

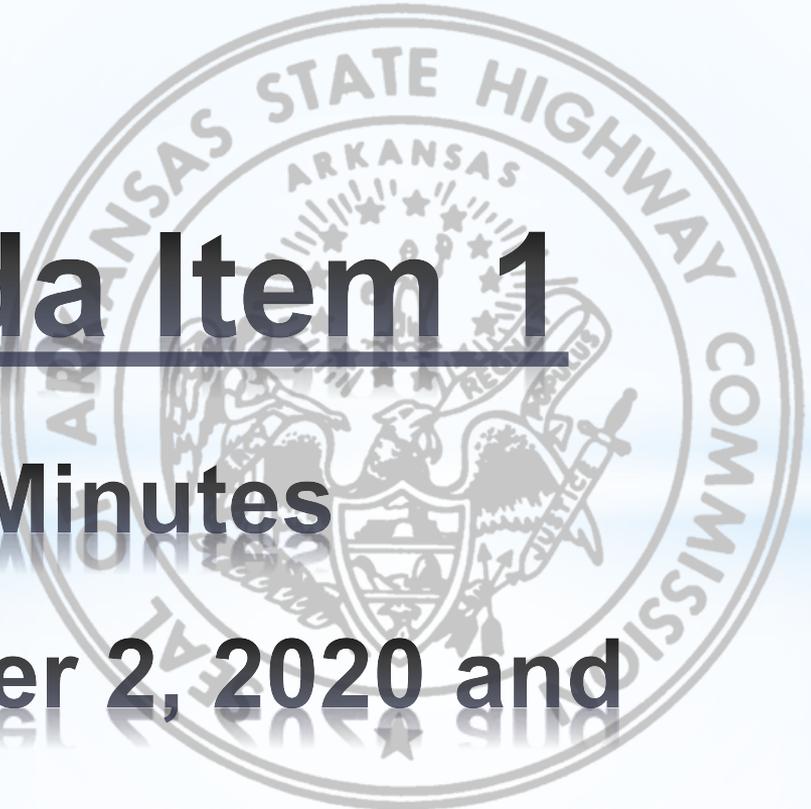
The seal of the Arkansas State Highway Commission is centered in the background. It is a circular emblem with the text "ARKANSAS STATE HIGHWAY COMMISSION" around the perimeter. Inside the circle, there is a smaller emblem featuring a shield with a plow, a sheaf of wheat, and a cotton plant, with the word "ARKANSAS" above it and a star below. The word "SEAL" is written vertically on the left side of the inner circle.

Arkansas State Highway Commission Meeting

Wednesday, October 14, 2020

Governor's Quality Award



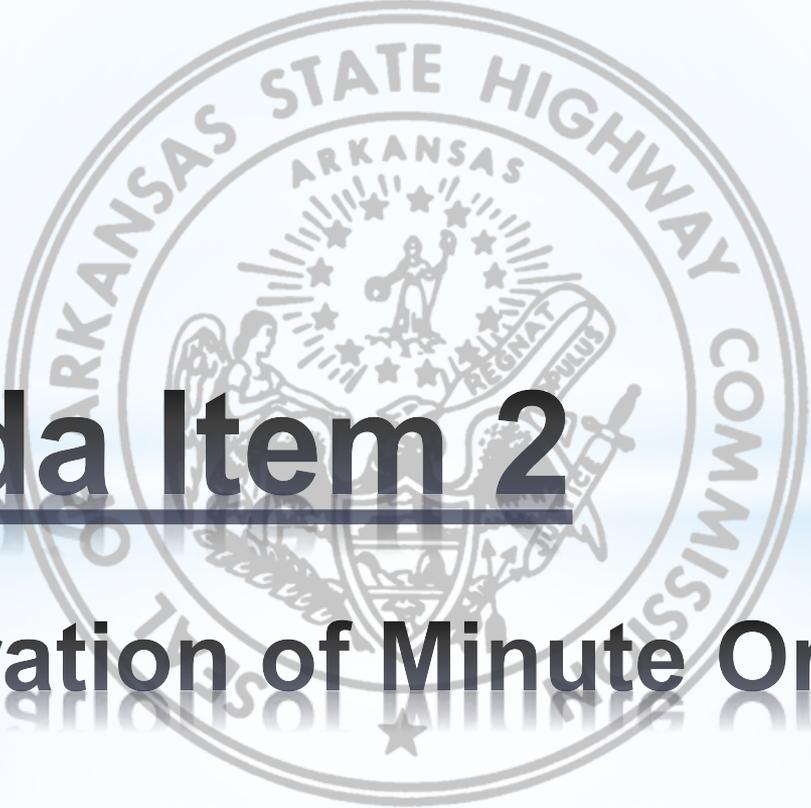
The seal of the Arkansas State Highway Commission is a circular emblem. It features the text "ARKANSAS STATE HIGHWAY COMMISSION" around the perimeter. In the center, there is a shield with a landscape scene, flanked by two figures. Above the shield are several stars and the word "ARKANSAS".

Agenda Item 1

Meeting Minutes

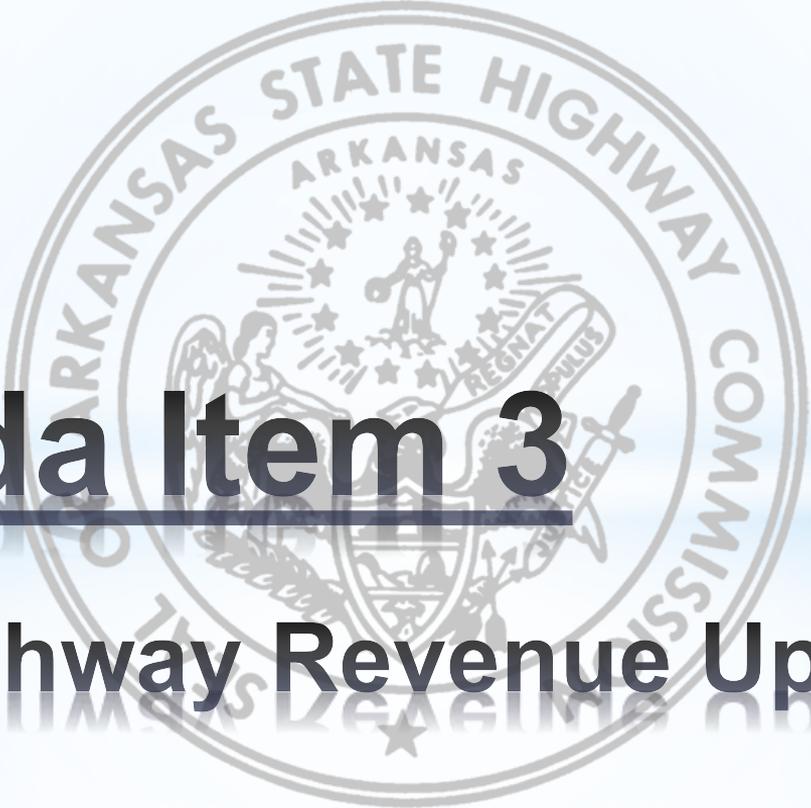
September 2, 2020 and

September 23, 2020

The seal of the Arkansas State Highway Commission is centered in the background. It is a circular emblem with the text "ARKANSAS STATE HIGHWAY COMMISSION" around the perimeter. The inner circle features the Arkansas state seal, which includes a figure holding a scale and a sword, surrounded by stars and the motto "REGNAT POPULUS".

Agenda Item 2

Consideration of Minute Orders

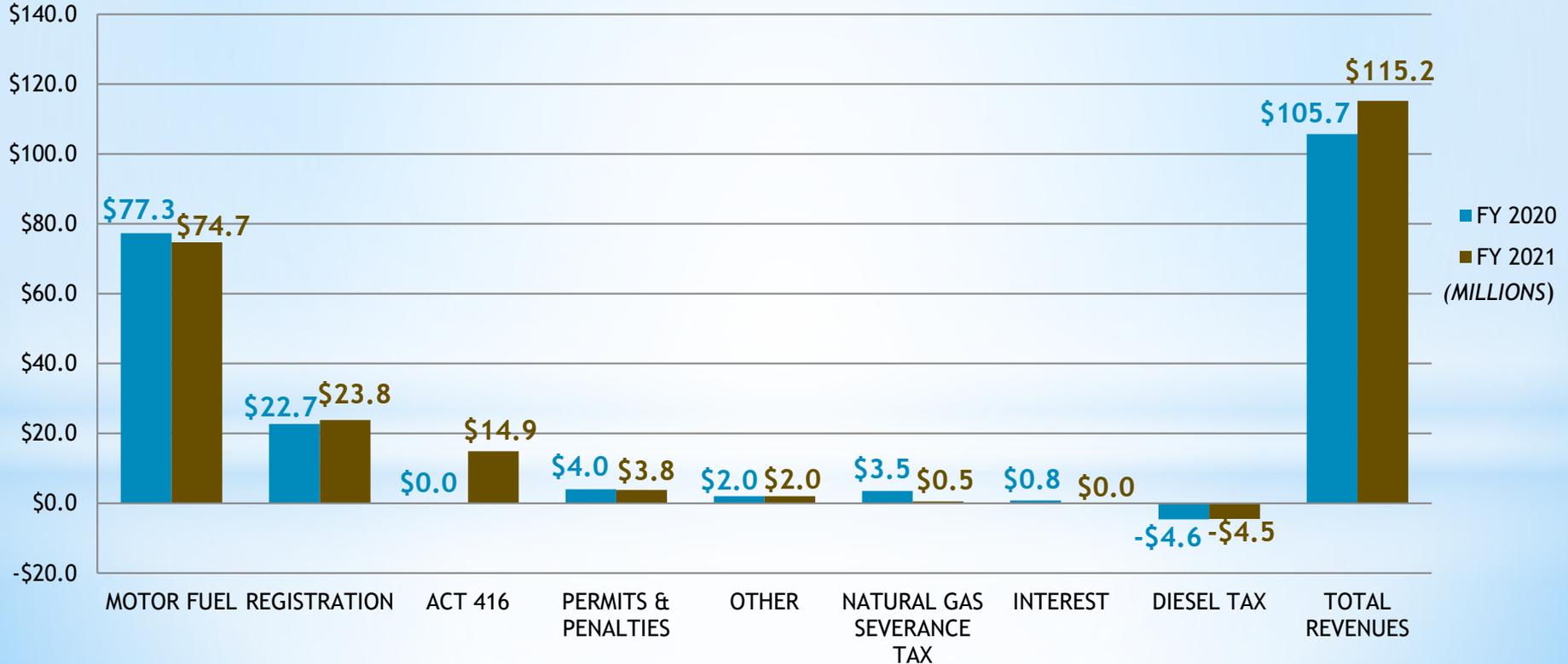
The seal of the Arkansas State Highway Commission is a circular emblem. It features a central figure holding a scale and a sword, surrounded by stars and the word "ARKANSAS". The outer ring of the seal contains the text "ARKANSAS STATE HIGHWAY COMMISSION".

Agenda Item 3

State Highway Revenue Update

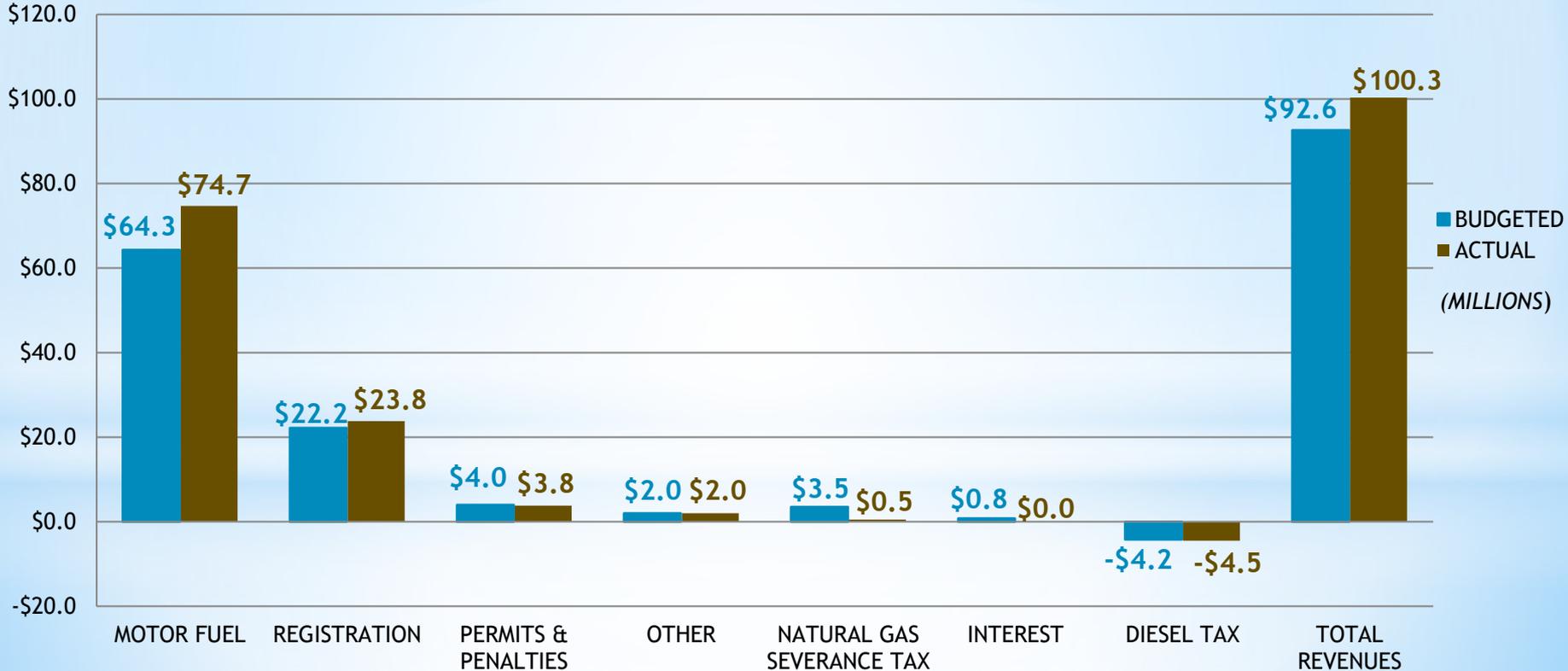
SEPTEMBER 2020-2021 REVENUE

VARIANCE	-\$2.6	\$1.1	\$14.9	-\$0.2	\$0.0	-\$3.0	-\$0.8	\$0.1	\$9.5
% CHANGE	-3.4%	4.8%	100.0	-5.0%	0.0%	-85.7%	-100.0%	2.2%	9.0%



FY 2021 BUDGETED VS. ACTUAL - SEPTEMBER

VARIANCE	\$10.4	\$1.6	-\$0.2	\$0.0	-\$3.0	-\$0.8	\$0.3	\$7.7
% CHANGE	16.2%	7.2%	-5.0%	0.0%	-85.7%	-100.0%	7.1%	8.3%



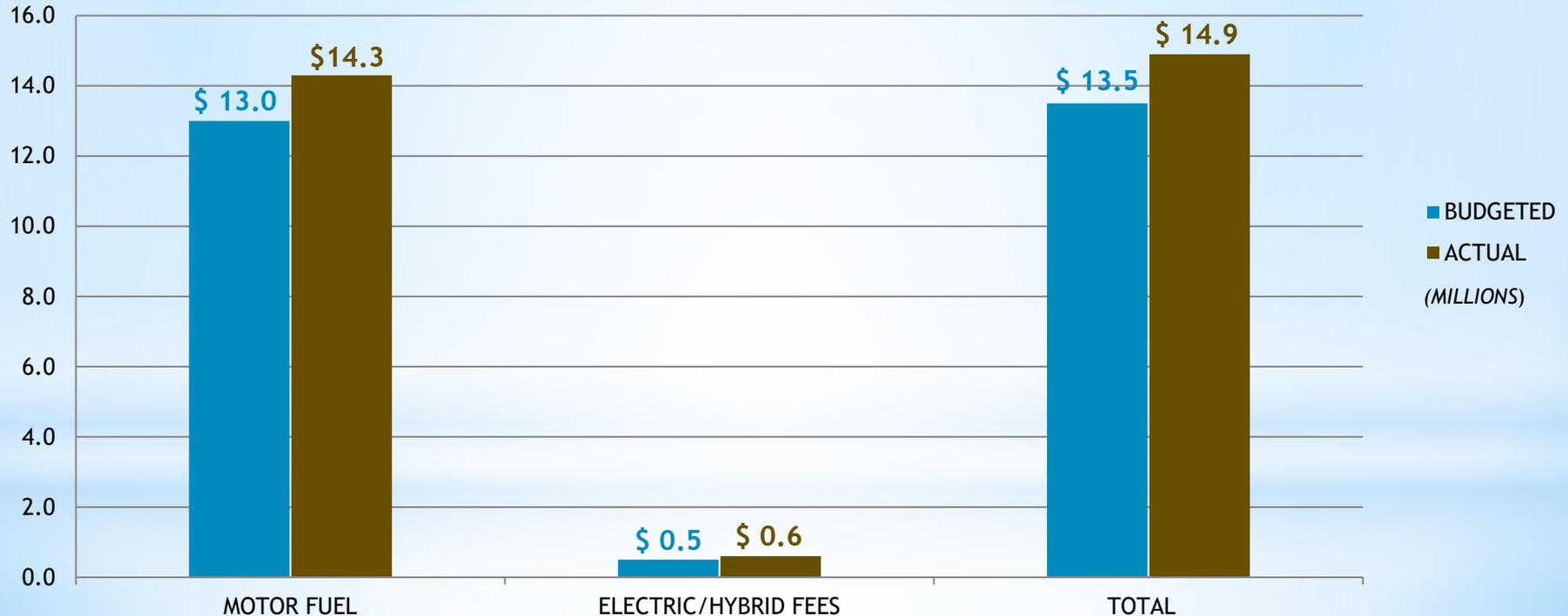
SEPTEMBER 2020-2021 - ACT 416 BUDGETED VS. ACTUAL

VARIANCE
% CHANGE

\$1.3
10.0%

\$0.1
20.0%

\$1.4
10.4%



SEPTEMBER 2020-2021 FUEL CONSUMPTION

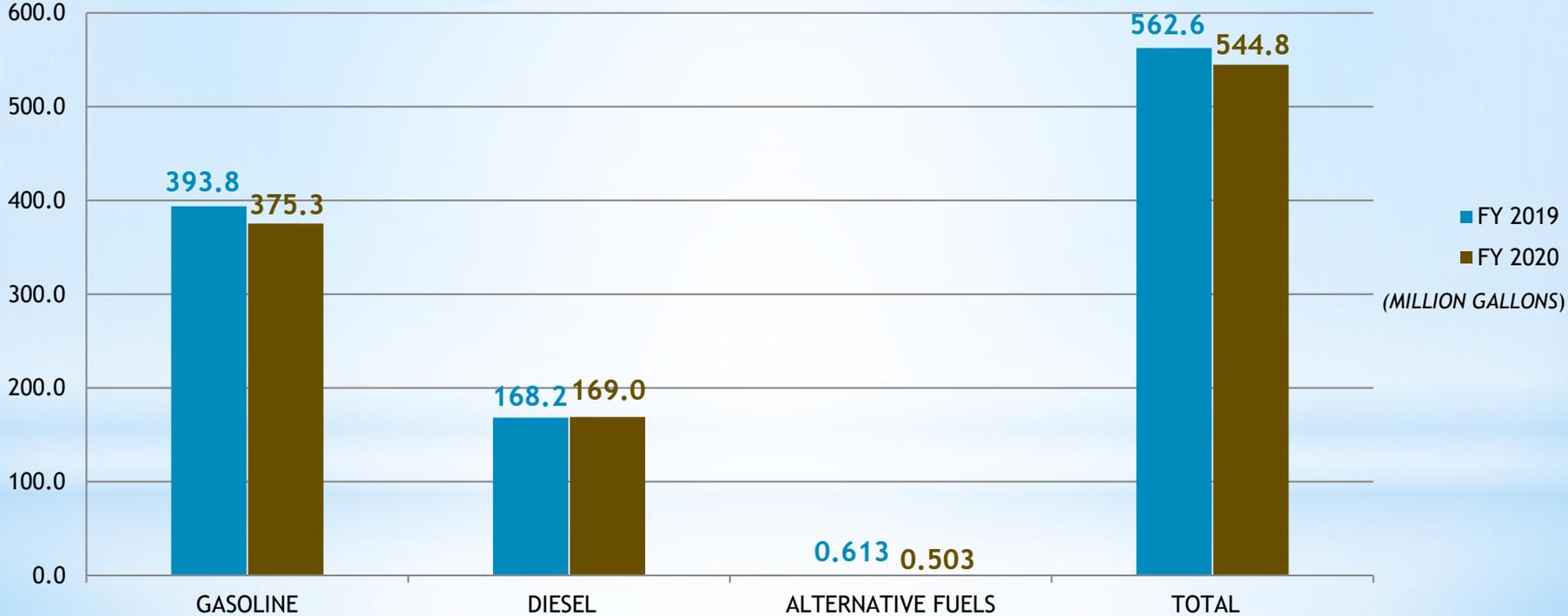
VARIANCE
% CHANGE

-18.5
-4.7%

0.8
0.5%

-0.11
-18.0%

-17.8
-3.2%





Arkansas Fuel Consumption

Rolling 12-month Comparison

Fuel	Previous 12 Months (gallons)	Current 12 Months (gallons)	Variance
Gasoline	1,505,995,607	1,440,309,589	-4.36%
Diesel	674,823,992	662,958,067	-1.76%
Alternative	4,622,048	2,230,984	-51.73%
Total	2,185,441,647	2,105,498,640	-3.66%

State Fiscal Year 2021 Sales Tax

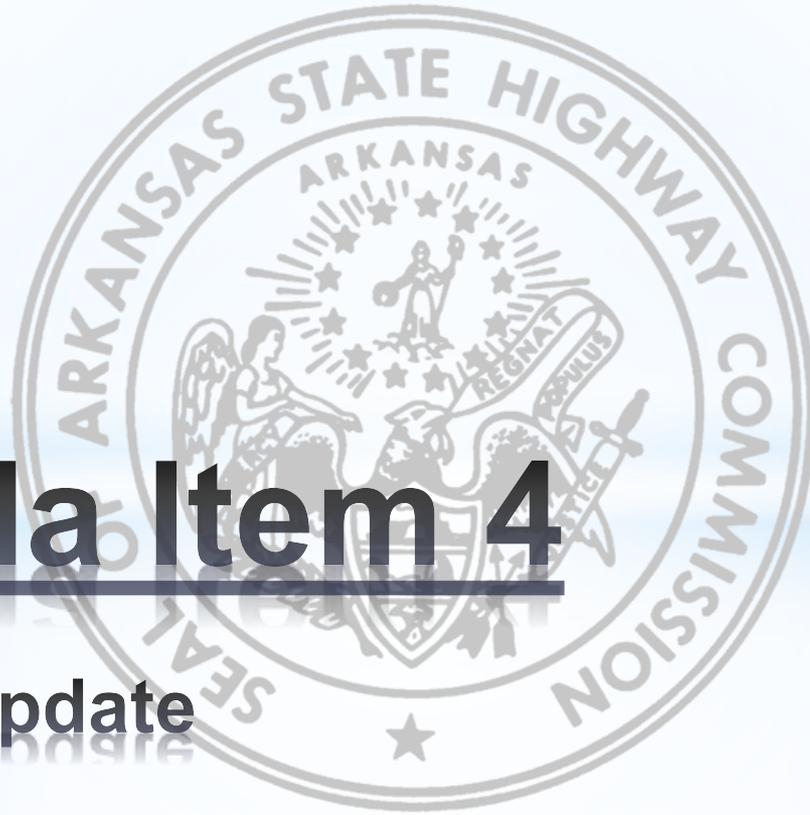
Mon	Projected Net	Actual Receipts	Variance	Monthly Variance	Annual Variance
Jul	17,170,000	18,816,487	1,646,487	9.59%	9.59%
Aug	17,380,000	18,702,853	1,322,853	7.61%	8.59%
Sept	17,240,000	18,476,462	1,236,462	7.17%	8.12%
Oct					
Nov					
Dec					
Jan					
Feb					
Mar					
Apr					
May					
Jun					
Total	51,790,000	55,995,802	4,205,802		

Half-Cent Sales Tax Projected vs Actual

Projected Net	Actual Receipts	Variance	Percent Variance
\$1,309,428,512	\$1,310,002,311	\$573,799	0.04%

Agenda Item 4

COVID-19 Update



Impact of COVID-19

Month	Previous 12 Months	Current 12 Months	Percent Change	Previous 12 Months	Current 12 Months	Percent Change	Previous 12 Months	Current 12 Months	Percent Change
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State Highway Revenue - Without Act 416 Funds

Month	Motor Fuel Tax			Registration Fees			Total		
	Previous 12 Months	Current 12 Months	Percent Change	Previous 12 Months	Current 12 Months	Percent Change	Previous 12 Months	Current 12 Months	Percent Change
March	\$ 22,634,672	\$ 24,339,660	7.53%	\$ 8,514,474	\$ 8,705,848	2.25%	\$ 31,149,146	\$ 33,045,508	6.09%
April	\$ 24,636,026	\$ 23,101,291	-6.23%	\$ 9,142,662	\$ 9,609,977	5.11%	\$ 33,778,688	\$ 32,711,268	-3.16%
May	\$ 24,344,595	\$ 19,437,241	-20.16%	\$ 10,619,201	\$ 9,619,852	-9.41%	\$ 34,963,796	\$ 29,057,093	-16.89%
June	\$ 26,368,130	\$ 23,354,265	-11.43%	\$ 7,831,782	\$ 8,205,066	4.77%	\$ 34,199,912	\$ 31,559,331	-7.72%
July	\$ 24,879,262	\$ 24,193,115	-2.76%	\$ 8,676,371	\$ 9,435,507	8.75%	\$ 33,555,633	\$ 33,628,622	0.22%
August	\$ 26,167,927	\$ 24,756,764	-5.39%	\$ 7,667,919	\$ 8,029,098	4.71%	\$ 33,835,846	\$ 32,785,862	-3.10%
September	\$ 26,245,312	\$ 25,782,670	-1.76%	\$ 6,330,002	\$ 7,046,988	11.33%	\$ 32,575,314	\$ 32,829,658	0.78%
Total	\$ 296,924,756	\$ 289,449,385	-2.52%	\$ 95,877,683	\$ 98,066,728	2.28%	\$ 392,802,439	\$ 387,516,113	-1.35%

Consumption

Month	Gasoline Gallons			Diesel Gallons			Total		
	Previous 12 Months	Current 12 Months	Percent Change	Previous 12 Months	Current 12 Months	Percent Change	Previous 12 Months	Current 12 Months	Percent Change
March	108,866,016	117,499,658	7.93%	60,394,411	63,714,295	5.50%	169,260,427	181,213,953	7.06%
April	120,199,534	115,296,560	-4.08%	52,600,192	52,632,873	0.06%	172,799,726	167,929,433	-2.82%
May	128,393,498	94,986,173	-26.02%	51,408,241	45,854,063	-10.80%	179,801,739	140,840,236	-21.67%
June	136,294,940	112,734,057	-17.29%	66,872,615	58,976,889	-11.81%	203,167,555	171,710,946	-15.48%
July	125,894,207	121,524,523	-3.47%	51,737,329	53,396,043	3.21%	177,631,536	174,920,566	-1.53%
August	131,775,034	128,081,767	-2.80%	49,595,981	51,777,018	4.40%	181,371,015	179,858,785	-0.83%
September	136,082,808	125,723,868	-7.61%	66,942,512	63,800,063	-4.69%	203,025,320	189,523,931	-6.65%
Total	1,505,995,607	1,440,309,589	-4.36%	674,823,992	662,958,067	-1.76%	2,180,819,599	2,103,267,656	9.41%

Travel Is Almost Back To Normal

Highway Revenue Continues To Recover

No Changes in Bid Letting Plans



COVID-19 Update

- **Operating Under Public Health Emergency**

- **High-Risk Employees**

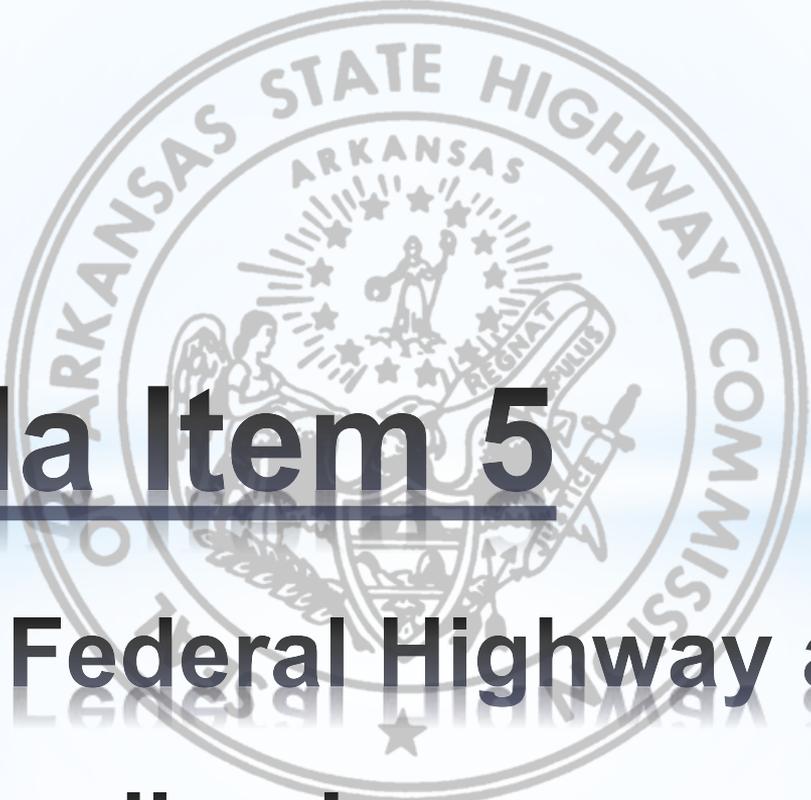
- **Status of Employees**

- ✓ Positive Cases
- ✓ Suspected Cases
- ✓ Potential Cases
- ✓ Secondary Cases



- **Department Continues to Support Essential Services**

- **Transportation of Additional Supplies**

The seal of the Arkansas State Highway Commission is a circular emblem. The outer ring contains the text "ARKANSAS STATE HIGHWAY COMMISSION" in a serif font. Inside this ring, the word "ARKANSAS" is written in a smaller font above a central figure. The central figure is a person standing on a globe, holding a staff with a star at the top. The figure is surrounded by a wreath and a banner that reads "REGNAT POPULUS". The seal is rendered in a light, semi-transparent grey color.

Agenda Item 5

**Status of Federal Highway and
Transit Funding Issues**

Federal Highway Funding Issues

FAST Act Expired September 30, 2020

Continuing Resolution Provides:

1-Year Extension of The FAST Act

Federal Funding Until December 11, 2020

\$13.6 Billion For Highway Trust Fund

58 Days Remaining Until Continuing Resolution Expires



Better Utilizing Investments to Leverage Development Grants

- **\$1.0 Billion Available for Federal Fiscal Year 2020 from BUILD Grants**
- **Rural Opportunities to Use Transportation for Economic Success (ROUTES)**
 - ✓ Address Rural Transportation Infrastructure Needs
 - Condition of Infrastructure
 - Safety
 - Economic Competitiveness
- **\$25 Million Maximum Award Per Project**
- **Limit of Three Applications**



BUILD Grants Application

UPRR Overpass & Realignment
(Mayflower)

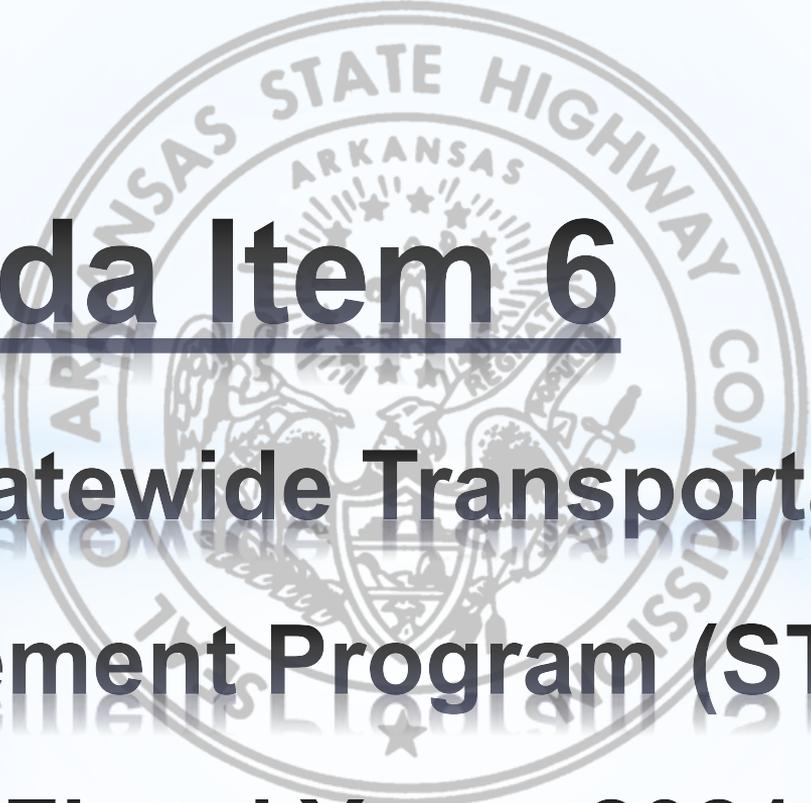


Highway 83 Spur – Highway 278
Connector
(Monticello)



U.S. Highway 67
Corridor
Improvements



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Agenda Item 6

**Draft Statewide Transportation
Improvement Program (STIP) For
Federal Fiscal Years 2021-2024**

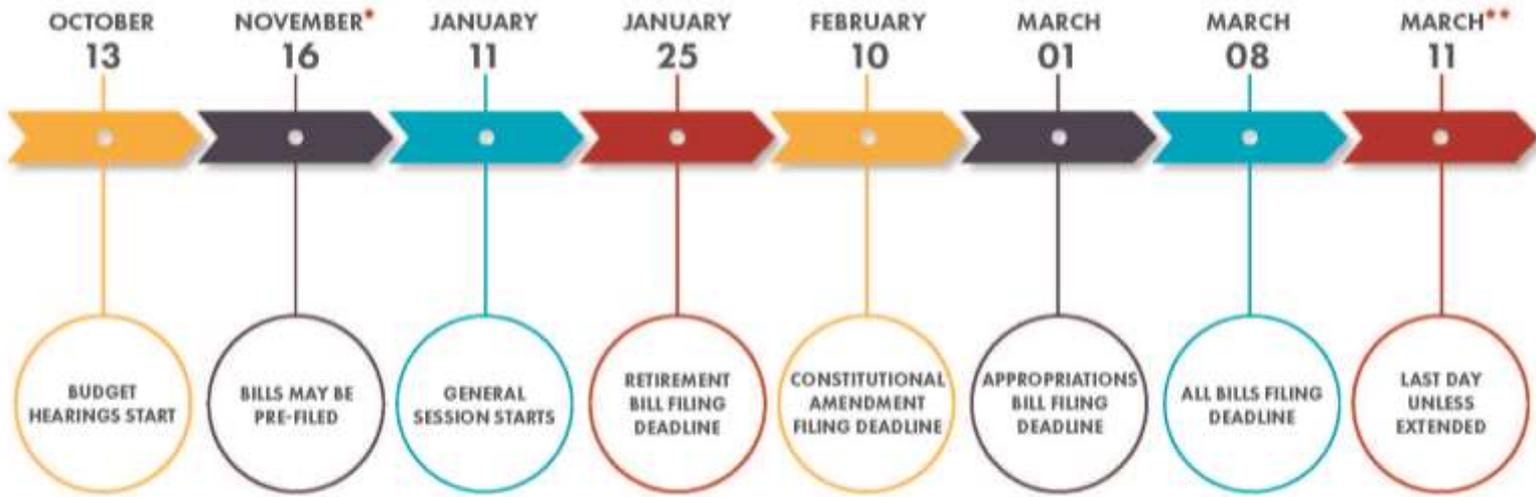


Agenda Item 7

Proposed 2021 Legislative Package

2021 General Legislative Session

2021 GENERAL SESSION IMPORTANT DATES



* THE DIRECTOR OF DFA IS REQUIRED TO PROPOSE A BALANCED BUDGET AND REVENUE FORECAST NO LATER THAN 60 DAYS BEFORE THE START OF THE SESSION.

** NO BILL MAY BE FILED THE LAST THREE DAYS OF A SESSION.

Scenic Highway: Hot Springs Bypass Extension



Autonomous Vehicle Responsibility Transferred to DF&A

Change Vehicle Weight for Intrastate Commercial Motor Vehicles



Change Maximum Vehicle Height Law

Amend Relocation Assistance Laws to Reference Federal Law



Change Oath of Office for Department Employees

ASHERS Net Assets as of June 30, 2020

FUND	AMOUNT
CASH	\$185,023,093
STOCKS	\$856,753,103
CORPORATE BONDS	\$126,909,543
GOVERNMENT BONDS	\$235,736,224
ACCOUNTS RECEIVABLE	\$3,300,556
SECURITIES LENDING COLLATERAL	\$21,478,619
ACCOUNTS PAYABLE	(\$554,704)
SECURITIES LENDING LIABILITY	(\$21,472,665)
NET ASSETS	\$1,407,173,769

ASHERS Performance vs. Peers*



* Through June 30, 2020; Comparison to Callan Public Fund Database

● ASHERS

2021 General Session – Possible Legislation

Contribution Policies

- Change Employer contribution requirement on DROP employees

ARDOT Cost	Employee Cost
\$3.9 million per year	\$0

Estimated reduction of amortization period: 15 years

- For new hires, change Employee contribution requirement for DROP

ARDOT Cost	Employee Cost
\$0	\$0

Since this is for new hires only, there is no immediate impact to the amortization period.

- Allow ASHERS Board, with Commission approval, to set Employer contribution rate based on actuarial calculations

ARDOT Cost	Employee Cost
\$0	\$0

Currently requires legislation

2021 General Session – Possible Legislation

Benefit Calculations

- Revise Annuity Benefit calculation to utilize high 5-year consecutive average

ASHERS Cost	Future Retiree Cost	<i>Estimated reduction of amortization period: 4.5 years</i>
\$0	\$0.8 million per year	

- Change Reciprocal Service Benefit calculation utilizing Department high salary to calculate ASHERS Benefit, rather than current use of “State” high salary

ASHERS Cost	Former Employee Cost	<i>Joint project of all state retirement systems</i>
\$0	Insignificant	

- Discontinue Health Care Offset for future DROP participants only

ASHERS Cost	Employee Cost	<i>Estimated reduction of amortization period: 1.3 years</i>
\$0	\$0.2 million per year	

2021 General Session – Possible Legislation

Eligibility Requirements

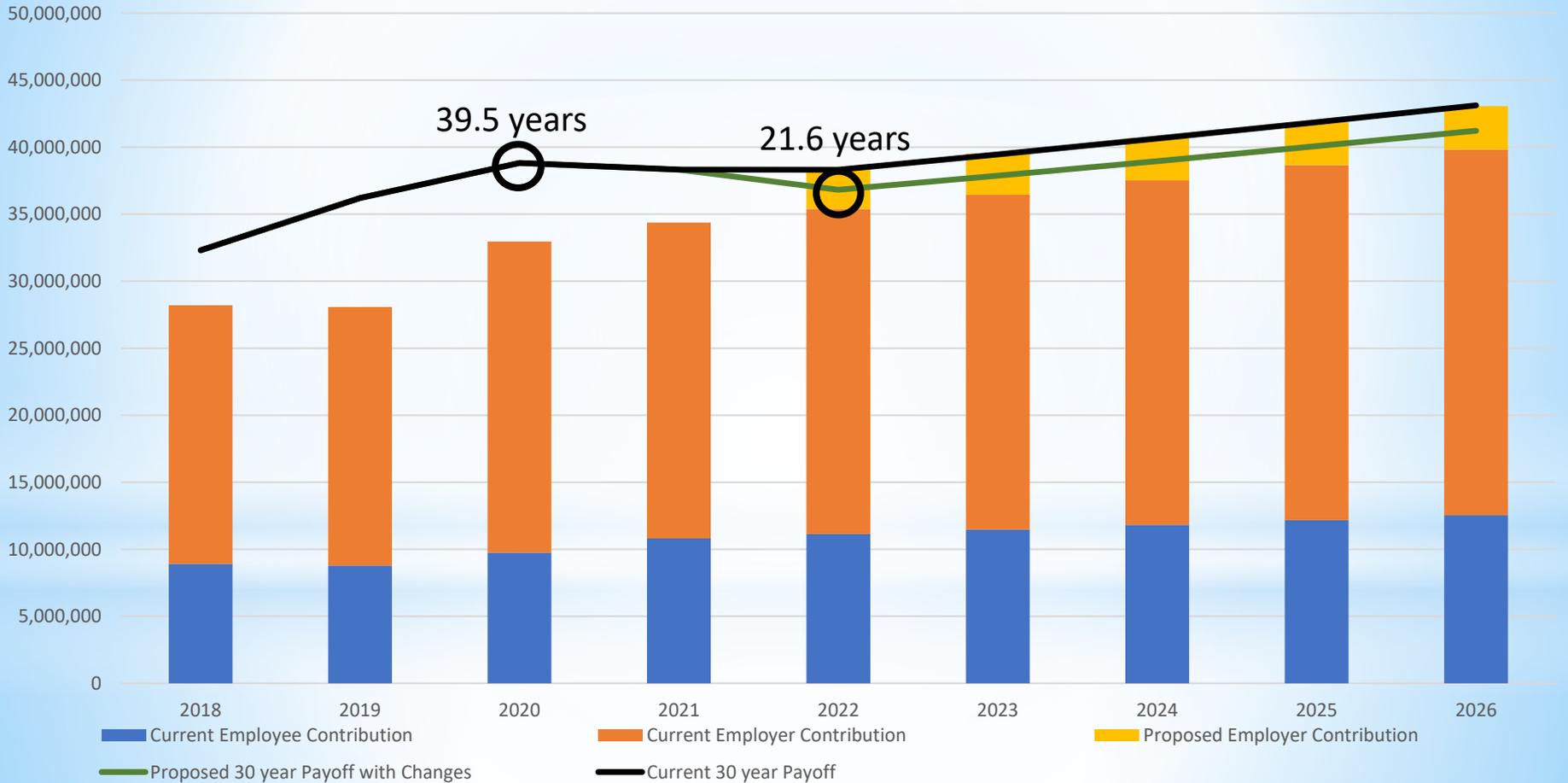
- Change Option B marriage requirement from 2 years to 1 year

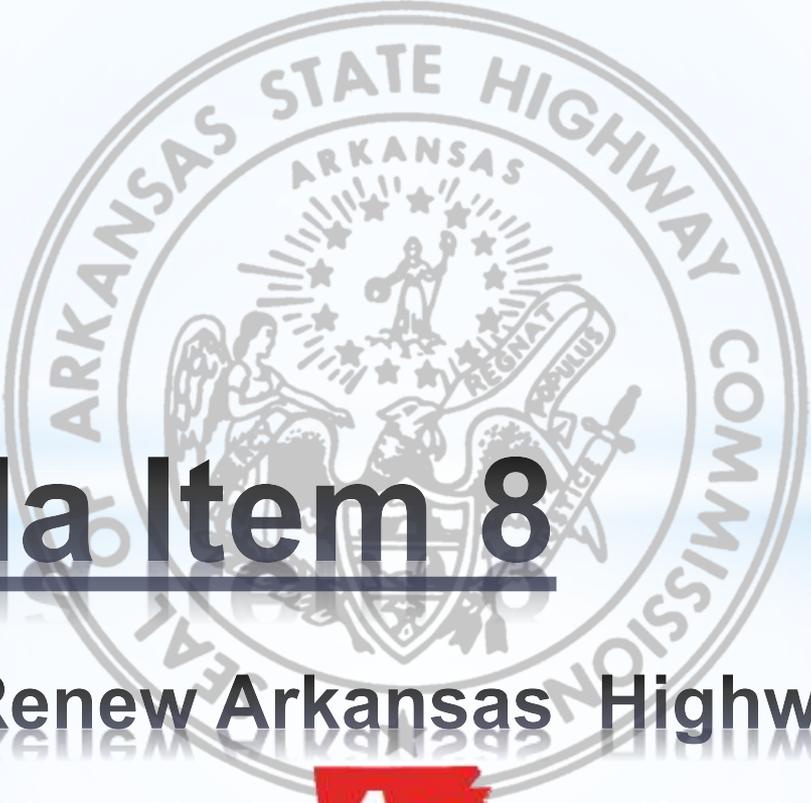
ASHERS Cost	Future Participant
\$0	Insignificant

Makes policies consistent across ASHERS and Social Security

ASHERS Contributions with Proposed Changes

Compared with Target Contribution Levels



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Agenda Item 8

Update on Renew Arkansas Highways Program



Presentations Previously Made

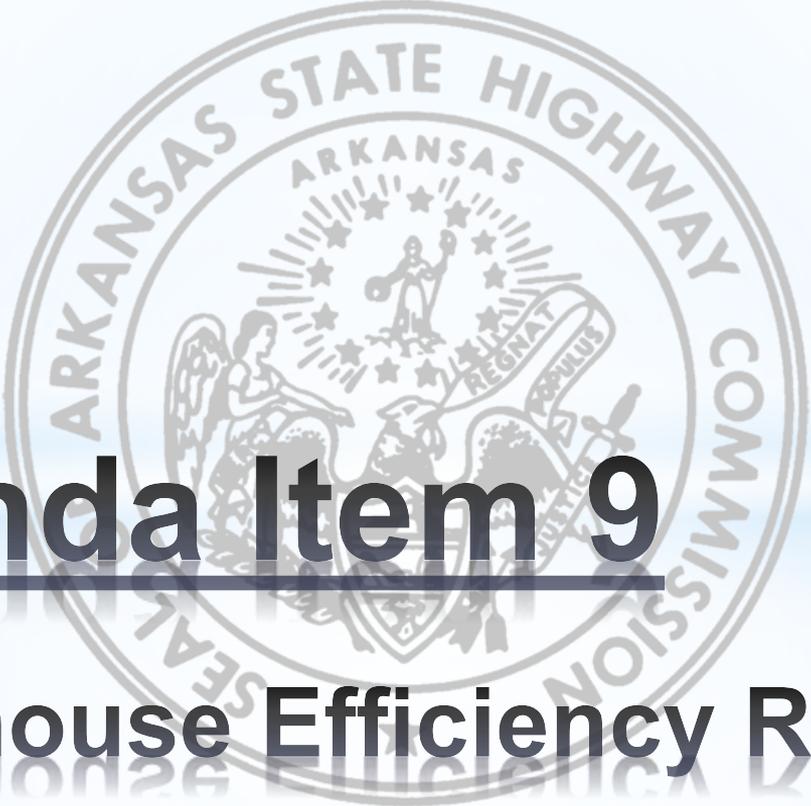
- **Three Weeks Until November 3rd**
- **Presentations Made**
 - ✓ Civic Organizations
 - ✓ Industry or Technical Groups
 - ✓ MPOs
 - ✓ Department Employees
- **Future Presentations**



Future Presentations

Date	City	Group
October 15	Jonesboro	Jonesboro Rotary Club
October 19	Benton	Hurricane Lake Estates Property Owner Association
October 19	Little Rock	Little Rock Engineers Club
October 20	Rogers	Rogers Noon Rotary Club
October 21	Fordyce	Fordyce Rotary Club
October 22	Conway	Conway Area Chamber of Commerce Leadership Class



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Agenda Item 9

Guidehouse Efficiency Review

Efficiency Review

- **August 23** – Consultant Contract Signed with Guidehouse LLP
- **September 18** – HCRAS Kickoff Meeting
- **September 24** – Data and Document Request Received from Guidehouse
- **October 14-16** – ARDOT Kickoff Meeting and Interviews Began with Key Staff
- **May 14** – Findings Presented by Guidehouse
- **June 10** – Commission Meeting with Senator Dismang
- **June 17** – Recommendations Report Presented to HCRAS by Guidehouse

Efficiency Review

- **July 22** – HCRAS Began Recommendation Meetings By Focus Area
 - ✓ **July 22nd** *Organizational Structure and People Capabilities*
 - ✓ **August 5th** *Portfolio Planning*
 - ✓ **August 19th** *Expenditures*
 - ✓ **September 16th** *Procurement and Information Technology*
- **October 5** – Draft Final Report Presented to HCRAS
- **October 12** – Draft Final Report Adopted by HCRAS
- **November 20** – Draft Final Report Submitted to Arkansas Legislative Council

The seal of the Arkansas State Highway Commission is a circular emblem. It features a central figure of a woman holding a scale, surrounded by stars and the word "ARKANSAS". Below the figure is a banner with the Latin motto "REGNAT POPULUS". The outer ring of the seal contains the text "ARKANSAS STATE HIGHWAY COMMISSION".

Agenda Item 10

Consultant Selection – On-Call

Cultural Resources (2021-2023)

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Agenda Item 11

Upcoming Events

Upcoming Events

October 14

ALC/Joint Budget Committee Hearing | Director Tudor

1:30 p.m. | MAC Room A

October 15

Jonesboro University Rotary Club | Director Tudor

7:00 a.m. | Jonesboro, AR

October 16

Roads and Bridges Coalition | Director Tudor

10:30 a.m. | Little Rock, AR

October 19

Little Rock Engineer's Club | TBD

Noon | Little Rock, AR

Upcoming Events

October 19

Hurricane Lake Estates POA | TBD

6:00 p.m. | Benton, AR

October 20

Rogers Noon Rotary Club | Director Tudor

Noon | Rogers, AR

October 21

Veterans Memorial Bridge Ceremony | Director Tudor

11:00 a.m. | North Little Rock, AR

October 22

Conway Area Chamber of Commerce Leadership Class | Director Tudor

8:00 a.m. | Conway, AR

Upcoming Events

October 28

District 3 Bridge Groundbreaking | Director Tudor

11:00 a.m. | Glenwood, AR

October 29

Good Roads Executive Board Meeting | Chairman Moore & Director Tudor

10:30 a.m. | Little Rock, AR

November 9-12

AASHTO Annual Meeting | Director Tudor

Virtual

November 18

HCRAS | Director Tudor

1:30 p.m. | MAC Room A

Upcoming Events

November 19

WTS Joint Meeting | Director Tudor

Noon | Little Rock, AR

November 20

Arkansas Legislative Council | Director Tudor

9:00 a.m. | MAC Room A

December 9

Commission Meeting

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Agenda Item 12

Other Business★

Volkswagen Settlement

- Settlement From Volkswagen Vehicle Emissions Scandal
- Total Settlement Of \$14.7 Billion
- Arkansas' Portion – \$1.1 Million
- Competitive Grant Program
- Department Awarded – \$1.1 Million
- Replaces 7 Trucks



Volkswagen



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Arkansas State Highway Commission Meeting

Wednesday, October 14, 2020