

The AHTD

CENTERLINE

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Interstate Highway Bond Sale Is “Class Act of the Day” In the Bond Market

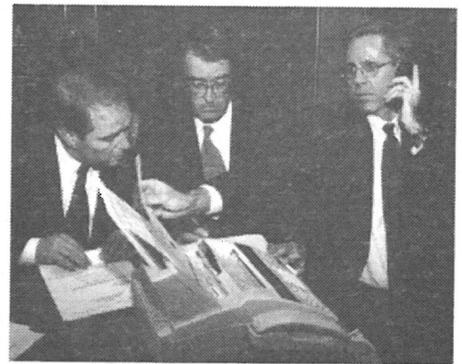
History was made this month as the Arkansas State Highway Commission issued bonds to be used for highway improvements.

On March 7 the Commission chose to competitively sell bonds for Interstate improvements. This was the first time in approximately 50 years that bonds have been sold to finance highway improvements in Arkansas.

Governor Mike Huckabee joined the Commission and Department staff as bids began arriving via the Internet shortly before 10:00 a.m. Five of the bids were received

electronically, while only one was delivered the old-fashioned way - by hand.

At the stroke of 10:00 a.m., Pat Born, the Commission's financial advisor, and bond counsel Paul Benham, III “opened” the bids. The bids received over the Internet were displayed on the projection screen, while the lone paper bid was opened and read aloud. The firm of Salomon Smith Barney submitted the best bid of the six. Their bid reflected a true interest rate of 5.2083% for the \$175 million in bonds.



AHTD Chief Fiscal Officer Larry Dickerson, Bond Counsel Jim Buttry, and Financial Advisor Pat Born watch as hard copy bids are received via fax machine.

the proceeds from the bond sale. Trinity Funding Corporation of New York City submitted the best bid, offering to pay 6.7775% interest on the fund balances.

Commission Chairman Herby Branscum, Jr. expressed the Commission's pleasure with the day's events. “We received a lower than expected rate on the interest we will pay on the bonds, plus a higher than expected rate on the interest we will earn. I don't know how it could have gone any better,” Branscum commented.

In comparing the Arkansas sale with other similar sales taking place around the country on March 7, Born said the Arkansas sale was “the class act of the day. You received better rates than were ex-

Salomon Smith Barney also had the largest number of firms with representatives in Arkansas included in their syndicate.

Later in the day, the Commission received bids from prospective firms for a guaranteed investment contract to invest



Financial Advisor Pat Born compliments the Commission and Director for their work on a successful bond sale.

pected, plus the bonds sold at a premium," meaning the bonds actually sold for more than their face value. "Competitive bidding served you well," Born added.

The premium Born referred to means the bonds actually sold for more than their \$175 million face value. Salomon Smith Barney paid \$178.1 million for the bonds, therefore, the Commission will receive approximately \$3.1 million in additional funds that it doesn't have to pay back or on which it doesn't have to pay interest. "That shows that these bonds were highly sought in the marketplace," Born explained.

Branscum and Born both complimented AHTD Director Dan Flowers and the work performed by staff leading up to the bond sale. "Congratulations to you and your staff," Born told the Commission and Flowers. "You all did a terrific job."

"Mr. Flowers, you and the staff were great," Branscum said. "The Commission has been very pleased with the whole process. It just couldn't have gone any better."

One of the reasons given for the successful sale was the bond rating. Director Flowers, staff members, and representatives from the Department of Finance and Administration made presentations to Moody's Investors Service and Standard and Poor's in February.



Governor Mike Huckabee congratulates the Commission on a very successful bond sale.

"This was a historic day for Arkansas," Flowers said. "It was a great day for the Commission, but it is the citizens who will see the benefits with the improvements we will be making to the Interstates."

The March 7 bond sale was the culmination of many months of hard work by the Commission and staff to put together a financial team and make all the necessary preparations.

The entire process started when the Commission began exploring innovative financing options in the mid-1990's after the Federal Highway Administration (FHWA) approved the use of Grant Anticipation Revenue Vehicles, or

forward in 1998 by seeking an Attorney General's opinion on the use of GARVEE bonds in Arkansas. Shortly thereafter, the Governor's Citizens Council on Highways and Transportation endorsed use of GARVEE bonds.

With the support of the Commission and the Governor, the General Assembly adopted legislation to put the question of issuing GARVEE bonds to a vote of the people. On June 15, 1999, the voters overwhelmingly approved the proposal by a nearly 4 to 1 margin to allow the Commission to issue up to \$575 million in GARVEE bonds to help finance an Interstate Rehabilitation Program. The program is planned to improve approximately 375 miles of Arkansas Interstates, with all the work being completed in approximately five years.

The voter approval put the issue back in the hands of the Highway Commission. They immediately began the process to sell the bonds as soon as possible. The Friday, Eldredge & Clark law firm of Little Rock was retained as bond counsel, and Evensen Dodge, Inc. of Minneapolis, Minnesota, was selected as the Commission's financial advisor. In December, the Com-

*"This was a historic day for Arkansas...
It's the citizens who will see the benefits with the
improvements we will be making to the Interstates."*

**Dan Flowers
AHTD Director**

The presentations proved successful as Moody's upgraded the state's rating to Aa2 while Standard and Poor's maintained their original strong AA rating.

GARVEE bonds. These bonds allow states to pledge future federal highway funding to retire bond debt.

Armed with information from the FHWA, the Commission pressed

mission voted to make the initial sale of bonds by competitive bid rather than negotiated sale, and selected March 7 as the date for the first sale.

"Now it's time to begin the work that is expected," Flowers said. "We're certainly off to a good start, but we've got to make the program a success. I'm confident we will make the most of this opportunity."

Selling the GARVEE bonds will help the Commission fund approximately \$952 million in Interstate rehabilitation work. "When it's all said and done, it's a bigger and better program than anyone ever thought or talked about," commented Commissioner Jonathan Barnett. "This is a billion-dollar program. The people will see nearly a billion dollars worth of construction on our Interstates in the next five years."

Other Commissioners were also pleased with the day's events and the overall program. "I think this Commission has always done a good job of using the money that we have available," commented Vice Chairman John "M" Lipton. "The hard part has been performing the work at a pace acceptable to the public. This program will really get the work done quicker."



AHTD Director Dan Flowers fields questions about the bond sale from David Lieb of the Associated Press.



AHTD Chief Counsel Robert Wilson, left, discusses the bond sale with Paul Benham, bond counsel.

"Today was a win-win situation for the Commission," noted Commissioner J.W. "Buddy" Benafield. "For the bids on both items to come in better than expected gets our program off to a good start."

Commissioner Mary P. "Prissy" Hickerson agreed, saying "It was a very exciting day and it makes us feel good about the decisions we have made. The future of this pro-

gram looks very promising at this point."

Twelve projects are scheduled for calendar year 2000. The first construction contracts will be awarded in the Commission's May bid letting. Additional first-year work will go to bid in June.

Future bond sales in 2001 and 2002 will help finance the remainder of the work.

"The Commission has been very pleased with the whole process. I don't know how it could have gone any better."

**Herby Branscum, Jr.
Commission Chairman**

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ARKANSAS STATE HIGHWAY COMMISSION
HERBY BRANSCUM, JR., CHAIRMAN
JOHN "M" LIPTON, VICE CHAIRMAN
J.W. "BUDDY" BENAFIELD
MARY P. "PRISSY" HICKERSON
JONATHAN BARNETT

DAN FLOWERS
DIRECTOR OF HIGHWAYS AND TRANSPORTATION

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Commissioners watch a big screen as the results of the bond sale are posted.

AHTD Personnel Changes

Steve Peeples

Staff Construction Engineer

Steve Peeples assumed the position of Staff Construction Engineer on February 10, 2000, after serving three years as Resident Engineer in North Little Rock. Peeples has been with the Department since 1981.



Steve Peeples

A 1974 graduate of Sylvan Hills High School, he earned bachelor's degrees in general science from Harding University and civil engineering from the University of Arkansas at Fayetteville.

Peeples is a resident of Cabot and has one child Aaron.

Crystal Cole

Section Head Training & Safety

Crystal Cole, Training Specialist, was promoted to Section Head of Training and Safety March 9, 2000.



Crystal Cole

Cole has a bachelor's degree in human resources management and is pursuing a master's degree in public administration from the University of Arkansas at Little Rock.

She began her career at the Department in 1990 as a seasonal employee. In 1993, upon graduation from college, she was hired as a General Clerk in the Training and Safety Section. In 1995 she became an Administrative Aide V to the Chief of Administration and Public Affairs.

In 1996 Cole promoted to Administrative Assistant II in the Training and Safety Section to assume training responsibilities. Her titled changed to Training Specialist in June 1999.

Cole is a member of the American Society for Public Administration, the Society for Human Resources Management, and the Arkansas Human Resources Association.

Dawn Richards

Section Head Materials Chemistry Lab

Dawn Richards was promoted to Section Head of the Chemistry Laboratory on December 30, 1999. She has worked as a Chemist since joining the Department in 1991. Prior to joining the AHTD, Richards worked 12 years for J.R. Simplot, a fertilizer production company in Pocatello, Idaho.



Dawn Richards

A native of Preston, Idaho, Richards graduated from

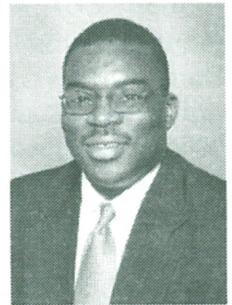
Preston High School and later earned a bachelor's degree in biochemistry from Idaho State University in Pocatello, Idaho.

Richards and her husband Don have two children, son Parker and daughter Madison.

Victor Turner

Administrative Assistant II Public Affairs Office

Victor T. Turner joined the Public Affairs Office as an Administrative Assistant II on February 28, 2000.



Victor Turner

Turner comes to the Department with over 10 years experience in both state and local government.

He began his career in local government in 1989 as an Urban Planner with the Southeast Arkansas Regional Planning Commission in Pine Bluff and worked in state government for the Arkansas Department of Parks and Tourism and the Arkansas Department of Economic Development before joining the City of Little Rock in 1998.

In 1988 Turner earned a bachelor's degree in public administration from the University of Central Arkansas and in 1991 earned a master's degree in public administration from the University of Arkansas at Little Rock.

Turner and his wife Monitia have two children, daughter Sydney and son Jared.

ROADEO Time Again!

2000 Equipment Operators' Roadeo Semi-Finals

The semi-final rounds of competition for the 1999 AHTD Equipment Operators' Roadeo began in March. The first place winners in each event of the semi-finals will participate in the statewide competition which is tentatively scheduled for June 1, 2000 at the Central Shops in Little Rock. The schedule for the semi-final competitions is as follows:

District 1	April 13	District 6/Central Office	March 30
District 2	March 9	District 7	March 16
District 3	March 23	District 8	April 27
District 4	April 6	District 9	April 20
District 5	May 11	District 10	May 4

The results of the District semi-finals that have already been held are listed below.

DISTRICT TWO - MARCH 9

Tractor/Lowboy

- 1st Jerome Miller
- 2nd Melvin Ford
- 3rd Franklin Long

Tandem Axle Dump Truck

- 1st Otis Jones
- 2nd Stanley Tripp
- 3rd Thomas Gateley

Single Axle Dump Truck

- 1st Robert Glover
- 2nd Teddy Walton
- 3rd Norman Rochelle

Tractor/Mower

- 1st Steve Sites
- 2nd Clarence Edwards
- 3rd Edward Kirkham

Backhoe

- 1st Kirk Chidester
- 2nd Junior Fox
- 3rd Ellis Landers

Motor Patrol

- 1st David Alverson
- 2nd Jefferson Wade
- 3rd Aronda Newman

DISTRICT SEVEN - MARCH 16

Tractor/Lowboy

- 1st Terry Hill
- 2nd Bryan Ryder
- 3rd Tim Wood

Tandem Axle Dump Truck

- 1st Kyle Ritchie
- 2nd Lonnie Teague
- 3rd Greg Bird

Single Axle Dump Truck

- 1st Jerry Smith
- 2nd Dennis Carpenter
- 3rd Nathan Boyd

Tractor/Mower

- 1st Carley Bledsoe
- 2nd David Grice
- 3rd Charlotte Stanley

Backhoe

- 1st David Culp
- 2nd Johnny Brandon
- 3rd Donald Crawford

Motor Patrol

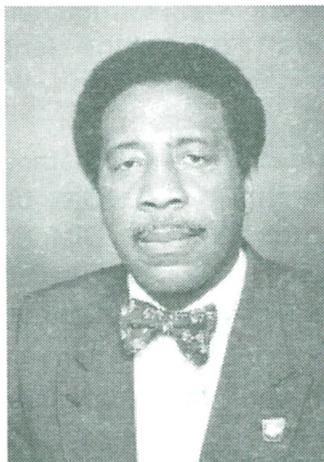
- 1st David Denson
- 2nd Randy Stinnett
- 3rd William Hickman

Robert Wilson Named To TRB Committee

The Transportation Research Board Executive Committee has appointed Robert Wilson, AHTD Chief Legal Counsel, to a two-year term on the Legal Resources Group Counsel.

The Group Counsel coordinates work for seven committees and provides legal training, research, and publications for transportation attorneys, particularly those working for state transportation departments.

Wilson will serve on the committee until January 31, 2003.



Robert Wilson

District Employees To Receive ID Cards

District employees are now in the process of receiving AHTD identification cards. Each District is responsible for securing specific employee information and a digital photograph to be used on the cards.



These ID Cards are to be worn when on official duty for the Highway and Transportation Department.

Catastrophic Leave Program Update

Since July 1, 1991, the Department has had the Catastrophic Leave Program in effect for use by employees who suffer a serious illness or injury and have exhausted all other leave. For employees to be eli-

gible to receive Catastrophic Leave they must have participated in the program by donating leave the previous leave year.

Employees are reminded that vacation leave balances

that exceed the maximum carryover may be donated to the Catastrophic Leave Program by contacting the Human Resources Office at 501-569-2451.

CATASTROPHIC LEAVE PROGRAM

History To Date - July 1, 1991 through March 8, 2000

Number of employees donating vacation or sick leave hours 2,158
 Number of employee granted catastrophic leave hours 223

	Hours	Converted To Days	Converted To Years
Vacation hours donated	21,398	2674.75	7.3
Sick hours donated	276,822	34602.75	94.8
Total hours donated	298,220	37277.50	102.1
Catastrophic leave hours granted	93,261	11657.62	31.9
Catastrophic leave hours redonated*	9,580	1197.50	3.3
Catastrophic leave hours balance	214,539	26817.37	73.5

*Employees granted leave who have returned to work earlier than anticipated.

Department's CDL Drivers Remain 99% Drug Free

The number of employees testing negative on random drug and alcohol tests continues to be above 99 percent. Since January 1, 2000, only one positive random test, out of 268 tests given, has been confirmed.

All AHTD positions requiring a commercial driver's license (CDL) are subject to drug and/or alcohol testing. Four types of tests are performed: random, post-accident, pre-employment/promotion and reasonable suspicion. A minimum of 50 percent of all CDL positions must be randomly screened for drugs on an annual basis and a minimum of

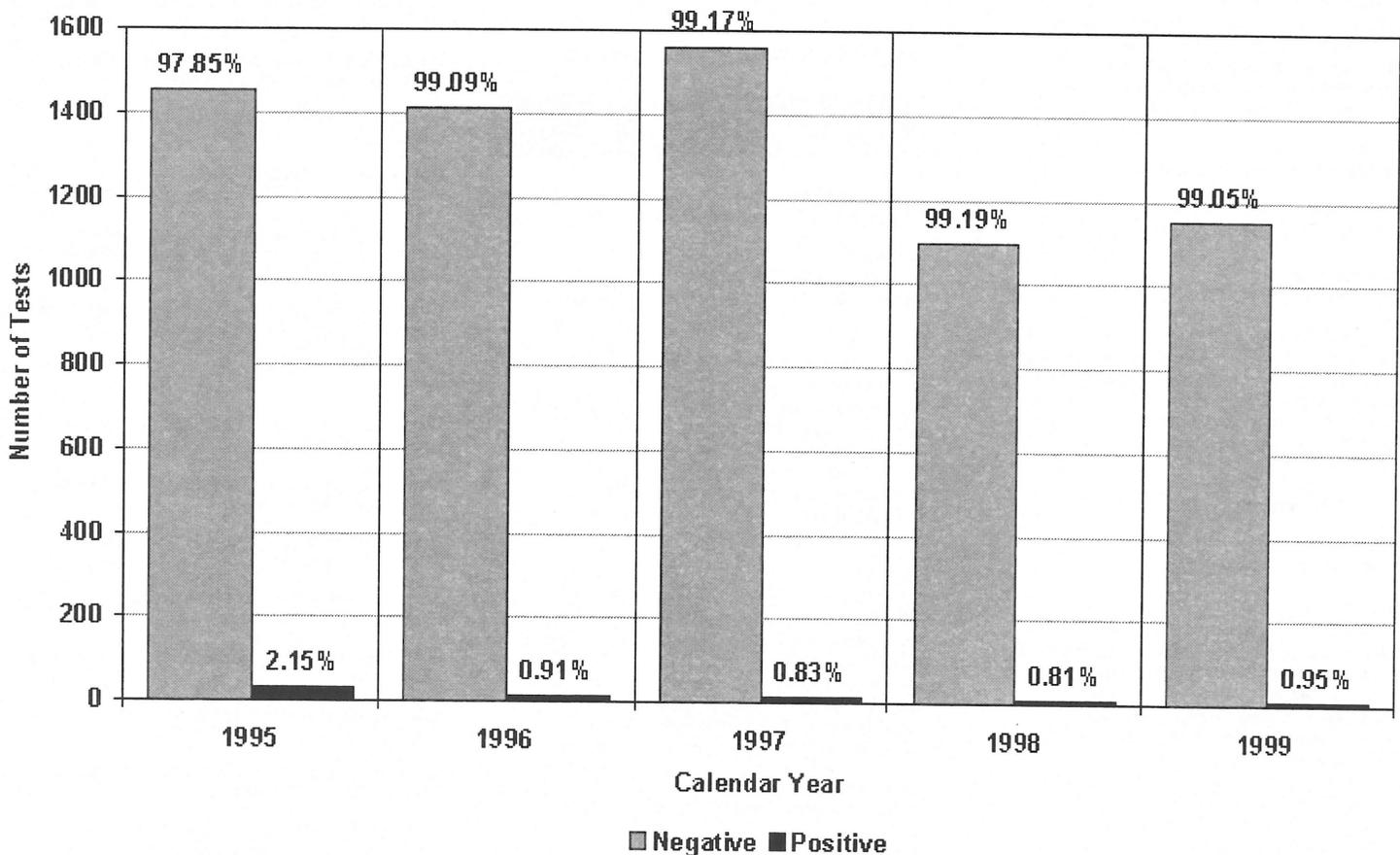
10 percent of all CDL positions must be randomly tested for alcohol. The Department began the Drug and Alcohol Testing Program January 1, 1995 and has recorded a total of 6677 negative random tests and 79 positive random tests.

The Department continues to utilize an independent contractor to randomly select crews to be tested, collect samples and send them to a licensed laboratory that screens for specific substances. Should a positive screen occur, a confirmation test is performed and the results are sent to a Medical Review Officer

(MRO). After consulting with the employee and offering a split sample retest, the MRO issues a report to the Department. If the employee declines the retest or the test is confirmed positive, the individual's employment is terminated. If the employee tests negative on the split sample retest, the MRO notifies the Department and the employee is reinstated.

The Department is pleased that the rate of negative results has remained above 99 percent and looks forward to a year when it can say "AHTD is Drug Free."

AHTD Random Drug and Alcohol Testing Results



AHTD PEOPLE



FEBRUARY 2000

NEW EMPLOYEES

Public Affairs

Victor Turner, Administrative Assistant II

District 1

Rickey Hall, James Leon, Jr., Single Axle Truck Drs.
Mike South, General Laborer

District 3

Larry Johnson, Single Axle Truck Driver
William Eubanks, General Laborer

District 4

Anthony Goines, General Laborer

District 5

Debra Eades, General Laborer
Cecil Meggs, Jr., Single Axle Truck Driver

District 8

Kimberly Campbell, General Laborer
Gary Buzbee, Construction Field Engineer II

District 10

Vincent Bouchard, Single Axle Truck Driver
Barbara Chapman, Likitha Washington,
Deanna Meigs, William Putman, General Laborers

PROMOTIONS

Computer Services

Charles Ashmore, Jr., Computer Technician III
Ronald Fields, Programmer Analyst
Ray Moix, Apps Analyst/Programmer V
David Phillips, Apps Analyst/Programmer III
Margarett Sithong, Lead Section Analyst

Fiscal Services

Kathleen Fooks, Account Analyst

Human Resources

Larry Speaks, Single Axle Truck Driver

Internal Audit

Alicia Garrett, Senior External Auditor

Maintenance

Dana McClellan, Fac. Mgmt. Office Admin. Asst. III
Anthony Cossey, Single Axle Truck Driver
Tracy Heard, Multi-Axle Truck Driver
Gavin Franke, Stripper Helper
Serena Osburn, Stripper Helper
Chad Walker, Stripper Helper

Programs & Contracts

Gwendolyn Vernon, Traffic Accident Analyst I

Roadway Design

Kevin Toblesky, Design Engineer

District 1

Lowell Cooper, Jr., Bridge Repairer I
Michael Gahr, Jr., Motor Patrol Operator/Finish
Tracy Heard, Multi-Axle Truck Driver
Ricky Ivy, Motor Patrol Operator/Finish
Sandi Kimble, Area Headquarters Attendant
David McKissick, Backhoe/Front End Loader Opr.
Jason Moore, Bridge Repairer I
Ernest Rose, Jr., Maintenance Aide II
James Wallace, Crew Leader
Gerry Washington, Maintenance Aide II
Myra Williams, Distributor/Roller Operator

District 2

Yvonne Fowler, Single Axle Truck Driver

District 3

Michael Blackwood, Distributor/Roller Operator
James Dixon, Latisha Landes, Ray Stuard, Single Axle Truck Drs.
Tim Tolleason, Maintenance Aide II

District 4

Steve Alexander, Sr., Danny Loyd, Single Axle Truck Drs.
David Whitlock, Welder

District 5

Lewis Rush, Crew Leader

District 6

Rusty Bornemeier, Backhoe/Front End Loader Opr.
Ahpashionata Campbell, Jack Denis III, Single Axle Truck Drs.
Chad Kurtz, Station Attendant
Brandi McCallister, Fuel Clerk
John McDorman, Ronald Scarborough, District Bridge Inspector Helpers
Ladonna Nelson, Storeroom Assistant II

District 7

Robert Berry, Ricky Brown, Audrey Myers,
William Wilkerson, Single Axle Truck Drs.
James Johnston, Backhoe/Front End Loader Opr.

District 8

Danny Burnett, Assistant Resident Engineer
Russell Deckard, Construction Aide II
Robert King, Single Axle Truck Driver

District 10

Levi Campbell, Shannon Weeks, Single Axle Truck Drs.

SERVICE

35 Years

David McFadden, D-1 Asst. Maintenance Supt.
Rayma King, D-9 Resident Office Technician

25 Years

Robert Conklin, D-6 Lowboy/Float Truck Driver
Jeffrey Barrett, D-9 Const. Materials Inspector

20 Years

Terry Pearson, Materials Technician IV
Jerry Vest, D-1 Construction Aide II
Norman Rochelle, D-2 Motor Patrol Operator/Finish
Jimmy Rhodes, D-3 Asst. Maintenance Supt.
Johnny Palmer, D-4 Crew Leader
Sharon Sikma, D-4 Construction Aide III
Clemen White, D-7 Rest Area Attendant
Duel Fendley, D-7 Motor Patrol Operator
Charlotte Nutt, D-7 Bookkeeper

15 Years

Lorie Tudor, Programs & Contracts Engineer I
Charles Aldridge, D-1 Senior Mechanic
Melinda Lester, D-3 Area Headquarters Attendant
Nan Williams, D-4 Personnel Clerk
Wayne Grist, D-4 Area Headquarters Attendant
David Hogue, D-8 Maintenance Aide II
Edward Watts, D-9 Maintenance Aide II
John James, D-9 Asst. Resident Engineer

10 Years

Keith Pounders, Maintenance Sign Maker II
Patricia Greenway, P&C Office Admin. Asst. III
Mark Woods, Roadway Senior Design Engineer
Jerry Shaffer, D-4 Multi-Axle Truck Driver
Carl Jones, D-4 Multi-Axle Truck Driver
Robert Hale, D-8 Hydraulic Excavator Opr./Finish

Walter Kordsmeier, D-8 Backhoe/Front End Loader Opr.
Sammy Parrish, D-10 Maintenance Aide II

5 Years

Elise Squires, Fiscal Services Admin. Aide I
Randall Hayes, Maint. Striping Machine Driver
Latricia Monk, D-3 Single Axle Truck Driver
Jerry McNeal, D-6 Single Axle Truck Driver
Eric Watson, D-9 Backhoe/Front End Loader Opr.
James Keeton, D-9 Construction Aide I
Shirley Gray, D-9 Field Clerk I

RETIREMENTS

Bobby McKinney, D-8 Single Axle Truck Dr., retired October 20, 1999 with 21+ years

Ollie Wilson, D-3 Single Axle Truck Dr., retired November 9, 1999 with 5+ years

Wilson Shipp, D-7 Motor Patrol Operator/Finish, retired December 29, 1999 with 13+ years

Ed Carthan, D-3 Single Axle Truck Dr., retired January 19, 2000 with 17+ years

Doyle Shrable, D-5 Multi-Axle Truck Dr., retired January 28, 2000 with 28+ years

Eibert Cornett, D-9 Area Maintenance Supv., retired January 26, 2000 with 12+ years

Laura Malat, Fiscal Services Payroll Specialist, retired February 2, with 24+ years

Angela Hall, AHP Permits Administrative Aide IV, retired February 2, with 29+ years

Lola Latta, Environmental Office Admin. Asst. V, retired February 28 with 18+ years

Gary French, Computer Services Apps Analyst/Programmer III, retired February 3 with 30+ years

Florence Routh, Planning & Research Planning Contract Specialist, retired February 23 with 37+ years

Richard Henriksen, Roadway Design Senior Traffic Investigator, retired February 8 with 34 years

William Irby, D-1 Guard, retired February 15 with 11+ years

Willie Jones, D-1 Multi-Axle Truck Dr., retired February 3 with 22+ years

Edward Glass, D-1 Maintenance Aide II, retired February 21 with 14+ years

Danny Cummings, D-3 Area Headquarters Attendant, retired February 21 with 25+ years

Homer Langley, D-4 Multi-Axle Truck Dr., retired February 17 with 13+ years

Jerry Clemence, D-4 Crew Leader, retired February 14 with 27+ years

Bob Raines, D-6 Maint. Job Supt., retired February 3 with 14+ years

Donald Spencer, D-9 Construction Aide II, retired February 11 with 26+ years

Franklyn Shavalia, D-10 Distributor Operator, retired February 22 with 23 years

Harold McElduff, D-10 Construction Aide III, retired February 28 with 21+ years