

Randy Ort
Assistant Chief of Administration



Leadership Arkansas (LeadAR)

Tuesday, February 18, 2020

Arkansas Highway Commission



Keith Gibson

Philip Taldo

Robert Moore
Vice-Chairman

Tom Schueck
Chairman

Alec Farmer



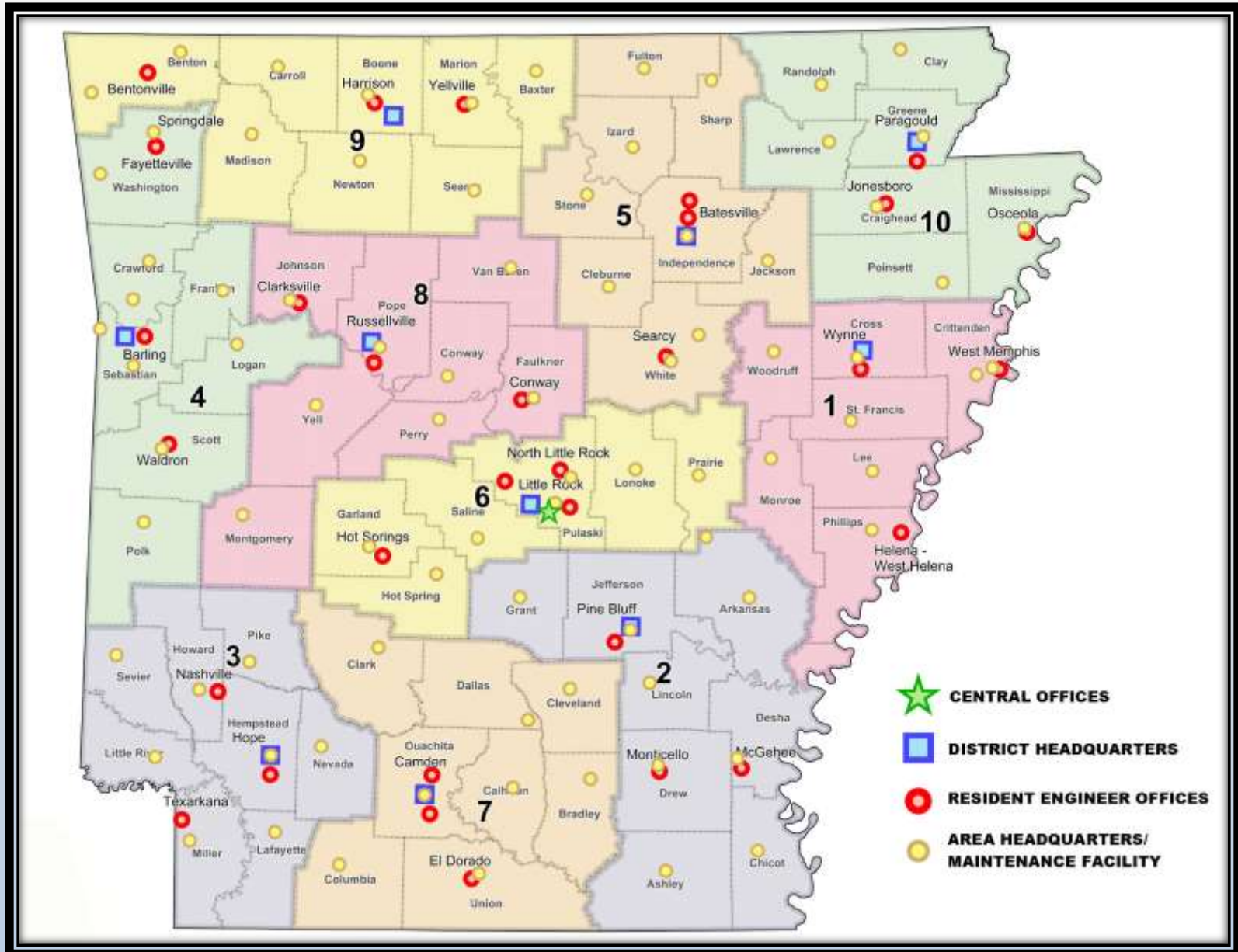
3rd Largest State Agency
(approx. 3,700 Employees)

Maintains
16,418 miles of Highway
7,335 Bridges

Central Offices in Little Rock

10 Districts Statewide

Highway Districts



History



“We are always yapping about the ‘Good Old Days’ and how we look away back and enjoy it, but I tell you there is a lot of hooley to it.”

– Will Rogers



- ***First Commission Created***
 - ✓ ***No Hwy. Department***
 - ✓ ***No Hwy. System***
- ***3,600 Vehicles - \$72,000 Total Budget***
- ***36,000 Miles of Public Roads***



Repair Shop of State Highway Department, Little Rock, early 1930s



- **Highway System Created**

- **Highway Department Created**

- **First Gas Tax – 1 cent per gallon**

- **200,000 Vehicles/8,800 highway miles (1,400 Paved)**

- **Highway Commission Structure Changed Twice**

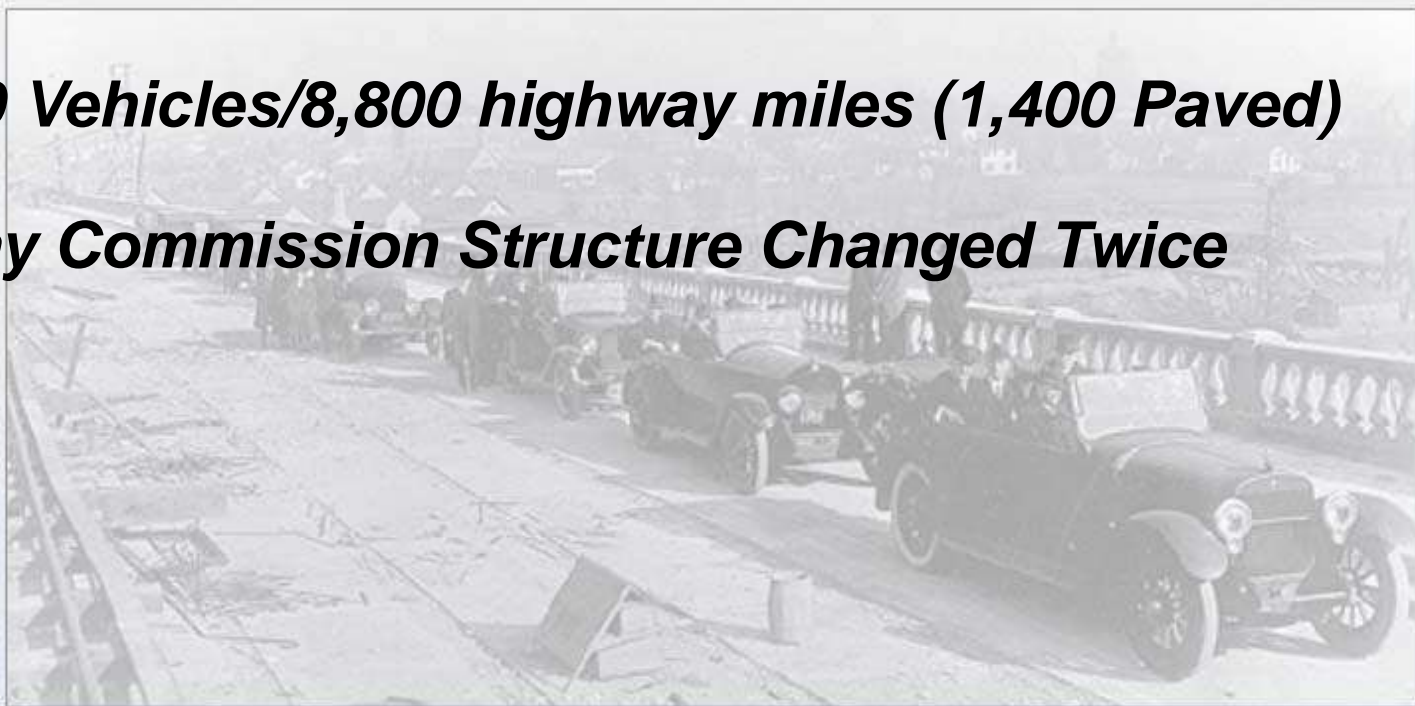
Highway Districts 1923



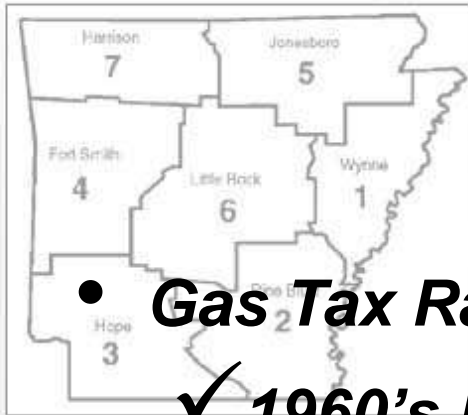
Highway Districts 1925



Broadway Bridge dedication, 1922. View is looking towards North Little Rock



The Thirties



- **Gas Tax Raised to 6.5 cents per Gallon**
- ✓ **1960's Before Next Increase**



Magnet Truck. Picked up an average of 20 lbs of metal per mile

- **255,000 Vehicles; 9,300 Highway miles (3,000 Paved)**
- **Commission Structure Changed Two More Times**



State Highway Department HQ, 1939



The Forties



Operation of the Henderson Ferry at Norfolk Lake cost \$117,981 for 1947-48. During this period 189,856 vehicles were ferried over at an average cost of 62¢

- ***World War II – Major Influence***
- ***455,000 Vehicles; 9,700 Highway Miles (4,900 Paved)***

- ***Commission Structure Changed Two More Times***

- ***Too much Political Influence on Highways – Growing Discontent***

Dillard's Ferry, a hand-cranked operation, crossed the Buffalo River at Highway 14 from 1929-1958.





- **1951 - Highway Audit Commission Report**

✓ ***“the advice, counsel and expert know-how which is available from the Department’s own technical and administrative staffs bear scant weight indeed when they are in conflict with the political pressures and political promises of the moment.”***

- **9 Legislative Acts Restructured Commission since 1913**
- **1952 – Mack Blackwell Amendment**

Widening Hwy 67 near
Malvern, 1956



Organization Chart

ARKANSAS DEPARTMENT OF TRANSPORTATION ORGANIZATION CHART



Scott S. Bennett

Director of Highways and Transportation

April 11, 2017

Date

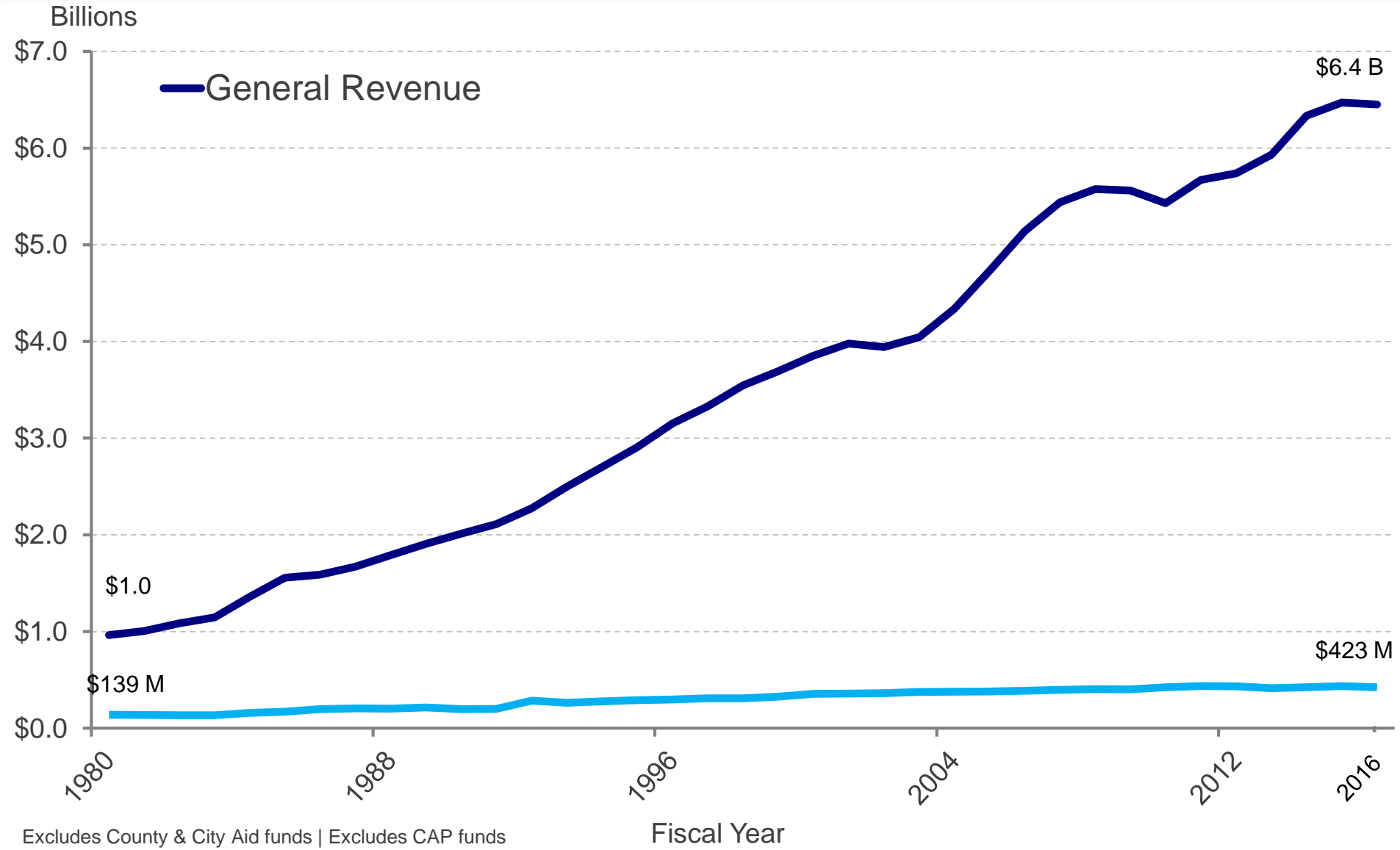
Challenges



➤ **12th** largest system in the country

➤ **41st** in highway revenue per mile

Revenue Trends



Construction Costs

Money Doesn't Go As Far

THEN

In 1995, **200 miles** of highway could be overlaid with \$10 million.

NOW

Using \$10 million today, only **54 miles** of highway can be overlaid.



Construction Costs

Typical Cost Per Mile

4-Lane Interstate	\$ 10.4 Million
5-Lane Roadway	\$ 6.6 Million
2-Lane Roadway	\$ 3.4 Million
Widen from 2- to 5-Lanes	\$ 4.7 Million



The 10-Year Shortfall

- \$9.3 Billion in needs
 - \$4.5 Billion in available revenue
-
- \$4.8 Billion shortfall



What's the Right Annual Amount?

- Highway Funding Working Group \$400 Million
- Arkansas State Legislative Audit \$478 Million
- ✓ *Governor's Highway Funding Plan* \$300 Million



“An efficient transportation system is critical for Arkansas’ economy and the quality of life of the state’s residents.”

– Governor Asa Hutchinson



Issue 1



The Proposed Plan

Governor's Long Term Highway Funding Plan

Act 416 of 2019

\$95 Million

(Immediate Funding dedicated to System Preservation)

Issue 1

\$205 Million

(Funding for System Preservation plus Capital Projects beginning in SFY 2024)

Total to ARDOT

\$300 Million



November 3, 2020

The Ballot Question: Issue 1

YES



Funding from current sales tax continues after June 2023

NO



Funding from current sales tax terminates after June 2023

Governor's Long Term Highway Funding Plan

Benefits from Additional \$300 Million Per Year



Provide \$8.2 Billion in Economic Activity over 10 Years

Support 3,596 Jobs Each Year*

Maintain Interstates in a State of Good Repair

Increase Safety Improvements

Implement a Second Connecting Arkansas Program (CAP-2)

Repair/Replace Poor Condition and Posted Bridges over 10 Years

Improve Approximately 7,000 Miles of Non-Interstate Highways over 10 Years

***Source:** *“The Economic Impacts of an Annual \$478 Million Increase in Arkansas Highway, Street and Bridge Construction Investment,”* prepared by the American Road & Transportation Builders Association (ARTBA), October 2018; data prorated for \$300 million in additional annual revenue.

If Issue 1 Passes

Annual Revenue Expected to be Available in SFY 2024

Act 416 of 2019	\$95 Million
Issue 1	\$205 Million
Current Construction Program	\$440 Million

Total Available SFY 2024 **\$740 Million**



If Issue 1 Passes



10-Year *Renew Arkansas Highways* Program

Pavement Preservation \$3.0 Billion

Bridge Improvements and Preservation \$1.1 Billion

Interstate Maintenance \$1.0 Billion

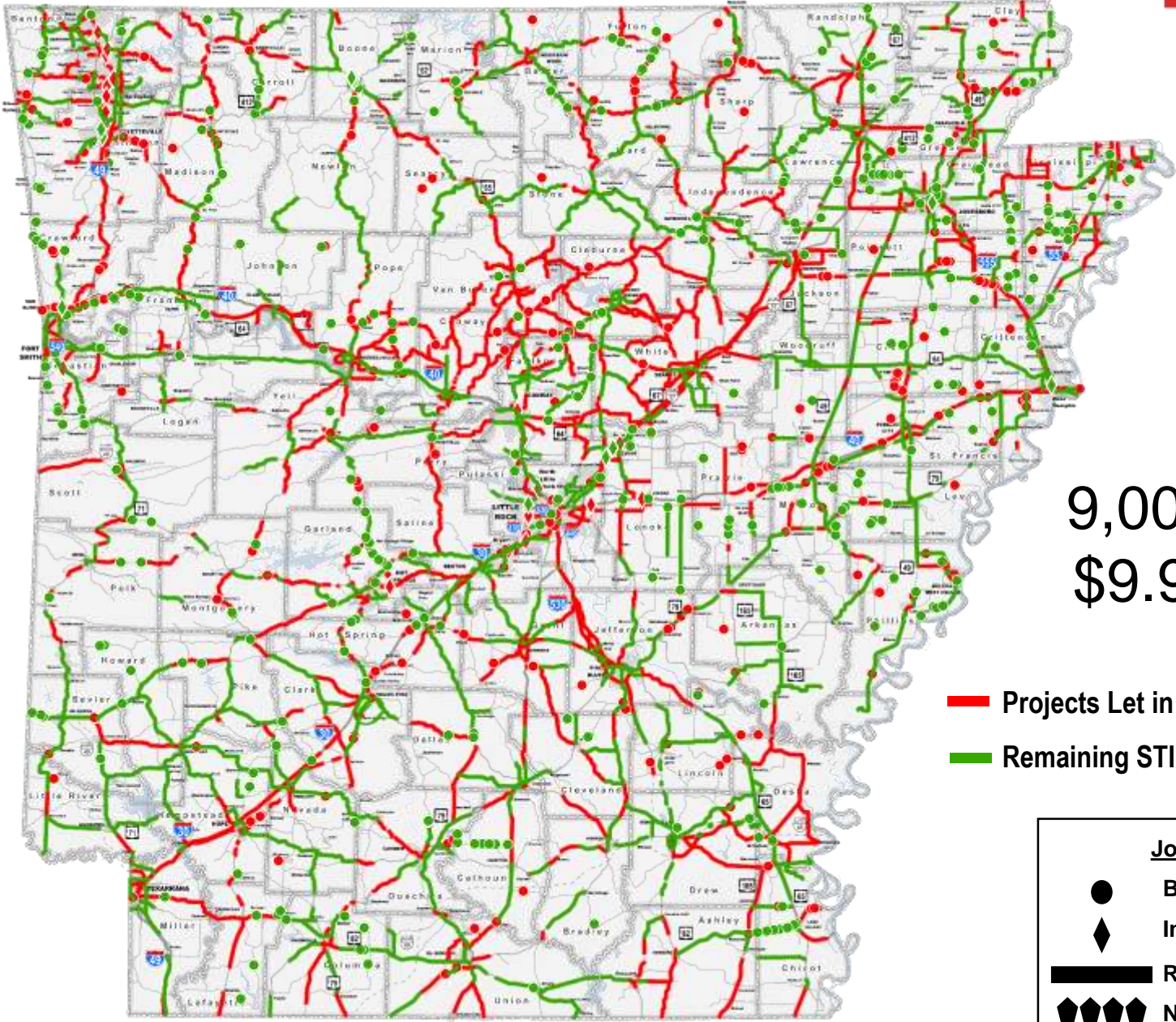
Safety Improvements \$0.5 Billion

Capital and Congestion Relief (CAP-2) \$1.8 Billion

Total \$7.4 Billion



Projects Let In The Past Ten Years and
Funded Through 2023

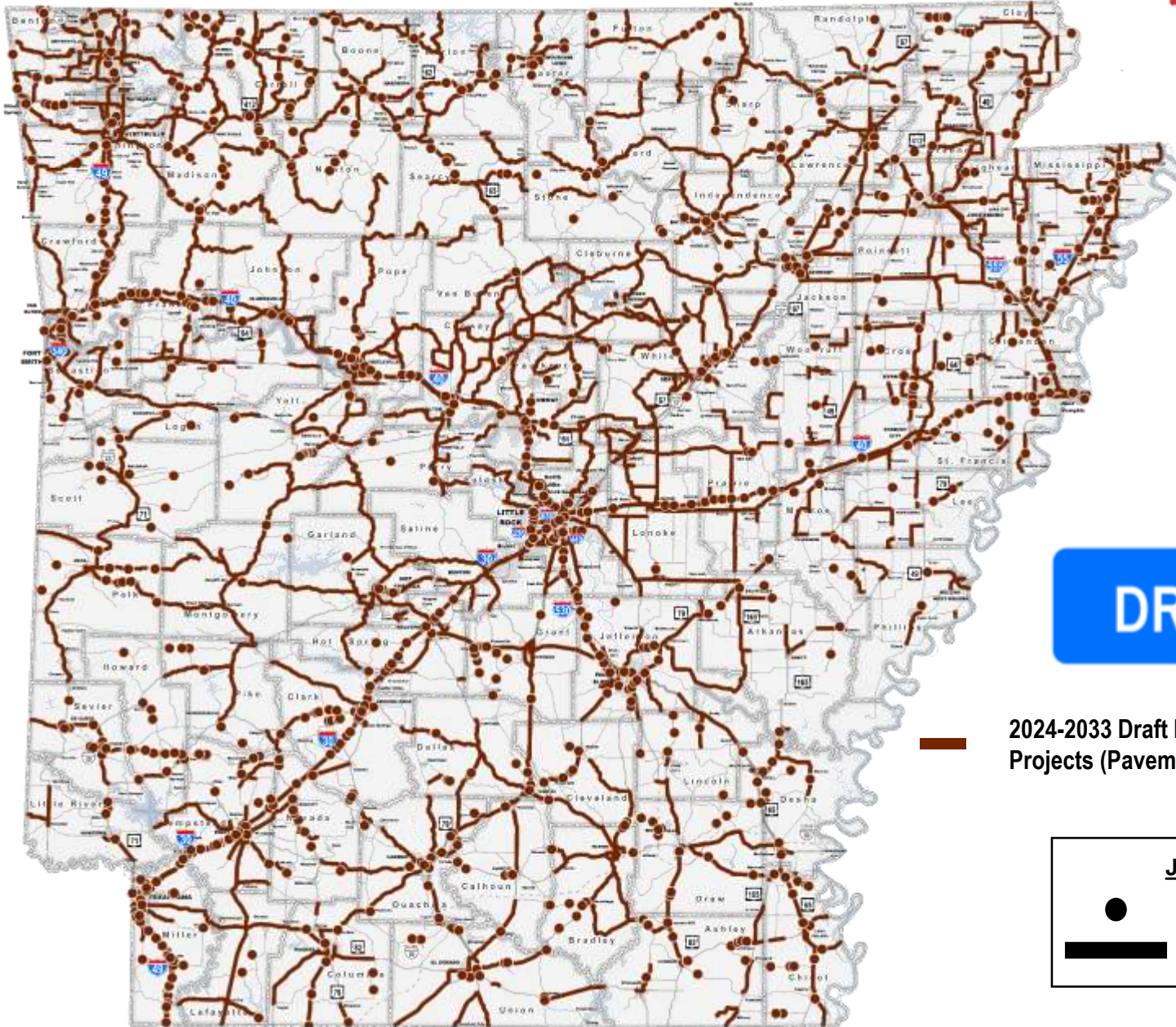


9,000 Miles
\$9.9 Billion

- Projects Let in the Past Ten Years
- Remaining STIP Through 2023

Job Type

- Bridge
- ◆ Interchange
- ▬ Roadway
- ▲▲▲▲ New Location

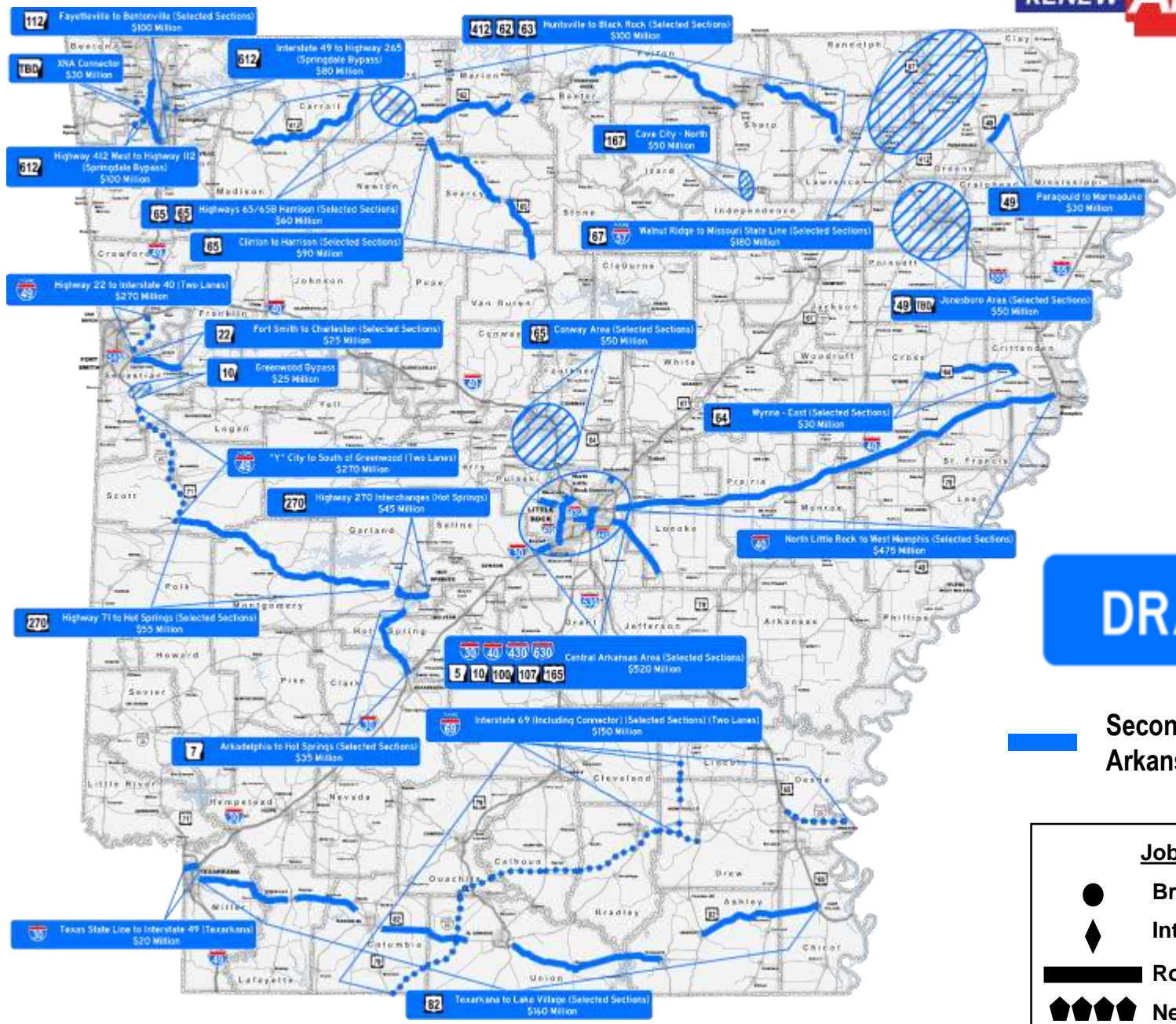


DRAFT

— 2024-2033 Draft Program of Preservation Projects (Pavement & Bridges)

Job Type	
●	Bridge
—	Roadway

Second Connecting Arkansas Program



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Second Connecting Arkansas Program

Job Type

- Bridge
- ◆ Interchange
- ▬ Roadway
- ◆◆◆◆ New Location

Potential Projects

• Second Connecting Arkansas Program	\$ 3.0 Billion
• Economic Development, Partnering & Local Congestion Relief	\$ 0.5 Billion
• ROW Acquisition & Utility Relocation	\$ 0.1 Billion
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20-Year Total	\$ 3.6 Billion

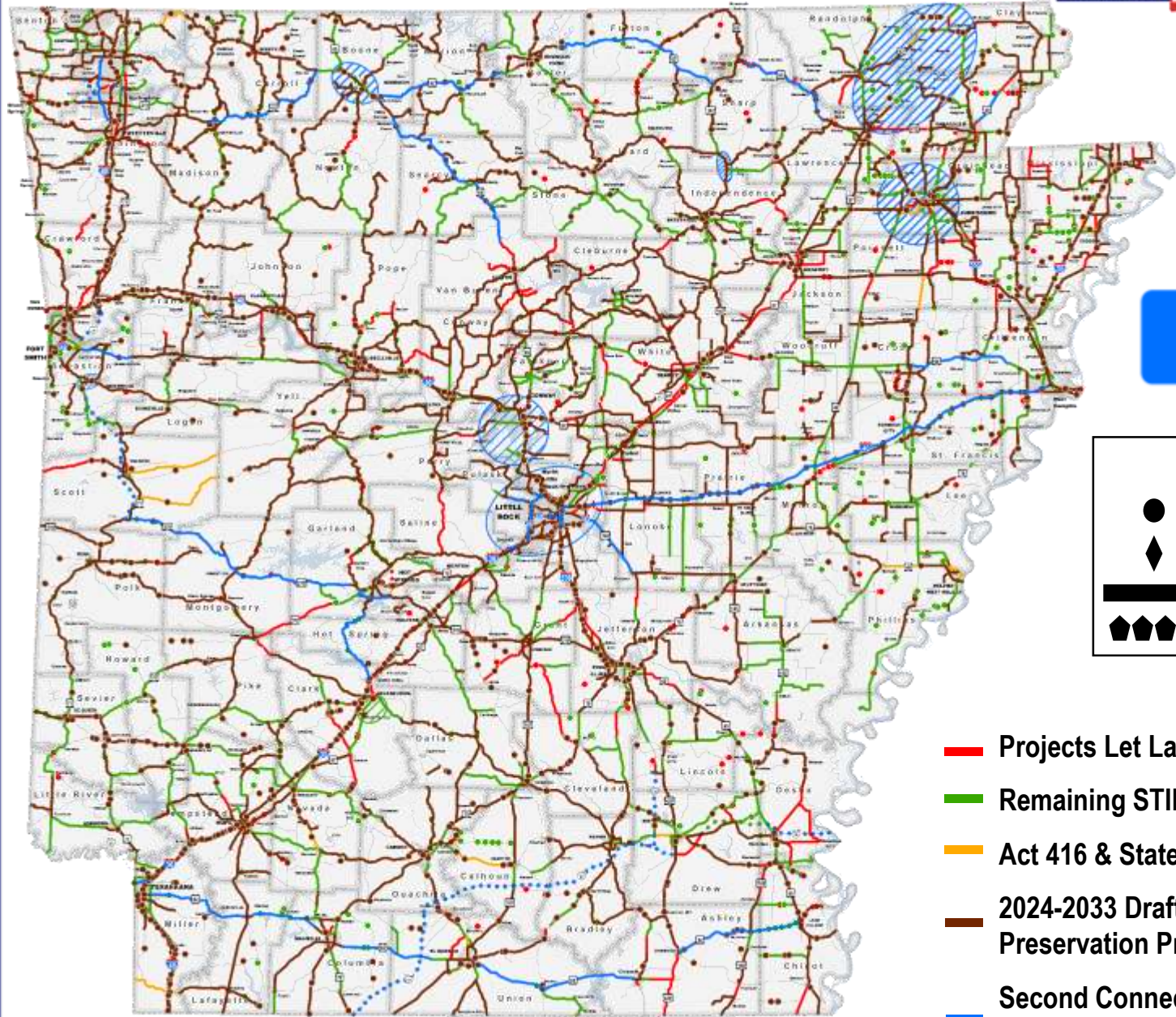


New Highway Program

DRAFT

Job Type

- Bridge
- ◆ Interchange
- ▬ Roadway
- ▮▮▮▮ New Location



- Projects Let Last 10 Years
- Remaining STIP
- Act 416 & State Surplus Revenue
- 2024-2033 Draft Program of Preservation Projects
- Second Connecting Arkansas Program

If Issue 1 Fails

Annual Revenue Expected to be Available in SFY 2024 for State Highways

Act 416 of 2019	\$ 95 Million
Proposed Amendment	\$205 Million
Current Construction Program	\$440 Million

Total Available SFY 2024 ~~**\$740 Million**~~

Nearly 30% Less



Chicot County, Highway 144
Lake Chicot State Park entrance to the
Mississippi River Levee

If Issue 1 Fails

10-Year Plan



Ashley County, Highway 160
6 miles east of Montrose

Pavement Preservation	\$1.0 Billion
Bridge Improvements and Preservation	\$1.1 Billion
Interstate Maintenance	\$1.0 Billion
Safety Improvements	\$0.5 Billion
Capital and Congestion Relief (CAP-2)	\$1.8 Billion



10-Year Total \$~~7.35~~ Billion

If Issue 1 Fails



Turnback to Cities

2023 - \$156 Million

2024 - \$113 Million

Nearly a 30% Reduction

Turnback to Counties

2023 - \$156 Million

2024 - \$113 Million

Nearly a 30% Reduction

It's Your Transportation System...



YOU Get to Decide



November 3, 2020



Discussion Time





Class Exercise



It's Your Transportation System...



YOU Get to Decide



November 3, 2020