

Arkansas State Highway and Transportation Department

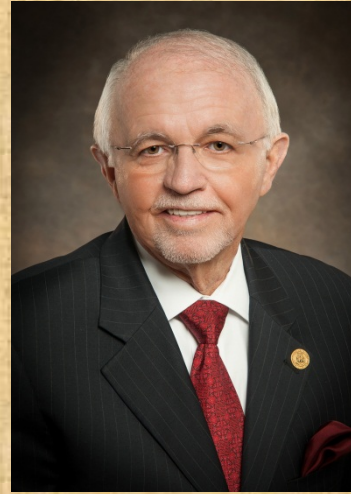


**American Society of Civil Engineers
Fayetteville Town Center
Wednesday, March 4, 2015**

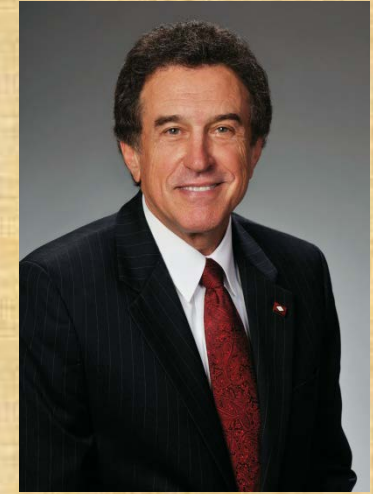
Arkansas Highway Commission



**Tom Shueck,
Little Rock**



**Dick Trammel,
Rogers**



**Robert S. Moore Jr.
Arkansas City**



**Frank Scott
Little Rock**



**Alec Farmer
Jonesboro**

AHTD Quick Facts

- 3rd Largest State Agency (3,634 employees)
- Maintain 16,416 miles of highway and 7,335 bridges
- Central Offices in Little Rock; 10 Districts Statewide
- Mission: Provide a safe, efficient, aesthetically pleasing and environmentally sound intermodal transportation system for the user.



Highway Districts



● District Headquarters





Other Programs/Activities

State Aid Programs for Cities and Counties

Game & Fish Roads

State Park Roads

Institutional Roads

Airport Access Roads

Welcome Centers & Rest Areas

Arkansas Recreational Trails

Transportation Alternatives Program





Other Programs/Activities

Arkansas Commercial Truck Safety and Education Program

Historic Bridge Program

Adopt-A-Highway Program

Litter Hotline

Public Transportation Programs

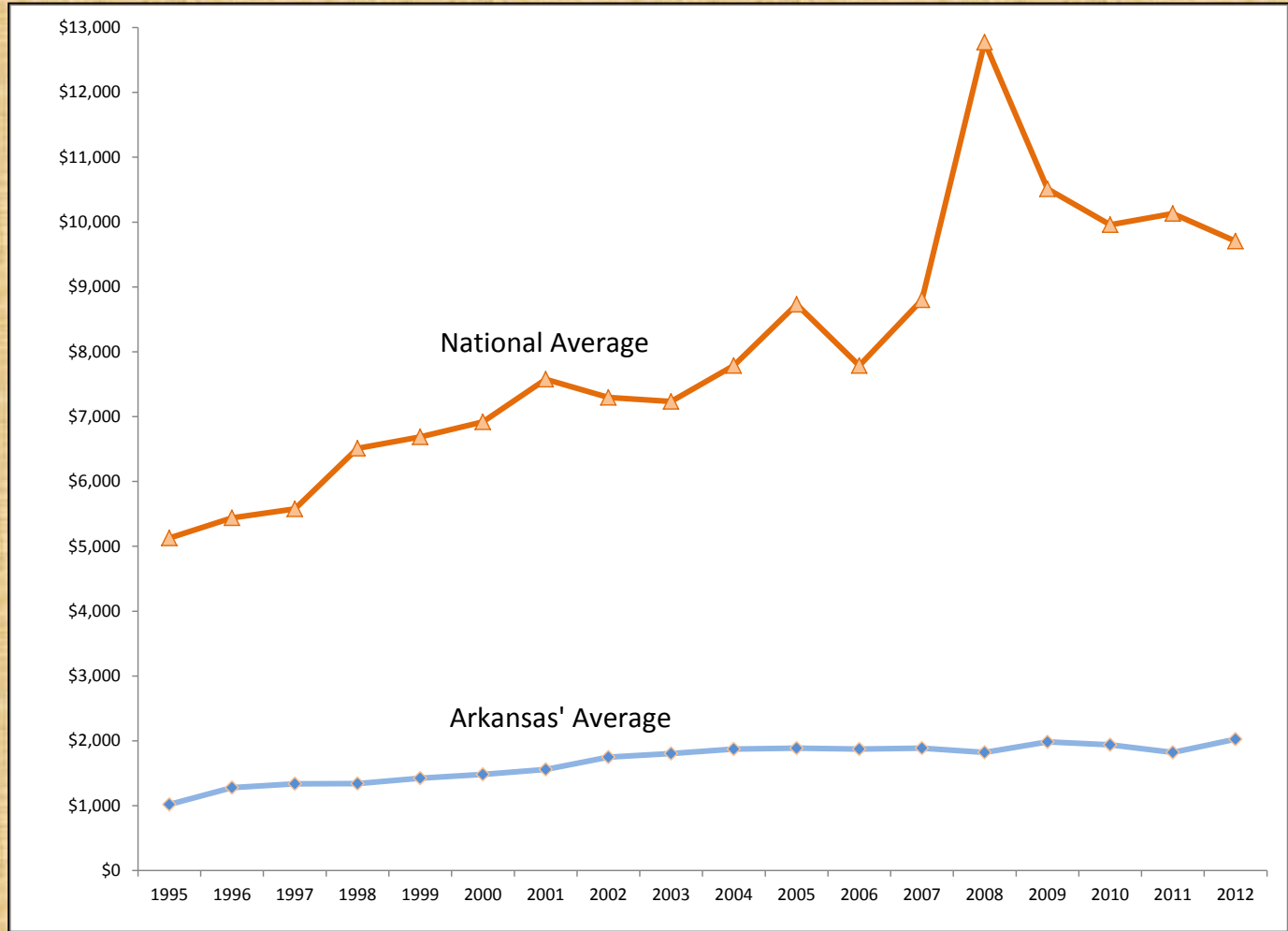
Wildflower Program

Research Grants to State Universities

Scholarships for Engineering Students



AHTD Administrative Costs Per Mile



National Average = \$9,705/mile

Surrounding States' Average = \$4,905/mile

Arkansas = \$2,024/mile

Arkansas' Rank = 48th



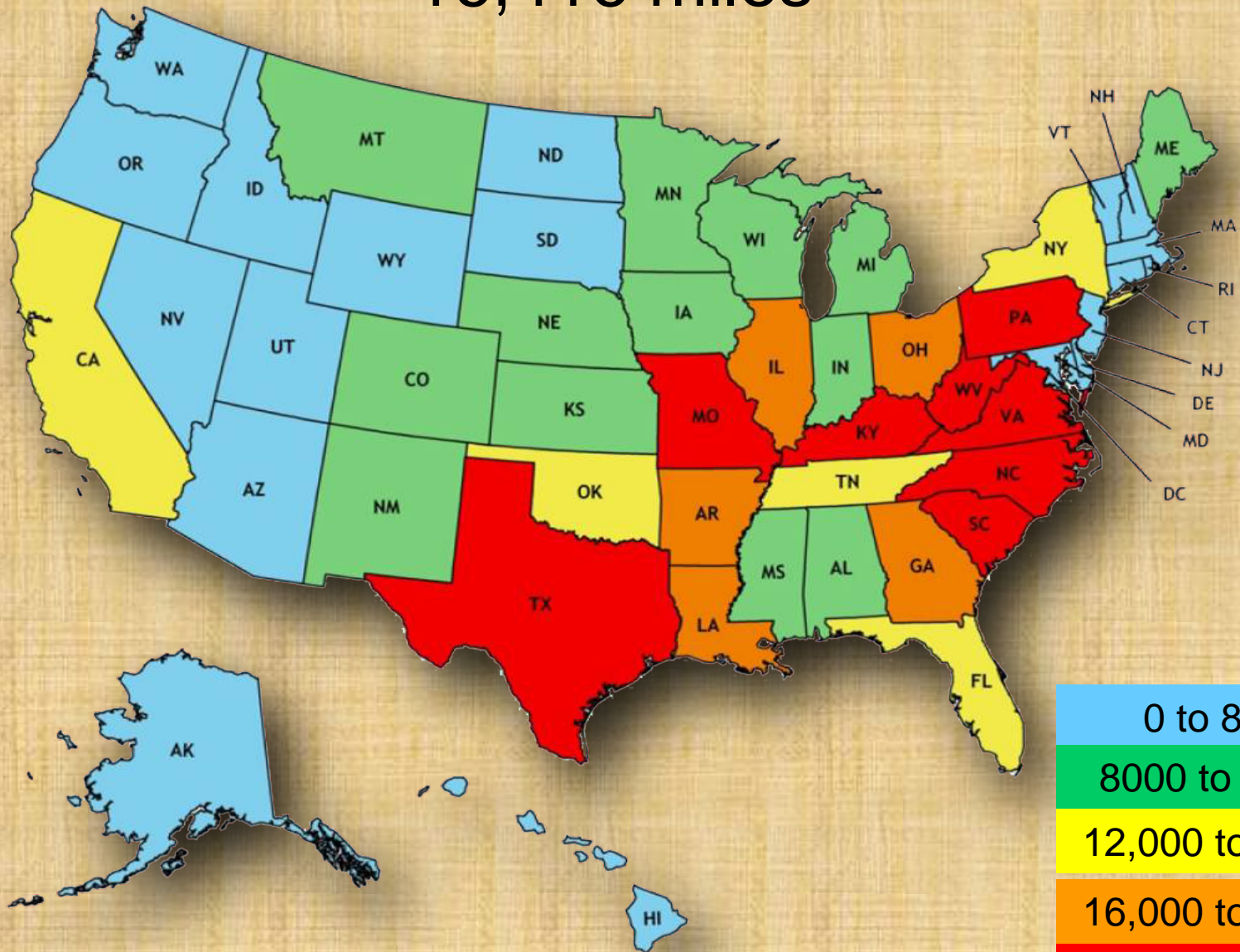


Employment Levels

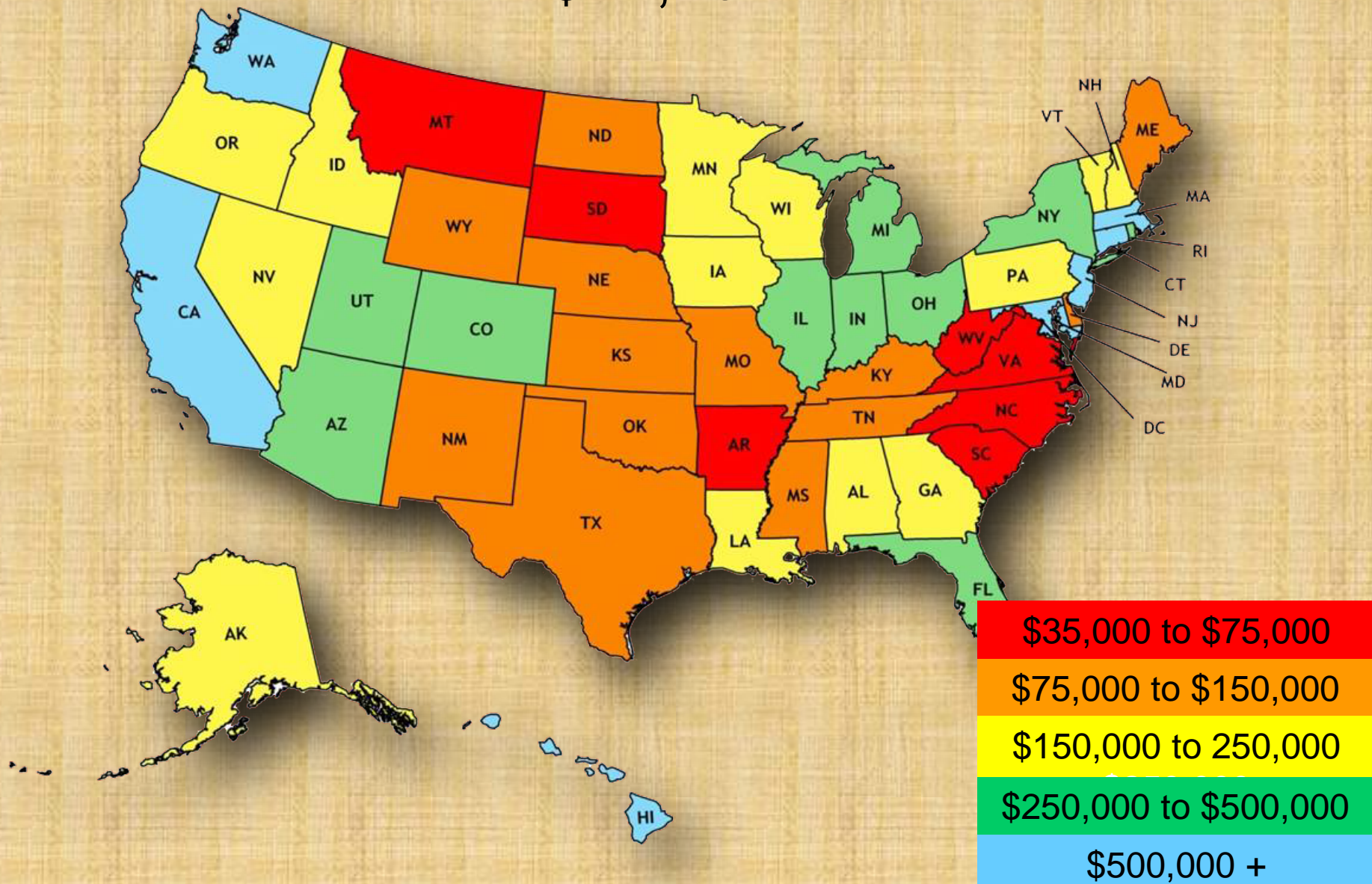
Year	Employees
2014	3,634
2002	3,801
1992	4,016
1982	3,770
1972	3,892
1965	3,620



Arkansas ranks 12th in number of miles 16,416 miles



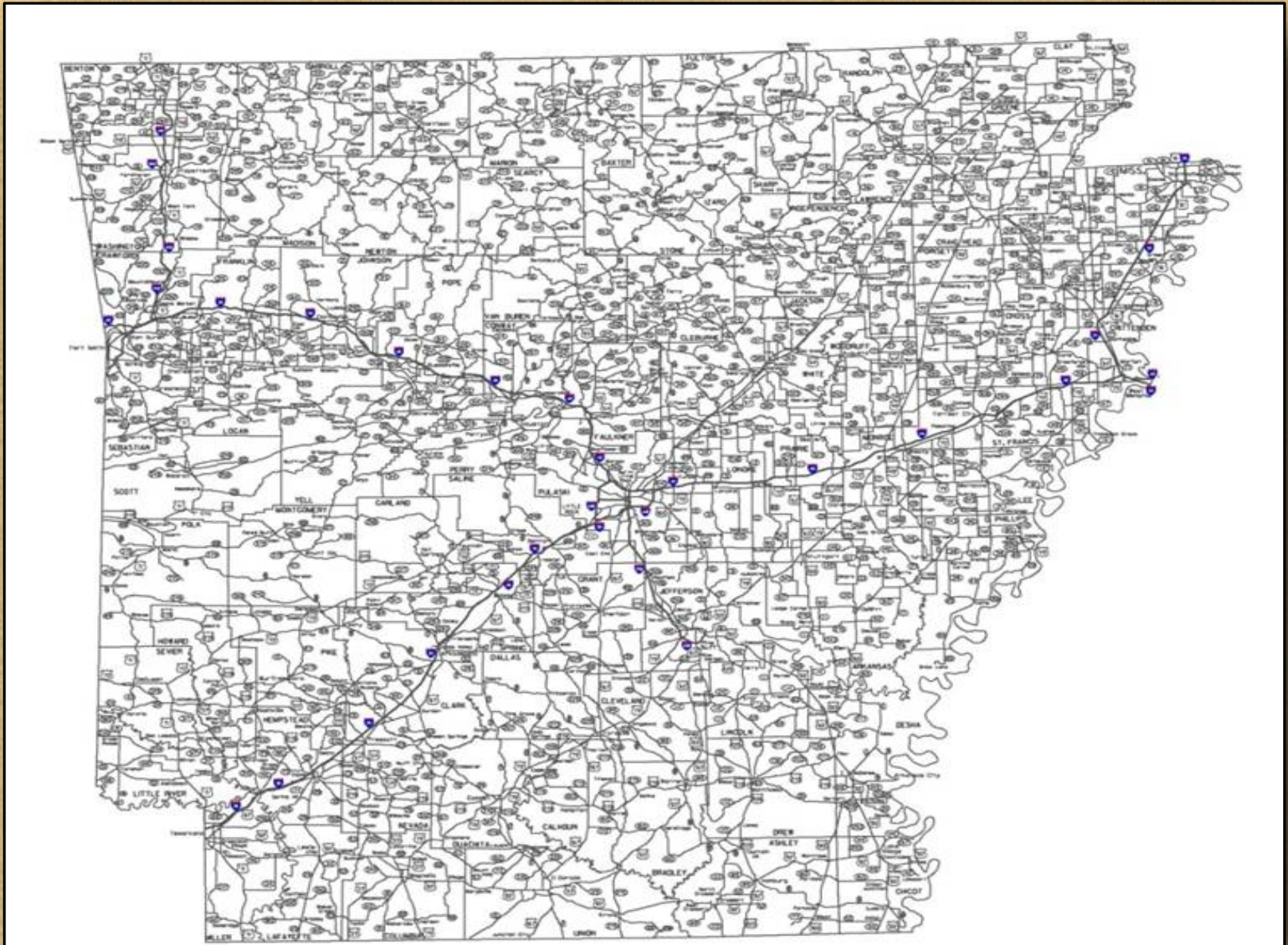
Arkansas ranks 44th in revenue per mile \$71,494



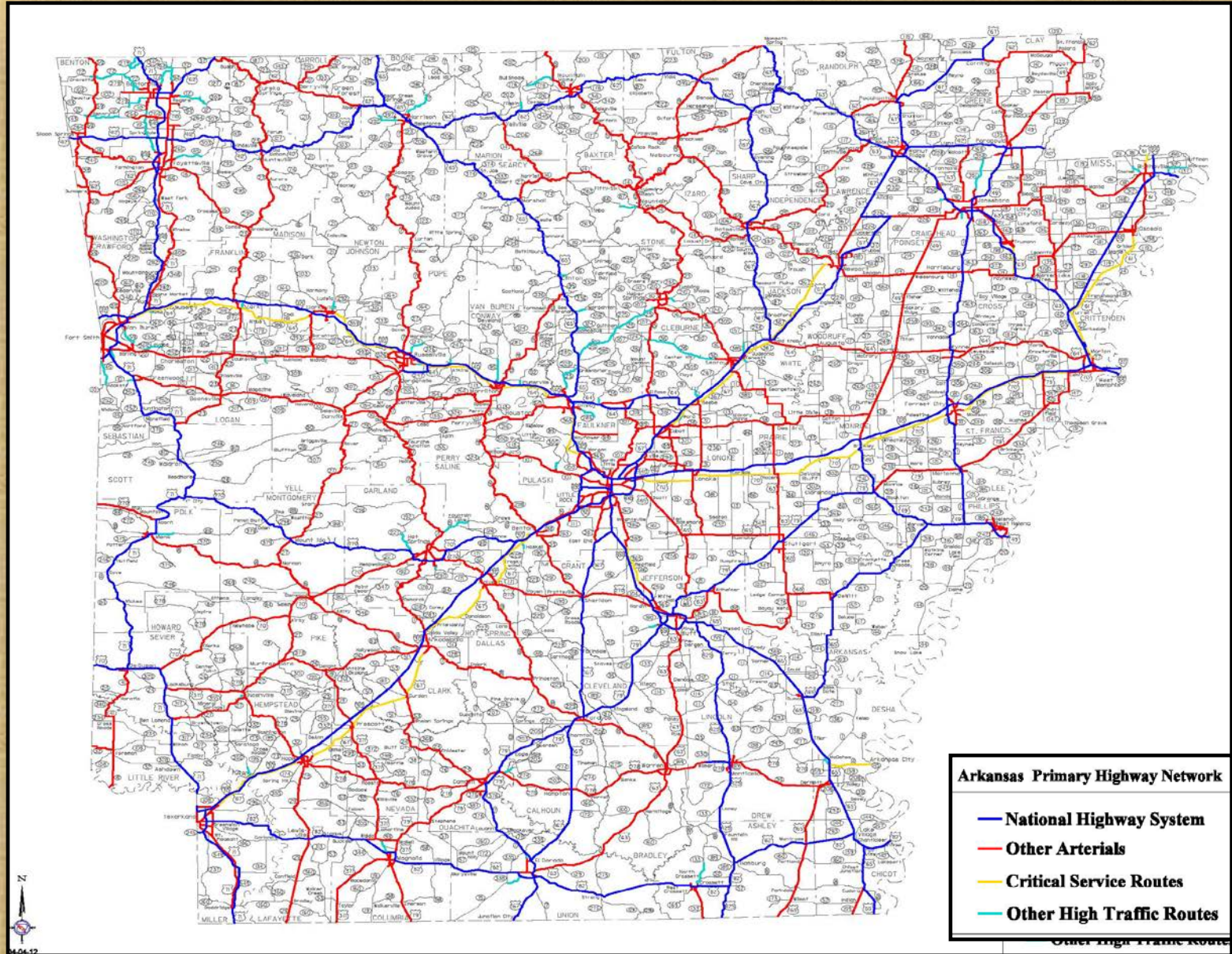
State Highway Systems

State	Mileage
Arkansas	16,416
Illinois	16,161
California	15,225
New York	15,033
Tennessee	13,793
Florida	12,084

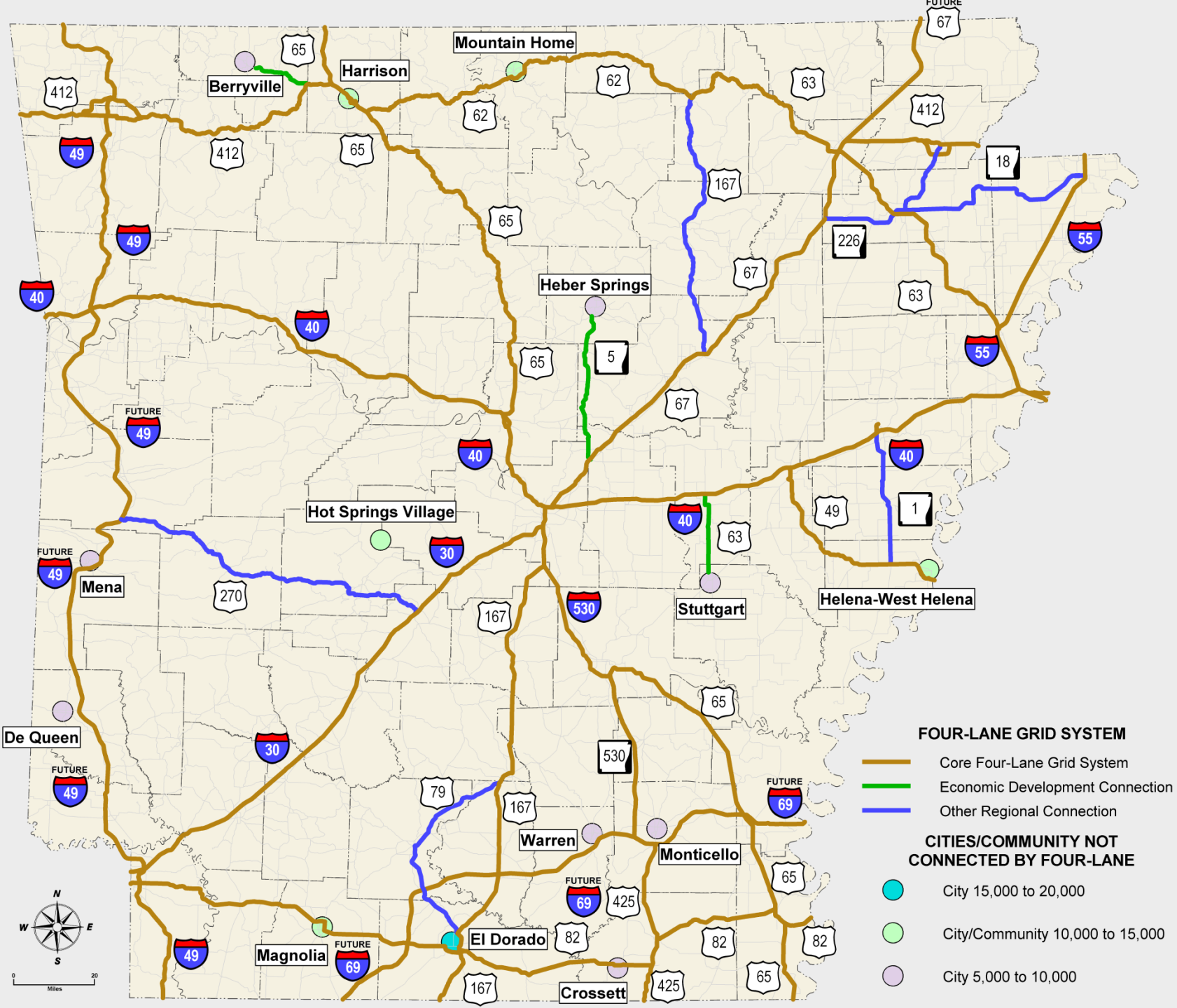
Arkansas Highway System



Arkansas Primary Highway Network



4-Lane Grid System





Challenges

➤ **12th** largest system in the country

➤ **44th** in highway revenue per mile.

➤ **\$20.4 billion** in needs

➤ **\$3.6 billion** in available revenue



Improvements vs. Revenues

10 Year Projection

(x \$1 million) (Revenue and Needs are in 2014 Dollars)		
ESTIMATED FEDERAL-AID AND STATE REVENUE		\$ 3,555
NEEDS		AMOUNT
PAVEMENT	\$	3,060
BRIDGES	\$	1,102
CAPACITY	\$	2,880
SAFETY	\$	700
EQUIPMENT	\$	180
FACILITIES	\$	62
ITS	\$	27
SUB-TOTAL		\$ 8,011
CAPITAL IMPROVEMENT		AMOUNT
FOUR LANE GRID SYSTEM	\$	11,300
NEW LOCATION / NEW OR MODIFIED INTERCHANGES	\$	820
OTHER MAJOR WIDENING	\$	230
SUB-TOTAL		\$ 12,350
GRAND TOTAL		\$ 20,361
SHORTFALL		\$ (16,806)

Per Gallon Tax is **primary funding**
source for highways

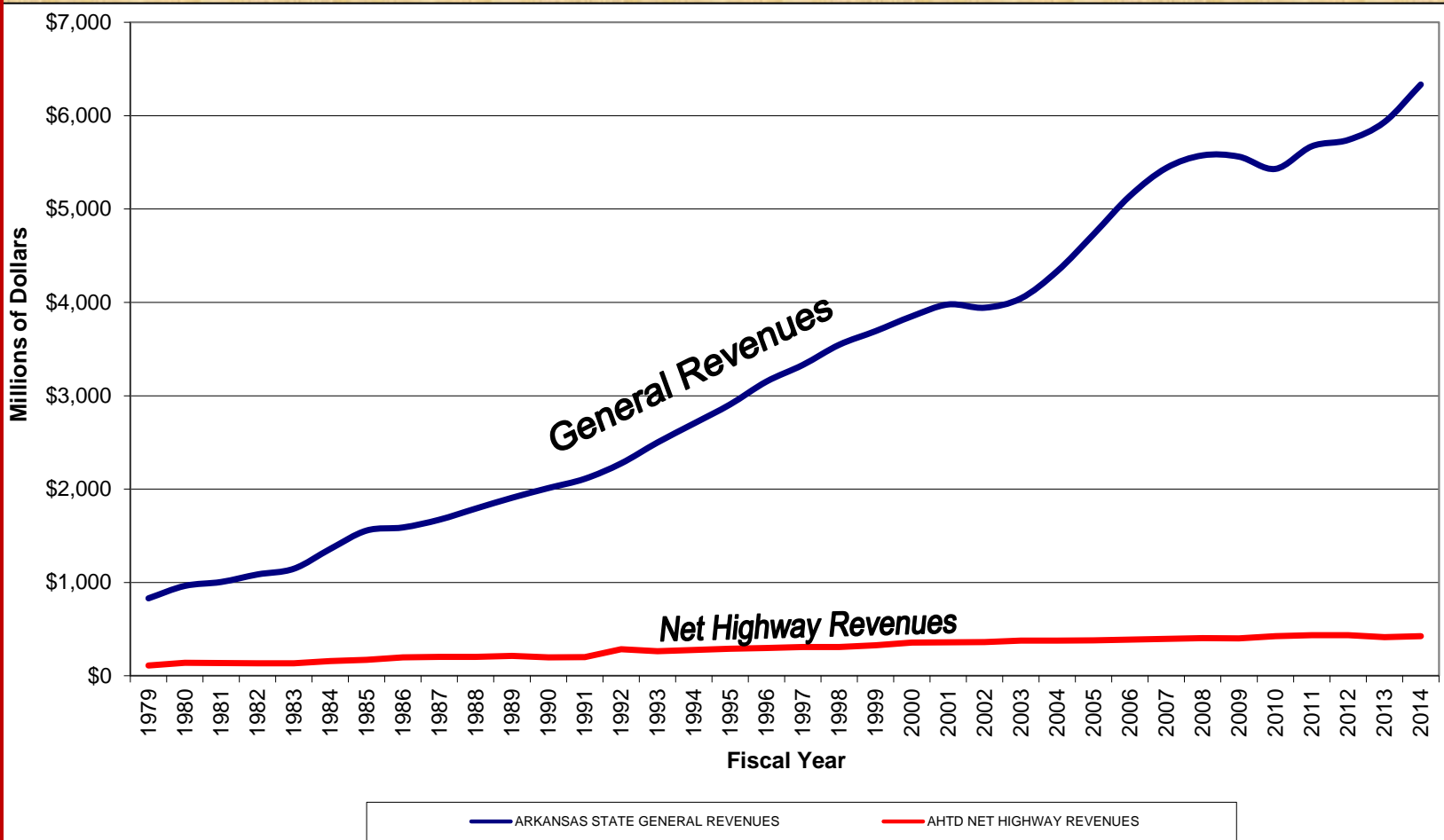
Fuel Consumption



Highway Revenue from Fuel



State General Revenues vs. AHTD Net Highway Revenues



Excludes County & City aid funds
Prepared by: Transportation Planning and Policy, 8/15/2014



Current Hwy. Funding Sources

State




Per-Gallon Motor Fuel Taxes
Vehicle Registration Fees
License/Permit/Inspection Fees
Severance Taxes
Temporary Sales Tax Increase





Arkansas Travel Trends

2007-2014

	2007	2014	Difference
Gas & diesel Consumption	2.095 billion	1.980 billion	 115 million
Gas & diesel Revenue	\$454 million	\$392 million	 \$62 million
Miles Traveled	32.4 billion	33.8 billion	 1.4 billion

Current Highway Funding Sources

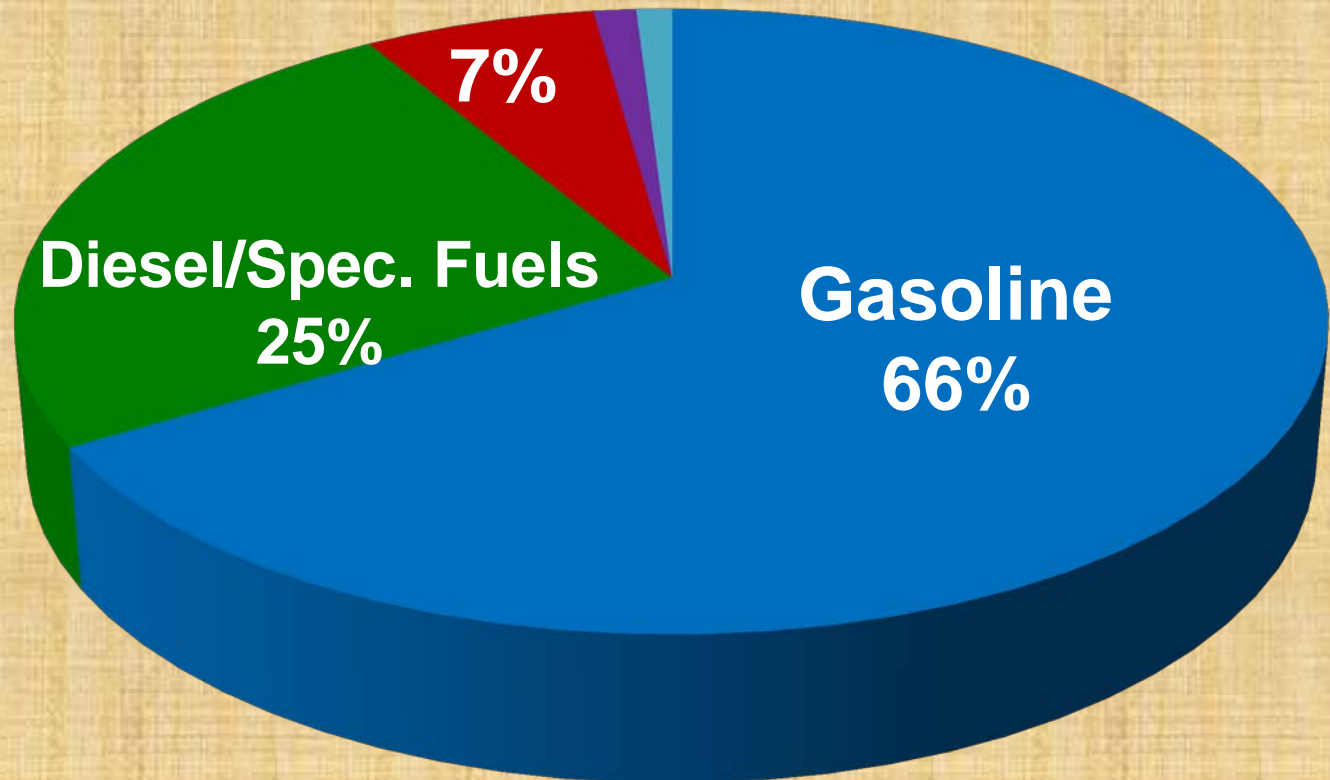
Federal

Per-Gallon Motor Fuel Tax – 91%

Truck/Bus/Trailer
7%

Tires
1.0%

Heavy Vehicle Tax
0.1%

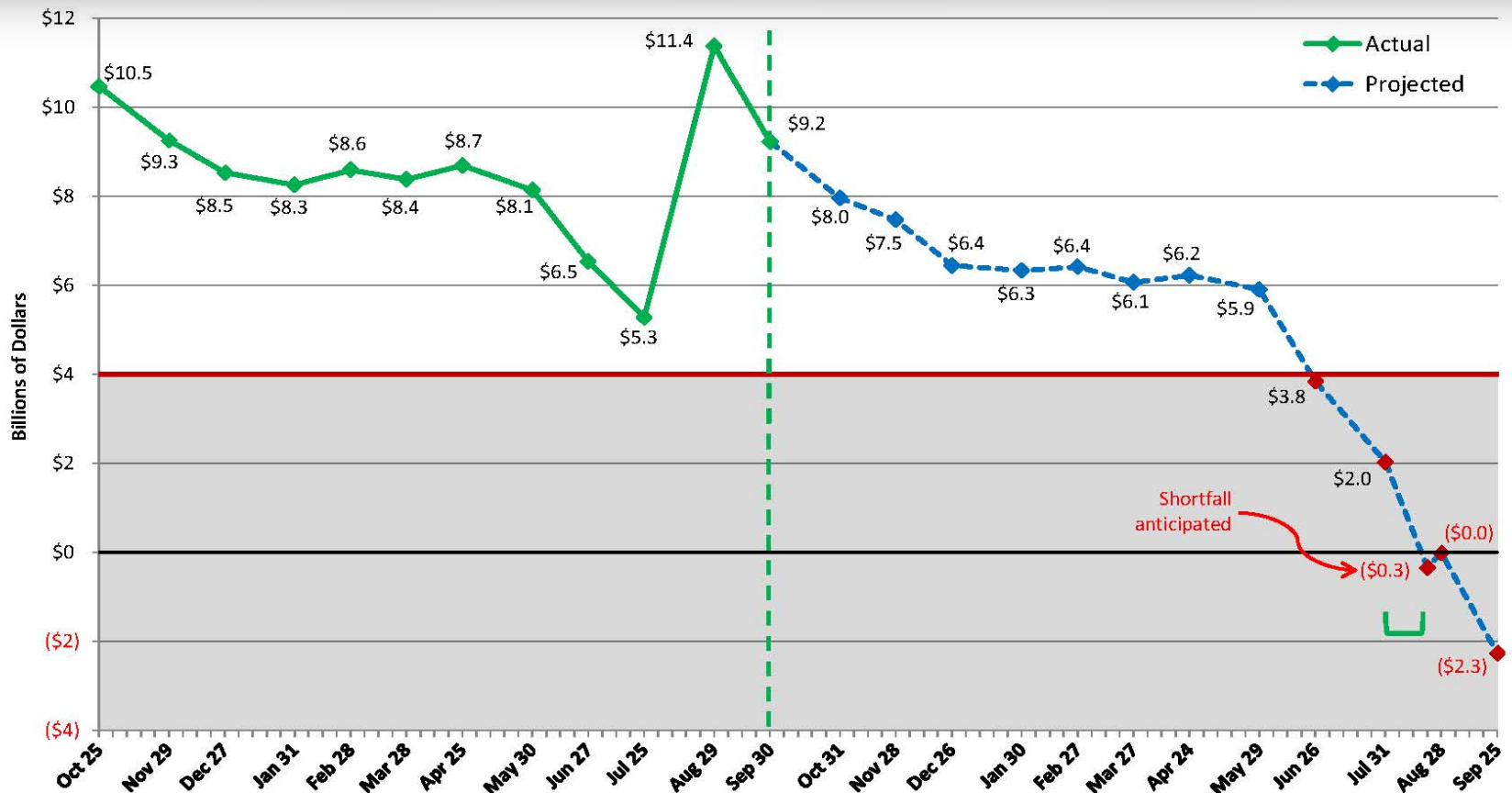




McCoy
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HIGHWAY TRUST FUND

Highway Account of the Highway Trust Fund (Includes FHWA, FMCSA & NHTSA)



1/ Graph reflects actual data through 9/30/14 and end-of-month projections for FY 2015.

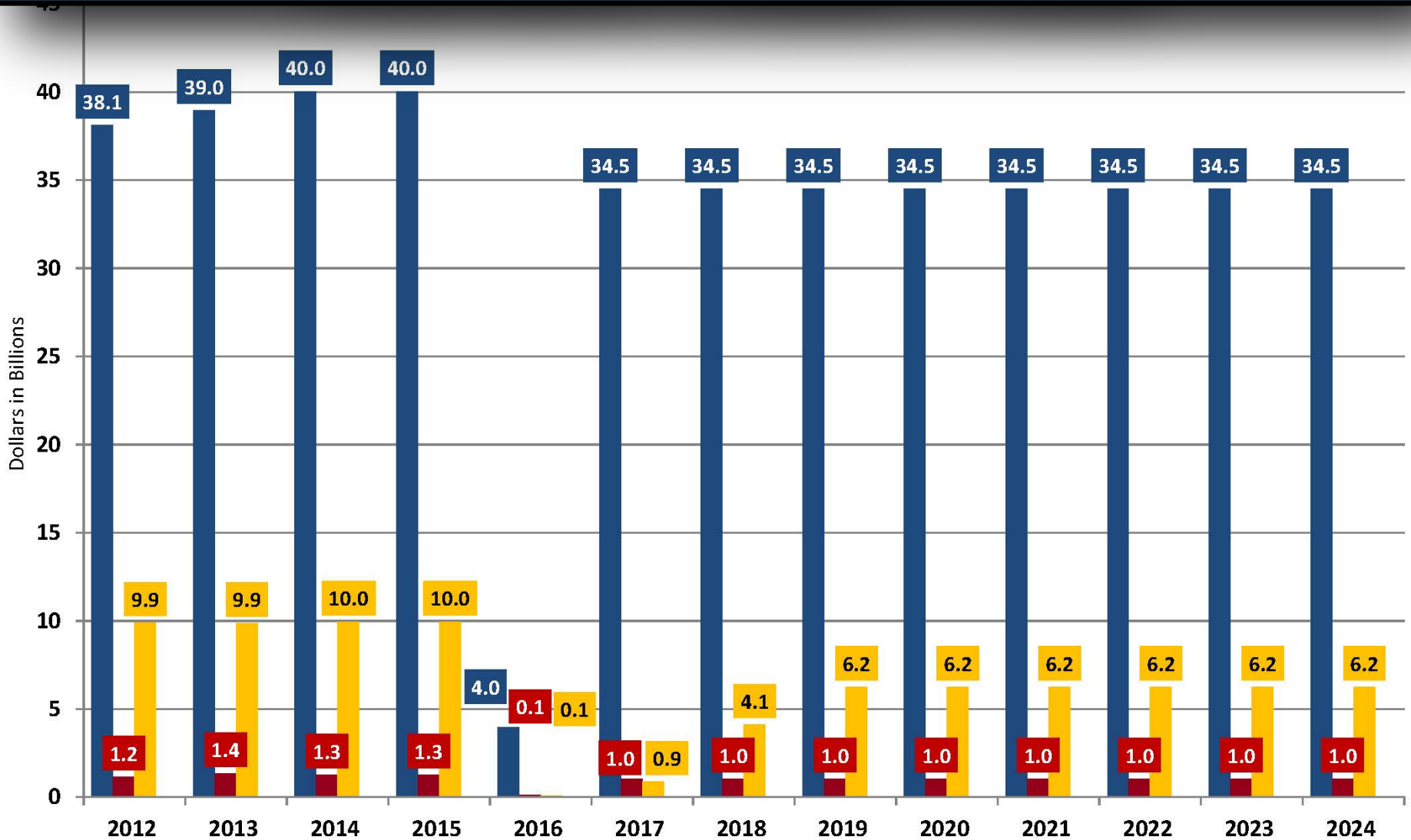
2/ Total receipt and outlay projections are based on FY 2015 Mid-Session Review assumptions. Projected monthly receipt and outlay rates are based on historic averages.

3/ Range of anticipated shortfall: Green brackets denote the estimated window of when the anticipated shortfall will occur.

4/ The shaded area represents when the Highway Account balance drops below \$4 billion, at which point cash management procedures may become necessary.

Source: FHWA

HIGHWAY TRUST FUND



This scenario assumes: 1. Additional deposit of \$6.429 billion into Highway Trust Fund in FY 2015 (\$5.414 billion to Highway Account; \$1.015 billion to Mass Transit Account); 2. Minimum prudence balance of \$4 billion for Highway Account and \$1 billion for Mass Transit Account maintained in all years, and; 3. Highway-to-Transit flex and highway safety obligations suspended in FY 2015.

HIGHWAY TRUST FUND


January "No Go" List



District	County	Route	Job Name	Estimate
1	Lee & Phillips	1	Walnut Corner – Cypress Corner (Widening)	\$25,000,000
4	Crawford	220	Lee Creek-East (Surfacing)	\$5,000,000
4	Franklin	CR 72	Cedar Creek Str. & Apprs.	\$500,000
			Total	\$30,500,000

HIGHWAY TRUST FUND

March "No Go" List



District	County	Route	Job Name	Estimate
2	Chicot	144	Hwy. 144 Strs. & Apprs.	\$2,000,000
4	Washington	112	Razorback Rd.-Garland Ave. (Widening)	\$2,500,000
5	Cleburne	25	Hwy. 25 Spur-Locust Grove (Passing Lanes)	\$5,000,000
9	Carroll	62	Co. Rd. 704-West of Hwy. 103 South (Widening)	\$17,000,000
7	Bradley	CR 2	Co. Rd. 4-Co. Rd. 134 (Surfacing)	\$1,000,000
			Total	\$27,500,000

Impacts to Arkansas

January Letting	3 Projects Removed	\$30.5 million
March Letting	5 Projects Removed	\$27.5 million



POTENTIAL RISK

FFY 2015

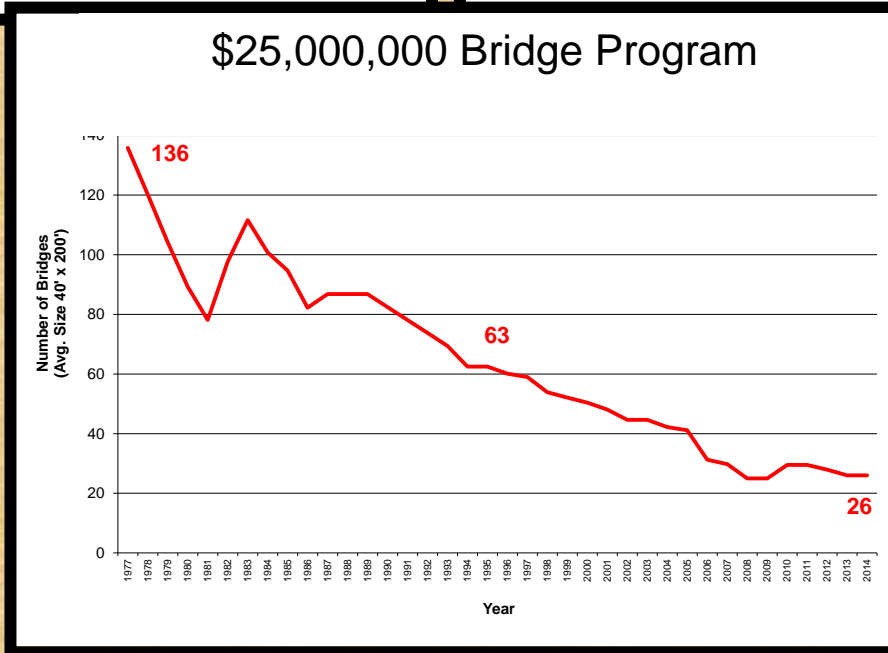
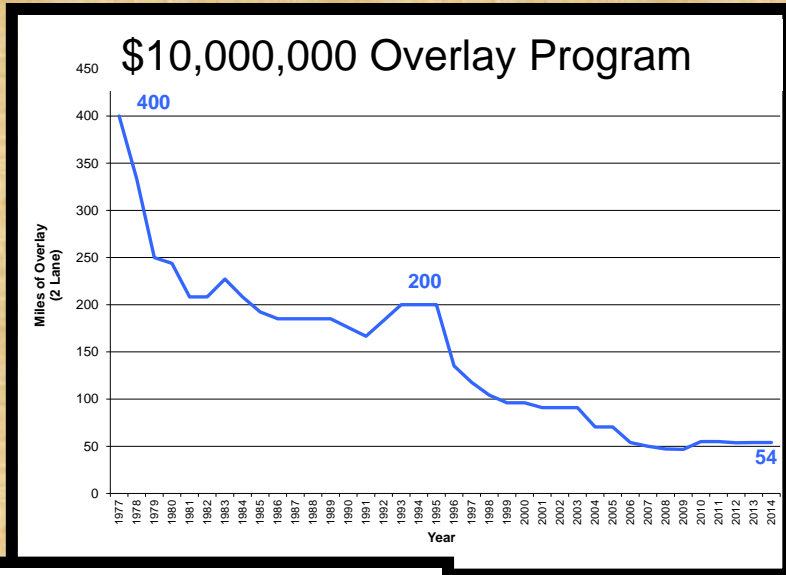
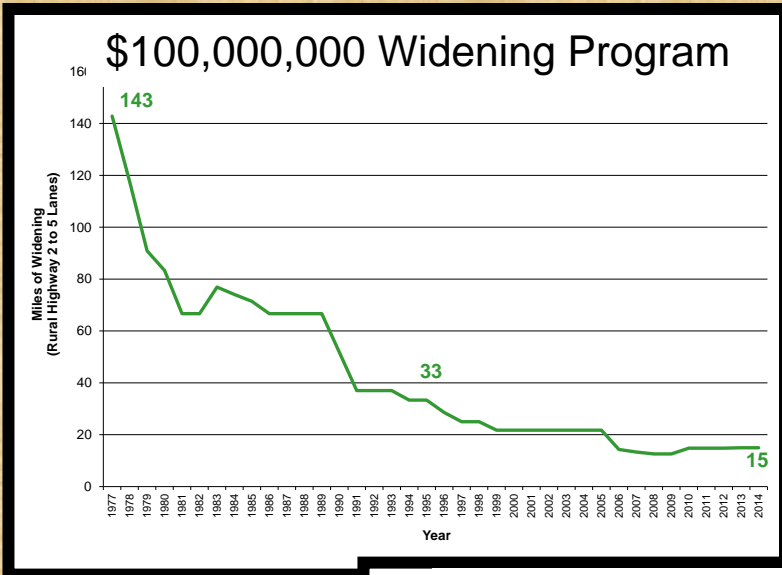
120 Projects
\$490 Million

FFY 2016

130 Projects
\$520 Million



Challenges



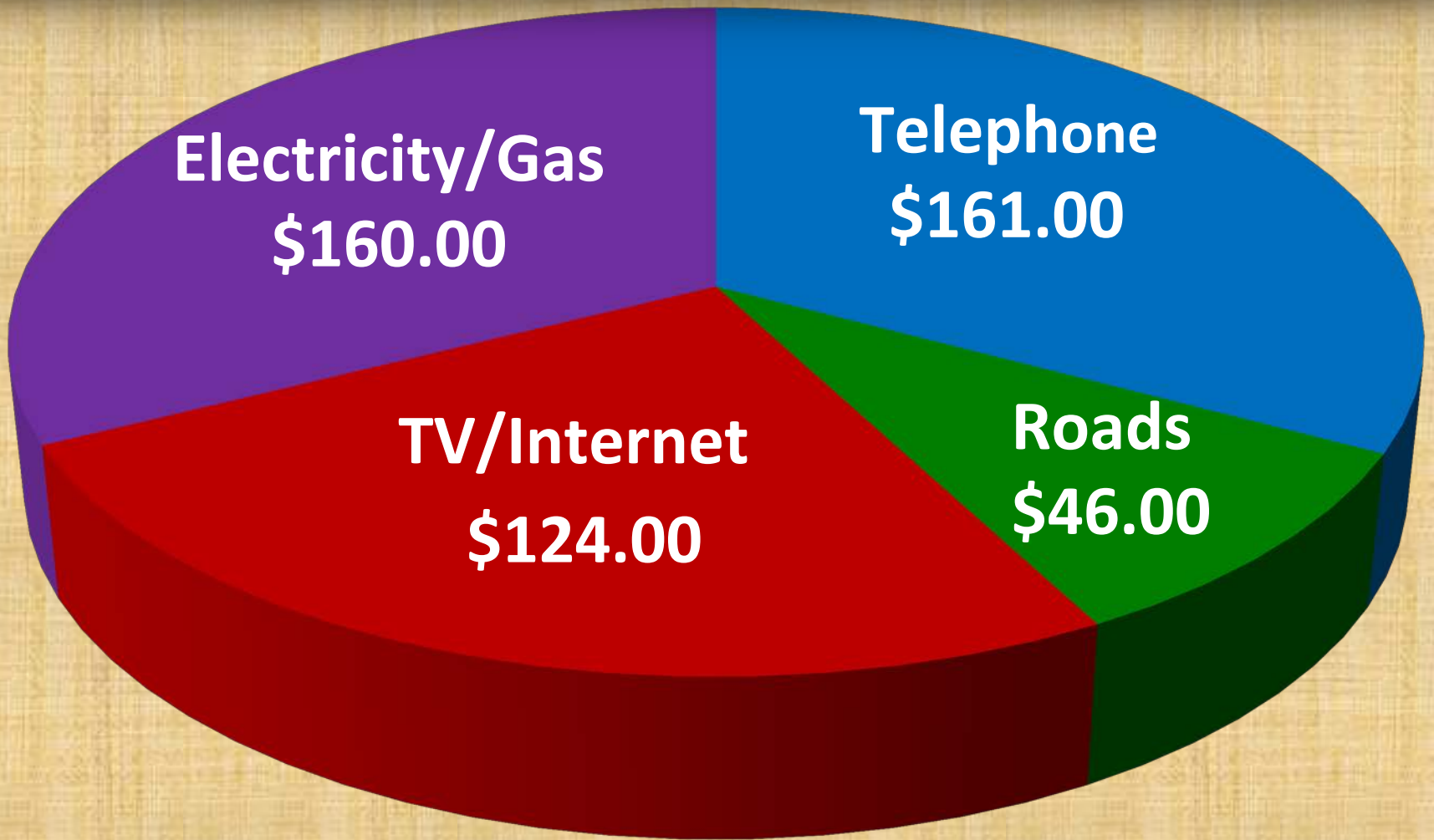
Loss of Purchasing Power

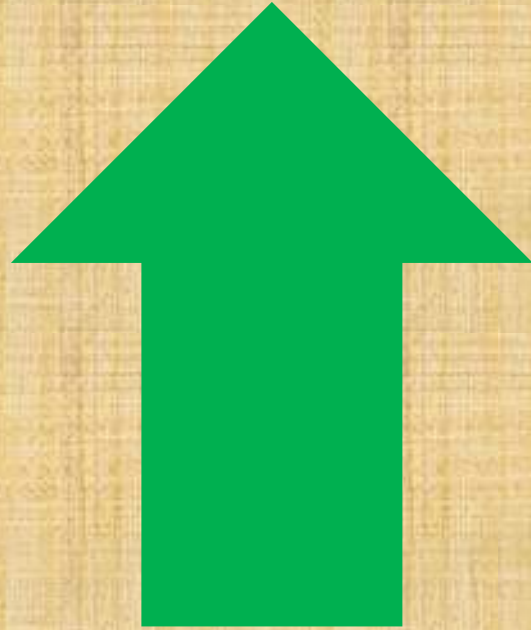
Item	Description	1993	2010	Variance
Tuition	Tuition/Fees	\$3,517	\$9,136	160%
Gas	Per Gallon	\$1.12	\$2.73	144%
Movie	Avg. Ticket	\$4.14	\$7.89	91%
House	Median Price	\$126,500	\$221,800	75%
Bread	Per Pound	\$1.08	\$1.76	62%
Income	Median Household	\$31,272	\$49,167	57%
Stamp	1 st Class	.29¢	.44¢	52%
Beef	Per Pound	\$1.57	\$2.28	46%
Car	Avg. New Car	\$19,200	\$26,850	40%

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Car	Avg. New Car	\$19,200	\$26,850	40%
Fed Gas Tax	Per Gallon	0.184	0.184	0%

Average Monthly Household *Expenditures*





Cost

Revenue





Cost

How do you fill the gap?



Revenue



Cost

- **Raise Taxes**
- **Re-allocate Existing Revenue**



Revenue



Blue Ribbon
Committee
on Highway Finance
BlueRibbonHighways.com

FINAL REPORT

December 1, 2010

Presented to:

The Honorable Mike Beebe, Governor
House Interim Committee on Public Transportation
Senate Interim Committee on Transportation, Technology and Legislative Affairs
House Interim Committee on Revenue and Taxation
Senate Interim Committee on Revenue and Taxation
Arkansas Legislative Council
Arkansas State Highway Commission
Association of Arkansas Counties
Arkansas Municipal League





“....70% of our highway, road and street funding comes from a consumption based tax, while it is a national goal to reduce consumption. The trend... is simply a losing proposition.

We're moving backward.”





Revenue Proposals



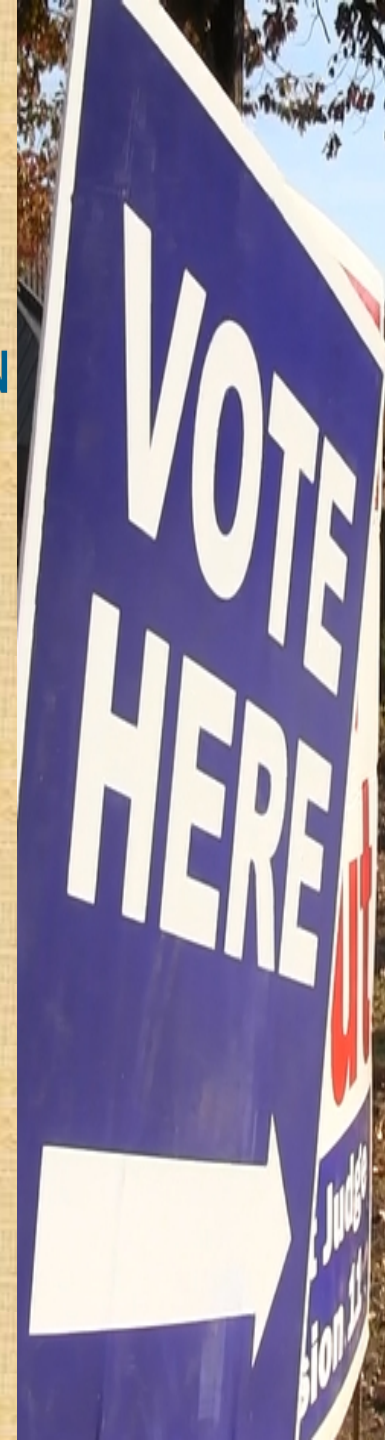
- ✓ Reissue **APPROVED** LE Bonds for a New Interstate Rehabilitation Program
- ✓ Temporary **APPROVED** One-Half Cent General Sales Tax to Fund a Multi-Year Construction Program
- ✓ State **APPROVED** Program for Cities
- Transfer Sales Tax on New and Used Vehicles, Auto Repair Parts and Services, Tires and Batteries



2011



2012



Needs vs. *Revenue*



+



Total = 630 miles

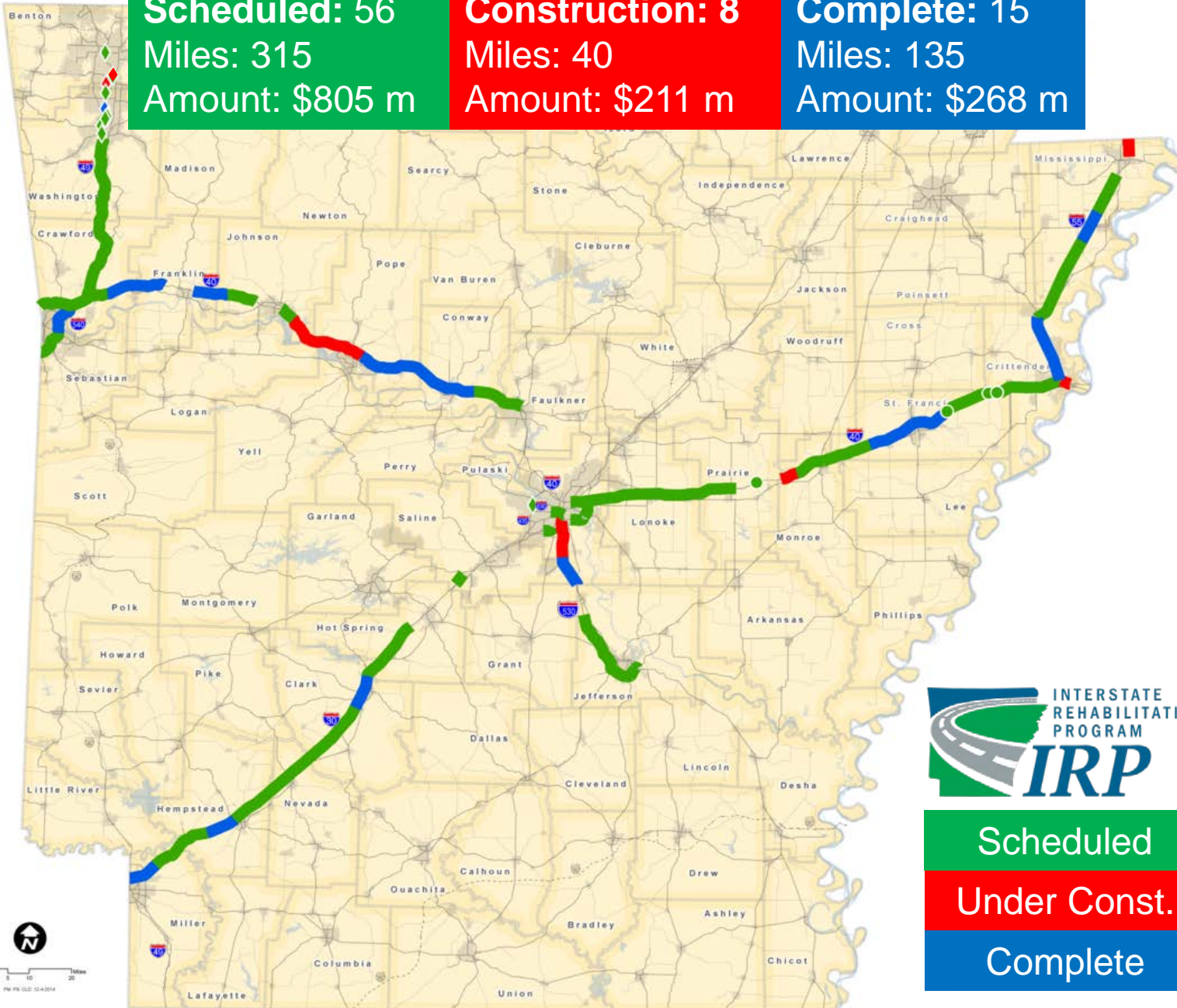
3.8%

Interstate Rehabilitation Program

Scheduled: 56
Miles: 315
Amount: \$805 m

Construction: 8
Miles: 40
Amount: \$211 m

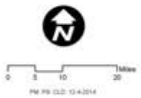
Complete: 15
Miles: 135
Amount: \$268 m



Scheduled

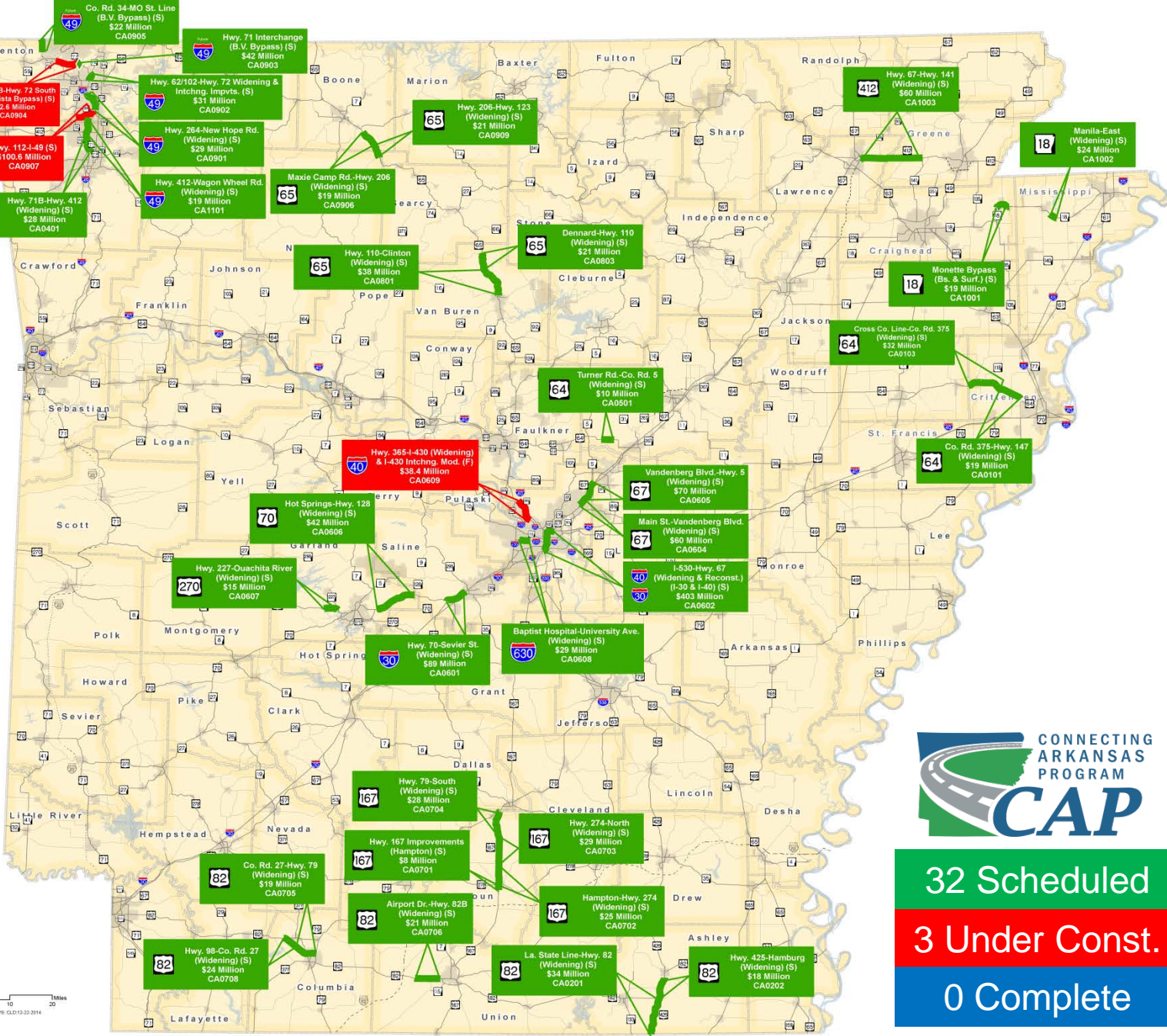
Under Const.

Complete



Connecting Arkansas

Program



32 Scheduled
 3 Under Const.
 0 Complete

Scale: 0 5 10 Miles
 Date: 10/12/2014

Revenue Proposals

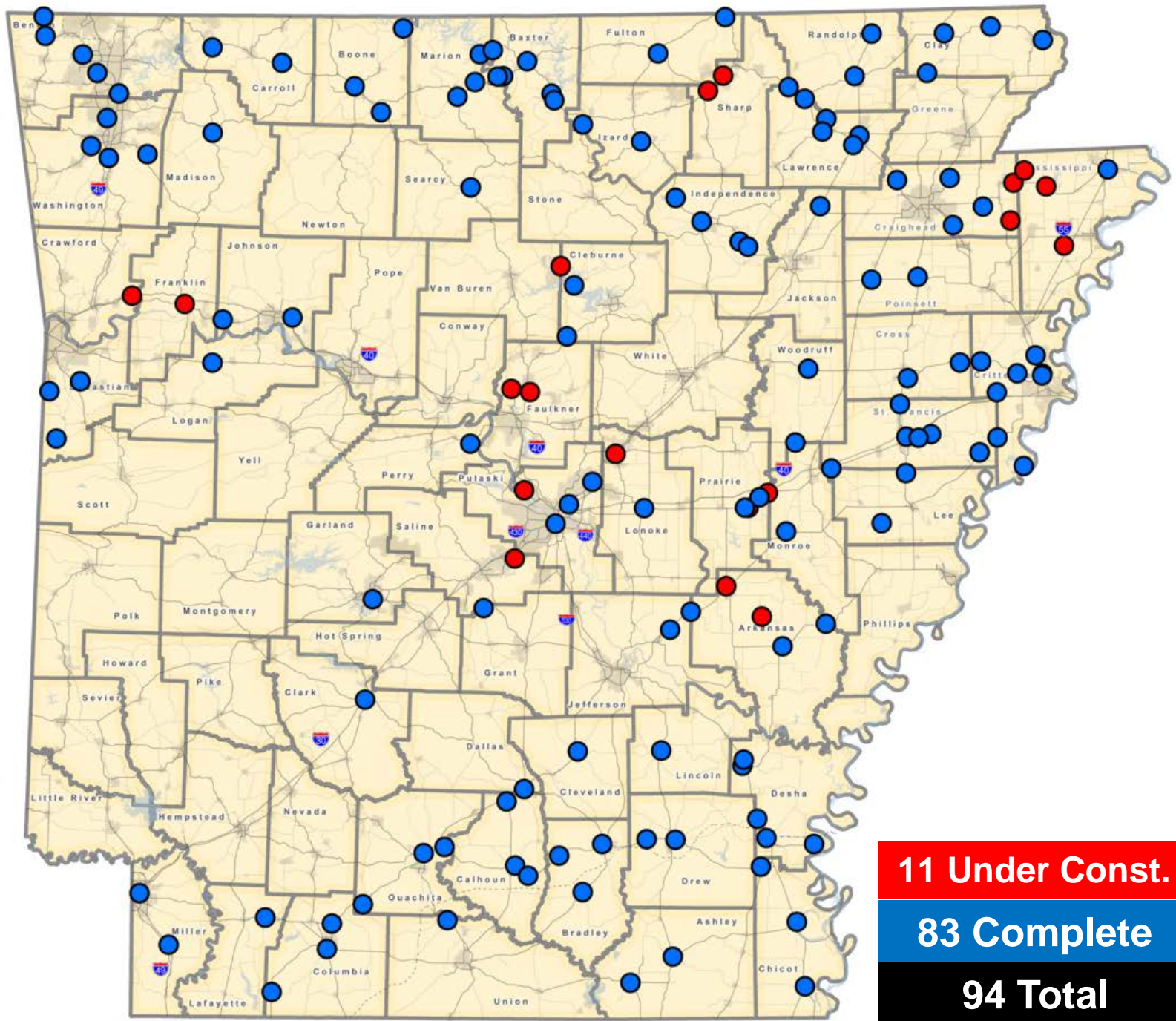


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Committee
on Highway Finance
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State Aid Program for Cities

- Dedicate 1¢ Per Gallon of Existing Motor Fuel Tax
- Similar to County Aid Program
- Funds Distributed by 9-Member Panel
- Passed in 2011; Triggered by Issue #1 Vote

State Aid Street Program



11 Under Const.

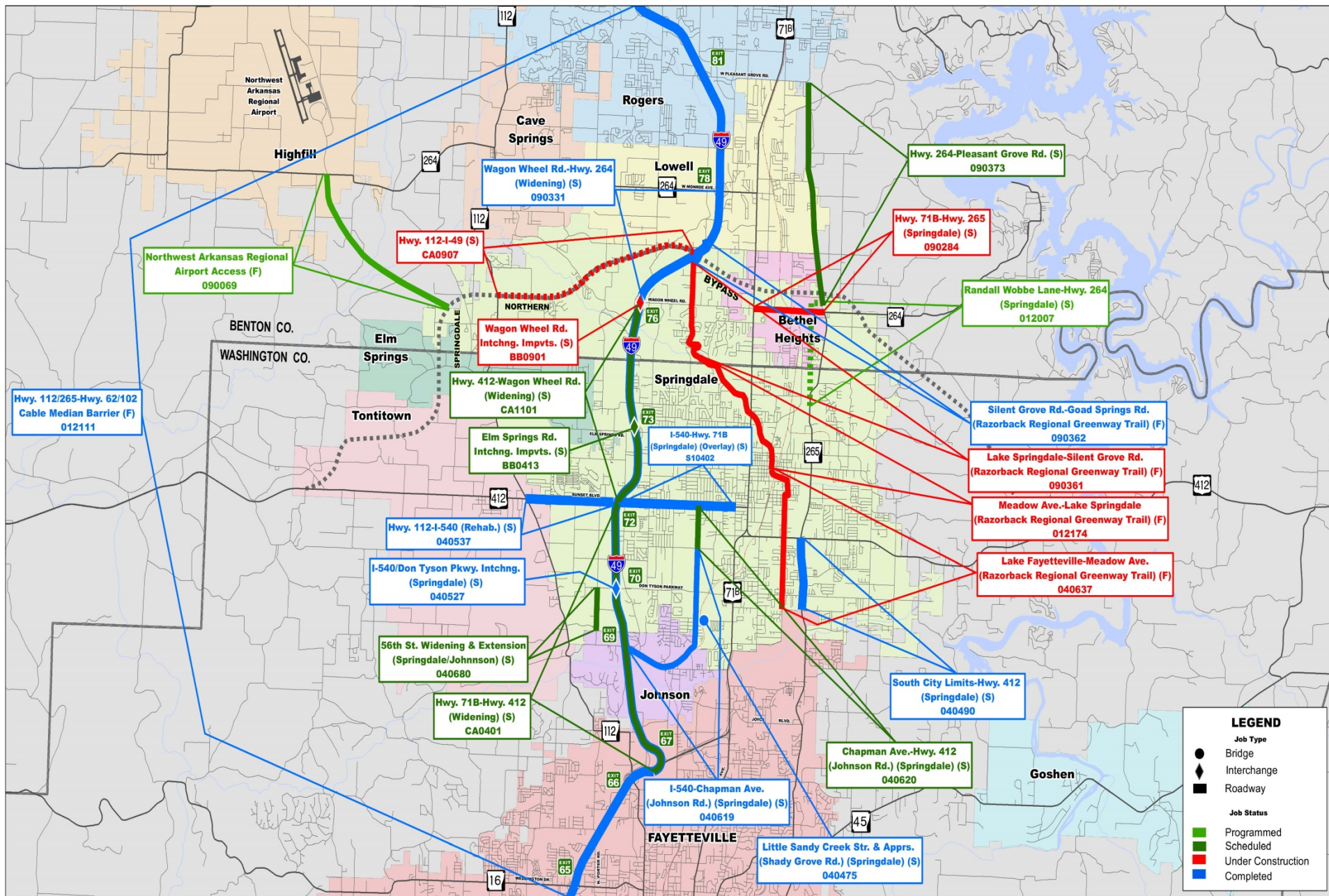
83 Complete

94 Total

Benton & Washington County

Projects	Miles	Cost
Complete (Last 10 Years)	296	\$316 million
Under Construction	52	\$349 million
Programmed	155	\$616 million
Total	503	\$1,281 million





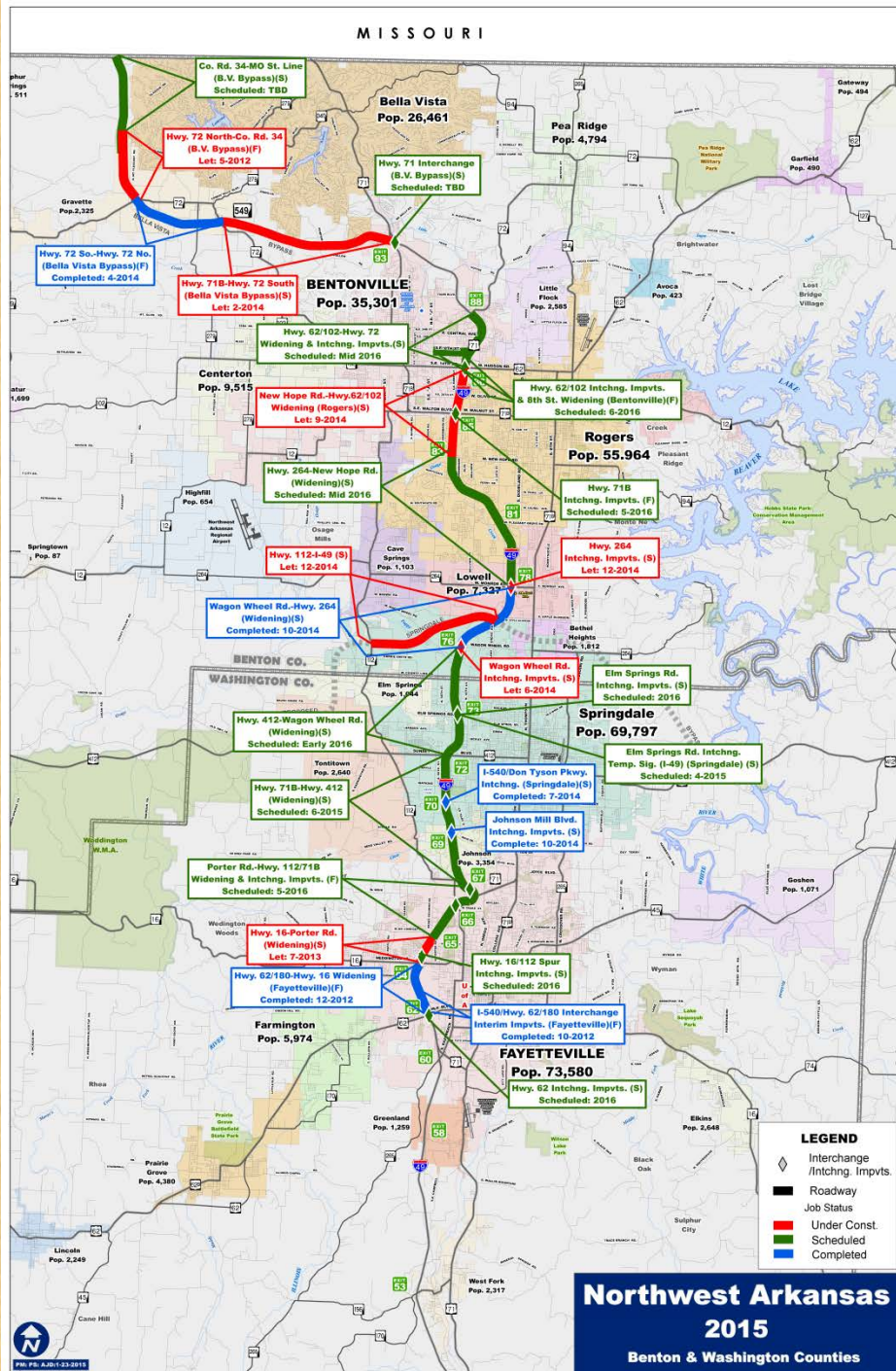
Springdale Area Map

Benton and Washington Counties





Northwest Arkansas Projects





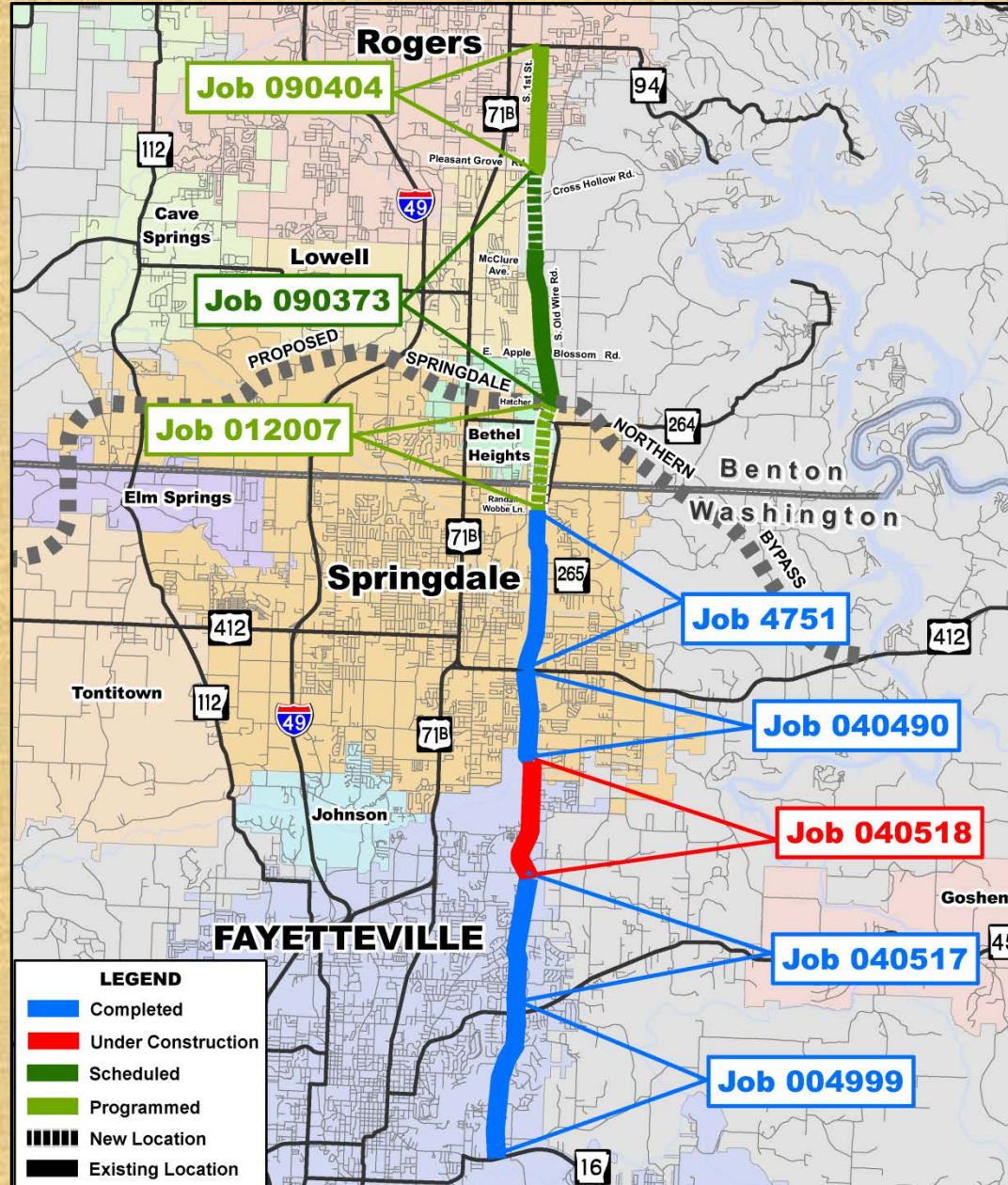
Springdale Bypass

Northwest Arkansas
Projects

Highway 412
Hwy. 112 - I-49
\$100 million
Complete: Summer 2020



Eastern North-South Corridor



Northwest Arkansas
Projects



@AHTD

Litter Hotline 866-811-1222

