

May 28, 2009

Senator Kent Conrad, Chairman and
Senator Judd Gregg, Ranking Member
United States Senate
Senate Budget Committee

RE: Senate Budget Committee hearing on "How Infrastructure Investments Can Bolster North Dakotas's Energy and Agriculture Economies: The US 85 Corridor."

Good afternoon Mr. Chairman:

My name is Dean Rummel, President of TMI Systems Design Corporation and TMI Transport Corporation. TMI is the nation's largest manufacturer of institutional grade laminated cabinets, countertops and architectural woodwork, with consolidated sales exceeding \$52 million in 2008. We have been providing products for Education, Healthcare, Laboratory and other Commercial projects throughout North America for over 40 years. In addition to schools, hospitals and laboratory projects across the United States, TMI products are being utilized on projects including the J. Paul Getty Museum in Los Angeles, Bank One Ballpark in Phoenix, the Denver International Airport, the Cleveland Browns Stadium and the Georgia Dome. TMI products are produced in modern, state-of-the-art factories on our campus right here in Dickinson consisting of over 150,000 square feet of manufacturing space. TMI Transport is a company owned trucking company with 25 semi-tractors and 44 fifty-three foot trailers that deliver our products to each project site and we haul other products back into this region for a number of different customers. We currently employ 360 full-time year-round employees and 45 seasonal college interns.

TMI would strongly support and we believe the area would benefit greatly from the investment in the U.S. 85 corridor. As a manufacturer we need to move our products to the various markets in the U.S. and Western Canada. On average TMI Transport travels 1,300 miles to our first delivery in each truck.

Our growth and success is dependent on roads such as Interstate 94 that has provided easy access to the markets in the east and southeast United States.

The U.S. 85 corridor would benefit the movement of product to Texas, Arizona, California, Colorado, New Mexico, Nevada, Oklahoma, and Wyoming. In 2008 TMI averaged about 1,000 outbound loads and nearly a third of our deliveries were to those eight states. There is no comparable infrastructure like Interstate 94 going north and south and that can be at times a detriment to our success. Just last week TMI Transport had a major accident en route to a delivery to 2 school projects in Wyoming. Our driver took ND Highway 22 South to Highway 79 and rolled the truck while navigating a curve in the road just south of Reeder, North Dakota about 10 miles into the state of South Dakota. The road is narrow and unforgiving and the driver wandered too close to the edge of the road. Conditions were good, the road was dry and it was during daylight hours but the shoulder was soft and the damage to the truck, trailer and cargo was extensive. We are thankful that our driver had but minor injuries and was released from the hospital the same day.

If the U.S. 85 corridor were to become reality we probably could avoid an accident like that because our trucks would utilize a more truck friendly route. TMI has to rely on truck deliveries because it is not feasible to deliver to school and hospital job sites utilizing other modes of transportation like rail. Institutional building contractors and construction managers operate under very compacted time schedules and they require deliveries on specific phases of the projects along with special deliveries for breakages and shortages. Rail does work well for transportation of TMI's major raw materials primarily particleboard and plywood panels. That material is high volume, heavy in weight and is produced in forested areas. We receive 5 to 6 car loads per week and the freight costs are slightly less than by truck. Rail would not work for outbound deliveries.

On behalf of TMI I would like to encourage the Senate Budget Committee to support the investment in the U.S. 85 corridor.