

MINUTES OF THE SENATE TRANSPORTATION COMMITTEE.

The meeting was called to order by Chairperson Senator Les Donovan at 8:30 a.m. on January 28, 2003 in Room 245-N of the Capitol.

All members were present except:

Committee staff present: Hank Avila, Legislative Research Department
Bruce Kinzie, Revisor of Statutes
Marian F. Holeman, Committee Secretary

Conferees appearing before the committee: Deb Miller, Secretary, KS Dept. Of Transportation (KDOT)

Others attending: See attached list

Briefing: Ks. Department of Transportation Secretary, Deb Miller

Chairman Donovan introduced newly appointed Secretary, Deb Miller. Ms. Miller has met with as many members of this Committee as time and schedules permitted. She will be meeting with the rest as soon as appointments can be arranged. Ms. Miller made a few introductory comments, provided some information about herself, and explained current philosophy of the Department while looking at the present financial situation (Attachment 1). She will also be presenting a program to the House Transportation Committee this afternoon,. Because the House has so many new members that presentation will be more of an introduction to KDOT, how it is organized, and how the Comprehensive Transportation Program was put together. If you would like copies of that presentation please call the Kansas Department of Transportation office.

Later this week KDOT will be sending members a copy of what has been called the "Red Map" and a list of systems enhancement projects. She reminded members the Comprehensive Transportation Program is really an umbrella term covering all of the Department's activities including paying salaries, keeping lights on, plowing snow, public transportation issues, airports, etc. as well as construction. KDOT cannot take a cut without having an impact on the Program. She believes we can maintain the commitments already made to announced and designated projects for Kansas communities. Local communities are reeling from the present cuts and some have withdrawn from systems enhancement projects. They simply do not have the resources to provide local matching funds. However, it is a fact that the CTP has a great economic impact and the state needs this economic stimulus. While the Department believes it can deal with this year's cuts in funding they cannot maintain this level of reductions and still not cut into the core of the program. This will further threaten the agency's ability to protect the traveling public, fulfill its mission, and maintain credibility.

Members asked several questions, most often related to specific projects in their districts. They briefly touched on the subject of possible alternative sources of funding. It was suggested that perhaps a search could be made for dedicated sources of funding rather than funding from demand transfer. As initially developed the Comprehensive Transportation Program would create 53,000 good paying jobs, adding significantly to the economic development in the State.

Approval of minutes

Senator Salmans moved to approve minutes of the January 22, 2003 meeting. Senator Schodorf seconded the motion. Motion carried.

The meeting adjourned at 9:30 a.m.

Next meeting will be a presentation by the Kansas Motor Carriers Association on February 4, 2003.

**SENATE TRANSPORTATION COMMITTEE
GUEST LIST**

DATE: JANUARY 28, 2003

NAME	REPRESENTING
Bill Watts	KDOT
Reed Davis	KDOT
Carlton Young	L.U. Laborers 1290
Mark Widiffer	L.U. Laborers 1290
Rick Greeno	L.U. LABORERS' 1290
Scott Heidner	KS Consulting Engineers
Patrick Husley	Economic Solutions
Deb Miller	KDOT
Nancy Bogina	KDOT
JOHN D. BOTTENBERG	3M
Warren & Suk	K.P.O.T.
Kevin Bazzone	Hess Law Firm
Jim McHoy	KS AFL-CIO
Aarin Dunkel	DOB
TOM PALACE	PMCA OF KANSAS
Tom Whitaker	KS MOTOR CARRIAGES ASSN
John FRATHER	GreenDyke Transport
Bob Totten	KS Contractors Association
Woody Jones	KS. Paved Pav. Assn.
Brad Burke	Hunting by Area

The Kansas Department of Transportation (KDOT)

Briefing

To the Senate Transportation
Committee

January 28, 2003

Deb Miller, Secretary of
Transportation

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SENATE TRANSPORTATION
— COMMITTEE -DATE: 01-28-03 —
ATTACHMENT: 1

Good morning. My name is Deb Miller and I have been nominated by Governor Sebelius to be Kansas Secretary of Transportation. This morning I would like to briefly discuss my background and my overall approach to handling the Comprehensive Transportation Program (CTP) and to stand for your questions.

I came to the Kansas Department of Transportation (KDOT) after four years with HNTB, a nationwide firm of architects, engineers, and planners. As Chief Planner for HNTB, I provided strategic planning and public communication assistance to state Departments of Transportation and municipalities. Both the Kansas Department of Transportation and the Missouri Department of Transportation were among my clients.

I am not a stranger to KDOT. From 1986 to 1997, I was the Director of the Division of Planning and Development. During that time, I helped develop and oversee the Comprehensive Highway Program (CHP).

Before becoming a Division Director, I served as Special Assistant to Secretary of Transportation Kemp from 1984 to 1986.

From 1981 to 1984, I was a policy assistant to Governor John Carlin.

In 1998, while at HNTB, I worked with the Transportation 2000 study group and helped develop its final report, which played a key role in the debate over passage of our current Kansas transportation program, the ten-year Comprehensive Transportation Program (CTP).

This program is facing some major challenges at this point. Governor Sebelius has recommended a budget that would cut about \$260 million from CTP funding. While we won't know the actual impact to funding until the legislative session ends, I have conveyed to KDOT staff my philosophy on handling any cuts that we may face.

I firmly believe it is vitally important to keep the commitments made to local communities when the CTP was passed in 1999, which I consider to be the projects on the 'red map' and the System Enhancements. To me, those commitments are the core of the CTP.

I have asked staff to look at ways to meet the proposed cuts without eliminating any of those core projects. This means:

- looking at all of the agency's activities for improved efficiency,
- revisiting assumptions we use in our cash-flow projections,
- possibly extending the program one or two years,
- possibly cutting funds not yet assigned to specific projects,

- possibly reducing project scopes, and
- implementing the Transportation Revolving Fund with less capitalization.

Our first consideration in all of these decisions must be the safety of the traveling public. We must also consider what best preserves and protects the state's multibillion dollar investment in its infrastructure and to be mindful of the economic stimulus that projects provide. The last thing we want to do during a down economy is cancel projects that create good jobs and help communities with economic development.

It is too soon in our analysis to offer you estimates of the savings that any of these measures may achieve. However, I will tell you that there is a consensus among the staff that we can successfully use this approach to handle the cuts recommended by the Governor.

While this approach will help preserve the core of the CTP, please make no mistake-any reduction is a cut that will affect somebody. Every dollar deducted from the CTP diminishes the number and type of safety and economic improvement that can be made.

I also need to make it clear that many of the solutions we will be looking at offer temporary or "one-time" savings. We believe they will get us through the recommended cuts and allow KDOT to be a helpful partner in handling the statewide budget problem. But the CTP will be unable to handle further reductions in funding without making substantial cuts into the core of the program or without further threatening the state's investment in its transportation infrastructure.

My goal is for KDOT to emerge from this session as an agency that has maintained its credibility, continued to fulfill its mission, and kept faith with its employees and the traveling public. I look forward to working with you in the months ahead to achieve that goal.

I would now gladly stand for questions.