

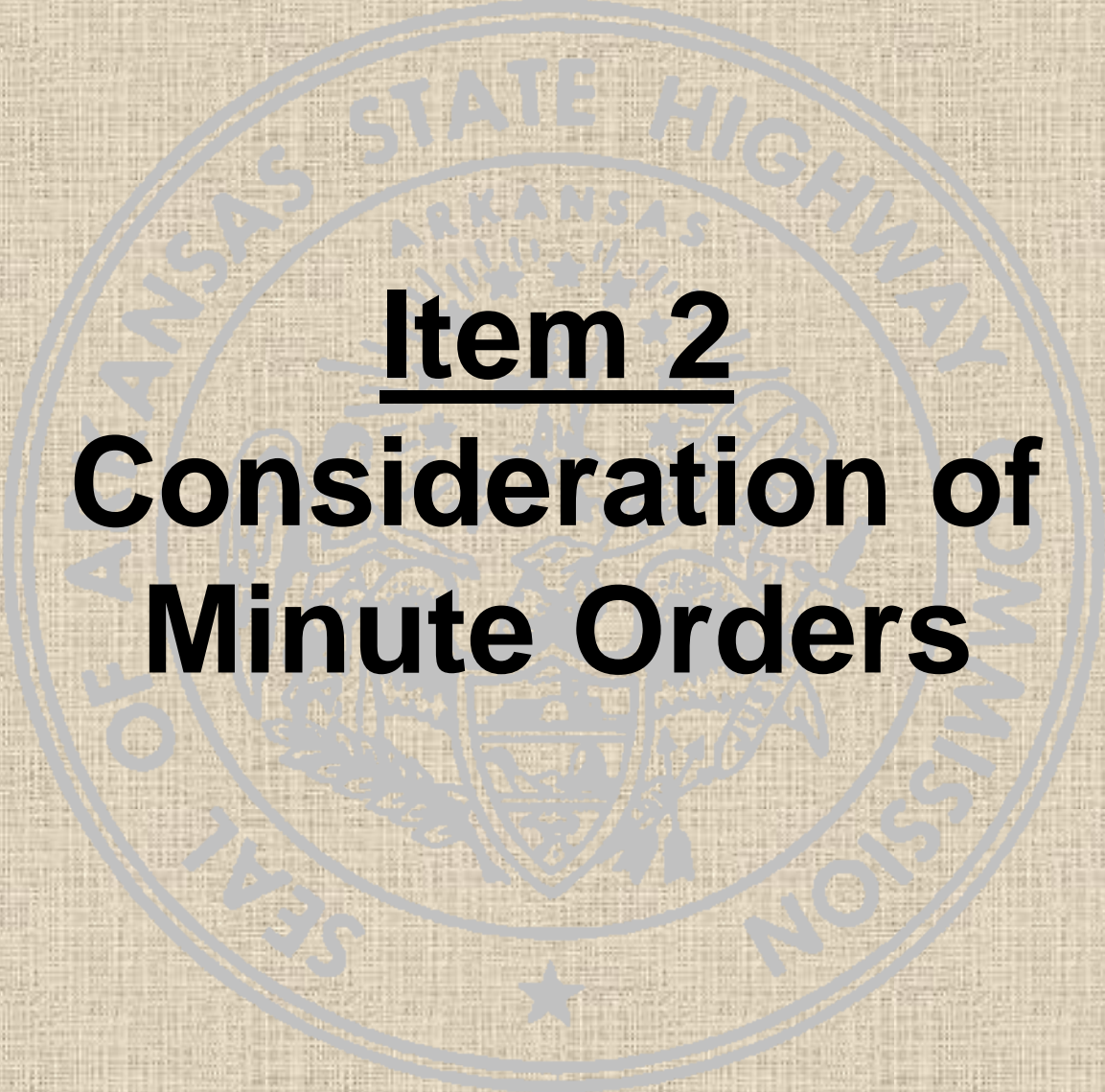


Arkansas State Highway Commission Meeting

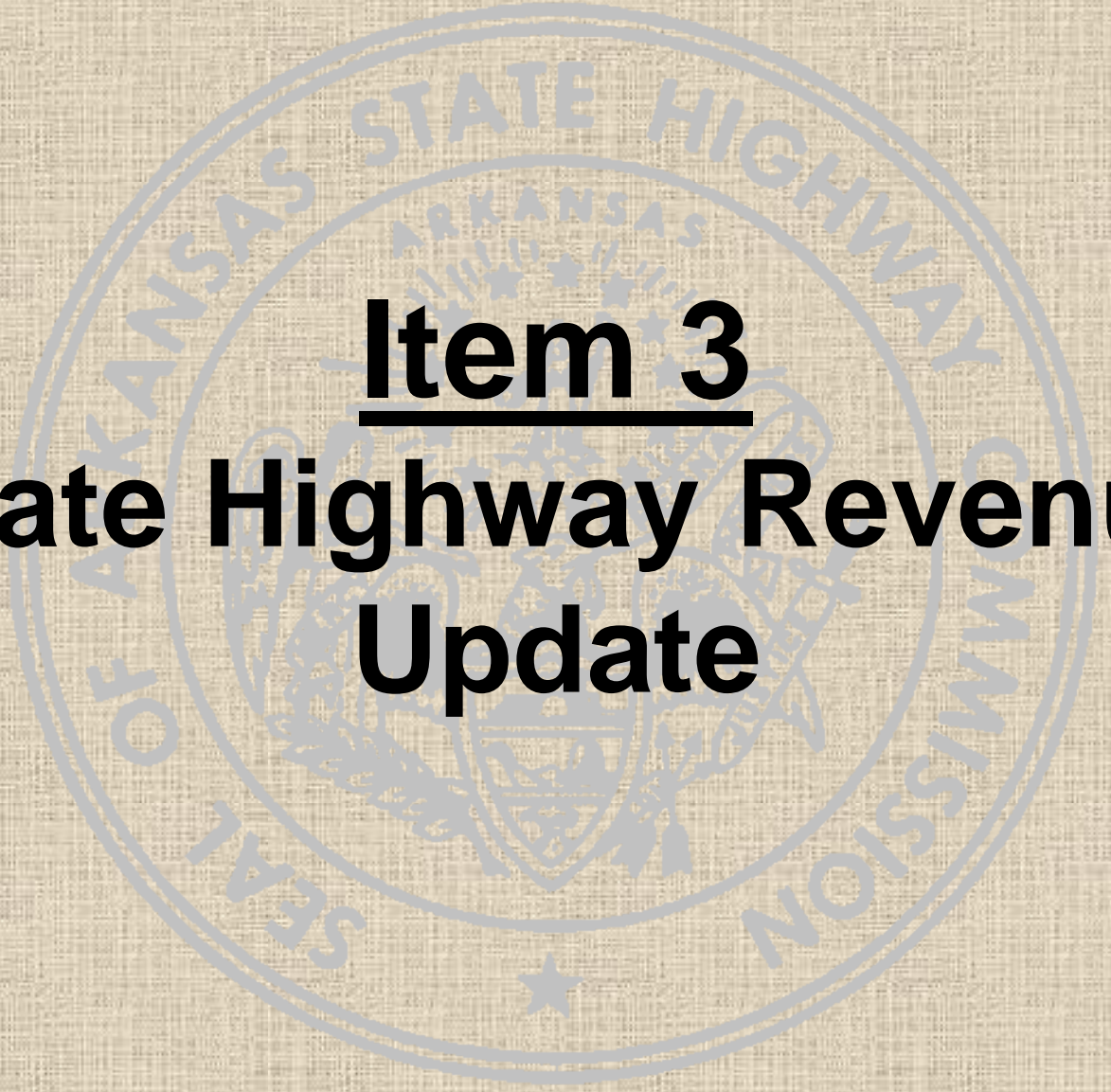
Wednesday, February 26, 2014

The background features a large, faint, circular seal of the Arkansas State Highway Commission. The seal contains the text "ARKANSAS STATE HIGHWAY COMMISSION" around the perimeter and a central emblem with a shield and stars.

Item 1
Minutes
January 15, 2014 Meeting

The background features a large, faint, circular seal of the Arkansas State Highway Commission. The seal contains the text "SEAL OF THE ARKANSAS STATE HIGHWAY COMMISSION" around the perimeter and a central emblem with a shield and stars.

Item 2
**Consideration of
Minute Orders**

The background features a large, faint, circular seal of the Arkansas State Highway Commission. The seal contains the text "SEAL OF ARKANSAS STATE HIGHWAY COMMISSION" around the perimeter and "ARKANSAS" in the center. In the center of the seal is a shield with a plow and a sheaf of wheat, flanked by two figures, and topped with a star.

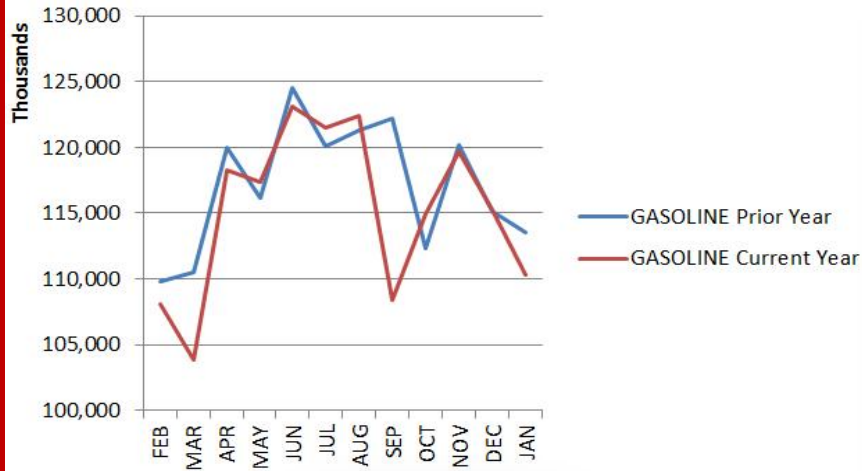
Item 3
**State Highway Revenue
Update**

January 2014 Revenues and Consumption

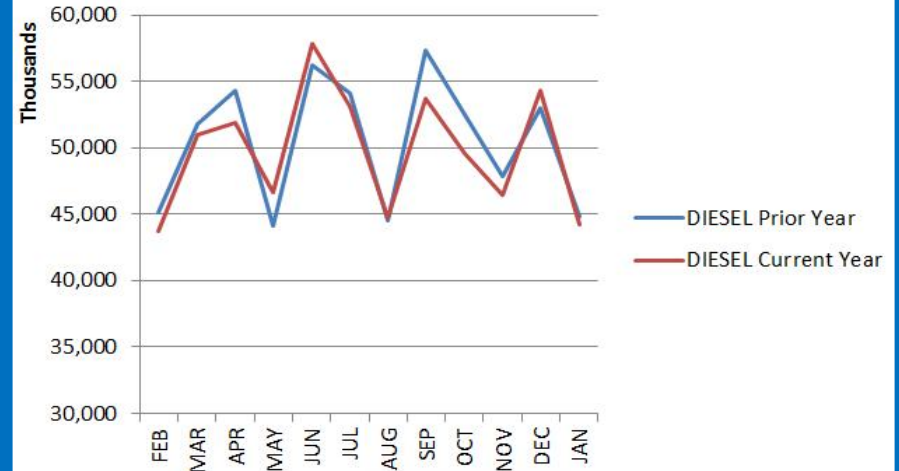
July - January	FY 2013	FY 2014	Variance	% Change
Motor Fuels Tax	\$161.3	\$155.7	(\$5.6)	-3.5%
Registration Fees	\$46.0	\$43.8	(\$2.2)	-4.8%
Permits & Penalties	\$10.9	\$10.1	(\$0.8)	-7.3%
Other	\$4.9	\$3.3	(\$1.6)	-32.7%
Total User Revenues	\$223.1	\$212.9	(\$10.2)	-4.6%
Natural Gas Severance Tax	\$16.1	\$24.7	\$8.6	53.4%
RRA Interest	\$1.8	\$1.9	\$0.1	5.6%
Less: Diesel Tax for Bonds	(\$9.6)	(\$9.4)	\$0.2	-2.1%
Total Revenues Available	\$231.4	\$230.1	(\$1.3)	-0.6%
Fiscal 2014 Projected vs. Actual July - January	Budget (millions)	Actual (millions)	Variance (millions)	% Variance
Motor Fuels Tax	\$152.6	\$155.7	\$3.1	2.0%
Registration Fees	\$48.4	\$43.8	(\$4.6)	-9.5%
Permits & Penalties	\$10.9	\$10.1	(\$0.8)	-7.3%
Other	\$2.9	\$3.3	\$0.4	13.8%
Total User Revenues	\$214.8	\$212.9	(\$1.9)	-0.9%
Natural Gas Severance Tax	\$22.0	\$24.7	\$2.7	12.3%
RRA Interest	\$1.4	\$1.9	\$0.5	35.7%
Less: Diesel Tax for Bonds	(\$10.0)	(\$9.4)	\$0.6	-6.0%
Total Revenues Available	\$228.2	\$230.1	\$1.9	0.8%
Fuel Consumption in Gallons July – January	FY 2013 (millions)	FY 2014 (millions)	Difference (millions)	% Change
Gasoline	824.6	812.7	-11.9	-1.4%
Diesel	354.0	346.2	-7.8	-2.2%
Total	1,178.6	1,158.9	-19.7	-1.7%

Fuel Consumption

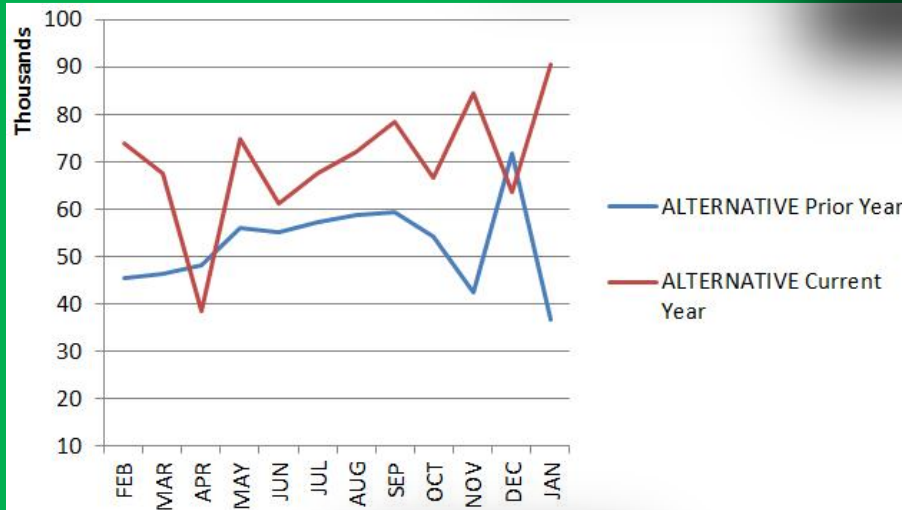
February 2013 – January 2014



Gasoline



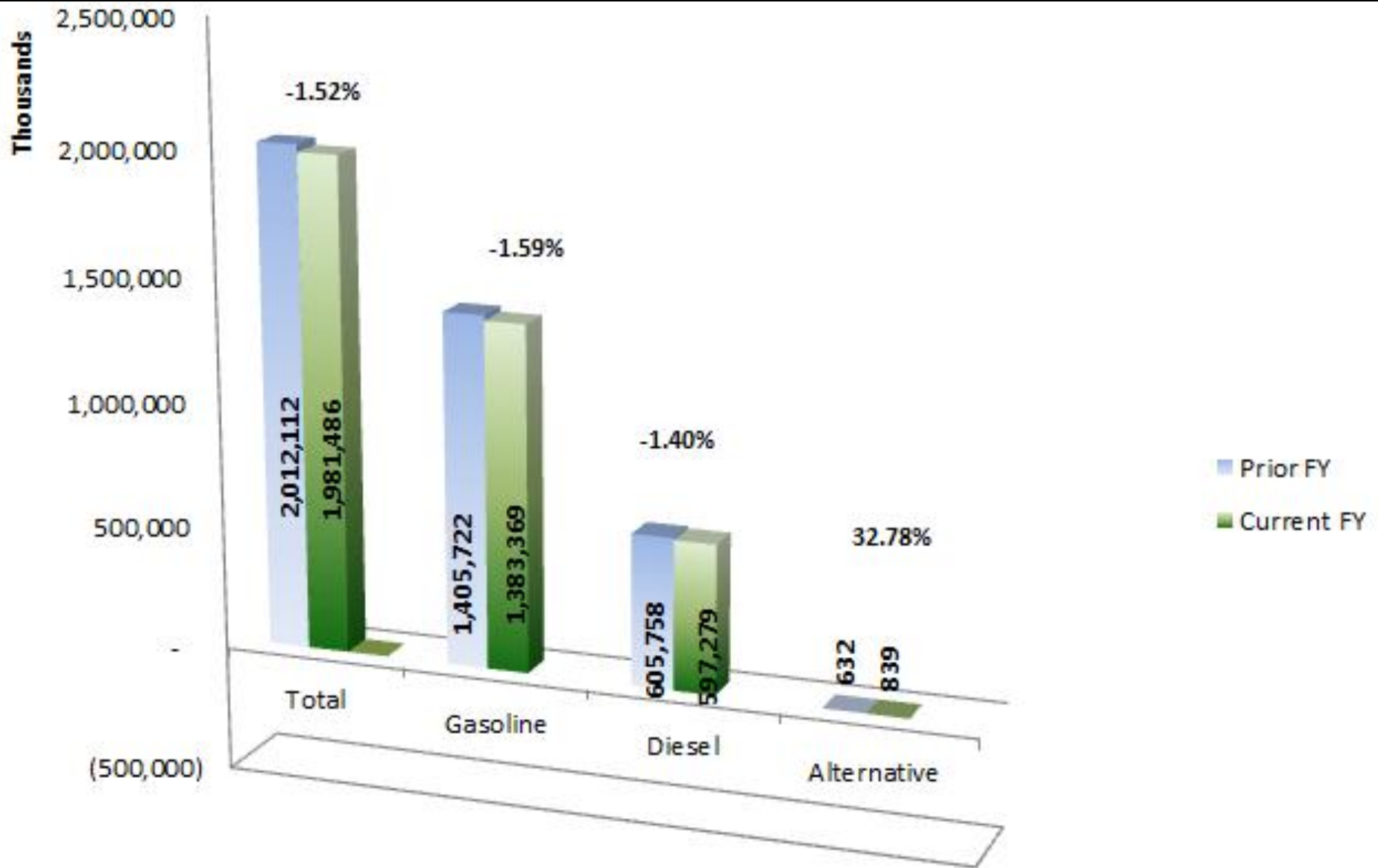
Diesel



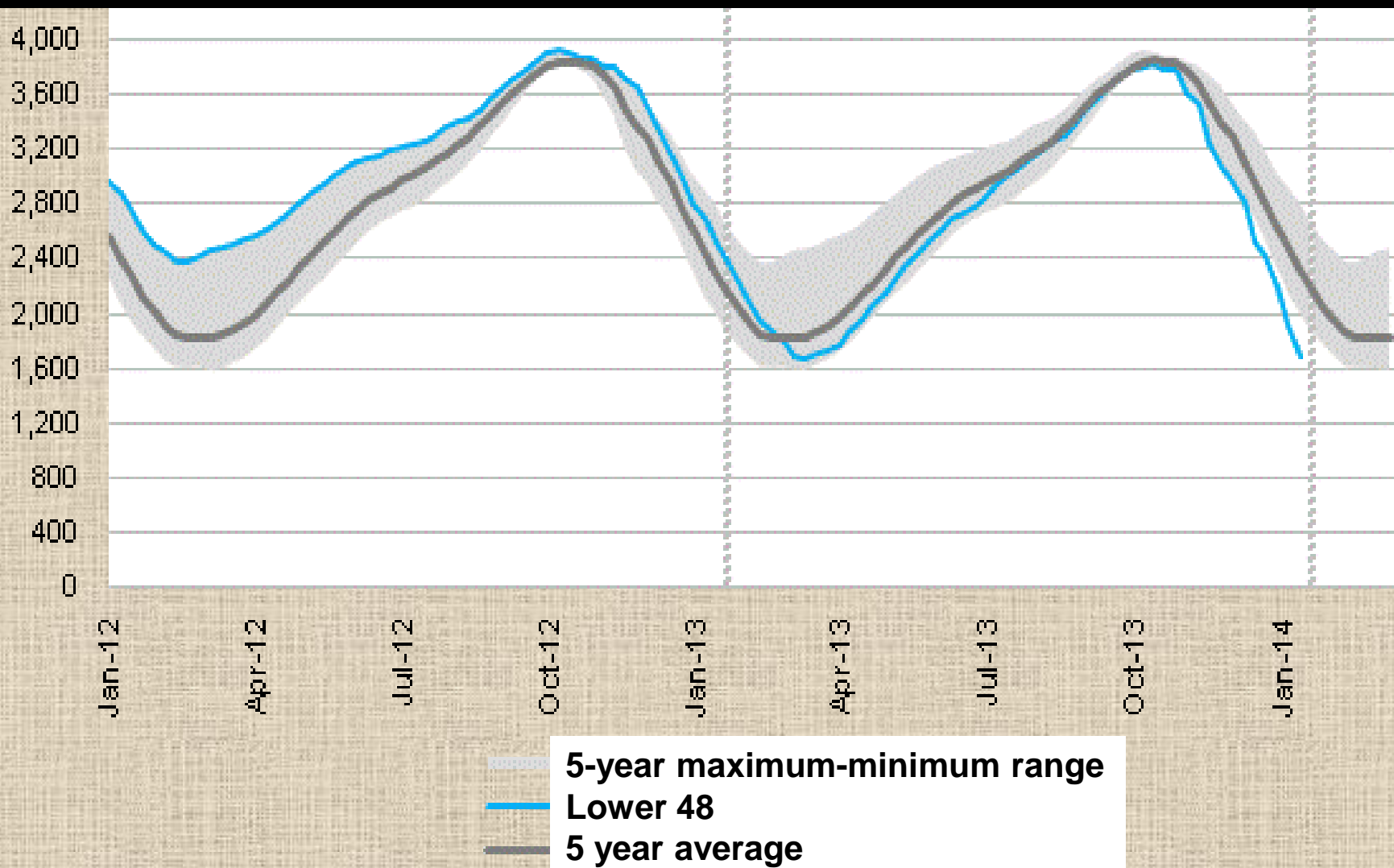
Alternative

Total Fuel Consumption

Gallons



Working gas underground storage compared to 5-year maximum and minimum



Projected Sales Tax vs. Actual

Month	Projected Net	Actual Receipts	Variance	Monthly Variance	Annual Variance
Jul	\$5,950,000.00	\$6,205,659.77	\$255,659.77	4.30%	4.30%
Aug	\$13,930,000.00	\$12,923,708.99	\$(1,006,291.01)	-7.22%	-3.78%
Sept	\$13,860,000.00	\$13,462,454.84	\$(397,545.16)	-2.87%	-6.65%
Oct	\$13,300,000.00	\$12,587,677.76	\$(712,322.24)	-5.36%	-4.77%
Nov	\$13,160,000.00	\$12,803,477.88	\$(356,522.12)	-2.71%	-3.73%
Dec	\$13,860,000.00	\$13,833,985.52	\$(26,014.48)	-0.19%	-1.44%
Jan	\$13,860,000.00	\$13,275,291.84	\$(584,708.16)	-4.22%	-3.22%
Feb	\$13,230,000.00				
Mar	\$13,300,000.00				
Apr	\$13,650,000.00				
May	\$13,790,000.00				
Jun	\$13,930,000.00				
Total	\$155,820,000.00	\$85,092,256.60	\$(2,827,743.40)		

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Item 4

Status of Federal Highway & Transit Funding Issues



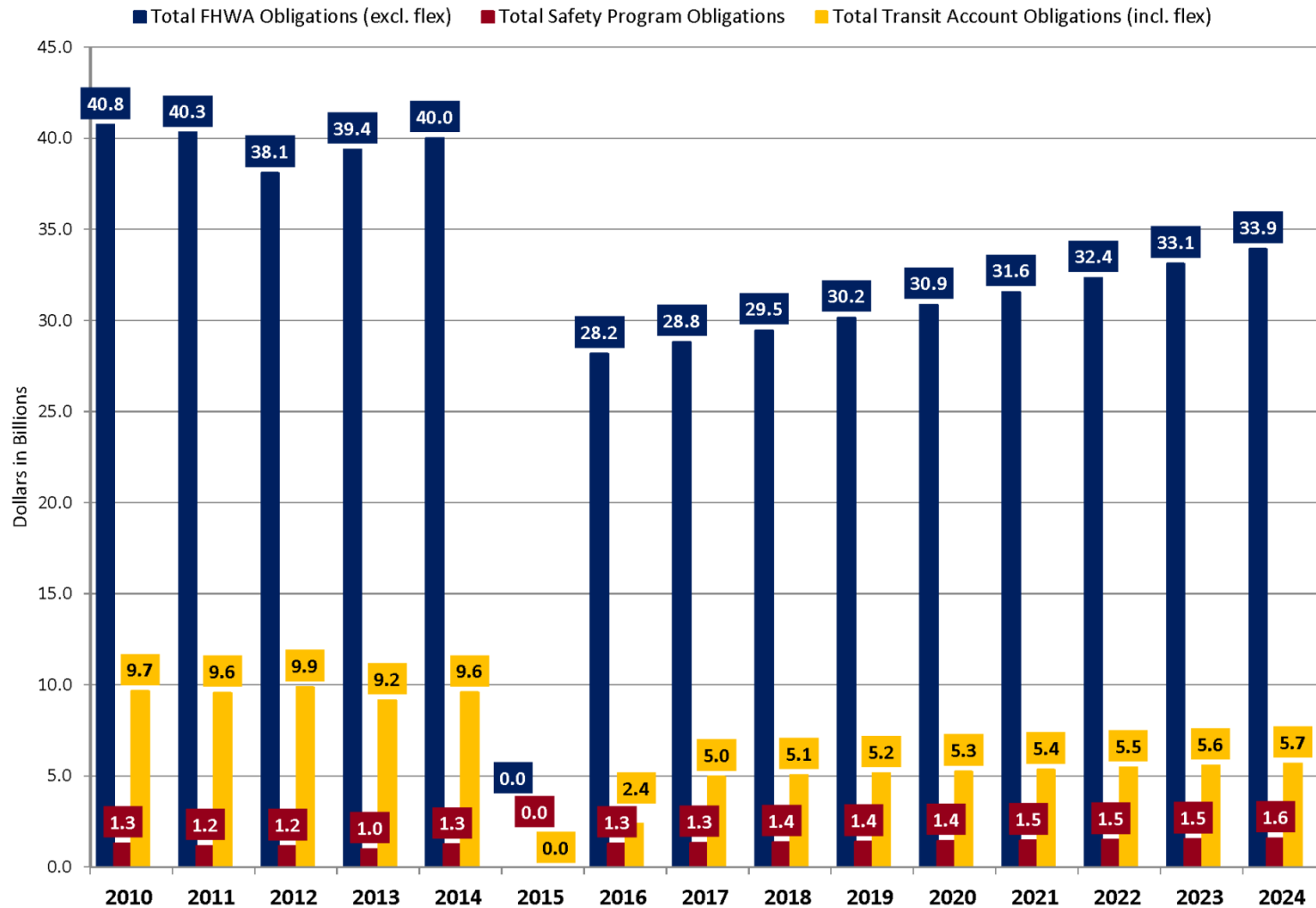
Legislation

- **Moving Ahead for Progress in the 21st Century (MAP-21)**
 - Effective through September 30, 2014
- **Consolidated Appropriations Act, 2014**
 - Expires September 30, 2014
- **MAP-21 Reauthorization**
 - Senate Committee on Environment and Public Works Hearing (February 12, 2014)
 - The Economic Importance of Maintaining Federal Investments in our Transportation Infrastructure
 - House Committee on Transportation and Infrastructure (January 14, 2014)
 - Building the Foundation for Surface Transportation Reauthorization

Highway Trust Fund

Updated 7 Feb 2014

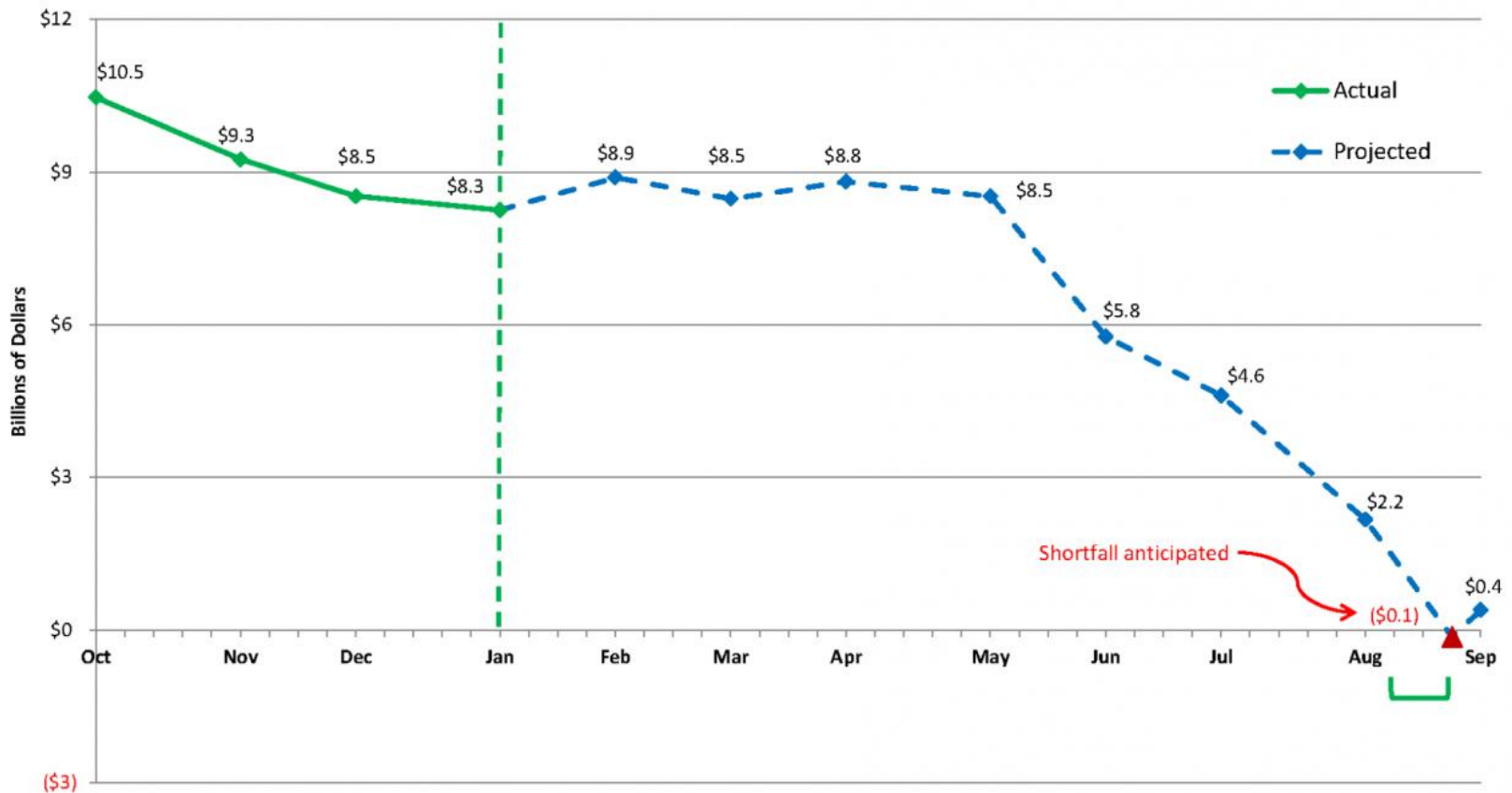
Estimated Federal Highway and Transit Obligations With No Net New Revenue



Highway Trust Fund

FY 2014 Projected Estimates for End-of-Month Cash Balances (as of 1/31/2014) ^{1/ 2/ 3/}

Highway Account of the Highway Trust Fund (Includes FHWA, FMCSA & NHTSA)



1/ Graph reflects actual data through 1/31/14 and end-of-month projections for the remainder of the fiscal year.

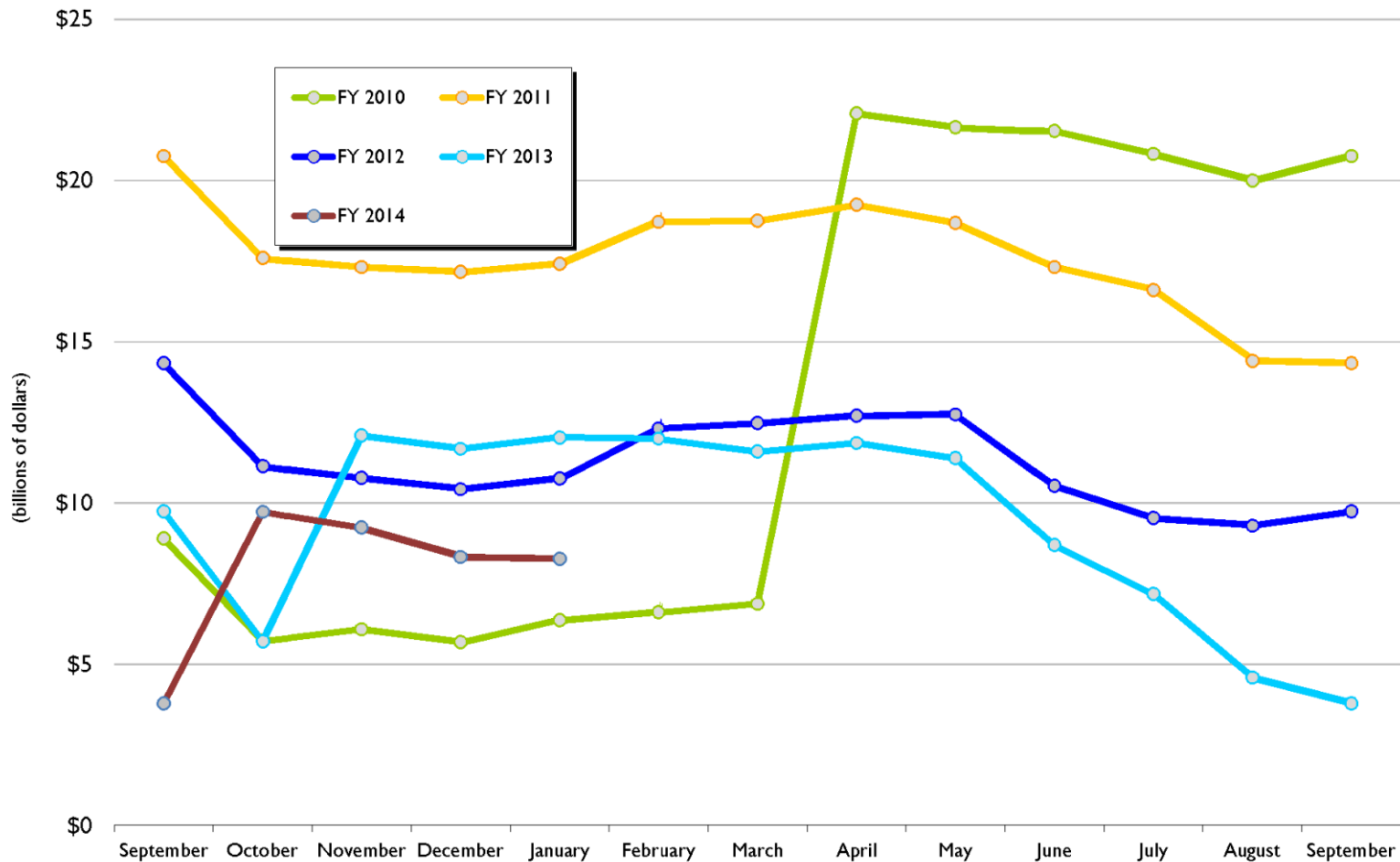
2/ Total receipt and outlay projections are based on FY 2014 Mid-Session Review assumptions. Projected monthly receipt and outlay rates are based on historic averages.

3/ Range of anticipated shortfall: Green brackets denote the estimated window of when the anticipated shortfall will occur.

Source: FHWA

Highway Trust Fund

Highway Account Balance



Ending balance for FY 2010 includes \$14.7 billion transferred from the General Fund in April pursuant to Public Law 111-147.

Ending balance for FY 2012 includes \$2.4 billion transferred from the Leaking Underground Storage Tank Trust Fund in August pursuant to Public Law 112-141

Ending balance for FY 2013 includes \$6.2 billion transferred from the General Fund in November pursuant to Public Law 112-141, of which \$316.2 million was sequestered in August.

Ending balance for FY 2014 includes \$10.4 billion transferred from the GF in October pursuant to Public Law 112-121 less sequester of \$748.8 million



Highway Trust Fund

- **Insufficient Funds Projected – Summer 2014**
 - Possibly Impede Federal Reimbursements for On-Going Projects
 - Cash Flow Problems
- **Federal Fiscal Year (FFY) 2015 (10/1/2014 - 9/30/2015)**
 - No New Obligations for Roadway or Transit Projects



Highway Trust Fund

- **Senate Committee on Finance**
 - Chairman Senator Ron Wyden [D-OR]
 - Ranking Member Senator Orrin Hatch [R-UT]
- **Senate Committee on Environment and Public Works**
 - Chairwoman Senator Barbara Boxer [D-CA]
 - Ranking Member Senator David Vitter [R-LA]
- **House Committee on Transportation and Infrastructure**
 - Chairman Representative Bill Shuster [R-PA]
 - Ranking Member Representative Nick Rahall [D-WV]

The background features a large, faint, circular seal of the Arkansas State Highway Commission. The seal contains the text "ARKANSAS STATE HIGHWAY COMMISSION" around the perimeter and "ARKANSAS" in the center. In the center of the seal is a smaller emblem with a star and the date "1836".

Item 5

Update

Interstate Rehabilitation Program (IRP)

Connecting Arkansas Program (CAP)

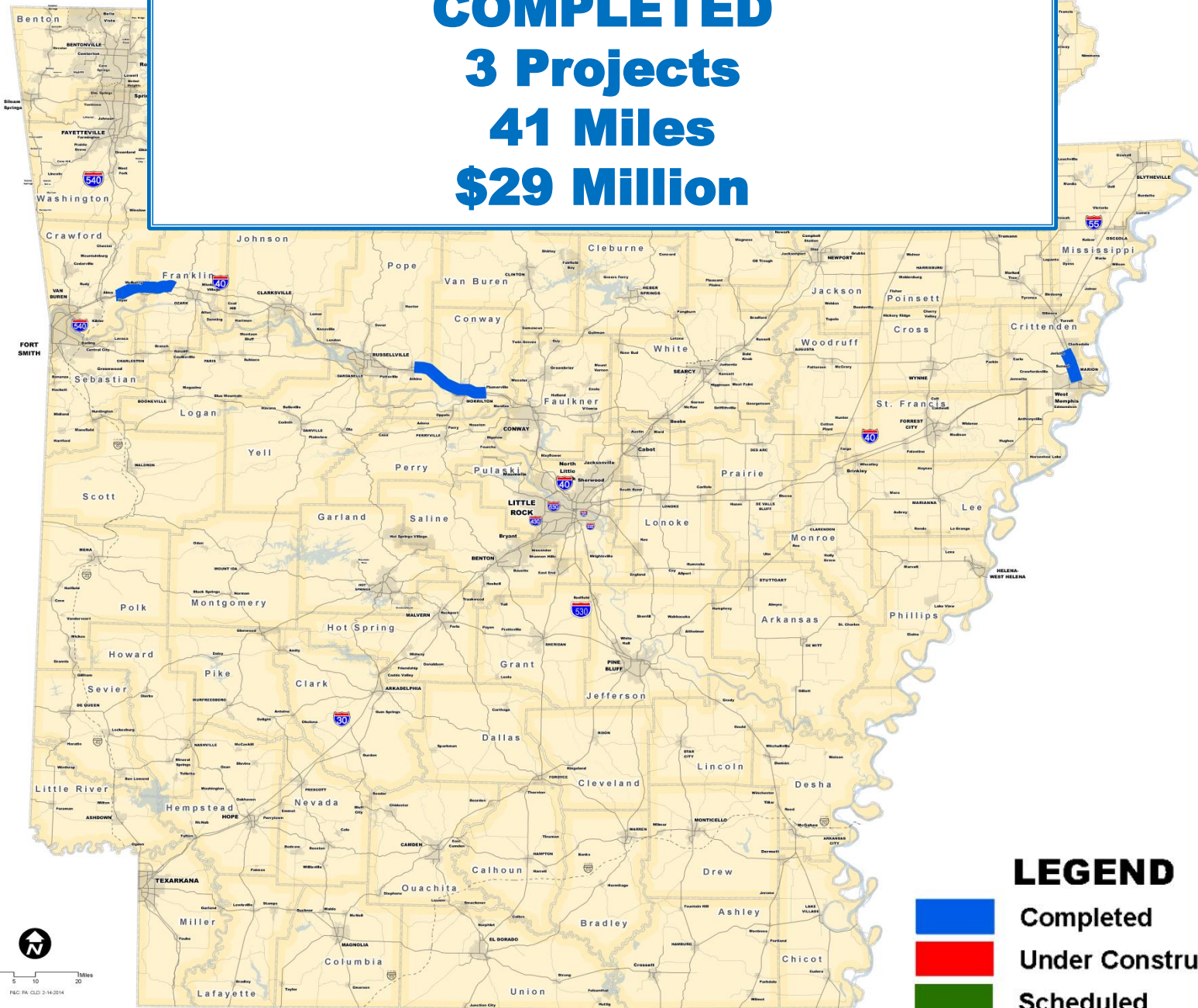
State Aid City Street Program






INTERSTATE
REHABILITATION
PROGRAM

IRP

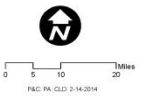
COMPLETED
3 Projects
41 Miles
\$29 Million



LEGEND

-  Completed
-  Under Construction
-  Scheduled

Interstate Rehabilitation Program
Job Status



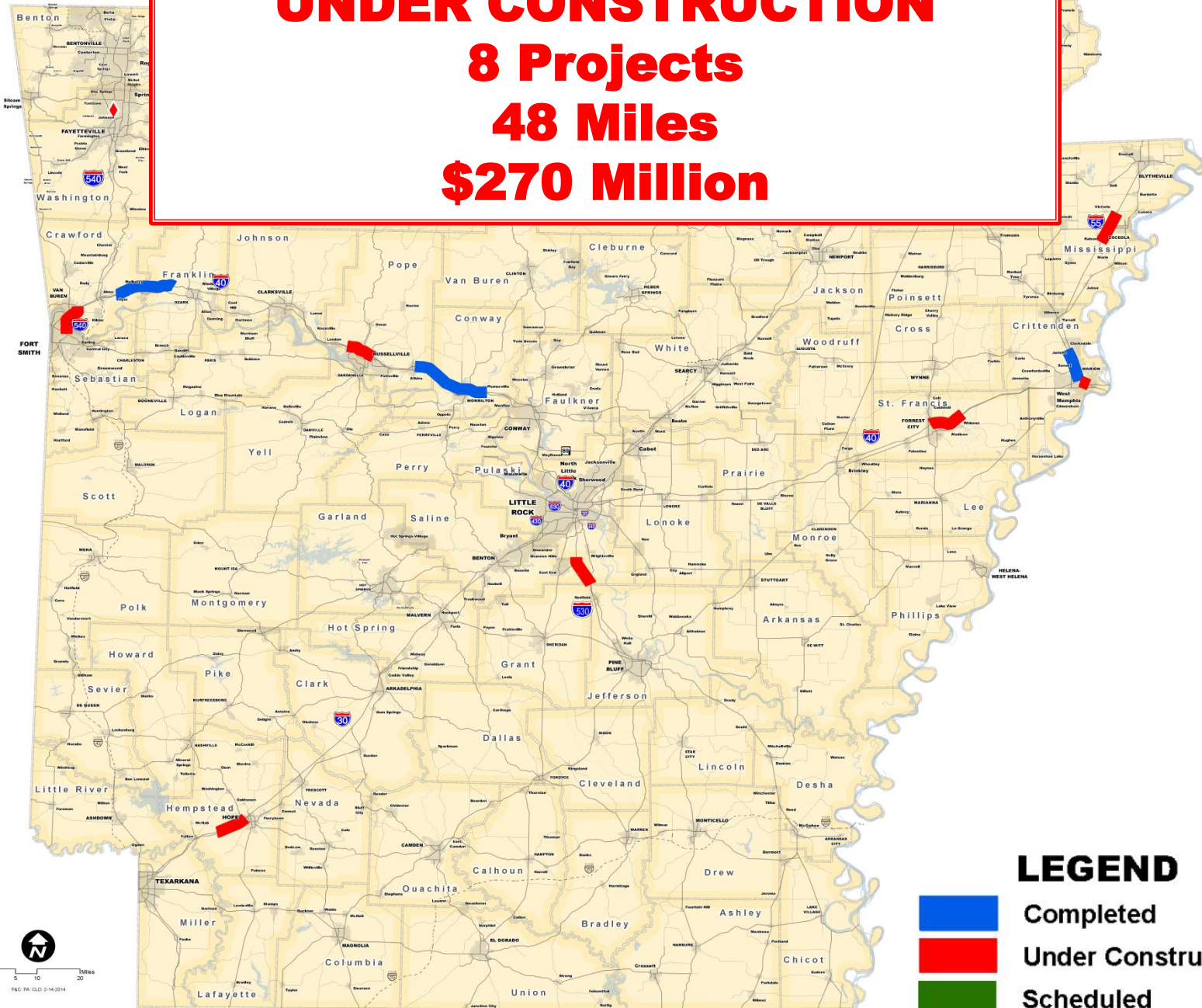
F&C PA. CDD 3-14-2014

UNDER CONSTRUCTION

8 Projects

48 Miles

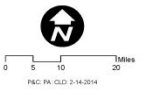
\$270 Million



LEGEND

- Completed
- Under Construction
- Scheduled

Interstate Rehabilitation Program
Job Status

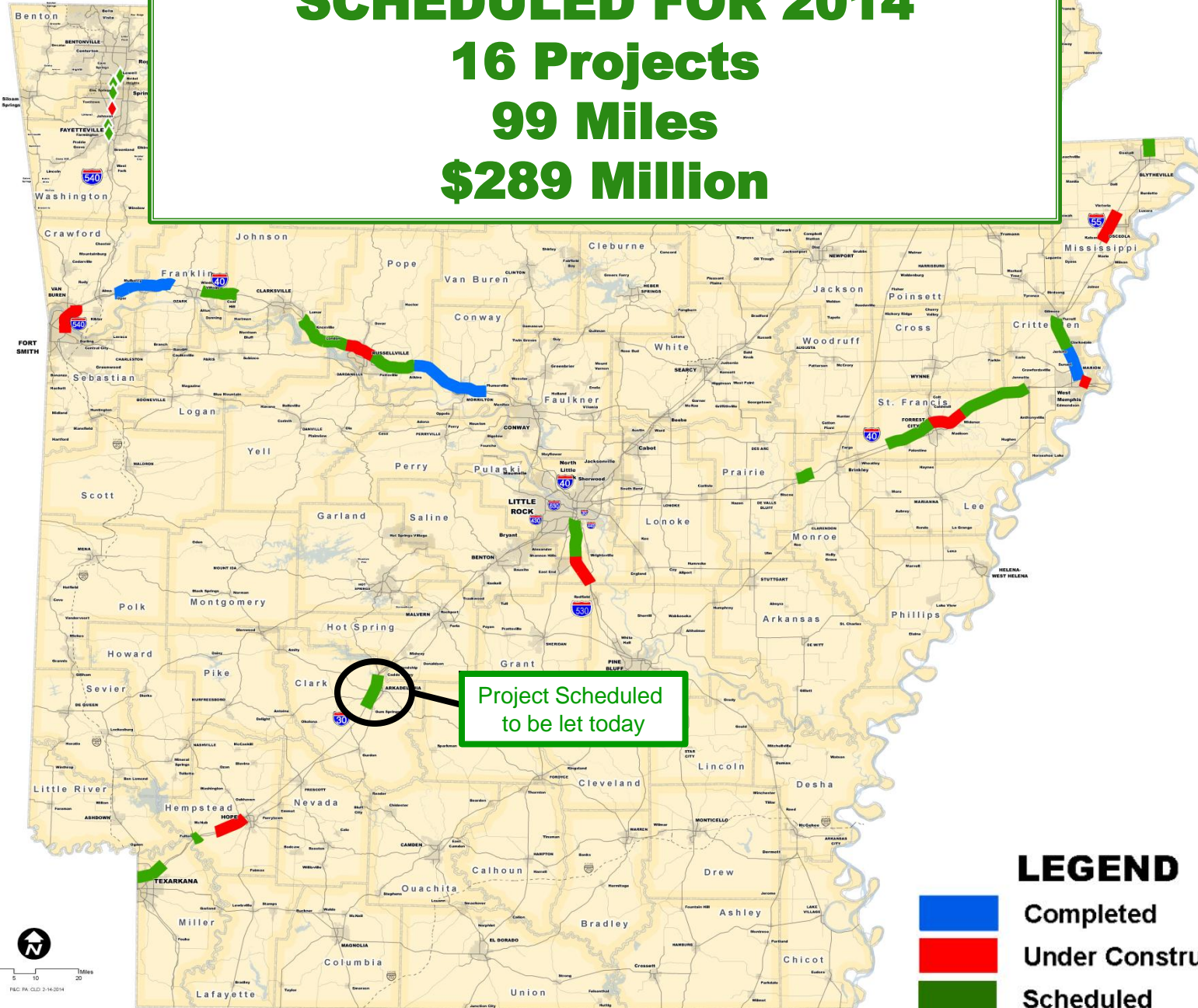


SCHEDULED FOR 2014

16 Projects

99 Miles

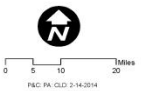
\$289 Million



LEGEND

- Completed
- Under Construction
- Scheduled

Interstate Rehabilitation Program
Job Status

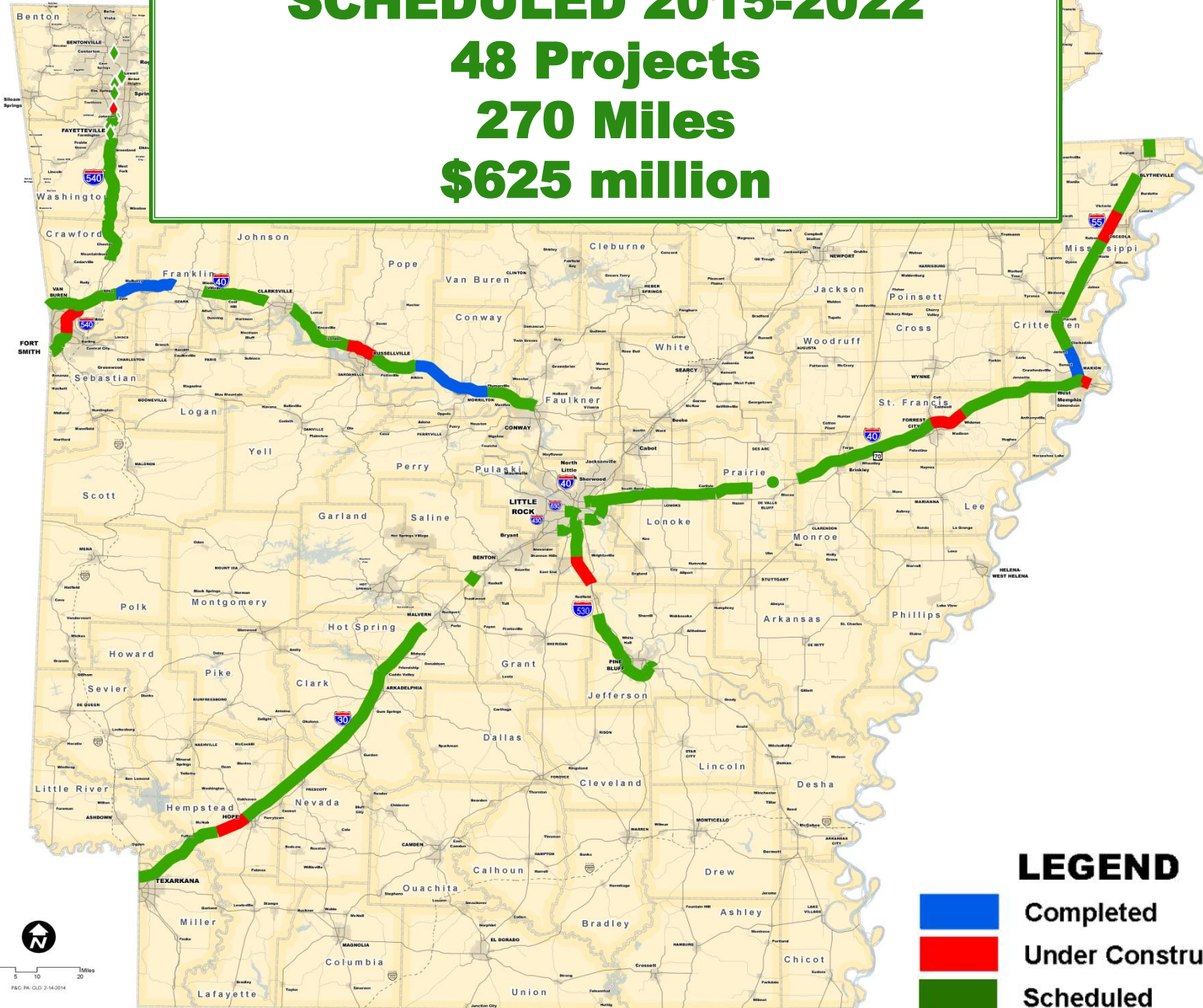


SCHEDULED 2015-2022

48 Projects

270 Miles

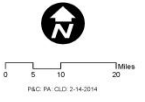
\$625 million



LEGEND

- Completed
- Under Construction
- Scheduled

Interstate Rehabilitation Program
Job Status

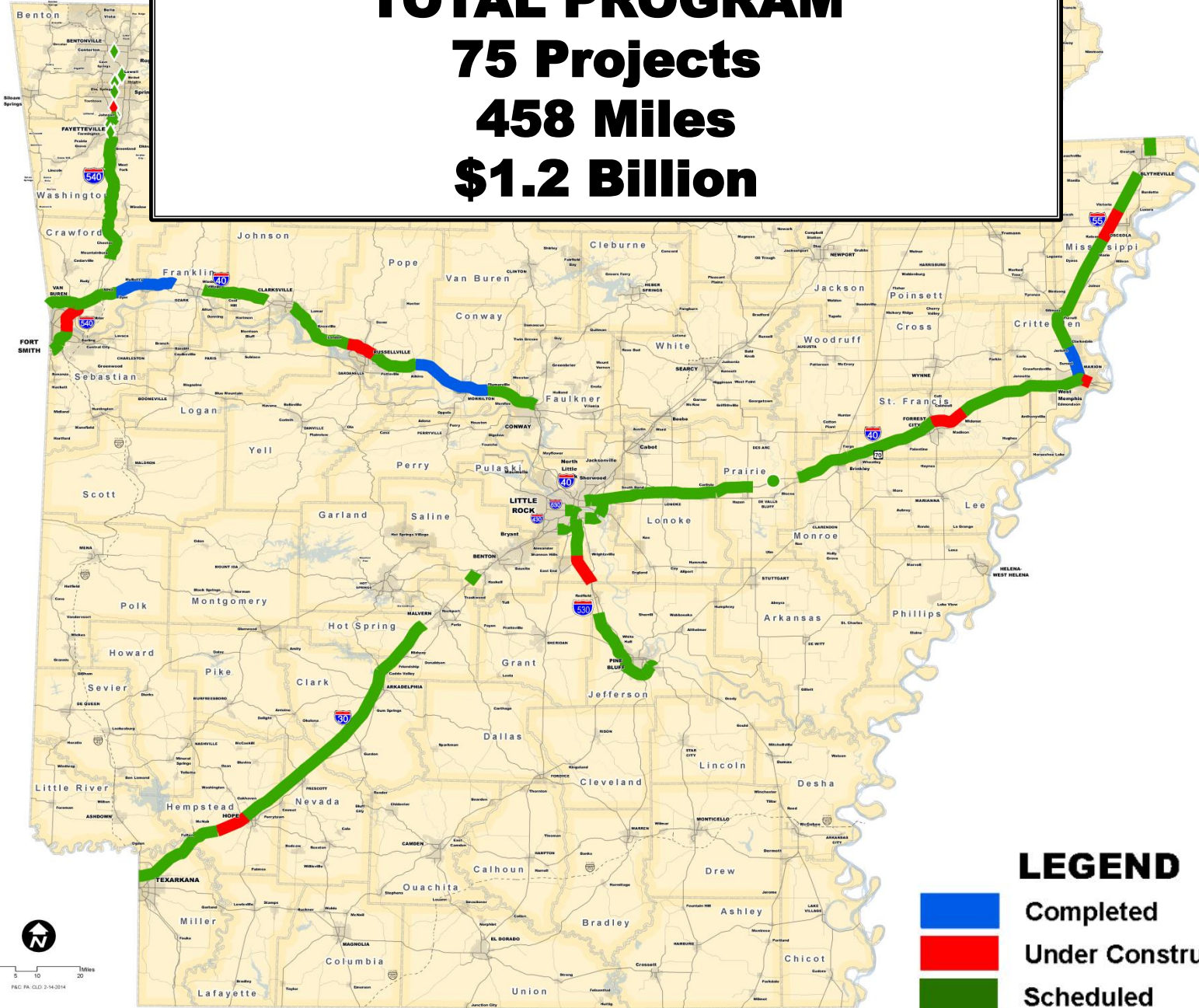


TOTAL PROGRAM

75 Projects

458 Miles

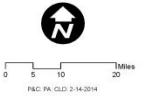
\$1.2 Billion



LEGEND

- Completed
- Under Construction
- Scheduled

Interstate Rehabilitation Program
Job Status





CONNECTING
ARKANSAS
PROGRAM

CAP

SCHEDULED FOR 2014
3 Projects
16 Miles
\$220 Million

Project Scheduled
to be let today


CA0904
New Highway 150 from
State Road 2000 to US
501 Mile

CA0907
New Highway 200 from
US 501 to US 501 Mile

CA0609
New and Improved
Highway 400 from US
501 to US 501 Mile



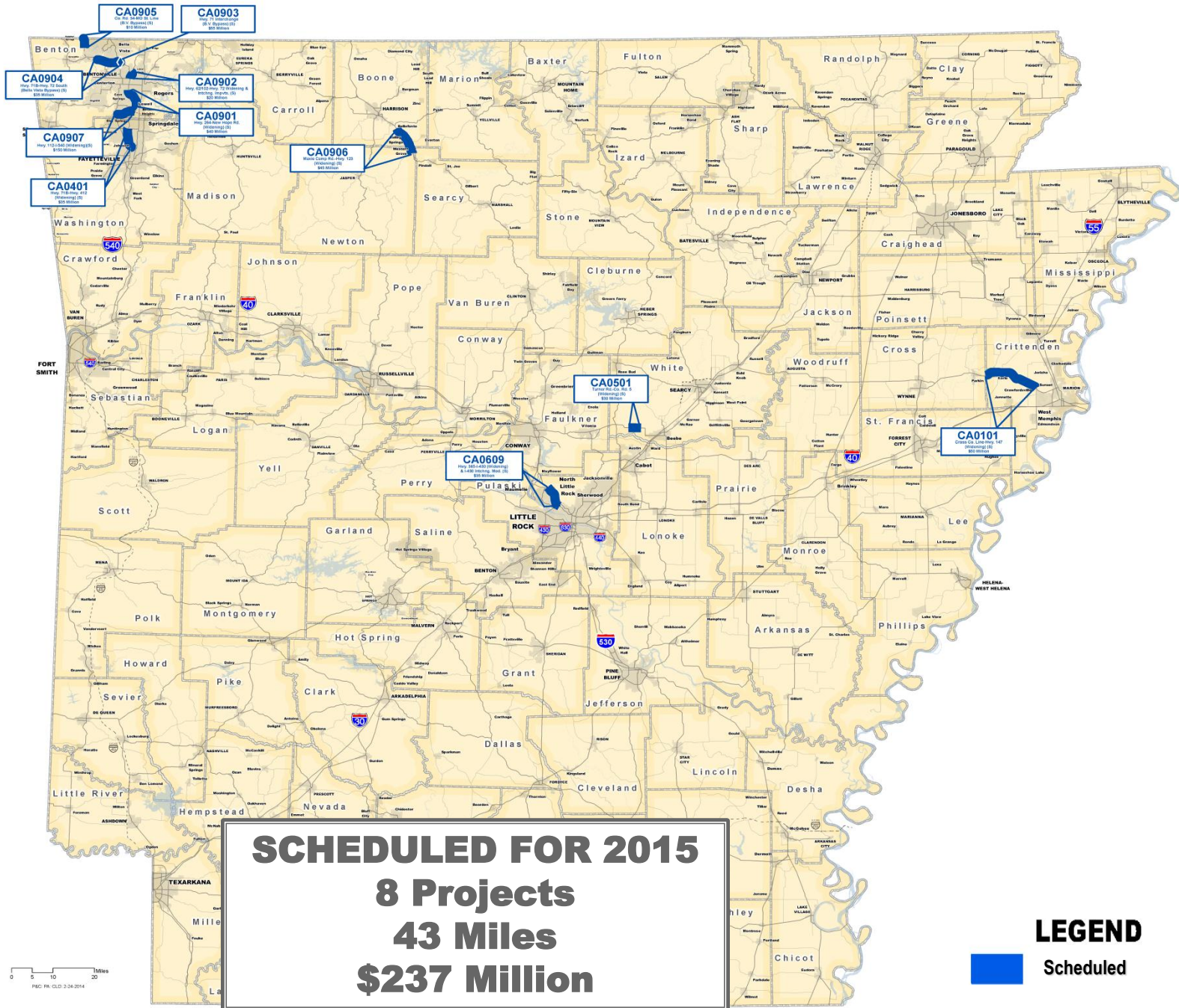
LEGEND

 Scheduled



Connecting Arkansas Program

2014 - 2015



SCHEDULED FOR 2015
8 Projects
43 Miles
\$237 Million

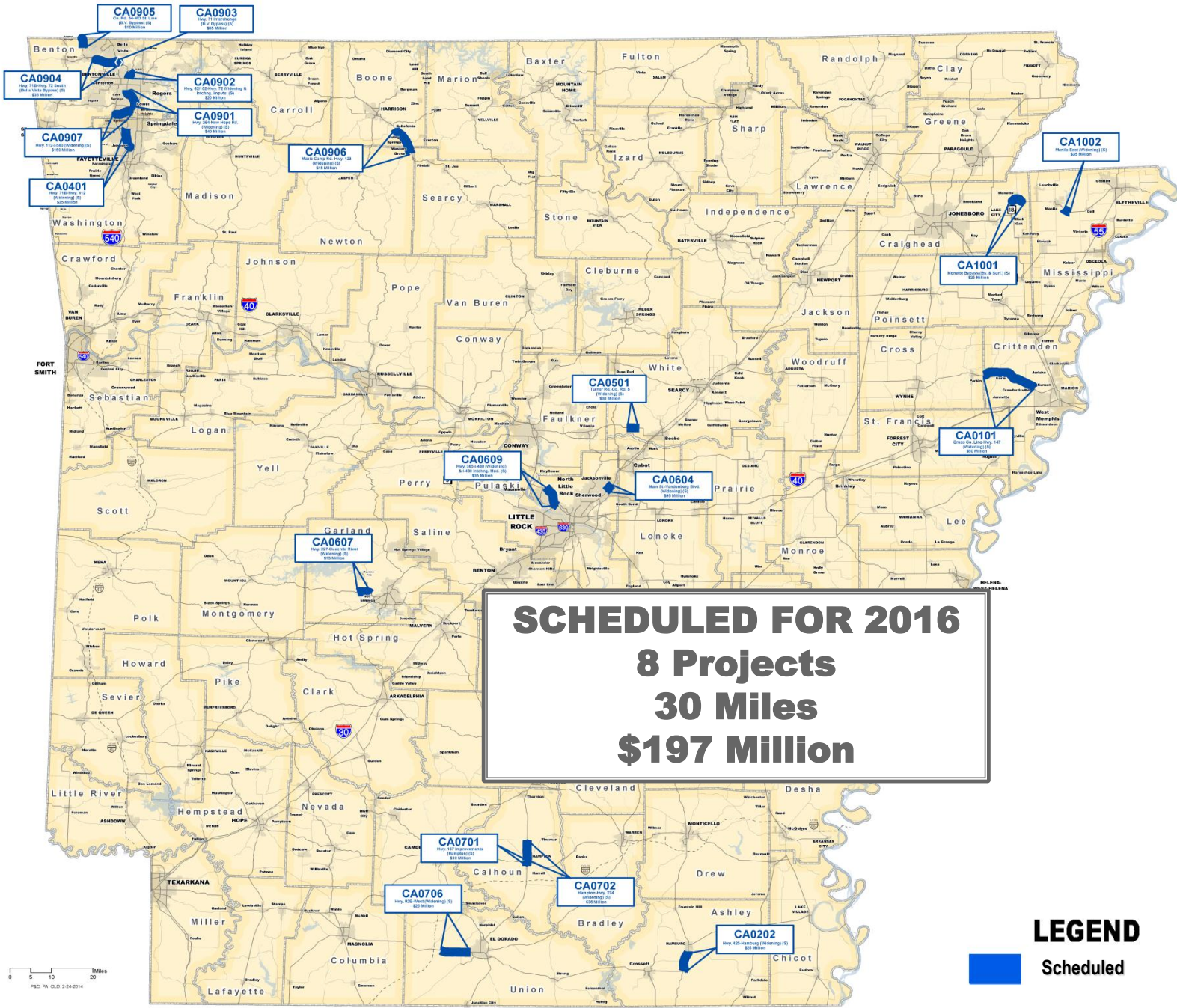
LEGEND
 Scheduled

0 5 10 20 Miles
 P&C PR. CLO. 2-24-2014



Connecting Arkansas Program

2014 - 2016



SCHEDULED FOR 2016
8 Projects
30 Miles
\$197 Million

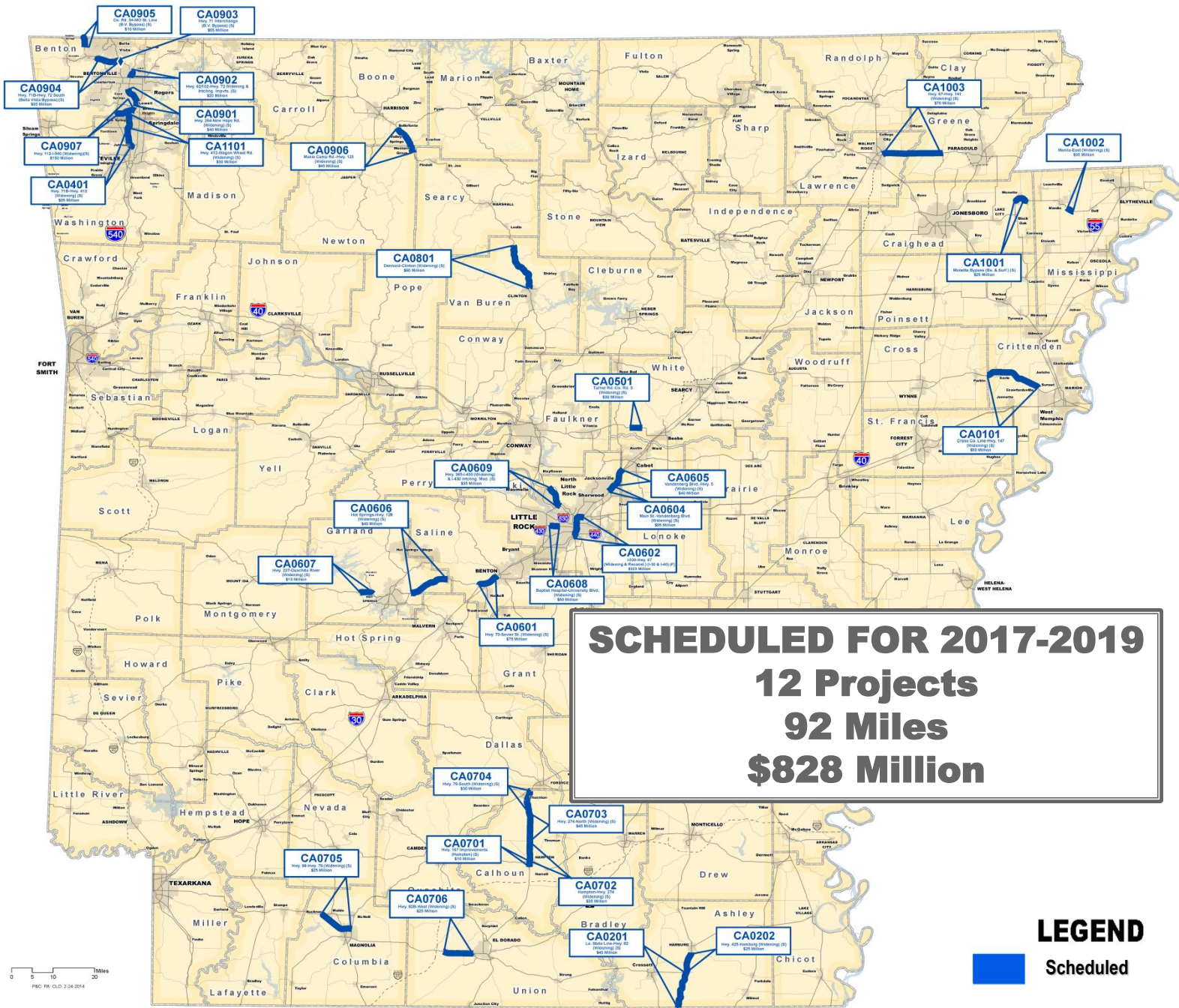
LEGEND
 Scheduled

0 5 10 20 Miles
 P&C PR. CLO. 2-24-2014



Connecting Arkansas Program

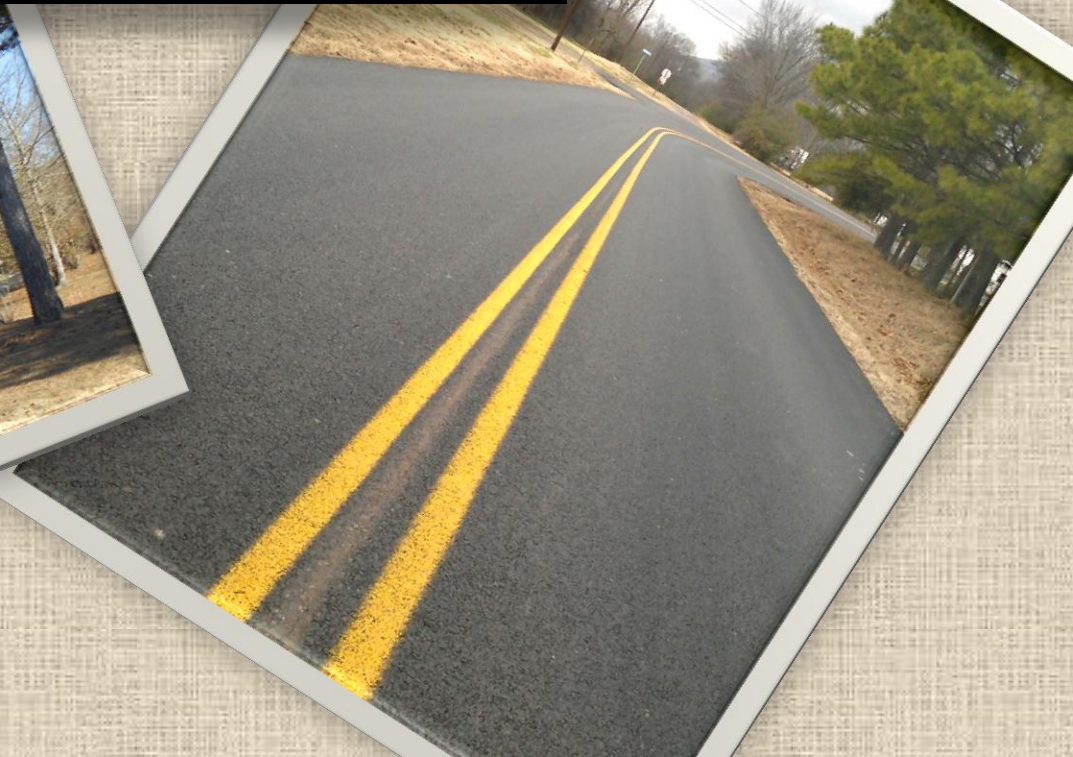
2014 - 2019



0 5 10 20 Miles
 FSC PA, CLO 2-24-2014

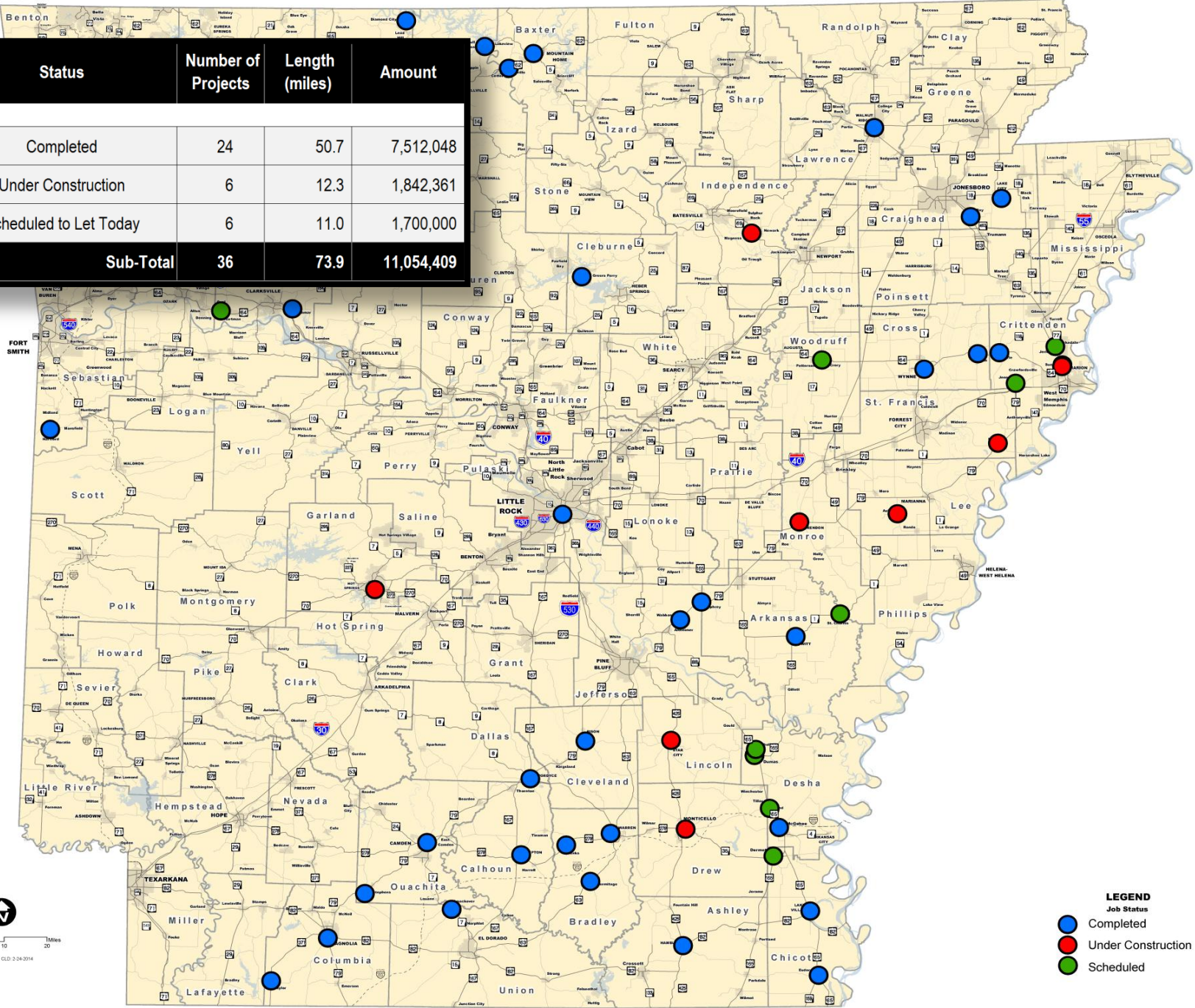


State-Aid Street Program Update



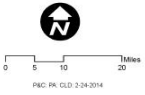
State-Aid Street Program

Status	Number of Projects	Length (miles)	Amount
Completed	24	50.7	7,512,048
Under Construction	6	12.3	1,842,361
Scheduled to Let Today	6	11.0	1,700,000
Sub-Total	36	73.9	11,054,409



LEGEND
Job Status

- Completed
- Under Construction
- Scheduled



PAC PK CLD 2-24-2014

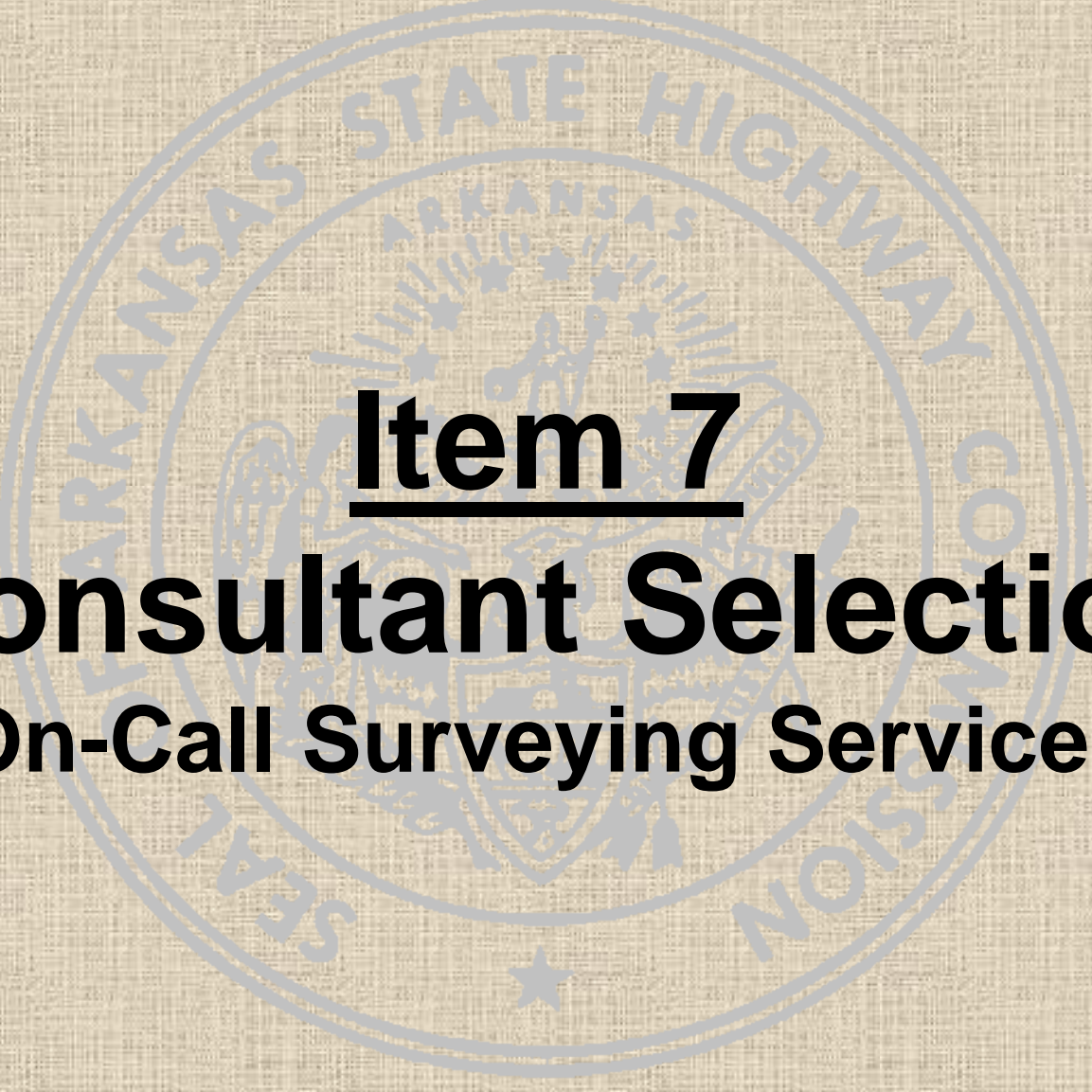


The background features a large, faint, circular seal of the Arkansas State Highway Department. The seal contains the text "ARKANSAS STATE HIGHWAY" at the top and "SEAL OF THE ARKANSAS STATE HIGHWAY DEPARTMENT" around the bottom. In the center of the seal is a smaller emblem with the word "ARKANSAS" and a star.

Item 6

Consultant Selection

**Transportation Project Prioritization
Software and Services**



Item 7
Consultant Selection
On-Call Surveying Services



Item 8

Reimbursement

**Small Water Association Utility
Adjustments along Highway 65
in Van Buren County**

Background

- **Utility Accommodation Policy**

- ✓ Update approved by Commission in November 2010
- ✓ “Utility facilities presently located on existing AHTD highway right of way by permit or unwritten consent of the AHTD are not eligible for reimbursement.”

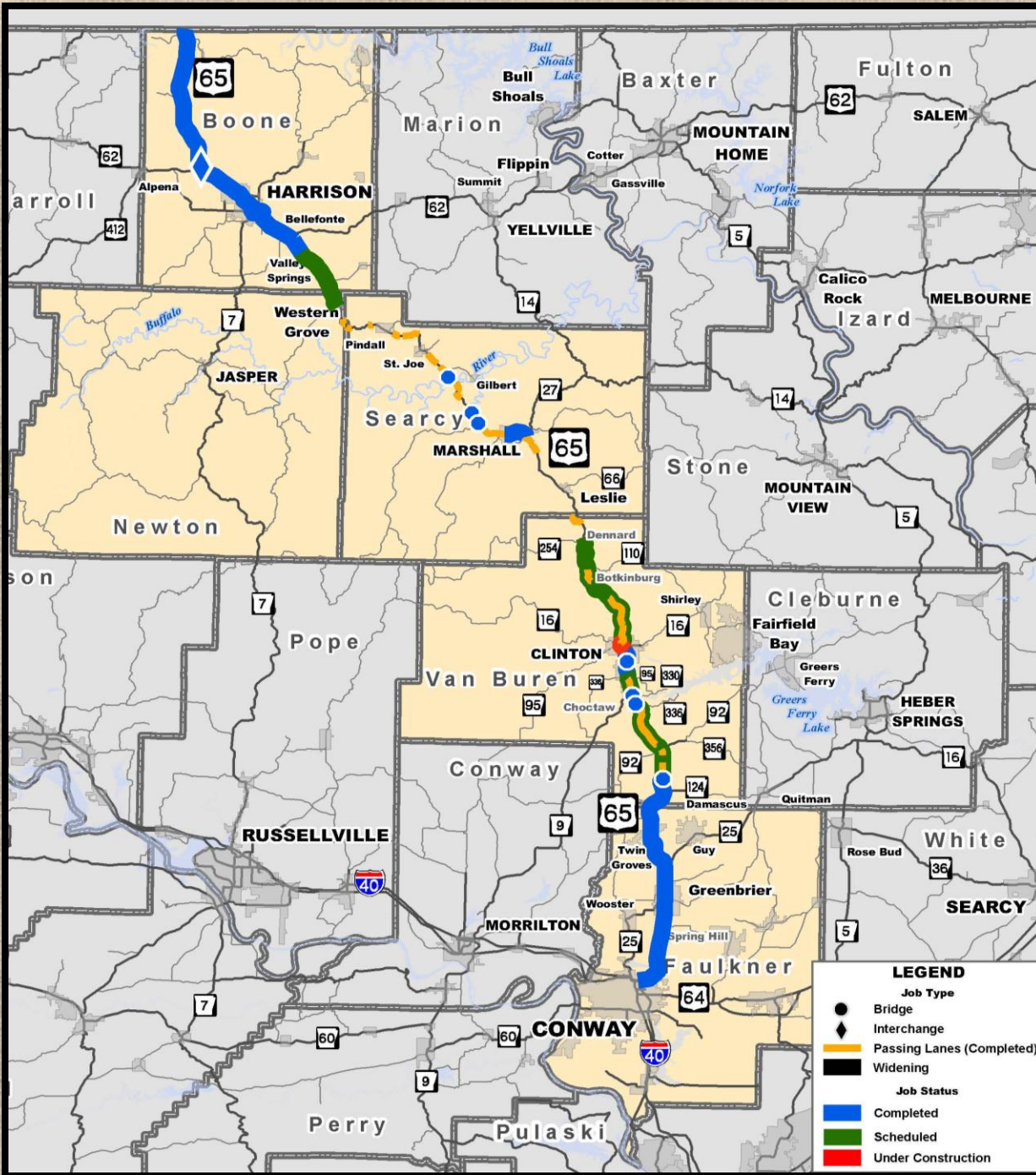
- **January 2013 Commission Motion**

- ✓ Problems with revenue for small, rural water associations causing highway improvements to be delayed or cancelled
- ✓ Alternative methods to offset non-reimbursable costs for small water associations approved:
 - **Project must be on Four-Lane Grid System, or a safety or bridge project**
 - **Coordinate with local area officials to see if funds could be loaned**
 - **Financial analysis to determine lack of funds or inadequate customer base/capacity to generate funds**
 - **Coordinate with local area officials on transfer of State Highway mileage to local governments for future maintenance responsibilities**



Conway to Missouri

- ✓ **Part of Four-Lane Grid System**
- ✓ **Widening completed/under construction**
 - Conway to north of Damascus
 - Highway 336 West to Highway 16 East in Clinton
 - Through Marshall
 - South of Highway 62 to Missouri State line
- ✓ **Projects scheduled totaling 31.65 miles and \$140 million**
 - North of Damascus to Clinton (2 projects)
 - Clinton to Dennard
 - Highway 123 to south of Highway 62
- ✓ **Bee Branch Water Association and Dennard Water Association have water lines within AHTD highway right of way on 3 projects in Van Buren County (24.22 miles, \$102 million)**
- ✓ **Non-reimbursable utility relocation costs is \$580,000 total**



LEGEND

- Job Type**
- Bridge
 - ◆ Interchange
 - ▬ Passing Lanes (Completed)
 - ▬ Widening
- Job Status**
- ▬ Completed
 - ▬ Scheduled
 - ▬ Under Construction

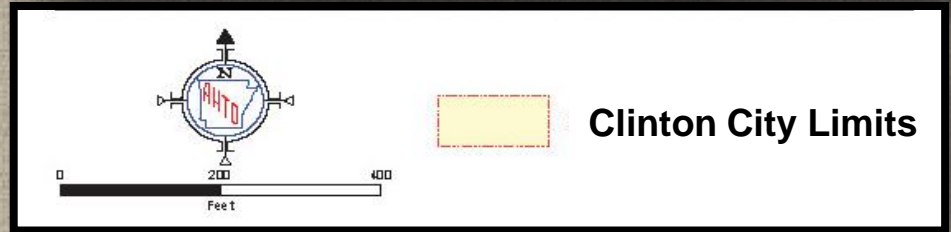
Coordination with Van Buren County

- ✓ **Quorum Court Order 2013-50 approved for County to assume maintenance of Highway 330 (3.74 miles; 750-900 vpd) and Highway 336 East (5.65 miles; 310 vpd)**
- ✓ **Transfer of maintenance of these routes is adequate to offset cost of non-reimbursable utility relocation for Bee Branch and Dennard Water Associations**
- ✓ **Highway Commission Minute Order 2013-132 approved payment for non-reimbursable utilities and removal of Highways 330 and 336 East from State Highway System**
- ✓ **Natural Gas Severance Tax Revenue being used to overlay Highway 330 and Highway 336 East prior to removal from State Highway System**
 - Total cost \$1.6 million
 - Scheduled for June 2014 letting
 - These sections will be in very good condition when transferred to Van Buren County

Response to Clinton City Council Resolution

- ✓ **Highway 330 is not in City limits of Clinton according to official records of Secretary of State's Office**
- ✓ **Van Buren County Court Order 2013-50 agreed to assume maintenance of Highway 330 – County Judge has stated that he has adequate staff and equipment to maintain this route**
- ✓ **Traffic volumes low for route on State Highway System**
- ✓ **Highway 330 is not part of the Arkansas Primary Highway System**
- ✓ **Overlays will leave route in very good condition prior to transfer**

Van Buren County



The background features a large, faint watermark of the Arkansas State Highway Seal. The seal is circular and contains the text "ARKANSAS STATE HIGHWAY" around the top edge and "ARKANSAS" in the center. It also depicts a central figure, likely a personification of the state, surrounded by stars.

Item 9

**Development of Statewide
Transportation
Improvement Program**



Arkansas State Highway
and
Transportation Department



**Statewide
Transportation
Improvement Program
(STIP)**

2013-2016

Federal Fiscal Years

In compliance with
Title 23-United States Code-Section 135

Presented by the
Arkansas State Highway Commission

October 1, 2012



Estimated Average Annual Construction Funds Fiscal Years 2013-2014

Federal Funds (Est. Average Annual Revenue from MAP-21)	\$ 494 million
State Highway Funds (Est. Avg. Annual Revenue 2013-2014).....	\$ 420 million
<hr/>	
Total Federal and State Highway Funds.....	\$ 914 million
Less Federal Funds for:	
Fixed Budgeted Expenditures (Maintenance, Administration and Operations)	\$146.9 million
Non-AHTD Projects (Transportation Alternatives, Counties, Cities, Urban Attributable, Metro Planning)	\$39.0 million
Non-Construction Programs (State Planning & Research)	\$9.9 million
Obligation Limitation	\$49.4 million
Total Reduction - Federal Funds	(\$ 245) million
Less State Funds for:	
Fixed Budgeted Expenditures (Maintenance, Administration and Operations)	\$280.0 million
State Match for Non-Construction Programs (Transportation Enhancement, State Planning & Research and Surveys, etc.)	\$10.9 million
Total Reduction - State Funds	(\$ 291) million
Less Federal and State Funds for IRP Commitment:	
Federal Interstate Maintenance Funds	\$58.0 million
4¢ Diesel Fuel Tax	\$16.1 million
Total Reduction - Federal and State Funds for IRP Commitment	(\$ 74) million
<hr/>	
Total Federal and State Funds Available for Highway Construction.....	\$ 304 million

(1)

Moving Ahead for Progress in the 21st Century

MAP-21

SEC. 1203. NATIONAL GOALS AND PERFORMANCE MANAGEMENT MEASURES.

(a) IN GENERAL.—Section 150 of title 23, United States Code, is amended to read as follows:

“§ 150. National goals and performance management measures

(a) DECLARATION OF POLICY.—Performance management will transform the Federal-aid highway program and provide a means to the most efficient investment of Federal transportation funds by refocusing on national transportation goals, increasing the accountability and transparency of the Federal-aid highway program, and improving project decision making through performance based planning and programming.

MAP-21

Performance Management

SEC. 20006. STATEWIDE AND NONMETROPOLITAN TRANSPORTATION PLANNING.

Section 5304 of title 49, United States Code is amended to read as follows:

“§ 5304. Statewide and nonmetropolitan transportation planning“

(d) SCOPE OF PLANNING PROCESS

(2) PERFORMANCE-BASED APPROACH.—

(A) IN GENERAL.—The statewide transportation planning process shall provide for the establishment and use of a performance-based approach to transportation decision making to support the national goals described in section 150(b) of title 23 and the general purposes described in section 5301.

MAP-21

Performance Management

- **Seven National Surface Transportation Goals:**
 - ✓ Safety
 - ✓ Infrastructure Condition
 - ✓ Congestion Reduction
 - ✓ System Reliability
 - ✓ Freight Movement and Economic Vitality
 - ✓ Environmental Sustainability
 - ✓ Reduced Project Delivery Delays

MAP-21

Funding Program Changes

- **Four Main Core Programs:**
 - ✓ National Highway Performance Program
 - ✓ Surface Transportation Program
 - ✓ Highway Safety Improvement Program
 - ✓ Congestion Mitigation and Air Quality Program

MAP-21

Performance Measures

- **Measures will be established for the States to assess:**
 - **Condition**
 - ✓ Pavement
 - ✓ Bridges
 - **Performance**
 - ✓ Congestion
 - ✓ Reliability
 - **Safety**
 - ✓ Serious injuries per vehicle mile travelled
 - ✓ Fatalities per vehicle mile travelled
 - ✓ Number of serious injuries
 - ✓ Number of fatalities

MAP-21

US DOT Notice of Proposed Rulemaking

Safety Performance Measure

February 28, 2014

Pavement/Bridge Performance Measure

May 27, 2014

Asset Management Plan

May 27, 2014

System Performance Measure

July 1, 2014

STIP Development (2016-2019)

Next Steps

- **Update the Statewide Needs Assessment**
 - Congestion Relief
 - System Preservation
 - Safety
 - Equipment
 - Facilities
- **Forecast Future Available Revenue**
 - Federal and State Funds
- **Establish Performance Targets**

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Item 10
**Other Business and
Discussion**

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Arkansas State Highway Commission Meeting

Wednesday, February 26, 2014