

ARKANSAS STATE HIGHWAY AND TRANSPORTATION DEPARTMENT
LITTLE ROCK, ARKANSAS

November 14, 2014

ADMINISTRATIVE CIRCULAR NO. 2014-17

TO: ALL DIVISION HEADS AND DISTRICT ENGINEERS

We are transmitting herewith for your information and records a copy of the Minutes of the Commission Meetings in Little Rock, AR on November 5, 2014.

After making a careful review of these proceedings, please take appropriate action through designated lines of authority to forward the carrying out of any orders applying to your respective divisions and districts.



Scott E. Bennett
Director of Highways
and Transportation

c: Commission



MINUTES OF THE MEETING
OF THE
ARKANSAS STATE HIGHWAY COMMISSION

November 5, 2014

Following is the record of proceedings of the Arkansas State Highway Commission in Little Rock, Arkansas, November 5, 2014. Members present were:

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

2014-120 IT IS ORDERED that a meeting of the Arkansas State Highway Commission be opened at 10:30 a.m., November 5, 2014.

2014-121 WHEREAS, the Purchasing Committee has awarded purchases on September 10 and 16, 2014, and October 2, 2014, in the amount of \$154,900.00, \$228,891.00, and \$85,304.80, respectively, totaling \$469,095.80, 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.

2014-122 WHEREAS, the Department is currently maintaining several Intelligent Transportation System (ITS) devices along the highway system and will be adding more devices in the future; and

WHEREAS, the Intelligent Transportation Society of America is an organization that supports research, development and deployment of ITS technologies; and

2014-122 - Continued

WHEREAS, membership in this organization provides a good resource for information to assist the Department in developing and maintaining policies, regulations, standards, and other ITS related matters.

NOW THEREFORE, the Director is authorized to pay the annual membership fee to ITS America in the amount of \$3,500.00 for the year 2015.

2014-123

WHEREAS, operational electronic weigh-in-motion systems installed on the ramps of Department weigh stations are essential to the enforcement of Arkansas's weight laws; and

WHEREAS, the current electronic weigh-in-motion systems are either inoperable or in a constant state of disrepair; and

WHEREAS, the current electronic weigh-in-motion systems are obsolete and electronic parts to repair the systems are no longer available.

NOW THEREFORE, the Director is authorized to increase the expense allotment of the Highway Police Division budget and update the electronic weigh-in-motion systems of Department weigh stations utilizing oversize/overweight permit fees of the Highway Police Division.

2014-124

WHEREAS, the Department owns and operates 97 fueling stations statewide for both gasoline and diesel fuels; and

WHEREAS, the dispensing and inventory control at these sites is presently performed and recorded manually; and

WHEREAS, Phase I, the acquisition and installation of a Real-time Automatic Tank Gauging System, is nearing completion; and

WHEREAS, Phase II would complete an Automated Fuel Management Program by incorporating an automated fuel dispensing and accounting system which would eliminate data entry errors, enhance accountability and provide a comprehensive inventory control and reconciliation system.

2014-124 - Continued

NOW THEREFORE, the Director is authorized to proceed with acquisition and installation of an Automated Fuel Dispensing and Accounting System as funds become available.

2014-125

WHEREAS, the Arkansas State Highway Commission has previously adopted and published permit rules and regulations for the movement of oversize and/or overweight vehicles on the Arkansas State Highway System as authorized by law; and

WHEREAS, certain changes in said rules and regulations are deemed necessary and desirable; and

WHEREAS, the proposed revisions were set forth for public comment from August 28, 2014, to September 30, 2014, and a public hearing was held on these proposed changes on September 30, 2014, during which time public comments were received and considered.

NOW THEREFORE, the current publication - *Permit Regulations for the Movement of Oversize and/or Overweight Vehicles on the Arkansas State Highway System (2000)* - is hereby rescinded and the attached - *Permit Rules for the Movement of Oversize and Overweight Vehicles on the Arkansas State Highway System (2014)* - is hereby adopted in its stead.

FURTHERMORE, the Director is hereby authorized to take the necessary steps to publish said rules and regulations and cause them to be incorporated into a manual for distribution by the Arkansas State Highway and Transportation Department; and

FURTHERMORE, the Director is authorized to submit the revised policy to the Legislative Council's Administrative Rules and Regulations Committee for their review and comment.

2014-126

WHEREAS, the Arkansas State Highway Commission (the "Commission") is authorized, pursuant to Title 27, Chapter 64, Subchapter 4 of the Arkansas Code of 1987 Annotated and an election held on November 8, 2011, to issue general obligation bonds of the State of

Arkansas (the "State") for the purpose of financing improvements to interstate highways in the State; and

WHEREAS, pursuant to Minute Order No. 2014-110, adopted September 17, 2014 ("Minute Order 2014-110"), the Commission authorized the sale of a series of State of Arkansas Federal Highway Grant Anticipation and Tax Revenue Bonds (the "Bonds"); and

WHEREAS, pursuant to a Preliminary Official Statement, dated October 27, 2014, and an Official Notice of Sale, dated October 27, 2014 (the "Notice of Sale"), the Bonds, in the aggregate principal amount of \$206,530,000, were offered for public sale on November 5, 2014; and

WHEREAS, at said sale the bids shown in Exhibit A attached hereto were received by the Commission in the form prescribed by the Notice of Sale; and

WHEREAS, the Commission's Financial Advisor, Stephens Inc., has recommended that the lowest and best bid for the Bonds by Citigroup Global Markets Inc., as representative of a group of underwriters (the "Purchaser"), be accepted; and

WHEREAS, the purchase price of the Bonds to be paid by the Purchaser is \$243,090,998.63 (including accrued interest);

NOW THEREFORE:

1. The acceptance by the Director of the bid of the Purchaser for the sale of the Bonds as authorized by Minute Order 2014-110 is hereby in all respects ratified and approved.

2. The "Series Resolution Providing for the Issuance of the State of Arkansas Federal Highway Grant Anticipation and Tax Revenue Bonds, Series 2014 and Specifying Various Matters Related Thereto" is hereby adopted in the form attached hereto as Exhibit B.

3. The Chairman and the Director are authorized to execute such writings and take such action as may be appropriate to cause the Bonds to be issued and to cause the proceeds thereof to be deposited and applied as set forth in the Series Resolution.

2014-126 - Continued

4. The Chairman and the Director are hereby authorized to do or perform all such acts and to execute all such certificates, documents and other instruments as they or any of them deem necessary or advisable to provide for the issuance, sale and delivery of the Bonds.

2014-127

WHEREAS, the Commission acquired right of way for Job No. 805, more commonly known as Paris-Midway Reconstruction, Highway 22, Route 22 Section 3, Logan County, Arkansas, by Logan County Court Order dated October 3, 1927, as it appears in record Book 4 of Page 335 and being recorded in County Court Records of Logan County, AR; and

WHEREAS, the District Engineer for District 4 has determined that an area inside the existing right of way is not now needed, nor in the foreseeable future will be needed, for highway purposes and recommends that these areas of the right of way be abandoned and are more particularly described below:

SURPLUS RELEASE
CENTERLINE DESCRIPTION
JOB 805
PARIS-MIDWAY RECONSTRUCTION
STATE HWY. 22
LOGAN COUNTY

From designated Construction Centerline Station 939+01.32 to Station 970+00.00 of the originally executed Court Order for Job 805 as shown on AHTD Job 4473, dated October 3, 1927 and being recorded in County Court Records of Logan County, Ar. In Book "4", Page "335-337" inclusive of said records shall hereby be removed from the Highway System and the Right of Way reduced as follows:

The width of the right of way conveyed to the left and right of the herein above described centerline shall be removed as shown on sheets 18 and 19 of the Right of Way plans for AHTD Job 4473 (Exhibit "A").

NOTE: In all other respects the original Court Order shall remain as is.
D.H.:d.h. Typed: 10/15/14 Rev 10/29/14 DH

NOW THEREFORE, BE IT RESOLVED, that the above described right of way is hereby released to Logan County; that the Right of Way Division is authorized and directed to record a copy of this Minute Order with the Recorder of Logan County; and, that the right of way shall, if necessary, be remonumented to reflect the new boundaries after the release of the above designated areas. Federal Aid Funds, if any, from this disposal shall be credited to Federal Funds or otherwise used or credited as provided by Federal Law.

2014-128

WHEREAS, IN BENTON COUNTY, IN SILOAM SPRINGS, Job 090406 is scheduled to replace the existing at-grade crossing at Highway 43 and the Kansas City Southern Railroad with an overpass structure; and

WHEREAS, the City of Siloam Springs and the Department have agreed to a partnering arrangement that includes the City accepting ownership of a portion of Highway 43 upon completion of this improvement; and

WHEREAS, the City of Siloam Springs has passed City Ordinance No. 14-06, that agrees to accept all responsibility, including ownership for the portion of Highway 43, Section 0, beginning at the junction with Highway 59 and continuing west to the junction with Highway 264, in accordance with Arkansas Code Annotated § 27-65-109.

NOW THEREFORE, IT IS ORDERED that upon completion of the improvement and upon official notification by the Deputy Director and Chief Engineer, the following changes are hereby made to the State Highway System as shown on the attached sketch.

- The portion of Highway 43, Section 0, beginning at the junction with Highway 59 and continuing west to the junction with Highway 264 in the City of Siloam Springs is hereby removed from the State Highway System as shown on the attached sketch.

2014-129

WHEREAS, IN MISSISSIPPI COUNTY, the Arkansas State Highway and Transportation Department (Department) plans to remove Highway 137, Section 1 Spur from the State Highway System; and

WHEREAS, the Department agrees to resurface the route and install three traffic calming devices at locations specified by Mississippi County prior to removal; and

WHEREAS, the Mississippi County Court has passed Court Order, CO. 2014-15, which agrees to accept all responsibility, including ownership of the roadway in accordance with Arkansas Code Annotated § 27-65-109.

NOW THEREFORE, IT IS ORDERED that upon official notification by the Deputy Director and Chief Engineer, the following changes are hereby made to the State Highway System as shown on the attached sketch.

- Highway 137, Section 1 Spur is hereby removed from the State Highway System.

2014-130

WHEREAS, IN BOONE COUNTY, Minute Order 2006-035 authorized a study to determine the need for and feasibility of a new route to divert traffic from Highway 65 within the City of Harrison; and

WHEREAS, the Harrison Bypass Study has been prepared and has identified several feasible alternatives to accommodate future traffic on this corridor.

NOW THEREFORE, this study is adopted for use as a planning guide for scheduling future improvements in the area.

2014-131

WHEREAS, IN CRAIGHEAD COUNTY, Minute Order 2013-113 authorized a study to determine the need for and feasibility of a proposed overpass of the Burlington Northern Santa Fe Railway (BNSF) crossing on Highway 18 in Jonesboro; and

WHEREAS, the Highway 18 BNSF Railroad Overpass Feasibility Study has been prepared and has identified feasible improvement alternatives to improve safety and alleviate delays; and

2014-131 - Continued

WHEREAS, the City of Jonesboro has received a Transportation Investment Generating Economic Recovery (TIGER) VI Discretionary Grant and has dedicated the required local matching funds to finance implementation of the planning, environmental and design activities for this improvement.

NOW THEREFORE, this study is adopted as a planning guide; and

FURTHERMORE, the Director is authorized to proceed with right-of-way activities and construction of this improvement as funds become available.

2014-132

WHEREAS, IN JEFFERSON COUNTY, Minute Order 2006-133 authorized a study to determine the need for and feasibility of improvements to Highway 190 in the City of Pine Bluff; and

WHEREAS, the Highway 190 Improvement Study has been prepared and has identified two feasible alternatives to enhance traffic flow and improve safety on the route.

NOW THEREFORE, this study is adopted for use as a planning guide for scheduling future improvements in the area.

2014-133

WHEREAS, IN LITTLE RIVER COUNTY, Minute Order 2008-019 authorized a study to determine the need for and feasibility of improvements to Highway 108 and Highway 108 Spur in the Foreman area; and

WHEREAS, the Highway 108 Improvement Study (Foreman) has been prepared and has determined that based on the low traffic volumes and the high cost of possible improvements, the no-build alternative is the most feasible recommendation as this time; and

WHEREAS, these routes should continue to be monitored for unforeseen changes in conditions that may warrant a re-evaluation of this recommendation in the future.

2014-133 - Continued

NOW THEREFORE, the study is adopted with no further action needed at this time.

2014-134 WHEREAS, an analysis of crash data from 2008 through 2012 on Highway 278, Section 15, Log Mile 5.00 to 7.00 has been completed; and

WHEREAS, the total crash rate at this location is twice the statewide average and the fatal serious injury (KA) crash rate is slightly lower than the statewide average; and

WHEREAS, the preliminary crash data shows two KA crashes have occurred since 2012; and

WHEREAS, the analysis shows that a majority of the crashes are roadway departure crashes, which is a primary safety emphasis area identified in the Arkansas Strategic Highway Safety Plan (2013); and

WHEREAS, improvements to enhance safety along this route have been identified and 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 as funds become available.

2014-135 WHEREAS, IN POPE COUNTY, IN THE CITY OF RUSSELLVILLE, local officials have expressed concern about traffic flow on Highway 7; and

WHEREAS, local officials have also expressed concern of the lack of a grade separated crossing with the Union Pacific Railroad east of Highway 7; and

WHEREAS, the City of Russellville has expressed interest in partnering with the Department to alleviate congestion in the city.

2014-135 - Continued

NOW THEREFORE, the Director is authorized to conduct a study to determine the need for and feasibility of enhancing north-south traffic flow in Russellville, including a grade-separation of the Union Pacific Railroad.

2014-136 WHEREAS, the Arkansas State Highway Commission received bids on the following projects at the November 5, 2014 letting;

JOB NO.	DISTRICT	COUNTY	JOB NAME	ROUTE	APHN
110572	01	PHILLIPS	FLETCHER CREEK STR. & APPRS. (S)	242	N
020535	02	CHICOT	HWY. 208-HWY. 65 (REHAB.) (SEL. SECS.) (S)	165	Y
020542	02	LINCOLN & DESHA	HWY. 212 STRS. & APPRS. (S)	212	N
030435	03	MILLER	LA. ST. LINE-TEXARKANA (CABLE MEDIAN BARRIER) (S)	49	Y
040024	04	WASHINGTON	WHITE RIVER STR. & APPRS. (ELKINS) (S)	74	N
050213	05	INDEPENDENCE	HWY. 394-CR 80 (ANTIOCH ROAD) (S)	167	Y
061194	06	PULASKI	MISSISSIPPI AVE.-PERRYVILLE RD. (HWY. 10) (L.R.) (S)	10	Y
061303	06	PULASKI	FIVE MILE CREEK STR. & APPRS. (REMOUNT RD.) (NLR) (S)	---	-
061312	06	GARLAND	HOT SPRINGS CREEK STR. & APPRS. (HOT SPRINGS) (S)	---	-
070282	07	UNION & CALHOUN	OUACHITA RIVER STR. & APPRS. (S)	167	Y
070396	07	UNION	HWYS. 82 & 167 (EL DORADO) (SEL. SECS.) (CABLE MEDIAN BARRIER) (S)	82 & 167	Y
070406	07	VARIOUS	DISTRICT SEVEN BRIDGE PAINTING (S)	VAR	Y
080391	08	VAN BUREN	N. OF BEE BRANCH-CO. RD. 28 (S)	65	Y
080437	08	JOHNSON	HWY. 64-EAST (MASSENGALE RD.) (CLARKSVILLE) (S)	---	-
080441	08	YELL	KEELAND CREEK STR. & APPRS. (S)	7	Y
090403	09	BAXTER	HWY. 201/ARKANSAS AVE. SIGNAL (MOUNTAIN HOME) (S)	201	Y

2014-136 - Continued

JOB NO.	DISTRICT	COUNTY	JOB NAME	ROUTE	APHN
100686	10	LAWRENCE	BLACK ROCK-PORTIA (S)	63	Y
100764	10	POINSETT	BAYOU DEVIEW STR. & APPRS. (S)	214	N

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 Frank D. Scott, Jr. seconded and the motion passed to approve the Minutes of September 17, 2014.

MOTION

The Commission approved a motion on July 23, 2014, authorizing the Department to advertise for consultant services for the development of an ITS Traffic Management Center. Vice Chairman Dick Trammel moved, Commissioner Robert S. Moore, Jr. seconded, and the motion passed to accept the Staff's recommendation to enter into negotiations with the firm of Kimley-Horn and Associates, Inc. of Austin, TX.

MOTION

The Commission approved a motion on July 23, 2014, authorizing the Department to advertise for consultant services for the development of an ITS Automated Workzone Information System. Commissioner Tom Schueck moved, Commissioner Frank D. Scott, Jr. seconded and the motion passed to accept the Staff's recommendation to enter into negotiations with the firm of Delcan, A Parsons Company, of Duluth, GA.

MOTION

Minute Order 2013-010 was passed in January 2013, giving the Department the authority to pursue the acquisition of property to construct a Resident Engineer's Office, Sealing Crew Building and Area Headquarters Complex in Pulaski County. The proposed site at that time was described as an area of property "west" of Interstate 440 on Highway 70 located in North Little Rock, Pulaski County. However, there were circumstances that caused Staff to consider another site located just "east" of Interstate 440 on Highway 70. Commissioner Frank D. Scott, Jr. moved, Commissioner Robert S. Moore, Jr. seconded and the motion passed to concur with Staff's recommendation to proceed with acquiring the newly located property for the intended use of constructing the needed facilities.

OTHER DISCUSSION ITEMS

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. In September 2012, the first series of bonds was sold at a par value of \$197 million (true interest cost of 1.6%), but at a premium of \$33 million. The net to the Department for construction was therefore \$230 million. In October 2013, the second series of bonds was sold at a par value of \$171 million (true interest cost of 2.2%), but at a

Discussion Item - Continued

premium of \$29 million. The net to the Department for construction was therefore \$200 million.

Minute Order 2014-110, adopted on September 17, 2014, authorized the offering of the third series of GARVEE Bonds in the aggregate principal amount of up to \$207 million. These bids were taken at 9:00 a.m. today. Dennis Hunt, Stephens, Inc., the Department's Financial Advisor for the Connecting Arkansas Program, reviewed the bids, and a Minute Order was presented to the Commission. The Minute Order was approved finalizing the sale of the third series of bonds.

Larry Dickerson, Chief Fiscal Officer, provided the September 2014 update on state highway revenue. Mr. Dickerson noted that state highway revenues to the Department from most traditional sources are up a total of \$0.1 million in the first three months of State Fiscal Year (SFY) 2015 compared to the same period for SFY 2014. With the revenue from the Natural Gas Severance Tax coming in higher for the first three months of this year compared to last year, total revenues available are \$4.1 million higher for this year. Actual state revenue received is also \$3.6 million higher compared to projected (budgeted) revenue for this year.

In closing, Mr. Dickerson stated that September revenue from the 0.5% General Sales Tax for the Connecting Arkansas Program was 2.8% lower (\$0.3 million) than projected by the Department of Finance and Administration (DF&A). This revenue source has come in under DF&A's projections for eleven of the fifteen months since the tax went into effect, and is cumulatively 2.0%, or \$3.9 million, under DF&A's projections to date.

Director Bennett provided the latest information on the Federal highway and transit funding issues. Director Bennett noted that the Highway and Transportation Funding Act of 2014 (H.R. 5021) is a temporary patch to the Highway Trust Fund and provides \$11 billion in transportation funding. It allows states to be reimbursed for projects until roughly May 2015, and it extends MAP-21 funding authorization and policies for highway, mass transit, and safety programs through May 31, 2015. Obligation authority for these Federal-aid programs was provided through December 11, 2014.

Director Bennett gave an update on the status of the 2011 Interstate Rehabilitation Program (IRP), 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, with bids on the third series to be received today, November 5, 2014. 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 revenue 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). No additional bond sales are planned under the CAP at this time.

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.

The Commission passed a Motion on September 17, 2014, to ask the City of Monette to have a final decision made by November 4, 2014, as to whether they will accept the bypassed portions of Highway 18 and 139 upon completion of the bypass. Director Bennett reported that the City of Monette voted to accept the AHTD's proposal.

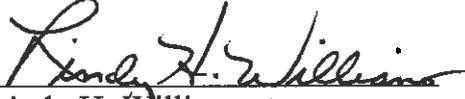
Director Bennett reported to the Commission the net proceeds to the Department, as a result of the October 28, 2014, auction of used vehicles, road machinery, equipment, and implements, totaled \$1,353,576.97.

In closing the meeting, Director Bennett presented a Proclamation to Ralph J. Hall, Deputy Director and Chief Engineer, honoring the distinguished career he has had at the Department. Ralph started at the Department in 1972 and will be retiring at the end of November.

2014-137

IT IS ORDERED that a meeting of the Arkansas State Highway Commission be closed at 12:00 p.m., November 5, 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 November 5, 2014.


Lindy H. Williams
Commission Secretary