

Steve Frisbee, P.E.
District Engineer, District 3



Hope Kiwanis Club
Tuesday, June 25, 2019



Statewide Programs



Interstate Rehabilitation Program

Completed

47 Projects
291 Miles
\$1,027 Million

Under Construction

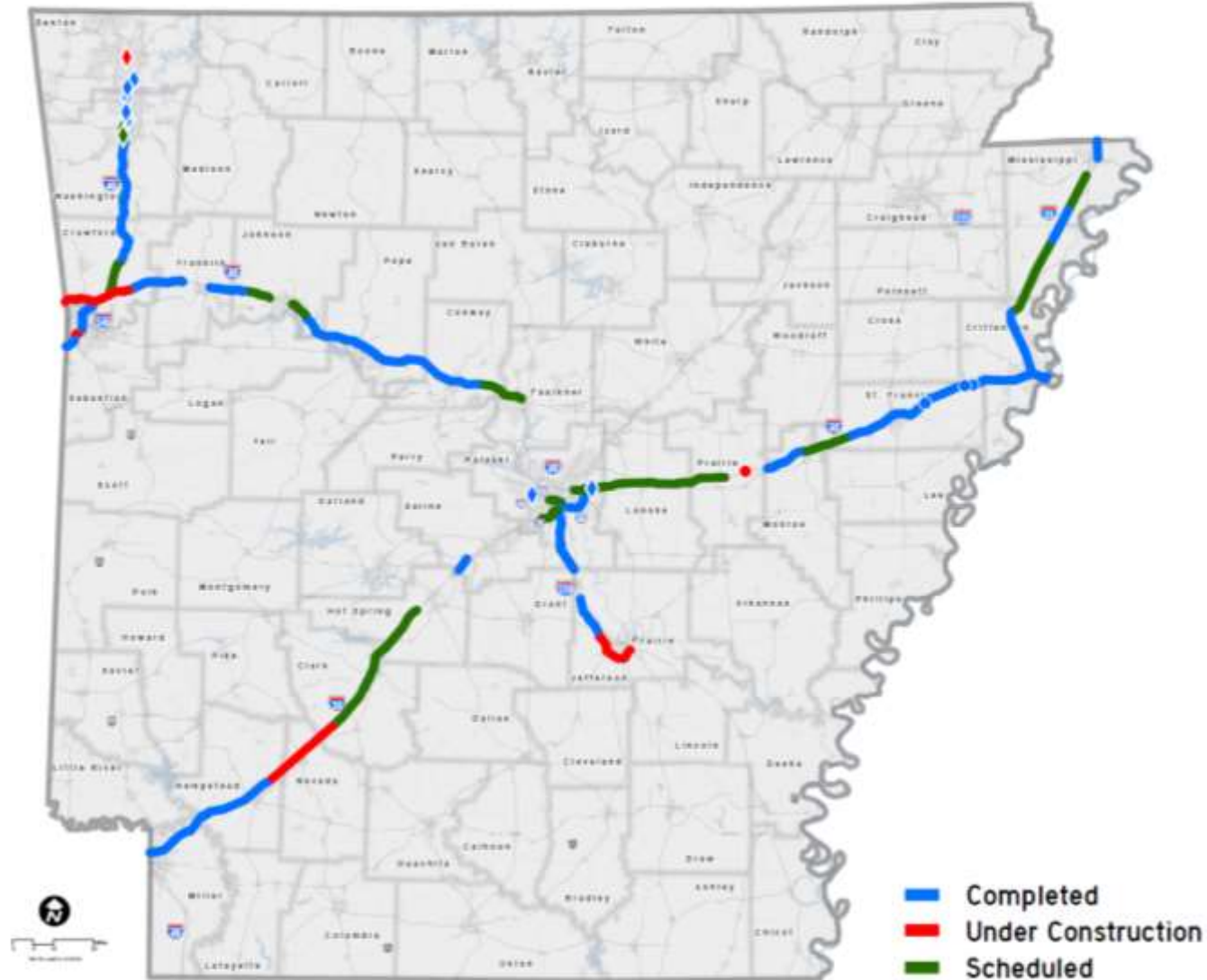
5 Projects
53 Miles
\$287 Million

Let To Contract

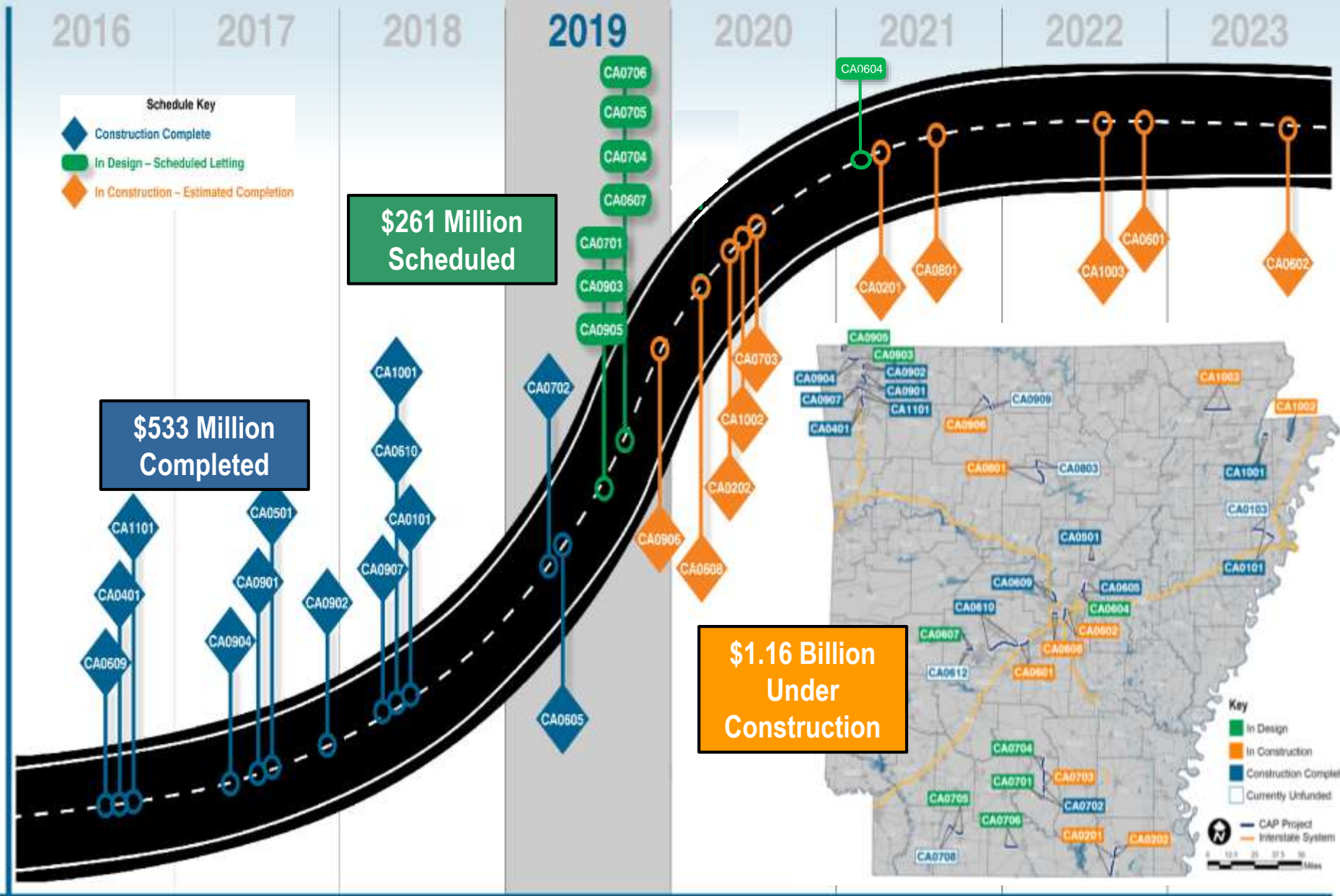
52 Projects
344 Miles
\$1,314 Million

Scheduled

27 Projects
160 Miles
\$219 Million



Connecting Arkansas Program



Hempstead County

Received \$2.1 Million to date

Projected to Receive \$2 Million

Total \$4.1 Million (Ending in 2023)



City of Hope

Received \$1 Million to date

Projected to Receive \$1 Million

Total \$2 Million (Ending in 2023)



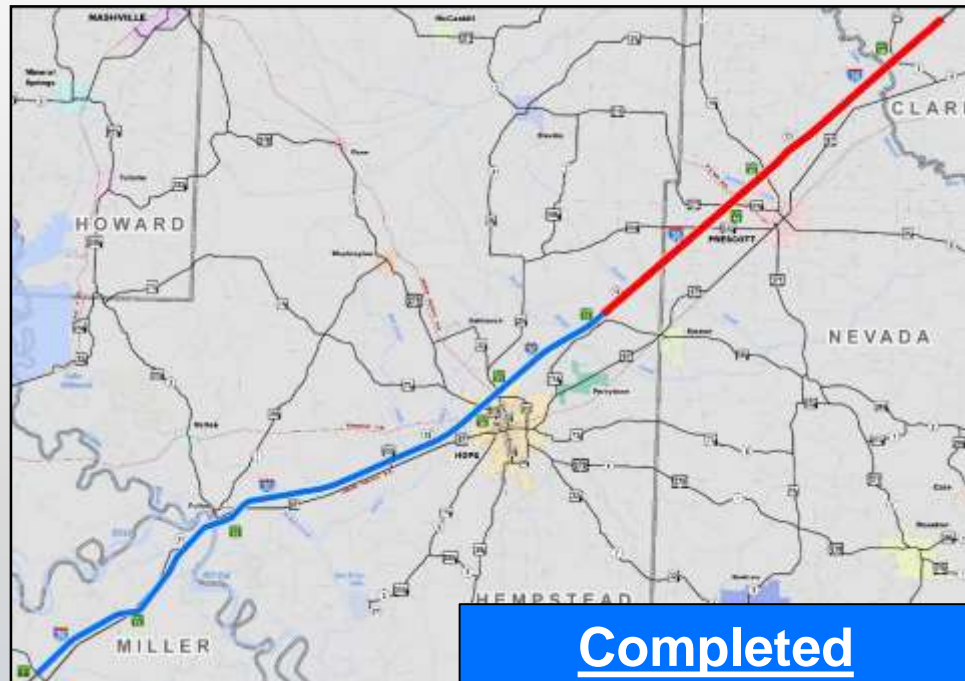
Local Projects



Interstate Rehabilitation Program



INTERSTATE REHABILITATION PROJECT COMPLETED
Interstate 30 in Hope
November 2016



Completed

6 Projects
42 Miles
\$121 Million

Under Construction

1 Project
19 Miles
\$39 Million



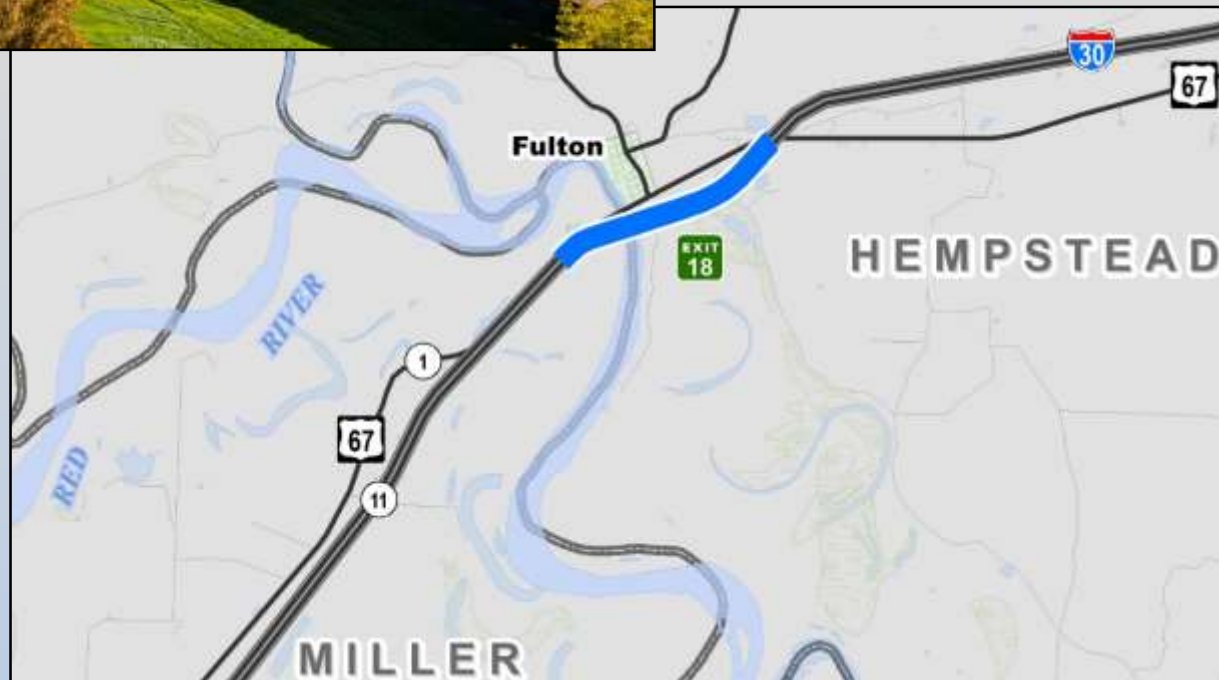
I-30 Interstate Rehabilitation Program



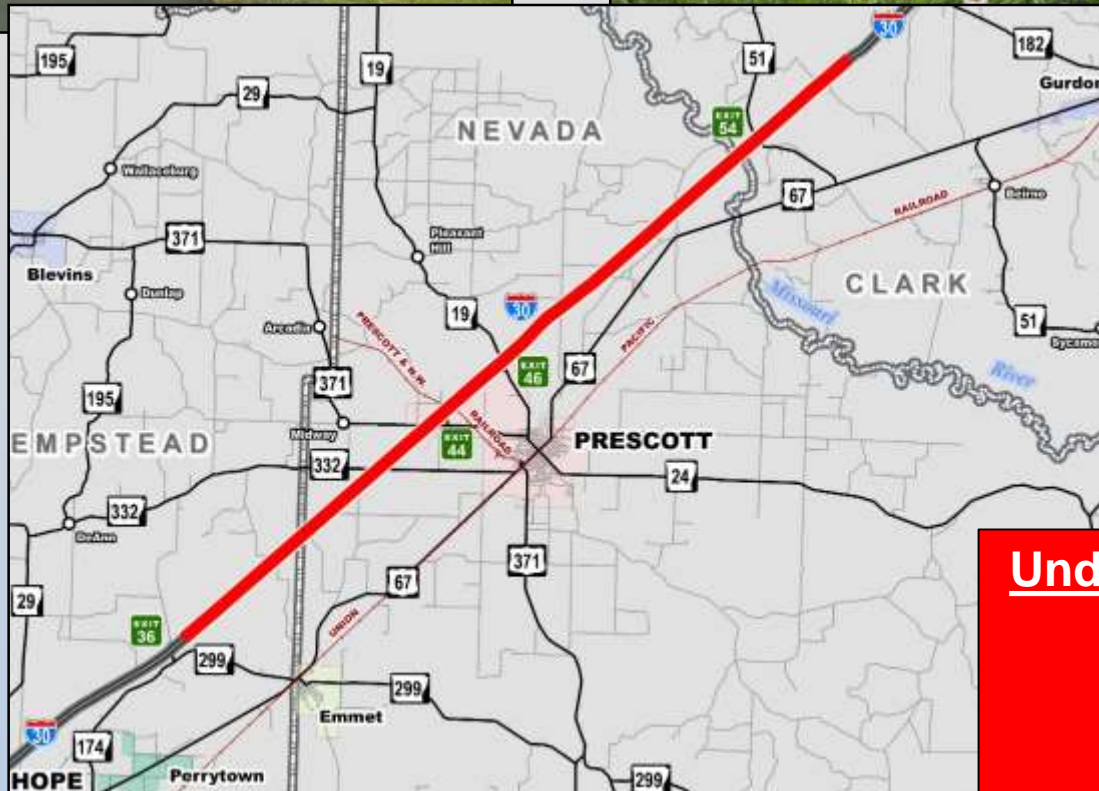
Completed

2 Miles

\$37 Million



I-30 Interstate Rehabilitation Program



Under Construction

1 Project

19 Miles

\$39 Million

U.S. Highway 67

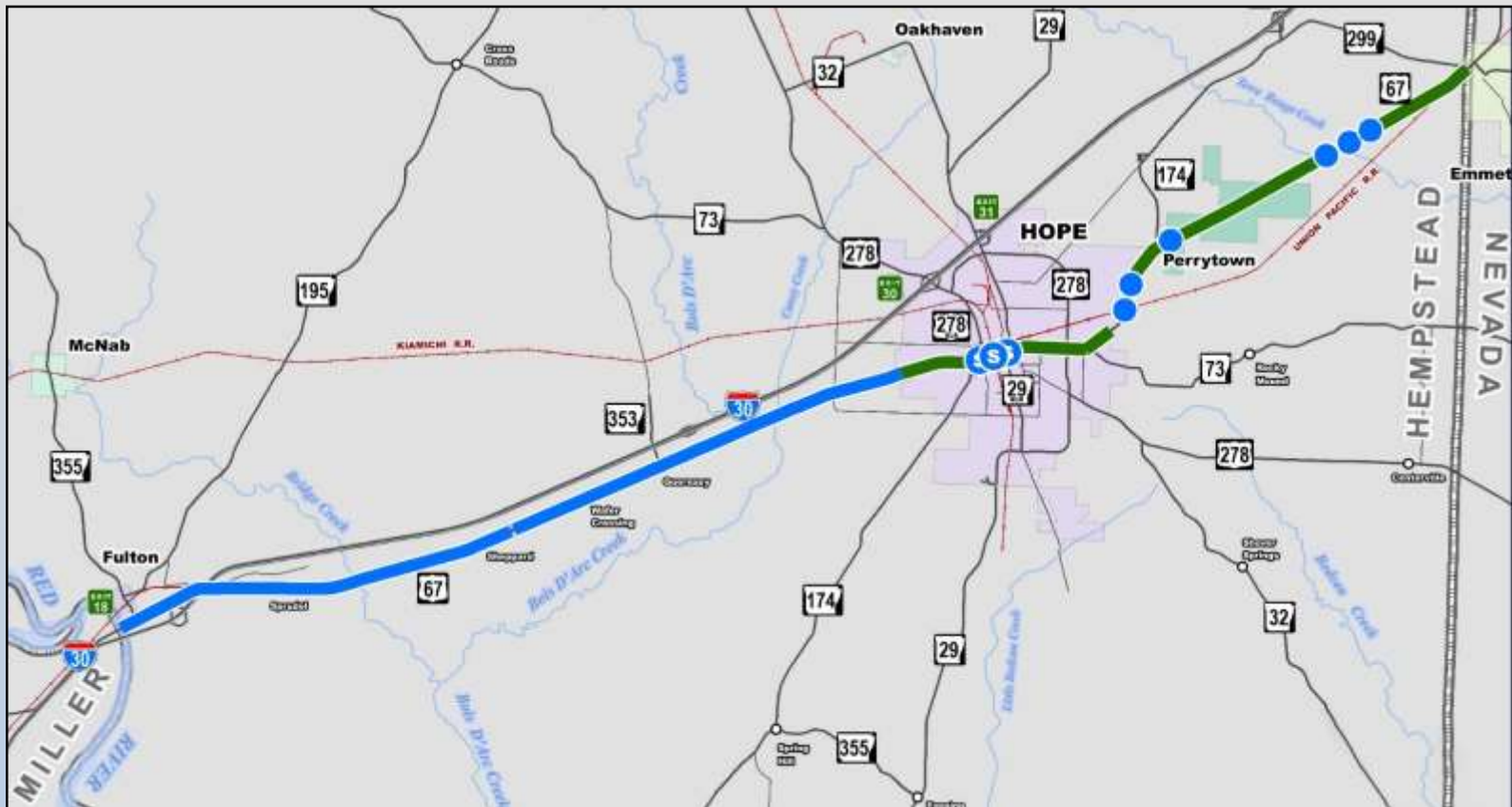
Completed

5 Projects
12 Miles
\$13 Million



Scheduled

1 Project
8 Miles
Est. \$1-5 Million



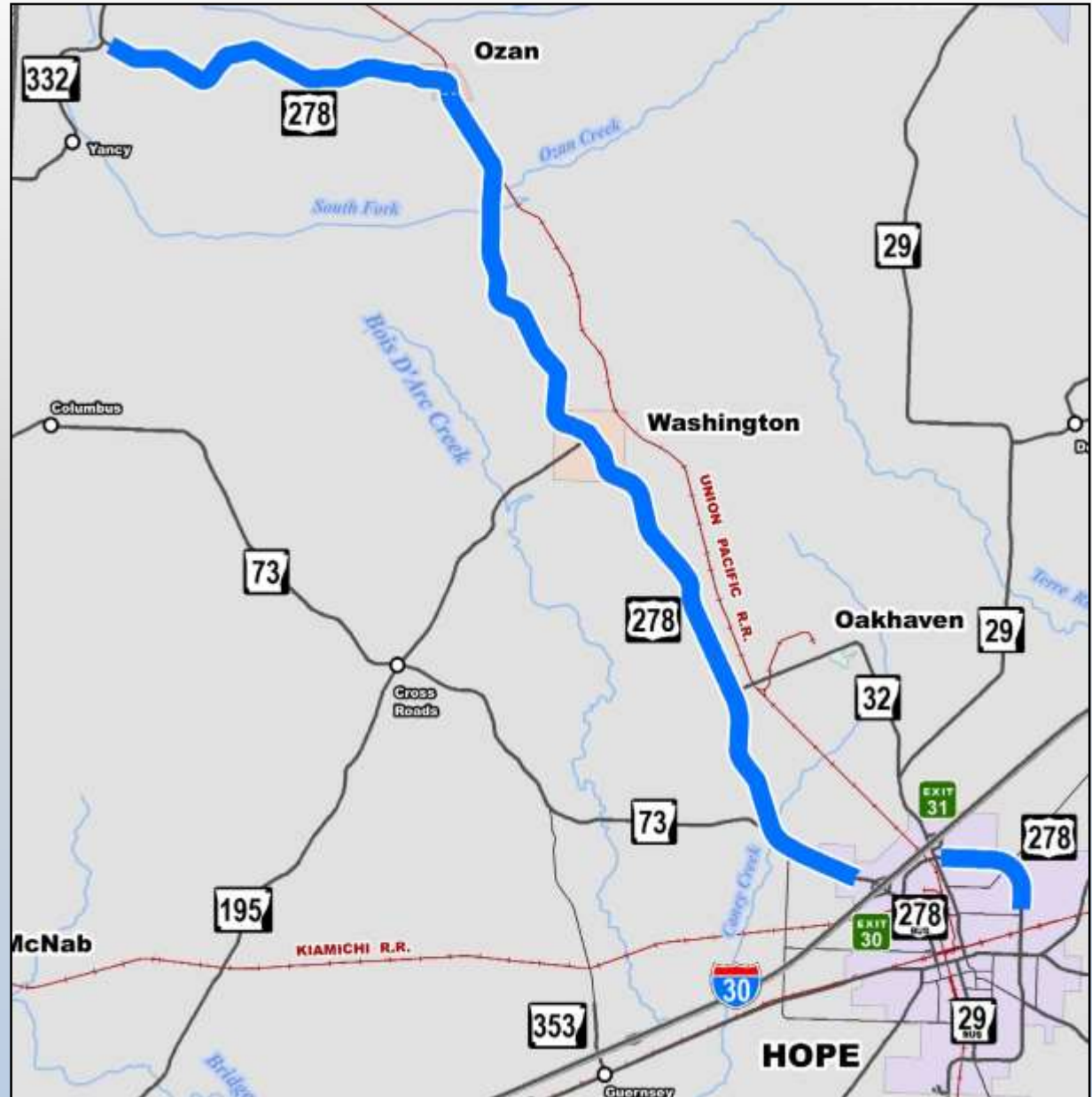
State Highway 278

Completed

5 Projects

21 Miles

\$4 Million



State Highway 29 Business

Completed

2 Miles

\$0.6 Million



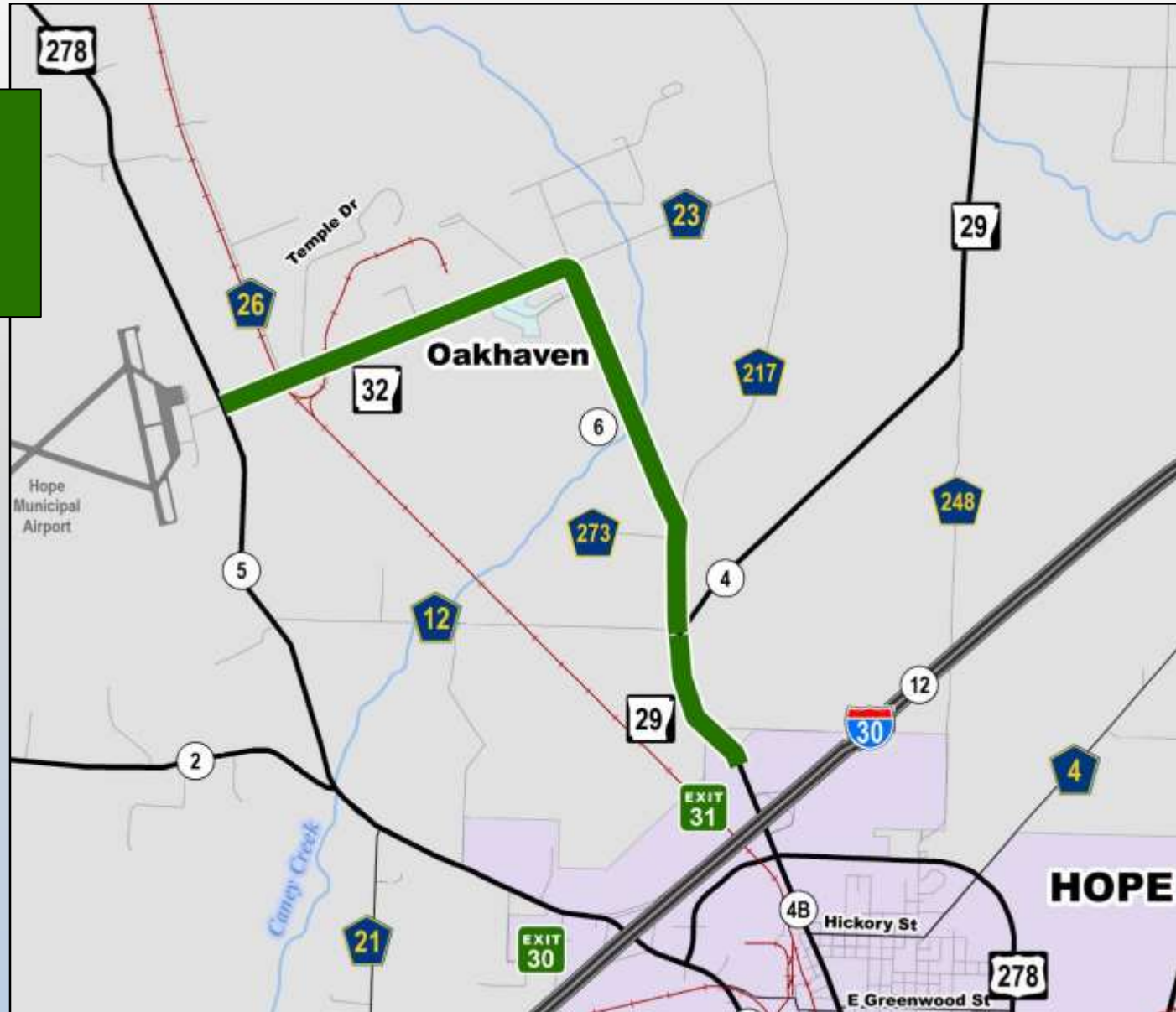
State Highways 29 & 32

Scheduled

1 Project

5 Miles

Est. \$1-5 Million





Recent Legislation

Governor Hutchinson's Highway Package

Two Bills

Four Revenue Sources

\$300 Million Per Year



Motor Fuel Taxes

1.6% Tax On Wholesale Price of Gas
(equals 3 cents per gallon)

2.9% Tax On Wholesale Price of Diesel
(equals 6 cents per gallon)



Motor Fuel Taxes

Results in **\$86 Million** in Additional Annual Revenue

\$58 Million to ARDOT

\$14 Million to Cities and Counties Each

“And we feel like we would like to invest and spend money to make the roads better so that they are safer, so that they are easier on the equipment, so that the volume of traffic can move more freely. The benefit of those things outweighs any increased costs.”

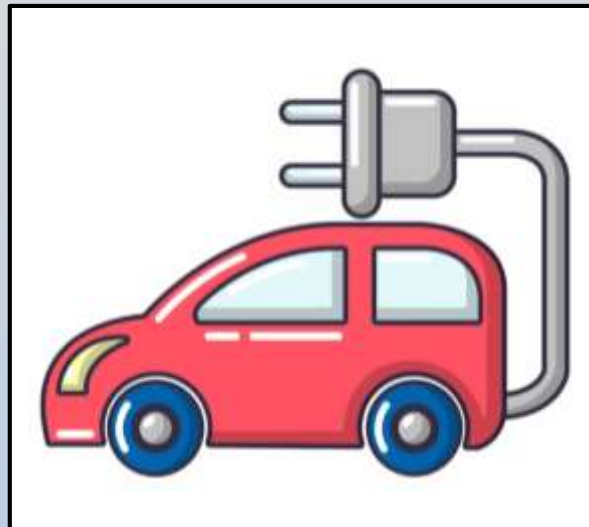
– Shannon Newton, Arkansas Trucking Association President

Electric and Hybrid Vehicle Registration Fees

Electric Vehicles - \$200 Registration Fee

Hybrid Vehicles - \$100 Registration Fee

\$2 Million to ARDOT



Casino Revenue

All New Casino Revenue

\$35 Million Annually to ARDOT



Act 416 Summary

Motor Fuel Tax

\$ 58 Million

Electric and Hybrid Vehicle Registration Fees

\$ 2 Million

Casino Revenue

\$ 35 Million

Total to ARDOT

\$ 95 Million



Proposed Constitutional Amendment

- To Be Voted On In General Election – November 2020
- ½-Cent Sales Tax Permanent After 2023
- Continues To Provide **\$205 Million** To ARDOT Annually
- Continues To Provide **\$43 Million** To Cities Annually
- Continues To Provide **\$43 Million** To Counties Annually

Summary

Act 416

\$ 95 Million

House Joint Resolution 1018

\$205 Million

Total To ARDOT

\$300 Million



Recipe for Success

- Consensus
- Unity
- Bipartisanship
 - ✓ Governor
 - ✓ Legislature
 - ✓ Stakeholders
 - ✓ ARDOT





Funding Challenges



Challenges

- **12th** largest system in the country
 - **41st** in highway revenue per mile.
-

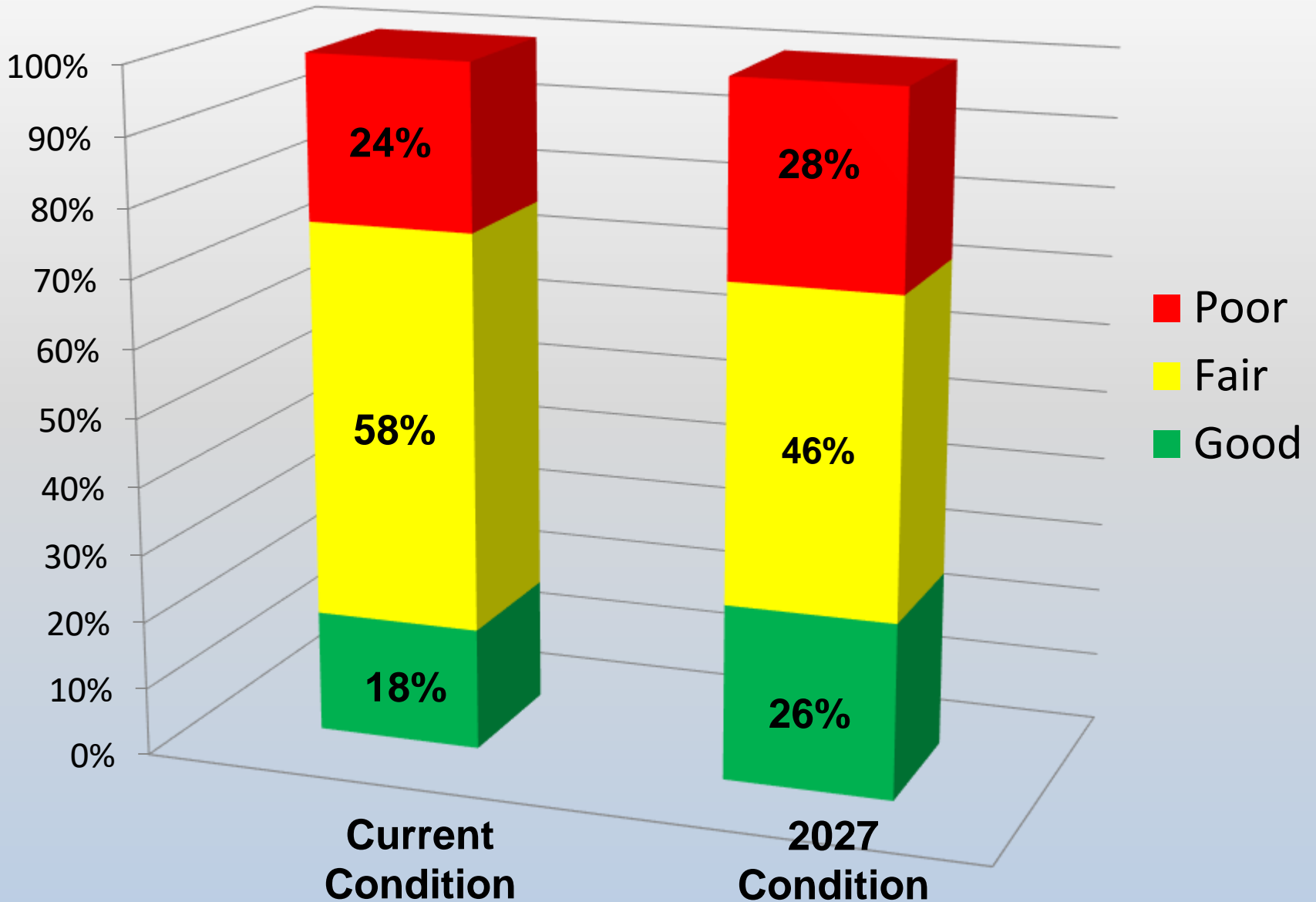
- **\$9.3 billion** in needs
- **\$4.5 billion** in available revenue

“This is a problem that we can’t leave for our children or grandchildren to solve.”

*~Arkansas Department of Transportation Director
Scott Bennett*



All State Highways – Including Interstates



Pay a **Little** Now



Overlay
\$100,000
per lane mile

Pay a **Whole Lot** Later



Reconstruction
\$1,500,000
per lane mile

THEN

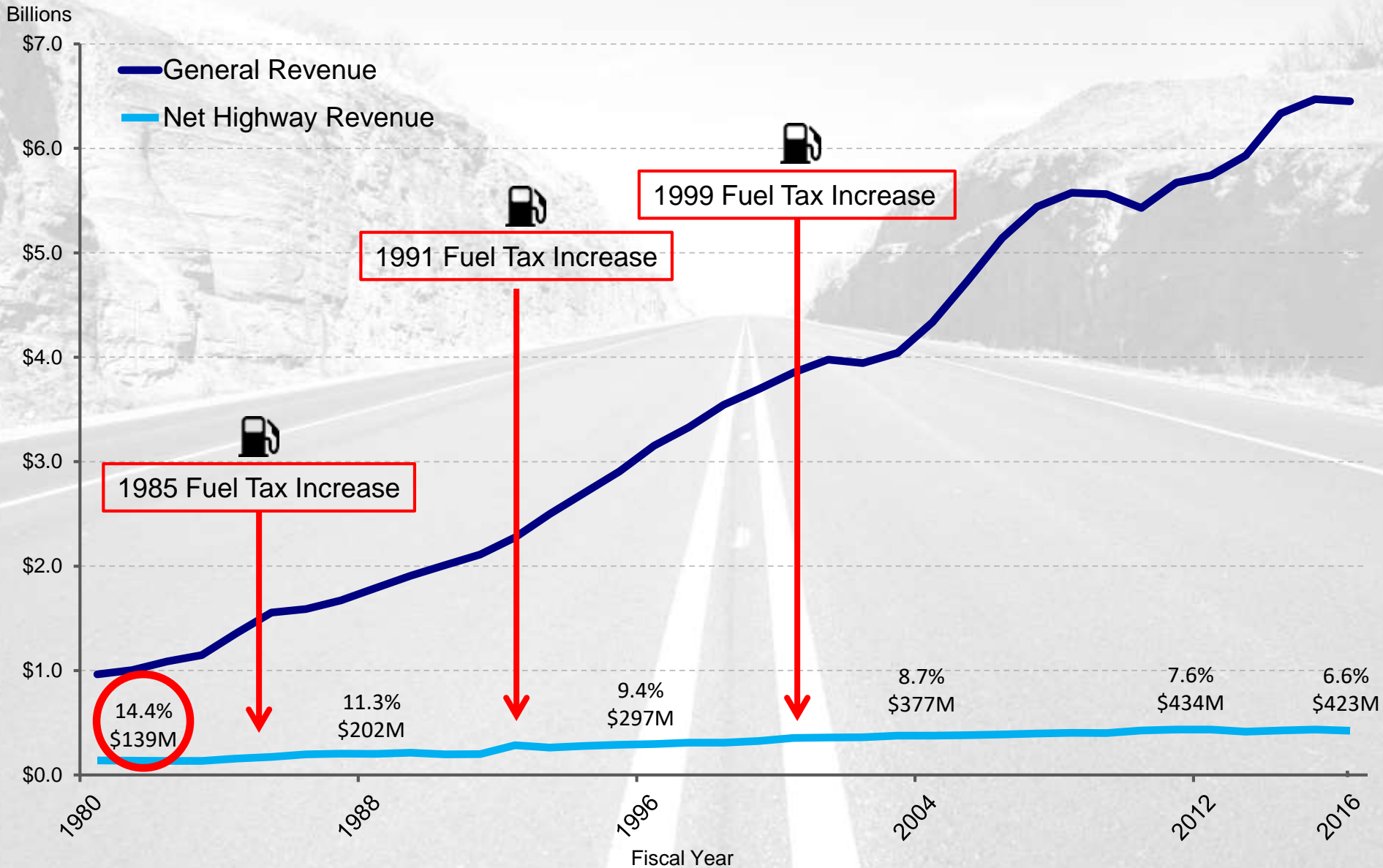
In 1995, **200 miles** of highway could be overlaid with \$10 million.

NOW

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

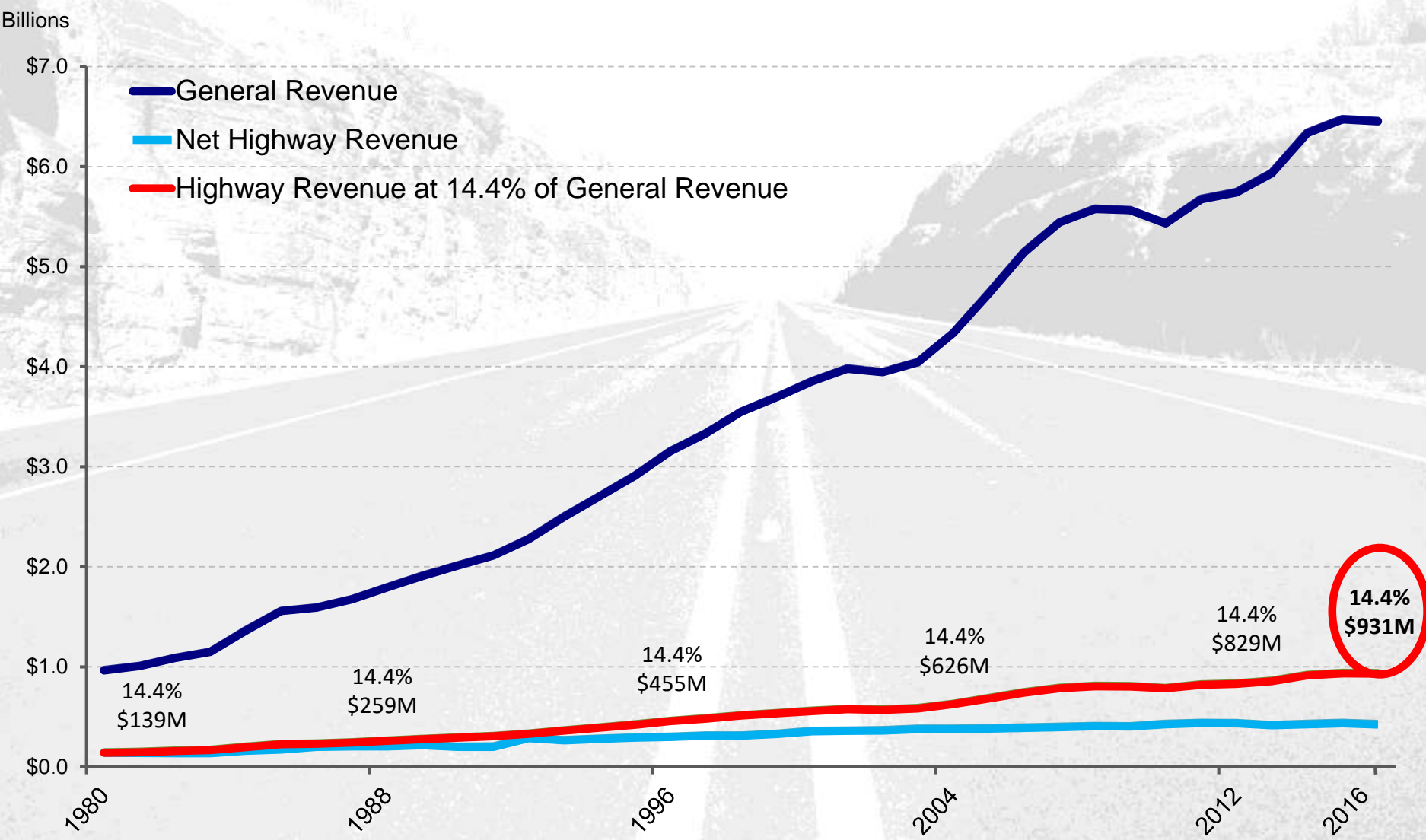


Percent of Highway vs. General Revenue



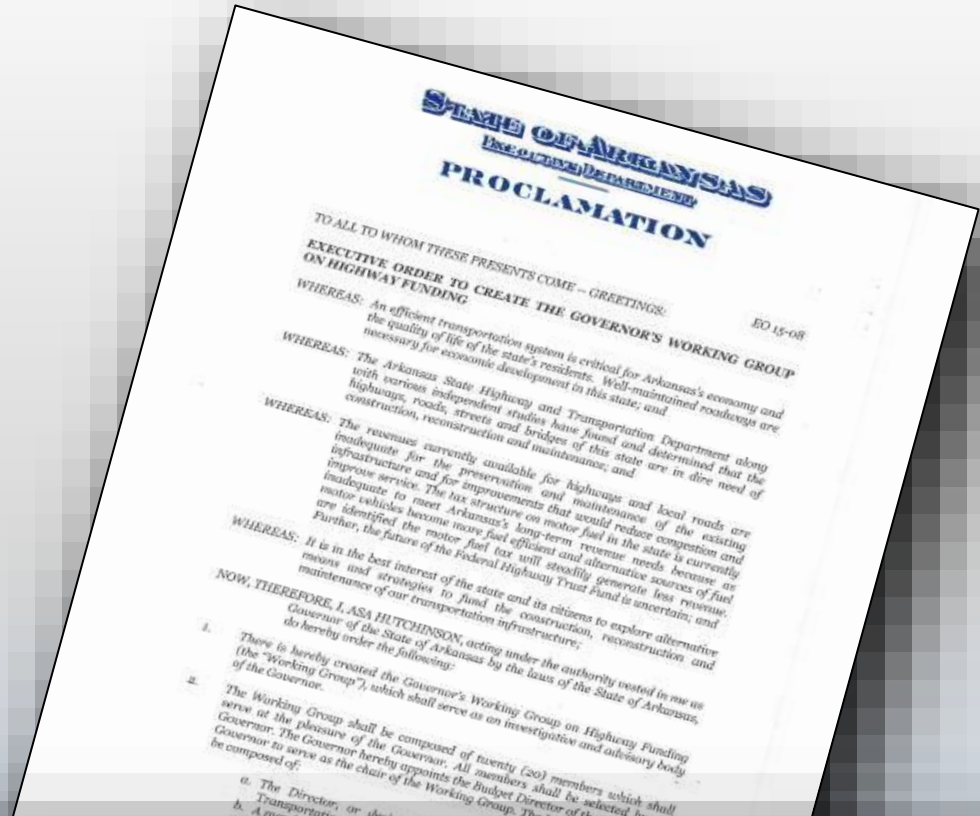
Excludes County & City Aid funds | Excludes CAP funds

Highway Revenue at 14.4% of General Revenue



Excludes County & City Aid funds | Excludes CAP funds

Fiscal Year



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

□ Funding Targets

- ✓ Immediate: \$ 50 Million
- ✓ Short-term (0-3 years): \$110 Million
- ✓ Mid-term (3-5 years): \$250 Million
- ✓ Long-term (6-9 years): \$400 Million

All figures are annual amounts for state highways.

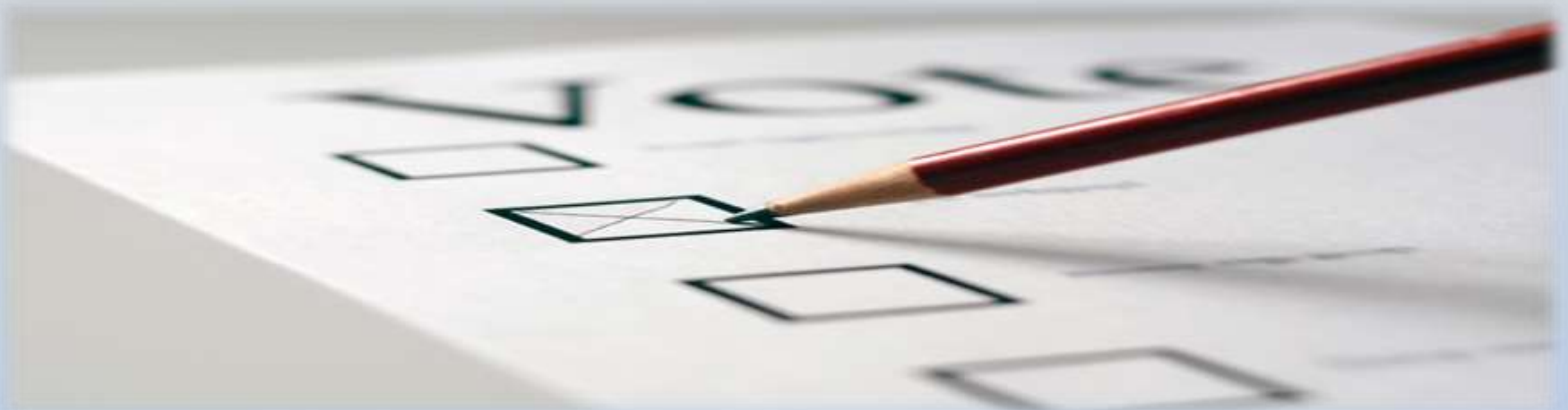
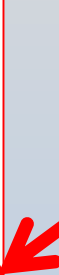


Exhibit III

Arkansas Department of Transportation (ARDOT) Summary of Annual State Funds Needed to Meet Proposed Highway Construction Plan Over a 10-Year Period

Description	Annual Funds Needed for Highway Construction Plan	Annual Funds Available for Highway Construction	Additional Annual State Revenues Needed for Highway Construction Plan
System Preservation			
Pavement	\$ 387,000,000	\$ 137,000,000	\$ 250,000,000
Bridges	117,000,000	90,000,000	27,000,000
Total System Preservation	<u>504,000,000</u>	<u>227,000,000</u>	<u>277,000,000</u>
Capacity Relief	305,000,000	157,000,000	148,000,000
Safety Improvements	86,000,000	44,000,000	42,000,000
Maintenance			
Equipment upgrades	19,000,000	19,000,000	
Facilities upgrades	8,000,000		8,000,000
Intelligent Transportation System (ITS)	3,000,000		3,000,000
Total Maintenance	<u>30,000,000</u>	<u>19,000,000</u>	<u>11,000,000</u>
Totals	<u>\$ 925,000,000</u>	<u>\$ 447,000,000</u>	<u>\$ 478,000,000</u>

\$ 478,000,000



Note: Amounts shown are rounded.



Looking Forward





ARDOT / Cities / Counties

Educate Public

Stakeholders

Educate Public

Campaign

Arkansans Major Public Asset Transportation Infrastructure

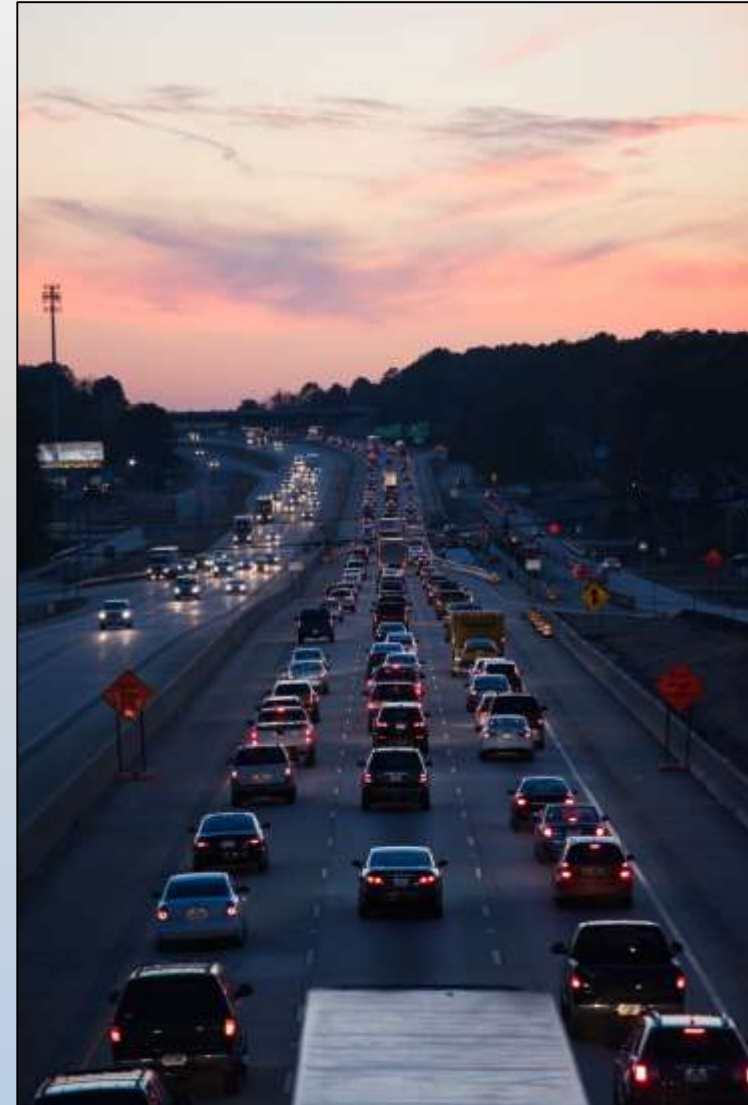
State Highway System	Gross Replacement Value	Average Annual Investment to Maintain State of Good Repair
Roads	\$58.1 Billion	\$387 Million (0.67%)
Bridges	\$11.0 Billion	\$117 Million (1.06%)
Total	\$69.1 Billion	\$504 Million (0.73%)

Based on Arkansas DOT Transportation Asset Management Plan and Legislative Audit Report



Economic Impact of Infrastructure Investment

- Increased Property Values
- Attraction to Businesses
 - ✓ Higher Wages
 - ✓ More Job Opportunities
- Less Expense on Vehicle Wear and Tear = Greater Expendable Income
- Safety Benefits
 - ✓ Reduced Fatalities
 - ✓ Reduced Property Damage



Infrastructure Investment and Quality of Life

Quality of Life is Directly Linked to:

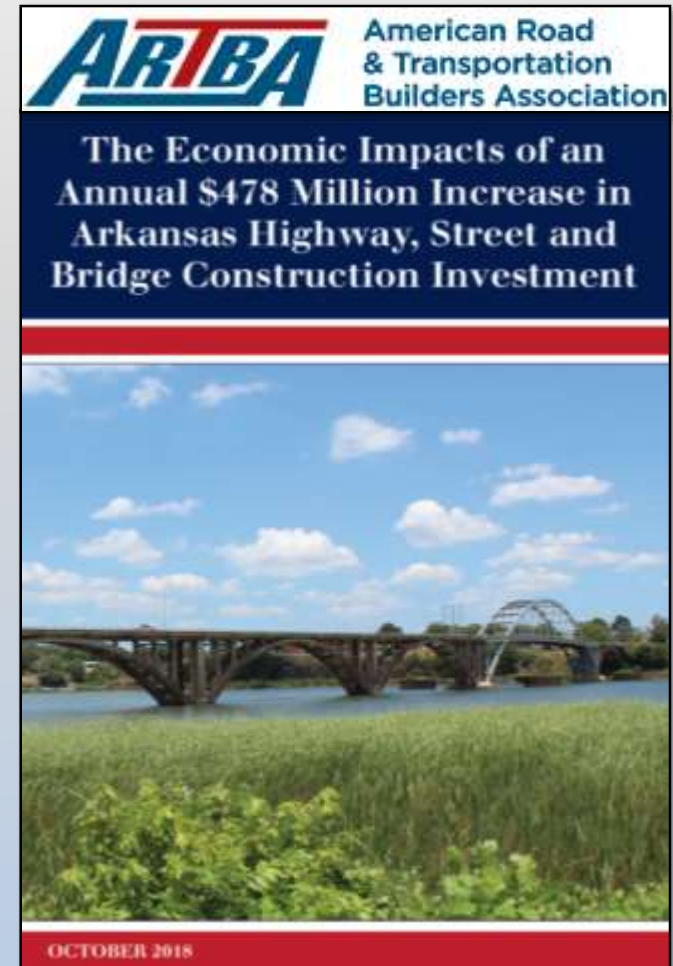
- Reliable Access to:
 - ✓ Housing
 - ✓ Family, Friends, Spirituality
 - ✓ Employment
 - ✓ School
 - ✓ Health Care
 - ✓ Recreation/Entertainment
 - ✓ Consumer Goods
 - ✓ Consumer Services



American Road & Transportation Builders Association

\$478 Annual Investment Results

- **Immediate Economic Benefits of Increasing Investment**
 - ✓ Supports **\$1.3 Billion** in Economic Activity
 - ✓ Supports **5,729 Jobs**
- **Neighbors Are Not Waiting**
 - ✓ Seven Have Raised State Gas Tax
 - ✓ Six Have Variable Gas Tax
 - ✓ Eight Have Electric Vehicle Registration Fees
- **Significant Transportation Challenges**
 - ✓ Safety Needs
 - ✓ Increasing Freight Demands
 - ✓ Impacts From Congestion



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



**ROAD to a
BETTER FUTURE**

ARDOT / Cities / Counties

Educate Public

Stakeholders

Educate Public
Campaign



Your
TRANSPORTATION SYSTEM



Questions?

