Item 1

Minutes

January 9, 2013 Meeting
Item 2
Consideration of Minute Orders
Item 3
State Highway Revenue Update
(January 2013)
## Revenues and Consumption

### January 2013

**Comparison of AHTD State Revenues by Fiscal Year**

<table>
<thead>
<tr>
<th>July - January</th>
<th>FY 2012 (Millions)</th>
<th>FY 2013 (Millions)</th>
<th>Variance (Millions)</th>
<th>Percent Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Motor Fuel Taxes</td>
<td>$170.1</td>
<td>$161.3</td>
<td>($8.8)</td>
<td>-5.2%</td>
</tr>
<tr>
<td>Registration Fees</td>
<td>$47.9</td>
<td>$46.0</td>
<td>($1.9)</td>
<td>-4.0%</td>
</tr>
<tr>
<td>Permits &amp; Penalties</td>
<td>$11.7</td>
<td>$10.9</td>
<td>($0.8)</td>
<td>-6.8%</td>
</tr>
<tr>
<td>Other</td>
<td>$3.1</td>
<td>$4.9</td>
<td>$1.8</td>
<td>58.1%</td>
</tr>
<tr>
<td><strong>Total User Revenues</strong></td>
<td><strong>$232.8</strong></td>
<td><strong>$223.1</strong></td>
<td><strong>($9.7)</strong></td>
<td><strong>-4.2%</strong></td>
</tr>
<tr>
<td>Natural Gas Severance Tax</td>
<td>$22.1</td>
<td>$16.1</td>
<td>($6.0)</td>
<td>-27.2%</td>
</tr>
<tr>
<td>RRA Interest</td>
<td>$1.8</td>
<td>$1.8</td>
<td>$0.0</td>
<td>0.0%</td>
</tr>
<tr>
<td>Less: Diesel Tax for Bonds</td>
<td>($9.9)</td>
<td>($9.6)</td>
<td>$0.3</td>
<td>-3.0%</td>
</tr>
<tr>
<td><strong>Total Revenues Available</strong></td>
<td><strong>$246.8</strong></td>
<td><strong>$231.4</strong></td>
<td><strong>($15.4)</strong></td>
<td><strong>-6.2%</strong></td>
</tr>
</tbody>
</table>

**Fiscal Year 2012 Budget vs. Actual**

<table>
<thead>
<tr>
<th>July - January</th>
<th>Budget (Millions)</th>
<th>Actual (Millions)</th>
<th>Variance (Millions)</th>
<th>Percent Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Motor Fuel Taxes</td>
<td>$164.8</td>
<td>$161.3</td>
<td>($3.5)</td>
<td>-2.1%</td>
</tr>
<tr>
<td>Registration Fees</td>
<td>$44.5</td>
<td>$46.0</td>
<td>$1.5</td>
<td>3.4%</td>
</tr>
<tr>
<td>Permits &amp; Penalties</td>
<td>$11.6</td>
<td>$10.9</td>
<td>($0.7)</td>
<td>-6.0%</td>
</tr>
<tr>
<td>Other</td>
<td>$3.3</td>
<td>$4.9</td>
<td>$1.6</td>
<td>48.5%</td>
</tr>
<tr>
<td><strong>Total User Revenues</strong></td>
<td><strong>$224.2</strong></td>
<td><strong>$223.1</strong></td>
<td><strong>($1.1)</strong></td>
<td><strong>-0.5%</strong></td>
</tr>
<tr>
<td>Natural Gas Severance Tax</td>
<td>$14.4</td>
<td>$16.1</td>
<td>$1.7</td>
<td>11.8%</td>
</tr>
<tr>
<td>RRA Interest</td>
<td>$1.4</td>
<td>$1.8</td>
<td>$0.4</td>
<td>28.6%</td>
</tr>
<tr>
<td>Less: Diesel Tax for Bonds</td>
<td>($10.0)</td>
<td>($9.6)</td>
<td>$0.4</td>
<td>-4.0%</td>
</tr>
<tr>
<td><strong>Total Revenues Available</strong></td>
<td><strong>$230.0</strong></td>
<td><strong>$231.4</strong></td>
<td><strong>$1.4</strong></td>
<td><strong>0.6%</strong></td>
</tr>
</tbody>
</table>

**Consumption**

Taxable Motor Fuel Gallons Reported

<table>
<thead>
<tr>
<th>July - January</th>
<th>FY 2012 (Millions)</th>
<th>FY 2013 (Millions)</th>
<th>Difference (Millions)</th>
<th>Percent Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gasoline</td>
<td>835.1</td>
<td>824.6</td>
<td>-10.5</td>
<td>-1.3%</td>
</tr>
<tr>
<td>Diesel</td>
<td>362.5</td>
<td>354.0</td>
<td>-8.5</td>
<td>-2.3%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>1,197.6</strong></td>
<td><strong>1,178.6</strong></td>
<td><strong>-19.0</strong></td>
<td><strong>-1.6%</strong></td>
</tr>
</tbody>
</table>
## Revenues and Consumption
### January 2013

### Revenues

<table>
<thead>
<tr>
<th>Month/Calendar Year</th>
<th>Revenue Details</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Previous 12 Months</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>$284,632,181</td>
</tr>
<tr>
<td><strong>MOTOR FUELS TAX</strong></td>
<td>$22,324,461</td>
</tr>
<tr>
<td><strong>REGISTRATION FEES</strong></td>
<td>$5,270,709</td>
</tr>
<tr>
<td><strong>PERMITS &amp; PENALTIES</strong></td>
<td>$1,248,888</td>
</tr>
<tr>
<td><strong>OTHER</strong></td>
<td>$843,945</td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td>$29,688,004</td>
</tr>
</tbody>
</table>

### Consumption

<table>
<thead>
<tr>
<th>Month/Calendar Year</th>
<th>Consumption Details</th>
</tr>
</thead>
<tbody>
<tr>
<td></td>
<td>Previous 12 Months</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td>$388,294,737</td>
</tr>
<tr>
<td><strong>GASOLINE</strong></td>
<td></td>
</tr>
<tr>
<td><strong>DIESEL</strong></td>
<td></td>
</tr>
<tr>
<td><strong>LPG/CNG</strong></td>
<td></td>
</tr>
<tr>
<td><strong>TOTAL</strong></td>
<td></td>
</tr>
</tbody>
</table>
Item 4
Status of Federal Highway and Transit Funding Issues
Federal Transportation Legislation

- Continuing Resolution
  - Signed by the President September 28, 2012
  - Appropriates Funding for 6 months
  - Expires March 27, 2013
Highway Trust Fund (HTF)

• Sequestration
  – MAP-21 transfers $18.8 billion from the General Fund to the HTF
  – First Transfer Reduced $471 Million
  – HTF Insolvent in 2015
  – Expedited Insolvency
Federal Highway and Transit Needs and Obligations Through 2022

Assumes a minimum balance of $2 billion for the Highway Account and $.25 billion for the Mass Transit Account

Federal-aid Highway Obligations
Highway Safety Obligations
Total Transit Obligations

(Year of Expenditure Dollars in Billions)
President’s Infrastructure Plan

- Proposed in State of the Union Address

- Three-Prong Plan
  - Invest in a “Fix-It-First” Policy
  - Attract Private Investment through a “Rebuild America Partnership”
  - Cut Red Tape to Speed Federal Reviews and Permitting Timelines
President’s Infrastructure Plan

“Fix-It-First”

- $50 billion in frontloaded transportation infrastructure investment
  - $40 billion toward “reducing the backlog of deferred maintenance on highways, bridges, transit systems, and airports”
  - Remaining $10 billion unclear – National Infrastructure Bank?
President’s Infrastructure Plan

“Rebuild America Partnership”
- “America Fast Forward” bonds program
- Reforms to Transportation Infrastructure Finance and Innovation Act (TIFIA) Program
- No specifics on how to fund
President’s Infrastructure Plan

- Streamlining Project Development
  - No specifics on program
  - Been discussed for years
Item 5

89th General Assembly Status Report
89th General Assembly

- AHTD Appropriations (HB 1221)
  - For Fiscal 2013-2014 operations
  - Passed House and Senate; submitted to Governor

- Additions to Rock ‘n’ Roll Highway (HB 1022)
  - Highway 67
  - Adds White County to existing statute that covers Jackson, Lawrence and Randolph Counties
  - Signed by Governor (Act 26)
89th General Assembly

- Public-Private Partnerships (HB 1251)
  - Enabling legislation
  - Passed House
- Definition of “State Highway Employee”
  - Current law (death benefits) only cover employees engaged in “maintenance, construction, or traffic operations”
  - Bill drafted; not yet filed
89th General Assembly

- Disposal of State Highway Right of Way
  - Allow transfer of right of way to local jurisdiction if highway is transferred
  - Bill being drafted

- “Move Over” Law
  - Current law applies to emergency vehicles using flashing lights
  - Revision needed to include vehicles owned by AHTD, our contractors, and utility companies
  - Bill drafted; not yet filed
89th General Assembly

- Equivalent Tax Rate for Alternative Fuels
  - Would phase in rate increases for CNG, LPG
  - Bill drafted; not yet filed

- Design-Build
  - Current law allows for design-build on two projects of at least $50M – expires this year
  - Revisions needed to extend law, relate it to CAP projects
  - Bill drafted; not yet filed
89th General Assembly

- Eminent Domain (HB 1282)
  - Significantly alters process for AHTD acquiring right of way through eminent domain
  - Meetings held with sponsor, others about AHTD concerns

- Revenue Loss from Sales Tax Exemption on Trucks and Semi-Trailers
  - Registration fee increase on trucks; replaces lost revenue and includes commercial vehicle safety program; bill being drafted; not yet filed
  - SB 438 repeals transfer to General Revenue
• Proposed Constitutional Amendment (HJR 1003)
  – Requires Board of Apportionment to establish four Highway Commission Zones
  – One Commissioner would be elected from each Zone
  – One Commissioner would be elected from the State at large to serve as Chair
  – Four-year terms (initially drawing lots so that 3 serve a 4-year term and 2 serve a 2-year term)
  – Term limit of two 4-year terms
  – Director would be appointed by Governor for 4-year term – could be reappointed
Item 6
Consultant Selection for Arkansas State Bicycle/Pedestrian Transportation Plan
Item 7
Consultant Selection for On-Call Right of Way Acquisition Services
Item 8
Other Business and Discussion
Arkansas State Highway Commission Meeting
Wednesday, February 27, 2013