**Presentation by Rodney Ness, President**
**North Dakota Association of Counties**

May 1 2008 Transportation Workshop

Counties perspective

By Rodney Ness

Burleigh County Road Supt.

## <u>County Infrastructure Needs</u>

The issues with the aging county infrastructure are huge and have no doubt been discussed at length, but are worth repeating.

## <u>Roads & Bridges</u>

Counties in North Dakota maintain approximately 70% of the state's road miles and 65% of he bridges.

There are 3228 county bridges over 20' in length in North Dakota.

They are designed with an average life of 50 years.

The current cycle rate of replacement would take 122 years.

There have been 41 bridges closed in the last 2 years for safety reasons.

There are 647 Bridges with a sufficiency rating of 50 or less that are eligible for replacement.

There are 624 bridges with a sufficiency rating between 50 & 80 that are also eligible for replacement.

There have been only 20 bridges replaced in the last 2 years.

The NDDOT Local Roads Division is now only able to assist with funding for about 15 bridges per year, down from 25 just a few years ago as the dollars are not going as far as they did due to staggering inflation.

It is taking smaller counties as long as 3 years to build up enough money to do a single project.

## Maintaining the Current Infrastructure

More counties are turning to more of a preservation mode due to lack of funding. Improving infrastructure isn't even an option for many of the smaller counties.

One western ND County actually laid- off 2 full time employees to save money to buy fuel for winter plowing if needed or to pay for gravel crushing in the spring. 2 years ago the money budgeted for gravel crushing would buy approximately 40,000 cubic yards of gravel. This years bid would only allow 20,000 cubic yards.

North Dakota Counties have really been fortunate and dodged a bullet for several years now with fairly mild winters. Even though there have been areas of the state that seem to get hit with every storm, we have been spared from another winter like 96-97.

As a point of interest Burleigh County consumed approximately 99,500 gallons of fuel from Oct 1996 to April of 1997 (the current record year for snowfall) At the Jan 1997 price of $1.29 per gallon that would equate to $128,355. At the current 2008 price of $4.20 per gallon it would equate to $417,900. This does not include the hired contractors that were pushing snow too. The sad reality of this is when it melts in the spring there is absolutely nothing to show for that kind of expenditure. This scenario would break several county budgets with today's staggering costs.

**Funding Options**

Direct 100% of the excise tax into the highway distribution fund. Estimates are that this amount could be as much as 130 to 140 million dollars over the next biennium. By directing it to the HDF every recipient of the HDF would get a piece of the pie. The general fund could remain very healthy by using the projected surplus to fund the difference.

Most counties have not adjusted their mill levies in years. In the last 3-4 years and depending on the type of construction expense, inflation has increased anywhere from 50%- 150% and more. Counties may be faced with the unpopular task of making these types of adjustments.

There needs to be some type of tool for inflationary adjustment of the motor fuels taxing program. Revenues are mostly flat and going down from less driving due to the high costs of motor fuels and better vehicle efficiencies. Our purchasing power has been cut in half.

As an example of a local effort to increase revenues, one county in North Dakota is putting a controversial proposal to the vote of the people in June to place 35 mills on rural agricultural land, based on current valuations, with the maximum dollars capped at $650,000, plus a one cent county wide sales tax earmarked strictly for county roads with a sunset in 10 years. The proposal is tied to a multi-year road plan. This idea met heavy opposition when discussed initially, but based on an AG opinion, because Stutsman County is a Home Rule County, they have the power to target the rural ag land for rural road needs. It will be very interesting to see how this works out for them and if anybody is interested in the details and the outcome of this attempt, contact Mike Zimmerman Road Supt at Stutsman County in Jamestown.

We all know that the public is tired of increased taxes and the move to reduce them. As a general rule, the motoring public is uninformed and/or uneducated as to how roads and bridges are funded. All too often I answer complaints from citizens about "their" road and nearly every time I hear the same thing over and over again … "I pay my property taxes and I am entitled too and deserve a better road. It is very tempting to launch into a lengthy explanation of exactly how most roads are funded, but this is not what they want to hear, they just want their road fixed. The fact of the matter is that most really do not know. In order for us to be successful at increasing our revenue streams that fund roads and bridges, the public must be educated in the process. They must be shown how our current revenues have remained flat and are declining, how our infrastructure is aging and deteriorating, that there is no automatic adjustment for inflation, how our purchasing power for the same dollar just a few short years ago has been cut I half, and that it is not the motor fuels tax that makes gas so high, it is the price of the gas. The general public spends more money on expensive coffee's, soda pop, cell phones, and many other unnecessary items, than they do on funding the roads that they all need and want to drive on. They need to be educated with the issues so that they can make an educated decision on how they want to fund the roads that they drive on.

## In Closing

North Dakota is sitting on potentially one of the biggest economic booms in its history. North Dakota needs its roads and bridges to be competitive in the world markets of the 21 century. Our states economy is largely based on agriculture and energy production. Nearly every aspect of these industries starts out on a local county or township road. Without adequate funding this system will continue to deteriorate to the point that it will eventually effect, personal livelihoods, business's, and the state economy unless we take corrective measures now.