2025 SENATE TRANSPORTATION

SB 2391

2025 SENATE STANDING COMMITTEE MINUTES

Transportation Committee

Fort Totten Room, State Capitol

SB 2391 AM 2/6/2025

Relating to designating Stutsman county road 62 as part of the state highway system.

10:00 a.m. Chairman Clemens opened the hearing.

Members present: Chairman Clemens, Vice Chairwoman Cory, Senator Hogan, Senator Klein, Senator Paulson, Senator Rummel

Discussion Topics:

- Current road condition
- Cost and process to convert Stutsman County road to state highway
- Road maintenance and service cost

10:00 a.m. Senator Wanzek, District 29, introduced SB 2391 and testified in favor.

10:06 a.m. Representative Headland, District 29, testified in favor.

10:10 a.m. Levi Taylor, Vice Chairman, Stutsman County, testified in favor and submitted testimony #35441.

10:26 a.m. Parrell Grossman, Legislative Director, North Dakota Soybean Growers Association, testified in favor and submitted testimony #35734.

10:28 a.m. Scott Meske, Lobbyist, North Dakota Township Officers Association, testified in favor.

10:31 a.m. Ron Henke, Director, NDDOT, testified in opposition and submitted written testimony #35252.

Additional written testimony:

Jeff Zueger, Harvestone LCP, submitted written testimony in favor #34063.

Lynn Boom, Supervisor, Manns Township, submitted written testimony in favor #35538.

Mike Keller, President, Green Bison Soy Processing LLC, submitted written testimony in favor #35705.

Corry Shevlin, CEO, Spiritwood Energy Park Association, submitted written testimony in favor #35865.

10:45 a.m. Chairman Clemens closed the hearing.

Chance Anderson, Committee Clerk



Harvestone LCP 1815 Schafer St. Suite 220 Bismarck, ND 58503

The Honorable David A. Clemens/Transportation Committee ND Legislative Council/ND State Capitol 600 E. Blvd. Ave. Bismarck. ND 58505

January 2025

Subject: Support for SB2391 – Designating Stutsman County Road 62 as Part of the State Highway System

Dear Senator Clemens and members of the Transportation Committee,

I am writing to express my strong support for SB2391, a bill that seeks to designate Stutsman County Road 62 (CR62) as part of the state highway system. As a vital transportation route within our region, CR62 plays a significant role in supporting economic activities, infrastructure planning, and regional connectivity.

One of the primary concerns with the current condition of CR62 is the economic impact it has on our agricultural and industrial sectors. The deteriorating condition of this road has led to substantial losses in grain bushels being delivered to other facilities, affecting local producers and businesses, such as our Dakota Spirit AgEnergy (DSA) located at the Spiritwood Energy Park Association (SEPA), in Spiritwood, ND. The ability to transport goods efficiently and safely is crucial to maintaining a competitive and thriving economy in our region.

Additionally, the unpredictability of road closures due to poor conditions creates further disruptions. In 2022, CR62 had to be shut down due to its deteriorating state, leading to logistical complications and financial burdens for those dependent on it. This stretch of road remains the only unpaved portion of CR62, making it particularly vulnerable to weather conditions and seasonal wear.

With the state's continued emphasis on industrial and economic development projects at Spiritwood, it is imperative that we address the associated infrastructure challenges. Stutsman County has been working diligently to allocate resources effectively; however, the scale of this project exceeds the scope of available county programs. Despite attempts to secure funding through existing state programs, we have been informed that this project is too large to qualify.

Furthermore, SEPA is a unique industrial location with no comparable sites elsewhere in North Dakota. Ensuring a reliable transportation infrastructure for SEPA and its associated developments is essential for sustaining economic growth and attracting further investments. By integrating this section of CR62 into the state highway system, Stutsman County can better allocate its limited resources to other pressing infrastructure needs within our jurisdiction.

I urge you to support SB2391 to provide the necessary infrastructure improvements that will benefit our economy, enhance road reliability, and foster continued growth in our region. Thank you for your time and consideration. Please feel free to reach out if you require any further information.

Sincerely,

Jeff Zueger, CEO, Harvestone Low Carbon Partners Cc: Levi Taylor, Sen. Wanzek



Senate Bill No. 2391

Senate Transportation CommitteeFort Totten | February 6, 2025, 10 am
Ron Henke, Director

Greetings, Chair and members of the Committee. I'm Ron Henke, Director of the North Dakota Department of Transportation (NDDOT).
I'm here to oppose SB 2391.

This bill designates Stutsman County Road 62 as part of the state highway system. This bill would add 18 miles to the state highway system between ND Highway 46 and Interstate 94. The current roadway consists of 10 miles of gravel surfacing and eight miles of asphalt surfacing.

North Dakota Century Code (NDCC) Section 24-01-02 authorizes the director of the NDDOT to add roads and highways to the state highway system, with two key limitations: no more than 50 miles may be added per year, and the total system cannot exceed the lesser of 7,700 miles or 7% of the of the state's total publicly owned road miles (approximately 7,446 miles). Currently the state highway system is at 7,415 miles and HB 1053, which has already passed the House of Representatives, proposes to eliminate the 7% cap.

Given this existing authority, local public agencies can request roadway additions through NDDOT's established process. These requests are evaluated based on a number of factors, including connectivity to the existing system, traffic volumes, redundancy with existing routes, and overall benefit to the state.

The NDDOT prefers to continue using current process in evaluating roadways for addition to the state highway system.

This concludes my testimony. I would be happy to answer any questions. Thank you.





511 2nd Ave SE Jamestown, ND 58401 (701) 252-9035



www.stutsmancounty.gov

February 5, 2025

Senate Transportation Committee
David A. Clemens, Chairman
and Members of the Senate Transportation Committee

RE: Testimony in Support of SB2391

Chairman Clemens and Members of the Transportation Committee,

My name is Levi Taylor and presently serve as vice-chairman for the Stutsman County Commission. I reside in the rural, southeast part of the county where I farm and own/operate a seed and crop protection business. I stand before you today honored and thankful for legislators such as yourselves who are willing to listen to and consider the needs of the communities, businesses, and counties that make up our great state.

Stutsman County is asking for your support and urging a "do pass" on SB2391. The section of County Road 62 (CR62) pertaining to this bill is an 18 mile stretch of road - 8 miles of which, from I94 south to 44th St SE, are paved, and 10 miles (from 44th St SE to Highway 46) unpaved. CR62 South is a critical infrastructure that serves Dakota Spirt Ag Energy (corn ethanol plant) and Green Bison (soybean crush facility). DSA processes 21,900,000 bushels each year and ADM processes 43,800,000 bushels—a very important domestic use of corn and soybeans for North Dakota—running 24/7, 365 days a year!

CR62 South has become a very difficult issue for Stutsman County, specifically the 10 miles of gravel. This stretch of road is an original mucker road that was not built to handle the excessive weight and high volume of truck traffic that is required for a road leading to a major agricultural collector. In addition, unpredictable weather has added to the problems we are facing. These combined issues have caused excessive rutting, road shoulders giving out, and impassable conditions to CR62 leading to road closures. These conditions have forced farmers to bring animal feed into farms via tractor, it has forced agricultural input disruptions, causing delivery trucks to unload payload on the pavement, and pickup trucks bringing payload to farms and warehouses one pickup load at a time. Difficult travel on these roads during the spring thaw and after 1"+ rains requires high clearance vehicles with four-wheel drive for essential travel. Many spots along this route turn into a mud, clay, and sand mixture that resembles nothing close to reliable and safe infrastructure. The burden of this stretch of road is also shared with neighboring townships. When CR62 becomes impassable or is closed, all traffic is diverted to alternate routes on township roads. These roads begin to bear the brunt of damage that creates a problem for townships to manage on limited resources.

I believe that this bill provides a solution for the many problems that our county and townships are facing pertaining to CR62. The state highway system has access to resources and personnel that can better manage the unique needs of CR62. SB2391 could result in a more sustainable and reliable stretch of infrastructure that can serve the needs of DSA and Green Bison.





511 2nd Ave SE

Jamestown, ND 58401



(701) 252-9035



www.stutsmancounty.gov

From 2019-2024 Stutsman County spent a total of \$330,000 on gravel road emergency repairs. These repairs were just temporary bandages for the many troubled spots. In the last six years, this stretch of road has been closed on two different occasions due to impassible conditions. Last year Stutsman County applied for a Flexible Transportation Grant in the full amount of roughly \$35 million. This number reflects a cost estimate we received to completely reconstruct the 10 mile stretch of gravel on CR62. The grant was not awarded to Stutsman County because of the excessive dollar amount. This has left Stutsman County with few options other than SB2391.

If the committee or department would like to discuss other future options to address this unique issue, I would be happy to facilitate future discussions. I appreciate your time and dedication to our great state.

Respectfully

Levi Taylor Vice Chairman

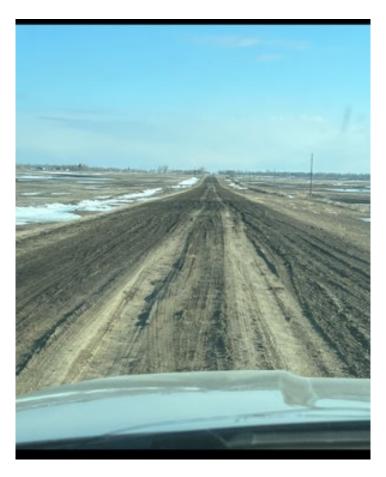
Itaylor@stutsmancounty.gov

Jerry Bergquist

Chairman

jlbergquist@stutsmancounty.gov

Letter submitted with support of Jerry Bergquist, Chairman and Levi Taylor, Vice-Chairman



May 2023



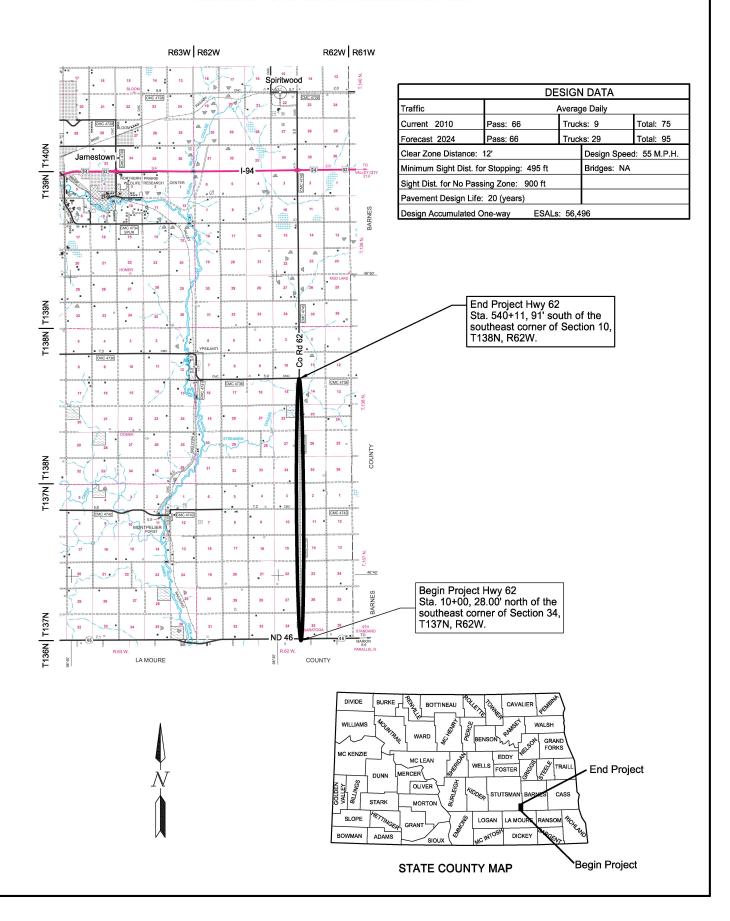
May 2023





Project Location Map

Grading, Drainage Structures, Aggregate Base, Bituminous Pavement and Miscellaneous Items



Chairman Clemens and Members of the Transportation Committee,

Manns Township is writing to express our support for SB2391 and urge your committee to vote in favor with a "do pass." County Road 62 (CR62) is an important stretch of road that consists of gravel and pavement traveling north and south through our township. We are convinced that the adoption of CR62 by the ND state highway system will allow it to get the much needed attention and repair to address its deteriorating condition. Furthermore, as the road continues to worsen it has forced Stutsman County to close a section of CR62 which has detoured heavy truck traffic on our township roads and caused damage that has been costly.

In 2022 and 2023 Manns Township spent \$36,700 on road repairs to 91st Ave SE, located 4 miles west of CR62. The expense to this section of single road amounts to 34% of actual revenue brought in by Manns Township. These repair projects on 91st Ave were submitted to the state to be considered for FLEX Funding and were not selected as a project to receive grant funding. We feel we have exhausted our options which leads us to SB2391 for your consideration. This stretch of township road is an alternate route for truck traffic to get to the Spirtwood Energy Park when CR62 becomes impassable or gets closed due to poor road conditions. Our township cannot continue to afford spending our limited resources on repairing this stretch of road, because of this we have been forced to neglect other repairs and maintenance in our township. We believe that this burden can be better absorbed by the state highway system which has the necessary resources and experience to handle, improve and maintain this section of critical infrastructure. This will allow Manns Township to allocate our resources appropriately in order to maintain our current gravel roads.

Please consider supporting SB2391 with a "do pass." Your support in this bill will positively affect our rural residents with safer, quality roads that serve our end users at the Spiritwood Energy Park.

Regar<u>as,</u>

Lyng Boom, Chairman

Manns Township Supervisor



3349 94 R Ave SE, Spiritwood, North Dakota 58481

800-475-4291

February 2025

Dear Chairman Clemens and Members of the Transportation Committee,

I am writing to express Green Bison Soy Processing's support for your consideration with regard to BILL SB2391. This BILL would designate Stutsman County Road 62 as part of the state highway system.

In November of 2023, Green Bison Soy Processing, a joint venture between ADM and Marathon Petroleum Corp., celebrated the opening of North Dakota's first dedicated soybean processing complex in Spiritwood, taking a major step in meeting increased demand for renewable fuels. Since September of 2023, Green Bison Soy Processing has been receiving soybeans and processing those soybeans for meal and oil. This facility, which makes a major economic impact in various aspects by supporting hundreds of jobs in the region, does produce approximately 600 million pounds of refined soybean oil annually. While this facility provides a significant impact to locally based agricultural producers, it will require quality roads such as Country Road 62 to support inbound and outbound products and sustainable solutions. We believe the support of this Bill would be the appropriate next step to a more consistent and reliable form of direct truck transportation to Spiritwood and serve as a viable asset in supporting Green Bison's generational investment within the community.

We believe BILL SB2391 fits the scope as a prime candidate for your consideration to deliver quality accessible roads that will support our facility which offers lasting benefits for our area farmers and statewide growers and brings together two of the most important components of North Dakota's economy, agriculture and energy. We strongly encourage you to support this important request as safer roads and quality access will serve as essential to our processing complex.

Thank you for your consideration.

Sincerely,

Mike Keller

President

Green Bison Soy Processing



SENATE BILL NO. 2391 SENATE TRANSPORTATION COMMITTEE DAVID A. CLEMENS, CHAIR TESTIMONY IN SUPPORT OF SENATE BILL 2391.

Chairman Clemens and members of the Senate Transportation Committee. My name is Parrell Grossman, and it is my privilege to be the Legislative Director for the North Dakota Soybean Growers Association. I appear in support of Senate Bill 2391.

The Association advocates for more than 8,900 operations that raise soybeans in North Dakota. In 2024, North Dakota soybean farmers planted 6.6 million acres of soybeans, producing over 245 million bushels of soybeans.

This legislation designating Stutsman County road 62 as part of the state highway system is an important change with compelling reasons and the Association is highly supportive of this change. A huge number of soybeans and corn semi-trucks are funneled up this road to cross the interstate. The truckloads transporting products to the Green Bison soybeans crushing plant and the ethanol plant is in the dozens, and probably 90 plus truckloads per day.

The benefits of these soybean truckloads and value-added agriculture don't end with delivery to the ADM and Marathon Petroleum Green Bison plant. Green Bison also ships crushed soybean oil to the Marathon Petroleum refinery in South Heart via rail, where it is converted to renewable diesel for further benefit to the state.

Soybean farmers are very appreciative of the North Dakota legislature's huge role in increasing this value-added agriculture, among other things, via the Green Bison plant. Our friends, the corn growers, certainly must feel this same appreciation regarding the ethanol plant. The Association wants to be sure the state is doing everything possible to ensure the safety and efficiency of all the increased traffic over this road. Stutsman County certainly is doing its best to try and maintain county road 62 within its resources. However, it is time and appropriate to switch this county road to a state road. The state is better equipped to manage and maintain this heavy semi traffic on this county road.

Mr. Chairman and members of the Committee, for the reasons stated, including the other testimony in support of this Bill, the Association respectfully asks the Senate Transportation Committee to give Senate Bill 2391 a "Do Pass" recommendation.

Thank you for your consideration and I would be happy to address any questions.



Testimony in Support of Senate Bill No. 2391 Submitted by Corry Shevlin Spiritwood Energy Park Association 2/5/2025

Chairperson Chairman Clemens, members of the committee,

My name is Corry Shevlin, and I am providing this testimony on behalf of the Spiritwood Energy Park Association to express our strong support for Senate Bill No. 2391, which seeks to designate Stutsman County Road 62 as part of the state highway system.

The Spiritwood Energy Park is a vital economic driver in our region, serving as a hub for advanced energy production, value-added agriculture, and industrial development. The facilities in Spiritwood - that include Dakota Spirit AgEnergy' Ethanol Production Plant, Green Bison Soy Processors' Soybean Crush Plant and Great River Energy's Spiritwood Station - depend on efficient, reliable transportation infrastructure to ensure the smooth movement of raw materials, finished products, and workforce personnel. The designation of Stutsman County Road 62 as part of the state highway system would enhance connectivity between the facilities in Spiritwood, State Highway 46, and Interstate 94 - two major transportation corridors essential for our industry partners.

We appreciate the legislature's commitment to strengthening North Dakota's transportation network and supporting economic growth in our region and across the State of North Dakota. We urge your support for SB 2391 to ensure Spiritwood Energy Park and surrounding industries remain competitive and well-connected and most importantly Safe.

Thank you for your time and consideration.

Sincerely, Corry Shevlin, Chief Operating Officer Spiritwood Energy Park Association

2025 SENATE STANDING COMMITTEE MINUTES

Transportation Committee

Fort Totten Room, State Capitol

SB 2391 PM 2/6/2025

Relating to designating Stutsman county road 62 as part of the state highway system.

2:25 p.m. Chairman Clemens opened the hearing.

Members present: Chairman Clemens, Vice Chairwoman Cory, Senator Hogan, Senator Klein, Senator Paulson, Senator Rummel

Discussion Topics:

Procedures to qualify for additional funding

2:29 p.m. Senator Hogan moved a Do Not Pass.

2:29 p.m. Senator Paulson seconded.

Senators	Vote
Senator David A. Clemens	Υ
Senator Claire Cory	Υ
Senator Kathy Hogan	Υ
Senator Jerry Klein	Υ
Senator Bob Paulson	Υ
Senator Dean Rummel	Υ

Motion passed 6-0-0.

Senator Clemens will carry the bill.

2:30 p.m. Chairman Clemens closed the hearing.

Chance Anderson, Committee Clerk

REPORT OF STANDING COMMITTEE SB 2391 (25.1316.01000)

Module ID: s_stcomrep_21_028

Carrier: Clemens

Transportation Committee (Sen. Clemens, Chairman) recommends **DO NOT PASS** (6 YEAS, 0 NAYS, 0 ABSENT AND NOT VOTING). SB 2391 was placed on the Eleventh order on the calendar. This bill does not affect workforce development.