



TODD NOVAK

STATE REPRESENTATIVE • 51ST ASSEMBLY DISTRICT

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P.O. Box 8953
Madison, WI 53708-8953

DATE: April 6, 2021
RE: Testimony on Assembly Bill 238
TO: The Assembly Committee on Transportation
FROM: State Representative Todd Novak

Thank you, Chairman Plumer, and members of the Assembly Committee on Transportation for holding this public hearing on Assembly Bill 238 (AB238), which would direct the use of federal funds accepted by the Governor through the American Rescue Plan Act of 2021 for administration of a local highways and bridges supplement program.

Investing in local infrastructure, especially our roads and bridges has been a priority of mine over the years. During the 2019-21 state budget the Legislature made significant investments specifically directed toward repairing local roads and bridges by bolstering the Local Road Improvement Program. In speaking with local government officials from the five counties my rural district touches, it is clear that the need for local road aid is still great. This was recently reinforced by feedback I received during budget listening sessions this year for the state's upcoming budget. The quality of our local roads remains front of mind as one of the most important issues for my constituents.

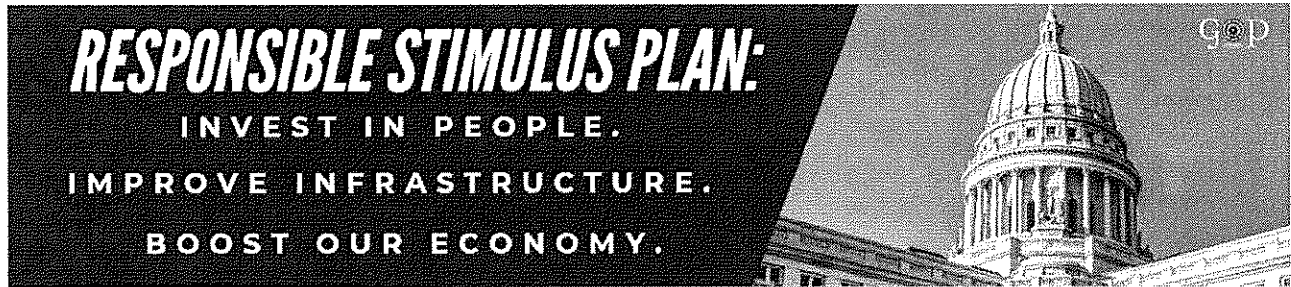
I co-authored AB238 which directs one time federal funding through the American Rescue Plan Act of 2021 to local governments in order to fix roads and bridges. The proposal provides \$2 million dollars per county and \$2000 per mile of road for local governments to repair roads. In addition to the repair of roads the money can be used for the repair, reconstruction, or rehabilitation of seriously deteriorating local bridges.

My constituents have been looking for solutions related to fixing the roads they drive on every single day. I believe AB238 will make a measurable difference when it comes to local road quality. Thank you for your consideration of this proposal.



HOWARD MARKLEIN

STATE SENATOR • 17TH SENATE DISTRICT



April 6, 2021

Assembly Committee on Transportation
Testimony on Assembly Bill 238

Thank you Chair Plumer and members of the committee for the opportunity to testify in favor of Assembly Bill (AB) 238. This bill is a part of our Responsible Stimulus Plan and I appreciate the opportunity to support our efforts on behalf of the people of Wisconsin.

The Responsible Stimulus Plan reflects the legislature's priorities to invest in people, improve infrastructure and boost our economy as we recover from the COVID-19 pandemic. It is a thoughtful, thorough plan to work with the Governor to dedicate massive Federal investments from the American Rescue Plan Act (ARPA) into the things that matter most to the people we serve.

Both houses of the legislature have spent considerable time and effort to develop a real plan after listening and understanding the needs of our people, communities and industries. This plan provides relief and investment to all communities, of all sizes, statewide. Our plan puts money back into the hands of the people.

AB 238 dedicates ARPA funds to fix local roads. The bill directs the Governor to send \$2 million to every county government and \$2,000 per mile to every town, city and village government to fix roads.

Local road maintenance and repair has been one of my top priorities for several sessions. I consistently hear from constituents and local government leaders about the absolute need for more funding to repair and maintain local roads. This massive influx of Federal funding for infrastructure is clearly a prime opportunity to address the needs all around our state.

This funding would be distributed directly to municipalities and counties. Unlike other road funding opportunities, it is not competitive, nor does it require matching funds. This is simply an infusion of necessary funding for roads.

Again, please accept this testimony in support of legislation that will support the people of our state who are working to recover and move forward after the last unprecedented year in our history. I believe this bill will make a real difference. I apologize that I was not able to attend in person due to a meeting of the Joint Committee on Finance (JFC). However, I appreciate the opportunity to testify in support of this bill.

RICHLAND COUNTY HIGHWAY DEPARTMENT

Roger Petrick, Highway Commissioner

Office: 608-647-4707
Shop: 608-647-2208
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DATE: April 6, 2021
RE: Testimony on Assembly Bill 238
TO: The Assembly Committee on Transportation
FROM: Richland County Highway Commissioner Roger Petrick

Thank you, Chairman Plumer, and members of the Committee on Transportation for holding this public hearing on Assembly Bill 238 (AB238), which would direct the use of federal funds accepted by the Governor through the American Rescue Plan Act of 2021 for administration of a local highways and bridges supplement program.

As the Richland County Highway Commissioner, I have experienced firsthand the struggles rural counties face in acquiring both state and federal dollars to fund necessary repairs and provide for the maintenance of our roadways. Current funding levels are simply not enough.

Richland County currently maintains 300 miles of county roadways. These roads are essential to serving farmers, loggers and local businesses. Our county roads are rated yearly, Richland County has 120 miles of road in "3-4" rating and 105 miles in a "5-6" rating. For context, roads are rated on a scale of 1-10 with "1" being the worst and "10" being the best.

The 120 miles that are rated "3-4" need rehab. The cost for Richland County to fix this backlog of repairs is \$29 million. The current Local Roads Improvement Program (LRIP) gives Richland County just under \$120,000 every two years for road improvements.

This only illustrates a portion of the challenges that we face. Richland County currently has five bridges that are structurally deficient along with numerous small structures that are not in the state's Highway Structures Information System (HIS). Generally, we can afford to replace one bridge a year.

Highway commissioners have been given the task of trying to repair roads with a stall budget and ever increasing product costs.

That is why I am here today, because I believe that AB238 as it is currently drafted, will deliver the necessary funds so that rural counties like Richland County can begin the urgent repairs that will ensure that our roads are safe and accessible.

If any committee members have questions relating to Richland County's roadways I would be more than happy to respond at the conclusion of my testimony.

Thank you for taking the time to hear my thoughts on this very important issue. I respectfully request your support for this proposal.



Iowa County Highway Department

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CRAIG HARDY
HIGHWAY COMMISSIONER
WWW.IOWACOUNTY.ORG

April 5, 2021.

State Representative of Assembly District #51
Honorable Todd Novak

State Senator Senate District #17
Honorable Howard Marklein

Reference AB238;

I applaud your efforts behind the proposal for Assembly Bill #238, proposing to apportion funding for road and bridge maintenance and construction to local governmental entities - Counties - across the state. I have been asked if the \$1M proposal for each county is necessary or needed by the county, and why would it be equivalent for all counties rural and urban to receive the same amounts?

Since 1999, the Highway Department budget and funding for Iowa County has been stagnant or declining. From 1999 through 2014; the Highway Department expended a \$1.3M fund balance surplus and turned it into a \$1.8M deficit to the County General Fund. The Department through a number of years of declining tax levy, local government levy funding caps, declining state shared revenues, declining General Transportation Aids, declining State Highway Maintenance Funding compounded by an inflationary growth rate in expense for road maintenance products; has resulted in a drastic reduction in overall program maintenance and construction. Attached are three charts illustrating county bid costs for various products from 1999 to 2019. The charts illustrate the increase in costs of operations over the same timeframe.

For a sustainable preventative maintenance program, corrective maintenance is based on age and oxidation deterioration of an asphalt pavement. Based on maintaining an infra-structure of 365 miles of highway, the county should improve 7.3 miles of asphalt paved highway and surface treat 38 miles of highway / year. From 2008 through 2020, the Department has averaged 3.2 miles/year of highway for improvement and 19.5 miles / year for maintenance treatments; or less than half of what should be done annually for each category. The end result is a large and growing list of highway projects due to not performing the right treatments at the right time, and having to spend more funding on maintenance to keep roads passable/usable for the travelling public.

In recent years, the County has made some strides towards correcting these 15+ years of funding shortfall issues by passing a vehicle registration fee ordinance to fund bridge replacements, by expending short term borrowing to perform fleet/equipment replacements, and by the recent efforts thru the state budget process to raise GTA and other shared revenue aids. And, although those funds are appreciated and have assisted the county by tackling a number of poor condition bridges over the last decade. The amount of funding for assisting with road repairs/improvements; still fails to keep pace with the costs and deterioration rates of the infra-structure.

The County currently has a backlog listing of improvement 16 projects covering 62 miles of highway estimated >\$39M. These are improvement project listings only; which require either a complete reconstruct to county highway standards or a pavement replacement. Of these; I would categorize 6 projects as eligible for “shovel ready” for construction; or could designed, bid out, awarded, and started within 12 months of funding availability. Furthermore, the Department recently underwent a GIS data collection culvert assessment project to prioritize our funding streams towards bridge and culvert shortfalls. That study identified 250+ culvert locations which have failed and are in need of replacement. The estimate for replacement of these 250+ locations is in excess of \$1.5M.

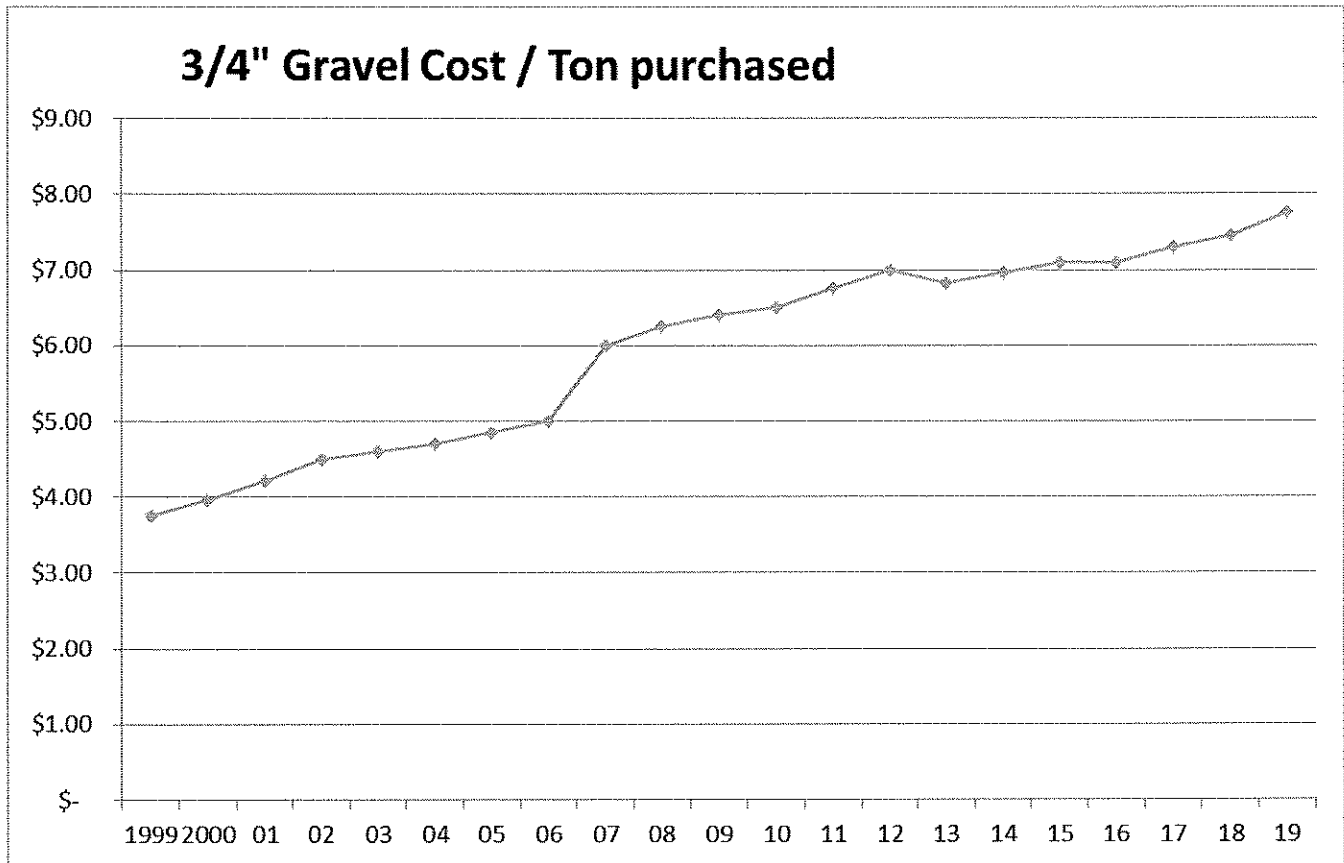
Regarding rural fundability of projects, often when funds are set aside for programs through application processes the award of a project falls on its’ ability to compete on a statewide level for the funding. During the 0219-2020 budget this is evident on the Multimodal Local Supplement program. For the rural counties of Green, Lafayette, Iowa, Grant, and Richland counties; only one MLS project was awarded to the Township of Wyoming in Iowa County. Of our 365 miles of county highways, only 40% qualify for the STP-Rural program as the rest are not functionally classified as “Major Collectors”. Due to low traffic volumes, often the road applications in HSIP or TAP grants do not receive an award due to low traffic volumes and a lack of crash statistics being high enough to supercede other locations.

So in closing, I applaud your efforts to bring the needs of rural Wisconsin highways to the attention of the Senate and Assembly. I appreciate your efforts towards designating funds to assist with our efforts to maintain our infra-structure.

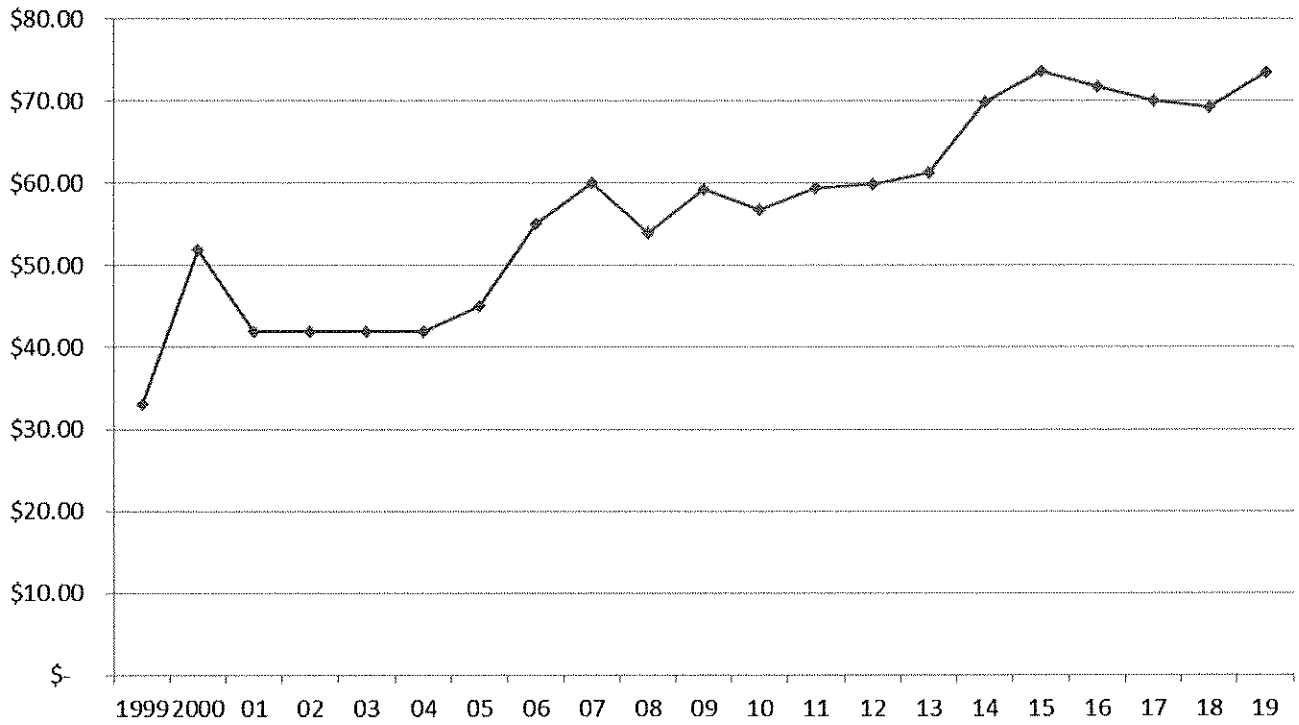
Respectfully Submitted;

Craig E Hardy
Iowa County Highway Commissioner.

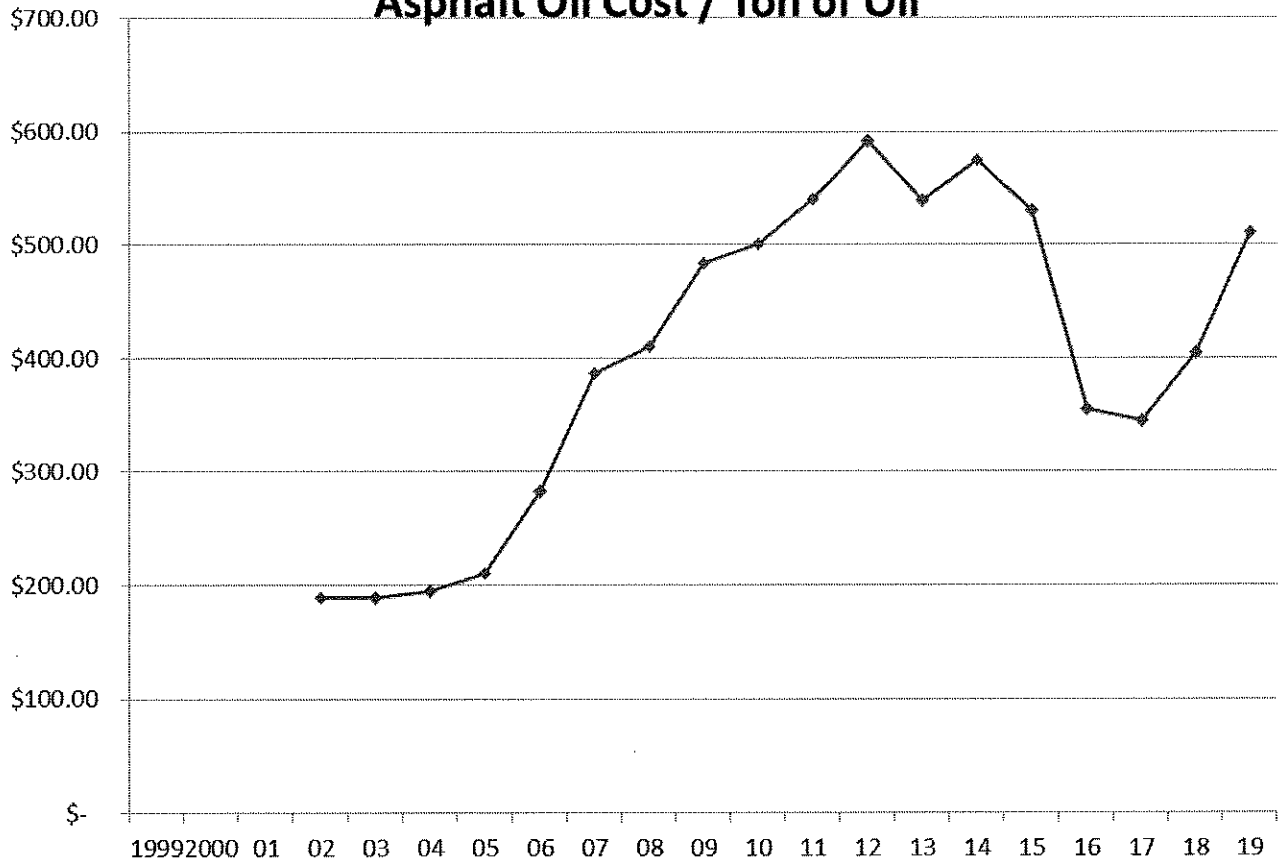
These tables/graphs illustrate increases in costs of road maintenance products. Cost is the annual low bid price paid by the county based on the unit of measure. These tables illustrate the costs of products have increased two fold over the same timeframe, where revenues were stagnant or declining; resulting in a decrease of maintenance performed and an increase of deferred expense for maintenance not able to pay for due to dedicating more funds to everyday activities.



Annual Salt Cost / Ton



Asphalt Oil Cost / Ton of Oil





WISCONSIN TOWNS
ASSOCIATION
Empowering Town Officials

MEMORANDUM

TO: Assembly Committee on Transportation

FROM: Wisconsin Towns Association, Wisconsin Counties Association, League of Wisconsin Municipalities

DATE: April 6, 2021

SUBJECT: AB 238, Allocation of Federal American Rescue Plan Act of 2021 Funds for Local Highways and Bridges

The Wisconsin Towns Association, the Wisconsin Counties Association, and the League of Wisconsin Municipalities appreciate the Legislature's continued focus on and support for local transportation infrastructure needs. In recent years, Wisconsin's legislators have recognized both the importance and significant needs of local roads and streets. Manufacturing supplies and commodities, food, wood products, and building materials require quality first mile infrastructure to efficiently enter the supply chain. Sound last mile connections are necessary for small businesses, consumers, commercial enterprises, and tourists to obtain the goods and services they need. Funding increases in the last two state budgets have begun to address a severe local transportation funding backlog; however, continued investment over a period of years remains paramount.

Both local and state ARPA funding might offer an opportunity to further advance first and last mile infrastructure improvements. Our state and national associations have asked Federal legislators and the Department of Treasury to include horizontal and vertical infrastructure as an allowed use of the ARPA funds. As we await their guidance, we feel it's important that both our local, as well as state officials, collectively consider the following investment principles.

- Funds must be focused on one-time investments and not create long term programs or expectations.
- Investments must be targeted and consider what programs have already received funding through previous COVID related spending.
- Replacing lost revenue will prevent cuts to current public services.
- Spending is not the same as investing. The latter should be the focus.
- Game changing and high leverage investments, such as, roads, bridges, water and sewer upgrades, broadband, and public health that position Wisconsin's economy for long term growth should be a priority.

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AB 238 follows these principles and invests ARPA funding in critical local infrastructure. Pending the Legislature, Governor, and local government officials receiving final Treasury guidance, we encourage them to continue to consider these principles and we look forward to supporting them in those efforts.

Thank you for considering our comments.

Lincoln County Highway Department

100 S. Cooper Street Merrill, WI 54452
Phone (715) 539-2500 Fax (715) 536-2901

John Hanz - Highway Commissioner
Heather Marheine - Financial Manager
Kris Reichelt - Program Assistant



April 6, 2021

RE: Assembly Bill 238

Thank you for the opportunity to comment / testify regarding Assembly Bill 238!

This Bill is very timely regarding funding Lincoln County Highway Department needs for highway and bridge maintenance. In fact, today April 6, 2021 there is a referendum on ballot to Fund \$700, 000 per year for five years if past to sunset the unpopular existing \$20 per vehicle Registration Fee (wheel tax) which raises \$560,000. Either of these options is needed because of Levy limits that are being imposed. Estimates levy increase for 2021 for Lincoln County are \$14,000. In fact, if referendum fails and registration fee (wheel tax) is not renewed drastic cuts will need to be implemented and service reduced for the traveling public.

Lincoln County Highway is now implementing a 30-year life cycle approach for maintenance of our highway system. Simply put year one reconstruct the road and in between year thirty perform maintenance work such as routing and seal, mastic, rut fill and wedge with asphalt and two applications of sealcoating. In year 30 reconstruct roadway. Using this system Lincoln County Highway needs to reconstruct 11 miles of hot mix asphalt per year and sealcoat 24 miles each year to maintain 273 miles of County Truck Highway. As you can see the funds supplied by Assembly Bill 238 are needed. At \$2,000,000 max Lincoln County Highway would be able to reconstruct approximately 8 miles of county truck highway.

John Hanz Commissioner

Lincoln County Highway Department