## MINUTES

# JOINT LEGISLATIVE TRANSPORTATION VISION TASK FORCE

### September 20, 2018 Pittsburg State University Overman Student Center—Ballroom A 302 E. Cleveland Avenue, Pittsburg, KS

### **Members Present**

Representative Richard Proehl, Co-chairperson Senator Rick Billinger Senator Dan Goddard (substituting for Senator Carolyn McGinn) Senator Tom Hawk Senator Mike Petersen Senator Pat Pettey Senator John Skubal Representative J. R. Claeys **Representative Shannon Francis** Representative Henry Helgerson Representative Adam Lusker Representative Troy Waymaster Jim Allen Matt Allen Mary Birch Richard Carlson Jon Daveline Max Dibble Chad Girard Steve Hewitt Mike King Kenzil Lynn Alise Martiny Jackie McClaskey Cameron McGown **Donald Roberts** Andy Sanchez Steve Sloan Kip Spray Bridgette Williams Sam Williams Jerry Younger

### **Members Absent**

Mike Brown Lindsey Douglas Ty Dragoo

# **Staff Present**

Jill Shelley, Kansas Legislative Research Department Aaron Klaassen, Kansas Legislative Research Department Whitney Howard, Kansas Legislative Research Department Katelin Neikirk, Kansas Legislative Research Department Chris Waggoner, Office of Revisor of Statutes Lea Gerard, Committee Assistant

# Conferees

Julie Lorenz, Burns & McDonnell Chris Herrick, Director of Planning and Development and Interim Chief Financial Officer, Kansas Department of Transportation (KDOT) David Schwartz, Asset Management and Performance Measures Manager, KDOT Kyle Malcom, Debt, Investment, and Forecasting Manager, KDOT Steve Hewitt, Chief Executive Officer, Kansas Turnpike Authority Craig Secrest, High Street Consulting Group Representative Monica Murnan, 3rd District Jim Zaleski, Economic Development Director, City of Parsons Representative Jim Kelly, 11th District Trisha Purdon, Chairman, US-169 Corridor Coalition, and Executive Director, Montgomery County Action Council Walter Wulf, Jr., CEO and Chairman of the Board, Monarch Cement Company Chuck Shively, Public Works Director, City of Coffeyville Christopher Weiner, City Manager, City of Garnett John Wyrick, Superintendent, USD 506 Labette County Shari Kaminska, Commissioner, Elk County Ken Brock, Chairman, Highway 69 Association David Martin, City Manager, City of Fort Scott Dustin Gardner, Managing Partner, Briggs Auto Group Lissa Rhodes, Arma Economic Development Linda Grilz, Mayor, City of Frontenac Daron Hall, City Manager, City of Pittsburg Jay Byers, Deputy City Manager, City of Pittsburg Shawn Naccarato, Chief Strategy Officer, Pittsburg State University Kevin Mitchelson, Attorney, Wheeler & Mitchelson, Chartered Lori Ann Spachek, State Farm Insurance Steve McGavran, McGavran Financial Group Al Patel, Manager, Pitt Discount Liquor Jeff McKain, Assistant General Manager, Kansas Crossing Casino and Hotel Jim Emerson, Commissioner, Crawford County Janet Miller, Director, Cherokee County Economic Development Corporation Curt Brumbaugh, Private Citizen, Pittsburg Lynn Grant, Private Citizen, Frontenac Blake Benson, President, Pittsburg Area Chamber of Commerce Jim Beason, Policy Chair, Chautaugua County Farm Bureau Association Richard Newby, Sheriff, Chautaugua County Rodney Shaw, Commissioner, Chautaugua County Edward DeSoignie, Interim Director, Economic Lifelines Pat Cedeno, Senior Vice President of Network Relations, Watco Transportation Services Kenneth Combes, Commissioner, Coffey County M. Wayne Blackbourn, County Engineer, Coffey County

R.E. "Tuck" Duncan, Executive Director, Kansas Public Transit Association Fred Gress, City Administrator, City of Caney Jeff Fischer, Commissioner, Bourbon County

## **Others Attending**

See Attached List.

#### **Morning Session**

#### Welcome

Co-chairperson Proehl called the meeting to order at 10:00 a.m. and welcomed the Joint Legislative Transportation Vision Task Force (Task Force) members and guests (<u>Attachment 1</u>). He thanked Watco Companies for the reception that was held for the Task Force members September 19 at the Frisco Event Center in Pittsburg. He noted more than 125 people attended the September 12 Task Force meeting in Wyandotte County, where the Task Force heard about demographic and economic trends and impacts and the state's aviation, transit, bicycle, and pedestrian programs. He stated the Task Force would hear presentations on transportation funding and finance; and hear public testimony.

### **Overview of Today's Discussion Topics**

Julie Lorenz, Burns & McDonnell, summarized information from the September 12 Task Force meeting in Wyandotte County and stated communities rely on the opportunities and economic impact provided by transportation investments (<u>Attachment 2</u>). She remarked Overstock.com has chosen a building in Wyandotte County as its newest distribution center; it is expected to create more than 100 jobs.

Ms. Lorenz noted the Task Force would hear information about project needs, funding, and finance; hear from the Kansas Turnpike Authority (KTA) to learn about emerging trends in tolling; and learn about the system conditions, funding, and financing of other states. She stated the previous Task Force meetings centered around the existing transportation system, but future meetings would consider what a new transportation program would look like in Kansas.

Ms. Lorenz provided information on how the Transportation Works for Kansas (T-Works) program was created. She noted the program included motor fuel tax as the stable source of funding and included new sources of funding and financing, including a four-tenths of a cent sales tax, an increase in heavy truck registration fees, a \$4 vehicle registration surcharge, and the 18.0 percent bonding cap. She noted the vehicle registration surcharge was not a protected source of funding and the 18.0 percent bonding cap provided a way to address emerging or economic development needs. She noted these sources remain in effect today and will continue on after 2020. She commented sales tax is a stable source of funding, but a budget challenge exists when the sales tax is transferred from the State Highway Fund (SHF) to the State General Fund. She stated the foundation of a new transportation program would be ongoing stable funding sources, such as motor fuels tax and sales tax, but other potential funding sources could include congestion pricing and tolling.

Ms. Lorenz stated Task Force members should bring their laptops to the Newton meeting to use the transportation calculator. She noted the calculator would allow Task Force members to consider revenue, expenditures, performance levels, and trade-offs. She also noted Task Force members have been provided with worksheets so members can address problem statements and goals (<u>Attachment 3</u>).

Responding to a question, Ms. Lorenz noted six states have taken measures in recent years to protect transportation funding.

### Projected Needs, Funding, and Financing – Kansas Approach

Chris Herrick, Director of Planning and Development and Interim Chief Financial Officer, Kansas Department of Transportation (KDOT), provided an overview of state and federal funding, Kansas debt, and the funds shared with local partners (<u>Attachment 4</u>). He also provided information on the three investment scenarios that will be used in the calculator for the upcoming Task Force meeting.

Mr. Herrick noted transportation funding mechanisms are revenue or cash-generating and include such options as motor fuel tax, permit fees, and toll revenues. He noted transportation financing mechanisms are those that are financed through debt, such as bonds, bank loans, and the federal Transportation Infrastructure Finance and Innovation Act credit program. He remarked the funding that flows into the SHF include federal funds; motor fuel tax; registration, license, permit, and other vehicle-related fees; bond proceeds; local funds; and sales tax. He noted all are protected either constitutionally or statutorily for transportation and, because sales tax is not constitutionally protected revenue, it can be transferred from the SHF. He stated one-third of motor fuel tax is allocated to the Special City and County Highway Fund (SCCHF), while two-thirds is allocated to the SHF. He noted the last motor fuel tax change or allocation change between the SCCHF and SHF was effective in July 2003. He also stated KDOT anticipated \$105.0 million in revenue transfers each year, but the actual revenue available to the SHF from FY 2011 through FY 2018 was \$2.1 billion dollars less than expected.

Mr. Herrick presented information on federal funding, noting the Highway Trust Fund is the mechanism through which the federal government allocates federal funds to the states; 87.0 percent of the Highway Trust Fund is funded through the motor fuel tax and, as cars get more efficient, less money goes to that fund; provisions related to funding under the federal Fixing America's Surface Transportation (FAST) Act will expire in FY 2020; the Federal Highway Administration reimburses the State an average of \$370.0 million annually; federal highway funding allocated to the state comes through one of five major categories, with eligibility rules for each category; and the State receives \$17.5 million annually from the Federal Transit Administration and \$7.0 million annually from the National Highway Traffic Safety Administration (NHTSA).

Mr. Herrick noted the areas where the Kansas Legislature has influence on KDOT funding, including the ability of the Legislature to remove the debt service cap entirely or increase or decrease the cap, in either percentages or amounts. He noted the biggest expenditure for FY 2011 through FY 2018 is construction at 54.0 percent, which includes right-of-way, utilities, preliminary engineering work, and funding to non-highway modes. He stated 15.0 percent of funding sources goes to local support, including the SCCHF at about \$150.0 million a year, the federal fund exchange program, the geometric improvement program, and others. He noted KDOT shares approximately \$307.5 annually with local partners.

Mr. Herrick provided information on debt service and debt payments, noting the State currently has \$2.13 billion in outstanding transportation debt; debt service for the Comprehensive Transportation Program (CTP) will be paid off in FY 2025; T-Works is scheduled to be paid off in FY 2038; debt service payments drop by about \$30.0 million in FY 2024; the SHF is at the 21.0 to 22.0 percent range on debt-to-revenue ratio; and the bonding cap is scheduled to go back to 18.0 percent in FY 2020. He noted transfers impact the ability of KDOT to stay within 18.0 percent bonding cap.

Mr. Herrick provided information on how much revenue would be required for FY 2021 to FY 2030 for three investment scenarios. The first scenario would cost \$11.3 billion and would be for preservation; modal, local, and other; and operations and maintenance. The second scenario would cost \$11.9 billion and would include all of the first scenario and completion of the delayed projects under T-Works. The third scenario would cost \$13.3 billion and would include the first two scenarios, plus the addition of \$2.4 billion in new improvements stemming from local consultations. He noted routine transfers of \$105.0 million annually would allow KDOT to fund either the first or second scenario, but \$506.5 million annually would not allow KDOT to fund any of the program scenarios.

Mr. Herrick provided information on tolling as a revenue-generating option. He stated KDOT and the KTA completed a toll revenue study in 2008 to identify highways that could generate enough toll revenue to pay for a percentage of construction costs of a four-lane freeway. He stated the amount to be charged would be \$0.15 per mile and the KTA currently charges \$0.05 to \$0.06 per mile. He also stated toll revenue used on federal aid highways would have to be used specifically for that tolled road; toll revenues could not be taken from that toll road and then spent elsewhere.

In response to questions, Mr. Herrick stated adding congestion or high-occupancy toll (HOT) lanes to a highway system would not be a revenue-generating option because other states have found HOT lane revenues are barely sufficient to operate and maintain the HOT lane; there will be more preservation needs because of the delay in modernization and expansion projects where the old infrastructure was not replaced; the Legislature instructed KDOT to bond up to \$400.0 million in FY 2018 and FY 2019 for preservation and maintenance with the last bond issue; and KDOT would look to the pavement management system in the state to determine maintenance priorities when funds are available. He also provided information on the use of preservation dollars. He stated he would provide the Task Force with information on the possibility of practical improvements within preservation.

In response to a question, David Schwartz, Asset Management and Performance Measures Manager, KDOT, stated the interstate and non-interstate pavement condition is in the 60.0 percent range. He stated the projected needs number is to maintain or slightly improve the condition.

In response to a question, Kyle Malcom, Debt, Investment, and Forecasting Manager, KDOT, stated the last CTP bond issuance was FY 2004 and 20-year bonds were issued. He noted under T-Works there was one 25-year Build America Bond (BAB) series issued in FY 2010 and all other bonds are for 20 years.

### Kansas Turnpike Authority Update and Tolling Overview

Steve Hewitt, Chief Executive Officer (CEO), KTA, provided an overview of the Kansas Turnpike (<u>Attachment 5</u>) (<u>Attachment 6</u>) (<u>Attachment 7</u>).

Mr. Hewitt provided historical information about the 236-mile Kansas Turnpike; stated the Turnpike receives no state or federal taxes; noted approximately 39.1 million customers traveled the Turnpike in FY 2018; and provided information on KTA employees and the dedicated Kansas Highway Patrol troopers.

Mr. Hewitt described the relationship between KDOT and KTA and stated the Kansas Turnpike has oversight from a five-member board. He noted KTA's current ten-year comprehensive plan outlines nearly \$700.0 million in projects to preserve, modernize, and enhance the Turnpike. He stated KTA has invested more than \$158.0 million in projects and enhancements since 2016, which include replacing bridges, pavement improvements, technology, and safety. He noted raising the heights of bridges is important to continued efficient freight movement and that drainage projects have been completed in the Flint Hills.

Mr. Hewitt stated electronic toll lanes has been the big focus for the KTA and noted the tolling industry is changing with more electronic transponders. He noted the Turnpike's automatic toll payment system is compatible with those in Oklahoma and Texas and will be compatible with those in Colorado and Florida in 2019. He presented a short video related to open road tolling.

Mr. Hewitt stated the KTA has built up reserves and and will be able to complete projects for the ten-year program with no additional debt. He noted in FY 2018, the KTA had \$125.0 million in revenues, with expenditures exceeding \$129.0 million; however, the remaining amount was covered by cash reserves. He stated there would be a toll increase effective October 1, 2018. He also stated tolls are \$.06 per mile for passenger vehicles, one of the lowest rates in the country.

Mr. Hewitt noted current statutes require a feasibility study to be completed for a new toll road project, and that study would have to find tolls and other income would cover 100.0 percent of the construction and maintenance costs. He noted 100.0 percent for construction and maintenance costs would likely not be feasible. He stated there are trends throughout the country for 25.0 percent minimum from tolls for construction and maintenance, which could make a new turnpike or tolled lane an attractive project.

In response to questions, Mr. Hewitt remarked there could be a partnership between KDOT and KTA for HOT lanes, in which the KTA would be facilitator of the toll, but the revenue generated would stay within KDOT; legislation would be required to change statutes related to feasibility studies and the required 100.0 percent for construction and maintenance; and the threshold across the country for a feasible project would be 25.0 percent for construction, operation, and maintenance costs.

In response to a question, Mr. Herrick stated federal officials have approved three or four pilot projects across the United States for tolling an interstate route but no states have done so yet. In order to toll an interstate route, Kansas would need an exception from the federal government and state legislation.

### System Conditions, Funding, and Financing – Other States' Approaches

Ms. Lorenz provided an overview on how Kansas compares with other states on funding and finance. She also introduced Craig Secrest, High Street Consulting Group, who would be available for questions (<u>Attachment 8</u>).

Ms. Lorenz remarked Kansas ranks 34th in the United States for revenue amounts used for highways per capita. She noted Kansas uses fuel taxes, vehicle registration fees, state bonding, tolls, and general sales tax for transportation funding and financing. Kansas has also used federal financing in the form of BABs. She remarked that, comparing disbursements for highways per total lane miles, Kansas spent \$5,426 compared to Oklahoma's \$14,127. She noted Oklahoma had a significant backlog for replacement of bridges. She stated Kansas' debt obligation per capita is significantly higher than that of Missouri and Oklahoma, while Iowa and Nebraska do not use debt for their highway programs.

Ms. Lorenz stated since FY 2012, states have raised revenues by increasing the gas tax, indexing gas tax to inflation, increasing vehicle license fees, adding fees on electric and hybrid vehicles, bonding, using general funds, and dedicating a portion of sales tax or creating a specialty tax. Since 2012, six states have created specific legislation to protect their fuels tax: Maryland, Wisconsin, Illinois, New Jersey, California, and Louisiana. She noted 21 state initiatives are pending, showing Kansas highlighted because of the creation of the Task Force.

Ms. Lorenz stated the Task Force might consider implementation of annual license fees on electric vehicles as an emerging source of revenue. She noted there are estimates that electric vehicles could represent 60.0 percent of new car sales by 2030. She stated implementation of new annual license fees for hybrid and electric vehicles could increase SHF revenues by approximately \$400,000 annually. She noted the Kansas Legislative Research Department provided a memorandum regarding registration fees for electric and hybrid vehicles (<u>Attachment 9</u>).

Ms. Lorenz acknowledged other funding mechanisms are road usage charges, managed lanes and congestion pricing, public private partnerships (P3s), and taxation of internet sales. She noted there is not enough traffic in Kansas to pay for 100.0 percent of a new toll road. She also stated Missouri considered legislation prohibiting tolling.

• The Task Force members were provided with the document "State Motor Fuel Tax Increases: 2013-2017" (<u>Attachment 10</u>).

In response to questions, Ms. Lorenz stated Colorado was not used as a regional comparison state because Colorado is fast-growing with a different topography and advanced technology; and she noted the transportation development district in Missouri for US-36.

In response to questions, Mr. Secrest stated other states have studied implementation of registration fees for electric and hybrid vehicles based on miles per gallon of similar vehicles and noted Oklahoma transferred money from the state's general fund to its state department of transportation, in part to deal with a backlog of deteriorating bridges.

### **Discussion: Task Force Goals and Priorities**

Ms. Lorenz provided information on assumptions built into the transportation calculator, which was built in consultation with High Street Consulting. She noted the calculator can adjust revenues, expenditures, and sources.

Responding to questions, Ms. Lorenz stated the calculator does not account for potential economic impacts of any particular program; stated the calculator will not have a transfer expenditure line item but will include estimates for sales tax into the SHF; stated she would provide legislative language to the Task Force to protect funds; clarified information on sales tax for vehicles; and stated she would look at local contributions for tolling.

Responding to a question, Mr. Herrick noted gas tax revenues are projected to remain consistent over the next ten years.

The Task Force members were provided with an updated information request document (<u>Attachment 11</u>).

### Approval of September 6, 2018, Minutes

Co-chairperson Proehl stated the Task Force has been provided with a copy of the September 6, 2018, minutes and he would entertain a motion for approval.

Representative Helgerson moved to approve the September 6, 2018, minutes; Senator Hawk seconded the motion; <u>the motion passed</u>.

Co-Chairperson Proehl recessed the meeting at 12:00 p.m. for lunch.

### Afternoon Session

Co-Chairperson Proehl reconvened the meeting at 12:30 p.m. He thanked Ash Grove Cement for providing lunch for the Task Force members and staff.

### Local Input Testimony

Representative Murnan, 3rd District, welcomed the Task Force members and guests to Pittsburg State University. She stated the community has long been vocal in its support for the expansion of US-69 and the project has been planned for years. She remarked she is in full support of the expansion of US-69 (<u>Attachment 12</u>).

Jim Zaleski, Economic Development Director, City of Parsons, noted the importance of prioritizing both intrastate and interstate connection of Kansas' transportation economic lifelines. He remarked his testimony is accompanied by two resolutions, from the Board of County Commissioners of Labette County and from the City of Parsons, requesting equal priority for the US-400 corridor in southeast Kansas. He requested the Task Force consider four lanes for US-400 (<u>Attachment 13</u>).

### US-169

Representative Kelly, 11th District, testified to the importance of prioritizing improvements to the US-169 corridor and expanding the highway to four lanes for the transportation of freight and traffic for future economic development in southeast Kansas (<u>Attachment 14</u>).

Trisha Purdon, Chairman, US-169 Corridor Coalition, and Executive Director, Montgomery County Action Council, stated the US-169 Corridor Coalition's mission is to promote investment in US-169 as a safe four-lane primary corridor for cars and freight-carrying trucks from Kansas City to Tulsa, Oklahoma. She remarked there are over 40 members in the coalition including communities, businesses, agencies, and nonprofits. She noted the corridor also has rail and trails, and US-169 provides access to the Port of Catoosa north of Tulsa. Ms. Purdon stated the priorities of importance for expanding US-169 would be jobs, commerce, and improving traffic congestion and safety (<u>Attachment 15</u>) (<u>Attachment 16</u>).

Walter Wulf, Jr., CEO and Chairman of the Board, Monarch Cement Company, noted improvements to the US-169 corridor would provide safety for Monarch employees, as well as safety for the community; economic viability for Monarch, southeast Kansas, and all manufacturers and service providers in Kansas; jobs for Kansans; and tax revenue from workers' wages and profits from companies providing construction materials (<u>Attachment 17</u>).

Chuck Shively, Public Works Director, City of Coffeyville, stated his remarks are on behalf of the mayor, City Commission, and citizens of Coffeyville in support of improvements to US-169. He commented improvements for US-169 would promote public and private investments to create a safe, free-flowing transportation corridor for loads, including those that are wide and heavy, from Kansas City to Tulsa composed of US-169 and rail, air, and port access. This access is vital to connect the regional economy to the global market (<u>Attachment 18</u>).

Christopher Weiner, City Manager, City of Garnett, stated US-169 is extremely dangerous, with 20 deaths in the past 5 years, which could have been prevented with safety improvements. He noted US-169 has significant freight traffic and some areas of the highway have no shoulders, such as the stretch just south of Garnett to Welda (<u>Attachment 19</u>).

The following individuals submitted written-only testimony:

- Paul Bauer, Mayor, City of Coffeyville (<u>Attachment 20</u>);
- Linda Moley, President, Coffeyville Community College (<u>Attachment 21</u>);
- Becky Voorhies, Rural Health Development Manager, Thrive Allen County (<u>Attachment 22</u>);
- Damaris Kunkler, Private Citizen (<u>Attachment 23</u>);
- Lisse Regehr, Private Citizen, Iola (<u>Attachment 24</u>);
- City of Humboldt (<u>Attachment 25</u>);

- Matthew Godinez, Executive Director, Chanute Regional Development Authority (<u>Attachment 26</u>);
- City of Chanute (<u>Attachment 27</u>);
- Allen County Board of County Commissioners (Attachment 28); and
- Jerry Daniels, Chairman, Board of County Commissioners, Allen County (<u>Attachment 29</u>).

### US-160

John Wyrick, Superintendent, USD 506 Labette County, stated the school district has five K-8 attendance centers and a centralized high school located in Labette County with more than 1,700 students. He remarked students and their families encounter safety hazards traveling on US-160 to and from school. He also noted US-160 is considered a dangerous roadway by NHTSA due to lack of shoulders and space to address common causes for accidents (<u>Attachment 30</u>).

Shari Kaminska, Commissioner, Elk County, testified Elk County is a rural county which is mainly agricultural. She noted, with the exception of K-99 from Howard to the Greenwood County line, the highways in the county have two lanes and no shoulders. She requested the Task Force consider recommending adding shoulders to K-99 and US-160 in Elk County or reengineering them to straighten dangerous curves and steep drop-offs (<u>Attachment 31</u>).

## US-69

Ken Brock, Chairman, Highway 69 Association, testified the completion of a four-lane freeway from Kansas City to I-44 would benefit economic development, attract more students to Pittsburg State University (PSU), and be safer for travelers. He noted there are only 40 miles left to complete the entire corridor in order to compete with Missouri's I-49 (<u>Attachment 32</u>) (<u>Attachment 33</u>).

David Martin, City Manager, City of Fort Scott, stated the expansion of the US-69 corridor has provided economic development opportunities for the City of Fort Scott, Bourbon County, and southeast Kansas. He remarked Fort Scott is experiencing a rural revitalization producing approximately \$19.0 million in private investment through new and existing business expansions. He commented the expansion and continued work on the US-69 corridor is important to Fort Scott and the continued growth and success of southeast Kansas (<u>Attachment 34</u>).

Dustin Gardner, Managing Partner, Briggs Auto Group, testified on behalf of Russ Briggs, stating the restricted access to its stores in Fort Scott has drawn the attention of the Toyota Motor Corporation. He noted it is Toyota's opinion that the store would be better served in Nevada, Missouri, instead of Fort Scott due to traffic volume and difficulties in accessing the store. Mr. Gartner stated the company employs many Fort Scott residents and does not want to uproot the store or its employees (<u>Attachment 35</u>).

Lissa Rhodes, Arma Economic Development, noted Arma, Mulberry, and Arcadia are struggling in terms of population and the proposed US-69 expansion, which would run adjacent to the Arma Industrial Park and continue south to I-44, would allow Arma to attract and offer solid incentives for industrial growth (<u>Attachment 36</u>).

Linda Grilz, Mayor, City of Frontenac, stated most of Frontenac's businesses and industries rely on highways for their existence; safe and accessible transportation is necessary for residents who use US-69 in their daily transportation to and from work; and citizens of southeast Kansas have waited a long time for the competitive edge that a modern and safe highway affords business and industry. She requested the State honor its commitments made to the citizens of southeast Kansas by providing a much needed four-lane highway serving Crawford County and extending to I-44 in Oklahoma (<u>Attachment 37</u>).

Daron Hall, City Manager, City of Pittsburg, stated completing US-69 would show the State's commitment to southeast Kansas communities and long-range transportation plans. He provided information on state-funded transportation programs administered by KDOT, noting the formula for the City Connecting Link Improvement Program, which provides funds to cities to enhance and repair state highways, has not been adjusted for 20 years. He also provided information on other important unfunded local projects, including a roundabout, widening, and shoulders. He also noted the tax lid artificially limits the amount of property tax (<u>Attachment 38</u>).

Jay Byers, Deputy City Manager, City of Pittsburg, stated Pittsburg is a community of entrepreneurs and has realized \$400.0 million in private investment in the past 5 years and the creation of 1,200 jobs. He noted Pittsburg does not have a connected four-lane highway, which business locators use as a determining primary exclusion point (<u>Attachment 39</u>).

Shawn Naccarato, Chief Strategy Officer, PSU, welcomed the Task Force on behalf of President Steve Scott. He stated the university supports the continued expansion of US-69 due to the importance of long-term success of the University, the Pittsburg community, and the entire eastern region in Kansas. He noted expansion of US-69 would positively impact safety, university enrollment, and economic growth and competition (<u>Attachment 40</u>).

Kevin Mitchelson, Attorney, Wheeler & Mitchelson, Chartered, stated the law firm's manufacturing and trucking company clients depend on good and safe roads. He noted highway construction is the best economic development tool and encouraged the Task Force to support the completion of US-69 as a four-lane highway all the way to its intersection with I-44 near the Missouri- Kansas-Oklahoma border (<u>Attachment 41</u>).

Lori Ann Spachek, State Farm Insurance, stated she is a business owner in Pittsburg and offered her unconditional support for the completion of the four-lane expansion on US-69. She noted the effort to expand US-69 has been one of the area's top priorities for more than 60 years and thanked the state for progress to date. She also stated she is in the insurance business and sees the numbers related to accidents along US-69 (<u>Attachment 42</u>).

Steve McGavran, McGavran Financial Group, expressed concerns for the safety of his family members, who travel on US-69 between Johnson County and PSU (<u>Attachment 43</u>).

Al Patel, Manager, Pitt Discount Liquor, stated as a business owner he is in support of the expansion of US-69; the project would bring more residents, jobs, and income to the Pittsburg area (<u>Attachment 44</u>).

Jeff McKain, Assistant General Manager, Kansas Crossing Casino and Hotel, provided information on the \$88.0 million investment of the Kansas Crossing project. He noted the project chose the location at the intersection of US-69 and US-400 because the State had made expansion of the two highways a priority (<u>Attachment 45</u>).

Jim Emerson, Counselor, Crawford County, spoke on behalf of Carl Wood, Commissioner, Crawford County. He stated Crawford County has supported and continues to support the upgrade of US-69 and noted there are many reasons to support the US-69 project, including safety, economic development, and job creation. He also noted the Crawford County Commission supports other projects in addition to US-69, including lowering the speed limit and taking additional steps to improve driver safety at the intersection of 640 Avenue and US-69 bypass in Arma, continuing funding of the SCCHP and the federal fund exchange program, reinstating a program to assist counties to repair structurally deficient bridges, and an intermodal project in Crawford County. He also attached a resolution approved by the County Commission supporting a new transportation program (<u>Attachment 46</u>).

Janet Miller, Director, Cherokee County Economic Development Corporation, stated the full benefits of the US-69 expansion project will not be realized until four lanes extend through Crawford and Cherokee counties to I-44. She requested the Task Force consider funding the completion of US-69 in order to boost economic development in eastern Kansas (<u>Attachment 47</u>).

Curt Brumbaugh, Private Citizen, Pittsburg, stated his 17-year-old son, Derek died on US-69 on February 28, 2016, after the vehicle he was driving crossed the center line. He stated if US-69 had been a four-lane divided highway, it is certain this head-on crash would never have happened. He urged the Task Force to fix the problem by expanding four-lane access, so no family must experience a loss of a loved one because US-69 is a two-lane road (<u>Attachment 48</u>).

Lynn Grant, Private Citizen, Frontenac, stated the expansion of US-69 is essential to the growth of southeast Kansas and emphasized the need for safety. She stated her friend and that friend's son were killed in separate accidents on US-69. She remarked citizens in southeast Kansas are tired of waiting, losing financial opportunities, and taking risks in their travels (<u>Attachment 49</u>).

Blake Benson, President, Pittsburg Area Chamber of Commerce, stated his support for the completion of the four-lane expansion of US-69. He noted a 2010 study showed that expanding four-lane access on US-69 would create more than 4,000 new jobs and \$138.0 million in new wages in Kansas. He also noted many students at PSU come from Johnson County and increasing numbers come from Arkansas (<u>Attachment 50</u>) (<u>Attachment 51</u>).

The following individuals submitted written-only testimony:

- Rachel Pruitt, Director of Economic Development, City of Fort Scott (<u>Attachment 52</u>);
- Dr. Harvey Dean, CEO, and Lisa Paterni, President, Pitsco Education (<u>Attachment 53</u>);
- Cindy Bedene, Private Citizen, Arma (<u>Attachment 54</u>);

- Tracey Osborne Oltjen, President and CEO, Overland Park Chamber of Commerce (<u>Attachment 55</u>);
- Randy Cason, Hospital President, Via Christi Hospital Pittsburg, Inc. (<u>Attachment 56</u>);
- Bryan Hoffman, Candidate, Kansas Senate 13th District (Attachment 57);
- Lindsay Madison, Executive Director, Fort Scott Area Chamber of Commerce (<u>Attachment 58</u>); and
- Doug Gatewood, Government Affairs Director, Orthopaedic Specialists of the Four States, LLC (<u>Attachment 59</u>).

### K-99

Jim Beason, Policy Chair, Chautauqua County Farm Bureau Association, provided information on K-99, which is the north-south connecting route between US-166 and US-400. He stated from 2007-2011, there were 67.0 percent more accidents on K-99 from Sedan to Howard than statewide on roads of a similar type and 82.0 percent more on an 18-mile stretch from 2010 to 2014. He noted K-99 is the go-to route for oversize, over width loads because the route has no height or width restrictions, such as from bridges. He stated the roadway has a nonexistent shoulder and large drop-offs (Attachment 60).

Richard Newby, Sheriff, Chautauqua County Sheriff's Department, testified on behalf of the citizens of Chautauqua County. He noted a stretch of highway on K-99 has a very sharp drop-off of more than 12 inches. He commented an overwhelming number of wrecks that occur on this roadway are caused by dropping a tire off the roadway and overturning. He stated many trucking companies have forbidden truck drivers from traveling on K-99 in Chautauqua County. He provided photos depicting the layers that have been added to the roadway over the years, which have made the highway taller and narrower (<u>Attachment 61</u>).

Rodney Shaw, Commissioner, Chautauqua County, testified on behalf of the citizens of Chautauqua County and the full Chautauqua County Board of Commissioners. He requested assistance in milling the roadway down, noting the roadway is higher than the guardrail in some places (<u>Attachment 62</u>).

The following individuals submitted written-only testimony:

- Bart Tillotson, Operations Manager, DRISCO of Kansas (Attachment 63);
- Representative Doug Blex, 12th District (<u>Attachment 64</u>);
- USD 286 Board of Education, Chautauqua County Community Schools (<u>Attachment 65</u>); and
- CeCelia Bowden, Director of Support Services, Quivira Council, Boy Scouts of America (<u>Attachment 66</u>).

### Additional Conferees

Edward DeSoignie, Interim Director, Economic Lifelines, noted the importance of maintenance and preservation. He remarked projects can become more extensive and expensive if the state defers maintenance and preservation projects. He noted preservation needs continue to grow, but available funding has been reduced. He requested the Task Force consider preservation and maintenance needs when building a new transportation program (<u>Attachment 67</u>).

Pat Cedeno, Senior Vice President Network Relations, Watco Transportation Services, provided an overview on southeast Kansas rail. He also provided information on two programs offered by KDOT critical to Watco's customers, the State Rail Service Improvement Funds (SRSIF) program and the Multi-Modal Facility Development program. He encouraged the Task Force to continue the SRSIF and re-visit the opportunity for development of multi-modal facilities across the state. He noted rail is a vital player for the economic development of the state and encouraged a transportation plan that addresses multi-modal freight movement (<u>Attachment 68</u>).

Kenneth Combes, Commissioner, Coffey County, requested consideration of funding of asphalt shoulders for US-75 and the widening of K-31 to include gravel shoulders. He asked that funds earmarked for KDOT and transportation be protected and invested in transportation programs and asked that local governments have the statutory tools needed to pay for transportation improvements (<u>Attachment 69</u>).

M. Wayne Blackbourn, County Engineer, Coffey County, noted Coffey County maintains 1,200 miles of road and counties are limited with funding for maintenance costs and the rebuilding or reconstruction of asphalt roads. He stated State delays on preservation projects place costs on the local levels of government. He also remarked that gas consumed driving on city streets and county roads should go to the cities and counties and not be used to subsidize state highways (<u>Attachment 70</u>).

R.E. "Tuck" Duncan, Kansas Public Transit Association, provided information on transit services in urban and rural communities. He stated transit systems are basically fixed routes with other types of services available, such as door-to-door and non-emergency medical transportation. He stated fixed routes are not just in urban areas; for example, Salina averages 2,000 rides a week and Hutchinson 400 rides a day. He commented mobility management will need to occur to reduce costs, reduce duplication, and maximize resources. He noted there will be future funding needs in order to expand transit services (Attachment 71) (Attachment 72).

Fred Gress, City Administrator, City of Caney, commented on the need for consideration of investment in passing lanes to improve carrying capacity and safety for US-400. His testimony also included the US-400 Passing Lane Study prepared for KDOT in 2015 (<u>Attachment 73</u>).

Jeff Fischer, Commissioner, Bourbon County, presented an evaluation of the current state transportation system and emphasized bridges in critical need of improvements or replacement. He reviewed benchmarks for the region in terms of moneys to maintain rural roads (<u>Attachment 74</u>) (<u>Attachment 75</u>).

## **Closing Remarks**

Co-chairperson Proehl thanked everyone for their participation and attendance.

Ms. Lorenz informed the Task Force members and guests there would be a stakeholder meeting from 8:00 a.m. to 9:30 a.m. in Newton on October 4 to discuss rail and freight. She noted a report of the stakeholder meeting would be presented at the full Task Force meeting.

A Task Force member requested the costs associated with projects, including K-99 and US-69.

The next Task Force meeting will be held October 4, 2018, in Newton at the Meridian Center.

Co-chairperson Proehl adjourned the meeting at 3:05 p.m.

Prepared by Lea Gerard Edited by Whitney Howard and Jill Shelley

Approved by the Committee on:

October 24, 2018 (Date)