

ALEX CUYLER

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DATE:	March 11, 2021
TO:	Joint Committee on Transportation
RE:	HB 3049, relating to facilities along public roads

Dear Co-Chair Beyer and Co-Chair McLain and Members of the Joint Committee:

Lane County offers its support for HB 3049, a common sense approach to amend state law so that counties can have a tool to recover some of the direct costs associated with utility related work in and upon county roads. HB 3049 allows for charging a fee for permits it already issues for work which occurs within a right of way that it owns and maintains. The bill amends ORS 758.010 to make the charge permissive, and it is NOT a franchise fee. If a cap on these fees is a must-have, we would appreciate at least an index to inflation on such a cap.

There are a number of questions that have arisen over this measure, and we offer the following information to clarify this measure:

- Lane County, like many counties, employs a "Utility Coordinator". Their job is to coordinate with utilities on capital construction projects, and to evaluate, write, and provide inspections on the myriad of these kinds of permits. Over the past 14 years, we have issued over 5,000 utility permits. At the foundation of their work is to ensure the safety of the public right of way and protection of the public infrastructure. These permits and inspections ensure that fixed object hazards (poles) are not installed in dangerous locations and utility operations do not destroy roads, drainage systems, signage, etc. This work represents real costs, and counties seek a method to recoup these costs.
- A permit typically takes 7-10 days to process and issue. Lane County <u>never</u> requires a permit be obtained prior to work if the work is in response to an emergency event. Lane County often endures catastrophic events like fires, floods, and rockslides. Our first priority is that impacted services are restored, and we routinely work with utilities to obtain an after-event permit. For severe catastrophic events, repair and relocation work can take up to six months to complete and during that time we remain in close contact with utilities even as the work remains underway.
- We routinely bundle utility work into one permit. One permit may include several roads and dozens of utility items (overhead and underground installations, cabinets, vaults, poles, etc). Permits are issued per project, not per item.
- The provision in HB 3049 concerning liquidated damages and delay costs have been exceedingly rare in Lane County. In over 14 years there have been exactly 2 such instances where a utility was invoiced for delay related claims for failure to relocate. Neither claim involved liquidated damages.
- A real life example of the burden a \$300 permit fee would have on one our larger electricity providers that pulled 54 permits last year is \$16,200. Their public facing budget document shows an annual budget of \$50M per year, \$20M of which is for operations. This fee would amount to eight hundredths of one percent of those operational costs.

ELECTRONICALLY SUBMITTED BY ALEX CUYLER, LANE COUNTY INTERGOVERNMENTAL RELATIONS MANAGER