

INFORMATION RELEASE



Office of the Director

ARKANSAS STATE HIGHWAY AND TRANSPORTATION DEPARTMENT
P. O. Box 2261 – Little Rock, Arkansas Telephone (501) 569-2227

Contact:
Randy Ort/Scott Munsell

NR12-117
September 4, 2012

HIGHWAY COMMISSION TO OPEN BIDS ON BOND SALE TO FUND INTERSTATE REHABILITATION

LITTLE ROCK (9-4) -- On Tuesday, September 11, the Arkansas Highway Commission will officially open competitive bids on the initial sale of Grant Anticipation Revenue Vehicle (GARVEE) Bonds, which will help fund upcoming Interstate improvement projects across the state.

The \$225 million bond sale will take place during the Commission's regularly-scheduled meeting beginning at 8:30 a.m. at the Jonesboro Chamber of Commerce Board Room. The Commission will reconvene on Wednesday, September 12 at 10:00 a.m. to confirm the sale. That meeting will be at the Arkansas State Highway and Transportation Department's Central Office Building at 10324 Interstate 30 in Little Rock.

The Arkansas General Assembly passed legislation authorizing the sale of up to \$575 million in GARVEE bonds (subject to a vote of the people) to fund the state's second Interstate Rehabilitation Program (IRP). The Governor called for a special election to be held on November 8, 2011, and the citizens overwhelmingly approved the proposal by a nearly 4 to 1 margin.

The September 11 sale is the first of three planned by the Commission. These bonds will help finance over \$1 billion in Interstate rehabilitation work. Under this program, 455 miles of the state's 656-mile Interstate system will be rehabilitated. More than half of the work will be underway by 2015, and completed in 2017.

[MORE]

Contracts for the first three IRP projects will be awarded in November for an estimated cost of \$120 million. That work will include improvements to sections of Interstate 40 near Russellville, Interstate 530 south of Little Rock and Interstate 540 in the Ft. Smith/Van Buren area. By the end of 2013, an additional nine projects totaling an estimated \$170 million are expected to be awarded for additional work on Interstates 40, 55 and 540.

Arkansas was one of the first states in the country to use the GARVEE bond funding mechanism in 1999, when proceeds from the sale of \$575 million in bonds helped pay for the state's first Interstate Rehabilitation Program. Nearly \$1 billion worth of improvements were made to approximately 375 miles of Interstate roadways.

"The GARVEE Bond Program remains well-suited to help us rehabilitate our Interstate highways quickly," said AHTD Director Scott Bennett. "Our 1999 IRP was a tremendous success, and we have equally-ambitious plans this time around. Motorists can expect to see work getting underway across the state beginning in early 2013."

####