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Transportation and Telecommunications Committee
October 27, 2015

[LR317 LR318]

The Committee on Transportation and Telecommunications met at 1:30 p.m. on Tuesday, October 27, 2015, in Crete City Hall, Crete, Nebraska, for the purpose of conducting a public hearing on LR318 and LR317. Senators present: Jim Smith, Chairperson; Al Davis; and Curt Friesen. Senators absent: Lydia Brasch, Vice Chairperson; Tommy Garrett; Beau McCoy; John Murante; and Les Seiler. Also present: Laura Ebke.

SENATOR SMITH: Good afternoon, everyone, good afternoon. I see we have a lot of folks in the back, and we have a lot of chairs up front, so we don't have any...we're not using a microphone. So if you have a hard time hearing any of the exchange up here, please feel free to move up and fill some of the seats up front. And I just wanted to say thank you to the city of Crete and thank you to Mayor Foster for allowing us to use your chambers today--just a beautiful building, beautiful chambers that you have--and really enjoy being here. A few of us were here earlier for the fountain dedication and very proud of your city and of what it's doing to keep it alive downtown. We walked downtown and had lunch today, and it was great to see the activity in the downtown area. So it's great for the committee to be here, and thank you for your hospitality in allowing us to be here. Welcome to this interim hearing of the Transportation and Telecommunications Committee. Again, we're very happy to be in Crete today and very, very grateful to the city of Crete for accommodating us in their city hall. I am Jim Smith from Papillion in Sarpy County; I'm the Chair of the Telecommunications and Transportation Committee. And I'm going to invite my colleagues to introduce themselves today, and then, when we finish with a few introductory comments, we're going to hear from your favorite daughter, Senator Ebke. So with that, I'm going to start over here with Senator Friesen.

SENATOR FRIESEN: Thank you, Chairman Smith. I'm Curt Friesen, District 34, which is Hamilton, Merrick, Nance, and part of Hall County. I farm in that area.

SENATOR DAVIS: Al Davis, District 43, which is north-central and western Nebraska, an area of 13 counties.

SENATOR EBKE: And I am Senator Laura Ebke, representing here, so.

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SENATOR SMITH: And we have also with us, to my right we have Mike Hybl--he is the legal counsel for the Transportation and Telecommunications Committee--and Paul Henderson, to my left, and he is the committee clerk. And as you sign in today and you want to testify, you're going to turn your paperwork in to Paul. And looking at the room today, I think we're going to, kind of, not have a hard, fast rule on time. We would like anyone seeking to testify, outside of the invited testimony, to hold it to about five minutes. We're not going to be hard and fast on that; we do want to make certain we hear all the comments that you have to share with us today. We will be hearing testimony on two of our interim studies. We're going to start out today with LR318, which is a comprehensive study of our state and local road system, and we're going to go all the way through hearing the testimony on that. And when we conclude the hearing on LR318, then we're going to go over to LR317, which I'm anticipating will be a shorter hearing. And that is going to be on the review of the Nebraska Rules of the Road and provisions which establish weight limits. So LR317 is going to deal with weight limits and LR318 is going to be the comprehensive study. Those wishing to testify should come to the front of the room and be ready to come to the table up front. We're going to record everything to transcribe it, but it's not amplified, so you may want to make sure you project to where folks behind you will be able to hear you. If you are testifying, please complete the green sign-in sheet so it's ready to hand in to the clerk--and that's Paul, to my left--when you approach the testifier table. We don't have a page to collect your green sheet, so just bring it up here and give it to Paul. And for the record, since we are transcribing the recordings, at the beginning of your testimony, please state your name clearly and spell it so we can make sure we get it into the record correctly. And then, at the very beginning of our hearing on LR318, we have some invited testimony, and I'm going to just run through those folks that we have invited to provide some remarks to begin with today. We're going to have, from the...representing the League of Municipalities; Mayor Roger Foster from the city of Crete. We're going to have, from the county officials, Saline County Commissioner Bruce Filipi and Tim Nelsen, Otoe County Commissioner. We're going to have, from the Nebraska Department of Roads, Kyle Schneweis, the director and state engineer. From the Associated General Contractors we'll have Justin Grusing, president of Nebraska AGC; and then, with American Consulting Engineers Coalition (sic: American Council of Engineering Companies), Jackie McCullough. And with that, I'm going to ask Senator Ebke...Senator Ebke is not a member of the Transportation and Telecommunications Committee, but Senator Ebke has been a very strong supporter of infrastructure development in the state. She has been a great asset

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to have in the Legislature this last year. And so I'm going to invite her to provide some opening remarks for us today.

SENATOR EBKE: Thank you, Senator Smith. I just want to thank Mayor Foster for inviting me over to the rededication earlier. We were fortunate to have Lieutenant Governor Foley come down. I am very grateful to Senator Smith and the Transportation and Telecommunications Committee for inviting me to participate in this hearing. I would have been here anyhow, but it's a lot more fun when you get to sit up front. So thank you, Senator Smith, and thank you to my colleagues, Senator Davis and Senator Friesen. And thanks to all of you for coming today.

SENATOR SMITH: I hope, in the future, we can maybe recruit Senator Ebke to join the Transportation and Telecommunications Committee; I think she would be a great addition to the committee. So as we've been around the state, this is the second half of the hearings for us. We started out in Norfolk; we went to Grand Island and then to Scottsbluff. And in Norfolk and in Scottsbluff, we heard a great deal about the expressway systems and the need to get those completed, to step up the completion of those projects. I believe, in Crete, we're going to hear maybe a little bit of a different type of testimony, one that, hopefully, is focused a bit more on the bridge situation. And I know Crete was hit very hard earlier this year; some of its bridges were washed out, and we're very sorry about that. But I think what we're going to hear in Crete may be a little different than what we heard in Norfolk and Scottsbluff, but it represents the diversity of our state and the diversity of our infrastructure needs. So we're very interested in hearing from you what the roads and bridges mean to your community. We welcome your concepts and your ideas that we should consider in this next legislative session and how we can best meet the needs that you have for your roads and your bridges and how best to speed up the progress and maintaining and repairing our roads and our bridges. So with that, I'm going to invite Mayor Foster to please join us. [LR318]

TOM OURADA: My name is Tom Ourada; I'm here in place of Mayor Foster. [LR318]

SENATOR SMITH: Okay. [LR318]

TOM OURADA: Sure. [LR318]

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SENATOR SMITH: All right, very good. Please...welcome. [LR318]

TOM OURADA: Thank you, Senator Smith and members of the Transportation and Telecommunications Committee. My name is Tom Ourada, T-o-m O-u-r-a-d-a. I'm the city administrator in Crete; I'm also the certified street superintendent for the city of Crete. So in addition to the superintendent duties and the administration duties, I prepare the one- and six-year plans for the city and the budget for the city of Crete, including the roads budget. First thing I'd like to do is thank Senator Smith for introducing LB610 in the 2015 Session. Senator Smith's necessary leadership, dedication, and commitment to work with senators and others to pass the legislation provided communities, counties, and the state additional revenue for streets, roads, highways, and bridges. The funding was desperately needed, and I'd like to thank Senator Curt Friesen also, former mayor of Henderson, for selecting LB610 as his personal priority bill for 2016...or 2015. I'd like to address, as Senator Smith said, the bridge situation. We were recently awarded a bridge project; the bids were let earlier this week. We still have another bridge that is in dire need. They're both actual fracture critical bridges. They were one bridge that was moved to the Crete area, cut into, and spanned the Big Blue River. So not only are they in bad shape, they're used bridges, to begin with, that are in bad shape. We had some flooding, and the fracture critical inspection failed basically at the same time, and we closed that bridge. I would credit the Department of Roads for helping us fast-track and ensure that this bridge would meet all of the obligations set forth to meet the federal aid guidelines. And we've been working on it for, oh, nearly ten years. And, unfortunately, state and federal regulations are a moving target, so especially the environmental regulations. So we're quite happy that we're there. We have significant expense with our 10 percent. It would ordinarily 20 percent; the county is sharing this burden, and we're very, very grateful for the county sharing that burden with us. We do have its sister bridge, which is several hundred yards away to the, what I would say, the northeast, that is also in dire need. And we've had conversations with the State Department of Roads on that bridge, as well. It is subject to the flood plain and the flood waters equally as its sister bridge, and so that's also in imminent danger, in our opinion. I'd like to give a little bit of the funding that the city of Crete faces. Basically we get an average of \$628,000 a year in state aid from highway funds just to operate the street department. Maintenance-wise, we spend a little over \$713,000 a year. That does not include bond payments. We make bond payments on our large projects, our 80:20 projects, and we've been fortunate to have a number of them over the years.

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So, as you can see, we're...we spend over \$1 million a year on these projects and it's not sustainable. We have good streets, basically, where the highway comes through and our federal aid qualifying routes. Once we move away from those highly traveled streets, it becomes a position to where you switch between maintaining a street or not maintaining a street, and you do traffic counts to see, basically, what needs to happen soonest. Unfortunately, we have 7,000 people here, and each one of them has their opinion on which street needs to be constructed or reconstructed the soonest. The mayor and council do a very good job of balancing that and balancing the funding that's available. We strongly support LR318 and we would welcome any relief or...that a study like this may provide. It goes without saying that, if we were to be fortunate to move ahead with this second bridge, our 20 percent of at least several million dollars would be sizable in that aspect, as well. So, although we see it as a good investment, we do fund this with other taxes in addition to taxes normally associated with roads. I'd answer any questions. [LR318]

SENATOR SMITH: Any questions from the committee? So your total...you mentioned your total budget is close to about \$1 million a year, and that includes...would that include the portion that you need for the bridges, as well? [LR318]

TOM OURADA: The current bridge, we budgeted for the current bridge. We haven't budgeted for the bridge that would be impending, which we refer to as the Tuxedo Park bridge. [LR318]

SENATOR SMITH: Okay. Okay. Senator Friesen. [LR318]

SENATOR FRIESEN: How many dollars in bonds are you currently floating in street work or road construction? [LR318]

TOM OURADA: We're right about \$4 million right now, and that is, that's paying for our last four federal aid projects. [LR318]

SENATOR FRIESEN: Is that a number you would say is going to be a pretty stable number over the next few years, I mean, other than these new bridge projects? But is that something

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that's...historically you've kept so-and-so many dollars in bonding projects, you would say?
[LR318]

TOM OURADA: It's been consistent. Any 80:20 project, you know, barring just absolute unaffordability, is a good deal; it cannot be passed up. So we do whatever we can to leverage those funds, although with the federal funds buyout, the purchase program, that's changed a little bit, so. Although I would point out the obvious...as I'm sure you well know, those funds are not to be used for operations, but for capital projects or overlays, those types of activities. [LR318]

SENATOR FRIESEN: All right, thank you. [LR318]

SENATOR SMITH: Senator Davis. [LR318]

SENATOR DAVIS: Just a couple questions. I was going to ask you about how these 80:20 projects work. So how is the qualification...what is the qualifications for one of those? [LR318]

TOM OURADA: Well, 80:20 projects are no more, as I know them. And although possibly future bridge projects could be 80:20 projects, what the city of Crete's experience is, you go to the Department of Roads with, assuming that the mayor and council are in full agreement, you approach the Department of Roads with a project. You complete a form called the DR530, and that starts it. If there's some viability, there are a number of different criteria that are required to be met, purpose and need. You have to show, obviously, that you can afford to uphold your portion of the project. It has to be a qualifying project with logical termini and such. And they are...only specific federal aid-eligible routes are allowed. And Crete has seven of them, and we've done five. So again, we feel that they were very good investments and have paid wonderful returns. But they were very cumbersome, taking several years to go through the programming, and they're worth it, they're obviously worth it. But now the process is much more simplified, that we would just receive annual payments and then the burden is on us. And in our situation that amounts to about \$130,000 a year. So we're not talking about large projects unless we were to create a large project and use that money to fund, maybe, a portion of a bond payment.
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SENATOR DAVIS: And so that...the cost of replacing the current bridge is how many dollars?
[LR318]

TOM OURADA: The bridge that was just awarded was awarded at \$3.5 million. The sister bridge we expect to be every bit that much, \$3.5 million. Without another funding mechanism, aside from what is in place today, it's unaffordable. If that bridge were to fail to the point of closure, it would not reopen again. That would, basically, block the primary route to the county fairgrounds. We do have a back road that we would have to develop to, but I think you can see that dilemma. [LR318]

SENATOR DAVIS: So the revenue that's raised through the gas tax bill that passed last year, is that going to help you get there? Are we still short of what you're needing? [LR318]

TOM OURADA: It will help, but we would be significantly short. [LR318]

SENATOR DAVIS: Thank you. [LR318]

TOM OURADA: Um-hum. [LR318]

SENATOR SMITH: And significantly short in terms of helping to satisfy debt service on bonds, or looking to fulfill the entire obligation of the bridge? I mean, how were you thinking that those funds would be used? [LR318]

TOM OURADA: We would hope to submit this bridge as a federal aid project and it will amount to...it's unclear to me right now if we would pay 10 or 20 percent. We've had conversations, myself and the county highway superintendent, about possibly sharing the burden between the city and the county, which is significant. That's a 10 percent swing; it amounts to several hundred thousand dollars. And we would still have to come up with a funding mechanism for that. So, although it helps, it falls short of what's needed, if we were to do a federal aid project. If it's not a federal aid project, I doubt we'll be able to do anything. [LR318]

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SENATOR SMITH: And what type of funding mechanisms do you have at your disposal to use? Or what options are there? [LR318]

TOM OURADA: General obligation bonds are probably the easiest way. There are small programs that could help, but nothing that I'm aware of that would fundamentally assist us in a meaningful way. [LR318]

SENATOR SMITH: Okay, all right. Further questions? I see none; thank you for your testimony, appreciate it. [LR318]

TOM OURADA: Thank you, Senators. [LR318]

SENATOR SMITH: We now would like to invite Saline County Commissioner Bruce Filipi. Welcome. [LR318]

BRUCE FILIPI: Good morning, everybody...or good afternoon, I should say. Good afternoon, Senator Smith and members of the committee, Senator Ebke. For the record, my name is Bruce Filipi, B-r-u-c-e F-i-l-i-p-i. I am the highway superintendent for Saline County. I appreciate the efforts of Senator Smith and the Transportation and Telecommunications Committee in their search for the financial viable solutions for sustained maintenance and construction of the infrastructure throughout Nebraska. I want to show my appreciation for the efforts of LB610 gas tax increase and thank Governor Pete Ricketts for the \$3 million Nebraska counties will receive due to the changes in the federal funds buyback program. Maintaining roads and bridges is an uphill battle, given in the current funding source is the high cost of maintenance on concrete highways, asphalt highways, gravel roads, and bridges while infrastructure condition is rapidly declining. Saline County has 248 bridges that is over 20 foot. Of those 248 bridges, we have 73 of those that are either structural deficient or functional obsolete. Plus, we have over 100 bridges that are under the 20-foot that are not included in the federal bridge classification or inspection process. We are currently replacing bridges as fast as possible. We are lacking in funds to stay ahead of the game. We are replacing our 20-foot-and-under bridges with culverts, where possible, and some of our middle-size bridges we replaced with concrete boxes, which are cheaper than replacing the bridges. But with the Big Blue River, Johnson Creek, Turkey Creek,

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and Swan Creek all running through Saline County, we have many big bridges. And the cost of those big bridges ranges anywhere from \$500,000 to \$1 million each to replace. The heavy rains that Saline County received this spring has resulted in over \$2.5 million in damage, with the loss of five bridges, totally, and another four that will be need replaced due to extensive damage. Four of those are over 20 foot in length, and the other five are under 20 foot in length. There are approximately 50 culverts damaged and a large amount of dirt and gravel that was washed away on Saline County's 1,062 miles of roads. As this is a farming community, there is a lot of heavy truck traffic, which requires additional maintenance. Several studies have been conducted to measure and advertise effects of heavy trucks on roads and bridges. Most of them show that a 10 percent overload of existing legal load limit equals close to 50 percent increase in road damage. And if you go to 20 percent overload increase, it can cause close to about 100 percent increase in road damage. We cannot keep up the maintenance already, so an increase in the load limits, without a doubt, would result in catastrophic failure to the roads and bridges in the state. Just last Saturday I received a phone call from a local farmer reporting that he crossed one of our bridges and he felt something wasn't quite right. So I went out there immediately to address the situation, and we found out that some heavy load went over and broke over half the stringers in the structure; it broke over half the wooden stringers. So we immediately closed it. Doing a little research, haven't had a lot of time because this just happened, but the bridge alone will probably cost an additional \$40,000 to \$50,000 to repair or replace, upon the \$2.5 million of damage we sustained this spring. With the \$2.5 million loss to our infrastructure, we will need to rely on FEMA, our ER funds to the state of Nebraska, to help with some of these structures and, if we don't have the funds, will probably remain closed. I guess I'd thank you for allowing me to speak here today, and I would be glad to try and answer any questions if you have them. [LR318]

SENATOR SMITH: Senator Friesen. [LR318]

SENATOR FRIESEN: I was just curious, like, what kind of...your budget lid, your levy authority, how close are you to the maximum? And... [LR318]

BRUCE FILIPI: I believe our budget is right at the levy of 34. Our road budget is right at \$4 million...was last year. Due to the road conditions and the damage, we upped it, hoping we were going to get some relief from FEMA. So we upped it--a little over \$6 million, hoping we'd get a,

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you know, a couple million from FEMA. If we don't, we'll have to not fix or repair some of these bridges. Out of the bridges we lost, a couple of them were 84-footers, so you're talking \$600,000, \$700,000, \$800,000 to replace those. Some were smaller; we can go with some culverts to replace them, and you're talking \$50,000, \$80,000. So we have variations of, you know, different sizes. [LR318]

SENATOR FRIESEN: Do you use bonding, I take it? [LR318]

BRUCE FILIPI: We have used bonding. We just got done, two years ago, bonding a \$6 million project that leads from Highway 33 to Milford. Seward County bonded there...shouldn't say bonded there. They built there several years ago, and we bonded five miles and a bridge to connect them together. That was one of the first bonds we've probably did in a long time, but it was well needed for the traveling public. [LR318]

SENATOR FRIESEN: Thank you. [LR318]

SENATOR SMITH: Senator Davis. [LR318]

SENATOR DAVIS: The FEMA money, that comes through NEMA, I assume. [LR318]

BRUCE FILIPI: Yes. [LR318]

SENATOR DAVIS: How's the response time with that? [LR318]

BRUCE FILIPI: Slow. Our flood happened, the first flood happened back on May 7 and, up to this day yet, we still haven't received no funds. And I can tell you there's only been two projects that's been turned in to receive funds on. The other projects were still in the process of getting a distributor put in. I can tell you, from my personal experience--I've been through a lot of floods and disasters--this is probably one of the worst ones, as far as turnaround time, to get the people out here and to get action going. I've been...just two weeks ago we received our third team leader. They're here, they leave; then it's like starting all over again. So it's a very slow process. [LR318]

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SENATOR DAVIS: And those people come from FEMA, or they come from NEMA? [LR318]

BRUCE FILIPI: From FEMA. [LR318]

SENATOR DAVIS: What do you think the reason is for that, just lack of resources at the federal level or...? [LR318]

BRUCE FILIPI: That's my guess. Like I said, I've been through a lot of disasters with Saline County, and this is the worst one, as far as organization and anything as far as...but, yes, I'm guessing it's just the lack of organization or FEMA people. There's a big turnover, for some reason now, than there used to be. It seemed like, when we'd get a team leader, they'd stick around and stay until the process was done. Now there's a lot of them jumping ship, even some of the ones that they come out for...experts, like on a bridge part, have disappeared. So now we're dealing with the office out of Kansas City and stuff like that. And from our point of view, it's frustrating when you got to start all over. And we're trying to fix things and do our daily duties, and then we still got all that stuff on top. But you got to go through the process because we need the money. You know, we're lacking funds; we have to go through the process. [LR318]

SENATOR DAVIS: So are you getting back to NEMA and saying to NEMA, hey, we're not getting a response out of FEMA, can you...? [LR318]

BRUCE FILIPI: Yep, I've complained to them a couple times. And, like I said, now they brought a new team leader in for me, and they split up my projects. And I actually have three different people working on us, so we're starting to see a little headway here in the last couple weeks. [LR318]

SENATOR DAVIS: You talked a little bit about overloads... [LR318]

BRUCE FILIPI: Yes. [LR318]

SENATOR DAVIS: ...and particularly a bridge that was collapsed because of an overload, I assume. Is that a typical problem? Does that happen regularly? [LR318]

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BRUCE FILIPI: Well, I would say, in the last five or six years, we've had three of these happen where they've collapsed a bridge. And this time I haven't got to the bottom, who collapsed or whatever it was. The problem with the first one that we had, a local landowner decided to take a grain cart full of corn over it and collapsed it. Another one, we'd had an over-large scraper go through it. So does it happen real often? No, but three times in five years is plenty. [LR318]

SENATOR DAVIS: And when that happens, obviously it's a posted bridge. [LR318]

BRUCE FILIPI: Two of them were not posted, but they're smaller than 20 foot, so they should be able to hold the legal limit. [LR318]

SENATOR DAVIS: So is there recourse against a landowner who...or machinery? [LR318]

BRUCE FILIPI: If you can find out who it is, yes. The first one, we collected from their insurance company a little bit, but it was minimal as far as what it cost. I do understand, when I talked to a few other counties here in the last month, that some of the laws and rules have changed, that they're responsible for all of it. Back when that first one happened, it was depreciated. But like the last two that happened...this one, if we find who it is, you know, we'll be lucky. The last one that happened a couple years ago, we never found out who did it. They pulled it out of there and then notified us. So when we got there all we had was tracks. They pulled the ton signs out--you could see tracks around the ton signs--pulled it out and took it, so. [LR318]

SENATOR DAVIS: And rumor never got around to who did it? [LR318]

BRUCE FILIPI: Nope, never found out. [LR318]

SENATOR DAVIS: Thank you. [LR318]

SENATOR SMITH: I see no further questions. [LR318]

BRUCE FILIPI: Okay, thank you. [LR318]

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SENATOR SMITH: Thank you for your testimony. Tim Nelsen from Otoe County. [LR318]

TIMOTHY NELSEN: Good afternoon, everyone. [LR318]

SENATOR SMITH: Hi, welcome. [LR318]

TIMOTHY NELSEN: My name is Timothy Nelsen; I am chairman of the Otoe County Board of Commissioners and newly minted member of the Innovation Task Force for the Department of Roads, along with your colleague, Senator Smith. There are so many things that would be interesting to talk about, but let me answer some of the questions from our perspective. First of all, as you go through, depending upon the area of the state, you're going to see different issues. Otoe County has a lot of bridge problems. Senator Davis, we presently have 1,300 identified FEMA sites that they're righting; and, for the record, FEMA has been great for us. We went through the FEMA disasters of '08/'09 and understood how to do the process. And so now they came in for the first meeting, and we had the pictures and GPS and said, here. And they've really worked with us. But we had a lot of disasters this year on those items. Senator Friesen, Otoe County has \$4 million in debt for bonding, and we use the buyback money to pay that off. That's...we...counties are only allowed to do revenue bonds, and so we use the buyback money from 2010--is that, I think, when that started--to pay off that bond. And that's for bridges, as well. We have 214 bridges that are classified as bridges, and it's difficult to understand this, but you have the under 20 foot, which the state doesn't recognize, and the over 20 that they do. If you add up both of what we actually take care of for bridges, we're at nearly 500 bridges inside of the county. The closer you get to the Missouri River, the more bridges you have. It's just all part of that, the nature. I think there's two items that I really would like the committee to look at this year. First of all, thank you for the gas tax; it's made a tremendous difference. I'm here to testify and tell you that Otoe County would not have been able to lower their levy this year if it had not been for the gas tax. But we were able to lower our levy as a result of that. And we've made sure that the people understand that, you know, and know that those kind of user fees, so to speak, are things that are important for them to understand. One, I think, jurisdictionally, is not part of your committee, but I want to bring it up. And that's what we talked about on the levy. The way that the state levy system works, it just kills counties, because we have a FEMA disaster going on that's going to be \$3 million to \$5 million. I'm going to have to match those

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funds out of the county general fund. I'm only at 20...29 and change on my levy. So I have...or on my ability to raise the taxes--I have the ability to raise the taxes. But because of the 5 percent levy, we don't see those kinds of swings, because of the requirement of the state that we can't go up, or go up more than 5 percent. We talked with the Revenue Committee, I believe it was a couple years ago, about this and said, you know, the problem is, when you have natural disasters, you need to have the ability to react to those natural disasters. If you want to do bridges or something like that, you should be able to raise that and avoid the lid. But the lid is a bit of a hindrance to us, from that perspective. I always tell senators that you should let counties run county government. When you try to have too many strings on county government, we end up creating problems for ourselves. And I think it's an unintended consequence, but I personally know counties that are afraid to lower the levy for fear of running into a lid requirement if they have an emergency down the road. And that's really not the purpose of the lid; it's a bit of an unintended consequence of the lid. Number 2, back to my theory of you should let counties run counties, the state has a rather complex and onerous requirement of standards for county roads. A number of highway superintendents are here, and I'm sure that they'll talk to you about it the same. But not every road is the same, and not every road should be treated the same by the state, and let me give you an example. I have some washed-out roads from the FEMA disaster that are minimum-maintenance roads. We have a lot of minimum-maintenance roads--the roads where (a) people don't live, they're not mail routes, they're not bus routes--and so we open them up to plant and we open them up to harvest. But when they get washed out, in order to make them a small, thin road, like we've done, you know, ours are usually 18, 20 foot maybe, we can't meet the state standard. So when you have a disaster and you have to replace things on them, you have to bring the road up to state standards for, we call them, superhighway gravel roads. I suggest to the committee that a great deal of money could be saved if you would set a true minimum standard for roads, and let counties decide what, above the true minimum standard, we should adopt. We now have pretty wide width standards that are adopted by the state and, as a result of that, those roads that we may only see two cars a month on, we end up having to spend the same amount of money on as we do on roads that are school bus routes and things like that. Your commissioners, your highway superintendents, really are here trying to help our constituents, and when state government gets too much into the way, I think that we've created problems. Now I understand the purpose of government is to avoid accidents for people and things like this, and that's why a lot of these started, is perhaps people cut too many corners. But there has to be some

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type of a happy medium that we can consider on the standards, and recognize that counties, perhaps counties should have three different road type standards: a minimum maintenance, a minimally traveled, and a major artery. And you should have minimum standards for those, as opposed to everything is clear up here and we have to constantly go to the state to change. I had some folks that wanted to build a new housing subdivision in the western side of my county, towards Lancaster, and we had some issues because I needed to upgrade a minimum-maintenance road to a rock road for the purpose of building houses. And it took us a number of months before the state was able to process that paperwork. Counties should be allowed to do those kinds of things within their own counties. If you have extra money, feel free to hand it over. But I'm here probably a little different than a lot of the people you've talked to. I think that you've made some fine changes in the last couple years, and I submit to you that we ought to take a step back on the money side, and let's see how this is going to play out a little bit. A couple of years ago, I'll tell you, we were doing maybe two bridges a year. And this year I fully expect that we're going to do seven. We're gearing up because of the money that's coming in and, if you have extra money, I don't mind you giving it to us, but I really think that this is the year that the committee ought to just, kind of, push that off to the side and think about those items later. Bonding requirements are clearly something that we've talked about before and I'll talk about them again. Counties, unlike cities, have a little different bonding requirement in the fact that ours are only on revenue based upon highway allocation funds. I can't use, unless something urgent happens, I can't use straight tax dollars to do those things. I'm not for sure that that's really in the best interest to again bind the hands of the counties to do these things. You have professionals in the counties, just as you have professionals in the Legislature. We're working to take care of our constituents. Safety is much more a concern of mine than most people do. Commissioners every night, as highway superintendents, worry about somebody running off a bridge, somebody running off a road. We're the closest to the people and we hear what's going on. I can tell you what roads I need to spend money on and what roads I don't need to spend money on, but I can also tell you the roads that I have to spend money on to comply with the state standards and that's really...my message here is we should consider stepping out of the county business a little bit and let us do our job, because I think we are doing a good job. I think that we're working, and clearly we would have been in much worse problem if it had not been the buyback, if it had not been for the gas tax. But now, give us a little bit of time and let us work. As the committee looks at items this year, I ask you to take small-step items and not large

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changes. Give us some time to look at this and see how it's going to work. And I'm happy to answer any questions you may have. [LR318]

SENATOR SMITH: Senator Davis. [LR318]

SENATOR DAVIS: A few questions. All these minimum-maintenance roads, are those on the county plan that you turn in to the state? [LR318]

TIMOTHY NELSEN: Yes. [LR318]

SENATOR DAVIS: So wouldn't it be possible for you to have a set of roads that aren't on that plan, that would fit different standards? [LR318]

TIMOTHY NELSEN: Without going to prison, I'm not for sure I can. I mean, it is a requirement that we have to do that. [LR318]

SENATOR DAVIS: (Inaudible). Part of the reason that counties do that is to get state funds. [LR318]

TIMOTHY NELSEN: That's true, but only on rock roads. I don't get funds for the minimum-maintenance things. So if I have a bridge that goes out on a minimum-maintenance, that's on the county to take care of those. [LR318]

SENATOR DAVIS: And sort of along that same line, and I've asked this question at several other hearings, we have a...our road structure was built for a prior time (inaudible)... [LR318]

TIMOTHY NELSEN: The Model-A trucks. [LR318]

SENATOR DAVIS: ...Model As and when there were a lot more people on the land. So are counties making an organized long-term effort to, essentially, cut down on the number of miles of road by closing roads, consolidating roads? Is that happening? [LR318]

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TIMOTHY NELSEN: I think that what I'm seeing is that we're doing forced closures and forced consolidations. The problem that counties have--and there's a couple of counties that are here that I know have this problem going on right now--is you also have a law that says I have to allow people to get into their land. And because of the way that the land was first handed out, was first doled out to people, I have to have a road every mile or I'm going to be in violation of that law. So if you want to take out the requirement for counties to do that, I would say that there's some roads that we would probably consider closing. But on the eastern side of the state, we're seeing pretty great growth. I mean, western Otoe County is going to end up not surpassing Sarpy by percentage, but we are growing as fast as we can. Actually, if I could pave some roads out there, I'd probably get twice or three times the number of growth. But obviously, I can't afford to do that. [LR318]

SENATOR DAVIS: And you talked a little bit...that was the subdivision you were talking about, western Otoe County? [LR318]

TIMOTHY NELSEN: Um-hum. [LR318]

SENATOR DAVIS: So when subdivisions take--I'm just asking questions that I don't know the answer to. [LR318]

TIMOTHY NELSEN: No, that's fine. Sure. [LR318]

SENATOR DAVIS: When subdivisions take place like that, does that developer bear any responsibility for the road construction? [LR318]

TIMOTHY NELSEN: Everything inside the subdivision. We pay for the county road upgrade to the subdivision, and then they're responsible for everything inside. [LR318]

SENATOR DAVIS: So you had some say as to what was going to happen there then. [LR318]

TIMOTHY NELSEN: I don't know what you mean by "some say." They have to go to Planning Commission to get a permit to build. And Planning Commission again, by your statute, although

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appointed by us, is not controlled by us. They're a separate body, appointed by the commissioners, but they make their own. So I guess, yes, you have a say by who you appoint but, as far as saying, gosh, this is a great place to have a subdivision, no, that doesn't enter into it. [LR318]

SENATOR DAVIS: So would the Planning Commission then tell you where the road is going to be? Or... [LR318]

TIMOTHY NELSEN: The Planning Commission says we've approved this subdivision and then, again under the state standards, we have to determine how many cars and build the road accordingly. [LR318]

SENATOR DAVIS: Okay, so I'm going to try to ask this thing a different way. Is there a coordinated effort between the developer, the county, and the Planning Commission to come up with a plan for the most logical, best place for the road, which is the most economical? [LR318]

TIMOTHY NELSEN: Yes. [LR318]

SENATOR DAVIS: Okay, that's kind of what...and then, you talked about your situation with FEMA being somewhat different than the prior testifier. [LR318]

TIMOTHY NELSEN: Absolutely. [LR318]

SENATOR DAVIS: Do you have any idea why? Do you have a different team than they do? [LR318]

TIMOTHY NELSEN: Yeah, they...I mean, what he said was absolutely correct. FEMA is notorious about moving in your people and then moving them out three weeks later. But for the most part, these are all part-timers that are called up for, you know, a particular disaster and they're contracted for three weeks or five weeks or something like this. And so when their contract runs out, they go home. We found, through experience in the '09 disaster that we had, that if you had all the FEMA stuff taken care of before they landed--you had the pictures, the

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GPS which we're seeking and things--it makes their job a thousand times easier, and it makes the process much easier for you, as well. [LR318]

SENATOR DAVIS: One of the reasons I'm asking these questions about FEMA, two years ago we found out that the 2011 floods, there was still no funding that had come from FEMA to the Missouri River counties. [LR318]

TIMOTHY NELSEN: Right. [LR318]

SENATOR DAVIS: So I'm just hopeful that that's being rectified. [LR318]

TIMOTHY NELSEN: I received my '09 funds last year. Now to be fair, the rumor control had it, was that FEMA had already paid the funds to the state, but the state had not paid. But I don't have any specific information, other than we spent a lot of time on the phone trying to find out where our money was. And we did get paid; we were fully paid. [LR318]

SENATOR DAVIS: And we did have an interim study on that. And I believe you might be right about that. [LR318]

TIMOTHY NELSEN: That's...that's correct. [LR318]

SENATOR DAVIS: Yeah, thank you. [LR318]

SENATOR SMITH: Mr. Nelsen, so you see a pretty clear path forward for your county in meeting its bridge needs, for the most part, it sounds like. [LR318]

TIMOTHY NELSEN: I could use another billion dollars, if you've got some extra, but, yes, I do. I think that we've worked very diligently to work through some issues with the state on the types of bridges we can put up, and I think that we have a path forward. [LR318]

SENATOR SMITH: But, yeah, we hear from the prior testifier from Saline County, you know, their outlook is a bit more bleak. [LR318]

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TIMOTHY NELSEN: Sure. [LR318]

SENATOR SMITH: And we hear that from other counties, as well. Why the difference in these counties, and how do we even this out? [LR318]

TIMOTHY NELSEN: I don't want to go into a dissertation, but the river counties on the Missouri River are different than the rest of the state because of the soil type and, after the Missouri River was straightened, it caused it to go faster. And actually, there's a pretty large lawsuit in South Dakota about this (inaudible) from counties. And it's absolutely true. Where in a western district you may see an area, a streambed that is going to remain that way for the next 20 years, I'm losing 6 to 12 inches every year off the edges of my bridges. And, like, for the FEMA disaster, there were some of these that we lost 9 and 12 feet that lopped off. We have great soil to grow crops in; it's just not great soil to hold when you have a flood. I think that the difference is, and Commissioner Freshman is also here from Otoe County, but I think the difference is, is that we have worked through a plan and decided where the important bridges are and started working on those first. We've looked for ways of innovation; we've looked for ways of cost cutting. And in while I do find some parts of the Department of Roads to be unsatisfying in their response to counties, I think that everybody is trying, and I think that we're making progress. What I want to report to you is that, yes, we still have a problem, but the problem is not insurmountable if we make small tweaks. I don't want to see large-scale changes. [LR318]

SENATOR SMITH: So you see the primary problem being in prioritization in those other counties, perhaps, and... [LR318]

TIMOTHY NELSEN: I can't speak for them exactly. I mean, I know the director is here to talk. Clearly, we've got this local area office there that either has too many projects or too many requirements, or whatever, to get the projects out and quick enough. And we all complain about that. We also complain about the Corps permits for bridge projects--those are horrible, they're just a horrible mess that we can't control. But I think that...I have to believe in the good-natured Nebraskans that really are trying to make fixes to the problem. I don't think the county government is going to be able to resolve it completely because of funding, but I do think the

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county government has really stepped up to the plate and really tried to work through these problems. [LR318]

SENATOR SMITH: Okay. All right, thank you. [LR318]

TIMOTHY NELSEN: Thank you. I look forward to serving with you. [LR318]

SENATOR SMITH: Great, likewise. We now invite our Roads Director Kyle Schneweis for testimony. And we're all getting very good at pronouncing your name. [LR318]

KYLE SCHNEWEIS: Yeah, yeah. It's not an easy one; I'm used to the challenge, so it's easy for me. [LR318]

SENATOR SMITH: Welcome. [LR318]

KYLE SCHNEWEIS: Thank you. I have to say, after (inaudible) around the state with you, Senator, these are the...this is the best chair I've had, so... [LR318]

SENATOR SMITH: This one, too, for me. [LR318]

KYLE SCHNEWEIS: (Exhibits 1 and 2) Mr. Chairman, members of the committee, Senator Ebke, thank you for the opportunity. My name is Kyle Schneweis, K-y-l-e S-c-h-n-e-w-e-i-s. I'm the director of the Department of Roads. I have with me today Tom Goodbarn, our district engineer here in District 1; State Bridge Engineer Mark Traynowicz; and Andy Cunningham from our government affairs office. They're here to support me and correct me when I go astray. Thanks again for the opportunity. As you know, I'm new to Nebraska. I got to say I've been, as I travel around, and I'm saying this more and more frequently, I'm growing to quite like the state. Four months on the job and I can say the...a couple observations: I think one is there is a tremendous amount of support for transportation in the state, and I find that refreshing. It's not that way in every place that I've been. We have a system that's large, but it is pretty well maintained. I think there's always opportunities to improve, but when you look at some of our neighboring states, we're doing quite well in terms of how well we're maintaining the system.

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And then, on the other side of things, there's always a need to plan for the future, and here in Nebraska we have a means by which to do that, in terms of the Build Nebraska Act and the opportunity for capital investment. So from my perspective, being new to the state, there's a lot of good things happening here. I'd like to talk about the maintenance side and the economic growth, the planning for the future part. I'd like to talk about them both today. I'll start with the economic growth side. So like I said, there's good news when it comes to planning for the future. We have dollars available for capital improvements. The Build Nebraska Act is in place. We just cut the ribbon on the Wahoo Expressway--great project out there in Wahoo. We've got a new interchange at Nebraska City that will be under construction soon. We've got nine more projects slated to begin before 2023, including our friends out west and the Heartland Expressway, so lots of opportunity and lots of projects that are on the horizon. We also have, from my perspective, even more good news in that there is more funding available in the out years 2024 and beyond. So we have unprogrammed dollars to meet even more of the needs. And when I think about 2024, it sounds like a long ways off; it's not that far in our terms. And it's time to start getting serious about what projects we need to prioritize in that next round. And so one of the things we've started at the department is a review of our process, making sure that we are going to have a sound process for picking those projects. A couple things I think you'll see differently. If you were there around last time, we're going to take economic impacts into consideration even more so than last time. And so we make sure that when we make these investments, we pick the ones that can best impact our economy and grow and support that growth. And then the other piece is an element of transparency and local outreach. I think it's important that our local officials and regional partners have a chance to talk about what's important in their regions, and we need to hear those opinions before we make decisions. So I keep reminding folks at the department, we'll make better decisions if we ask people what we should do. It's ultimately our responsibility to make those decisions at the Department of Roads, but we should ask people. And so we're going to be out doing that. There's a lot of interest in delivering projects faster, and I'm certainly interested in that. The department is committed to trying to find ways to do that. I think first we have to recognize there is a bit of, there is a process we have to go through when it comes to developing projects. We have to obey, of course, state and federal law. Right now, on these big capital improvement projects, we average about eight years to get them ready--two years for planning and location studies, two to three years for environmental process, two years to get through final design, and then a year or two to get through right-of-way acquisition, utility

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relocation. So we're talking seven to ten years to get a new corridor, from concept-in-our-head program to ready for construction. That's not even driving on it; that's just getting ready for construction, seven to ten years. So it takes time, and I think people understand that, but I think when you start talking seven to ten years, it can be a surprise to people. It's relevant to our discussions about the Build Nebraska Act and the capital improvement projects because, again, as we look forward to trying to advance some of those projects, perhaps, the time is an element we have to think about. Time is not the only piece; there's a funding piece, of course. Right now, again, we have unprogrammed funding in 2024. We're looking at opportunities to find ways to advance projects. I think one idea we've talked a lot about is a state infrastructure bank. I've talked about it at previous hearings. The concept here is a sort of revolving fund that could be used to promote innovative approaches. If we could capitalize it, say, in the up-front, we could use it to advance projects. And then as we pay the infrastructure bank back, we could advance more projects. I think it's a good approach to explore. Twenty-three states are using this approach around the country; I think it's something we could do. So that's a possible solution to answering the funding question in terms of advancing projects. So we've got the two issues--the funding and the time. If we don't find ways to improve the funding, we're looking at 2024 before we could advance projects. If we, all of a sudden, have the funding but don't do anything about the time, we're looking at 2022; that's the seven- to ten-year reference, unless we look for new ways to shorten that time frame, the seven to ten years. And we are interested in doing that, of course, as well, and some states are doing some things on the contracting side, where they're seeing improvements in that process. And just one example is the design-build process. Currently we have a design-bid-build process in Nebraska; it's the only way we're authorized to do construction projects. We're at one firm for the design and then we wrap up our seven- to ten-year process, put it out for bid, and one firm to build it. Some states have consolidated that on select projects, and now you hire one firm to design and build the project or two firms that work together. And it allows you to get done quicker. And we don't have the statutory authority to do that here. I think it's something we should explore if we want to try and move faster. Of course, from my perspective, we have a lot of industry partners who have helped us build our transportation system with a traditional design-bid-build process. And I think we have...for me, it's important that we understand the ramifications that such a change would mean to them, and that we do it in a way that's right for Nebraska and target it so that we can accomplish what need, but we're still, we're not changing things so fast that we impact our partners too much. So that

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will be an important process for me as we continue these discussions. So that's a little bit about the planning for the future, economic side. A little bit about the maintenance side, so for me it's kind of the other side of the spectrum. You got these two needs, and it's easy to get excited and talk about the economic piece, but we can't forget about the maintenance piece. You know, when I look at the performance measures of the Department of Roads, we have a pretty robust set of measures. And the pavement measure, for example...if you look back five years ago, it had been decreasing every year--the percent of the pavement that was considered good--every year worse, worse, worse. And a lot of commitment has been made to try and to reverse that trend. And after four or five years, I'm happy to say we're there. It has leveled off and we saw an uptick last year. We expect another uptick next year. We're just getting better at how we preserve our system. We're committing more resources to it and we're committing technology to it and we're getting better at it. So that, I think, is important. There's also not just the pavement side, but the bridge side. And I want to talk a little bit about that today. Some facts for you I think in your handout: 15,000 bridges, just over 15,000 bridges in the state. That's the 16th most in the country. Of those 15,000, 3,500 or so are on the state system. Of those state bridges, 69 percent are rated in good condition, 26 fair, and 5 poor. So we're doing pretty good on the state system, I would say. But we're not where we want to be, but we're doing well. The county system is where it gets to be more of a challenge. So of the 15,000, 3,500 are state; nearly all the rest are county, over 11,000 of those bridges. Forty-five percent of those are rated good, 45 percent are rated fair, and 12 percent poor. So when you compare it to the performance of the state system, you can see quite a difference. Four hundred of those bridges, by the way, are in municipalities. Don't want to ignore those either, so in addition to just how we rate the bridges through our inspections--good, fair, poor--we also have to be aware that sometimes it's not just the condition, it's the width. Forty-one percent of county bridges are over 50 years old, and most of those are too narrow to handle the farm equipment that we're seeing today--back to your comment earlier, Senator Davis--so, you know, it is a condition issue; it's also a width issue. When it comes to the county bridges, you know, I keep saying I think there is a role for the state to play in this challenge. I think it is such a vast challenge that if we don't get strategic and take a statewide view, I don't know that we can meet the challenge. Trying to navigate what that role for the state is, I think, is something we're exploring. I will say it's not a unique challenge to Nebraska. You know, this is happening all over the country, and so a couple things that I would point out that other states are having success with. We've had some consultation with the folks that are running the Pennsylvania Rapid Bridge

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Improvement Program (sic: Pennsylvania Rapid Bridge Replacement Project), I think it's called. They let 558 bridges in one contract, to one contractor, and they're going to get them done in three years. It is a very aggressive and innovative program. I don't know that we're ready for that sort of approach here in Nebraska. It's a public-private partnership; the contractor is responsible not only for designing and building, but also for maintaining those bridges for 25 years. We've, I think we've got some work to do to be ready for that kind of thing. But I do think we can learn from it. One of the big things they're seeing is savings from economies of scale. They're (inaudible)...by doing so many bridges at one time, you're able to save money. And they're saving 20 to 30 percent per bridge doing this. Again, you know, I think we need to continue to look at ideas like that and explore what parts of it make sense for Nebraska. You know, I guess I would just sort of say, in conclusion, I'm happy that you guys are doing the study. It's been a pleasure to be a part of it. I can't stress enough that NDOR wants to be a partner in finding solutions to the problems that are being talked about at these hearings. And whether that's partnering with you, as the legislative body, or with our cities and counties or our industry partners, as I alluded to with some of the contracting mechanisms. So we're excited to be a part of it, and I'm happy to take any questions. [LR318]

SENATOR SMITH: Thank you, Director. Questions? I do. So we were talking about that Pennsylvania-style approach to rapid bridge building or repair. [LR318]

KYLE SCHNEWEIS: Sure, um-hum. [LR318]

SENATOR SMITH: And you mentioned that we have some work to be ready for that approach. [LR318]

KYLE SCHNEWEIS: Um-hum. [LR318]

SENATOR SMITH: What type of work are you referring to that we... [LR318]

KYLE SCHNEWEIS: So there's a couple things that, before they were able to do the contract, they had to pass enabling legislation to do the contract, because of the nature of it. [LR318]

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SENATOR SMITH: Um-hum. [LR318]

KYLE SCHNEWEIS: And I think that would be the case here. [LR318]

SENATOR SMITH: Such as the design-build? [LR318]

KYLE SCHNEWEIS: Design-build would be one part of it. I think the P3 piece of it that allows them to maintain the bridges...if we were...this is, again, if we wanted to go full scale to what they were doing. We don't have enabling, P3-enabling legislation, as I understand it today. That's what our attorneys are telling us. [LR318]

SENATOR SMITH: Did their jurisdictional structure for ownership of those bridges, did that have something to do with their ability to issue such a broad approach? [LR318]

KYLE SCHNEWEIS: Absolutely. Pennsylvania owns most of the bridges, meaning the state of Pennsylvania... [LR318]

SENATOR SMITH: Um-hum. [LR318]

KYLE SCHNEWEIS: ...as opposed to here where we are in Nebraska where the state owns 3,500 and the counties own just over 11,000. Certainly that's one of the challenges we face to get strategic and statewide, is that we have 93 jurisdictions that are in charge of the county bridges. And so I think it would...that part of it, maybe from just a structural standpoint, is easier. I think...I'm not convinced we can't get to some sort of strategic solution with our county partners. I think there is a way to do it. I think it takes more time; it takes more partnering. But in the end, I would suspect we'd have a better solution because of it, so. Senator Friesen. [LR318]

SENATOR FRIESEN: Just curious, do you...does the state do all in-house design work for all of its projects, or do you...? [LR318]

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KYLE SCHNEWEIS: We design about 60 percent of our highway projects in house, about 40 percent outside. That number has been going up in the past three or four years, so it's maybe 30 percent, 30 or 40 percent. [LR318]

SENATOR FRIESEN: Does that include bridges? [LR318]

KYLE SCHNEWEIS: Yes, yeah. Of all design work, 40 percent of all design work is done. [LR318]

SENATOR FRIESEN: What criteria do you use, whether or not the state does the work, or...? [LR318]

KYLE SCHNEWEIS: I am too new to answer that question very...with an educated answer. I would say, from my perspective, I think it's important that we maintain a certain level of knowledge inside the department, so we need to do a lot of the design in house to maintain some of the expertise. But I also think there's ample opportunity to leverage the private sector. As a former consultant, I certainly understand the advantages that a consultant can bring to a project. [LR318]

SENATOR FRIESEN: When you said it takes seven to ten years to get a project underway, is there any one particular portion of it? Is it the Corps of Engineers? (Inaudible) would speed things up, that... [LR318]

KYLE SCHNEWEIS: Sure. I think I'm interested, as the director of the Department of Roads, in exploring every single facet of that process. So I think the permitting process, the environmental process, is certainly lengthy. And you know, these laws are in place for a reason, and we need to make sure we can follow them. But we also need to be able to do it with a sense of urgency that gets us through the process as quick as we can. So we're trying to find ways to streamline that process. You know, the right-of-way process sometimes can be the challenge. It comes towards the end when you're trying to acquire right of way for a corridor. You can get into challenges, and that can be a time-consuming process. And it needs to be, to make sure it's fair to the folks that we're affecting. So those are a couple of the ones that are a little bit outside of our control, in

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terms of how quick we can go. So of the steps, I think those are, maybe, the two that can be frustratingly lengthy. [LR318]

SENATOR FRIESEN: Thank you. [LR318]

KYLE SCHNEWEIS: Um-hum. [LR318]

SENATOR SMITH: Senator Davis. [LR318]

SENATOR DAVIS: Thank you, Senator Smith. A couple questions, Kyle. You talk about, is it P3 enabling you? [LR318]

KYLE SCHNEWEIS: Sure, yeah--I'm sorry if I used an acronym--public-private partnership. [LR318]

SENATOR DAVIS: Okay. Interlocal agreements can...is that worth looking at, some sort of interlocal agreement between the state and the counties? Or could the counties go together on interlocal agreement? [LR318]

KYLE SCHNEWEIS: On this side? Sure. On the enabling legislation? So this would be to make sure that if we wanted to...so back to the Pennsylvania approach. Their approach is to hire one contractor to design, build, and maintain that facility for a period of time. And after 25 years, the bridges come back to the state. They still own them, but now the state takes back over the maintenance. As I understand it, that maintenance piece is the part we do not have. Our current statutory and even constitutional provisions would prevent some of those things. Or at least we need to research that process. And almost every state who's done this, and there are a lot, have had this challenge. First you have to enable the ability to do it. And so we're not unique in that situation either. [LR318]

SENATOR DAVIS: Do you think it's a constitutional issue? [LR318]

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KYLE SCHNEWEIS: As not an attorney, as I've been told, yes, by our folks that work for us at the Department of Roads, that it could be perceived as that, yeah. Again, you know, I think, from my perspective, the rules, statutes, laws, all are critical. When it comes to trying to solve big problems like this, first we need to explore and see what's out there and understand where our rules may limit us, but not let that prohibit us from exploration. [LR318]

SENATOR DAVIS: So then I'll ask you another question. So these floods that happened this spring, were there any state roads that were adversely affected and bridges that were (inaudible)? [LR318]

KYLE SCHNEWEIS: Absolutely. I don't know details; it occurred before I was here. If you'd like specifics, we can deliver. [LR318]

SENATOR DAVIS: So is that, and this is just a layman's question,... [LR318]

KYLE SCHNEWEIS: Sure. [LR318]

SENATOR DAVIS: ...is that also a federal issue then, in terms of the funding? So is FEMA and NEMA...do they enter into that at all, or is that shouldered on the back of the taxpayers? [LR318]

KYLE SCHNEWEIS: I can't speak to it, Senator. Sorry. [LR318]

SENATOR DAVIS: If you could find that out, that would be... [LR318]

KYLE SCHNEWEIS: Yeah, I will. [LR318]

SENATOR DAVIS: Thank you. [LR318]

SENATOR SMITH: I have a question for you. So going back to that scenario with the Pennsylvania-style... [LR318]

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KYLE SCHNEWEIS: Sure. [LR318]

SENATOR SMITH: ...improvements, where there's a 25-year maintenance agreement that's included, during that 25 years, could I liken it to a warranty program, where you go out, you build something, and there's a warranty period where the property owner, the building owner that authorized the construction to take place, they actually own it, but there's a warranty in place to where the maintenance has to be, you know, any repair has to be provided on that. Is that similar to what we're talking about? [LR318]

KYLE SCHNEWEIS: I had not thought of it that way, but I think it's an excellent way to describe it, yes. And of course some states...one of the reasons that states are exploring this is because you often see a better product,... [LR318]

SENATOR SMITH: Yeah. [LR318]

KYLE SCHNEWEIS: ...because the contractor who's in charge of building it must also deliver it 25 years from now in a state of condition that we agree upon. [LR318]

SENATOR SMITH: If they're not able to, they have to have a bond in place to protect the owner of the property, probably. [LR318]

KYLE SCHNEWEIS: Exactly, exactly. Absolutely, yep. [LR318]

SENATOR SMITH: Okay. So if I go back and I look at the stats that you gave--bridges that are in good condition, fair condition, poor condition--and I try to, you know, think about that in terms of what we've heard previously, deficient and obsolete,... [LR318]

KYLE SCHNEWEIS: Um-hum. [LR318]

SENATOR SMITH: ...you can't really overlay one with the other. So is it possible, on your stats, that you can have a bridge in good condition, but may have a bridge deficiency or a width deficiency? [LR318]

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KYLE SCHNEWEIS: Absolutely, yes. [LR318]

SENATOR SMITH: Okay. [LR318]

KYLE SCHNEWEIS: Yeah. [LR318]

SENATOR SMITH: So what we're seeing here, in terms of bridges in good condition, we still may have some problems here. [LR318]

KYLE SCHNEWEIS: That's correct. [LR318]

SENATOR SMITH: Okay. [LR318]

KYLE SCHNEWEIS: Some of those bridges could be in good condition; they could be 100 years old, still rated in good condition, but they might be too narrow, so. [LR318]

SENATOR SMITH: And so if we're (inaudible)... [LR318]

KYLE SCHNEWEIS: I wouldn't think there's a ton of those, but there are some. [LR318]

SENATOR SMITH: Yeah. So that would be one of the things we'd have to factor in. If we're looking statewide and trying to find some way of prioritizing across county lines, and getting and targeting the bridges that are in the greatest need, you know, whether it's unsafe versus obsolete width, you'd have to factor those things and... [LR318]

KYLE SCHNEWEIS: I think so. I also think it's important that, you know, the counties, they know, they understand their needs better than we can at the state. [LR318]

SENATOR SMITH: Um-hum. [LR318]

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KYLE SCHNEWEIS: And we see that sometimes, where, you know, we might have two bridges. One's rated a little lower than another, so we think this is the one that we should try to fix. [LR318]

SENATOR SMITH: Um-hum. [LR318]

KYLE SCHNEWEIS: But this one actually serves more of the county's needs. And if they had a chance, they'd take this one. And they're both in need of replacement. So I would want to make sure that, if we were trying to prioritize at a state level to get strategic... [LR318]

SENATOR SMITH: Um-hum. [LR318]

KYLE SCHNEWEIS: ...we would need a lot of input from the counties. They would have to have a heavy influence on that process. [LR318]

SENATOR SMITH: Okay, very good. Thank you, Director; appreciate your testimony. [LR318]

KYLE SCHNEWEIS: Thank you; appreciate the opportunity. [LR318]

SENATOR SMITH: And thanks for setting up the task force; I think that's going to be good for Nebraskans, as well, keep... [LR318]

KYLE SCHNEWEIS: Yeah, I'm very excited about it, so thanks for joining it. [LR318]

SENATOR SMITH: All right. We now would like to welcome Justin Grusing from...he's president of Nebraska AGC, Associated General Contractors. Welcome. Welcome. [LR318]

JUSTIN GRUSING: (Exhibits 3 and 4) Hi there. Chairman Smith and members of the committee, my name is Justin Grusing, J-u-s-t-i-n G-r-u-s-i-n-g. I'm testifying today on behalf of the Associated General Contractors, Nebraska Chapter. I am the current president of the AGC and I'm also the area manager for the northern division of Dustrol, Inc. Dustrol is a heavy highway contractor who specializes in milling asphalt and Hot-in-Place recycling. We work in

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14 states, and our services are geared toward maintaining and preserving asphalt pavement. AGC is an association of Nebraska contractors who perform highway, bridge, and municipal utility infrastructure work. The primary focus of association members include: promoting safety and training; developing industry work force; and encouraging adequate investment in Nebraska's infrastructure. Nebraska's highways and our county roads and bridges are the backbone of our economy and quality of life. Infrastructure provides mobility and connectivity for all Nebraskans. The importance of I-80 and our expressway system in Nebraska cannot be overstated and almost speaks for itself. But we should also remember that, while our more rural farm-to-market transportation systems may not handle the high volume of people and vehicles, it does carry billions of dollars in agricultural products, including the food and fiber that makes Nebraska a major player in our global economy. In my remarks today, I want to touch on several of the items contained in LR318. First, I want to discuss the importance of the Build Nebraska Act, LB84. Leading up to 2011, the state of Nebraska's revenues for roads was flattening out, and there was only enough money available to simply maintain our existing infrastructure. There were no funds available for new capital construction, no funds available to build additional lanes on crowded, dangerous roads or complete the expressway systems long ago promised to Nebraska taxpayers. Then in 2011 the Legislature courageously passed LB84 and adopted the Build Nebraska Act. Beginning July 1, 2013, the act directed one quarter of a cent of the state's existing 5.5 cent sales tax towards new road construction. The act is effective for 20 years and expected to generate approximately \$65 million per year for road construction. Revenue from the Build Nebraska Act is divided three ways: 60 percent for high-priority capital improvement projects; 25 percent for expressways and federally designated high-priority corridors; and 15 percent for the city and county transportation projects. Chairman Smith and members of the committee, I cannot stress enough the importance of the Build Nebraska Act to our state, its transportation, and our economy. The first dollars from LB84 have already been put to work, and important projects are being completed all over Nebraska. Many more projects are scheduled soon. If you look at your handout that I gave you, there's a pretty good description of some of the things that have already been slated for the future use of that money. AGC urges the committee and the Legislature to leave LB84 in place and let it continue to work for Nebraska. AGC recognizes that you, the policymakers, have tough choices to make about how Nebraska will pay for the roads that we need. AGC supports user fees and supports LB610 as it steps toward raising the resources we need to construct and maintain our important infrastructure. It is important to

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be open to all options in the future, as Kyle was mentioning. We need to think about some of the other things that are not as conventional as what we've been looking at. Across the country, states are making tough choices to best generate and utilize the revenue needed for infrastructure. As of earlier this summer, in just this year alone, 24 states have enacted increased funding measures for infrastructure, including fee increases, gas tax increases, and bonding. The other sheet that I gave you lists some examples of a lot of the states and some of the actions they've taken in the past year to modify their road funding and improve that. Finally, we'd like to convey AGC's support for the new Department of Roads Director Kyle Schneeweis. We support his review of the department to make needed changes, to move the department forward, and believe he is the right person to lead the department in the future. We look forward to continuing our working relationship with him and the NDOR staff. AGC is clearly aware of Nebraska's bridge problem. Much of Nebraska's infrastructure is simply old. Much of it was built in the first half of the 1900s. Add in environmental factors like channel deepening and substantial erosion, it is easy to see why bridges have a natural life cycle and need repair or replacement. There is an additional contributing factor to bridge deterioration: modern vehicles. Agriculture equipment, such as grain carts and combines, semitrailers, school buses, and ambulances are all heavier and larger today and put great stress and concentrated weight on bridges--that is, if the bridge is still wide enough for the vehicle to use it. In conclusion, our thanks to the committee for their continued support of maintain and preserving infrastructure and your continued interest in helping to address the current and future infrastructure needs of the state of Nebraska. If you have any questions, I'd be glad to try to answer them. [LR318]

SENATOR SMITH: Thank you, Mr. Grusing; appreciate your testimony. Questions? I see none. Any particular thoughts you have on the design-build concept? [LR318]

JUSTIN GRUSING: I think it's going to be a learning process for the contractors in Nebraska, but I do think that, just like everything, once you lay out the groundwork, they'll step up to it and figure out how to make it work. [LR318]

SENATOR SMITH: And, in your mind, assume the funding is found to meet our needs. Do we have concerns with resources, available resources to do the work in Nebraska? [LR318]

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JUSTIN GRUSING: As far as materials, or as far as labor? [LR318]

SENATOR SMITH: Labor. [LR318]

JUSTIN GRUSING: Labor is always a challenge. And of course, with the funding availability, we can be more competitive in paying our labor and, therefore, make it a desirable job for people to come out and get a construction job. I mean, we're competing against a lot of tax dollars that are being offered to people to sit home a lot. And if we can make that much more appealing to have them come out and work, we can bid jobs competitively and still be able to pay our help well. [LR318]

SENATOR SMITH: Thank you very much. I see no further questions. Thank you for your testimony. [LR318]

JUSTIN GRUSING: You bet. [LR318]

SENATOR SMITH: And now we'd like to invite Jackie McCullough from the American Consulting Engineers Coalition (sic). Welcome. [LR318]

JACKIE McCULLOUGH: Good afternoon. Good afternoon, Chairman Smith, members of the committee, and Senator Ebke. My name is Jackie McCullough, J-a-c-k-i-e M-c-C-u-l-l-o-u-g-h. I'm the executive director of the American Council of Engineering Companies of Nebraska. We represent engineering firms doing business all across the state. We're very appreciative of the opportunity to provide invited testimony during your interim hearing studies on transportation funding. And since today's focus is on repairing county bridges and delivering the program, I'm going to bring forward a couple examples of what some other states have done to try to solve their problems in their states. A few years ago, Oklahoma faced a very similar situation, only on a bigger scale. They were the number one state in the country with the most functionally obsolete, deficient bridges in the country. Their state revenue for highways and bridges have remained the same for more than 20 years, at \$200 million. And the deteriorated state of their transportation system was a direct reflection of the lack of funding. Like Nebraska, most of their revenue relied on motor fuel taxes, which had not kept pace with inflation, and experienced both

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the effects of reduced vehicle miles traveled and the increased fuel efficiency of vehicles. In 2005 the Oklahoma Legislature passed HB 1078, which created the Rebuilding Oklahoma Access and Driver Safety Fund, or ROADS. That provided additional revenue for the state highway system. They created annual state funding of \$35 million in years in which the state's revenue was anticipated to grow at more than 3 percent. And they put a cap on it of \$170 million in annual revenue until that level was reached. This increase came in the form of allocation of income tax collections and the general revenues and was in addition to their traditional tax--fuel tax funding that they had every year. In 2006 they built on that legislation and provided another increase to the state funding of \$50 million in the years the state's revenue was anticipated to be more than 3 percent. What they did was they had a very cumulative effect. So the first year when they added the \$30 million in, the next year then it was \$50 million on top of the \$30 million. So each year it keeps adding to the base that they set the year before. They also increased the cap to \$270 million. In 2008 they again increased the level of funding, but this time they removed the 3 percent trigger and just provided an annual yearly increase of \$30 million. This level of certainty was critical to the program because, as you've heard over and over again, knowing what kind of money we have available helps us make the plans, especially when you're looking at, the director mentioned, the seven- to ten-year plan. So this change provided them with some certainty on that. In 2010 they again approved legislation which increased their ROADS Fund cap to \$400 million annually. And in 2011 they approved another increase of \$6 million annually to \$41.7 million, and they increased the cap by another \$35 million. The revenue for that ROADS Fund was projected to reach the new cap of \$435 million by the year 2017. Beginning in fiscal year 2014, revenue for the ROADS Fund increased to \$59.7 million annually and is projected to reach the new cap of \$575 million in 2018. Through all those changes and increases to revenue and funding, the legislature continued their philosophy of no new taxes and no political projects...and I mean no political influence in the projects, that the way the projects were selected continued the same way that they had. In Colorado, the Colorado Bridge Enterprise generated funds through a bridge safety surcharge that ranged from \$13.00 to \$32.00 a vehicle, depending on vehicle weight. And that was included in their vehicle registration fees. Because the legislation allowed for the sale of bonds, the Colorado Bridge Enterprise used the funding to back the sale of \$300 million in Build America Bonds, which are federally subsidized bonds that reduce the cost of issuance by 35 percent. Proceeds from the offering are used to speed the pace of repairs. Accelerating the repair or replacement of crumbling bridges saves money by lessening the

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effects of inflation and providing for routine repairs so they don't turn into costly overhauls. One theme that we've heard repeatedly in these hearings and throughout the state from your constituents is: deliver these projects faster; we need them now. So it's clear that the constituents of our state need quality roads and open bridges to promote their prosperity and their connectivity. During the interim studies, you've heard a lot about alternative delivery methods to build projects on-line quicker. Alternate delivery methods like design-build, that you talked about earlier, do have the potential to bring projects to completion on a quicker time line and should be part of the discussion and the solutions going forward. The bill last year that would have addressed county bridges and funding and the program to rehab those and build them specifically required design-build to be part of the package. Our organization testified in opposition to that bill last year, and the requirement of design-build for the entire package was one of the reasons why. Design-build is a good tool and should be in the toolbox, but we feel that it really shouldn't be mandated that that's the only way to deliver this bridge program. It certainly is a good method to have available in certain circumstances, and there are a lot of situations where bundling might make sense. It might make sense on a geographic basis for Nebraska. You might have several bridges in one quadrant of the state where a contractor could go and find economies of scale by keeping their team there and taking care of all the bridges in that area and then moving on to another one. To have the entire program design-build by one large company that could manage that might be difficult to find in Nebraska. There's a lot of risk involved with that and capacity might be a concern. But we do look forward to working with the Legislature and with the director on the best ways to use alternate delivery methods to bring projects on-line faster. Another thing that will help with bringing projects on-line faster is just the integration and collaboration of all aspects of design and construction, which goes to design-build and other different, alternate delivery methods. Designers and builders have increased collaboration and communication in design and scheduling and building of complex projects more than they ever have before. And then technology is also affording us other ways to bring projects on-line faster with new software and 3D modeling. We'd also suggest that there might be a couple of other factors for the body to consider that might have an impact on the speed of delivery that aren't closely related to availability of funding or of delivery methods. Transportation projects have to receive approval from many resource agencies outside of and in addition to the Department of Roads, such as Fish and Wildlife, Game and Parks, Historic Preservation, and the Corps of Engineers, to name a few. Each of these touches, by these agencies, takes time. And not all of

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these agencies are within the state's control, but quite a few are. Many times project time lines and costs can escalate, due to the resource agencies' seemingly lack of coordination and sense of urgency, along with varying interpretations of laws and requirements between jurisdictions and re-reviewing and commenting on previously accepted work. These factors can cause disruption to the project and increase the number of review submittals, adding unnecessary cost and time delays. Again, the two-year process that the director talked about for the environmental process could be an example. There's a lot of touches in that process, with a lot of different resource agencies that maybe could coordinate and help streamline some of those reviews and coordinate and process the project submittals and approvals in a more timely and cost-efficient manner. So we would encourage the review of that and to task all those related agencies to review their response times and to cut the red tape wherever possible, to permit projects faster, finish designs earlier, and advance the projects to construction that much faster. We know it's important to expedite project delivery to show our citizens positive gains from the dedication and investment of new monies. We know the Legislature, the Governor, and the Department of Roads share the same sentiment. NDOR's resources are structured to deliver the existing program and may not have sufficient capacity to handle the full extent of additional funding and improve project delivery times. Our member firms are experienced in assisting NDOR with project development and delivery and are in position to accelerate project delivery to help NDOR staff complete the expanded program. Our consultants are used to working with NDOR; you know, as the director pointed out, they do outsource about 35-40 percent right now. We're familiar with their processes and their contracting methods and would be able to assist them with the delivery of the program. There's a lot of benefits to the state for outsourcing as opposed to expanding NDOR staff to meet an increased program. Even with efficiencies and minimize...I'm sorry...they include proven efficiencies and minimize long-term salary and benefit costs. So instead of the state incurring the high cost of personnel and the long-term commitment of having personnel on staff, the department would be able to rely on the private sector to assist with the fluctuation in the program dollars, and you wouldn't have the commitment of long-term staff. Outsourcing to Nebraska firms also injects dollars into the economy, generates income and other tax revenues, and attracts or retains individuals in the state by creating and maintaining employment opportunities. Nebraskans and Nebraska businesses rely on our bridges each day that are subject to closure or weight restriction, if increased maintenance and reconstruction are not undertaken. Safe and usable bridges benefit everyone as they ensure the goods and services are delivered to

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the grocery stores, the hospitals, and other vital businesses. And that doesn't even factor in the safety benefit to our citizens. I'd like to thank you for the opportunity to be with you today, and I'm happy to answer any questions and would also encourage you...I just came back from our national conference, and lots of our colleagues across the country are, of course, facing the same situations. Indiana and Michigan, in particular, have both started public relations campaigns to really help spread the word and share the information with citizens across the state to gain support for elected officials to feel good about making those decisions and to be sharing what the ideas are and what the progress could be. So it might be something that you might take a look at. [LR318]

SENATOR SMITH: Thank you, Ms. McCullough. Questions? So you were at this conference. And how would you say Nebraska is sitting right now, relative to the other states, in trying to...in having the will to address these issues? [LR318]

JACKIE McCULLOUGH: Well, I guess that's something that we don't really talk a lot about in our meetings. We talk more about what the ideas are, as far as transportation funding. [LR318]

SENATOR SMITH: Um-hum. Um-hum. [LR318]

JACKIE McCULLOUGH: But I do think that there seems to be a sense, amongst our organizations, that the awareness level has raised to critical now... [LR318]

SENATOR SMITH: Um-hum. [LR318]

JACKIE McCULLOUGH: ...and that legislators and policymakers are taking hard looks at how changes can be made and how effective transportation funding can be enhanced and how it can be secured. [LR318]

SENATOR SMITH: Um-hum, very good. Well, thank you for you and your organization and your involvement in supporting infrastructure maintenance and repair in Nebraska. Appreciate it very much. [LR318]

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JACKIE McCULLOUGH: Thank you. [LR318]

SENATOR SMITH: That concludes the invited testimony, and now we'd like to open it up to public testimony. Anyone wishing to provide comment on LR318, any of the information you've heard exchanged here today, we welcome you to come up and join us. Welcome. [LR318]

GRAYSON PATH: (Exhibit 5) Senator Smith, members of the committee, Senator Ebke, my name is Grayson Path. I'm the city administrator of Nebraska City, Nebraska, G-r-a-y-s-o-n P-a-t-h. I'd like to thank you all for setting up this time for us to provide testimony regarding LR318. I especially appreciate the director's statistics surrounding the 400 bridges that are maintained by cities in Nebraska. Nebraska City has about 15 of those bridges, including one called the 4th Corso viaduct. It's on old Highway 2, which is 75...I'm sorry, 4th Corso going east and west through town. It passes over our 3rd Street, Union Pacific Railroad, and our north Table Creek tributary. About four months ago, we had to shut the bridge down. It was built in 1959; it was a state-controlled/owned bridge. In 2003, it was relinquished to the city. But unfortunately now we're looking at an approximate \$8 million to \$10 million replacement for this viaduct. Thankfully, the city began this process about three years ago. We started an 80/20 federal grant to do engineered preliminary design. It got somewhat caught up in some environmental studies; the process got lagged behind. We thought the designs would, the preliminary design, would be done in time for when we had to shut the bridge down but, unfortunately, the decay in the age of the viaduct caught up with us and we developed issues. As we started to make repairs, we dug deeper into the viaduct and realized that, as you'll see in the pictures there that I've handed out, there is structural failure throughout the entire viaduct to the point to where it is no longer financially feasible to repair it. We'll have to spend another couple years of design--final design--and then, eventually, replacement about three years from now. This viaduct is important to Nebraska City because it is the only non-at-grade crossing over the railroad tracks and tributary to the east side of town. I don't have the exact statistics of how many people, our citizens and children, live on that side of town, but with our emergency personnel, the grain trucks, and so forth, they now have to go along the Highway 2 bypass to get to that side of town when the trains are there. Union Pacific maintains that track is for OPPD and Gavilon grain; they have likened it to the I-29 of railroads through our town. And so we have significant railroad traffic, which we have already started a conversation with Union Pacific to make sure all efficiencies are being

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done, which they are doing all they can to make sure trains are moving but, obviously, with two intersecting tracks there in town, delays and idleness does occur. So I would like to testify, in regards to LR318, to encourage the committee to continue to seek additional funding for cities, especially regarding viaducts and bridges. Our budget is around \$1.1 million in the street fund, which about \$900,000 is state aid, which we greatly appreciate. We have significant debt service; we are actually part of, as the director said, the Highway 2/75 interchange project, the overpass that will be going on the south side of town. About \$3.2 million of that is the city's cost, so our debt service will be increasing significant because of that. We're looking at doing South 11th Street, coming into town; that's about a \$2 million improvement there. Then, on top of the viaduct, with our other improvements going on in town, we have significant debt service. We don't shy away from taxes in our community. And I know a lot of communities, they may try to cut their tax, but this year we actually raised our taxes, because we realize that we need to keep up. But at the same time, we need assistance; we need some additional aid. So I would like to, again, request that the committee and the state will consider additional funding and aid for, especially, municipalities and in regards to maintenance for our roads and our viaducts. And I'll take any questions at this time. [LR318]

SENATOR SMITH: Questions? I see none. Thank you for your testimony; appreciate it.
[LR318]

GRAYSON PATH: (Inaudible). Thank you. [LR318]

SENATOR SMITH: Welcome. Welcome. [LR318]

PAM DINGMAN: (Exhibit 6) Thank you. Pam Dingman, Lancaster County Engineer. My last name is spelled D-i-n-g-m-a-n. I intend on testifying, when you guys are back in Lincoln, on Lancaster County, but there were a couple things I did want to talk about today, after listening to some of the testimony. So I, like many other counties in the area, experienced extreme flood damage this year. And, in fact, we had over 18...well, we had 1,776, so we were somewhat patriotic in our number of damaged areas. But that was what we reported to FEMA. We reported that in a GIS map, where we took pictures that we associated with the map, as well as attached a materials list and a labor with each of those. Now I think what's interesting, although we

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wrapped that up, for the first group of FEMA people for the emergency declaration, when FEMA came back, the group that we were assigned actually didn't have computers. So they wanted us to handwrite all of the forms in order to apply for our FEMA reimbursement. So, in order to accommodate them, I had FEMA employees sit on my work floor and use Lancaster County assets to report and gather the information for FEMA, because I'm really more about getting done what needs to get done than, in this case, what was necessarily the right way to do it. Of those 1,776 points, 28 were substantially damaged bridges. And we've been told that it could take FEMA several years to reimburse this. I have to humbly state, as many of you know, I do lobby very hard for bridges and infrastructure, and so the county commissioners in Lancaster actually gave me a 50 percent increase in my maintenance budget this year. And that, of course, was the week before the flood, so much of that money, if not all of it and then a little more, will go to repair our more than \$4 million in damage. I have included just a sampling of the damage with you. It's different than some of the things you've seen in the past. Bridge N-19, I think what's interesting about this is this is a bridge that had previously closed, repaired, reopened; it is a problem bridge. It was damaged in the flood, closed in the flood, reopened, and then closed permanently last week or the week before when, you may notice, the picture in the bottom actually has laths sticking in between the wooden planks underneath the bridge, showing that there were two-foot voids underneath this abutment once again. And then, in addition to that, it shows, even though it's a weight-rated bridge, a concrete truck going over it. Although we didn't get a picture of the truck on the bridge, we got a picture of the truck just off the bridge. The next picture is a bridge with a very interesting history, bridge M-23, built in 1917 by County Engineer Arthur Edgren. Edgren designed this bridge; it's an arch, it's a concrete arch filled with earth. So in other words, this is a concrete arch bridge with dirt on top of it. In 1917, we build this for under \$5,000. In the mid-'80s, and I think this is a testament to how long the counties have tried to strap their money together and make these work, we actually set the deck on top of it, that you see, so that it could be wider. That actually worked pretty well for the first 98 years of this bridge's existence until these floods. And then you can see that the embankments around it were seriously damaged. This bridge is not on any piling; it's on a spread footing, similar to how your houses are constructed. Spread footings, as my friends in the audience who are structural engineers can tell you, are extraordinarily difficult to repair, once they've been washed out from underneath. The next page has another bridge example. This is the bridge on Havelock Avenue, very close to the Lancaster County Event Center. I think what's interesting about this bridge is,

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again, it was a county engineer trying to save money. So he left the 1930s abutment, the 1930s bridge abutment, in place to protect, as embankment protection for the new bridge abutment. Again, this was a very good theory from 1977 to 2015, when we had the flooding events, but it's not really something that works so well anymore. There's another couple examples attached. If you have questions about those, I would be happy to answer them. But what I really want to emphasize is how hard we do work, as the counties, to maintain these structures that are well past their life, you know, as well as some of the concerns I've had with FEMA. And then I did, Senator Davis, want to address your development question. So, in my previous life, I was a land-development engineer, so I can tell you that, when developers come in, it does often turn into a negotiation with the government entity. I have done development in Otoe County and, where the development required improved access--this is the Timber Lake development--the developer did pay to pave that county road to the entrance of that subdivision. Another example of that, that I can readily think of, is Highway 34, just outside of Lincoln. There's a small subdivision across from Kawasaki plant called Highland View, where the developer privately paid for the turn lanes on Highway 34. And so, typically, the developer ends up paying for those improvements or some part of them. [LR318]

SENATOR SMITH: Senator...can we take questions? Or are you...? [LR318]

PAM DINGMAN: Yes, yes. [LR318]

SENATOR SMITH: Okay. Senator Davis. [LR318]

SENATOR DAVIS: So, Pam, my question is kind of a strange one, but Lancaster County is predominated by the city of Lincoln. Does the county recognize...are the county commissioners able to recognize the obligation they have to people that live elsewhere or is...are we seeing rural Lancaster County being shorted for projects or repairs? [LR318]

PAM DINGMAN: Well, I mean, it's an interesting question. I mean, I would say, from a...if you look strictly geographically, I mean, of course, the majority of the people are in the city of Lincoln. But Lincoln really probably makes up 25 percent, if you look at land mass of the county--maybe 30 percent, I don't have an exact calculation. So, that being said, you know, of the

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commissioners, you know, there's only five commissioners: Commissioner Avery would be the commissioner that, I don't believe, has any ground that is in my jurisdiction as the county engineer, which my jurisdiction would be anything outside of the city of Lincoln, the city of Waverly, or any of the villages. So the other commissioners, their constituents are largely made up of people who are outside. [LR318]

SENATOR DAVIS: Rural people. [LR318]

PAM DINGMAN: Yeah. [LR318]

SENATOR DAVIS: And so I asked that question, because I think when you testified in January there was a specific bridge that I think they had put off for many, many years--replacement. And I was puzzled over that, as to why that was, you know, why that was being shorted at that time. [LR318]

PAM DINGMAN: Well, really what has happened is due to funding issues. We haven't built a bridge in Lancaster County in three years. So any bridges that are on the list just continue to be on the list. I think the bridge that I talked about in January may have been the bridge at 1st and Raymond Road... [LR318]

SENATOR DAVIS: I think so. [LR318]

PAM DINGMAN: ...which we've nicknamed the floating bridge, because it does rise or sink approximately six to eight inches, depending on the season. So, you know, with that bridge, it was expense as one part of it. The other part of it is, we're still trying to get environmental permitting for that bridge. It is in a tiger beetle habitat, as well as the endangered saltwort plant, which you might want to Google that later; it's a very interesting looking plant. [LR318]

SENATOR DAVIS: And one other question. You heard my questions about FEMA and NEMA. [LR318]

PAM DINGMAN: Um-hum. [LR318]

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SENATOR DAVIS: Would you care to comment on that at all? [LR318]

PAM DINGMAN: You know, it has been a very difficult process so far. They rotate the staff in and out every 30 days, and there doesn't seem to be a transition. So, in other words, every 30 days, it's somewhat of a reset button. So we worked with one set of professionals for the first 30 days and they rotated out, and none of the information was passed on, because the information had been kept on personal laptops, not federal computers. Another concern that we've had is sending personnel information to an AOL account. In fact, we asked not to do that; that should definitely be in a secure government site. So it has been very difficult. And then there seems to be, when you get them in the room to try to make a decision and move forward, they actually argue with each other and themselves in order to determine a solution. So it's been very difficult to move forward. And it's taken up a substantial amount of staff time. [LR318]

SENATOR DAVIS: Did any of them go to Hillary's server? (Laughter) [LR318]

PAM DINGMAN: Oh. [LR318]

SENATOR DAVIS: Just a joke, but... [LR318]

PAM DINGMAN: Senator, I don't think I'm going to answer that question. [LR318]

SENATOR DAVIS: I think this is a really serious thing though. You know, the object of the Federal Emergency Management is to get in, get their projects done, and get out. And there's no reason for multiyear delay and constant turnover in staff. So I think that we need to pursue that with our colleagues in Washington. [LR318]

PAM DINGMAN: Right. What we've been told is that the people who come out to site are assigned in increments of 30 days, and they're generally retired FEMA employees who are assigned, so they're not necessarily an expert in the area they've been assigned to. And they spend their first week or two weeks in training, and then we, of course, correspond with them for two weeks, and then there's new people. [LR318]

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SENATOR DAVIS: And I imagine you attend conferences and things with other people who are in your field. So do you hear this from other states also? [LR318]

PAM DINGMAN: You know, this is a typical problem that we have around the country, and I think you can follow all the way back to, you know, the trust fund, the federal Highway Trust Fund, and watch the progress of that. Infrastructure is a big concern. It doesn't seem like we learned the lessons that we maybe should have learned from the infrastructure slide in the mid-'60s. [LR318]

SENATOR DAVIS: Thank you. [LR318]

SENATOR SMITH: Ms. Dingman, you've always been a really strong advocate for infrastructure in the state, and I know particularly in Lancaster County where you're engineer. So, you know, thanks for your consistent approach, I mean, and engagement on that. Thank you very much. So if we look at some of the concepts that Director Schneweis had brought up--design-build--some way of being able to bundle smaller projects into larger projects for gains in efficiencies, do you see that we need to move down that path as a county engineer to do something different in order to get different results in the state? Because--let's speak frankly--we do have a backlog and we have some great needs out there. And we don't seem to be able to move beyond that. So what say you? [LR318]

PAM DINGMAN: I have concerns with the design-build process just from my professional background, having been involved in several that were managed by a program manager to do schools, as a consultant, that they didn't always go as smooth as they maybe could have. I don't know if that's the nature of the way the projects were set up. [LR318]

SENATOR SMITH: Um-hum. [LR318]

PAM DINGMAN: Personally, I have concerns, also, if we talk about bundling in the very large, large packets, because I have concerns, Senator Smith, about small business. And if we bundle in these large packets in particular, often we only have one or two bidders on our small bridge rehabilitation projects or our small bridges, and they're small businesses. So my concern would

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be if this is work that all went to very large companies, that pretty soon we wouldn't have the small companies to do our small projects that maybe aren't the most exciting engineering projects necessarily. So, and then I also have a concern about, you know, what small business brings to us, as Nebraskans. So that was something I would want to go over...look at to see if it makes sense. What I will say on the county level is I'd like to go back to, you know, we know what we need to get done. I believe that it really is a funding problem and, if we were to fund the buyback equation to a higher lever so that things could start being built once again...for example, on the buyback, for example, bridge buyback, Lancaster County gets \$85,000, sometimes \$84,000 or \$86,000, somewhere in there, but you've heard several of my peers today talk about how that a bridge costs about \$1 million to build. So I would need to save my \$85,000 for approximately ten years to build one bridge. And what if we funded that at a higher level so that we could get to the point where we could build a bridge quicker? I think that might be a more interesting answer. With the gas tax revenues coming to us in a few years, Lancaster County is forecast to get somewhere around \$1.8 million, which is an interesting number because what would that do to us in the forecast? Well, that would allow us to build one bridge a year and approximately two miles of road so it's a start in the right direction. I also have concerns that if we put, along with our peer states around us, all of these bridges out and roads out all at once, that we maybe artificially inflate the prices rather than get a more competitive price. But that's just a snapshot of my engineering concerns. I don't know if it answered your question, Senator Smith. [LR318]

SENATOR SMITH: Ah, yeah. [LR318]

PAM DINGMAN: Engineers have a lot of things in our heads on any given moment in time. [LR318]

SENATOR SMITH: That's good though, that's good. But it doesn't sound like...I think you recognize that the problem is very large and it's taken us a while to get to this problem. And it's going to take some unique approaches to get us out of this, and funding is one of them. Funding can only go so far, I mean the sources of funds can only go so far for us. And we have to find, maybe, different ways of approaching the work. And so we may have to very well look at some of those things that there may be some controversy in. But we have to look at approaching these

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problems maybe a little differently than we have in the past. But I totally agree with you; we want to protect local control, we want to protect small business interests. I'm a small business owner as well, but at some point we're going to have to look at these things a little bit differently and look at new concepts. But appreciate it very much. [LR318]

PAM DINGMAN: Thank you, Senator Smith. [LR318]

SENATOR SMITH: Thank you. Next, please. Welcome. [LR318]

GLORIA GLOVER: Thank you for this opportunity to speak. My name is Gloria Glover, G-l-o-r-i-a G-l-o-v-e-r, and I'm a citizen of Nebraska City, and part of what I'm going to say you heard from Grayson Path, but I thought it was still important to go ahead and testify. The bridge review that you are talking about in your resolution should take into consideration not just the condition of current bridges, but also plans for new bridges when failing bridges are in need of repair. For example, the Nebraska City 4th Corso bridge, which was old State Highway 2, is closed due to very poor condition. It is expected to be closed for three to four years. It also happens that an interchange overpass construction project that has been planned for years is scheduled by the state to start soon in Nebraska City. This new interchange overpass will take new Highway 2 over Highway 75. The city is required to pay 20 percent of construction cost, or approximately \$3.2 million, on the interchange, which is being built to increase safety by eliminating the traffic signal on Highway 2. But the bridge overpass on old Highway 2 carried over 4,000 cars per day over railroad tracks. Now cars are using a detour that requires crossing the railroad tracks at grade, and some of the 32 trains crossing those tracks each day come to a complete stop, causing much longer emergency response time to residents that live on the southeast side of town. Funding is needed to build a new overpass for old Highway 2 as soon as possible, but the funds are going to a new interchange on Highway 2, new Highway 2. I would like to see the payment by Nebraska City for the new Highway 2 be redirected to the old Highway 2 or, at least, deferred to a later time, to allow rebuilding of the old Highway 2 overpass. And final, the resolution you are discussing should take into consideration coordination of plans for new bridges with plans for repair of deteriorating bridges in the same general locations if local participation to pay for such projects continues. Doing so will help to smooth out cost to local governments and the debt

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obligation carried by those residents. Those are my comments; I appreciate the opportunity.
[LR318]

SENATOR SMITH: Thank you Ms. Glover. Do we have questions for Ms. Glover? I see none; thank you. [LR318]

GLORIA GLOVER: Thank you. [LR318]

SENATOR SMITH: Next person wishing to speak on LR318. I see no other testimony on LR318. Oh, we do. Welcome. [LR318]

RYAN MANNING: Thank you. My name is Ryan Manning, R-y-a-n M-a-n-n-i-n-g. I'm a small contractor, bridge builder, and I testified last year at the Capitol on LB609. And I thank the senators for the gas tax; I think that's going to go a long ways. It's a start for the bridges. I'd like to kind of continue on with some of the discussion on the funding. I think the funding is, the funding mechanism is a...I challenge you to find a way to funnel that funding to the local counties. As a small business contractor, I...we can get these bridges done. The type of bridges that I construct, or that we construct, are 100 foot and less, and we can do them pretty economical. And we enjoy working with the local government. The one thing that I guess we've done in the last year is...Midwest Underground is the name of my company, and it's, underground is...you know, we used to primarily do all underground work: sanitary, sewer, and water. And last year we started up a bridge crew, and because of the need for bridges around the county that we're located in and just the area of the state in general. What we were able to do is get a crane and a diesel hammer, and that's allowed us to be able to replace a 100-foot bridge in about six to eight weeks. These are the types of bridges we're replacing. That type of bridge is a concrete deck slab bridge, so meaning we fabricate these bridge beams behind our shop and in our yard. We got set up with that over the past year too. We fabricate these and then we ship them out to the site, and that's the driving surface. You connect them together, and that's the driving surface. But that's why they're so fast to build, part of the reason. And it's...the substructure is all a steel substructure, so there's not a lot of concrete. There might be a deadman behind it that you pour in place, but that's it. We've had some success with the deck slabs; they're matching up very well, and it's a good bridge. And I hope we are able to continue to build them.

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The concerns I have with 558-bridges or maybe even 50-bridges bundles is that would eliminate me and a lot of other small contractors from even bidding on them. So when we talk about bundling and design-build, I think we have to be careful, because you will eliminate competition and invite out-of-state contractors who are large enough to bid these bridges. The other concern, I guess I have a little, is, on a scale of 558 bridges in 3 years, I'd be concerned that some of them are appropriately sized. That's kind of an engineering question, and I'll let the engineers, you know, deal with that. But that would be one concern I would have, just from a contractor. And like I say, I wouldn't be able to even bid a package like that. If there was a way to channel the funding to the local governments, the county governments, I think that we could get a lot of bridges built. I think there would be other contractors, small contractors such as myself, that would be interested in getting into building bridges. And we can get them done efficiently; 100-foot bridges are, and below, is what we do and, like I say, six to eight weeks is the time frame. And I just wanted to, kind of, just voice my concerns about moving forward too fast with this big design-build discussion. I think that there is a need for it. I think the state director said it pretty appropriately; there are projects that, and bridge projects, that it might be right for. I think they're the larger ones; I'm not so sure that the smaller bridges are...you wouldn't see...I don't think you would see a lot of cost savings in those by bundling them together like that. And that's all I really have. I don't want to take any other time, so if there's any questions for me, go ahead. [LR318]

SENATOR SMITH: Thank you, Mr. Manning. Senator Friesen. [LR318]

SENATOR FRIESEN: Mr. Manning, I think I understand where you're coming from a little bit, but I'm...and I'm not a, I'm not necessarily a proponent of the big, giant 500-bid project. (Inaudible) But, obviously if we would head in that direction, those, whoever wins that bid is going to do a lot of subcontracting, you know, and so would you feel comfortable doing subcontract work for the bigger firms? Do you think you could compete or would you rather work with...do you feel more comfortable working with county engineers, those types of projects? [LR318]

RYAN MANNING: I would be more comfortable working with the counties and just being in control of my own contract. I guess that's the bottom line on that. I don't know if there's...would I subcontract if we went in? You know, I don't think I'd have a choice. But... [LR318]

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SENATOR FRIESEN: I would foresee these firms wanting to find firms that they could subcontract with that would help them with certain projects. They're obviously not going to be able to tackle all that themselves; there's very few companies that could handle that. And I would kind of envision them, I guess, using some of the smaller firms that are out there, giving them an opportunity, but I don't know. [LR318]

RYAN MANNING: Well, I think we're talking about trying to get them done efficiently and economically, and I think we can avoid a markup from a larger company and then them having to hire us and just come in and do the work. They'd be making some type of a profit off that, and... [LR318]

SENATOR FRIESEN: Do you, does your firm do any design work at all, or do you just do construction? [LR318]

RYAN MANNING: No, no. We just do construction. Yeah. And, you know, the counties that are out there, they're comfortable with their own; they have their own consultants now. And these small bridges that I'm talking about, I don't think take a very long time to design. They don't take eight years like we've been talking about. So, you know, I don't think there's that eight-year timetable we've been talking about; it's much less. And the counties are comfortable working with them. And we can come in and, through the design-bid-build process, and we can build those projects pretty efficiently for them, you know, economically and fast. We can get in and out with the types of bridges we've been involved in so far. [LR318]

SENATOR FRIESEN: Typically on the bridges where you're willing to bid on, are there...what's the competition like? Are there three or four other companies bidding? [LR318]

RYAN MANNING: There's been anywhere from about four to seven contractors that are bidding these types of bridges. That's the normal, yep. [LR318]

SENATOR FRIESEN: Okay. Thank you. [LR318]

RYAN MANNING: Sometimes there's a wide range of size, I mean...contractor. [LR318]

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SENATOR FRIESEN: Yeah. [LR318]

SENATOR SMITH: I see no further questions. Thank you, Mr. Manning, for your testimony.
[LR318]

RYAN MANNING: Okay, yep. Thank you. [LR318]

SENATOR SMITH: Next person wishing to speak on LR318. I see no one wishing to speak on LR318. We're going to take about a five-minute break and then we're going to come back and take testimony on LR317--weight limits. Thank you. [LR318]

BREAK

SENATOR SMITH: (Recorder malfunction)...hearings today on LR317. LR317 is an interim study to review the Nebraska Rules of the Road and provisions which establish maximum weight limits. And this is a...this grew out of some legislation that was brought before the Legislature this last session. This is a difficult issue, because we do want to look at the weight limits and restrictions that are placed on agricultural products. But we also want to balance that with protecting the conditions of our road systems. So this is a difficult one to maneuver, but we definitely want to get plenty of input during this interim period to see if we can come back in this next legislative session and try to address some of the concerns we've heard over the years. So with that, we're just going to open it up; regardless of your position on LR317, we would like to hear your comments. So, please. Welcome. [LR317]

DEVON LEWIS: (Exhibit 1) I'm Devon Lewis; I'm from Kearney, Nebraska. I'm a fourth generation farmer. My father operated a feedlot. I currently farm. [LR317]

SENATOR FRIESEN: Mr. Lewis, it's L-e-w-i-s? [LR317]

DEVON LEWIS: L-e-w-i-s, yeah. [LR317]

SENATOR SMITH: Okay, thank you. [LR317]

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DEVON LEWIS: Sorry. I also operate some over-the-road trucks that haul grain or anything that will fit in a hopper. I also haul cattle manure for feedyards in the Kearney-Lexington-Holdrege area. In February of 2010 we were having a lot of trouble with overloads and so forth, and we came to the Transportation Committee with Senator Wightman; LB773 died in committee. We haven't had much trouble since until about the last two years. Approximately a month ago, in a two-day period, I was cited somewhere around \$4,000 for overload tickets on these manure trucks. We crossed the highway; we were on a county road otherwise. This is a continuing problem for me, as well as other people around. We're...I know people that's been cited with farm tractors, feed trucks. I think that's, under the way the law reads, that's an implement of farm husbandry and I don't really think the State Patrol should have jurisdiction over that. I've got some pictures of the trucks and the feed trucks. Is everybody here familiar with a feed truck and a manure-spreading truck? [LR317]

SENATOR SMITH: Yes. [LR317]

DEVON LEWIS: Should I submit the pictures, or...? [LR317]

SENATOR SMITH: If you have copies that you would like to leave with us, we'd be happy to take that. I have a feeling a few of us have seen those. [LR317]

DEVON LEWIS: These pieces of equipment are specifically designed for the use that what we're using them for. I suspect you could take a manure truck to Walmart, if you wanted to, but that's not the way they're being used. And I don't know exactly what the solution is to this, but I think that the State Patrol is taking it way out of control on the way that they're interpreting the law on this. The law specifically reads that anything that, you know, for agricultural or horticultural or livestock-raising operations is considered an implement of farm husbandry, and that's exactly what we're doing with this stuff. I don't know what the right...I guess that's why I'm talking to you, Senators. We need to solve it, and I don't know whether it be, what...some kind of a special license on it or just exactly what to do. [LR317]

SENATOR SMITH: Well, we'll open up to some questions for you, okay? [LR317]

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DEVON LEWIS: Okay. [LR317]

SENATOR SMITH: Just a moment. Senator Ebke. [LR317]

SENATOR EBKE: Tell me again, how far are these trucks going? I mean, is this...are we talking about a half a mile, a mile, three miles, ten miles? [LR317]

DEVON LEWIS: Maybe five...okay, so they're going down the road empty for, you know, until I get to the feedlot, maybe 30-40 miles. Who knows? From the feedlot out to where the spreading is done, they're going no farther than 5-6 miles. That would be the top end, and that's almost getting to where it's not economical to use those trucks. Beyond that, we would take it in a side dump or something like that. [LR317]

SENATOR EBKE: And that five to six miles is the time frame when you're getting stopped by the State Patrol, during that five to six miles? Or is it people that... [LR317]

DEVON LEWIS: Oh, I was stopped a half a mile from the feedlot. [LR317]

SENATOR EBKE: But after you were...when you had a full load. [LR317]

DEVON LEWIS: Well, I filled up at the feedlot. [LR317]

SENATOR EBKE: Right, right. [LR317]

DEVON LEWIS: A half mile down the road, they were sitting there. [LR317]

SENATOR EBKE: Okay. [LR317]

DEVON LEWIS: The first day, I got two tickets, and I told the guys to go home. The next day, they were waiting there at 6:30 in the morning when we arrived. We filled the trucks half full. We still got tickets--three more. [LR317]

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SENATOR SMITH: Unloaded, you're under your weight limits. It's once you're loaded that you're exceeding those weight limits and you're getting pulled over. [LR317]

DEVON LEWIS: That's correct, but there's something that goes along with that. In order for this piece of machinery to do the job it's designed to do, it has to be built heavy because it's going out in the field and everything else. So it's...it would be heavier than a dump truck or something like that, you know. So we got that going against us. And I can get an axle deal with a half of a load on, you know, and that's not feasible for the feedlot owner; he has to get rid of his manure. [LR317]

SENATOR SMITH: Yeah. How typical is it, during your work, once you get loaded and you're taking it that five to six miles, that you're having to cross bridges, or a bridge? [LR317]

DEVON LEWIS: Well, I mean, it would depend on the situation there. There could be one bridge, you know; there could be two. [LR317]

SENATOR SMITH: In those cases where there's a weight limit on the bridge, is there a typical recognition of that, that we don't want to tear up those bridges, and find an alternate route, and then you're putting more miles on it? [LR317]

DEVON LEWIS: I haven't really. You mean by the State Patrol? Or by... [LR317]

SENATOR SMITH: Just by the drivers themselves. [LR317]

DEVON LEWIS: No, I haven't heard anything like that. And typically, the area that we're in, I don't think Buffalo County has an old bridge that hasn't been replaced with a box culvert or a new cement bridge in the rural area. And down there where we're at in Holdrege, I don't know as there is a bridge. [LR317]

SENATOR SMITH: Okay. Senator Friesen. [LR317]

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SENATOR FRIESEN: So most of your work and when you've been caught, are you on a blacktop, a county blacktop road or a state highway or...? [LR317]

DEVON LEWIS: Well, I'm on a county road. [LR317]

SENATOR FRIESEN: Gravel? [LR317]

DEVON LEWIS: Yes. [LR317]

SENATOR FRIESEN: And the DOT was waiting for you there? [LR317]

DEVON LEWIS: Yes. [LR317]

SENATOR FRIESEN: Does the county have posted weight limits on those gravel roads? [LR317]

DEVON LEWIS: Not that I'm aware of. [LR317]

SENATOR FRIESEN: You know, in Hamilton County they've...the county is supposed to...there are blacktop roads at 80,000 pounds gross weight. But their gravel roads--I've never heard of anybody ever being stopped on a gravel road. It's hard to get very far without either crossing a blacktop or crossing a highway, so they could wait for you there. But I was just curious as to why, if they're not posted anywhere, I didn't realize that there were weight limits on gravel roads. Thank you. [LR317]

DEVON LEWIS: The truck that I'm using, I also filled it as full as I could get it and weighed it. They'll weigh 55,000 pounds which, if you take a gross weight, that's about 2,000 pounds over what the legal limit is. But if you're hauling something as inconsistent as manure or feed or something like that, it's pretty hard to get it to axle out, because the dump on the front end might be wet, the dump on the back end might be dry; it has different weights. It's not a consistent product that...and obviously, it can't be loaded, if I can only put a half of a load on it, it can't be loaded correctly. [LR317]

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SENATOR SMITH: Senator Davis has a question for you. [LR317]

SENATOR DAVIS: I have a point, just for clarification. I thought you said earlier that you had been on a gravel road and then crossed a blacktop. [LR317]

DEVON LEWIS: Yes. [LR317]

SENATOR DAVIS: And is that when you were stopped then, after you crossed that blacktop? [LR317]

DEVON LEWIS: No, I hadn't crossed the blacktop yet when they stopped us. They were between the feedlot and the blacktop when they stopped us. [LR317]

SENATOR DAVIS: And you heard this discussion earlier about the damage that can be done. And I guess I'm with Senator Friesen, as far as that we're dealing with that on county roads, because those are so much easier to fix than a blacktop, you know. We did hear testimony in Grand Island about some manure spreaders that, manure trucks that had done damage to pavement; that was around a \$50,000 fix so, you know, when you hear that kind of story, you say, well, I understand why these rules are in place, but I just wanted to clarify that point. [LR317]

DEVON LEWIS: I understand that. Senator Davis, I don't know as I've ever damaged a blacktop or a bridge, and I pay taxes to fix that kind of stuff. And I also feel that the roads were meant to be used to conduct commerce on. And I think that's what the problem is here, is we're kind of impeding commerce by going out here. And you know, I mean, I'll take the tickets to court. I'm not sure whether they'll make them stick, or the county attorney will make them go away. But I still have to hire a lawyer, I still have to take my time to go and get things straightened out. I don't want to be a lawbreaker. [LR317]

SENATOR SMITH: Okay. All right. Mr. Lewis, we appreciate... [LR317]

SENATOR FRIESEN: One more question, I guess. [LR317]

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SENATOR SMITH: Sure. Senator Friesen. [LR317]

SENATOR FRIESEN: So from your standpoint and your business that you do, how would the counties go about protecting...you know, when they engineer a road, they're going usually by the state highway standards of 80,000 pounds gross. And so what, when...your trucks, I know, are designed to do the job they do, but the counties also have to protect their investment. And are you saying we need to change the parameters that they operate under, as far as roads construction? Or how are they supposed to protect their roads? I know machinery is getting bigger, and that's my concern too. My machinery is getting heavier, and so the possibility of damaging those roads is higher than it used to be, just through my...obvious size of my equipment. So I mean, how do you perceive it? How should they go about...are there certain truck routes that they should designate? Or what...how would they protect those blacktop roads? [LR317]

DEVON LEWIS: I don't know whether that's something I can answer, because I typically do not go down a blacktop road. I may cross one, but I don't know whether my truck, being 2,000 overweight, I certainly wouldn't think that would affect that road. It shouldn't. [LR317]

SENATOR FRIESEN: Yeah. Okay. I'm just thinking. [LR317]

SENATOR SMITH: So let me follow up on that then. The restrictions then, that you're looking to loosen, would be on the gravel roads, not necessarily on blacktop roads or bridges. [LR317]

DEVON LEWIS: Well, I mean, yeah. I can't get stopped because I cross a bridge, you know. I mean, I have to do my business. [LR317]

SENATOR SMITH: But with a posted weight limit. [LR317]

DEVON LEWIS: Hmm...yeah. [LR317]

SENATOR SMITH: Okay. [LR317]

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DEVON LEWIS: I can agree with that. [LR317]

SENATOR SMITH: All right. Thank you, Mr. Lewis. [LR317]

DEVON LEWIS: Thank you. [LR317]

JOEL WEBER: Chairman Smith. [LR317]

SENATOR SMITH: Hi, welcome. [LR317]

JOEL WEBER: Members of the committee, my name is Joel Weber. I'm the owner/manager of Weber Feedyards of Dorchester, J-o-e-l W-e-b-e-r. And I'm here representing myself and Nebraska Cattlemen. Number one, commerce in a feedyard is 24 hours a day, 7 days a week, 365 days a year. We have trucks coming in and out every day, all day and all night. From our feedstuffs to cattle coming in to the cattle going out, it's nonstop. Machinery of today were designed for the heavy loads, much as Mr. Lewis said. Empty equipment that we're operating times a lot of times does exceed the posted 80,000, or whatever is posted on that certain road. My feedyard is fortunate enough to sit on Highway 6 and Highway 33, west 11 miles. In the last five years, I've received just shy of \$10,000 in tickets and fines. When I've gone to the DOT representative who has my truck stopped, I've asked them: What do I need to do to rectify my situation? And the last time I did that, he said, go back to your office, you're an habitual lawbreaker and that's how we're going to treat you. Some of the fines have been, basically, forgiven by our county attorney, and some I've had to pay. I have had to go from feed trucks that the average feedyard can run...they cost somewhere around \$175,000 new. The new trucks that I'm building, they have four axles and they're costing an upwards of \$230,000. That's just so I can remain legal within my...and be within the law, because that's what my goal is: to operate a feedyard in Nebraska and be within the law. The thing that I bring to you today and the thing that bothers me the most is, we had one of our employees stopped this summer, and he was running a manure truck. We do not have a choice but to be on Highway 33 or Highway 6, whatever comes in front of our feedyard we're operating on. He was a quarter mile from home. This summer, he was ticked for no CDL, which on a vehicle of animal husbandry, according to my interpretation of the law, you don't need a CDL. He was ticketed for having no DOT number for my feedyard

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on the door, which I didn't think that that was part of the law that is written. He was ticketed for not securing his load of manure, which I don't know how is even possible on a manure spreader, as you folks have seen the pictures of, and that he was being ticketed for being overweight, which I can live the being overweight. But the thing that is bothering me most is, we're leaving a lot of interpretation up to the individual, the Department of Transportation officer out there, and he doesn't necessarily know the law. Therefore, like Mr. Lewis said, I have to hire an attorney. I have to go through the county attorney. I have to spend a lot of dollars just to uphold the law of the land, which is already in place. To me, clarificational laws are what are needed statewide, and enforcement needs to be consistent. I want to operate within the law and run my feedyard as efficient as possible. Can I entertain any questions? [LR317]

SENATOR SMITH: Do we have questions? Senator Davis. [LR317]

SENATOR DAVIS: Tell me a little bit about these four violations, in terms of what is wrong with the interpretation of the law. The CDL, for example, tell me why you think this man was incorrectly charged because of that. [LR317]

JOEL WEBER: I am not very well versed on the new laws that are written. The way I understand it, farmhands or family members that are operating farm equipment or implement of animal husbandry, like what we were there, are not required to have a CDL in Nebraska. And I believe I'm correct in saying that. I also don't believe that we need to have our DOT number on the side of a vehicle of animal husbandry, which is another ticket that he wrote for us. And it's this leaving the interpretation open to the individual out there enforcing the laws...there should not be interpretation. It should be black and white. [LR317]

SENATOR DAVIS: So did you fight those two? [LR317]

JOEL WEBER: Absolutely. [LR317]

SENATOR DAVIS: And did you win? [LR317]

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JOEL WEBER: I did succeed, but not without cost. And this is, well, it'd be the third time I've had to deal with this in the last three years. [LR317]

SENATOR DAVIS: So this is more an issue of education with DOT employees, would you say? [LR317]

JOEL WEBER: I would say part of that, yes. [LR317]

SENATOR DAVIS: I mean, I'm asking that question because I'm wondering if there are clarifications that need to be made in the law or if DOT is just not doing their job in training their staff members. [LR317]

JOEL WEBER: I would say the DOT is not doing their job in training their staff members, just because we see such a wide variety of what they think is the law and what is not. And then we have to deal with the consequences of their lack of knowing the law. And basically what I...the way I feel is they're just throwing something at it and seeing what sticks. [LR317]

SENATOR DAVIS: Um-hum. So on those three charges then, all three of them were dismissed, all except the overweight charge? [LR317]

JOEL WEBER: Correct. [LR317]

SENATOR DAVIS: And by adding these new axles under...obviously you're incurring a great deal of expense to try to (inaudible). [LR317]

JOEL WEBER: This was on a manure truck; this was not on a feed truck. [LR317]

SENATOR DAVIS: Oh, oh. Okay. [LR317]

JOEL WEBER: The feed trucks I haven't been stopped with in three years. [LR317]

SENATOR DAVIS: Okay, thank you. [LR317]

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SENATOR SMITH: Thank you for your testimony, Mr. Weber. [LR317]

JOEL WEBER: Thank you. [LR317]

SENATOR SMITH: Welcome. [LR317]

LAVON HEIDEMANN: Senator Smith, fellow members of the committee, my name is Lavon Heidemann, L-a-v-o-n, Heidemann, H-e-i-d-e-m-a-n-n. I'm here on behalf of Nebraska Farm Bureau. I appreciate the committee's willingness to look at this. I appreciate the committee's counsel already talking to us. I talked to you last year, Senator Smith, on this. And you have indicated to us that you want to look into and actually try to accomplish something. I think one thing that we could do, and Senator Davis asked some good questions, we need to make things clear, not only for our producers and our operators, but for our carrier enforcement, so that we can get everybody on the same page. One of the things we needed to do is get a good and a great description of "implement of husbandry." And once we do that, then we can move on about what we want to do from there, if we want to give some exceptions, exempt them altogether. Senator Friesen asked a good question about when it comes to county roads. There are weight limits on roads just like any other public roads, from what I understand. We had...I had a conversation with Larry Dix just about five or ten minutes ago about what these implements do to county roads. And my thought...I farm. I mean, and I have implements, not as big as some of these other people, but I have these type of implements. They are built so they float over land; we don't want compaction. So with that in mind, it should be the same thing with, especially, county roads. These manure trucks, when they're full or when they're hauling, they go out on fields that are soft, and you don't want to compact them. It's my thought, if they could travel on fields, there's no way that they should be harming county roads...or something is wrong. I mean, I understand a county road with something heavy can be injured and damaged if the frost is coming out, if it's wet, it's, you know, it's a little bit muddy, but during that period of time, you couldn't operate on fields anyway. So theoretically, when they're operating, it's when they can operate in the field, they shouldn't be able to damage county roads that much anyway. We'd be very interested when, as agriculture has changed, I think we have to change laws to accommodate that. We've seen other states around us that have actually accommodated agriculture when it comes to weight limits. Illinois, Missouri exempted ag machinery and equipment from limits. Wisconsin does

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about 15 percent. One of the things that we've actually looked into--Iowa law--we think Iowa has a good model. And it appears that it works for all parties over there. So it would be something that I think we should look at. Our members would definitely like to see something done on this, with this overweight issue. We would actually like to see if we can get all parties to agree, get a good definition of "implement of husbandry," maybe to exempt them on county gravel roads and incidental use on paved roads. The majority of the farmers don't want to operate on paved roads anyway, because it tends to, in my mind anyway, tear equipment up worse than a county road because there's less give on pavement; it'll tear tires up. At least, that's my opinion. We also understand and we appreciate county bridges. And it appears that our members, under no circumstance, want to be given the right to exceed the bridge capacity, you know, what's posted. So I think that's good; I think it's a good working point. We want to be part of the solution, not part of the problem. Farm Bureau would like to be part of these discussions, if it's so desired. And I would try to answer any questions that you might have. [LR317]

SENATOR SMITH: Mr. Heidemann, so would you also add distance restrictions and seasonal restrictions on there, certain times of year roads are more susceptible to damage? [LR317]

LAVON HEIDEMANN: The Iowa model actually, I do believe, has seasonal use permits, where they have identified when the roads can be damaged a little bit more, and they try to...then they actually hold it down, not totally, but they hold it down at that time. We would be open to that discussion, yes. [LR317]

SENATOR SMITH: Thank you very much. Questions from any...Senator Davis. [LR317]

SENATOR DAVIS: Just a couple. And I'm not going there, but I just want to ask your opinion about this. Obviously, if there's going to be damage done to these roads, there's going to be some cost. Is that a cost that should be borne by all of the taxpayers or by people who use the equipment? [LR317]

LAVON HEIDEMANN: You know, my thought on that, and I am an agriculture producer, and anytime that you have an improvement on a farm, you pay a little bit more taxes. These feedlots have increased valuation and they are paying more taxes. And I would hope that would help bear

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some of that extra expense. If their roads are...maybe need more maintaining than normal, if there would be widespread damage, I think you would have to identify that and maybe go from there. Maybe it would be the individual county's decision, then, what to do with that. I still believe that if, especially on manure trucks, if they're able to go out and spread on land, how can they exactly hurt those roads as much as what some people would say? I don't quite grasp that; common sense doesn't tell you that that should be happening. [LR317]

SENATOR DAVIS: And I think you can make a good point there. Has there been any study on that, that you know of? [LR317]

LAVON HEIDEMANN: Not that I know of. [LR317]

SENATOR DAVIS: Wonder if the manufacturers would be willing to look into that. [LR317]

LAVON HEIDEMANN: These things are meant, I mean, most farm implements are meant to have high flotation as not to compact your land, which should be less damage for the road. [LR317]

SENATOR DAVIS: Right, thank you. [LR317]

SENATOR SMITH: Great testimony, thank you very much. [LR317]

LAVON HEIDEMANN: Thank you. [LR317]

SENATOR SMITH: Next person wishing to testify on LR317. Kind of a maze to get through back there, isn't there? [LR317]

SCOTT HUPPERT: Yes, it is, sure is. [LR317]

SENATOR SMITH: Welcome. [LR317]

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SCOTT HUPPERT: (Exhibit 2) Senators, I don't have enough copies to go around, because I didn't know I needed copies. But here's some of my bridges, if you just want to pass them out; they're almost all the same. If you start...I want to start saying thanks for having me here, Senators and the committee. I'm Scott Huppert, S-c-o-t-t H-u-p-p-e-r-t. I'm the Richardson County Highway Superintendent, and I've been a farmer for 15 years and worked for the county for 22 years. I'm now the highway superintendent for six years, so I know what these farmers are going through, what they're looking for. You start raising the weight limit on these roads, that's fine if they're only going a mile, you know, from where they're at. But repetition on these roads tear them up. And you get more weight on them...these guys don't understand there's weight limits on those tubes that are underneath there too. And in my county, I can guarantee you ain't going to go a half a mile without running over a culvert. And there's weight limits. You keep putting more weight, the road starts going like this; I can guarantee you that. In my county down there, it's lime that I have to put as gravel. It doesn't...it's not hard; it packs out. You get moisture on it, it's going to pack out more. You start letting more of these...I'm for all the farmers; I was a farmer. But they've got to understand that, yeah, the equipment is big enough; that doesn't mean they have the right to just go out and buy to run across the road and we should change the roads. There's not enough money out there. My budget is only \$3 million, and I take care of 244 bridges that are on the state site and another 100 that are under the 20, and I've got probably 300,000 culverts out there that I have to take care of. My budget is only \$3 million. You start putting more weight on these roads, that means I got to put more gravel. Look after all these culverts now, and I can guarantee you, you put more...less restrictions on farm equipment, on trucks, they're going to go across that bridge; I can guarantee you, you look at any of those pictures, look at the weight limit on them. Some of them are eight, six ton...I don't have the money to (inaudible). Some of them are 20 ton, but the degradation that I'm getting underneath them, there's stress on all these bridges. And you can't tell me there's no stress on a road that's...you keep...yeah, equipment is bigger, supposed to flotation. You keep running over that road constantly and it's not maintained by the county or something keeping the road up, you're going to ruin that road, I can guarantee you, and then you're going to have more money fixing the road to get it back up. I think there should be same restrictions as anybody else on any county road or any bridge out there. You give them extra, I mean, hey, I know they pay taxes; I pay taxes too. But I don't get all their tax to go on with that bridge (inaudible). You got everybody paying taxes

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on that bridge. No one gets the right, just because it's their bridge, close enough, to overweight it. I just...that's my feeling. That's all I have. [LR317]

SENATOR SMITH: Thank you, Mr. Huppert. Questions? Senator Davis. [LR317]

SENATOR DAVIS: So in your county, are overweight issues a big deal for people? [LR317]

SCOTT HUPPERT: Yes, it is a big deal. [LR317]

SENATOR DAVIS: Are there--I guess I'll use the term--chronic abusers? [LR317]

SCOTT HUPPERT: Yes, there's a lot of chronic abusers, a lot. And I try to catch them. State Troopers try to catch them. I have no problem on the gravel roads, but I can guarantee you, if they're on that gravel road, I can guarantee you they're going across that bridge. And I've had farmers tell me: I go across it all the time with 80,000, and it's only a ten-ton bridge. [LR317]

SENATOR DAVIS: What kind of fines are in place for crossing a bridge like that? [LR317]

SCOTT HUPPERT: That's up to the DOT, so. [LR317]

SENATOR DAVIS: Are there ways around these weight-limited bridges? [LR317]

SCOTT HUPPERT: That's what I try to tell them; there's ways around. You know, if there's not, you know, I farm too. I farmed and then I didn't have to buy big enough equipment if I couldn't go across it. Or I didn't load it up as much. There's ways around that. [LR317]

SENATOR DAVIS: So give me an example, if you could, of how far one person might have to go around in order to get to their (inaudible). [LR317]

SCOTT HUPPERT: In my county, probably four miles on average. [LR317]

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SENATOR DAVIS: And how many people are going around versus just using the bridges that are there, as a percentage? [LR317]

SCOTT HUPPERT: I'd say half of them, if it's, you know, around that bridge...not using it, but I can guarantee you, if there's somebody that thinks they can get across, they're going to go across. [LR317]

SENATOR DAVIS: So can we educate people about the weight limits? [LR317]

SCOTT HUPPERT: I think there should be education out there on the bridges. I think...I try to, I try to all the time when I'm going out to farmers. You know, I catch them...here, look at the bridge. Come down under and look at the bridge, what you're doing to it, the structure of it. You know, you're running over main roads that I have to keep up. My graders have to go out there and do more time on...that's more expense that I'm spending on that road that farmers are, the bigger farmers are running over. And they're not paying attention to the other roads. I got eight graders and each of them run over about 100 miles. And you can't get over...per day, you're only going to get over six miles a day with a grader, so. [LR317]

SENATOR DAVIS: Thank you. [LR317]

SENATOR SMITH: Thank you, Mr. Huppert. Appreciate your testimony. [LR317]

SCOTT HUPPERT: Thanks, guys. [LR317]

SENATOR SMITH: Next person wishing to testify on LR317. Welcome. [LR317]

JOHN SCHROEDER: (Exhibit 3) Good afternoon. John Schroeder, J-o-h-n S-c-h-r-o-e-d-e-r, representing myself and Nebraska Cattlemen. Again, thank you for bringing up this discussion. I'm also going to give just a policy statement from Nebraska Cattlemen. [LR317]

SENATOR SMITH: Okay, thank you. [LR317]

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JOHN SCHROEDER: And again, we've met as a task force and put together a task force last fall together to talk about transportation issues, and glad to have the opportunity to talk about some of those. And so some of that's dealing with vehicles of animal husbandry, as that you'd see on the back page and, again, that we look at obtaining additional permits to meet that actual hauling capacity. One thing you're hearing today is, we're talking about equipment getting bigger; and some of it is. But you have to realize that these feed trucks that we presented the last time I've seen some of you have been in use for over 15 years in our yard, at that same weight. So this isn't a new issue; this is something that's been here for a long period of time and, all of a sudden, it's being interpreted differently than it has been 15 years ago. So we know that we're going to see larger equipment as we go forward. The cost of admission is higher, a lot due to regulations, and that's why you're seeing some of this bigger equipment at times. The other part is dealing with the dyed, or red, fuel, which currently is available to vehicles of animal husbandry. We want to be able to operate on roads in Nebraska, so gravel roads; we want to be able to cross those blacktop roads. As you heard earlier, some live right on a blacktop road and need to be able to move a quarter of a mile to a mile down those blacktop roads to get to those places to feed livestock every day. The other part is dealing with some of the MAP-21 provisions which deal with CDLs, which currently are in place. And, you know, we want to make sure that we can operate within the 25-mile radius of where we're doing business, feeding livestock every day. So I think that's the types of things we want to make sure we look at. But primarily, I think it's important to understand--and welcome you to come and look at some of those operations--these vehicles have been in place for well over 15 years at these weights. And when you get into those fields, you do need to have equipment that can handle being rough and tough in rougher environments in the field but yet then operate on a road. And when you see that something that's used every day, you're going to find that those roads actually are harder and better being used every day than not every day. And you have to realize that we have our wives and children, school buses on these same roads; we want them safe just as bad as everybody else does. And we need to make sure those roads are workable and usable every day, because we use them every day. And they need to be safe because our family and friends are on them, as well. So we recognize all of that, and I think, as you look at how these vehicles are actually being used, you'll find that that meets that, that way. But we do need to have the infrastructure in this state in order to have our number one beef industry continue to survive and be prosperous. And I think that's very important. If you put the infrastructure in place, you're going to be very prosperous as you

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go forward. If you want to put your head in the sand and not, you're going to go to places that you see livestock not so prevalent, and you're going to see economies that aren't near as well as what they are here in Nebraska. I think that's important to think about. [LR317]

SENATOR SMITH: Thank you. Do we have questions for Mr. Schroeder? So you heard Mr. Heidemann speak, and he gave some general ideas of where, maybe, some common ground could be found. From the Cattlemen's perspective, is that kind of where you're looking, as well? Or do you see yourself needing to differ at all with the Farm Bureau and what they're looking at? [LR317]

JOHN SCHROEDER: I think his comments were very good. There's definitely common ground to find, and some of that is just understanding what the current law is. A lot of these things that you heard Mr. Weber talk about earlier were things that were, clearly, in his right to do and were misunderstood by the officer that was writing those. You know, there's...and at the same time, we need to have...when you look at vehicles that have been in place for over 15 years, being utilized and driven, this economy in Nebraska, as good as it is, that all of a sudden we're going to look 10 years down the way and start writing \$2,800 tickets for overweight on something that's been used every day for 15 years, something's wrong and needs to be looked into there. And we need to make sure that those laws match to where people can do business in a legal manner. Obviously, people in the past 15 years have believed that that's been legal and their right on those gravel roads to operate and feed and contribute to our economy. They're taxpayers, and they have the freedom to operate and that's something that needs to be looked at. [LR317]

SENATOR SMITH: Very good. Thank you for your testimony. [LR317]

JOHN SCHROEDER: Thanks. [LR317]

SENATOR SMITH: Anyone else wishing to testify on LR317? I see two more coming up this way. I think someone wants to be last; I'm not certain. Welcome. [LR317]

MIKE TWITCHELL: My name is Mike Twitchell. It's T-w-i-t-c-h-e-l-l, representing Sweetwater Cattle Company, a feedlot in Kearney, Nebraska. And I would like to address this issue from a

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different side. Due to regulations that are currently in place with our manure management programs, we have to expand our areas to get rid of our manure. Our manure is used as fertilizer to, you know, fertilize fields. And our competition to get rid of that manure is local co-ops who happen to be exempt from all the regulations that are currently being enforced on us, which gives them an unfair advantage. So, you know, it would...I agree with everything else that's been said, but no one brought that up, as well. So they can be overweight, they don't have to have licenses on their vehicle, and that gives them an unfair advantage on selling nutrients. [LR317]

SENATOR SMITH: Any questions for Mr. Twitchell? Senator Davis. [LR317]

SENATOR DAVIS: Just one. I didn't know that, so I appreciate your bringing that. [LR317]

MIKE TWITCHELL: (Inaudible). [LR317]

SENATOR DAVIS: Are there other entities that are exempt? [LR317]

MIKE TWITCHELL: Just the floater fertilizer applications is...it specifically says that under the vehicle of animal husbandry. We think we fall under that, but they have a distinct definition that excludes their...the spreaders. [LR317]

SENATOR DAVIS: Thank you. [LR317]

SENATOR SMITH: Mr. Twitchell, was it someone that told you about the co-op exemption, or is it something you've seen? [LR317]

MIKE TWITCHELL: No. Five years ago, myself and Mr. Lewis testified, and that was brought to our attention at that time. [LR317]

SENATOR SMITH: Who was it brought to your attention by? [LR317]

MIKE TWITCHELL: Either our attorney that we were working with or Senator Wightman, I believe. [LR317]

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October 27, 2015

SENATOR SMITH: Okay, okay. Senator Davis. [LR317]

SENATOR DAVIS: One more question. Just possibly are they using dyed diesel or are they using (inaudible)? [LR317]

MIKE TWITCHELL: I don't know about that. I know they run up and down blacktop roads more so than any of our equipment does, and they are exempt from any of the DOT. [LR317]

SENATOR DAVIS: Very good. [LR317]

SENATOR SMITH: All right. Thank you, sir, for your testimony. [LR317]

MIKE TWITCHELL: Thanks. [LR317]

SENATOR SMITH: All right. Testimony on LR317. Welcome. [LR317]

MARK OTHMER: Good afternoon. My name is Mark Othmer, M-a-r-k O-t-h-m-e-r. I'm the Nebraska field director for Iowa-Nebraska Equipment Dealers Association. We have 165, approximately, member locations in the state of Nebraska, so I am basically representing them today, along with, maybe, some of the manufacturers that they represent. And of course, it's the farm equipment that we're selling to the farmers and being used on our fields and roads. I just wanted to support a few things that were said earlier today. I think it was Mr. Weber that talked about the training issue of maybe the carrier enforcement not even knowing all of the rules of the road or the exemptions that are possibly out there. And I've experienced that in our industry. We have an overwidth exemption, and it's got to the point where I actually have convinced my members to carry a copy of the law in their trucks with them so they can pull it out when they get pulled over. We also have some overlength exemptions that obviously the carrier enforcement folks won't know about. So on the training side of it, just a suggestion--there's a myriad of associations out there that are engaged in trucking laws and rules of the road that I think would be more than happy to come and talk to carrier enforcement, because it's a lot easier for us to know where our exemptions are and where they are in the statute and code law than for them to try to go through it all and try to get their troopers trained up. So that's something that we would

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offer, maybe, to try to help that situation. As far as actual overweight equipment, it's obvious that large farm tractors are overweight and they're not getting smaller; they're going to continue to get bigger, although we are starting to see, maybe, some resistance from the customer, at this point now, of going to larger equipment. And my members, because they can't remarket the trade-ins, because they've gotten so big that the secondary users aren't there to be able to use them, therefore, they get stuck with them. So it's...we've probably, with our system in Nebraska, have probably kind of maxed out on size of equipment at this point. Just to add maybe just a little bit of levity to the whole thing is, one of the things that I learned as a young man growing up on a farm is, when you walked out on the ice on the pond and you heard the ice start to crack, my dad told me the first thing you do is you lay down and you spread out, because that distributes the weight. And by gosh, it works. And I would think that same principal would apply to dirt, maybe not, I don't know. The engineers would have to tell us that, but obviously that's the situation we have with tractor tires versus truck tires. And hopefully, at the next hearing, I will have somebody here from the University of Nebraska to help support some of the ideas behind tire pressures, sizes, footprints, and that sort of thing. So, other than that, I don't have anything else to add. If there's any questions, I would sure entertain them. [LR317]

SENATOR SMITH: Appreciate that. I think your latter comments there, going back to Mr. Heidemann, what he had mentioned as to why it's okay for the field and not so much for the road and your...maybe the next person that comes in from your organization can speak on that. So that would be great. [LR317]

MARK OTHMER: Okay. [LR317]

SENATOR SMITH: I see no further questions. Thank you very much. [LR317]

MARK OTHMER: Yeah, thank you. [LR317]

SENATOR SMITH: Any further testimony on LR317? I see none. That concludes our hearings for the day. Thank you very much for being here. [LR317]