

MINUTES OF THE HOUSE TRANSPORTATION COMMITTEE.

The meeting was called to order by Chairperson Gary Hayzlett at 1:30 p..m. on March 19, 2003 in Room 519-S of the Capitol.

All members were present except:

Representative Barbara Ballard
Representative John Ballou
Representative Carol Beggs
Representative Jerry Henry
Representative Bruce Larkin

Committee staff present:

Hank Avila, Legislative Research Dept.
Mary Galligan, Legislative Research Dept.
Betty Boaz, Committee Secretary

Conferees appearing before the committee:

Glenn Coulter, Kansas Good Roads Association
Don Moler, League of Kansas Municipalities
George Barbee, Kansas Consulting Engineers
Walter Wulf, Jr., Monarch Cement Company
Steve Sloan, Midwest Minerals Inc.
Fred Berry, Economic Lifelines
Dan Koenig, Overland Park Chamber of Commerce
Eric Sartorius, City of Overland Park
John Rosacker, KDOT Rail Division
Warren Porter, Winfield City Manager
Blake Schreck, President of Lenexa Chamber of Commerce

Others attending:

See attached list

Chairman Hayzlett called the meeting to order. Most of the conferees are members of Economic Lifelines and are here to discuss the importance of maintaining the Comprehensive Transportation Plan.

The Chairman introduced Glenn Coulter, Executive Director, Kansas Good Roads Association. According to Mr. Coulter the highway construction industry was in the midst of a deep recession with many of the members being forced to search for work in other states. (Attachment 1) Then in 1989 the KS Legislature passed one of the very finest transportation programs of any state. Because of this program, the highway industry was able to retain and employ literally thousands of men and women with excellent paying jobs. He further stated that this program is credited with saving Kansas from a recession which many states experienced. He concluded by saying they absolutely can not afford to allow the state to return to te same conditions which they faced in the 1980's and that Kansas depends upon a vital and comprehensive system of transportation for economic growth and job creation.

CONTINUATION SHEET

MINUTES OF THE HOUSE TRANSPORTATION COMMITTEE at on March 19, 2003 in Room 519-S of the Capitol.

The next conferee was Don Moler, Executive Director of the League of Kansas Municipalities. (Attachment 2) Mr. Moler said the League is fully committed to the Comprehensive Transportation Program and believe it should be adequately funded to assure that all of the projects contemplated by the original program are funded and completed in a timely fashion. He said the removal of adequate funding of this program or the extension of the program to such an extent that it is unrecognizable will thwart the planning that went into the initial CTP. Mr. Moler said they are very concerned that this program will continue to be viewed as a funding mechanism for other portions of the state budget.

The third conferee was George Barbee, Executive Director of the Kansas Consulting Engineers. (Attachment 3) Mr. Barbee reminded the Committee of several important points relative to the CTP such as the 1989 program provided over 117,820 full-time jobs and for each dollar spent on highway construction, \$2.55 is returned in economic impact. According to Mr. Barbee, today the roads are deteriorating. The life cycle of any road, bridge, or highway has a terminal useful life. As the system is used, it wears out and it suffers from freeze-thaw cycles. He concluded by stating if demand transfer funds continue to be diverted, we will be approximately \$1.3 billion short of completion of the planned and approved program, causing a loss of approximately 56,000 jobs.

Chairman Hayzlett then introduced Woody Moses who in turn introduced Steve Sloan and Walter Wulf.

Steve Sloan, President, Midwest Minerals, Inc. was the next speaker. (Attachment 4) He said government business including KDOT, is a substantial percentage of revenue for an aggregate producer. Their company and their associations, with over 250 member companies, are highly dependent on the successful completion of the CTP. He stated the CTP stabilizes and stimulates the state's economy during all times but especially during difficult economic times. He also stated that the completion of the CTP will save lives and provide a higher level of public safety. Mr. Sloan said for these and many other reasons, they urge the Committee to keep the CTP solvent by opposing any attempt to remove any further funds from the program and by taking action to replace those already lost.

The next speaker was Walter Wulf Jr., President and Chairman of the Board of the Monarch Cement Company. (Attachment 5) Mr. Wulf gave a little background about their industry's past. He said continuation of the CTP is important to Monarch because approximately 10% of their annual production has gone into Kansas highway projects since the programs' inception. To keep up with demands they embarked on an expansion program which will ultimately increase their production 35 to 40%. Mr. Wulf said, in summary, that the CTP is important to Monarch not only as a market for their product but as a means to get their product to market and it is important to the state because the dollars it spends stay in the state providing jobs and income resulting in revenue.

Fred Berry, Co-Chairman of Economic Lifelines spoke next. He discussed the long-term effect the CTP has on the economy. He said the legislators, KDOT, the Committee and their Association can not afford to lose credibility and indicated Missouri was a prime example. He said they would have to be creative and courageous. He said Economic Lifelines think they can help and would certainly be willing to help. He said they have some ideas they will be presenting to the Committee.

The next speaker was Dan Koenig, President of the Overland Park Chamber of Commerce, who spoke in

CONTINUATION SHEET

MINUTES OF THE HOUSE TRANSPORTATION COMMITTEE at on March 19, 2003 in Room 519-S of the Capitol.

support of the 1999 Comprehensive Transportation Program. (Attachment 6) Mr. Koenig told the Committee that the Transportation Enhancement Projects scheduled for Johnson County will greatly affect the core economic development activity in Overland Park, Johnson County and the State of Kansas. He reported statistics on the number of vehicles estimated to use their roads, the population growth, the job growth, earnings growth and the tax base growth in Johnson County. He concluded by saying that based on these indicators and projected economic growth trends and patterns, improvements to Overland Park's transportation system are needed and justified.

Eric Sartorius, Legislative Consultant for the City of Overland Park spoke mainly in support of the System Enhancement Projects even though they strongly support the Major Modifications Programs. (Attachment 7) Mr. Sartorius said their success in attracting new businesses and residents has placed increasing pressure on their infrastructure, particularly their transportation systems. He concluded that the City of Overland Park has invested time, money and other resources as a partner with the Kansas Department of Transportation to complete the construction of the System Enhancement Projects located within the City and not completing these projects would leave the citizens of Overland Park with the expenses noted but no improvements to the safety and capacity of its transportation system.

The next speaker was John Jay Rosacker, Assistant Bureau Chief of the Bureau of Transportation Planning for the Kansas Department of Transportation. He was there to update the Committee on the status of the state's rail program since the passage of the CTP. (Attachment 8) According to Mr. Rosacker the rail component of the CTP has been a resounding success. With state funding KDOT has had the flexibility to meet the needs of Kansas grain shippers by maintaining the short-line rail system. He said that even though the CTP has been successful, the short-line railroads are facing the major problem of not being able to handle the 286,000 capacity cars and if the issue is not addressed it is inevitable that additional rail lines will be abandoned in Kansas. Mr. Rosacker said if abandonments occur, more and more grain haulage will be shifted to trucks causing increased damage to highways and bridges.

Warren Porter, City Manager for the City of Winfield was the next speaker. According to Mr. Porter, the City of Winfield partnered with the State during the 1989 program for the construction of the Southeast Quadrant of the K-360 bypass, which connects US 77 and Highway 160. Since that time several major international corporations have located in Winfield and enjoyed the benefits of the new highway. He said the State and the City of Winfield have partnered on other projects such as KLINK and maintaining bridges and reworking railway crossings. He asked that the Committee continue the partnership.

The last speaker was Blake Schreck, President of the Lenexa Chamber of Commerce. (Attachment 10) He said the Chamber would like to express its strong support for maintenance and full funding of the CTP that was approved by the Legislature in 1999. This includes reconfiguring 87th Street at Interstate 35 in Johnson County. He said the Chamber fully appreciates the serious nature of the budgetary crisis, however, they feel strongly that maintaining transportation spending will provide important long-term economic benefits at the state and local levels that justify continued investment in this program.

There being no additional speakers, Chairman Hayzlett adjourned the meeting. The next meeting will be March 20, 2003.

CONTINUATION SHEET

MINUTES OF THE HOUSE TRANSPORTATION COMMITTEE at on March 19, 2003 in Room 519-S of the Capitol.