

ARKANSAS DEPARTMENT OF TRANSPORTATION

LITTLE ROCK, ARKANSAS

December 18, 2017

ADMINISTRATIVE CIRCULAR NO. 2017-18

TO: ALL DIVISION HEADS AND DISTRICT ENGINEERS

We are transmitting herewith for your information and records a copy of the Minutes of the Commission Meeting in Little Rock, AR on December 6, 2017.

After making a careful review of these proceedings, please take appropriate action through designated lines of authority to forward the carrying out of any orders applying to your respective divisions and districts.



Scott E. Bennett
Director

c: Commission

MINUTES OF THE MEETING
OF THE
ARKANSAS STATE HIGHWAY COMMISSION

December 6, 2017

Following is the record of proceedings of the Arkansas State Highway Commission in Little Rock, Arkansas, December 6, 2017. Members present were:

Dick Trammel, Chairman, **via teleconference**
Thomas B. Schueck, Vice Chairman
Robert S. Moore, Jr., Member
Alec Farmer, Member
Philip Taldo, Member, **via teleconference**

2017-105 IT IS ORDERED that a meeting of the Arkansas State Highway Commission be opened at 9:30 a.m., December 6, 2017.

2017-106 WHEREAS, the Purchasing Committee has awarded purchases on October 13 and 30, 2017, in the amount of \$215,202.00 and \$74,922.00, respectively, totaling \$290,124.00, and supply and service contracts, in accordance with authority previously conveyed, all of which have been documented by official minutes which are of record in the files of the Commission and Equipment and Procurement Division.

NOW THEREFORE, IT IS ORDERED that the action of the Purchasing Committee be ratified and confirmed in all particulars.

2017-107 WHEREAS, the American Association of State Highway and Transportation Officials AASHTO re:source program (formerly the AASHTO Materials Reference Laboratory (AMRL)) is operated by AASHTO and is authorized and approved by the Executive Committee of AASHTO; and

WHEREAS, the services of the AASHTO re:source program are necessary for the Department to establish and maintain proficiency in sampling and testing material; and

2017-107 - Continued

WHEREAS, the participation in funding the services of the AASHTO re:source program supports the laboratory accreditation program and provides technical support in maintaining the AASHTO standards for materials testing; and

WHEREAS, the Department has received notice that its share of support for Fiscal Year 2018 is \$20,000.00.

NOW THEREFORE, the Director is hereby authorized to pay the Department's share of the cost of support for this AASHTO program for Fiscal Year 2018.

2017-108

WHEREAS, the Department is responsible for developing and maintaining Intelligent Transportation System (ITS) devices on the Highway System; and

WHEREAS, the Intelligent Transportation Society of America is an organization that supports research, development and deployment of ITS technologies; and

WHEREAS, membership in this organization would assist the Department in the achievement of ITS policies and objectives.

NOW THEREFORE, the Director is authorized to pay the annual membership fee to ITS America in the amount of \$6,000.00 for the year 2018.

2017-109

WHEREAS, supporting Arkansas' economy through safe and efficient transportation solutions is part of the Department's mission; and

WHEREAS, there is a need to quantify the economic impacts of transportation projects; and

WHEREAS, EconWorks is a collection of web-based tools designed to help transportation agencies incorporate economic analysis into early highway investment decisions; and

2017-109 - Continued

WHEREAS, a pooled fund project is being established to continue the operation, maintenance, and improvement of the EconWorks website over a five-year period; and

WHEREAS, participation in this pooled fund project will be beneficial to the Department.

NOW THEREFORE, the Director is authorized to participate in this pooled fund effort and enter into the necessary agreements to fulfill the Department's commitment.

2017-110

WHEREAS, the Arkansas State Highway Commission is required to print and distribute rules and regulations necessary to carry out the codes governing State Highways and the use of motor vehicles; and

WHEREAS, the supply of the manual, Arkansas Motor Vehicle and Traffic Laws and State Highway Commission Regulations, 2015 Edition, issued jointly by the Arkansas State Highway Commission and the Department of Finance and Administration, is exhausted; and

WHEREAS, revisions to laws and regulations require this manual to be updated; and

WHEREAS, the Arkansas Code Revision Commission has indicated that a state contract exists with Lexis Publishing to compile and print the Arkansas Motor Vehicle and Traffic Laws and State Highway Commission Regulations, 2017 Edition, including an Internet license agreement.

NOW THEREFORE, the Director is authorized to update the Arkansas Motor Vehicle and Traffic Laws and State Highway Commission Regulations, 2015 Edition, and to collaborate with the Department of Finance and Administration to publish 8,400 copies of the Arkansas Motor Vehicle and Traffic Laws and State Highway Commission Regulations, 2017 Edition, including the Internet agreement.

2017-111

WHEREAS, the 91st General Assembly of the State of Arkansas enacted Act 705 during the 2017 Regular Session, which established the distribution of highway revenue interest income from the State Highway and Transportation Department Fund to create the Future Transportation Research Fund and the Transportation-Related Research Grant Program (TRRGP); and

WHEREAS, the purpose of the TRRGP is to support the study of materials and sources in order to establish facts and reach new conclusions to provide resilient and sustainable logistics, processes, materials, and methods to ensure cost-effectiveness and the furtherance of education and economic development concerning all forms of transportation; and

WHEREAS, the Arkansas Department of Transportation (ARDOT) is responsible for administration of the TRRGP; and

WHEREAS, the ARDOT shall use these funds for distributing grants under the TRRGP to publicly funded institutions of higher education for transportation related research; and

WHEREAS, as required by Act 705, the attached rules for administering this program shall be promulgated.

NOW THEREFORE, pursuant to Arkansas law, the Director is authorized to promulgate these rules before implementing the TRRGP.

2017-112

WHEREAS, the Commission continues to receive requests for additional access points on controlled access facilities, and additional median openings on four-lane divided facilities; and

WHEREAS, Department staff have prepared a review of Department practice regarding these issues; and

WHEREAS, the Commission has determined that the Department's practices relating to access control and median opening spacing are appropriate.

NOW THEREFORE, the Commission does hereby adopt the access control and median opening criteria shown on the attached sheet to clarify the Department's policy and as a guideline for future projects involving these issues.

WHEREAS, the Arkansas State Highway Commission (“Commission”) acquired property known as Tract Nos. 2, 6A and 6B, Job No. 020595, from David E. Curtis and Melissa M. Curtis, husband and wife, by Warranty Deed dated September 13, 2017, and filed of record on October 5, 2017 in Book 2017, Page 1301, in the Circuit Clerk’s office for Chicot County, Arkansas; and

WHEREAS, James O. Perry and Mary M. Perry, husband and wife, acquired property known as Tract No. 4, Job No. 020595 by Warranty Deed dated May 2, 1988, and filed of record on May 5, 1988 in Book A-17, Page 577, in the Circuit Clerk’s office for Chicot County, Arkansas, and have requested to exchange Part of Tract No. 4 for Part of Tract No. 2; and

WHEREAS, the Commission has determined that the requested property exchange is in the best interests of the State under Ark. Code Ann. § 27-67-302. The tracts of property being exchanged are more particularly described as follows:

Part of Tract No. 2:

Part of the Northwest Quarter of the Northeast Quarter of Section 35, Township 13 South, Range 3 West, Chicot County, Arkansas, more particularly described as follows:

Commencing at a point being used as the East Sixteenth Corner of Sections 26 and 35; thence South 01°02’04” West along the East line of the Northwest Quarter of the Northeast Quarter of Section 35 a distance of 600.06 feet to a point; thence South 85°02’20” West a distance of 280.34 feet to the POINT OF BEGINNING; thence continue South 85°02’20” West a distance of 273.40 feet to a point on the Easterly right of way line U.S. Highway 65 as established by ArDOT Job 020239; thence North 06°53’13” West along said right of way line a distance of 28.03 feet to a point; thence North 56°49’29” West along said right of way line a distance of 106.13 feet to a point on the Southerly right of way line of Arkansas State Highway 35 as established by ArDOT Job 020595, thence North 76°47’12” East along said right of way line a distance of 97.85 feet to a point; thence South 72°33’18” East along said right of way line a distance of 282.29 feet to the point of beginning and containing 0.43 acres more or less as shown on plans prepared by the ArDOT and referenced as Job 020595.

Part of Tract No. 4:

Part of the Northwest Quarter of the Northeast Quarter of Section 35, Township 13 South, Range 3 West, Chicot County, Arkansas, more particularly described as follows:

Commencing at a point being used as the East Sixteenth Corner of Sections 26 and 35; thence South $01^{\circ}02'04''$ West along the East line of the Northwest Quarter of the Northeast Quarter of Section 35 a distance of 600.06 feet to the POINT OF BEGINNING; thence continue South $01^{\circ}02'04''$ West along said East line a distance of 52.95 feet to a point on the Southerly right of way line of Arkansas State Highway 35 as established by AHTD Job 020595; thence South $88^{\circ}56'29''$ West along said right of way line a distance of 90.30 feet to a point; thence North $84^{\circ}20'53''$ West along said right of way line a distance of 134.10 feet to a point; thence North $72^{\circ}33'18''$ West along said right of way line a distance of 57.23 feet to a point; thence North $85^{\circ}02'20''$ East a distance of 280.34 feet to the point of beginning and containing 0.22 acres more or less as shown on plans prepared by the AHTD and referenced as Job 020595.

NOW THEREFORE, the above-described property is declared exchanged, the Chairman of the Commission is authorized and directed to execute a Quitclaim Deed conveying the right, title, interest or equity of the above-described property known as Part of Tract No. 2 to James O. Perry and Mary M. Perry, husband and wife, in exchange for a Warranty Deed conveying the right, title, interest or equity of the above-described property known as Tract No. 4 to the Commission; and hereby releasing Part of Tract No. 2 from the State Highway System, that the Right of Way Division is directed and authorized to record a copy of this Minute Order and the Quitclaim Deeds in the records of Chicot County, Arkansas; and, if necessary, the right of way shall be remonumented to reflect the boundaries designated herein.

2017-114

WHEREAS, the Arkansas State Highway Commission "Commission" owns property in Saline County, Arkansas, acquired in 1959 by Quitclaim Deed from Arkansas State Hospital, which is contiguous to I-30; and

WHEREAS, a portion of this property is now necessary for Job No. CA0601, Hwy. 70 – Sevier Street, I-30, and which property the Commission now holds as a capital asset, being in Saline County, more fully described as:

Part of the North half of Section 20, Township 2 South, Range 15 West, Saline County Arkansas, more particularly described as follows:

Commencing at a point being used as the East Sixteenth corner of Sections 17 and 20, Township 2 South, Range 15 West; thence North $87^{\circ}37'12''$ West along the North line of Section 17, Township 2 South, Range 15 West a distance of 315.65 feet to a point on the Southerly right of way line of Interstate 30 as established by AHTD Job 6607; thence along said right of way line South $48^{\circ}01'54''$ West a distance of 511.92 feet to a point on the Easterly right of way line of U.S. Highway 67 as established by AHTD Job 681; thence along said right of way line South $17^{\circ}15'45''$ West a distance of 720.73 feet; thence in a Southwesterly direction along said right of way line on a curve to the right, having a radius of 4,513.95 feet a distance of 94.50 feet, having a chord bearing of South $17^{\circ}51'44''$ West for a distance of 94.50 feet to the POINT OF BEGINNING; thence South $67^{\circ}43'28''$ East a distance of 15.46 feet to a point on the Easterly right of way line of U.S. Highway 67 as established by AHTD Job CA0601; thence along said right of way line South $25^{\circ}02'07''$ West a distance of 180.28 feet to a point on the Easterly right of way line of U.S. Highway 67 as established by AHTD Job 681; thence in a Northeasterly direction along said right of way line on a curve to the left, having a radius of 613.18 feet a distance of 47.83 feet, having a chord bearing of North $22^{\circ}22'40''$ East for a distance of 47.82 feet; thence in a Northeasterly direction along said right of way line on a curve to the left, having a radius of 4,513.95 feet a distance of 132.43 feet, having a chord bearing of North $19^{\circ}18'09''$ East for a distance of 132.43 feet to the POINT OF BEGINNING containing 0.03 acres (1,165 sq. ft.) more or less as shown on plans prepared by the AHTD referenced as Job CA0601.

DWB 07/25/16

NOW THEREFORE, the character of the above-described property is hereby changed from capital asset to that of right of way, hereafter designated as a part of Tract No. 13, Job No. CA0601; a copy of this Minute Order shall, if required, be recorded in the Circuit Clerk and Recorder's office of Saline County, Arkansas, and the right of way shall, if necessary, be remonumented.

2017-115

WHEREAS, IN CRAIGHEAD COUNTY, construction of Highway 18 on new location, which bypasses the City of Monette is nearing completion; and

WHEREAS, this new location route bypasses a portion of Highway 18, Section 4 and Highway 139, Section 1; and

WHEREAS, the City of Monette has passed Ordinance No. 2014-9, agreeing to accept all responsibility, including ownership for the bypassed portions of Highway 18, Section 4 and Highway 139, Section 1, in accordance with Arkansas Code Annotated § 14-301-102; and

WHEREAS, after completion of the Monette Bypass, the Department will perform any necessary bridge maintenance and resurface the subject routes prior to removing them from the State Highway System.

NOW THEREFORE, IT IS ORDERED that upon official notification by the Deputy Director and Chief Engineer, the following changes are hereby made to the State Highway System in the City of Monette as shown on the attached sketch.

- The bypassed portion of Highway 18, Section 4 is hereby removed from the State Highway System.
- The bypassed portion of Highway 139, Section 1 is hereby removed from the State Highway System.
- The new location portion beginning at the junction with existing Highway 18 on the west side of Monette and continuing east to the junction with the existing portion of Highway 18 is hereby added to the State Highway System as Highway 18, Section 4.

2017-116

WHEREAS, IN FAULKNER COUNTY, the City of Conway has requested a portion of the Interstate 40 Frontage Road, known locally as Amity Road, be transferred to the City Street System; and

WHEREAS, the City of Conway has passed City Resolution Number R-17-08, which agrees to accept all responsibility, including ownership of this portion of the Interstate 40 Frontage Road in accordance with Arkansas Code Annotated § 27-65-109.

2017-116 - Continued

NOW THEREFORE, IT IS ORDERED that upon official notification by the Deputy Director and Chief Engineer, the following changes are hereby made to the State Highway System in the City of Conway as shown on the attached sketch.

- The portion of the Interstate 40 Frontage Road, known locally as Amity Road, as shown on the attached sketch is hereby removed from the State Highway System.

2017-117

WHEREAS, IN PULASKI COUNTY, IN THE CITY OF NORTH LITTLE ROCK, the City has requested to accept all responsibility, including ownership of Highway 100, Section 1.

NOW THEREFORE, IT IS ORDERED that upon receipt of a proper resolution from the City of North Little Rock and official notification by the Deputy Director and Chief Engineer, the following changes are hereby made to the State Highway System as shown on the attached sketch.

- Highway 100, Section 1 is hereby removed from the State Highway System.

2017-118

WHEREAS, IN BENTON COUNTY, Minute Order 2014-050 authorized a study to determine the need for and feasibility of improvements to Highway 71 from the Bella Vista Bypass to the Missouri State Line; and

WHEREAS, the Highway 71 Corridor Improvement Study has been prepared and has identified feasible improvement alternatives to enhance safety and traffic flow.

NOW THEREFORE, this study is adopted for use as a planning guide for scheduling future improvements in the area.

2017-119

WHEREAS, IN HEMPSTEAD COUNTY, Minute Order 2015-010 authorized a study to determine the need for and feasibility of a Highway 278 bypass of the Historic Washington State Park and Historic District; and

WHEREAS, the Highway 278 Bypass Feasibility Study has been prepared and has identified a feasible bypass corridor to enhance safety and reduce traffic flow within the park.

NOW THEREFORE, this study is adopted for use as a planning guide for scheduling future improvements in the area.

2017-120

WHEREAS, IN UNION COUNTY, the City of El Dorado has expressed interest in partnering with the Department to improve Highway 82B between Highway 82 and Highway 167; and

WHEREAS, the City has requested additional improvements to this corridor to create a context-sensitive, multi-modal corridor that will become a gateway to downtown El Dorado; and

WHEREAS, the City has agreed to provide additional funding necessary for the improvements that exceed typical Department design standards; and

WHEREAS, the City has agreed to accept ownership and responsibility for Highway 82, Section 5B between Highway 82 and Highway 167 upon completion of the project.

NOW THEREFORE, the Director is authorized to enter into the necessary agreements with the City of El Dorado and to proceed with surveys, plans, and construction for these improvements as funds become available.

FURTHERMORE, upon completion of these improvements and upon official notification by the Deputy Director and Chief Engineer, the following changes are hereby made to the State Highway System as shown on the attached sketch.

- The portion of Highway 82, Section 5B, between Highway 82 and Highway 167, is to be removed from the State Highway System.

2017-121

WHEREAS, National Bridge Inspection Standards require bridges to be inspected below the water surface; and

WHEREAS, underwater bridge inspection of some bridges require the experienced services of qualified professional engineers and divers; and

WHEREAS, the ARDOT does not have the capability of performing this type of inspection.

NOW THEREFORE, the Director is authorized to request proposals from prospective engineering firms and proceed with the implementation of a project to inspect the underwater portion of bridges as funds become available.

2017-122

WHEREAS, the City of Morrilton, by Resolution 2017-11, has acknowledged the accomplishments of Coach John Widner; and

WHEREAS, the Arkansas Highway Commission has adopted guidelines for the installation of commemorative signs by Minute Order 2009-033 and the City's request meets these guidelines.

NOW THEREFORE, the Director is authorized to permit the installation of signs in each direction on Highway 247, as requested by the City, in accordance with Commission Policy.

2017-123

WHEREAS, the Arkansas State Highway Commission will accept bids on the following projects at the January 17, 2018 letting; and

| JOB NO. | DISTRICT | COUNTY | JOB NAME | ROUTE | APHN |
|---------|----------|--------------|--|-------------|------|
| 110540 | 01 | MONROE | WHITE RIVER STRS. DEMO. & REMOVAL (CLARENDON) (S) | 79 | Y |
| 110677 | 01 | CRITTENDEN | BRIDGEPORT & RIVERSIDE AHP INSPECTION FACILITIES (S) | 40 & 55 | Y |
| 020616 | 02 | ARKANSAS | DESHA CO. LINE - HWY. 144 (S) | 165 | Y |
| 020620 | 02 | DESHA & DREW | MONTICELLO - MCGEHEE (SEL. SECS.) (S) | 278 | Y |
| 020622 | 02 | DESHA | HALLEY - HWY. 4 (S) | 159 | N |
| 030482 | 03 | MILLER | HWYS. 67, 71 & 82 (SEL. SECS.) (TEXARKANA) (S) | 67, 71 & 82 | Y |

2017-123 - Continued

| JOB NO. | DISTRICT | COUNTY | JOB NAME | ROUTE | APHN |
|---------|----------|-----------------------|--|-----------|------|
| 030496 | 03 | MILLER | HWY. 237 – LAFAYETTE CO. LINE (S) | 82 | Y |
| 030500 | 03 | LITTLE RIVER & SEVIER | HWY. 71 SLIDE REPAIR (LITTLE RIVER & SEVIER COS.) (S) | 71 | Y |
| 050369 | 05 | FULTON | IZARD CO. LINE – HWY. 62 (S) | 9 | Y |
| 050372 | 05 | INDEPENDENCE & SHARP | HWY. 167 IMPROVEMENTS (CAVE CITY) (S) | 167 | Y |
| 080555 | 08 | JOHNSON | FRANKLIN CO. LINE – COAL HILL (SEL. SEC.) (S) | 64 | Y |
| 080563 | 08 | FAULKNER | HWY. 64 & SUNNY GAP RD. SIGNAL (FAULKNER CO.) (S) | 64 | Y |
| 100822 | 10 | CRAIGHEAD | HENSON RD. RR SIG. UPGRADE & TRAFFIC SIG. (JONESBORO) (S) | 91 | Y |
| 100884 | 10 | CRAIGHEAD | WATT ST. – INGELS RD. (JONESBORO) (S) | 63B & 463 | Y |
| 100887 | 10 | MISSISSIPPI | HWYS. 150 & 181 (GOSNELL) (SEL. SECS.) (S) | 150 & 181 | N |
| 100902 | 10 | LAWRENCE | RANDOLPH CO. LINE – SOUTH OF HWY. 63 (S) | 90 | N |
| 100904 | 10 | GREENE | HWY. 49B – HOOKER (S) | 135 | Y |
| 100911 | 10 | LAWRENCE | SHARP CO. LINE – HWY. 117 (STRAWBERRY) (S) | 230 | N |
| 100915 | 10 | GREENE | CRAIGHEAD CO. LINE – NORTH (S) | 135 | Y |
| 012296 | VAR | VARIOUS | DISTRICTS 2, 6, 7 & 8 PAVEMENT FRICTION IMPVTS. (SEL. SECS.) (S) | VAR | Y |
| C15004 | 08 | CONWAY | MENIFEE & PLUMERVILLE OVERLAY (SEL. SECS.) (S) | --- | .. |
| C18008 | 01 | CRITTENDEN | JENNETTE SURFACING (SEL. SECS.) (S) | --- | .. |
| C19003 | 01 | CROSS | PARKIN OVERLAY (SEL. SECS.) (S) | --- | .. |
| C29003 | 03 | HEMPSTEAD | BLEVINS SURFACING (SEL. SECS.) (S) | --- | .. |
| C29004 | 03 | HEMPSTEAD | WASHINGTON OVERLAY & SURFACING (SEL. SECS.) (S) | --- | .. |
| C50003 | 03 | NEVADA | ROSSTON NEVADA RD. 17 SURFACING (SEL. SEC.) (S) | --- | . |

2017-123 - Continued

| JOB NO. | DISTRICT | COUNTY | JOB NAME | ROUTE | APHN |
|---------|----------|-----------|--|-------|------|
| C52003 | 07 | OUACHITA | CAMDEN & BEARDEN OVERLAY (SEL. SECS.) (S) | --- | - |
| SA1147 | 10 | CLAY | HWY. 67 EAST (OVERLAY) (S) | --- | - |
| BR3714 | 03 | LAFAYETTE | LITTLE BODCAU CREEK STR. & APPRS. (S) | --- | - |
| FA4511 | 09 | MARION | SEARCY CO. LINE - NORTHWEST PHASE 2 (RECONST.) (S) | --- | - |

WHEREAS, a thorough bid review and analysis is undertaken by the Department to ensure that only those projects are awarded which are judged to be in the best interests of the State; and

WHEREAS, the right is retained to reject any or all proposals, to waive technicalities, or to advertise for new proposals, also as judged to be in the best public interests of the State; and

WHEREAS, the Commission desires to expedite work on these important projects; and

WHEREAS, in accordance with Amendment 42 of the Arkansas Constitution, Section 6, as well as other laws of this State, the Commission has the authority to delegate certain powers to the Director of Highways and Transportation.

NOW THEREFORE, upon the contractors furnishing the necessary performance and payment bonds and submitting all additional information required for the above mentioned projects, the Director is hereby authorized to enter into contracts and supplemental agreements for any projects deemed to be in the best interests of the State.

FURTHERMORE, the Director is authorized to reject any or all proposals, to waive technicalities, and/or to advertise for new proposals whenever deemed to be in the best interests of the State.

Vice Chairman Tom Schueck opened the meeting. Chairman Dick Trammel and Commissioner Philip Taldo, participated by teleconference.

MOTION

Commissioner Robert Moore moved, Commissioner Alec Farmer seconded and the motion passed to approve the Minutes from the previous Commission Meeting of October 18, 2017.

OTHER DISCUSSION ITEMS

Mike Boyd, Chief Fiscal Officer, provided the October 2017 update on state highway revenue. Mr. Boyd noted that state highway revenues to the Department from traditional sources are up a total of 3.4% (\$4.5 million) in the State Fiscal Year (SFY) 2018 compared to the same period for SFY 2017. Revenue from the Natural Gas Severance Tax is coming in higher this year compared to last year, resulting in total revenues available 3.9% (\$5.2 million) above last year. Actual state revenue received is 4.6% (\$6.1 million) above projected (budgeted) revenue for this year.

In closing, Mr. Boyd stated that October revenue from the 0.5% General Sales Tax for the Connecting Arkansas Program was 6.93% lower, (\$1.1 million) than projected by the Department of Finance and Administration (DF&A) for the month. Year to date actual revenue is below projections by 3.94% (\$2.4 million). Since inception this revenue source is 0.73%, or \$5.3 million, under DF&A's projections.

Director Bennett provided the latest information on the Federal highway and transit funding issues. Director Bennett noted that the passage of the FAST Act, passed in December 2015, provided increased funding over its five-year term. However, Congress has not been able to pass a budget for Federal Fiscal Year 2018. They were able to avoid a shutdown by passing a Continuing Resolution on September 8, 2017. The Continuing Resolution will provide funding until December 8, 2017. If Congress fails to act by December 8, 2017, we will be facing another shutdown. On May 23, 2017, President Trump released his full budget proposal for Federal Fiscal Year 2018 entitled "The New Foundation for American Greatness". This budget would provide full funding for the FAST Act in Federal Fiscal Year 2018. However, beginning in Federal

Discussion Item - Continued

Fiscal Year 2021, funding would be limited to revenue that is deposited into the Highway Trust Fund. This would result in a 40% reduction in the Federal-aid Highway Program.

In closing, Director Bennett stated that not only are there questions regarding future Federal-aid funding, but the source(s) of dependable long-term State revenue to provide the match for Federal-aid funds beyond 2017 and the additional State revenue needed to adequately maintain and improve Arkansas' transportation system have not been identified.

Director Bennett gave an update on the status of the 2011 Interstate Rehabilitation Program (IRP) and Connecting Arkansas Program (CAP). The 2011 Interstate Rehabilitation Program was approved by Arkansas voters in November 2011. Under this program, the Commission has the authority to issue up to \$575 million in GARVEE bonds for Interstate rehabilitation. Three series of bonds have been issued. The first was sold in September 2012 at a par value of \$197 million (true interest cost of 1.6%) with a premium of \$33 million (total of \$230 million available for construction). The second was sold in October 2013 at a par value of \$172 million (true interest cost of 2.2%) with a premium of \$29 million (total of \$201 million available for construction). The third was sold in November 2014 at a par value of \$206 million (true interest cost of 2.1%) with a premium of \$37 million (total of \$243 million available for construction).

The Connecting Arkansas Program was approved by Arkansas voters in November 2012. Under this program, the Commission has the authority to issue up to \$1.3 billion in revenue bonds for four-lane highway construction. The first series of bonds was sold in September 2013 at a par value of \$469 million (true interest cost of 3.1%) with a premium of \$25 million (total of \$494 million available for construction). No other bond sales under this program are expected.

Director Bennett presented a summary of the apparent low bids and bidders from the November 15, 2017, Bid Letting.

Director Bennett gave a summary of the possible 2018 Initiated Act. The 2017 91st General Assembly failed to successfully address the funding shortfall the Department is facing to meet our needs and match federal funds. Subsequently, Governor Hutchinson publically stated the following:

"As to the long term solutions, it emphasizes that it is difficult to get a referral of this General Assembly out to the voters, and that I hope the leadership of our state and the business community and others will look at an initiated act that might go on the ballot for a highway program," he said. "Otherwise, we'll continue to debate the long-germ solution in future sessions."

Director Bennett presented a potential new program that does not include the transfer of road user revenue from the general fund.

Vice Chairman Tom Schueck recognized Kathy Wells, Coalition of Little Rock Neighborhoods, who presented to the Commission a copy of a letter from Dale Pekar of Little Rock to the Federal Highway Administration, dated November 10, 2017, regarding Inconsistent Depictions of the No-Action Alternative for the I-30 Corridor. Vice Chairman Schueck stated that the Commission would review the letter and have a response ready by the next Commission meeting.

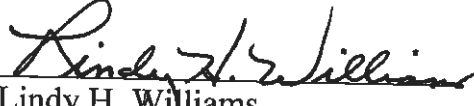
Director Bennett presented a list of upcoming meetings and events that the Commissioners and Director will be attending, including the Highway Department District Service Awards that will be held at each of the ten districts.

Director Bennett ended the meeting by congratulating Rusty Hubbard who had his photograph selected in the Category of Roadways & Bridges for the American Association of State Highway and Transportation Officials' (AASHTO) Faces of Transportation contest. This is an annual competition showcasing the best transportation-related photographs from around the country.

2017-124

IT IS ORDERED that a meeting of the Arkansas State Highway Commission be closed at 11:55 a.m., December 6, 2017.

I hereby certify that the above and foregoing is a true record of the proceedings taken by the Arkansas Highway Commission at its meeting on December 6, 2017.


Lindy H. Williams
Commission Secretary