Arkansas State Highway Commission Meeting

Wednesday, October 19, 2016
Agenda Item 1
Meeting Minutes
September 14, 2016
Agenda Item 2
Consideration of Minute Orders
Agenda Item 3

State Highway Revenue Update
<table>
<thead>
<tr>
<th>Category</th>
<th>FY 2016</th>
<th>FY 2017</th>
<th>Variance</th>
<th>% Change</th>
</tr>
</thead>
<tbody>
<tr>
<td>Motor Fuel</td>
<td>$70.3</td>
<td>$72.0</td>
<td>$1.7</td>
<td>2.4%</td>
</tr>
<tr>
<td>Registration</td>
<td>$21.9</td>
<td>$20.9</td>
<td>$-1.0</td>
<td>-4.6%</td>
</tr>
<tr>
<td>Permits &amp; Penalties</td>
<td>$4.5</td>
<td>$3.5</td>
<td>$-1.0</td>
<td>-22.2%</td>
</tr>
<tr>
<td>Other</td>
<td>$1.6</td>
<td>$2.1</td>
<td>$0.5</td>
<td>31.3%</td>
</tr>
<tr>
<td>Natural Gas Severance Tax</td>
<td>$7.0</td>
<td>$4.7</td>
<td>$-2.3</td>
<td>-32.9%</td>
</tr>
<tr>
<td>Interest</td>
<td>$1.1</td>
<td>$1.1</td>
<td>$0.0</td>
<td>0.0%</td>
</tr>
<tr>
<td>Diesel Tax</td>
<td>$-4.3</td>
<td>$-4.5</td>
<td>$-0.2</td>
<td>-4.7%</td>
</tr>
<tr>
<td>Total Revenues</td>
<td>$102.1</td>
<td>$99.8</td>
<td>$-2.3</td>
<td>-2.3%</td>
</tr>
</tbody>
</table>

Revenue variance and % change from September 2016 to September 2017.
<table>
<thead>
<tr>
<th>VARIANCE</th>
<th>% CHANGE</th>
<th>$4.1</th>
<th>$0.3</th>
<th>$-1.1</th>
<th>$0.6</th>
<th>$-1.9</th>
<th>$0.2</th>
<th>$-0.3</th>
<th>$1.9</th>
</tr>
</thead>
<tbody>
<tr>
<td>BUDGETED VS. ACTUAL</td>
<td>SEPTEMBER</td>
<td>$67.9</td>
<td>$20.6</td>
<td>$20.9</td>
<td>$4.6</td>
<td>$3.5</td>
<td>$1.5</td>
<td>$6.6</td>
<td>$4.7</td>
</tr>
</tbody>
</table>

- MOTOR FUEL
- REGISTRATION
- PERMITS & PENALTIES
- OTHER
- NATURAL GAS SEVERANCE TAX
- INTEREST
- DIESEL TAX
- TOTAL REVENUES

**FY 2017 BUDGETED VS. ACTUAL - SEPTEMBER**

**MOTOR FUEL REGISTRATION PERMITS & PENALTIES OTHER NATURAL GAS SEVERANCE TAX INTEREST DIESEL TAX TOTAL REVENUES**

- **VARIANCE**
  - **% CHANGE**
  - **$4.1** 6.0%
  - **$0.3** 1.5%
  - **$-1.1** -23.9%
  - **$0.6** 40.0%
  - **$-1.9** -28.8%
  - **$0.2** 22.2%
  - **$-0.3** -7.1%
  - **$1.9** 1.9%

- **BUDGETED**
- **ACTUAL**

- **(MILLIONS)**
SEP 2016 - SEP 2017 FUEL CONSUMPTION

<table>
<thead>
<tr>
<th>VARIANCE</th>
<th>% CHANGE</th>
<th>FY 2016</th>
<th>FY 2017</th>
<th>% CHANGE</th>
</tr>
</thead>
<tbody>
<tr>
<td>10.7</td>
<td>2.8%</td>
<td>381.9</td>
<td>392.6</td>
<td></td>
</tr>
<tr>
<td>8.4</td>
<td>5.4%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>0.01</td>
<td>4.1%</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>19.2</td>
<td>3.6%</td>
<td>539.2</td>
<td>558.4</td>
<td></td>
</tr>
</tbody>
</table>

Variance and change in fuel consumption from SEP 2016 to SEP 2017 for different fuel types.
# Arkansas Fuel Consumption

## Rolling 12-month Comparison

<table>
<thead>
<tr>
<th>Fuel</th>
<th>Previous 12 Months (millions)</th>
<th>Current 12 Months (millions)</th>
<th>Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Gasoline</td>
<td>1,403,065,831</td>
<td>1,479,029,950</td>
<td>5.41%</td>
</tr>
<tr>
<td>Diesel</td>
<td>598,732,928</td>
<td>625,903,210</td>
<td>4.54%</td>
</tr>
<tr>
<td>Alternative</td>
<td>971,078</td>
<td>1,052,158</td>
<td>8.35%</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td><strong>2,002,769,837</strong></td>
<td><strong>2,105,985,318</strong></td>
<td><strong>5.15%</strong></td>
</tr>
<tr>
<td>Month</td>
<td>Projected Net</td>
<td>Actual Receipts</td>
<td>Variance</td>
</tr>
<tr>
<td>-------</td>
<td>---------------</td>
<td>-----------------</td>
<td>------------</td>
</tr>
<tr>
<td>Jul</td>
<td>15,050,000</td>
<td>14,379,331</td>
<td>(670,669)</td>
</tr>
<tr>
<td>Aug</td>
<td>15,470,000</td>
<td>14,938,713</td>
<td>(531,287)</td>
</tr>
<tr>
<td>Sept</td>
<td>15,540,000</td>
<td>14,919,739</td>
<td>(620,261)</td>
</tr>
<tr>
<td>Oct</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Nov</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Dec</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Jan</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Feb</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Mar</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Apr</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>May</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Jun</td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Total</td>
<td>46,060,000</td>
<td>44,237,784</td>
<td>(1,822,216)</td>
</tr>
</tbody>
</table>
### Half-Cent Sales Tax Projected vs Actual

<table>
<thead>
<tr>
<th>Projected Net</th>
<th>Actual Receipts</th>
<th>Variance</th>
<th>Percent Variance</th>
</tr>
</thead>
<tbody>
<tr>
<td>$534,240,000</td>
<td>$532,550,767</td>
<td>$(1,689,233)</td>
<td>-0.32%</td>
</tr>
</tbody>
</table>
Agenda Item 4
Status of Federal Highway and Transit Funding Issues
Federal Funding

- Shutdown Averted
- Expires December 9th
- Funding at 2016 Levels
Federal Lands Access Program (FLAP)

Scott County - Highway 28
Oklahoma State Line - Highway 71
Resurface and Shoulders

Montgomery County - Highway 8
Black Springs - Caddo Gap
Overlay
Agenda Item 5

Transportation News
Transportation News - Hurricane Matthew

Traveled Across 5 States for 4 Days

Total Damage Could Exceed $10 Billion

At Least 43 Dead with More than 3 Million Residents Evacuated

Hundreds of Roads Closed

Over 2 Million Homes and Businesses Without Power
Transportation News – New Jersey

Let’s Borrow More Money!

• Proposes Borrowing $3.2 Billion over 2 Years
• Loan Would be Repaid Using Future Trust Fund Revenue
• Opponents Say Borrowing is Short Term Fix
• Opinions Differ on How to Fund Highways

John Wisniewski
New Jersey Lawmaker
New Jersey Passes 23 Cent Per Gallon Increase

Governor Christie Signed Legislation

Breaks a Four Month Impasse

Bill Provides Tax Cuts

Gas Tax to Generate $1.2 Billion Per Year
Governor Nixon Imposed Budget Cuts

$57.2 Million in Cuts

“Missouri Moves” Program Halted
$500 Million Increase to Bond Debt
Delays $447 Million in Major Projects
No Tax or Fee Hikes

Close or Reduce 5 Maintenance Offices
$60 Million Reduction in Budget
$500 Billion at Stake
Fundamental Shift
78% Win Rate

Abandons Advocacy for Gas Tax Hike
Seeking New Proposal for Funding
Transportation News – Oregon

- Oregon DOT Recommending Per Mile User Fee
- To Be Considered By Oregon Legislature
- Expands Volunteer Program
- 1.5 Cents Per Mile
Agenda Item 6
2017 Legislative Session Update
State Legislature

[Image of State Capitol Building]
Possible Legislation

• School Site Selection
• Highway Funds Interest
• Motor Vehicle Law Compliance
• State Police Reporting
• Open Container Law
Possible Legislation

- ASHERS Legislation
- Railroad Cooperation
- Autonomous Vehicles
- Construction Manager
- State Aid Engineer
Possible Legislation From 2015 Session:

- Alternative Fuels Equalization
- VMT Pilot
- Increased Commission Fee/Penalty Authority
- Increased Registration For All Electric/Hybrid Vehicles
- Internet Sales Tax
State Legislature

Recommendations:

Short-Term: $110M
Mid-Term: $140M
Long-Term: $150M

Final Amount: $41.5M
Agenda Item 7
Good Roads Foundation Update
Agenda Item 8

2011 Interstate Rehabilitation Program and Connecting Arkansas Program
Completed
Miles: 194
Amount: $563 M
Scheduled for 2016
Miles: 35
Amount: $171 M
Scheduled for 2017-2023
Miles: 203
Amount: $372 M
Completed
Miles: 12
Amount: $88 M
Under Construction
Miles: 31
Amount: $265 M
Scheduled for 2016
Miles: 24
Amount: $192 M
Connecting Arkansas Program
Scheduled for 2017
Miles: 48
Amount: $315 M
Connecting Arkansas Program

Scheduled for 2018-2019
Miles: 70
Amount: $997 M
Agenda Item 9
Bid Letting Results
September 21, 2016 and October 5, 2016
### Summary of the September 21st Bid Letting

<table>
<thead>
<tr>
<th>Type Projects</th>
<th>Number of Projects</th>
<th>Award Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>State</td>
<td>7</td>
<td>42,811,783</td>
</tr>
<tr>
<td>County</td>
<td>5</td>
<td>4,322,410</td>
</tr>
<tr>
<td>Total</td>
<td>12</td>
<td>47,134,193</td>
</tr>
<tr>
<td>Route</td>
<td>County</td>
<td>Job Name</td>
</tr>
<tr>
<td>-------</td>
<td>--------</td>
<td>---------------------------------------------------</td>
</tr>
<tr>
<td>191</td>
<td>Crittenden</td>
<td>AHP Dist. 5 Multi-Purpose Facility (West Memphis)</td>
</tr>
<tr>
<td>71</td>
<td>Sevier</td>
<td>Burke Creek &amp; Cossatot Relief Sts. &amp; Apprs.</td>
</tr>
<tr>
<td>64</td>
<td>White</td>
<td>Hwy. 367 – Woodruff Co. Line (Rehab.)</td>
</tr>
<tr>
<td>63</td>
<td>Sharp</td>
<td>Hardy – Ozark Acres Sts. &amp; Apprs.</td>
</tr>
<tr>
<td>123</td>
<td>Johnson</td>
<td>Haw Creek Str. &amp; Apprs.</td>
</tr>
<tr>
<td>201</td>
<td>Baxter</td>
<td>East Pigeon Creek Str. &amp; Apprs.</td>
</tr>
<tr>
<td>Route</td>
<td>County</td>
<td>Job Name</td>
</tr>
<tr>
<td>-------</td>
<td>------------</td>
<td>------------------------------------</td>
</tr>
<tr>
<td>62</td>
<td>Carroll</td>
<td>Co. Rd. 914 – West</td>
</tr>
<tr>
<td>14</td>
<td>Marion</td>
<td>Mill Creek Str. &amp; Apprs.</td>
</tr>
<tr>
<td>221</td>
<td>Carroll</td>
<td>Freeman Branch Str. &amp; Apprs.</td>
</tr>
<tr>
<td></td>
<td>Various</td>
<td>Enhanced Striping (Districts 2, 3 &amp; 7)</td>
</tr>
</tbody>
</table>
# Details of the October 5<sup>th</sup> Bid Letting

<table>
<thead>
<tr>
<th>Route</th>
<th>County</th>
<th>Job Name</th>
<th>Contractor</th>
<th>Award Amount</th>
</tr>
</thead>
<tbody>
<tr>
<td>365</td>
<td>Pulaski</td>
<td>Landski Dr. – Pershing Blvd. (North Little Rock) (S)</td>
<td>Cranford Construction Co.</td>
<td>544,375</td>
</tr>
</tbody>
</table>
Agenda Item 10

Upcoming Events
<table>
<thead>
<tr>
<th>Confirmed 2017 Commission Meetings</th>
</tr>
</thead>
<tbody>
<tr>
<td>January 19&lt;sup&gt;th&lt;/sup&gt;</td>
</tr>
<tr>
<td>March 15&lt;sup&gt;th&lt;/sup&gt;</td>
</tr>
<tr>
<td>April 26&lt;sup&gt;th&lt;/sup&gt;</td>
</tr>
<tr>
<td>June 7&lt;sup&gt;th&lt;/sup&gt;</td>
</tr>
<tr>
<td>July 26&lt;sup&gt;th&lt;/sup&gt;</td>
</tr>
<tr>
<td>September 6&lt;sup&gt;th&lt;/sup&gt;</td>
</tr>
<tr>
<td>October 18&lt;sup&gt;th&lt;/sup&gt;</td>
</tr>
<tr>
<td>December 6&lt;sup&gt;th&lt;/sup&gt;</td>
</tr>
</tbody>
</table>
Upcoming Events

**October 14-23**
Arkansas State Fair | AHP & AHTD Staff  
Little Rock, AR

**October 20**
Conway Business Expo | Director Bennett  
11:00 a.m. | Conway, AR

**October 22**
Big River Crossing Grand Opening | Commissioners Moore and Farmer  
10:00 a.m. | West Memphis, AR
October 25
Hot Springs AHC Appreciation Dinner | Commission & Director Bennett
5:00 p.m. | Hot Springs, AR

October 26
2017-2019 Biennium Budget Hearing | Director Bennett & Chief Fiscal Officer
1:30 p.m. | Big MAC Building

October 27
State Retirees Association | Director Bennett
11:00 a.m. | Bryant, AR
November 9
Jonesboro Kiwanis Club | Commissioner Farmer
12:00 p.m. | Jonesboro, AR

November 12-15
AASHTO Annual Fall Meeting | Director Bennett & AHTD Staff
Boston, MA

November 16
Fayetteville Chamber of Commerce | Chairman Trammel
12:00 p.m. | Fayetteville, AR

November 29
Farewell Dinner: Commissioner Scott
6:00 p.m. | Little Rock, AR
Agenda Item 11

Other Business and Discussion
MarCom Gold Award in Animation for the 30 Crossing 3D Simulation
Broadway Bridge Demolition – Steel Arch
Can You Imagine?

Makeshift raft successfully crosses Bull Shoals!
Robert and Beverly Moore of Arkansas City
Southeast Arkansas' ambassadors