

ARKANSAS STATE HIGHWAY AND TRANSPORTATION DEPARTMENT



Rotary Club of Eureka Springs

October 17, 2012

Challenges

- **12th** largest system in the country
 - **43rd** in highway revenue per mile.
-
- **\$23 billion** in needs
 - **\$4 billion** in available revenue



How We Compare

Highway Mileage

- Arkansas 16,382 miles
- Illinois 16,161 miles
- California 15,225 miles
- New York 15,033 miles
- Tennessee 13,793 miles
- Florida 12,084 miles



How We Compare

Revenue Per Mile

| | | |
|--------------|--------------|-----------|
| • Arkansas | 16,382 miles | \$58,536 |
| • Illinois | 16,161 miles | \$252,000 |
| • California | 15,225 miles | \$682,000 |
| • New York | 15,033 miles | \$237,000 |
| • Tennessee | 13,793 miles | \$108,000 |
| • Florida | 12,084 miles | \$694,532 |

How We Compare

Administrative Cost Per Mile

| | | |
|--------------|--------------|-----------|
| • Arkansas | 16,382 miles | \$1,821 |
| • Illinois | 16,161 miles | \$8,830 |
| • California | 15,225 miles | \$109,417 |
| • New York | 15,033 miles | \$84,062 |
| • Tennessee | 13,793 miles | \$11,905 |
| • Florida | 12,084 miles | \$16,985 |

Employment Levels

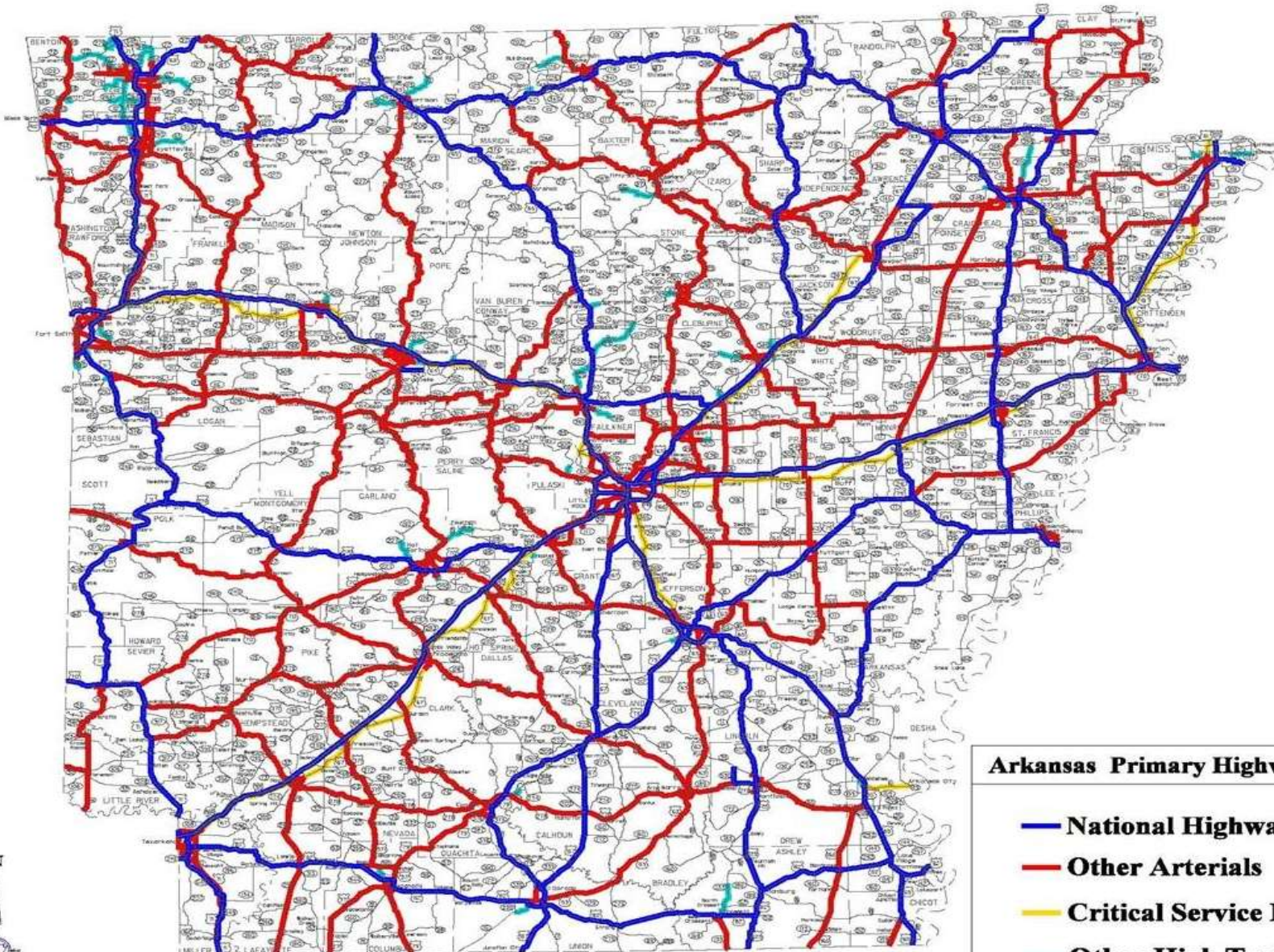
➤ 1992: 4,016

➤ 2012: 3,577

➤ 1965: 3,620



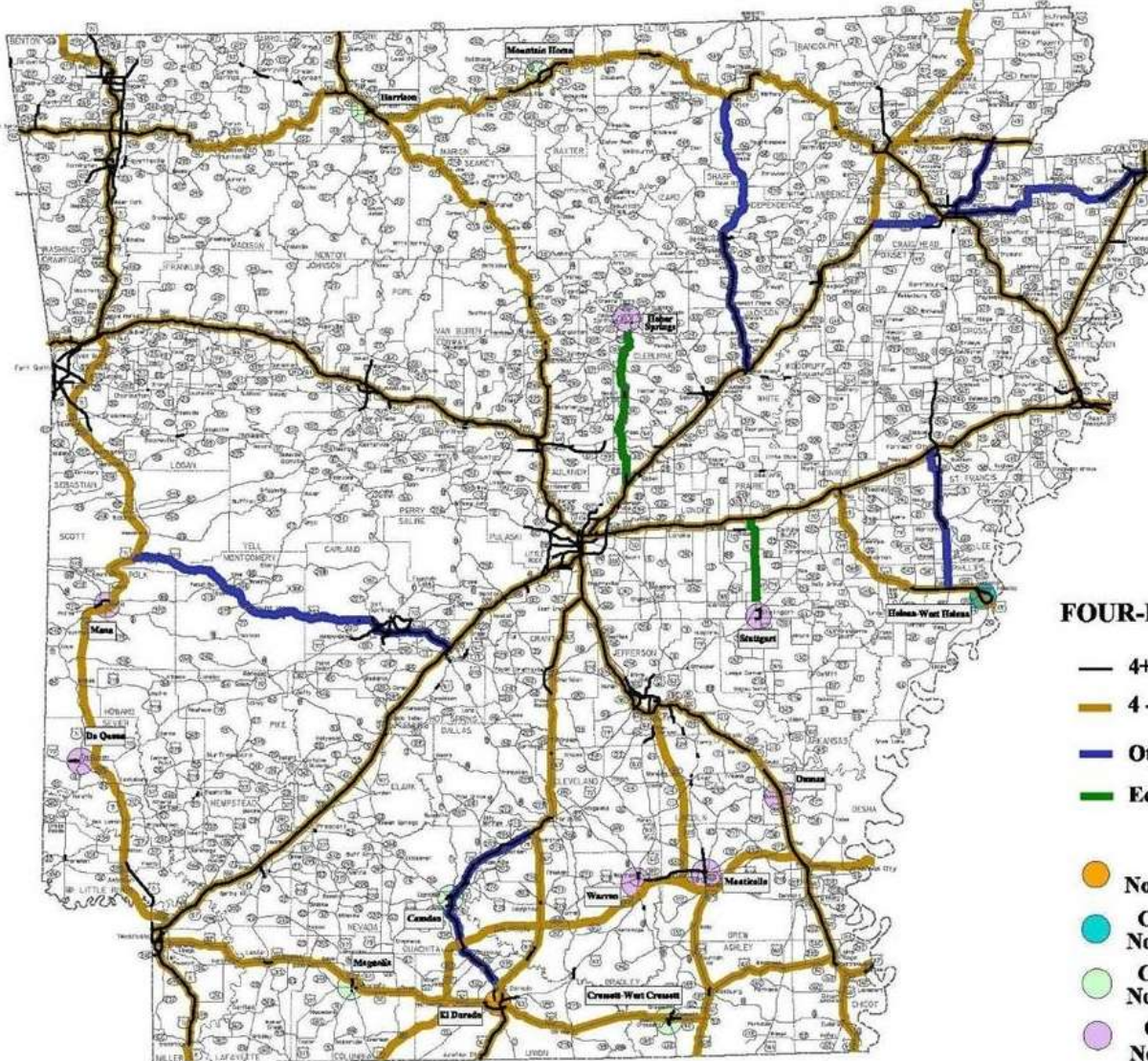
Arkansas Primary Highway Network



Arkansas Primary Highway Network

- National Highway System**
- Other Arterials**
- Critical Service Routes**
- Other High Traffic Routes**

4-Lane Highway System



| | |
|-----------------------|----------------------|
| 4-Lane Grid | \$7.8 billion |
| Regional Connectors | \$0.6 billion |
| Econ. Dev. Connectors | \$0.3 billion |
| TOTAL | \$8.7 billion |

FOUR-LANE GRID SYSTEM

- 4+ Lane (Through 2010)
- 4 - Lane Grid System
- Other Regional Connections
- Economic Development Connections
- Cities > 20,000 Not Connected by 4-Lane
- Cities 15,000 to 20,000 Not Connected by 4-Lane
- Cities 10,000 to 15,000 Not Connected by 4-Lane
- Cities 5,000 to 10,000 Not Connected by 4-Lane



Where the Money Isn't

- **Income Taxes Don't...**
- **Corporate Taxes Don't...**
- **Sales Taxes Don't...**
- **General Revenues Don't...**

...Fund State Highways!

**Per-Gallon Tax is the Primary Funding Source
for Highways**



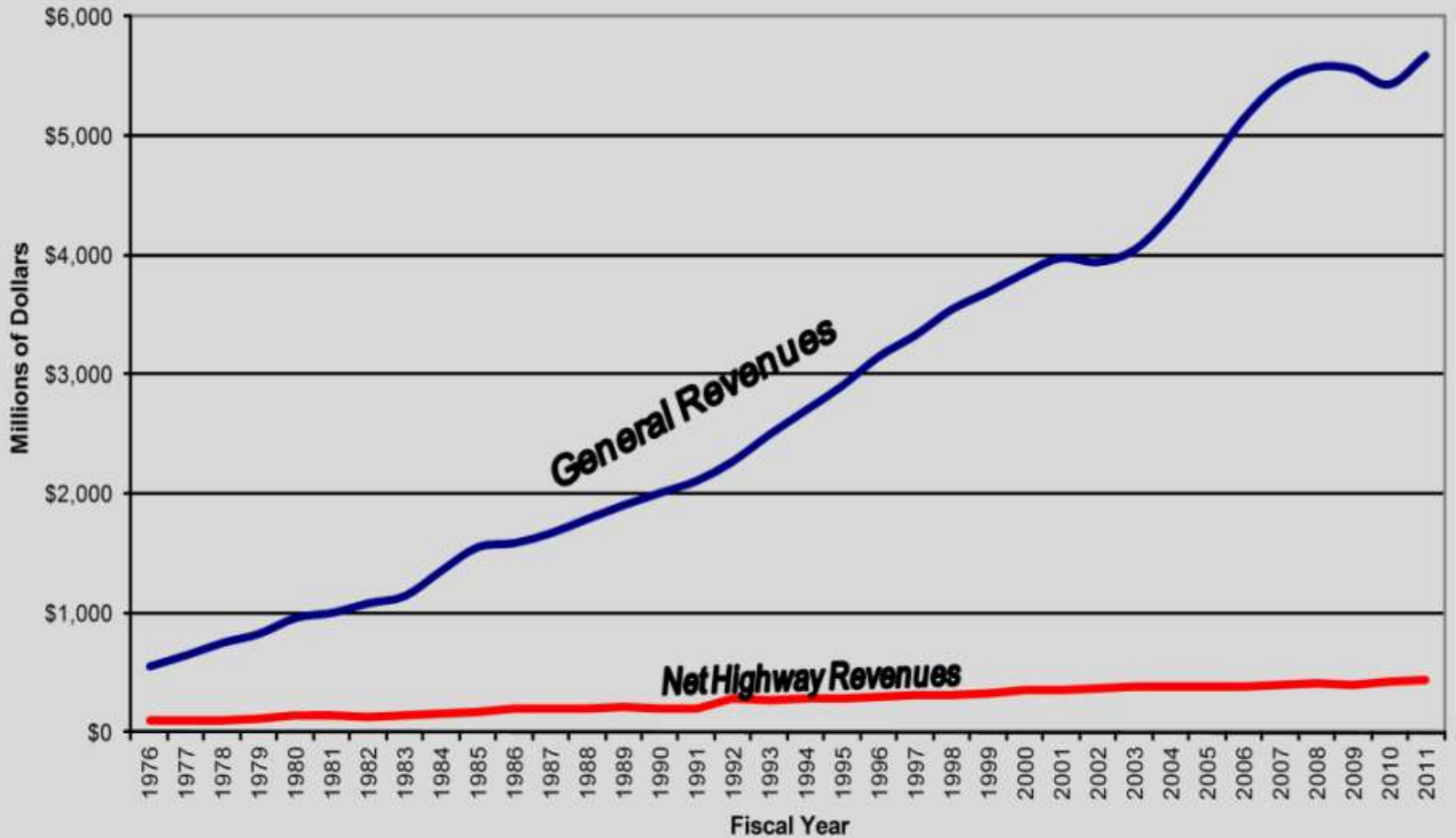
Fuel Consumption is Declining



Highway Revenues From Fuel are Declining



State General Revenues vs. Gross State Highway Revenues



— ARKANSAS STATE GENERAL REVENUES — AHTD NET HIGHWAY REVENUES

Excludes County & City aid funds
Prepared by: Planning and Research 1/24/2012

“The greatest success stories were created by people who recognized a problem and turned it into an opportunity.”

-Joseph Sugarman
American Entrepreneur



Interstate Rehabilitation Program

November 2011: Voters Approve Proposal by 81%

September 2012: Bids Opened on Bond Sale

November 2012: Let First Contracts



Interstate Rehabilitation Program

1999

50 Projects | 360 Total Miles | \$1.0 Billion

Interstate Condition Improved From 21% 'Good' to 72%

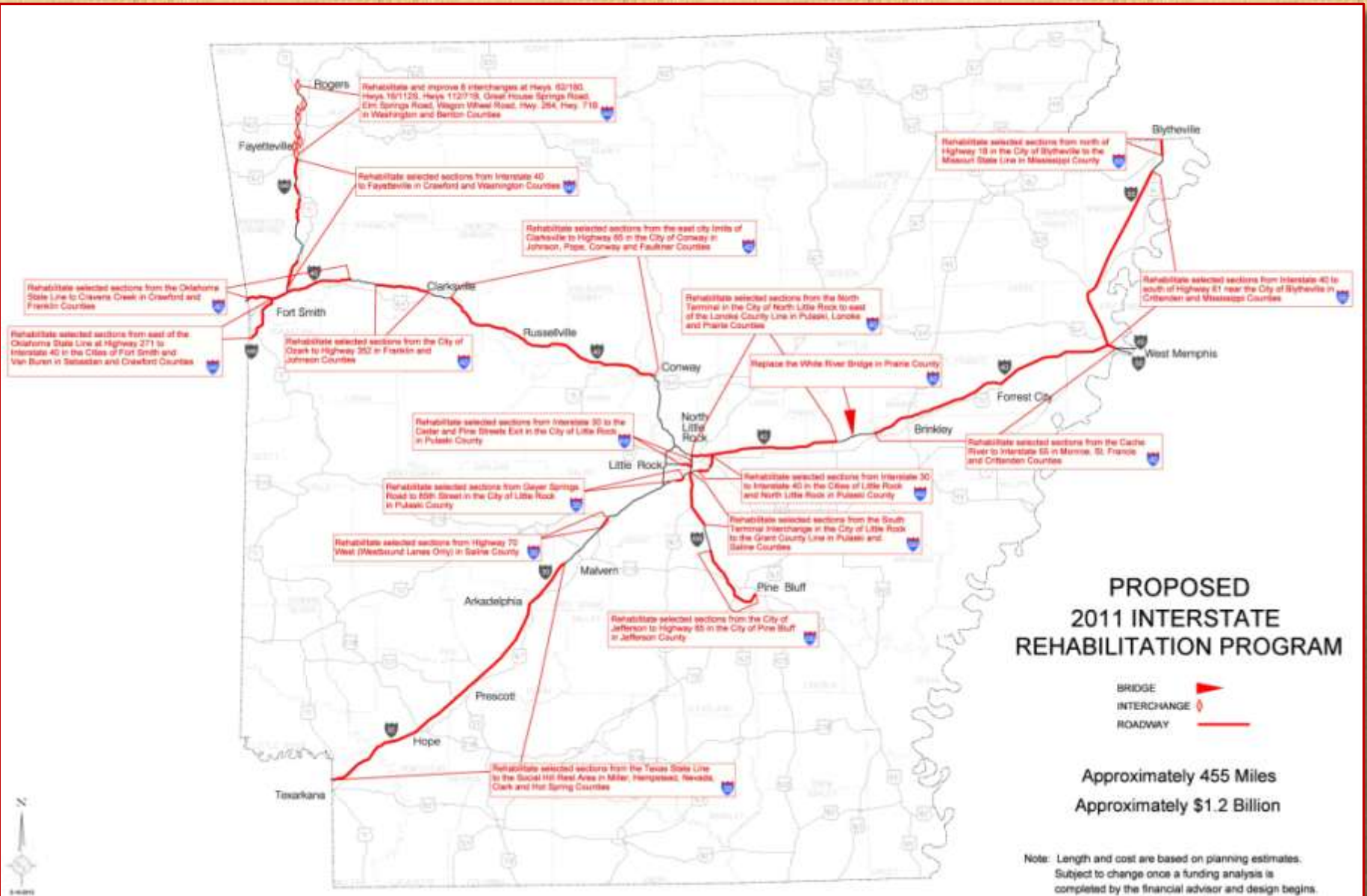
2011

75 +/- Projects | 455 Total Miles | \$1.2 Billion

First Contracts to be Awarded in November 2012



Interstate Rehabilitation Program



November 6th

Issue Number 1

"Everybody Benefits..."



Issue Number 1

- November 6, 2012 election ballot
- **Temporary Increase**
- Does not apply to groceries, medicine, fuel
- \$230m annually (\$160m/ **\$35m/ \$35m**)
- State Aid Street Fund for City Streets



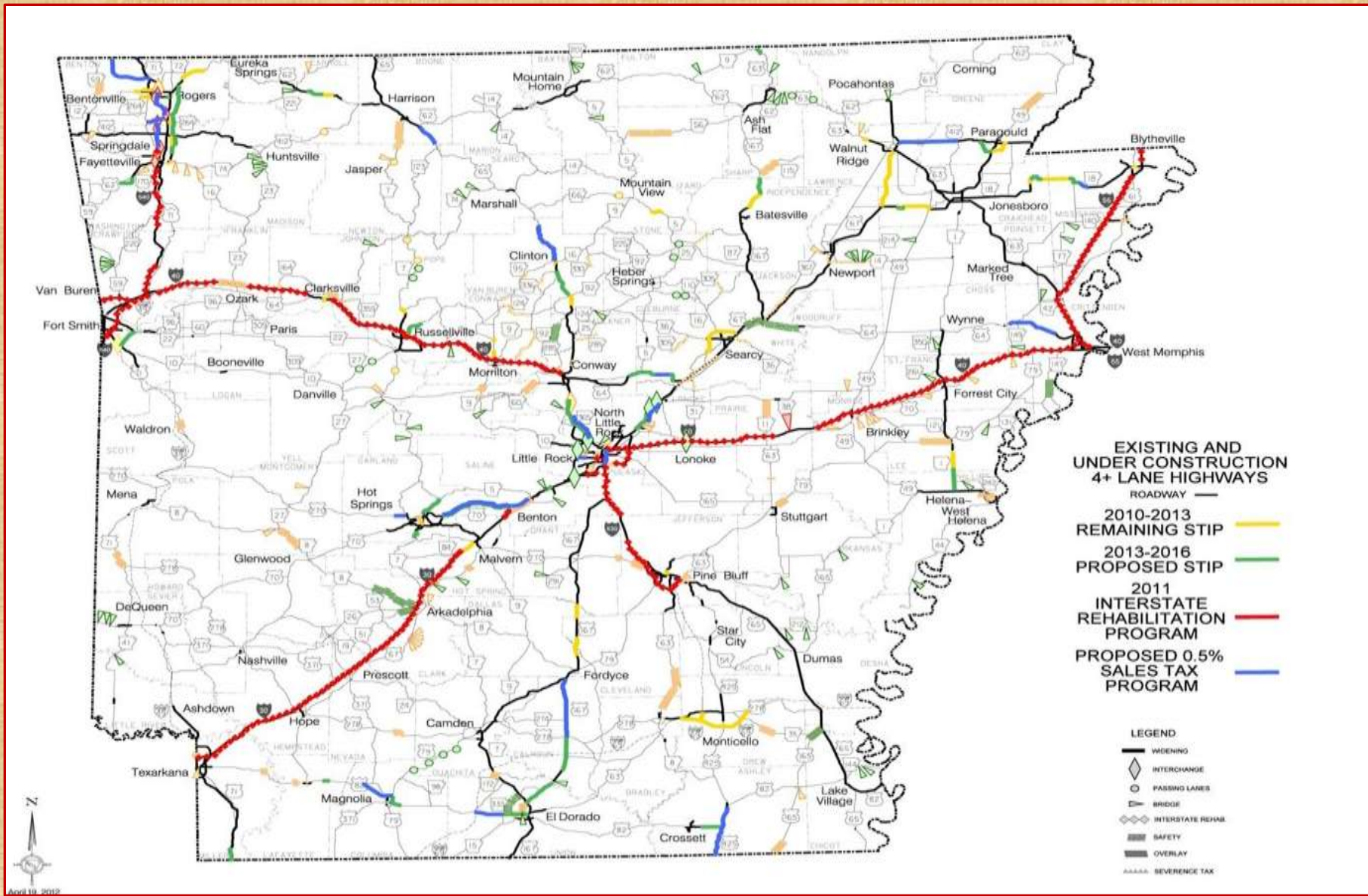
Issue Number 1

- \$1.3 Billion in general obligation bonds
- Bond debt retired over 10 years
- Tax expires when the bonds are retired
- Four-lane highways
- **\$1.8 Billion program supports 40,000 jobs**



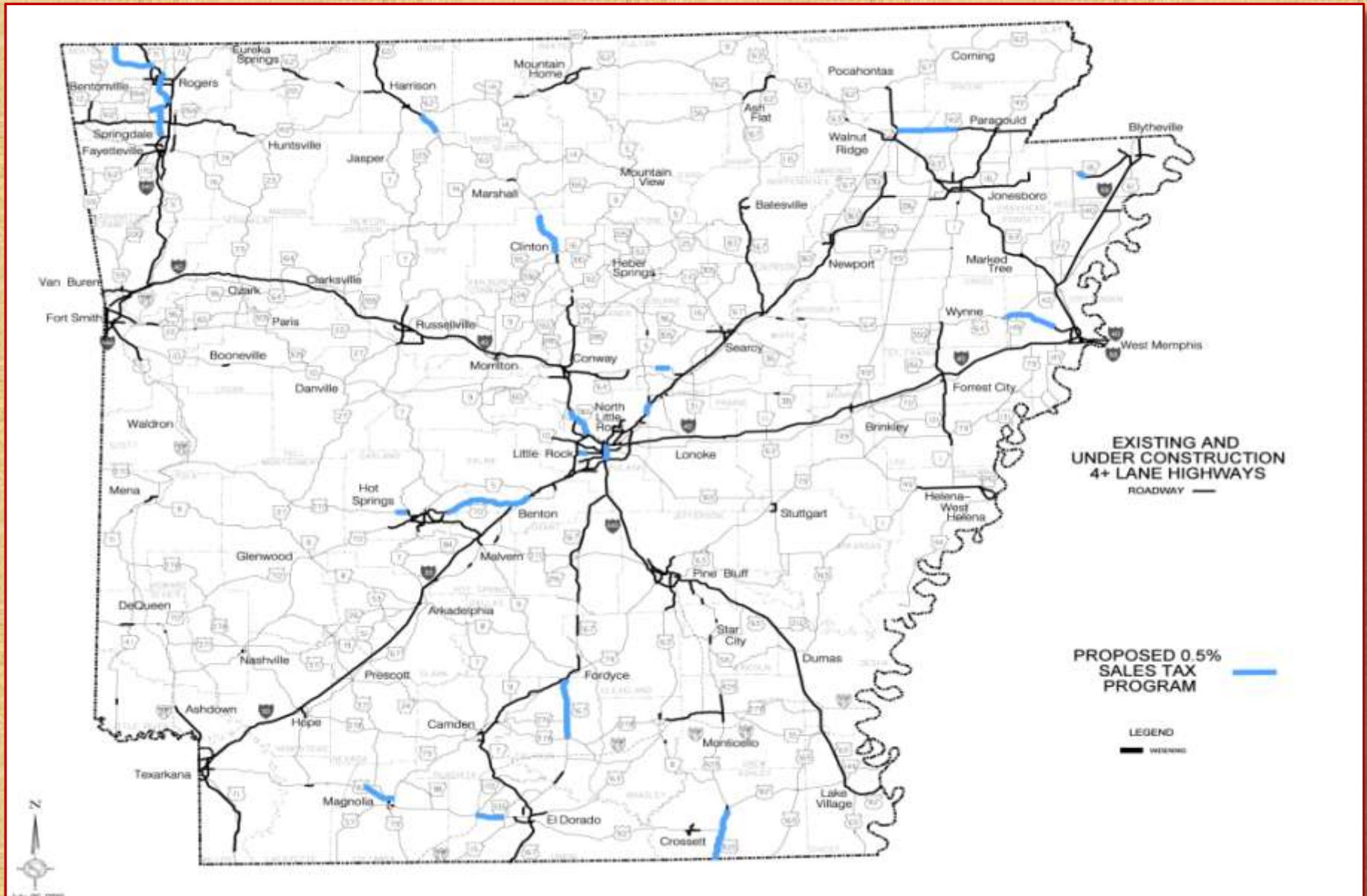
Funded by Issue Number 1

Statewide



Funded by Issue Number 1

Statewide



'Everybody Benefits...'

Cities & Counties Will Split Nearly \$700 Million

Carroll County

| | <u>Annual</u> | <u>10-Year Total</u> |
|--------------------------------|---------------|----------------------|
| County Turnback | \$ 403,613 | \$ 4,036,130 |
| City Turnback | | |
| Beaver | \$ 1,781 | \$ 17,812 |
| Berryville | \$ 95,402 | \$ 954,015 |
| Blue Eye | \$ 534 | \$ 5,344 |
| Eureka Springs | \$ 36,924 | \$ 369,244 |
| Green Forest | \$ 49,179 | \$ 491,792 |
| Oak Grove | \$ 6,573 | \$ 65,727 |
| City and County Turnback Total | \$ 594,006 | \$ 5,940,064 |



**MOVE
ARKANSAS
FORWARD**

Proposed Constitutional
Amendment #1

Fact Sheet
Four-Lane Projects
City and County Turnback Revenue

‘Everybody Benefits...’

**Revenue Will
Free Up Money
for Other Projects
Across the State**



We Have the **OPPORTUNITY to...**

- **Build Four-Lane Highways**
- **Improve County Roads & City Streets**
- **Support 40,000 Jobs**
- **Free Up Money for Other Projects**

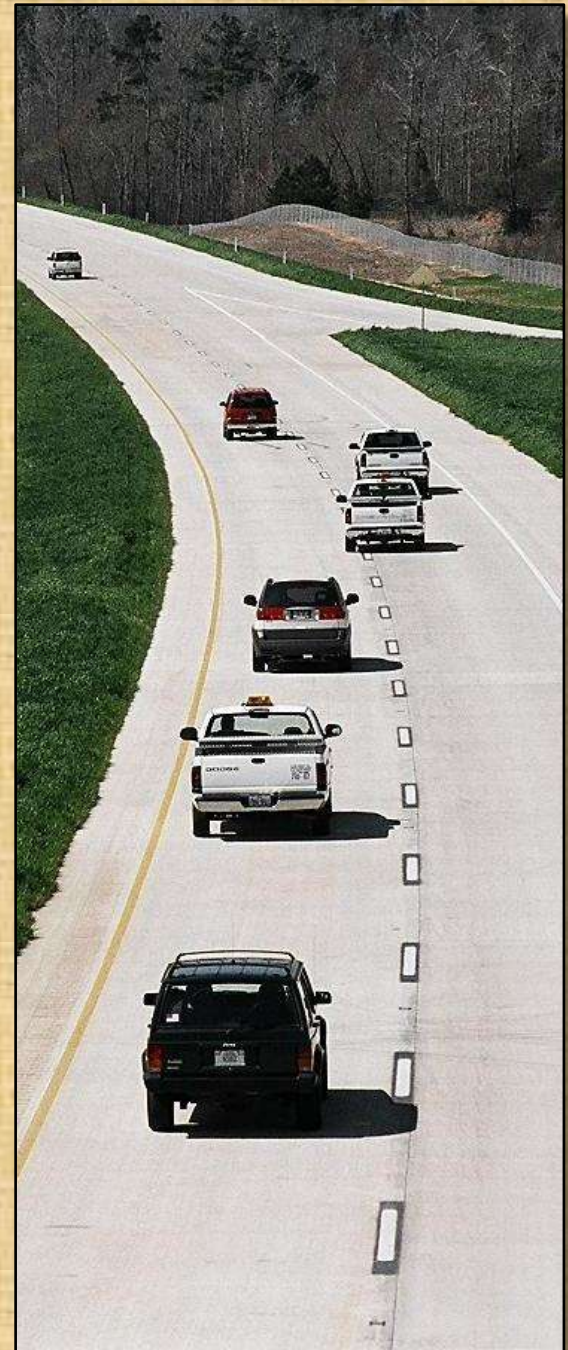
**...Without Raising Taxes
on
Groceries, Medicine or Gas!**

Vote

FOR

Issue Number 1

**on
November 6th**





MOVE ARKANSAS FORWARD

MoveArkansasForward.com



MOVE ARKANSAS FORWARD

Vote FOR Issue #1
Tuesday, November 6
Better Highways Lead to a Better Arkansas

Issue #1 will support 40,000 statewide jobs.

Issue #1 will continue to build a four-lane highway system connecting all parts of the state.

Issue #1 will use a temporary 1/2¢ sales tax to finance a \$1.3 billion bond issue.

Issue #1 will provide over \$700 million to cities and counties for local projects.

Issue #1 will make roads and bridges safer.

Issue #1 WILL NOT INCREASE TAXES ON GROCERIES, MEDICINE OR GASOLINE



Fact Sheet

Campaign Book

Sample Resolution