

ARKANSAS STATE HIGHWAY AND TRANSPORTATION DEPARTMENT  
LITTLE ROCK, ARKANSAS

February 6, 2015

ADMINISTRATIVE CIRCULAR NO. 2015-03

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 January 28, 2015.

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

January 28, 2015

Following is the record of proceedings of the Arkansas State Highway Commission in Little Rock, Arkansas, January 28, 2015. Members present were:

Dick Trammel, Chairman  
Robert S. Moore, Jr., Member  
Frank D. Scott, Jr., Member  
Alec Farmer, Member

2015-001                   IT IS ORDERED that a meeting of the Arkansas State Highway Commission be opened at 10:00 a.m., January 28, 2015.

2015-002                   WHEREAS, the Purchasing Committee has awarded purchases on December 12 and 29, 2014, in the amount of \$77,450.00, and \$5,223,674.00, respectively, totaling \$5,301,124.00, 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.

2015-003                   WHEREAS, the American Association of State Highway and Transportation Officials (AASHTO) has billed the Arkansas State Highway and Transportation Department for departmental membership dues for the year 2015, which membership is regarded as being highly beneficial to the Department.

NOW THEREFORE, IT IS ORDERED that the Director is authorized to process for payment the statement for membership dues for the year 2015 in the amount of \$38,514.00.

2015-004

WHEREAS, the Arkansas State Highway and Transportation Department's cartographic services maintain up-to-date and accurate mapping for the State of Arkansas; and

WHEREAS, the State Highway Map, which is widely requested and used within the Department and by other state agencies and the public, is continually updated as part of this process.

NOW THEREFORE, the Director is authorized to enter into the necessary contracts and agreements for printing the 2015-2016 State Highway Map.

2015-005

WHEREAS, the United States Code of Federal Regulation requires that all sampling and testing of materials used in highway construction and maintenance be executed by qualified testing personnel, and that all contractor, vendor, and state testing used for acceptance decisions shall be performed at qualified laboratories; and

WHEREAS, the Center for Training Transportation Professionals (CTTP) was established at the University of Arkansas at Fayetteville in cooperation with the Department to provide training and certification of Department and contractor technicians; and

WHEREAS, there is a need to continue this certification program by the CTTP.

NOW THEREFORE, the Director is hereby authorized to renew a three-year agreement to continue the training and certification courses as mutually agreed upon by the Department and the CTTP.

2015-006

WHEREAS, it has been determined that improvements are warranted to enhance safety at the 21 railroad crossings indicated on the attached list; and

WHEREAS, Federal-aid Rail-Highway Crossing safety funds are available for these improvements.

NOW THEREFORE, the Director is authorized to proceed with improvements at these crossings subject to the following conditions:

2015-006 - Continued

- Maintenance of the signals and surfaces shall be performed by the Railroad Company at no cost to the State.
- All required right-of-way shall be furnished at no cost to the State.

2015-007

WHEREAS, some state highways are posted for weight restrictions below the maximum weight limits allowed by State law; and

WHEREAS, the "*Process for Establishing Roadway Maintenance Assessments on Weight Restricted Highways*" to accommodate non-divisible overweight loads by permit was developed and implemented in 2008; and

WHEREAS, the current Maintenance Assessment agreements was extended by Minute Order 2014-143 until January 31, 2015 and evaluations have determined that new values for the Roadway Maintenance Assessment payments by the permit applicants are warranted to recover damage costs on the weight restricted highways.

NOW THEREFORE, the Director is authorized to enter into new agreements with permit applicants and to implement the new values for Roadway Maintenance Assessment schedule. The new agreements shall be in effect until December 31, 2015.

2015-008

WHEREAS, the Arkansas State Highway Commission (Commission) acquired property known as Tract No. 43R from Grantors, Clifton E. Wood and Nancy S. Wood, by Warranty Deed filed for record on May 6, 2010, in the Circuit Clerk's office of Madison County, Arkansas, in connection with Job No. 009951, Hindsville-Huntsville Bypass, Route 412, Madison County, Arkansas; and

WHEREAS, Clifton E. Wood and his wife, Nancy S. Wood, have asked to repurchase Tract No. 43R which the District Engineer for District 9 has determined is not now, nor in the foreseeable future will be, needed for highway purposes; reserving unto Commission all abutters' and access rights to and from right Station 809+75 to Station 810+25; and

WHEREAS, the Commission acquired Tract No. 43R for THIRTY-TWO THOUSAND THREE HUNDRED AND NO/100 DOLLARS (\$32,300.00), which the tract is more particularly described as follows:

That part of the Northeast Quarter of the Northeast Quarter of Section 30, Township 17 North, Range 26 West, Madison County, Arkansas being more particular described as follows:

Commencing at a 3/8 Inch Rebar being used as the North Sixteenth Corner of Section's 29 and 30; thence North 88°14'20" West along the Southerly right of way line of Relocated U. S. Highway 412 and also along the South line on the Northeast Quarter of the Northeast Quarter of Section 30 a distance of 78.02 feet to the POINT OF BEGINNING; thence continue North 88°14'20" West along said South line a distance of 954.33 feet to a point; thence North 53°08'06" West a distance of 173.22 feet to a point; thence North 44°49'24" West a distance of 91.79 feet to a point on the Southerly right of way line of Relocated U. S. Highway 412 as established by AHTD Job 009951; thence North 45°00'38" East along said right of way line a distance of 85.00 feet to a point; thence North 05°19'08" East along said right of way line a distance of 42.30 feet to a point; thence South 67°41'25" East along said right of way line a distance of 401.15 feet to a point; thence South 85°59'06" East along said right of way line a distance of 751.33 feet to a point; thence South 16°01'40" West along said right of way line a distance of 99.55 feet to the point of beginning and containing 3.50 acres, more or less, (152,245 square feet, more or less) as shown on plans referenced as AHTD Job 009951.

RA 1/28/10

NOW THEREFORE, the above-described property is declared surplus and upon receipt of the consideration of THIRTY-TWO THOUSAND THREE HUNDRED AND NO/100 DOLLARS (\$32,300.00), the Chairman of the Commission is authorized and directed to execute a quitclaim deed conveying the above-described property to Clifton E. Wood and his wife, Nancy S. Wood; the Deed and a copy of this Minute Order shall be recorded in Madison County, Arkansas, and, if necessary, the right of way shall be remonumented. Any Federal-aid funds from this disposal shall be credited to Federal Funds or otherwise credited as permitted by Federal Law.

2015-009

WHEREAS, IN CRAIGHEAD COUNTY, Minute Order 2003-111 authorized a study of Highway 139 between Highway 18 in Monette and the Missouri State line to determine its ability to handle existing and forecast traffic volumes, including heavy trucks; and

WHEREAS, the Highway 139 Improvement Study has been prepared.

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

2015-010

WHEREAS, IN HEMPSTEAD COUNTY, IN THE CITY OF WASHINGTON, state and local officials have expressed concern about traffic and safety on Highway 278 near the Historic Washington State Park; and

WHEREAS, a bypass of Washington was studied in the 1970s.

NOW THEREFORE, the Director is authorized to conduct an updated study to determine the need for and feasibility of a Highway 278 bypass around Washington.

2015-011

WHEREAS, Burlington Northern & Santa Fe Railroad is constructing a new siding south of Osceola to serve the Big River Steel Mill and associated industrial development; and

WHEREAS, two of the affected crossings are on the State Highway System and currently protected by flashing lights; and

WHEREAS, additional train traffic and switch movements, number of tracks, and increased motor vehicle traffic warrant the installation of lights with gates.

NOW THEREFORE, the Director is authorized to proceed with improvements at these crossings subject to the following conditions:

- Maintenance of the signals and surfaces shall be performed by the Railroad Company at no cost to the State.

2015-011 - Continued

- All required right-of-way shall be furnished at no cost to the State.

| Route    | Location      | Railroad | Project                        | Cost Est. |
|----------|---------------|----------|--------------------------------|-----------|
| Hwy. 239 | S. of Osceola | BNSF     | Upgrade Lights & Install Gates | \$350,000 |
| Hwy. 198 | S. of Osceola | BNSF     | Upgrade Lights & Install Gates | \$350,000 |

2015-012

WHEREAS, the Grant County Quorum Court by Resolution 2014-04, and the Sheridan City Council by Resolution 2015-1 have acknowledged a portion of Highway 167 in Grant County, from the Highway 270 intersection to the Highway 46 intersection, as the “JB Webb, Willis A Ernest, James A Nichols Highway”; and

WHEREAS, the Highway Commission has adopted guidelines for the installation of commemorative signs by Minute Order 2014-023, and the actions taken by the Grant County Quorum Court and Sheridan City Council meet these guidelines.

NOW THEREFORE, the Director is authorized to allow the installation of signs at the specified locations on Highway 167 in Grant County in accordance with Commission Policy.

2015-013

WHEREAS, the Arkansas State Highway Commission received bids on the following projects at the January 27, 2015 letting;

| JOB NO. | DISTRICT | COUNTY    | JOB NAME   | ROUTE       | APHN |
|---------|----------|-----------|--|-------------|------|
| 020575  | 02       | CHICOT    | HWY. 208-HWY. 65 (REHAB.) (SEL. SECS.) (PHASE I) (S)             | 165         | Y    |
| BB0405  | 04       | SEBASTIAN | OKLAHOMA STATE LINE-HWY. 71 (S)                                  | 271 & I-540 | Y    |
| BB0602  | 06       | SALINE    | HWY. 70-WEST (WESTBOUND LANES) (F)                               | 30          | Y    |
| 090319  | 09       | BAXTER    | HWY. 62-HWY. 5 (MOUNTAIN HOME) (S)                               | 201         | Y    |
| 012229  | VAR      | VARIOUS   | SHOULDER RUMBLE STRIPS/STRIPES (SEL. SECS.) (DISTS. 2, 3, 7) (S) | ---         | Y    |

2015-013 - Continued

| JOB NO. | DISTRICT | COUNTY            | JOB NAME  | ROUTE | APHN |
|---------|----------|-------------------|---|-------|------|
| C02003  | 02       | ASHLEY            | PORTLAND & WILMOT OVERLAY (SEL. SECS.) (S)                | ---   | -    |
| C14003  | 07       | COLUMBIA          | WALDO OVERLAY (SEL. SECS.) (S)                            | ---   | -    |
| C20001  | 07       | DALLAS            | SPARKMAN OVERLAY & REHAB. (SEL. SECS.) (S)                | ---   | -    |
| C29001  | 03       | HEMPSTEAD         | HOPE OVERLAY (SEL. SECS.) (S)                             | ---   | -    |
| C31001  | 03       | HOWARD            | DIERKS OVERLAY (SEL. SECS.) (S)                           | ---   | -    |
| C35001  | 02       | JEFFERSON         | REDFIELD OVERLAY (SEL. SECS.) (S)                         | ---   | -    |
| C35003  | 02       | JEFFERSON         | WABBASEKA OVERLAY (SEL. SECS.) (S)                        | ---   | -    |
| C36003  | 08       | JOHNSON           | KNOXVILLE & HARTMAN OVERLAY (SEL. SECS.) (S)              | ---   | -    |
| C40001  | 02       | LINCOLN           | GOULD OVERLAY (SEL. SECS.) (S)                            | ---   | -    |
| C41001  | 03       | LITTLE RIVER      | ASHDOWN OVERLAY (SEL. SECS.) (S)                          | ---   | -    |
| C52002  | 07       | OUACHITA          | CHIDESTER PLEASANT HILL RD. & TATES BLUFF RD. OVERLAY (S) | ---   | -    |
| C76016  | 01       | LEE & PHILLIPS    | MARIANNA & HELENA-WEST HELENA OVERLAY (SEL. SECS.) (S)    | ---   | -    |
| C76017  | 01       | PHILLIPS & MONROE | ELAINE & HOLLY GROVE OVERLAY (SEL. SECS.) (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

Commissioner Frank D. Scott, Jr. moved, Commissioner Robert S. Moore, Jr. seconded and the motion passed to approve the Minutes of December 17, 2014.

#### OTHER DISCUSSION ITEMS

Chairman Trammel introduced Alec Farmer as our new Commissioner and welcomed him.

Larry Dickerson, Chief Fiscal Officer, provided the December 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 \$3.8 million in the first six 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 six months of this year compared to last year, total revenues available are \$11.3 million higher for this year. Actual state revenue received is also \$11.2 million higher compared to projected (budgeted) revenue for this year.

## Discussion Item - Continued

In closing, Mr. Dickerson stated that December revenue from the 0.5% General Sales Tax for the Connecting Arkansas Program was 2.0% 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 twelve of the eighteen months since the tax went into effect, and is cumulatively 1.1%, or \$2.7 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 on December 16, the President signed the \$1.1 trillion "Crominbus", which stands for the "continuing resolution" (CR) and "omnibus" spending bill. The Crominbus funds most government agencies through the end of the Federal Fiscal Year. Federal Highway and Transit Funding Programs are also extended through September 30, 2015. Highway Programs received \$40.9 billion, which is a continuation of the current spending levels. The \$2.2 billion in transit funding is \$141 million more than current levels. The Department of Transportation Appropriations Act of 2015 extends obligation authority through May 31, 2015. Further legislation will be necessary to extend obligation authority through September 30, 2015. In addition, the Federal Highway Trust Fund (HTF) is still in jeopardy. The Department can continue to obligate funds through May 31, 2015, but cannot be assured of timely reimbursement for expenditures.

The Highway and Transportation Funding Act of 2014 was a temporary patch to the HTF and provided \$11 billion in transportation funding. Without additional action from Congress, the HTF is projected to once again fall to critical levels early this summer and the Federal Highway Administration may be forced to begin reducing reimbursements to the states.

As a result, the Department has re-implemented cash management procedures and has pulled three projects from the January 27, 2015 bid letting. Director Bennett stated that it is important that the Department stabilize and protect our cash flow in the event Congress does not address this pending crisis.

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. 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 \$172 million (true interest cost of 2.2%) with a premium of \$29 million (total of \$201 million available for construction). The third was sold in November 2014 at a par value of \$206 million (true interest cost of 2.1%) with a premium of \$37 million (total of \$243 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).

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 comprised of nine (9) mayors and are designed, let to contract, and inspected by the Department.


The Regular Session of the 90<sup>th</sup> General Assembly convened on Monday, January 12, 2015. The bill filing started Monday, November 17, 2014. Director Bennett gave an update on the status of legislation pertaining to the Department and on upcoming meetings and events of interest.

Beginning this month, the Department will hold the Bid Letting the day before the Commission Meeting. Director Bennett presented a summary of the apparent low bids and bidders from the January 27, 2015 Bid Letting.

2015-014

IT IS ORDERED that a meeting of the Arkansas State Highway Commission be closed at 11:55 a.m., January 28, 2015.

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 28, 2015.

  
Lindy H. Williams  
Commission Secretary