

Approved 1-24-91
Date

MINUTES OF THE SENATE COMMITTEE ON TRANSPORTATION AND UTILITIES

The meeting was called to order by Sen. Bill Morris at
Chairperson

9:02 a.m./~~p.m.~~ on January 23, 1991 in room 254-E of the Capitol.

All members were present except: Sen. Vidricksen who was attending another committee meeting.

Committee staff present:

Ben Barrett, Legislative Research Department
Hank Avila, Legislative Research Department
Bruce Kinzie, Revisor of Statutes
Louise Cunningham, Committee Secretary

Conferees appearing before the committee:

Arland Hicks, Acting Secretary, Kansas Department of Transportation.

Chairman Bill Morris welcomed the committee back for the new session and said Sen. Bill Brady was the new Ranking Minority on the committee. He introduced the new Acting Secretary, Arland Hicks, to the committee. Secretary Hicks introduced Ken Stodgell, who is the new Legislative Liaison for KDOT.

Secretary Hicks gave a report on the status of the comprehensive highway program and the progress to date. He said the Department was continuing to carry out its five year plan as announced and were expecting to announce an update in June. He said we are matching all the federal funds that we can get. No bonds have been sold yet. He said he did not know what effect the Persian Gulf War would have on the program. There was to be a major letting at the time the hostilities started and the price of oil sky-rocketed so the decision was made to postpone that letting. They are going to relet on February 18th. A copy of his statement is attached. (Attachment 1).

The Secretary responded to questions from the committee. He said he knew there had been complaints about some of the recycling projects and some bad decisions had been made. He said he would get a list of all recycled projects and would show the successes and failures.

The Secretary was asked about the amount that had been spent already on the program and what will be announced in June. The Secretary said he would get the information to the committee in about 10 days.

There was some discussion on the sale of the bonds and the committee wanted to be sure the funding would be provided to the highway system and not to Wall St. The Secretary said the Governor has been involved in the bond market and has great interest in this. She would be his No. 1 oversight. He said he would share developments as they progressed.

The Chairman expressed his appreciation for the Governor's strong support of the highway program.

Meeting was adjourned at 10:00 a.m. Next meeting January 24 at 9:02 a.m.

PRESENTATION TO
SENATE & HOUSE TRANSPORTATION COMMITTEES
JANUARY 23,1991
BY ACTING SECRETARY ARLAND HICKS

GOOD MORNING!

THANK YOU FOR ALLOWING ME TO INTRODUCE MYSELF TO YOU AND TO DISCUSS THE KANSAS DEPARTMENT OF TRANSPORTATION

AT THE RISK OF BEING REPETITIVE I WANT TO TAKE YOU BACK TO 1989 AND THE ENACTMENT OF THE COMPREHENSIVE HIGHWAY PROGRAM

H.B. 2014 WAS ESTABLISHED TO ALLOW KANSAS TO PROTECT ITS INVESTMENT IN THE STATE HIGHWAY SYSTEM BY MAINTAINING RIDING SURFACES AT AN ADEQUATE LEVEL OF SERVICE, RECONSTRUCTING MAJOR PORTIONS OF THE HIGHWAY SYSTEM, AND MAKING SELECTED IMPROVEMENTS TO MEET NEEDS FOR TRAFFIC, SAFETY, AND ECONOMIC DEVELOPMENT.

THEREFORE, WITH THE HELP OF THIS COMMITTEE, MANY OTHER LEGISLATORS AND THE KDOT STAFF, H.B. 2014... THE COMPREHENSIVE HIGHWAY PROGRAM OF \$2.65 BILLION DOLLARS IN NEW REVENUE ... LOOKED LIKE THIS IN MAY OF 1989 WHEN GOVERNOR HAYDEN SIGNED IT INTO LAW:

1. SUBSTANTIAL MAINTENANCE: SUFFICIENT TO ARREST AND REVERSE THE DECLINE IN THE SURFACE CONDITION OF HIGHWAYS AND BRIDGES;

2. MAJOR MODIFICATIONS: SUFFICIENT TO ADDRESS THE TOP 16 PERCENT OF EXISTING STATE HIGHWAY SYSTEM NEEDS;

3. PRIORITY BRIDGES: INCREASE PROJECTS BY 20 PERCENT FOR REHABILITATION OR REPLACEMENT;

4. SYSTEM ENHANCEMENTS: \$600 MILLION TO PROVIDE FOR A LIMITED NUMBER OF PROJECTS TO IMPROVE SAFETY, RELIEVE CONGESTION, IMPROVE ACCESS, OR ENHANCE ECONOMIC DEVELOPMENT;

IN ADDITION TO THE FOUR CATEGORIES ABOVE H.B. 2014 INCLUDED:

SPECIAL CITY AND COUNTY FUND: AN INCREASE IN SUPPORT TO LOCAL GOVERNMENTS THROUGH BOTH AN APPROXIMATE 54 PERCENT INCREASE IN THE SPECIAL CITY AND COUNTY HIGHWAY FUND AND AN INCREASE IN THE CITY CONNECTING LINK PAYMENTS AND;

LOCAL AID: A LIMITED AMOUNT OF DEDICATED STATE FUNDS TO IMPROVE THE MOBILITY OF ELDERLY AND HANDICAPPED CITIZENS (APPROXIMATELY \$390,000 ANNUALLY)

IN ADDITION TO THESE OBJECTIVES, THE COMPREHENSIVE HIGHWAY PROGRAM WILL MAXIMIZE THE STATE'S USE OF FUNDS AVAILABLE FROM THE FEDERAL GOVERNMENT AND INCREASE THE STATE'S PARTICIPATION IN PARTNERSHIPS WITH THE CITIES AND COUNTIES.

AT LEAST \$2.5 MILLION WILL BE EXPENDED IN EACH COUNTY AND PREVAILING WAGES WILL BE PAID ON ALL PROJECTS.

THE NEW SOURCES OF INCOME:

MOTOR FUEL TAX - \$444 MILLION - 7 CENT INCREASE PHASED IN OVER FOUR YEARS

REGISTRATION FEES - \$227 MILLION INCREASED ON CARS AND TRUCKS

SALES TAX TRANSFER ON NEW AND USED AUTO SALES REPRESENTS - \$223 MILLION TRANSFER INCREASED 6.5% TO 10%

SALES TAX INCREASE - \$747 MILLION - 1/4 CENT INCREASE IN SALES TAX

BOND SALES - \$890 MILLION

INTEREST ON FUNDS - \$88 MILLION

TODAY, I'M PLEASED TO SHARE WITH YOU THE COMPREHENSIVE HIGHWAY PROGRAM'S PROGRESS TO DATE.

1. SUBSTANTIAL MAINTENANCE: THESE PROJECTS ARE SELECTED ONE YEAR AT A TIME. THE FY 90 PROJECTS WERE ANNOUNCED IN JANUARY OF 90 AND THE FY 91

PROJECTS IN JUNE OF 91. THE TWO YEARS OF COMBINED WILL REPAIR OR RESURFACE AN ESTIMATED 2,853 MILES OF ROADWAY AND WILL MAKE MINOR REPAIRS OR PAINT APPROXIMATELY 148 BRIDGES.

2. MAJOR MODIFICATION: PROJECTS FOR THE FIRST FIVE YEARS OF THE COMPREHENSIVE HIGHWAY PROGRAM (FY1990-94) WERE ANNOUNCED IN JANUARY OF 1990. IN JUNE THE SIXTH YEAR OF PROJECTS (FY1995) WAS ADDED. THESE SIX YEARS OF PROJECTS WILL IMPROVE AN ESTIMATED 1,317 MILES OF ROADWAY AND OVER 456 BRIDGES. THE WORK THAT HAD BEEN PLACED UNDER CONTRACT BY THE END OF FY90 WILL IMPROVE 347 MILES OF ROADWAY AND 132 ASSOCIATED BRIDGES.

ALSO "FAST TRACK PROJECTS" - THESE PROJECTS REDUCE PEAK LOAD AND ALLOW THE PUBLIC TO BENEFIT SOONER AND THEY REDUCE COST. A TOTAL OF 398 MILES OF ROADWAY WITH A CONSTRUCTION COST OF \$118 MILLION HAS BEEN ADVANCED FOR CONSTRUCTION IN THE FY'S 90, 91 AND 92. THE DEPARTMENT HAS MADE A CONCERTED EFFORT TO ACCELERATE CONSTRUCTION PROJECTS.

SEK CORRIDOR - JUST THIS MONTH KDOT ANNOUNCED THE LOCATION AND ROAD TYPE FOR THIS CORRIDOR. THE LOCATION WILL BE FROM WICHITA THROUGH SOUTHEAST KANSAS TO CONNECT WITH I-44 IN OKLAHOMA. THE INITIAL CONSTRUCTION WILL BE 2 ON 4.

PRIORITY BRIDGES: THIRTY-ONE BRIDGES WERE UNDER CONTRACT TO BE REHABILITATED OR REPLACED BY THE END OF FY1990. ANOTHER 124 BRIDGE PROJECTS WERE ANNOUNCED IN JUNE OF 1990 TO BE LET TO CONTRACT DURING FY 1991-1995.

SYSTEM ENHANCEMENTS: THE THREE PROJECT CATEGORIES THAT FIT THE DESCRIPTION FOR SYSTEM ENHANCEMENT PROJECTS ARE: CORRIDORS, INTERCHANGES AND SEPARATIONS, AND BYPASSES. IN JUNE OF 1990, THE SELECTED PROJECTS ANNOUNCED WERE:

18 CORRIDORS AT \$500 MILLION

7 BYPASSES AT \$270 MILLION

8 INTERCHANGE AND SEPARATIONS AT \$134 MILLION

FOR A TOTAL OF 33 PROJECTS. NOTE: ORIGINALLY 34, SINCE THE ANNOUNCEMENT ONE HAS BEEN DROPPED.

AN ESTIMATED \$201 MILLION OF LOCAL FUNDS WILL BE COMMITTED ALONG WITH STATE FUNDS.

THE DEPARTMENT CONTINUES TO CARRY OUT ITS FIVE YEAR PLAN AS ANNOUNCED. IN JUNE WE WILL ANNOUNCE AN UPDATE OF THE PLAN REFERRED TO AS 1992-1996.

ADDITIONAL MILES OF MAJOR MODIFICATION AND ADDITIONAL BRIDGES WILL BE ANNOUNCED AT THAT TIME ALONG WITH THE FY 1992 SUBSTANTIAL MAINTENANCE WORK. WITH THE ADDITIONAL WORK TO BE ANNOUNCED FOR FY 1996 AND FY 1997, WE EXPECT TO REACH OUR GOAL OF 1600 MILES.

AS FOR THE FUTURE OF THE KANSAS DEPARTMENT OF TRANSPORTATION AND THE COMPREHENSIVE HIGHWAY PROGRAM UNDER OUR NEW GOVERNOR, JOAN FINNEY, YOU HEARD IN HER LEGISLATIVE MESSAGE OF YESTERDAY, AND I QUOTE:

"I PROPOSE TO CONTINUE THE AMBITIOUS HIGHWAY DEVELOPMENT PROGRAM WE EMBARKED UPON LAST YEAR," STATED GOVERNOR FINNEY.

THIS WAS EXCERPTED FROM HER REMARKS AS ONE OF HER FOUR PRIORITIES.

AS ACTING SECRETARY OF TRANSPORTATION I INTEND TO CONTINUE TO PROVIDE THE STATE WITH THE SAME PRODUCTIVITY AND EFFECTIVENESS AT KDOT THAT HAS BEEN EXHIBITED IN THE PAST WITH THE COMPREHENSIVE HIGHWAY PROGRAM. I ASK YOU FOR YOUR HELP AND PROMISE TO PROVIDE THIS COMMITTEE WITH WHATEVER INFORMATION IT NEEDS TO HELP ME, KDOT AND THE PEOPLE OF KANSAS ENSURE THIS COMPREHENSIVE HIGHWAY PROGRAM AND ITS BEING BUILT.

I ALSO WANT TO DISCUSS THE FACT THAT FUNDS ARE STILL ADEQUATE TO FINANCE THE AGENCY OPERATIONS AND ALL PROGRAM COMPONENTS THROUGH FY 1997. CONSTRUCTION CONTRACTS LET IN FISCAL YEARS 1997 ARE EXPECTED TO BE COMPLETED AND PAID FOR BY THE END OF FY 2000. ALTHOUGH THE REVENUE SOURCES CONTINUE AFTER FY 1997, THEY ARE NOT ADEQUATE TO ADDRESS THE FUNDING NEEDS OF THE TRANSPORTATION SYSTEM AFTER THAT DATE. AT SOME POINT, CONSIDERATION WILL HAVE TO BE GIVEN TO EITHER PROVIDING ADDITIONAL REVENUE OR REDUCING THE LEVEL OF SERVICE PROVIDED.

DISCUSSION OF PROPOSED LEGISLATION FOR THE 1991 LEGISLATIVE SESSION.