

ARKANSAS STATE HIGHWAY AND TRANSPORTATION DEPARTMENT
LITTLE ROCK, ARKANSAS

February 2, 2016

ADMINISTRATIVE CIRCULAR NO. 2016-03

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 20, 2016.

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 20, 2016

Following is the record of proceedings of the Arkansas State Highway Commission in Little Rock, Arkansas, January 20, 2016. Members present were:

Dick Trammel, Chairman
Thomas B. Schueck, Vice Chairman
Robert S. Moore, Jr., Member
Frank D. Scott, Jr., Member
Alec Farmer, Member

2016-001 IT IS ORDERED that a meeting of the Arkansas State Highway Commission be opened at 10:00 a.m., January 20, 2016.

2016-002 WHEREAS, the Purchasing Committee has awarded purchases on November 25, 2015, and December 7, 21 and 30, 2015, in the amount of \$547,090.87, \$2,740,657.73, \$3,928,260.70 and \$85,813.00, respectively, totaling \$7,301,822.30, 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.

2016-003 WHEREAS, the American Association of State Highway and Transportation Officials (AASHTO) Materials Reference Laboratory (AMRL) is operated by AASHTO and is authorized and approved by the Executive Committee of AASHTO; and

WHEREAS, the services of the AMRL are necessary for the Department to establish and maintain proficiency in sampling and testing material; and

2016-003 - Continued

WHEREAS, the participation in funding the services of the AMRL supports the laboratory accreditation program and provides technical support in maintaining the AASHTO standards for materials testing; and

WHEREAS, the Department has received notice that its share of support for Fiscal Year 2016 is \$20,000.00.

NOW THEREFORE, the Director is hereby authorized to pay the Department's share of the cost of support for this AASHTO program for Fiscal Year 2016.

2016-004

WHEREAS, the Department is required by Act 641 of the 87th Arkansas General Assembly to conduct an annual wrong-way crash study on the freeway system; and

WHEREAS, the Arkansas Strategic Highway Safety Plan (2013) seeks to reduce fatalities on its highways to 400 or fewer by 2017; and

WHEREAS, on average, four fatalities occur every year in Arkansas due to a wrong-way crash; and

WHEREAS, the analysis identified low cost systemic improvements to provide substantial safety benefits; and

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

NOW THEREFORE, the Director is authorized to proceed with plans and construction of a safety project to implement these improvements as funds become available.

2016-005

WHEREAS, the Moving Ahead for Progress in the 21st Century Act authorized funding for the Transportation Alternatives Program and the Recreational Trails Program; and

2016-005 - Continued

WHEREAS, funding for these programs is available to the Arkansas State Highway and Transportation Department for Federal Fiscal Year 2016.

NOW THEREFORE, the Director is authorized to solicit applications from local sponsors to fund eligible projects under these programs.

2016-006

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 eligible for these improvements.

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

- 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.

2016-007

WHEREAS, the Arkansas State Highway Commission, acting by and through its Director of Highways and Transportation, (Director) and Cross, Gunter, Witherspoon & Galchus, P.C. entered into a "Master Agreement for Professional Services" ("the Agreement") on October 19, 2011, to provide On-Call Legal Services for the specialized area of personnel and employment law matters including representation of the Commission and the Arkansas State Highway and Transportation Department in civil proceedings in this specialty; and

WHEREAS, the Agreement is subject to renewal on a biennium basis for a total contract period not to exceed seven (7) years in accordance to A.C.A. § 19-11-238(a); and

2016-007 - Continued

WHEREAS, representatives of the Department recommended the Agreement be renewed by Supplemental Agreement No. 2 in order to provide for a final biennium term, with a completion date of December 31, 2018.

NOW THEREFORE, the Director's execution of Supplemental Agreement No. 2 is hereby ratified and confirmed in all particulars.

2016-008

WHEREAS, IN BENTON COUNTY, traffic volumes along the Highway 72 Corridor between Interstate 49 and the City of Pea Ridge continue to increase; and

WHEREAS, it has been determined that a study is required to identify the need for and feasibility of improvements.

NOW THEREFORE, the Director is authorized to conduct a study to determine the need for and feasibility of improvements to the Highway 72 Corridor between Interstate 49 and the City of Pea Ridge.

2016-009

WHEREAS, IN SHARP COUNTY, it has been determined that a study is required to identify the need for and feasibility of improvements to the Highway 167 Corridor between Cave City and Ash Flat; and

WHEREAS, the study should include improvement options for the segment of Highway 167 through Cave City.

NOW THEREFORE, the Director is authorized to conduct a study to determine the need for and feasibility of improvements to the Highway 167 Corridor between Cave City and Ash Flat.

2016-010

WHEREAS, IN CRAIGHEAD COUNTY, the Jonesboro Metropolitan Planning Organization's consultant recently completed the Johnson Avenue Bicycle/Pedestrian Study that recommended pedestrian safety improvements along Highway 91 between Highway 141 and Caraway Road in the City of Jonesboro; and

WHEREAS, a portion of this segment of Highway 91 is adjacent to the Arkansas State University's campus, which generates a high volume of pedestrian traffic; and

WHEREAS, the City of Jonesboro and the Arkansas State University have offered to share in the cost of the recommended pedestrian safety improvements to include mid-block refuge crossings and pedestrian warning signs; and

WHEREAS, the City of Jonesboro will be designated as the lead local agency for future project coordination, development and execution; and

WHEREAS, this work qualifies for Federal-aid Safety funds.

NOW THEREFORE, the Director is authorized to enter into the necessary agreements with the City of Jonesboro and to proceed with surveys, plans and construction for this improvement as funds become available.

2016-011

WHEREAS, the Arkansas State Highway Commission received bids on the following project at the January 13, 2016 letting; and

JOB NO.	DISTRICT	COUNTY	JOB NAME	ROUTE	APHN
090450	09	VAR	DISTRICT NINE BRIDGE PAINTING (S)	VARIOUS	Y

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 this important project; and

2016-011 - Continued

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 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 project, the Director is hereby authorized to enter into a contract and supplemental agreements for the project if 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.

2016-012

WHEREAS, the Arkansas State Highway Commission will open bids on the following projects at the February 10, 2016 letting; and

JOB NO.	DISTRICT	COUNTY	JOB NAME	ROUTE	APHN
110147	01	CROSS	BRANCH OF CANEY CREEK STR. & APPRS. (S)	284	Y
110557	01	CRITTENDEN	HWY. 131-NORTH (S)	147	Y
110571	01	CRITTENDEN	DITCH AT L.M. 2.30 STR. & APPRS. (S)	149	N
110623	01	ST. FRANCIS	S. POWELL ST.-CROW CREEK (MILL & INLAY) (S)	70	Y
110624	01	LEE	HWY. 79-HWY. 1 (OVERLAY) (S)	243	N
110625	01	CROSS	GUM SLOUGH-WOLFPEN SLOUGH (OVERLAY) (S)	42	N
020591	02	DESHA	SO. OF WATSON-HWY. 165 (OVERLAY) (S)	1	N
030460	03	PIKE	MURFREESBORO (SEL. SECS.) (OVERLAY) (S)	27 & 301	Y
040687	04	SCOTT	POLK CO. LINE-NORTH (HWY. 71) (OVERLAY) (S)	71	Y
040689	04	POLK	MENA-EAST (OVERLAY) (S)	88	Y
050271	05	FULTON	CREEK AT L.M. 3.10 STR. & APPRS. (S)	9	Y

2016-012 - Continued

JOB NO.	DISTRICT	COUNTY	JOB NAME	ROUTE	APHN
050272	05	JACKSON	CACHE RIVER-AMAGON STRS. & APPRS. (S)	14	Y
050327	05	STONE	SYLAMORE CREEK-WHITE RIVER (OVERLAY) (S)	5	Y
061441	06	GARLAND & SALINE	HWY. 128-BENTON (SAFETY IMPVTS.) (S)	5	Y
061450	06	HOT SPRING	ARKANSAS TOURIST INFORMATION CENTER (SOCIAL HILL) (S)	30	Y
061462	06	HOT SPRING	HWY. 270B-NORTH (SEL. SECS.) (OVERLAY) (S)	67	Y
061466	06	HOT SPRING	SOCIAL HILL-HWY. 171 (OVERLAY) (S)	84	N
070365	07	COLUMBIA	HWY. 79 NO.-CO. RD. 525 (MAGNOLIA) (S)	82	Y
070420	07	COLUMBIA	LOUISIANA STATE LINE-HWY. 98 (OVERLAY) (S)	79	Y
080426	08	FAULKNER	BONO-HWY. 124 (REHAB.) (S)	285	N
080511	08	FAULKNER	PULASKI CO. LINE-HWY. 64B (OVERLAY) (S)	107	Y
090427	09	BOONE	ARKANSAS WELCOME CENTER RECONST. (HARRISON) (S)	65	Y
090441	09	BENTON	SULPHUR SPRINGS-SPAVINAW CREEK (OVERLAY) (S)	59	Y
090443	09	BENTON	SPRINGTOWN-HWY. 279 (OVERLAY) (S)	12	Y
100819	10	CRAIGHEAD & LAWRENCE	HWY. 226-HWY. 412 (CABLE MEDIAN BARRIER) (S)	67	Y
100843	10	CLAY	BOYDSVILLE-EAST (SEL. SECS.) (OVERLAY) (S)	90	N
100844	10	POINSETT	TERRELL RD. OVERPASS-ST. FRANCIS RIVER (OVERLAY) (S)	63	Y
012230	04, 08 & 09	VARIOUS	ENHANCED STRIPING & SHLDR. RUMBLE STRIPS/STRIPES (DISTS. 4, 8 & 9) (S)	VAR	Y
C13001	07	CLEVELAND	KINGSLAND OVERLAY (SEL. SECS.) (S)	---	-
C24001	04	FRANKLIN	ALTUS OVERLAY (SEL. SECS.) (S)	---	-
C35004	02	JEFFERSON	WHITE HALL OVERLAY (SEL. SECS.) (S)	---	-

2016-012 - Continued

JOB NO.	DISTRICT	COUNTY	JOB NAME	ROUTE	APHN
C41002	03	LITTLE RIVER	OGDEN OVERLAY (SEL. SECS.) (S)	---	-
C42003	04	LOGAN	BOONEVILLE & MAGAZINE OVERLAY (SEL. SECS.) (S)	---	-
C63001	04	SCOTT	WALDRON 2ND ST. OVERLAY (S)	---	-
C76026	04	FRANKLIN & LOGAN	BRANCH, CAULKSVILLE & RATCLIFF OVERLAY (SEL. SECS.) (S)	---	-
C76028	01 & 05	WOODRUFF & JACKSON	AUGUSTA & TUPELO OVERLAY (SEL. SECS.) (S)	---	-
SA3048	06	HOT SPRING	HWY. 67-SOCIAL HILL (OVERLAY) (S)	---	-

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 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

Commission Chairman Dick Trammel brought up the previous Commission Minutes of December 2, 2015. Commissioner Robert S. Moore, Jr. moved, Commissioner Alec Farmer seconded and the motion passed to approve these previous Minutes.

OTHER DISCUSSION ITEMS

Mike Boyd, Chief Fiscal Officer, provided the December 2015 update on state highway revenue. Mr. Boyd noted that state highway revenues to the Department from most traditional sources are up a total of \$5.3 million in the State Fiscal Year (SFY) 2016 compared to the same period for SFY 2015. With the revenue from the Natural Gas Severance Tax coming in significantly lower for this year compared to last year, total revenues available are \$8.9 million lower for this year. Actual state revenue received is \$1.1 million higher compared to projected (budgeted) revenue for this year.

In closing, Mr. Boyd stated that December revenue from the 0.5% General Sales Tax for the Connecting Arkansas Program was 2.14% lower, (\$303,477) than projected by the Department of Finance and Administration (DF&A). This revenue source has come in higher than DF&A's projections for 5 of the past 6 months, and is cumulatively 0.08%, or \$338,000, over DF&A's projections to date.

Director Bennett provided the latest information on the Federal highway and transit funding issues. Director Bennett noted that after the 36th stopgap surface transportation measure passed by Congress in the last decade, on December 4, 2015, President Obama signed into law the Fixing America's Surface Transportation Act, or "FAST Act."

It is the first law enacted in over ten years that provides long-term funding certainty for surface transportation, meaning States can move forward with critical transportation projects with the confidence that they will have certainty in Federal Highway funds over the long term.

The FAST Act authorizes 5 years of funding (2016-2020) totaling \$305 billion from both the Highway Trust Fund and the General Fund of the US Treasury. It provides \$225.2 billion for highway investment, a \$20.2 billion increase over five years compared to maintaining FY 2015 funding. About half of the increase, or \$10.7 billion,

Discussion Item - Continued

will support two new proposed initiatives – a National Freight Program and a program of Nationally Significant Freight and Highway Projects.

For Arkansas, this equates to a \$250 Million increase in Federal Highway funds over five years compared to maintaining FY 2015 funding.

Arkansas receives 1.32% of the national amount available from all Federal highway funding.

Director Bennett gave an update on the Governor's Working Group on Highway Funding. On April 23, 2015, Governor Asa Hutchinson issued an executive order to create the Governor's Working Group on Highway Funding. This group is serving as an investigative and advisory body of the Governor and is exploring alternative means and strategies to fund the construction, reconstruction and maintenance of Arkansas' roads and bridges. On May 6, the Governor named the members of the group, and seven meetings have been held to date – June 24, July 28, August 20, September 3, September 24, October 22, and November 19.

The group presented its 'Short-Term Recommendation' to the Governor on December 15, 2015. The 'Short-Term Recommendation' included four proposals, each consisting of numerous funding options, that only address the short-term needs of the Department. The Governor is expected to use those options to formulate a plan that he will present publicly on January 19th. It is believed the Governor is considering calling a special legislative session this spring to consider his plan.

The Working Group also expressed its desire and willingness to continue meeting to address the mid- and long-term funding needs of the AHTD if directed by the Governor.

Director Bennett gave an update on the status of the 2011 Interstate Rehabilitation Program (IRP) and Connecting Arkansas Program (CAP). 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. Three series of bonds have been issued. The first

Discussion Item - Continued

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). No other bond sales under this program are expected.

Director Bennett presented a summary of the apparent low bids and bidders from the January 13, 2016 Bid Letting.


Director Bennett gave a recap of significant events and accomplishments that occurred during 2015 and presented plans, goals and challenges that are ahead in 2016.

Director Bennett provided a list of upcoming meetings and events, including "Arkansans Ask" on AETN that will air, January 21 at 7:00 pm, and the Association of General Contractors meeting on January 27 at 12:00 pm in Little Rock.

2016-013

IT IS ORDERED that a meeting of the Arkansas State Highway Commission be closed at 11:50 a.m., January 20, 2016.

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 20, 2016.


Lindy H. Williams
Commission Secretary