

# Ohio Senate Finance Committee

## *HB 62 Testimony*

Mike Barhorst, President  
Ohio Municipal League

Chairman Dolan, Vice-Chair Burke, Ranking Minority Member Sykes, and members of the Ohio Senate Finance Committee:

I am Sidney Mayor Mike Barhorst, currently serving my seventh term as mayor, and am privileged to currently serve as the President of the Ohio Municipal League's Board of Trustees. I want to thank you as well as that of Governor DeWine and Lieutenant Governor Husted, for your leadership on this important economic development and public safety issue.

Sidney is the county seat of Shelby County, with a population of just over 21K. Sidney has the distinction of having more manufacturing jobs per capita than any other municipality in Ohio; likewise, Shelby County has the distinction of having more manufacturing jobs per capita than any other county in the Buckeye State. Two of the three largest employers in the Greater Dayton Region – Honda and Emerson - are located in Shelby County; Emerson is located in Sidney. We daily have the equivalent of a small city - more than 5K people – who come into Sidney to work each day and then return home when their day's work is finished.

The Ohio Municipal League represents Ohio's 933 municipalities – from the largest city – Columbus with 880K people to the smallest village – Rendville with just 36 souls – our municipalities are diverse -some large – some small; some thriving – some not; but the one thing we all have in common is that the leadership of each of our municipalities understands the importance of well-maintained transportation infrastructure. We also understand the impact that well-maintained infrastructure has on the economic vitality of our respective communities as well as the safety of our citizens.

The Ohio Municipal League's Public Policy Agenda identifies increased investment in municipal transportation infrastructure as a legislative priority. It has been something that Ohio Municipal League members have discussed for some time, and when I say some time I'm talking years – not months.

Unfortunately, I have no idea the amount of money it would take to meet the infrastructure needs of Ohio's municipalities, so I'm going to talk about what I do know - the needs of the City of Sidney.

Because of the cuts made by the General Assembly to revenues that flow to municipalities, voters in Sidney were forced to pass a five-year, quarter-percent income tax increase in 2014. In May of this year, we will be asking voters to pass a permanent 0.30% levy, 0.15% of that permanent levy will be designated for the maintenance of streets and bridges. Sidney has 111 miles of streets, 18 miles of alleys, and 21 bridges. Even with the levy, we have \$8,625,000 in unfunded road projects and \$6,700,000 in unfunded bridge projects just over the course of the next five years.

In addition, and I feel compelled to talk about it even though it is not a part of this discussion, we have 123 miles of water line, 136 miles of sanitary sewers, and 76 miles of storm sewers. Unfunded in the next five years are \$7,780,000 in waterline replacement costs, \$2,480,000 in sanitary sewer line replacement costs, and \$860,000 in unfunded storm sewer costs. More frightening still is that 60% of our water lines are over their estimated useful life – replacement costs totaling \$52,400,000; 40% of our sanitary sewer lines are over their estimated useful life – replacement costs totaling \$65,600,000; and, 40% of our storm sewers are beyond their estimated useful life – replacement costs totaling \$25,100,000.

These are staggering numbers for a community of just over 21,000 people. If we add in the needs of our airport and our mass transit system, the numbers become even greater.

There are sections of SR47 in Sidney where the daily traffic counts exceed 45K vehicles a day. There are sections of SR29 where the daily traffic counts exceed 18K vehicles a day. Cargill's soybean processing plant averages 150 tractor trailer rigs coming into the plant every day, and they are expecting to double that number – and Cargill is but one of our industries.

For Sidney, transportation infrastructure includes the railroads – Sidney is fortunate to have both north-south and east-west lines, with a connection in Sidney between the two. CSX keeps a switch engine in Sidney full-time to move 80 cars at a time to Cargill and approximately the same number to Advanced Composites.

Since 2010, calls to the Department of Fire and Emergency Services have increased more than 33% - that includes both fire and emergency medical services. Also in May, we are asking voters to approve an additional 0.15% tax increase to fund an additional fire station.

Unfortunately, cuts to the Local Government Fund didn't help – between the Local Government Fund, the loss of the Estate Tax and Tangible Personal Property Tax – Sidney's losses have been approximately \$1.7M a year – an aggregate of over \$10M since 2013.

I wish I could tell you that Sidney was an isolated example, but most localities face similar challenges. Since the first of the year, I've been in Ironton, Chillicothe, Zanesville, Perrysburg, North Baltimore, Bellefontaine, Urbana, Springfield and a host of other cities – many of them with more potholes and weight restricted bridges than Sidney.

In the end, it really comes down to economic development. Emerson is currently investing \$100M in offices and labs. Everyday Technologies, Perfection Bakeries, Advanced Composites, and Cargill all made significant investments this past year.

Sunrise Hospitality expects to break ground for a Marriott TownePlace Suites in April; Freshway Foods expects to undertake further expansion, and another existing industry expects to announce a \$200M expansion this year. These expansions are the result of hard work, and having the infrastructure in place to serve their needs.

Although neither the state nor our local governments can meet every need, there are measures that need to be taken. We need to create a partnership that includes

municipalities that begins to address infrastructure needs and stop kicking the can down the road – or the need will be so great that we will never catch up.

That partnership should include making sure that our well-traveled and critical roadways are well-maintained. Our partnership would develop a 10-year maintenance cycle to keep these main arterial highways safe and reliable for commerce, public safety services, and the traveling public.

That partnership should include maintaining bridges. Localities maintain two-thirds of the state's bridges. There are over 2,500 municipal bridges. A thirty-year maintenance program would help to keep these structures safe.

That partnership would utilize traffic signals and smart technology to achieve a greater level of safety and efficiency on these important roadways.

Finally, we need to adopt training and planning measures to improve transportation infrastructure management.

We can begin to accomplish all this by restoring the Local Government Fund. Those cuts have totaled a minimum of \$450M per year since 2013. Local governments use these funds for things they need most - including transportation infrastructure.

We need to expand support for public transit. Our citizens, even in rural communities, are looking for more transportation choices for work, healthcare, and everyday life.

And, Ohio should create a commission to analyze and make policy recommendations that address the ongoing shift away from gas-fueled vehicles.

I thank you for your attention. I'm happy to try to answer any questions you may have at this time.