

MINUTES OF THE MEETING
OF THE
ARKANSAS STATE HIGHWAY COMMISSION

January 15, 2014

Following is the record of proceedings of the Arkansas State Highway Commission in Little Rock, Arkansas, January 15, 2014. Members present were:

John Ed Regenold, Chairman
Dick Trammel, Vice Chairman
Thomas B. Schueck, Member
Robert Moore, Jr., Member
Frank D. Scott, Jr., Member

2014-001 IT IS ORDERED that a meeting of the Arkansas State Highway Commission be opened at 9:00 a.m., January 15, 2014.

2014-002 WHEREAS, the Purchasing Committee has awarded purchases on January 7, 2014, in the amount of \$781,082.00, and supply and service contracts, in accordance with authority previously conveyed, all of which have been documented by official minutes which are of record in the files of the Commission and Equipment and Procurement Division.

NOW THEREFORE, IT IS ORDERED that the action of the Purchasing Committee be ratified and confirmed in all particulars.

2014-003 WHEREAS, the American Association of State Highway and Transportation Officials (AASHTO) has identified a need to upgrade the AASHTOWare product Expedite, which is used in electronic bidding; and

WHEREAS, the Department uses the Expedite software and has made it available for contractors to use in preparing electronic bids since the mid-1990s; and

WHEREAS, the member agencies of AASHTO have proposed a joint software development project to create AASHTOWare Project Bids to replace the aging Expedite software; and

WHEREAS, AASHTO is soliciting voluntary participation in the cooperative effort to develop AASHTOWare Project Bids; and

WHEREAS, this participation is eligible for 100% Federal-aid State Planning and Research (SPR) funds available in Federal Fiscal Years 2015 and 2016.

NOW THEREFORE, the Director is authorized to participate in this cooperative effort and to enter into such agreements as necessary to fulfill the Department's commitment to participate, not to exceed \$162,000 in SPR funds.

WHEREAS, the Moving Ahead for Progress in the 21st Century Act (MAP-21) includes new data requirements for bridge inspections and asset management; and

WHEREAS, National Bridge Inspection Standards (NBIS) compliance reviews have added requirements to the bridge inspection program; and

WHEREAS, the current software used by the Department for bridge inventory data is insufficient in providing the needed information for operational and strategic analyses for decision support for the maintenance, rehabilitation, and replacement of the Department's bridge assets; and

WHEREAS, Department staff has identified software used by several other states that can better serve as a long term asset management tool; and

WHEREAS, federal funding is available to assist in purchasing the needed software.

NOW THEREFORE, the Director is authorized to acquire the appropriate software and services needed to meet the bridge inspection requirements of MAP-21 and NBIS.

2014-005

WHEREAS, the Commission approved the 2013-2014 AHTD Operating Budget at the June 5, 2013 Commission meeting; and

WHEREAS, this budget contains a line item amount of \$800,000 of overtime for the Construction Division; and

WHEREAS, it is anticipated that an additional \$500,000 will be needed to cover the statewide inspection efforts associated with the current and upcoming construction projects; and

WHEREAS, these additional funds will further supplement the monies provided from federal participation.

NOW THEREFORE, the Director is authorized to modify the current operating budget by increasing the line item amount of overtime expenditures for the Construction Division by \$500,000.

2014-006

WHEREAS, the Arkansas State Highway and Transportation Department has 289 buildings on its inventory; and

WHEREAS, the Department is developing a management plan to focus on the repair, remodel and replacement of certain of these buildings at the appropriate times; and

WHEREAS, the staff has completed assessments for most of these structures; and

WHEREAS, architectural/engineering assessments which exceed the staff's capabilities are needed for the Central Office structure and for the District 5 Headquarters.

NOW THEREFORE, the Director is authorized to solicit and evaluate proposals for a complete assessment of the Central Office structure and for the District 5 Headquarters to include recommendations for repairs and remodeling to extend the service lives of both buildings.

2014-007

WHEREAS, Act 307 of the 2013 Regular Session of the 89th General Assembly states that the Arkansas State Highway Commission may award the pistol, shotgun or both, carried by an officer of the Arkansas Highway Police Division to the officer upon his or her retirement or to the officer's spouse if the officer dies while still employed by the Department; and

WHEREAS, the Arkansas State Highway Commission will implement this legislation in the following manner:

1. An officer must have a minimum of 15 years of satisfactory service.
2. Recommendation of the Chief of the Highway Police Division and concurrence of the Director.
3. Upon retirement, an officer will be awarded his or her pistol and be allowed to obtain his or her shotgun, if applicable, by purchasing it from the Department at the shotgun's current market value. This option will also be available to the officer's spouse, if the officer dies while still employed, provided the spouse is eligible under applicable state and federal laws to possess a firearm. This option will not be available to any other individual or family member other than the officer or spouse, as provided above.
4. The current market value of the shotgun will be determined and certified, in writing, by the Chief of the Highway Police Division.
5. Minimum service may be waived under extenuating circumstances.
6. This policy will be applicable to officers who retire or die upon or after the effective date of this Minute Order.

NOW THEREFORE, the Director is authorized to implement this policy and procedure consistent with this Minute Order.

2014-008

WHEREAS IN JEFFERSON COUNTY on State Highway 530, an original contract dated January 12, 2009, was awarded to T. J. Lambrecht Const., Inc. for Job No. 020353, FAP No. HPC-0018(47) & NCIIP-A123(4), I-530 – Steep Bank Cr. (Gr. & Strs.)(F), based on a low bid of \$22,672,617.02; and

2014-008 - Continued

WHEREAS, the Contractor has completed the project but has not remitted to the Department an overpayment in the amount of \$30,096.60; and

WHEREAS, the Contractor was notified by certified mail dated December 10, 2013 that unless money due the Department was refunded within 10 days of receipt of said letter, the project would be placed in default in accordance with Subsection 108.08 of the Standard Specifications; and

WHEREAS, the payment has not been received.

NOW THEREFORE, IT IS ORDERED that the right of T. J. Lambrecht Const., Inc. to proceed on Job No. 020353 is hereby terminated, and the Director is authorized to arrange for fulfillment of the contract obligations in accordance with the terms and conditions of the contract and bond.

2014-009

WHEREAS, IN LEE COUNTY, in the City of Marianna, local officials have expressed concerns involving the functionality of the Union Pacific Railroad underpass on Highway 79, Section 16, just north of the intersection with Highway 1; and

WHEREAS, local officials have stated that the height of the underpass is no longer adequate for the size of farm equipment and oversized vehicles traveling on Highway 79, thereby resulting in indirection through residential areas; and

WHEREAS, local officials have requested a study to determine the need for and feasibility of a bypass of this underpass in the vicinity of this location.

NOW THEREFORE, the Director is authorized to conduct a study to determine the need for and feasibility of the proposed bypass.

2014-010

WHEREAS, Minute Order 2013-042 adopted the Highway 5 Improvement Study (Hot Springs Village to Benton) to be used as a planning guide for scheduling future improvements in the area; and

WHEREAS, the Arkansas' Strategic Highway Safety Plan (2013) identified roadway departure crashes as a primary safety emphasis area; and

WHEREAS, IN SALINE COUNTY, a crash analysis of Highway 5, Section 7 from the Hot Springs Village East Gate to near the Benton City Limits has been completed; and

WHEREAS, the analysis determined that the predominant type of crashes is roadway departure crashes; and

WHEREAS, resurfacing, shoulder widening and geometric improvements would enhance safety on this route; and

WHEREAS, these improvements are eligible for Federal-aid Safety funds.

NOW THEREFORE, the Director is authorized to proceed with surveys, plans and construction of a project using Federal-aid Safety funds available for improvements in the Statewide Transportation Improvement Program (STIP) for Federal Fiscal Years 2013-2016.

2014-011

WHEREAS, IN WASHINGTON COUNTY, on Highway 16 between Highway 265 and Elkins, traffic volumes continue to increase; and

WHEREAS, a study to determine the need for and feasibility of improvements to this route would be useful as a planning guide in developing future highway construction programs.

NOW THEREFORE, the Director is authorized to conduct a study to determine the need for and feasibility of improvements to Highway 16 from Highway 265 to Elkins in Washington County.

2014-012

WHEREAS, IN ASHLEY COUNTY, the City of Crossett, by Resolution R-2013-4, has identified Highway 133T (Florida Street) in Crossett as "Dr. Martin Luther King Jr. Drive"; and

2014-012 - Continued

WHEREAS, the Highway Commission has adopted guidelines for the installation of commemorative signs by Minute Order 2009-033, and the actions taken by Crossett meet these guidelines.

NOW THEREFORE, the Director is authorized to permit the installation of signs at each end of Highway 133T in Crossett in accordance with Commission Policy.

2014-013

WHEREAS, the Arkansas State Highway Commission received bids on the following projects at the January 15, 2014 letting;

JOB NO.	DISTRICT	COUNTY	JOB NAME	ROUTE	APHN
BB0306	03	HEMPSTEAD	SHEPPARD-HWY. 278 (S)	30	Y
040570	04	WASHINGTON	BRANCH OF ILLINOIS RIVER STR. & APPRS. (S)	170	N
C09002	02	CHICOT	DERMOTT OVERLAY (SEL. SECS.) (S)	---	-
C18001	01	CRITTENDEN	MARION & SUNSET STREET IMPROVEMENTS (SEL. SECS.) (S)	---	-
C21002	02	DESHA	DUMAS, MITCHELLVILLE AND REED STREET IMPVTS. (SEL. SECS.) (S)	---	-
C68001	01	ST. FRANCIS	HUGHES OVERLAY (SEL. SECS.) (S)	---	-
C76006	02	DREW & LINCOLN	MONTICELLO & STAR CITY OVERLAY (SEL. SECS.) (S)	---	-
C76007	01	MONROE & LEE	CLARENDON & AUBREY OVERLAY (SEL. SECS.) (S)	---	-
BR7105	08	VAN BUREN	LINN CREEK STR. & APPRS. (S)	---	-
SA7531	08	YELL	CO. RD. 18 DRAINAGE IMPROVEMENTS (S)	---	-

and

WHEREAS, a thorough bid review and analysis is undertaken by the Department to ensure that only those projects are awarded which are judged to be in the best interests of the State; and

WHEREAS, the right is retained to reject any or all proposals, to waive technicalities, or to advertise for new proposals, also as judged to be in the best public interests of the State; and

WHEREAS, the Commission desires to expedite work on these important projects; and

WHEREAS, in accordance with Arkansas Constitution, Amendment 42, Section 6, as well as other laws of this State, the Commission has the authority to delegate certain of its powers to the Director of Highways and Transportation.

NOW THEREFORE, upon the Contractors furnishing the necessary performance and payment bonds and submitting all additional information required for the above mentioned projects, the Director is hereby authorized to enter into contracts and supplemental agreements for any projects deemed to be in the best interests of the State. Further, the Director is authorized to reject any or all proposals, to waive technicalities, and/or to advertise for new proposals whenever deemed to be in the best interests of the State.

MOTION Vice Chairman Dick Trammel moved, Commissioner Robert S. Moore, Jr. seconded and the motion passed to approve the Minutes of December 11, 2013.

MOTION Vice Chairman Dick Trammel moved, Commissioner Robert S. Moore, Jr. seconded and the motion passed to change the Standard Specifications for Highway Construction, Edition of 2013 to "Edition of 2014". The 2013 Edition was originally authorized by Minute Order Number 2013-109 on October 30, 2013.

MOTION Commissioner Frank D. Scott, Jr. moved, Vice Chairman Dick Trammel seconded and the motion passed to hire a qualified consultant to perform an "Asset Scan" efficiency review to identify all means available to maximize the performance of the Department. The approximate cost for the initial scan would be \$50,000.

OTHER DISCUSSION ITEMS

Mike Boyd, Administrative Officer V, Fiscal Services Division, provided the December 2013 update on state highway revenue. Mr. Boyd noted that state highway revenues to the Department from most traditional sources are down for the first six months of State Fiscal Year 2014 compared to State Fiscal Year 2013. However, State revenue from the increase in the natural gas severance tax is up, resulting in a slight overall increase in State highway revenue to the Department compared to last year. Actual state revenue received is also slightly up compared to projected (budgeted) revenue for this year. December revenue from the 0.5% General Sales Tax for the Connecting Arkansas Program was close to, but still slightly lower than projected by the Department of Finance and Administration (DF&A). This revenue source has now come in under DF&A's projections for five of the six months since the tax went into effect.

Director Bennett provided the latest information on the Federal highway and transit funding issues. The President signed Moving Ahead for Progress in the 21st Century (MAP-21) on July 6, 2012, authorizing funding for the final two months of FY 2012 plus two full fiscal years (FYs 2013 and 2014). The Consolidated and Further Continuing Appropriations Act of 2013 provided transportation funding through September 30, 2013. The Continuing Appropriations Act adopted by Congress and signed by the President on October 16, 2013 extended funding for the Federal-aid Highway and Transit Programs through January 15, 2014.

At the end of December 2013, a budget resolution was adopted by Congress and signed by the President. The budget is the necessary blueprint required before the appropriations process can begin. The next step is for the Appropriations Chairmen for the House and the Senate to agree on how to divide the \$1.012 trillion in discretionary budget authority in order to draft an omnibus Federal Fiscal Year 2014 appropriations law, which will include federal transportation funding, to be enacted by January 15.

Director Bennett also provided information on the Department's Highway Safety Program. The goal of the Federal-aid Highway Safety Improvement Program is to significantly reduce traffic fatalities and serious injuries on all public roads. Under MAP-21, the Department administers approximately \$42 million to \$43 million each year that must be used to fund roadway safety improvements. Between 2009 and 2012, this amount ranged from \$32 million to \$47 million.

Director Bennett gave an update on the status of the 2011 Interstate Rehabilitation Program (IRP) and the Connecting Arkansas Program (CAP), and State Aid City Street Program. The 2011 Interstate Rehabilitation Program was approved by Arkansas voters in November 2011. Under this program, the Commission has the authority to issue up to \$575 million in GARVEE bonds for Interstate rehabilitation. Two series of bonds have been issued. The first was sold in September 2012 at a par value of \$197 million (true interest cost of 1.6%) with a premium of \$33 million (total of \$230 million available for construction). The second was sold in October 2013 at a par value of \$171 million (true interest cost of 2.2%) with a premium of \$29 million (total of \$200 million available for construction).

The Connecting Arkansas Program was approved by Arkansas voters in November 2012. Under this program, the Commission has the authority to issue up to \$1.3 billion in general obligation bonds for four-lane highway construction. The first series of bonds was sold in September 2013 at a par value of \$469 million (true interest cost of 3.1%) with a premium of \$25 million (total of \$494 million available for construction).

With the approval of the 0.5% Sales Tax for the Connecting Arkansas Program, 1 cent in motor fuel tax revenue (approximately \$20 million annually) is being set aside for a State Aid City Street Program. Projects are selected by the State Aid City Street Committee and are designed, let to contract, and inspected by the Department.

Director Bennett informed the Commission that the Department's *Arkansas Highways* magazine received a Platinum Award in the recent international MarCom Awards competition.

Director Bennett gave a brief summary of the activity on the IDriveArkansas.com since it launched in October.

2014-014

IT IS ORDERED that a meeting of the Arkansas State Highway Commission be closed at 11:25 a.m., January 15, 2014.

I hereby certify that the above and foregoing is a true record of the proceedings taken by the Arkansas Highway Commission at its meeting on January 15, 2014.


Lindy H. Williams
Commission Secretary