



Fred Warner Jr.
Baker County Commission Chair
Co-Chair of AOC Transportation Committee

To: House Transportation and Economic Development Committee

Fred Warner Jr.
Commission Chair
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I am here to testify on the state of funding for county road departments and will focus on needs for Eastern Oregon. Our particular issues generally revolve around low population, fewer registered vehicles and large geographic areas with high road mileage. In other words, lots of miles of roads needed in order to get somewhere and not a lot of dollars to maintain this system.

Tim L. Kerns
Commissioner
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Many of the rural or frontier Eastern Oregon Counties have unique funding mechanisms. Most have been historically dependent on Forest Receipts or Secure Rural School Funding. Others receive Payment in Lieu of Taxes from the federal government because over 50% of the land mass in our counties are owned by the federal government, thus reducing our property tax base. Most have historically not operated their road systems with general fund dollars. State gas tax and fee revenues are based on registered vehicles and not miles of roads. This presents challenges that counties have worked hard to overcome.

Carl E. Stiff, M.D.
Commissioner
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All road departments face issues of lack of resources for preservation, modernization and maintenance of infrastructure. Most face some type of congestion or natural disaster mitigation problems. All counties face safety issues on a daily basis. I will focus my thought today on the issues that face the Baker County Road Department, those being safety and maintenance of our infrastructure.

Revenue

	2009-10	2010-11	2011-12	2012-13	2013-14
Federal Forest Receipts	\$669,000	\$603,000	\$839,000	\$772,000,	\$40,000
State Highway Allocation	\$930,000	\$1,122,066	\$1,247,438	\$1,300,000	\$1,300,000 (est.)
STP	\$351,000	\$180,000	\$221,000	\$203,700	\$210,000 (est.)
Capital Sources JTA, Bridge	\$75,000	\$120,000	\$733,000	\$2,300,000	\$3,200,000

Expenses

Personnel	\$1,012,280	\$1,073,641	\$1,131,622	\$1,200,000 (est.)	\$1,295,000 (est.)
Maintenance & Services	\$572,000	\$612,000	\$731,000	\$775,000 (est.)	\$800,000 (est.)
Capital	\$528,000	\$605,000	\$1,550,000	\$2,800,000	\$3,200,000 (est.)

As the Baker County Budget Officer, these are really scary numbers. The JTA funding has allowed us to modernize some critical freight connector roads, but we will be finished with these projects in our next fiscal year. We have been extremely frugal with our road department and have made significant cuts over time. Some telling statistics follow:

Road Mileage

- 650 miles of gravel roads
- 187 miles of paved roads
- 300 miles of public access (dirt and gravel-mix) roads
- 650 miles of road plowed for snow in the winter

County Employees

- 1982—42 employees
- 2013—15 employees

Average Age of 12 road graders: 1990

Average miles per truck: 750,000

In 2009, Baker County bought two trucks. Each had approximately 1,000,000 miles on them and we paid \$52,000 per truck. We have bought two graders in the last five years (2002 and 2003 models), which were bought surplus from ODOT. We have an excellent shop facility and our crew consists of a couple of great mechanics. This is the only way that we can maintain the infrastructure that is needed to move our citizens about the County.

Eastern Oregon will suffer the most hardship financially with the movement to high mileage vehicles and the loss of gas tax and fee dollars. Baker County's estimated Federal Forest Receipts are \$40,000. The reality is if federal forest policy were to change today, our Federal Forest Receipts would not grow significantly for over 10 years. The mill and logging infrastructure is totally inadequate in Eastern Oregon to return to even a modest cut based on historical standards.

The point of discussion today is that county road departments and county road infrastructure are in crisis without the loss of federal payments. With the loss of Secure Rural Schools, the financial implications are catastrophic. I applaud this committee and its leadership for focusing on these challenges. Baker County and the Association of Oregon Counties pledge to be at the table as we work to find ways to enhance resources to stabilize the entire state road system so that we can create jobs, improve freight mobility and allow safe access to our roads.

Thank you for allowing me to share my thoughts and please contact me with questions or help as we move toward a solution.