)

Rep. Ruby: We didn't ask what projects had been funded in the past. I assumed that somebody did require some graveling or extra funds for maintaining that it could possibly be used for that. I'm sure it was used for all kinds of things. It's a special road fund so if you are using it for bike paths . . .

Rep. Delzer: Did your committee pass out legislation that assigned certain roads higher priority than the department was giving it?

Rep. Ruby: That was another sticking point with some of the opposition.

Rep. Onstad: The Special Road Fund basically comes from gas that's sold for boating and recreation and snowmobiles. It was basically designated for recreational use, roads that lead up to these areas. Typically if you take Lake Sakakawea alone, there are 50 sites that are considered recreational and most of those have gravel roads leading to them. If you take the fact that a paved road to a recreational site will increase traffic by 2.5 times the emphasis of adding a paved road to recreational sites is dramatic. The biggest problem visitors have is going over the gravel roads. The point of the bill is that we have a great asset and let's look to enhance it by getting some roads paved. The Committee can prioritize and there is a direct benefit to having these paved. (7:23)

Rep. Nelson: I think there is an opportunity for economic stimulus. (9:23)

Rep. Onstad: When this is all developed was before the stimulus dollars came forward. I'm not sure if there are dollars for road repairs.

Rep. Nelson: If you would consider that a friendly amendment, it wouldn't be to add to it, it would be to replace.

Rep. Onstad: I'm open to that amendment.

Rep. Nelson moved to amend to take the \$15 million appropriation out and include language to identify stimulus money.

Chm. Svedjan: Currently there's no stimulus language in it so you would need to insert the stimulus language. (11:07)

Rep. Ruby: The only problem I see is that they are not allowing earmarking on stimulus dollars. The stimulus money would go to the DOT and they would appropriate it. (11:22)

Chm. Svedjan: Given that information do you want to keep your motion?

Rep. Nelson: I'm thinking that some designation of some stimulus money into the Special Road Fund may address that issue and then maybe, . . . , I don't have a percentage or what sum of money would go in there for that.

Rep. Ruby: I would have to look into that with DOT.

Rep. Nelson: Maybe simply that the amendment would say that "Strong consideration of a portion of the economic stimulus money go into the Special Road Fund for projects like those mentioned in HB 1515."

Chm. Svedjan: What I understand you to say is that you would want to amend out Section 2 and in its place insert language that would identify the stimulus money as a source of revenue to move a sum of money in the Special Road Fund. The Committee would then decide the priority of what was in that Special Road Fund.

Rep. Ruby: That would basically be a hoghouse because the bill specifically appropriates it to the Lake Sakakawea areas and also has the \$15 million in Section 1 as well.

Chm. Svedjan: With the receipt of the economic stimulus money, it would seem to me that DOT would be in the position to discern whether or not this is shovel ready or not. By not giving any designation to the funds you might be better off than trying to do it the way it is being proposed here. (14:43)

Rep. Onstad: I think we should leave the bill the way it is. (15:11)

Chm. Svedjan: We had a motion but we didn't have a second.

Rep. Nelson withdrew his motion.

Rep. Skarphol: The Special Roads Fund is utilized by the transportation chairman to address issues that have come up that haven't been addressed by DOT. I can't support this bill even if there's an \$88 return on investment. I would submit there is an \$88 return on investment for just about any recreational area in the state and I'm not sure we should be singling out particular area even though my district borders Lake Sakakawea. (15:35)

Rep. Skarphol moved a Do Not Pass to HB 1515. Rep. Klein seconded the motion. The motion carried by a roll call vote of 15 yeas, 9 nays and 1 absent and not voting. Rep. Kempenich will carry the bill. (Recording 9581).

Date: 2/16/09
Roll Call Vote #: 1

2009 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1515

Full House Appropriations Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number _____

Action Taken

Amend as ind. below.

Motion Made By

Nelson

Seconded By _____

Representatives	Yes	No	Representatives	Yes	No
Chairman Svedjan					
Vice Chairman Kempenich					
Rep. Skarphol			Rep. Kroeber		
Rep. Wald			Rep. Onstad		
Rep. Hawken			Rep. Williams		
Rep. Klein					
Rep. Martinson					
Rep. Delzer			Rep. Glassheim		
Rep. Thoreson			Rep. Kaldor		
Rep. Berg			Rep. Meyer		
Rep. Dosch					
Rep. Pollert			Rep. Ekstrom		
Rep. Bellew			Rep. Kerzman		
Rep. Kreidt			Rep. Metcalf		
Rep. Nelson					
Rep. Wieland					

Total (Yes) _____ No _____

Absent _____

Floor Assignment _____

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

Sub \$15m app. out.
Amend out Section 2
Include lang. to identify stimulus & to
Special Road fund.

Date: 2/16/09
Roll Call Vote #: 2

2009 HOUSE STANDING COMMITTEE ROLL CALL VOTES
BILL/RESOLUTION NO. 1515

Full House Appropriations Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number _____

Action Taken No Not Pass

Motion Made By Skarphol Seconded By Klein

Representatives	Yes	No	Representatives	Yes	No
Chairman Svedjan	✓				
Vice Chairman Kempenich	✓				
Rep. Skarphol	✓		Rep. Kroeber		✓
Rep. Wald	✓		Rep. Onstad		✓
Rep. Hawken		✓	Rep. Williams		✓
Rep. Klein	✓				
Rep. Martinson		✓			
Rep. Delzer	✓		Rep. Glassheim	✓	
Rep. Thoreson	✓		Rep. Kaldor		✓
Rep. Berg	✓		Rep. Meyer		✓
Rep. Dosch	✓				
Rep. Pollert	✓		Rep. Ekstrom		✓
Rep. Bellew	✓		Rep. Kerzman		✓
Rep. Kreidt	✓		Rep. Metcalf		✓
Rep. Nelson	✓				
Rep. Wieland	✓				

Total (Yes) 15 No 9

Absent 1

Floor Assignment Skarphol Kempenich

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

REPORT OF STANDING COMMITTEE (410)
February 16, 2009 7:54 p.m.

Module No: HR-30-3032
Carrier: Kempenich
Insert LC: . Title: .

REPORT OF STANDING COMMITTEE

HB 1515, as engrossed: Appropriations Committee (Rep. Svedjan, Chairman)
recommends **DO NOT PASS** (15 YEAS, 9 NAYS, 1 ABSENT AND NOT VOTING).
Engrossed HB 1515 was placed on the Eleventh order on the calendar.

2009 SENATE TRANSPORTATION

HB 1515

2009 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. Engrossed HB 1515

Senate Transportation Committee

☐ Check here for Conference Committee

Hearing Date: March 12, 2009

Recorder Job Number: 10832

Committee Clerk Signature

Jody Hauge

Minutes:

Chairman Gary Lee opened the hearing on Engrossed HB 1515 an Act to provide an appropriation to the Department of Transportation to pave access roadways to Lake Sakakawea.

Representative Kenton Onstad introduced the bill and explained the need. Written testimony and letter and map from the Friends of Lake Sakakawea attachment #1. The map 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.

Senator Fiebiger asked how they came up with the request at 15 million.

Rep. Onstad he said that the study came up with a 75 million dollar need but they thought asking for 15 Million would be do able.

Senator Lee said that Department of Transportation has priority for roads in terms of how they complete the finished projects and he asked if this particular project had been slotted into a priority at Department of Transportation.

Rep. Onstad said it was not. These roads are basically off the State Highway System. He also told the committee how the different entities would fit together along with the 15 million.

Senator Lee asked which political subdivision maintains the roads.

Rep. Onstad he said basically it would be the county or township.

Senator Lee asked if any SRF money had been spent on any project up at Lake Sakakawea.

Rep. Onstad said he was not sure as of late. He did say there had been projects up and currently the dollars generated from that are about one and half to two million dollars. That just doesn't go very far on paving roads. He said they needed a jump start.

Senator Lee asked if the county and township would be responsible for maintenance.

Rep. Onstad replied that they would be responsible. He said if you look at the bill where it talks about counties and township they have to buy into that with a 10% match. The benefits of these paved roads would bring in more prosperity to the counties and townships.

They discussed where these roads were and how they would identify priorities. (48:00)

Senator John Warner testified in support of engrossed HB 1515. Written testimony #2

Bill Butcher, Friends of Lake Sakakawea testified in support and read testimony from Terry Fleck, chairman of the Friends of Lake Sakakawea. Written testimony #3 The bill originally called for \$30 million dollars but the House Transportation Committee changed it to \$15 million.

Bill Mitzel, publisher of Dakota Country testified in support of Engrossed HB 1515. Written testimony #4

Michael Gunsch a member of the Friends of Lake Sakakawea and a professional engineer testified in support of Engrossed HB 1515. Written testimony #5, he also referenced the map and priorities found in #1. There have been special road funds along Lake S. currently Little Beaver Bay and Hazen Bay are two that are receiving funds from the Special Roads Fund.

Senator Lee asked if the SRF Committee will be choosing the projects but this indicates 15 Million for the existing gravel roadway for recreational sites in Lake Sakakawea. That seems to put them in a priority that is different from applicants coming through the SRF.

Michael Gunsch said the thought process is that the 15 million is dedicated to roadways to Lake Sakakawea. The SRF as a separate account and separate money, making two separate processes to get the money.

Senator Lee asked about the counties interest in maintaining if they are the political subdivision with the responsibility to maintain.

Gunsch said they would much prefer maintaining a paved road versus gravel.

Jill Denning Gackle, a Friends of Lake Sakakawea board member and business owner testified in support of HB 1515. Written testimony #6

Kelly Sorge, Indian Hills Resort testified in support of HB 1515. Written testimony #7
Written testimony submitted from Greg Schoneck. Attachment #8

Emmanuel Stroh testified in support of HB 1515. Written testimony #9

Senator Nodland asked why the counties aren't working with Department of Transportation to do some of this.

Emmanuel Stroh said that they have been willing to help but Dunn County is strapped for oil traffic road funding.

Some discussion on a three mile road that was paved but not in good shape.(10:30)

Bill Butcher tried to answer Senator Nodland's question on the support of counties and county commissioners. He pointed out that Mountrail county commissioner spoke in support of HB 1515 in the House Transportation committee. He was not able to be here this morning.

Dave Leftwich, Office of Transportation testified in opposition to HB 1515. If this bill were to pass, it would create a precedent of earmarking projects, thus circumventing the SRF, State

Transportation Improvement Plan (STIP) and other processes the Department of Transportation uses to select projects. Written testimony #10

Senator Nething asked if there were stimulus money available for any of these.

Leftwich said the counties would be getting money and they could decide how to use this. As far as stimulus fund, the money can only be used for Federal Roads.

Discussion followed on earmarks and designation of Federal Funds by counties. They discussed (CMC) County Major Collection and how that would work.

Senator Lee closed the hearing on HB 1515.

2009 SENATE STANDING COMMITTEE MINUTES

Bill/Resolution No. Engrossed HB 1515

Senate Transportation Committee

☐ Check here for Conference Committee

Hearing Date: March 12, 2009

Recorder Job Number: 10858

Committee Clerk Signature

Jody Hauge

Minutes:

Committee Work

Senator Nething moved a Do Not Pass on Engrossed HB 1515.

Senator Nodland seconded.

Senator Nething said he had always tried to vote against any bills that tried to designate highway priorities. If we ever start once, he doesn't know where we will stop.

Senator Nodland said that these are county and township roads and their avenue should be through the counties and townships because even if the state appropriates money for this the counties and townships will be responsible for the maintenance on them. They should be working through their county commissioners.

Senator Fiebiger is wondering if we have a one time opportunity with the stimulus package.

Senator Nething said that they told us that there wasn't stimulus money available. These people knew that when they built on the lake that the roads were not paved.

Senator Potter said that Indian Hills Resort where the landowners in the bottom land and they are worthy folks who were put there. As for county and township money they look at what they have done in the past and tourist not regarded as important. It may be appropriate public

policy that the state sees an interest in these roads to recreational areas. And on the question of earmarks, in this case, it is a gigantic lake and unique. He supports HB 1515.

Senator Fiebiger said that Senator Nodland made a good point about maintenance and in the ideal world if this is successful and it does become as successful as they hope it will be, it will help pay for this upkeep.

Senator Nodland gave an example of a Bay north of Dunn Center that is totally unused today. He said in rebuttal to Senator Potter's comment, this is not a farm versus recreation issue.

Senator Potter asked if they couldn't use the governor's carry over budget.

Senator Nething said he would rather put money into an infrastructure pool and use that money for roads where there is proven economic development comes from.

Senator Marcellais said that he sees the need for paved roads but he looks back at Lake

Metagoshie and it's black top roads around the lake and he doesn't know how they got them.

Senator Nething and Senator Lee thought that the money came from taxes.

Senator Lee has trouble supporting a special project when there is prioritization that goes on at the county level and the state level. He doesn't think we should get in the middle of it. He said he was on the SRF committee and they have funded projects up in that area. It isn't a lot of money but it works well for providing support for those access roads and recreational tourist areas. He expressed concern about the paved roads that are presently not being maintained. The support has to be there for the longevity of this project. He said that he does not support the bill.

Roll call vote on Do Not Pass on Engrossed HB 1515: 5-1-0

Senator Nodland will carry the bill.

Date: 3-12-09
Roll Call Vote #: 1

2009 SENATE STANDING COMMITTEE ROLL CALL VOTES

BILL/RESOLUTION NO. Engrossed HB 1515

Senate Transportation

Committee

☐ Check here for Conference Committee

Legislative Council Amendment Number _____

Action Taken ☐ Do Pass ☒ Do Not Pass ☐ Other

Motion Made By Senator Nething Seconded By Senator Nodland

Senator	Yes	No	Senator	Yes	No
Chairman Senator Gary Lee	✓		Senator Tom Fiebiger	✓	
Senator George Nodland	✓		Senator Richard Marcellais	✓	
Senator Dave Nething	✓		Senator Tracy Potter		✓

Total (Yes) 5 No 1

Absent 0

Floor Assignment Senator Nodland

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

REPORT OF STANDING COMMITTEE

HB 1515, as engrossed: Transportation Committee (Sen. G. Lee, Chairman) recommends
DO NOT PASS (5 YEAS, 1 NAY, 0 ABSENT AND NOT VOTING). Engrossed
HB 1515 was placed on the Fourteenth order on the calendar.

2009 TESTIMONY

HB 1515

Rep. Cnstad

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

*Same has been
given to Senate.*

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.

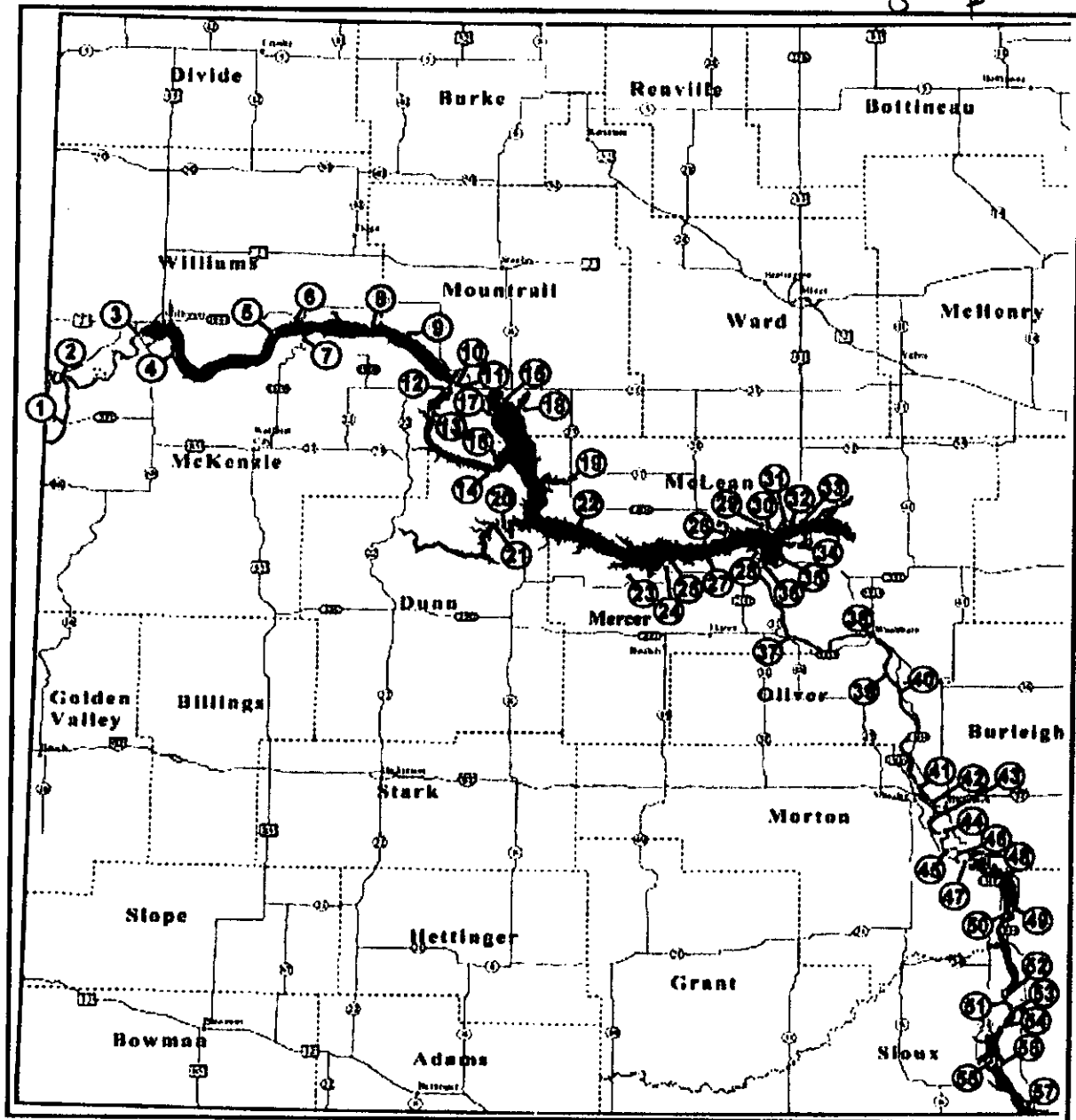
All improvements will be constructed to state and local standards, by the designated federal, state or local roadway authority. All funds would be administered by the NDDOT, with funds provided to the applicable roadway authority. Given the nature of these improvements we are also requesting assistance 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

Same roadwork given to Senate.



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 BRAVER 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

Same given
to Senate.

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 # 07

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

*Same to
given to
Senate.*

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.

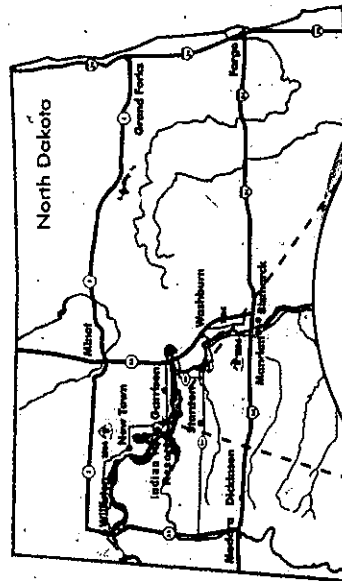
In closing, I know the improvements may sound self serving. More importantly they are for the people who want to experience and utilize the great resource of Lake Sakakawea.

Attached: Testimony from Indian Hills Customers.

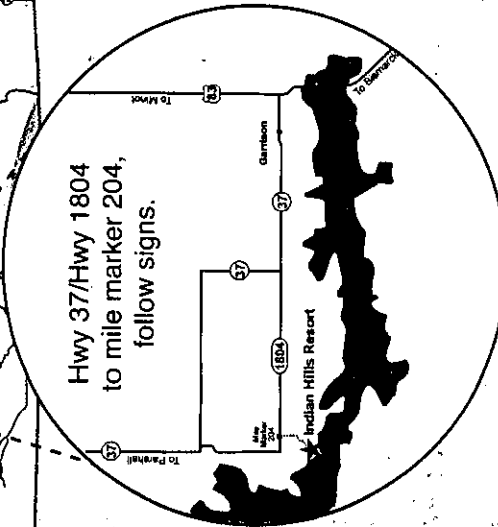
us on the web

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

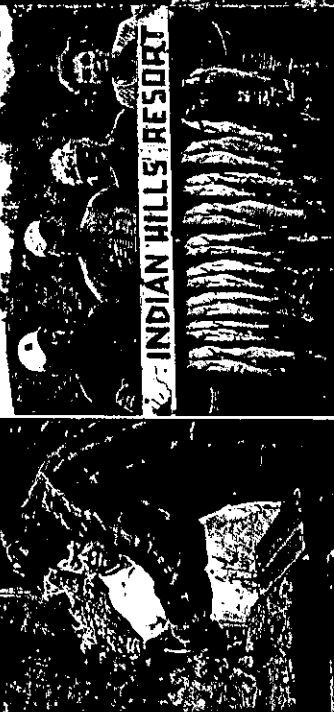


Hwy 37/Hwy 1804
to mile marker 204,
follow signs.



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 Sorge



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



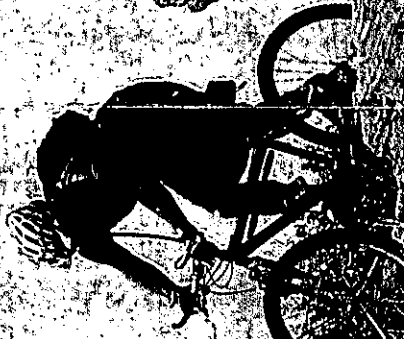
The Arrowhead Lodge. This family sized modern cabin is great for larger groups and families. Including the same amenities as the Condos plus large deck and gas grill. Sleeps 10.



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 B-Ga Trail



The Nux Baa Ga (Nucks-Ba-Ga) is the people trail, 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

There is something

for everyone.

Miles of Shoreline,

Sandy Beaches....

In Support of HB1515
Senate Transportation Committee

Attach
#9C

Same
handout given
to Senate.

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.

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.

Good Morning, Mr. Chairman and members of the Transportation committee

Representative Kenton Onstad, District 4, Parshall

Today I would like to discuss future developments around Lake Sakakawea and the entire Missouri System in North Dakota. From the South Dakota border to the Montana border we have identified 57 recreational sites. Many of you have been at those sites along with your friends and relatives. Considering we have over 1500 miles of shoreline around Lake Sakakawea alone, 57 is a very small number.

On any given week-end and during the week, we have as many as 50,000 visitors or more, including, fisherman, tourists, outdoor enthusiasts, campers and local residents. These same people repeatedly come back to enjoy Lake Sakakawea and the entire Missouri River system. Although they do return, some do not. For that reason alone is good enough to discuss the merits of HB 1515 and HB 1514

HB1514 changes the formula for money earned in the Special Roads Fund and would allow for more road project improvements in tourist, historical and recreational areas. Instead of depositing 40 percent of the interest in the Special Road Fund, the bill calls for 80 percent of the interest to go into this fund.

HB1515 allows for \$15 million to be spent on roads in the Lake Sakakawea and Missouri River system.

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 is time the State of North Dakota really looks to improve these areas.

I stand for any questions

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I stand for any questions

Senator John Warner
Senate Hearing on House Bill 1515
12 March 2009

Mr. Chairman and members of the Committee,

I am pleased to appear before you today to testify in favor of House Bill 1515. This project is an attempt to have the North Shore of Lake Sakakawea catch up with the South Shore in paving access roads to lakeside communities and recreational areas.

There will be others here today that will speak to the recreational aspects of the projects and the oil related impact of the projects but I would like to speak to the year round communities which have been developed and can be developed because of the unique mix of recreation and work environment that we have to offer.

I've sometimes spoken of three "T" paradigm communities that we have had in the history of the state. The first "T" was created by railroad lines that snaked across our prairies in the 19th century and sent off perpendicular main streets every 6 to 10 miles. These small towns served our rural communities well but by the 1920s they were supplanted by the second "T" communities.

When Henry Ford created the Model T, a popularly priced means of motor transportation he marked the beginning of the end of those small scattered rural communities. By the 1960s these second T communities were the eight large cities that we see on our maps, Fargo, Jamestown, Bismarck, Dickinson, Williston, Minot, Devils Lake and Grand Forks. These regional hubs radiated out a pattern of paved roads to draw in the commerce of the small rural communities towns created in that first "T" paradigm.

We are, here in our time, at the leading edge of a third "T" paradigm, the T1 data line, high speed internet connections that allow highly skilled, highly motivated entrepreneurs to live where they chose, typically in recreational areas. All that these people need to make a living where they live is good roads, good water and a high speed data line. The yeoman efforts of our rural cooperatives have assured the latter two. The new generation of year round homes around the lake have good rural water systems and high speed data lines.

In recent years, the author of a world renown textbook on nursing has made her permanent home on the North Shore. We've seen people move in from other states to work in the oil patch or on internet connected businesses. Many expensive, year round homes are being built in the area and hundreds more lots have been platted and sold but the single factor holding back development is the lack of paved roads leading to the lake.

I'm asking you to start that process. The bill before you would allocate \$15 million towards access roads around the lake. . . a good start.

Good morning. I'm Terry Fleck, chairman of the Friends of Lake Sakakawea and it is my pleasure today to talk to you about HB1515, which would allow for the paving of more roads to Lake Sakakawea.

Picture this. You attend a sport show in Minneapolis or Fargo and you hear about Lake Sakakawea. You want to come to a lake that has more shoreline than California and you see yourself enjoying a week in a vacation paradise.

Well, part of that picture is right. It is beautiful with miles of open spaces for boating and fishing. Did I mention that the fishing is fabulous?

But there is one challenge you'll have to overcome to make it all work. The roads. Of the 34 roads to access the lake, 14 are paved. 20 roads are not and from personal experience, some roads are tough. Nearly 60 percent of the roads are long, narrow, sometimes curvy washboards. The dust flies and before you get to the lake you're wondering what damage your \$40,000 pickup pulling the \$50,000 boat or the \$40,000 camper will experience. Sometimes you're so frustrated that you might not make the trip again.

This bill calls for more miles of paved roads. We're asking the state to help us pave six high traffic areas: six miles of paving to Camp of the Cross/Triangle Y Camp, four miles to Indian Hills, six miles to McKenzie Bay, eight miles to Reunion Bay, ten miles to White Earth Bay, five miles to Wolf Creek Recreation Area and three miles to Little Beaver Bay.

Lake recreation whether by campers, boaters, shore fishermen and sailors remains popular. And it will get even more popular as the lake levels come up and we continue to develop the services at the end of those bumpy access roads.

North Dakota tourism spends millions of dollars to invite people to enjoy our vast lake and all it offers. The Corps, the state Game & Fish and local entities have spent \$6.5 million in the past seven years to improve boat ramps and right now access is great. But that access is often at the end of a bumpy, windy, dusty road.

The demands on these roads continue to increase as the people of North Dakota and tourists discover the vast opportunities on the big lake.

Visitation records show paved roads leading to the lake have about 2.4 times the visitor traffic that unpaved roads have. Mark Zimmerman, who is in charge of outdoor promotion for the North Dakota Tourism, said while attending sport shows this year, people are hearing about the improved water levels and other

conditions on Lake Sakakawea and are talking about coming to the lake." He said, "People will be looking for the best services and infrastructure to enjoy Lake Sakakawea."

Let's give it to them! We think the time has come to give North Dakotans, their friends and families, as well as tourists what they expect from such a rich natural resource. Please vote "yes" on HB1515.

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.

#4

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.

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Bill Mitzel
Bismarck, ND
255-3031

#5

Senate Transportation Committee
March 12, 10:45 a.m.
In support of House Bill #1515
Appropriation to NDDOT to Pave Roadways to Lake Sakakawea
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 and a registered professional engineer in North Dakota. Working with Dave Johnson, who is also a member of the Friends and a professional engineer with the Garrison Conservancy District, we considered a number of alternatives to fund improvements to access roadways to Lake Sakakawea. HB1515 provides the funding necessary to implement a reasonable approach to improve these accesses utilizing the already established special road fund committee application review and funding process.

In an effort to increase safe and usable access to Lake Sakakawea, we first considered the established access roadways and their current condition. Data was then obtained from the Corps of Engineers and North Dakota Game & Fish regarding various elements including, but not limited to: location, managing authority, the number of miles of paved or gravel roadways, annual visitation or traffic counts, and businesses. We then sought to define an equitable distribution of paved accesses around the lake. Using this information the existing sites were ranked and six were selected that in our opinion warrant such improvements, although under the proposed process the state road fund committee would review applications for proposed access improvements and make the final funding determination.

When evaluating any roadway project, one important consideration is cost. Therefore, we developed a general cost per mile based on the roadbed, right-of-way requirements, permits, utility relocation, paving, engineering, contingencies and administrative costs. While applying this cost to all locations is conservative, the data necessary to make specific site determinations is not readily available.

When considering the logistics associated with spending \$30 million it was determined that a four year period was necessary to allow local roadway authorities to plan for the availability of these funds. These logistical considerations remain even with HB1515 being revised to \$15 million. Most of the FY2009 county highway budgets are already in place, therefore given the application and design process most expenditures may not occur until 2010. HB1515 includes a ten percent local cost share, which is a reasonable contribution given the limited local resources for new projects.

Thank you for the opportunity to present testimony. I encourage you to support HB1515 with a "DO PASS" recommendation.

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. The Friends group is made up of 440 stakeholders -- chambers, economic development groups, associations of water users and individuals. Although you might think that are members are from western North Dakota, 1 in 5 of our members live outside of the lake towns. They're from Fargo and Dickinson, Wahpeton and Beach. Our members include Southwest Anglers Association, Red River Area Anglers Association, Devils Lake Region Anglers and the statewide Sportfishing Congress.

Many of our members are businesses. That's where my interest lies. 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.

Testimony on HB1515
House Appropriations 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.

In 2008 we had approximately 20,000 vehicles use the road to McKenzie Bay. These roads are not only used for recreation. There are farmers, ranchers, oilfield and other dwellings that use these roads year round. Transportation is about more than asphalt, concrete or steel. Ultimately it is about people. It is about providing people with the opportunity for a safer, happier and more fulfilling life.

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

SENATE TRANSPORTATION COMMITTEE

March 12, 2009 -- Lewis and Clark Room

HE 10

**North Dakota Department of Transportation
Dave Leftwich, Office of Transportation Programs Director**

HB 1515

Good morning Mr. Chairman and members of the committee. I'm Dave Leftwich, Interim Office of Transportation Programs Director with the North Dakota Department of Transportation (NDDOT). The following is the process currently used for Special Road Funds (SRF):

The SRF Committee is made up of the following members:

- One member of the Senate - The Honorable Gary A. Lee
- One member of the House of Representatives - The Honorable Wesley R. Belter
- The Director of the ND Game & Fish Department - Mr. Terry Steinwand
- The Director of the ND Parks & Recreation Department - Mr. Doug Prchal
- The Director of NDDOT, who is the Chairman -- Mr. Francis Ziegler

This committee uses the following guidelines to select SRF projects:

- Funds can be used for the construction and maintenance of access roads to and roads within recreational, tourist, and historic areas
- A political subdivision or state agency may apply for funding
- Applications are due about the middle of November each year for projects that could be constructed in the next two years
- SRF funds come from 40% of the interest earned from the state highway interest bearing account which are deposited into the SRF account
- The SRF Committee has set the maximum award per project at \$250,000.
- SRF funds are matched at a 60/40 ratio. 60% SRF, 40% local

The projected end of biennium balance (June 30 2009) is \$274,000. The SRF Committee will be meeting shortly to pick projects for the next two years.

Since 2000, the SRF program has funded 51 projects with an average award of \$75,000

This process has worked well. In the past, the legislative body has not earmarked projects for the SRF or other department programs. This bill, if passed, would create a precedent of earmarking projects, thus circumventing the SRF, State Transportation Improvement Plan (STIP), and other processes the DOT uses to select projects. We believe the processes in place serve the citizens of North Dakota well. Furthermore, the \$15 million proposed in this bill is not in the Governors budget. Mr. Chairman, that concludes my testimony and I will be happy to answer any questions the committee may have.