

Fayetteville Chamber of Commerce Governmental Affairs Committee

March 4, 2016



ARKANSAS STATE HIGHWAY AND TRANSPORTATION DEPARTMENT

Dick Trammel
Arkansas Highway
Commission

Chad Adams
District Engineer
District 4



Legislation & Funding

Fixing America's Surface Transportation (FAST) Act

- Authorizes 5 Years of Funding
 - Federal Fiscal Years (FFYs) 2016-2020
- \$225.2 Billion for Highway Investment
- Over 5 Years:
 - \$20.2 Billion Increase from FFY 2015
 - \$250 Million Increase for Arkansas





Funding Challenges

- **Additional State Highway Funds Needed to Match Federal Highway Funds**
 - ✓ Typically 80% Federal 20% State Funds
 - ✓ Use or Lose

STATE FISCAL YEARS 2016-2020 ESTIMATED STATE HIGHWAY REVENUE ANALYSIS

x \$1,000,000

	2016	2017	2018	2019	2020	AVG
Sources and Revenues:						
Motor Fuels and Registration Fees	\$ 356.4	\$ 358.2	\$ 360.0	\$ 361.8	\$ 363.6	
4¢ Diesel Tax - Committed to the Interstate Rehab. Program (IRP)	\$ 16.5	\$ 16.5	\$ 16.5	\$ 16.5	\$ 16.5	
Natural Gas Severance Tax	\$ 29.0	\$ 29.7	\$ 30.4	\$ 31.2	\$ 32.0	
TOTAL	\$ 401.9	\$ 404.4	\$ 406.9	\$ 409.5	\$ 412.1	\$ 407.0
Less Fixed Expenditures:						
Maintenance	\$ 221.8	\$ 222.9	\$ 224.0	\$ 225.1	\$ 226.3	
Administration	\$ 21.8	\$ 21.9	\$ 22.0	\$ 22.1	\$ 22.2	
Operations	\$ 26.2	\$ 26.4	\$ 26.5	\$ 26.6	\$ 26.8	
Budgeted Construction w/o Right of Way	\$ 44.9	\$ 45.1	\$ 45.4	\$ 45.6	\$ 45.8	
IRP Debt Service	\$ 16.5	\$ 16.5	\$ 16.5	\$ 16.5	\$ 16.5	
TOTAL	\$ 331.3	\$ 332.8	\$ 334.4	\$ 336.0	\$ 337.6	\$ 334.5
Total State Highway Funds Available for Highway Construction Program	\$ 70.6	\$ 71.6	\$ 72.5	\$ 73.5	\$ 74.5	\$ 72.5
Less Required State Highway Matching Funds for Federal Highway Funds	\$ 116.7	\$ 119.4	\$ 121.9	\$ 124.8	\$ 127.8	\$ 122.1
Shortfall in State Highway Matching Funds Needed for Federal Highway Funds	(\$ 46.1)	(\$ 47.8)	(\$ 49.4)	(\$ 51.3)	(\$ 53.3)	(\$49.6)





Funding Challenges

- **Additional State Highway Funds Needed to Match Federal Highway Funds**

- ✓ Typically 80% Federal Hwy. Funds are Matched by 20% State Hwy. Funds
- ✓ Use or Lose

- **Reduction in Annual State Highway Revenue Available to Match Federal Highway Funds**

- ✓ Arkansas State Aid City Street Program - \$ 14 M
- ✓ Increased Maintenance Budget - \$ 18 M
- ✓ Declining Natural Gas Severance Tax Revenue - \$ 11 M

Total Annual Reduction - \$ 43 M



Governor's Working Group on Highway Funding



<p>#1 Increase Taxes Revenue Transfer</p>	<ul style="list-style-type: none">• Index Motor Fuel Tax• Increase the Diesel Fuel Tax• Phase-in Revenue Transfer Sales Tax on New and Used Vehicles• Dedicate 3/8¢ of the Remaining 1/2¢ Sales Tax to Highways
<p>#2 Revenue-Neutral Strategies</p>	<ul style="list-style-type: none">• Redirect General Revenue Diesel Tax• Rebate 1/2 ¢ Sales Tax Revenue from Constitutional and Fiscal Agencies• Rebate the Sales Taxes on Construction Materials• Offset School Desegregation Tax Reduction with a User Fee Increase
<p>#3 Increase Taxes Change User Fee Collection</p>	<ul style="list-style-type: none">• Inflation Adjustment and Indexing Motor Fuel Taxes• Increase Motor Fuel Taxes• 2017 – Consider Transition to Reportable Miles
<p>#4 Increase Taxes</p>	<ul style="list-style-type: none">• Eliminate the Sales Tax Exemption for Gasoline and Diesel



Governor's Working Group on Highway Funding

January 19, 2016
Press Conference





Highway Funding Option Presented by Governor Hutchinson 2016 Special Session

Item	Source	2017 (x \$1M)	2018 (x \$1M)	2019 (x \$1M)	2020 (x \$1M)	2021 (x \$1M)
Transfer 2015 Unobligated Funds	Surplus	\$20.0				
Transfer from Governor	Rainy Day Fund	\$20.0				
Transfer Sales Tax New & Used Vehicles	General Revenue	\$ 1.5	\$ 8.0	\$15.0	\$20.0	\$25.0
Redirect Diesel Tax	General Revenue		\$ 2.7	\$ 2.7	\$ 2.7	\$ 2.7
Eliminate Deduction - Temporary ½ cent Sales Tax	State Central Services	\$ 5.4	\$ 5.4	\$ 5.4	\$ 5.4	\$ 5.4
Total		\$46.9	\$16.1	\$23.1	\$28.1	\$33.1

Estimate based on 10-Year Average

Allocate 25% of General Improvement Funding	Surplus		\$48.0	\$48.0	\$48.0	\$48.0
Total		\$46.9	\$64.1	\$71.1	\$76.1	\$81.1



Project Update



Benton & Washington Counties: 2005-2022



COMPLETED

203 Projects
309.1 Miles
\$471.1 Million

UNDER CONSTRUCTION

25 Projects
53 Miles
\$294.6 Million

SCHEDULED

68 Projects
141.7 Miles
\$578.2 Million

Interstate 49



Corridor



Interstate 49 Corridor Benton & Washington Counties



- 1991 – High Priority Corridor
- Completed 1999
- \$603 Million
- Bobby Hopper Tunnel
- April 2014 – Signed as I-49



Since 2005

COMPLETED

11 Projects
7.4 Miles
\$100 Million

UNDER CONSTRUCTION

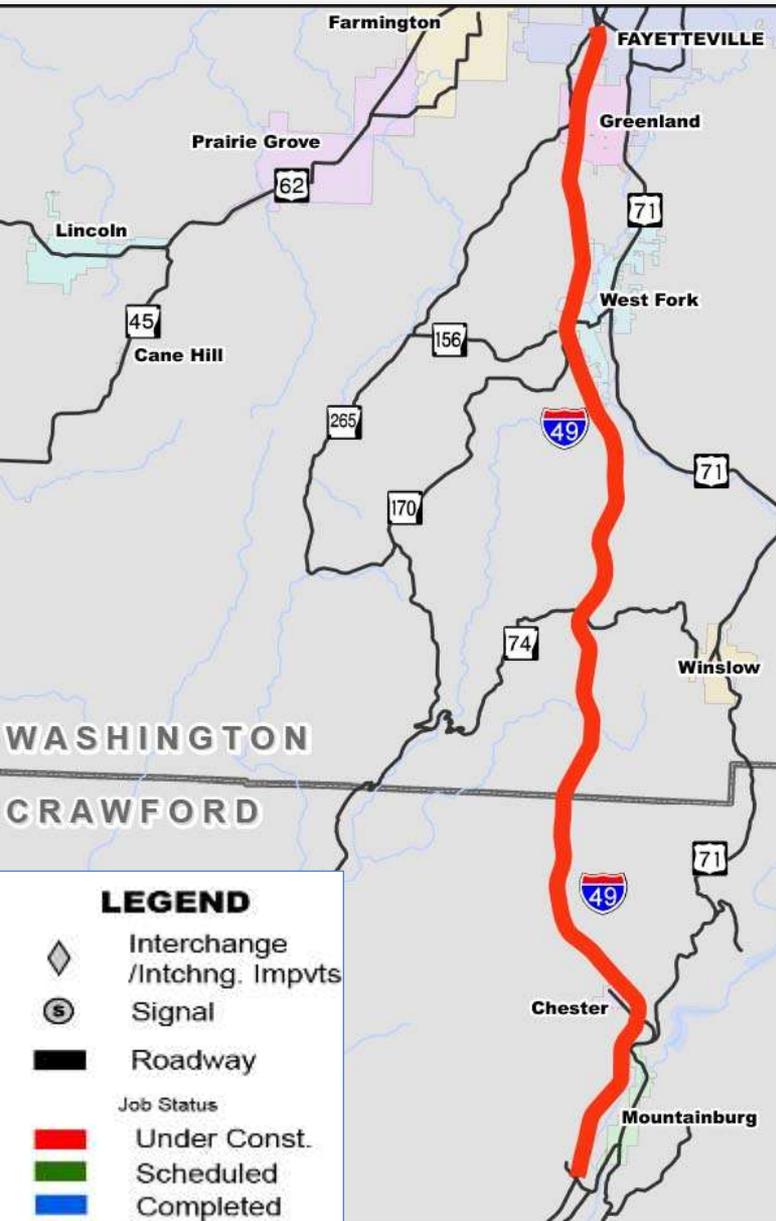
4 Projects
13.6 Miles
\$109 Million

SCHEDULED

10 Projects
16.0 Miles
\$302 Million



Interstate 49 Corridor Rehabilitation



I-40 - Hwy. 62 in Fayetteville

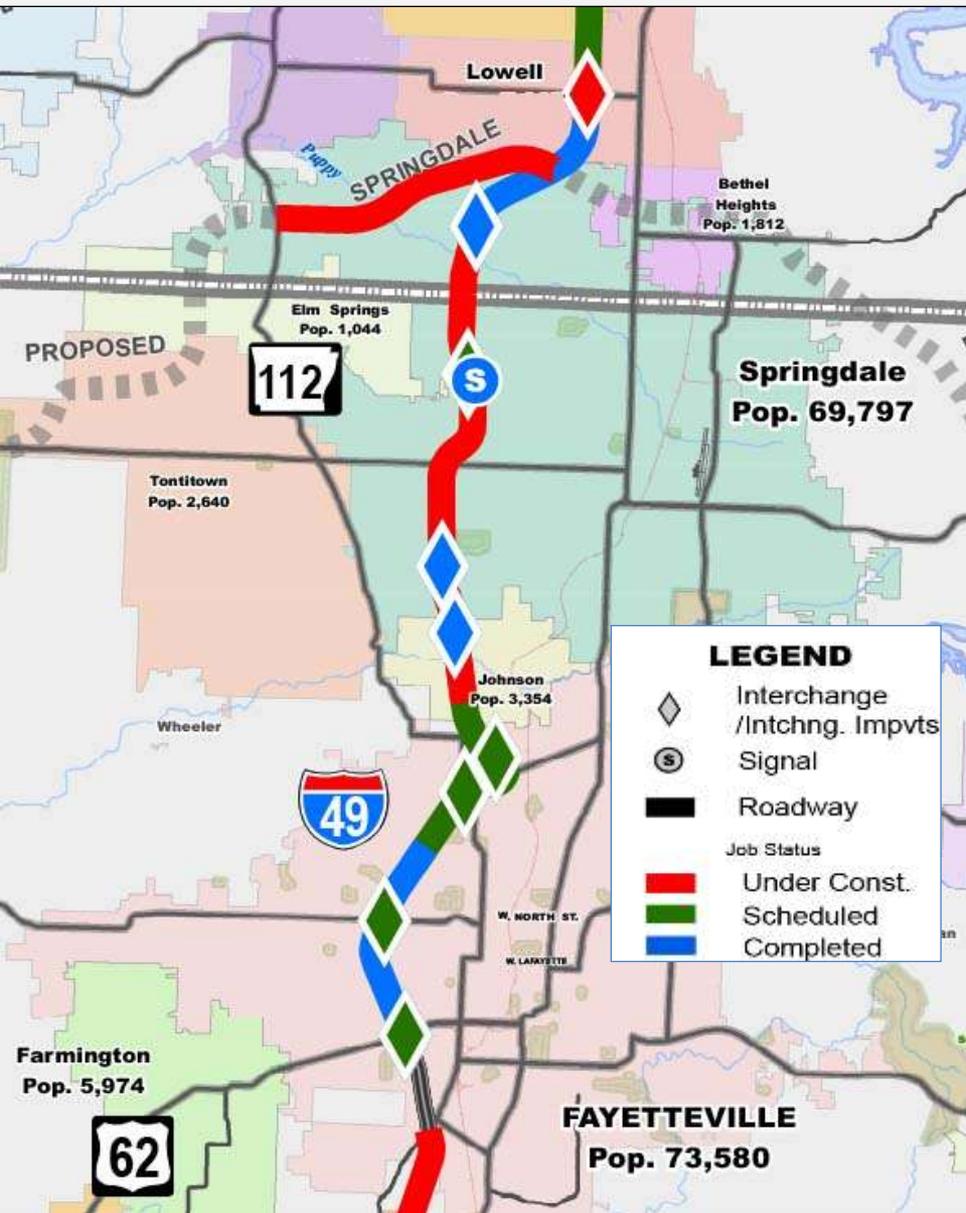
✓ Under Construction

- 28.4 Miles
- \$22 Million





Interstate 49 Corridor Widening & Interchange Improvements



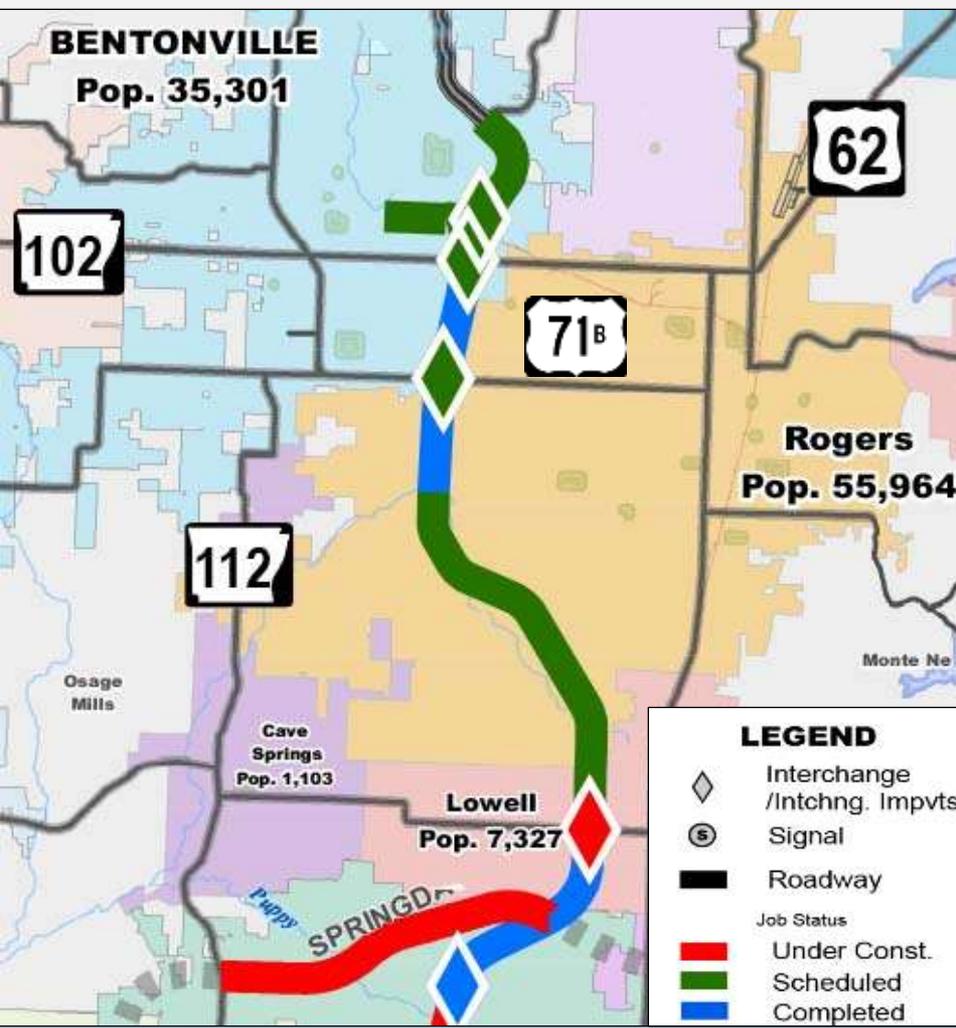
Hwy. 62 – Wagon Wheel Road

- ✓ **Completed**
 - 3.0 Miles
 - \$40 Million
- ✓ **Under Construction**
 - 7.2 Miles
 - \$50 Million
- ✓ **Scheduled**
 - 2.5 Miles
 - \$106 M





Interstate 49 Corridor Widening & Interchange Improvements



Wagon Wheel Rd. – Hwy. 71B

- ✓ **Completed**
 - 4.7 Miles
 - \$26 Million
- ✓ **Under Construction**
 - \$6 Million
- ✓ **Scheduled**
 - 8.5 Miles
 - \$111 Million

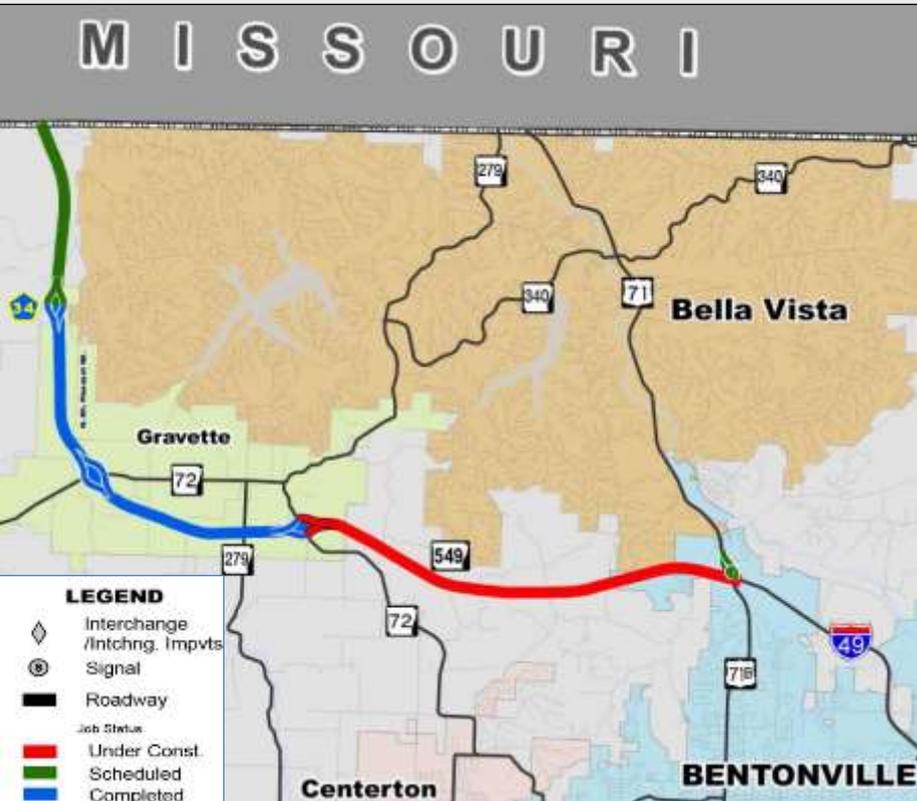




Interstate 49 Corridor New Location



Bella Vista Bypass



- ✓ **Completed**
 - 5.4 Miles
 - \$34 Million
- ✓ **Scheduled**
 - 5.4 Miles
 - \$69 Million
- ✓ **Under Construction**
 - 6.4 Miles
 - \$53 Million



- ✓ **Draft STIP**
 - \$50 Million
 - Ultimate Interstate
 - Contingent Upon Missouri

Other Highways



of Interest



Highway 12

Hwy. 71B – Shell Road

✓ Under Construction

- Began November 2014
- Complete Late 2016
- 2.2 Miles
- \$9 Million



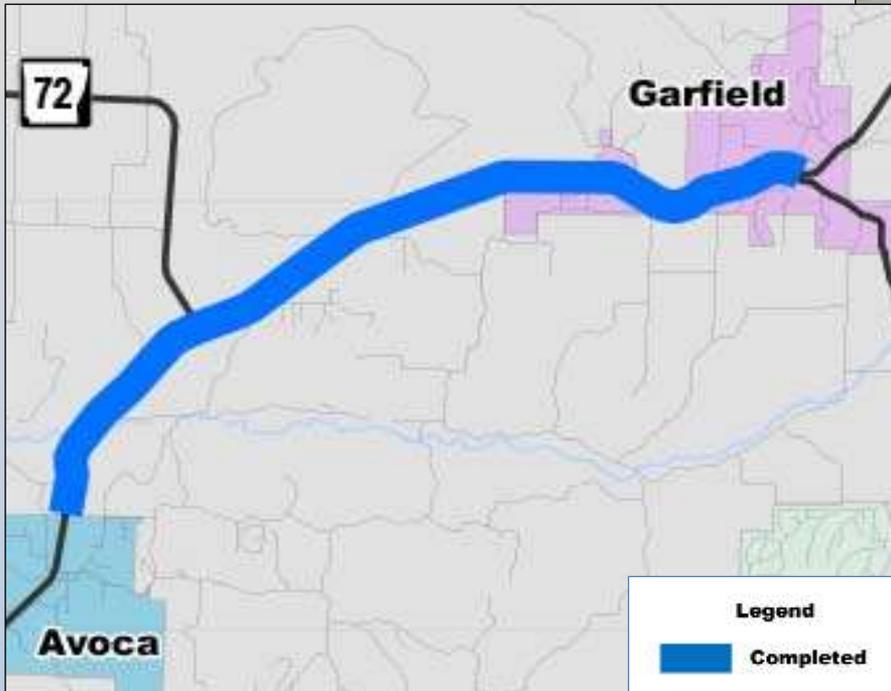


Highway 62

Avoca-North Garfield

✓ Completed

- 6.1 Miles
- \$23 Million





Highway 71B



Dixieland Rd. – 8th St.

✓ **Scheduled**

- **1.0 Mile**
- **\$5 Million - \$10 Million**





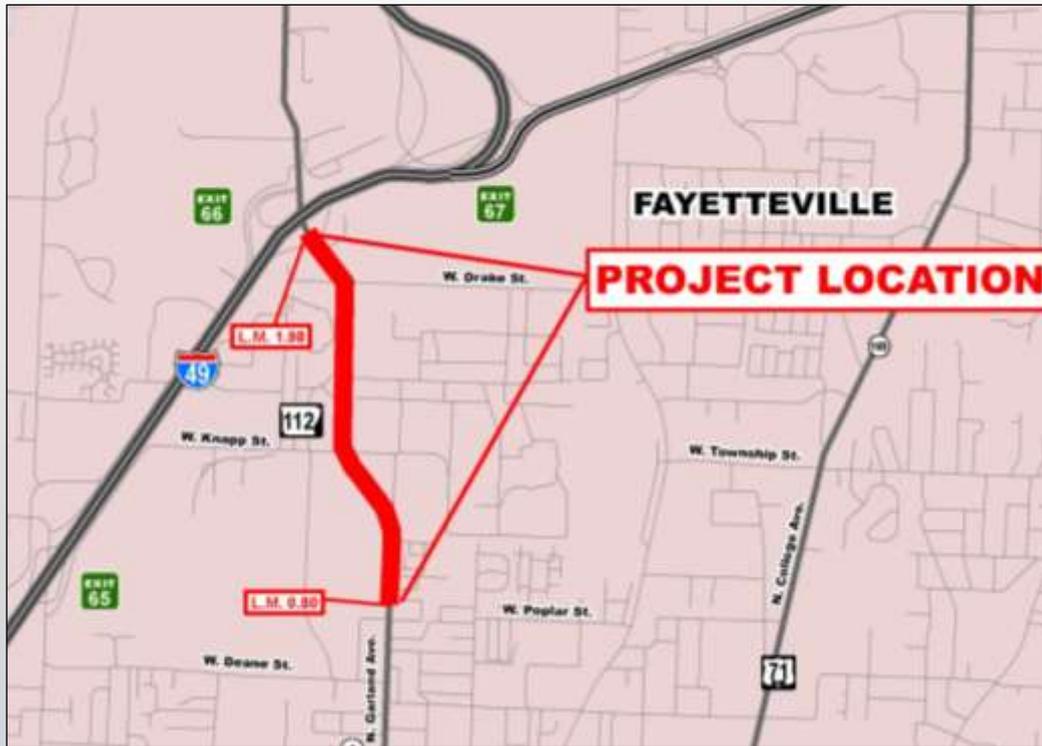
Highway 112 Corridor

- Fayetteville - Bentonville
- Study Adopted
- Major North/South Corridor
- Total Cost \$90 Million to \$140 Million
- Draft Statewide Transportation Improvement Program for Federal Fiscal Years 2016-2010 (STIP)
 - ✓ Hwy. 112 Corridor Improvements
 - Preliminary Engineering / Right-of-Way
 - \$13.0 Million
 - 2017





Highway 112 Corridor



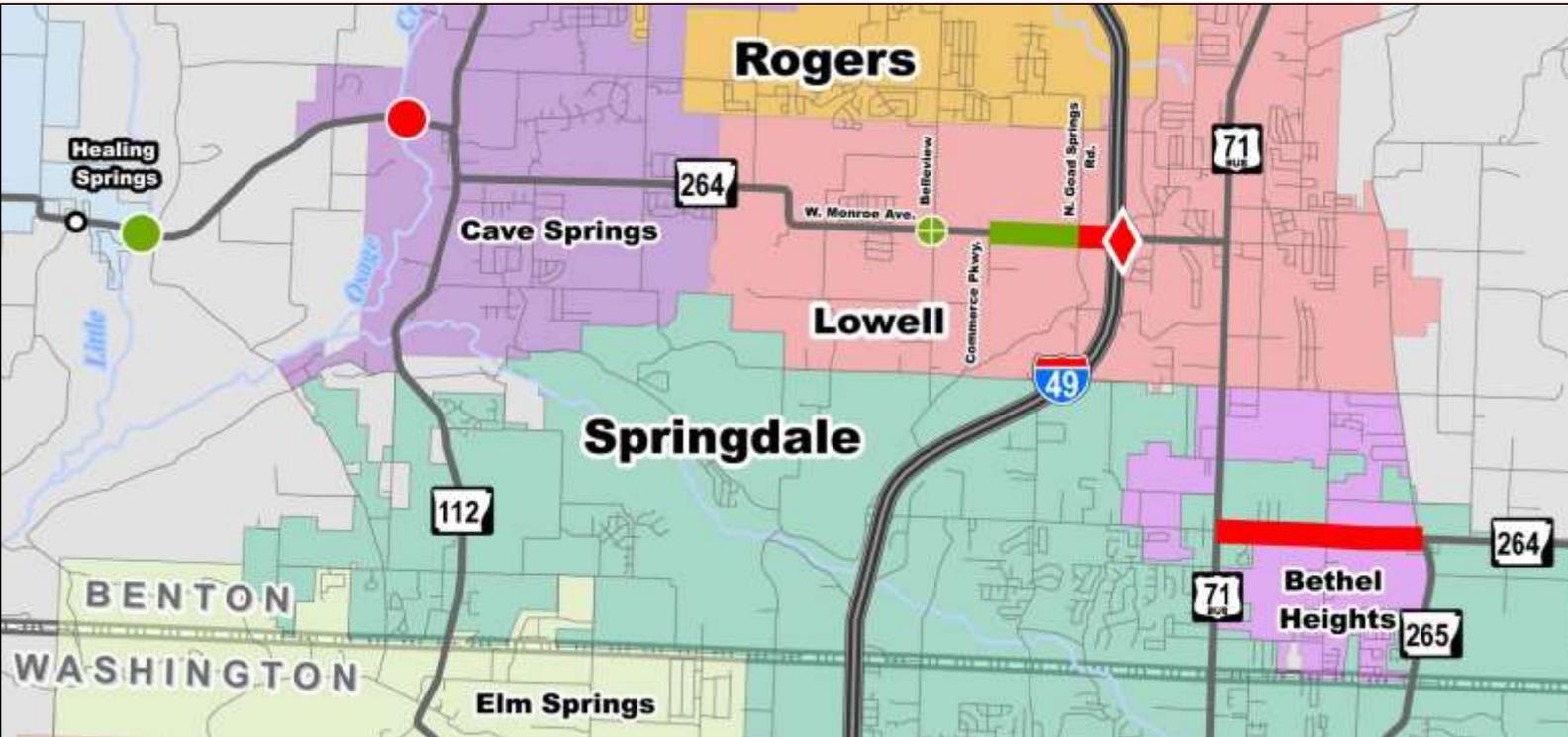
Poplar Street – Interstate 49

- ✓ Draft STIP
 - Widening 1.2 miles
 - \$6 Million
 - 2019





Highway 264 Corridor



LEGEND

Job Type

- Bridge
- ◆ Interchange
- ⊕ Intersection Impvmt.
- ▬ Roadway

Job Status

- ▬ Programmed
- ▬ Under Construction



✓ Under Construction

- 1.4 Mile
- \$15 Million

✓ Scheduled

- 0.6 Mile
- \$2 Million

✓ Draft STIP

- \$5 Million



Highway 265 Corridor



Fayetteville - Rogers

- ✓ **Completed**
 - 3.1 Miles
 - \$14 Million
- ✓ **Under Construction**
 - 4.0 Miles
 - \$15 Million
- ✓ **Draft STIP**
 - 4.6 Miles
 - \$23 Million



LEGEND

-  Scheduled
-  Under Construction
-  Completed
-  Programmed

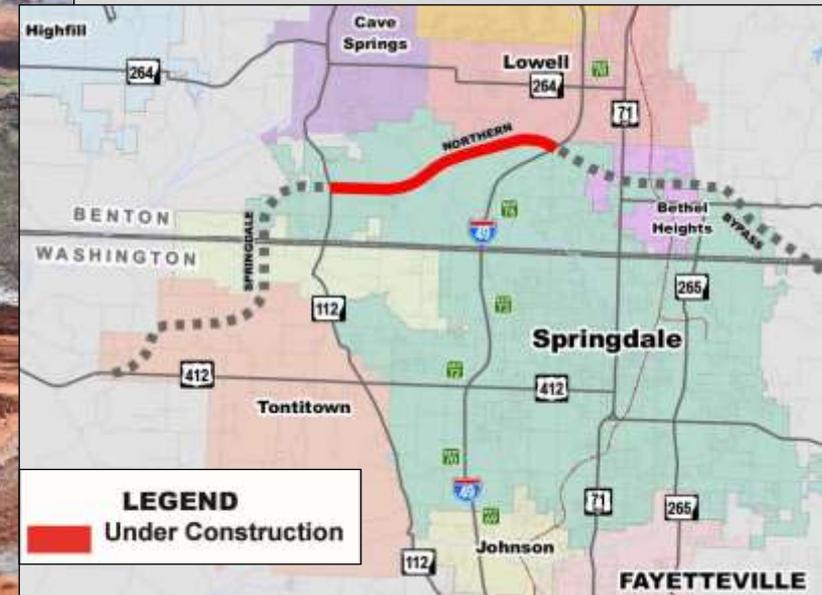




Springdale Bypass (Hwy. 412)



- Hwy 112 – I-49
- Began Early 2015 / Complete Mid-2019
- \$100.6 million
- Most Expensive Job in AHTD History





Federal Aid Projects

Statewide

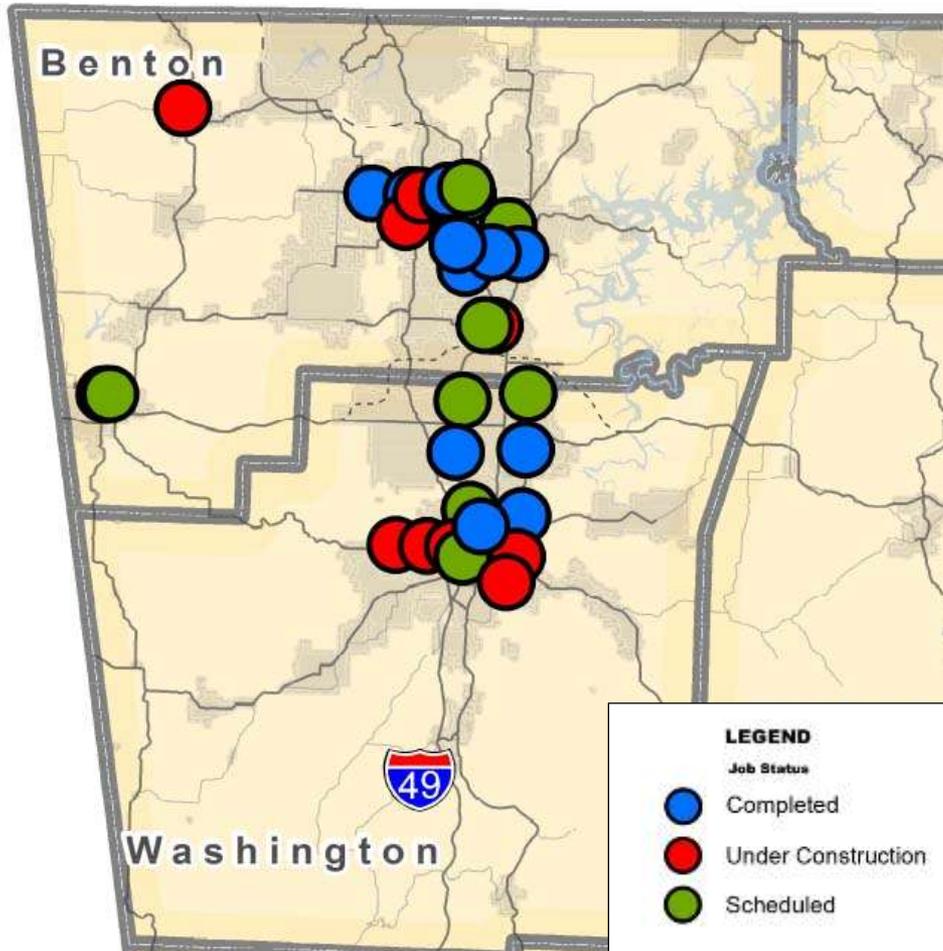
Funding Program	Number of Projects	Total Awarded
Transportation Alternatives Program (TAP)	71	\$15,970,981
Safe Routes to School Program (SRTS)	8	\$1,207,262
Recreational Trails Program (RTP)	28	\$3,186,694
All Programs Total	107	\$20,364,937

Benton and Washington Counties

Funding Program	Number of Projects	Total Awarded
Transportation Alternatives Program (TAP)	10	\$2,313,740
Safe Routes to School Program (SRTS)	2	\$172,383
Recreational Trails Program (RTP)	2	\$131,000
All Programs Total	14	\$2,617,123



Partnering



CITY OF
Siloam Springs



- ArkansasHighways.com
- ConnectingArkansasProgram.com
- Vimeo.com/AHTD
- IDriveArkansas.com
- [Twitter.com @AHTD](https://twitter.com/AHTD)



@AHTD





Questions?