

Scott E. Bennett, P.E.

Director of Highways and Transportation



ARKANSAS STATE HIGHWAY AND TRANSPORTATION DEPARTMENT

AAPA Quality Asphalt Conference

Tuesday, January 5, 2016

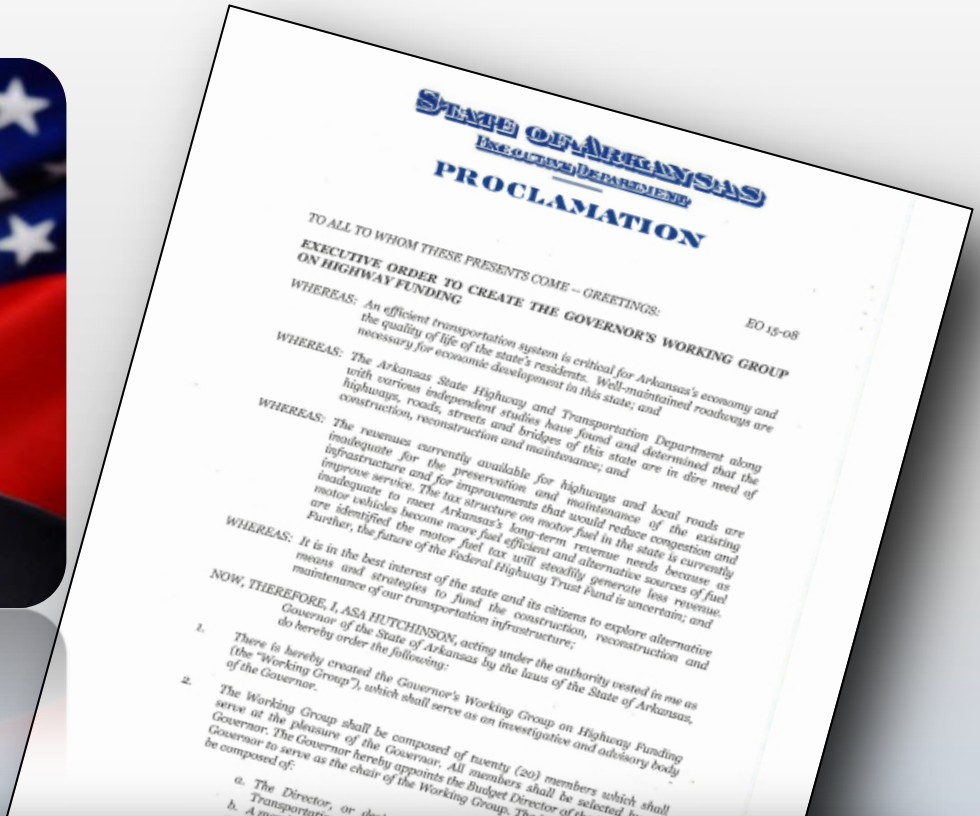


Arkansas Highway Commission





Governor's Working Group on Highway Funding



“An efficient transportation system is critical for Arkansas’ economy and the quality of life of the state’s residents.”



Governor's Working Group on Highway Funding

GOALS

Needs	Net to AHTD (x \$1 M)	Cumulative Amount (x \$1 M)	Benefits
Immediate/Short-Term (within 2 years)	\$110	\$110	<ul style="list-style-type: none"> • Critical Needs • Match Federal Highway Funds • Overlays
Mid-Term (within 3-5 years)	\$140	\$250	<ul style="list-style-type: none"> • Enhanced Maintenance Program <ul style="list-style-type: none"> ✓ Pavement Restoration of 50% of the State Highway System every 15-20 years
Long-Term (within 6-10 years)	\$150	\$400	<ul style="list-style-type: none"> • Enhanced Economic Development Program

Ultimate (10+ Years)	\$1.68 Billion	<ul style="list-style-type: none"> • Economic Development Projects Completed <ul style="list-style-type: none"> ✓ I-49, I-69 ✓ Four-lane Grid System ✓ State of Good Repair for Bridges and Pavement ✓ AHTD Equipment Fleet – Average Age 8 Years ✓ All AHTD Facilities Modernized
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Governor's Working Group on Highway Funding

GOVERNOR'S WORKING GROUP ON HIGHWAY FUNDING

Short-Term
Recommendation



December 15, 2015

Presented to:
The Honorable Asa Hutchinson, Governor



Fixing America's Surface Transportation (FAST) Act

- Authorizes 5 Years of Funding
 - Federal Fiscal Years (FFYs) 2016-2020
- \$225.2 Billion for Highway Investment
- Over 5 Years:
 - \$20.2 Billion Increase from FFY 2015
 - \$250 Million Increase for Arkansas





Funding Challenges

- **Additional State Highway Funds Needed to Match Federal Highway Funds**
 - ✓ Typically 80% Federal 20% State Funds
 - ✓ Use or Lose



STATE FISCAL YEARS 2016-2020

ESTIMATED STATE HIGHWAY REVENUE ANALYSIS

x \$1,000,000

	2016	2017	2018	2019	2020	AVG
Sources and Revenues:						
Motor Fuels and Registration Fees	\$ 356.4	\$ 358.2	\$ 360.0	\$ 361.8	\$ 363.6	
4¢ Diesel Tax - Committed to the Interstate Rehab. Program (IRP)	\$ 16.5	\$ 16.5	\$ 16.5	\$ 16.5	\$ 16.5	
Natural Gas Severance Tax	\$ 29.0	\$ 29.7	\$ 30.4	\$ 31.2	\$ 32.0	
TOTAL	\$ 401.9	\$ 404.4	\$ 406.9	\$ 409.5	\$ 412.1	\$ 407.0
Less Fixed Expenditures:						
Maintenance	\$ 221.8	\$ 222.9	\$ 224.0	\$ 225.1	\$ 226.3	
Administration	\$ 21.8	\$ 21.9	\$ 22.0	\$ 22.1	\$ 22.2	
Operations	\$ 26.2	\$ 26.4	\$ 26.5	\$ 26.6	\$ 26.8	
Budgeted Construction w/o Right of Way	\$ 44.9	\$ 45.1	\$ 45.4	\$ 45.6	\$ 45.8	
IRP Debt Service	\$ 16.5	\$ 16.5	\$ 16.5	\$ 16.5	\$ 16.5	
TOTAL	\$ 331.3	\$ 332.8	\$ 334.4	\$ 336.0	\$ 337.6	\$ 334.5
Total State Highway Funds Available for Highway Construction Program	\$ 70.6	\$ 71.6	\$ 72.5	\$ 73.5	\$ 74.5	\$ 72.5
Less Required State Highway Matching Funds for Federal Highway Funds	\$ 116.7	\$ 119.4	\$ 121.9	\$ 124.8	\$ 127.8	\$ 122.1
Shortfall in State Highway Matching Funds Needed for Federal Highway Funds	(\$ 46.1)	(\$ 47.8)	(\$ 49.4)	(\$ 51.3)	(\$ 53.3)	(\$49.6)



Funding Challenges

- **Additional State Highway Funds Needed to Match Federal Highway Funds**

- ✓ Typically 80% Federal Hwy. Funds are Matched by 20% State Hwy. Funds
- ✓ Use or Lose

- **Reduction in Annual State Highway Revenue Available to Match Federal Highway Funds**

- ✓ Arkansas State Aid City Street Program - \$ 14 M
- ✓ Increased Maintenance Budget - \$ 18 M
- ✓ Declining Natural Gas Severance Tax Revenue - \$ 11 M

Total Annual Reduction - \$ 43 M



Federally Mandated Performance Measures

7 National Goals

- Safety
- Congestion Reduction
- System Reliability
- Freight Movement and Economic Vitality
- Environmental Sustainability
- INFRASTRUCTURE CONDITION**
- Reduced Project Delivery Delays





Federally Mandated Performance Measures

National Goal Area:
Infrastructure Condition

Monitor – Evaluate – Report

Possible Impacts





Percent Within Limits (PWL)

Special Provision

Interstate Mill & Inlay
15,000+ tons and >4"

Incentives / Disincentives:

17 projects, \$1.8M incentives

2 projects, \$133,000 disincentives



Efforts to Expedite Construction



Get In
Get Done
Get Out

Incentives/Disincentives:
568 projects last 2 years
26 w/incentives - \$8M
22 w/disincentives - \$9M

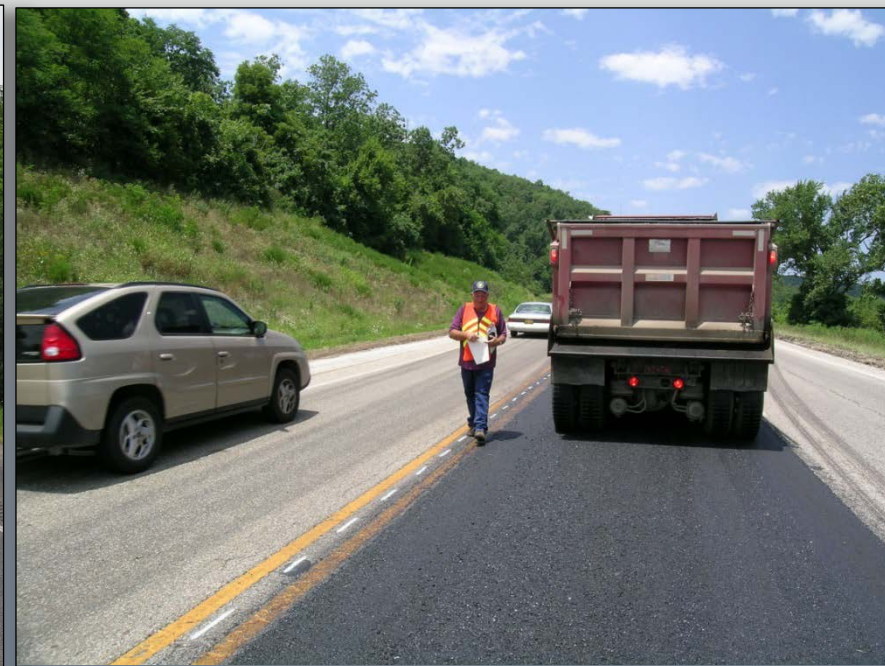
Flexible
Beginning of Work



Efforts to Expedite Construction

Reduce Projects in Overtime

- 568 projects (last 2 years)
- 83 (15%) in overtime
- 85% on time or ahead of schedule





Asphalt Indexing Pilot Initiative



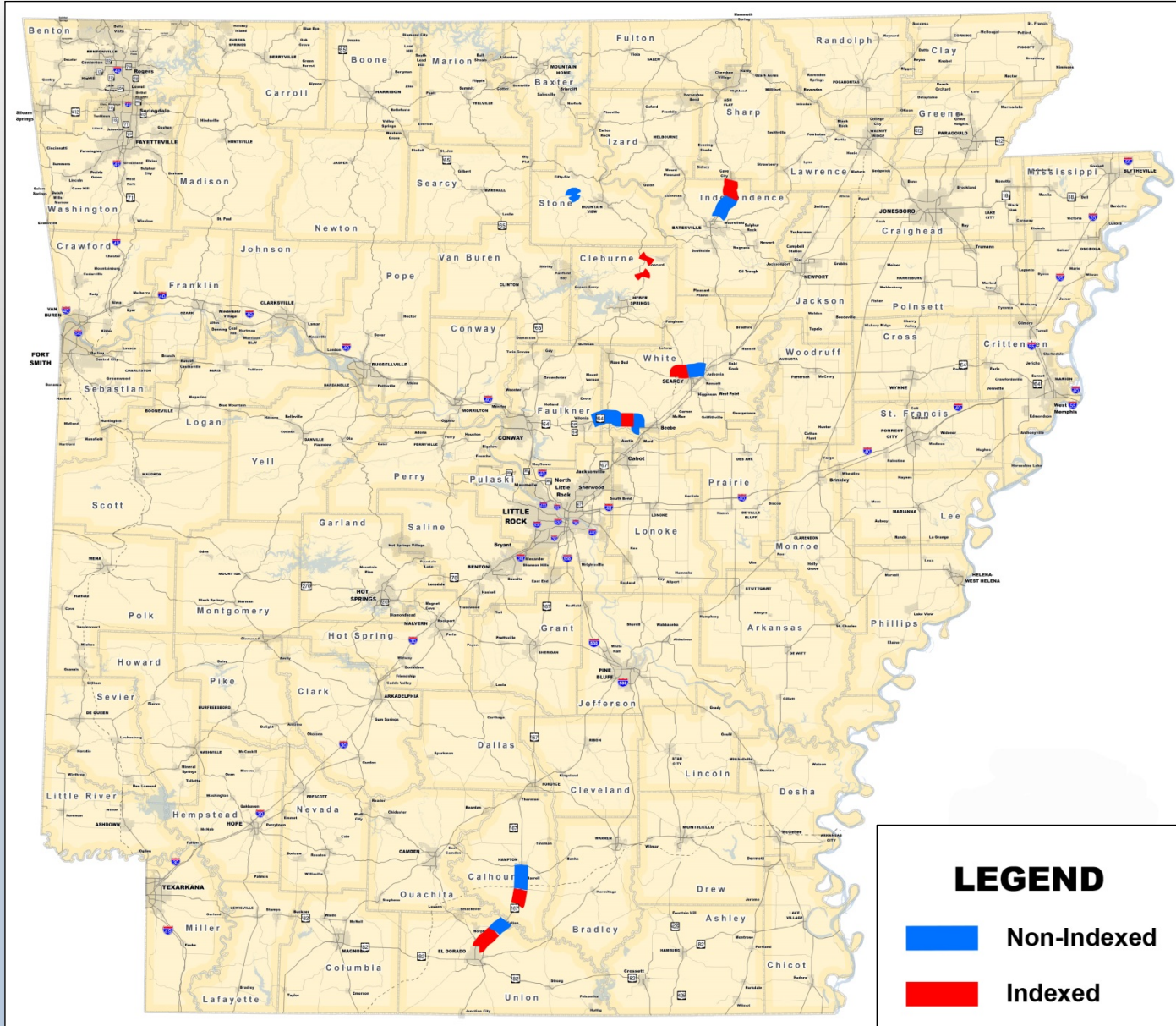
New Specification

Benefits

Monthly Adjustments

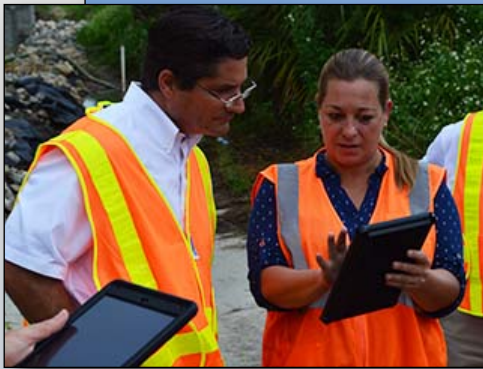


Asphalt Indexing Pilot Initiative





e-Construction



e-Construction





e-Construction

It is agreed and understood between the parties hereto that the Contractor agrees to accept and the Commission agrees to pay for the work at the prices stipulated in the Contract Schedule of Prices, such payment to be in lawful money of the United States, and the payment shall be made at the time and in the manner set forth in the Specifications.

WITNESS OUR HANDS, this date FEB 22 2012

CONTRACTOR

CRANFORD CONSTRUCTION CO.

BY: [Signature]

PRINTED NAME: Steve Cranford
(Must Be Legible)

ARKANSAS STATE HIGHWAY COMMISSION

BY: [Signature]
Director of Highways and Transportation



Doc Express Document Signing History

Contract: 061440 Document: 061440 CONTRACT

Date	Electronically Signed By
09/17/2015	Robert Jones M & T PAVING & CONSTRUCTION CO. INC. (SIGNED BY CONTRACTOR)
09/17/2015	Twandria Campbell Arkansas State Highway and Transportation Department (REVIEWED BY PROGRAM MANAGEMENT)
09/17/2015	Emanuel Banks Arkansas State Highway and Transportation Department (SIGNED BY DEPUTY DIRECTOR AND CHIEF ENGINEER)
09/18/2015	Lorie H. Tudor Arkansas State Highway and Transportation Department (SIGNED BY DEPUTY DIRECTOR AND CHIEF OPERATING OFFICER)
09/18/2015	Scott Bennett Arkansas State Highway and Transportation Department (SIGNED BY DIRECTOR)



e-Construction

The screenshot shows a web browser window with the URL <https://docexpress.com/contracts/905>. The browser's address bar and tabs are visible at the top. The application header includes the Doc Express logo and navigation links for Dashboard, Preferences, and Help. The main content area displays the contract number 090347 and a list of documents associated with the contract.

Contracts / 090347

090347

[Edit](#) [Actions](#)

OSAGE CREEK STR. APPRS. (S) FEDERAL AID PROJECT STPF-BRN-0004(53)

Mobley Contractors, Inc., The Cashion Company, Inc. HWY. 264/SECTION 3/BENTON Letting Date: Oct 13 2015 Bid Order Number: 300

1-DISADVANTAGED BUSINESS ENTERPRISE (DBE) PARTICIPATION	6
2-CONTRACTOR'S CERTIFICATION STATEMENT (SWPPP) STORM WATER	1
3-CERTIFICATE OF LIABILITY	1
4-STATUTORY PERFORMANCE AND PAYMENT BOND	3
CONTRACT EXECUTION	



Next Area of Change

Estimate Vouchers

Change Orders

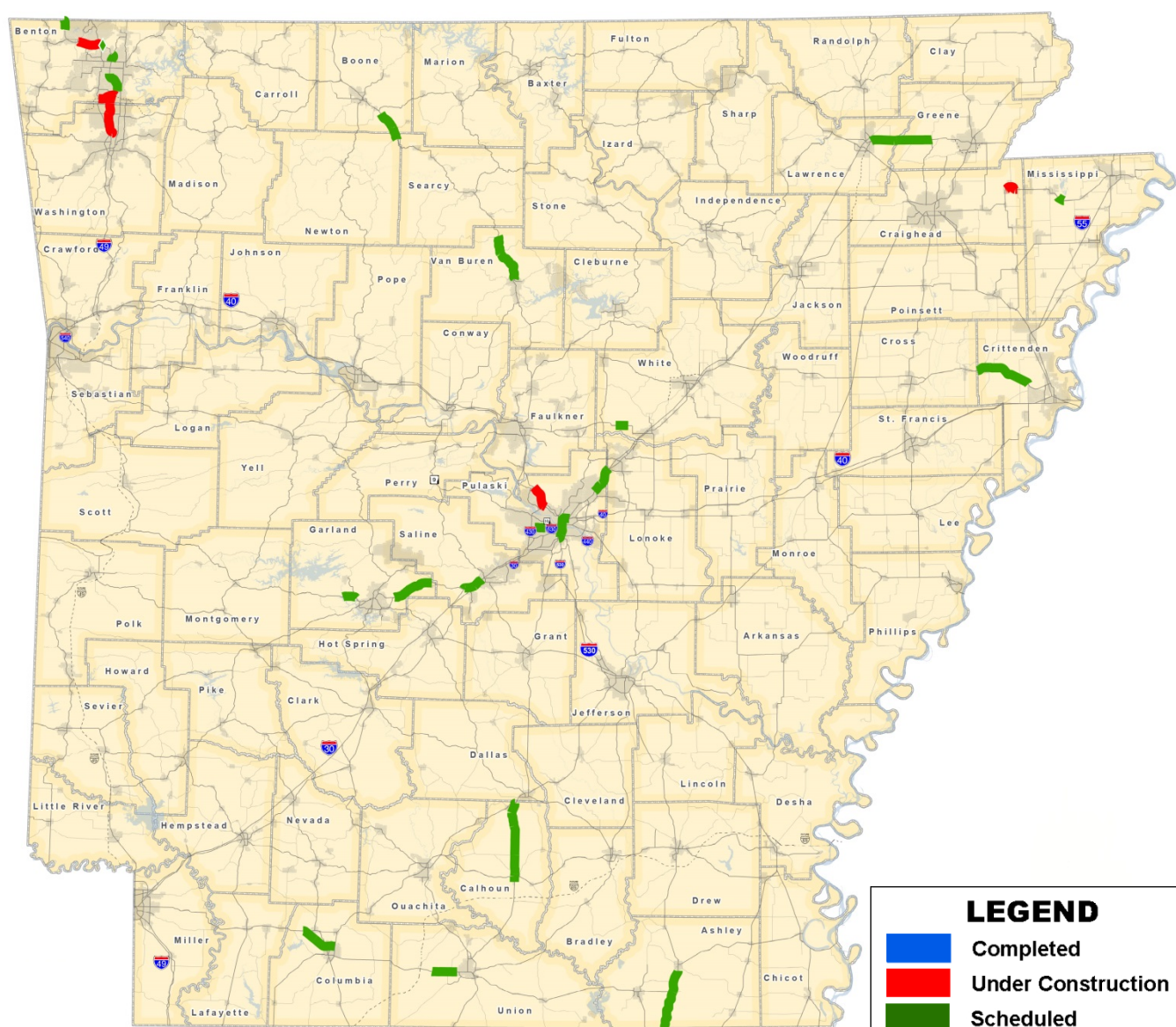


e-Construction





Connecting Arkansas Program Update



Under Construction:
6 Projects
267 miles
\$255 million

Scheduled:
29 Projects
152 miles
\$1.5 billion

LEGEND

-  Completed
-  Under Construction
-  Scheduled



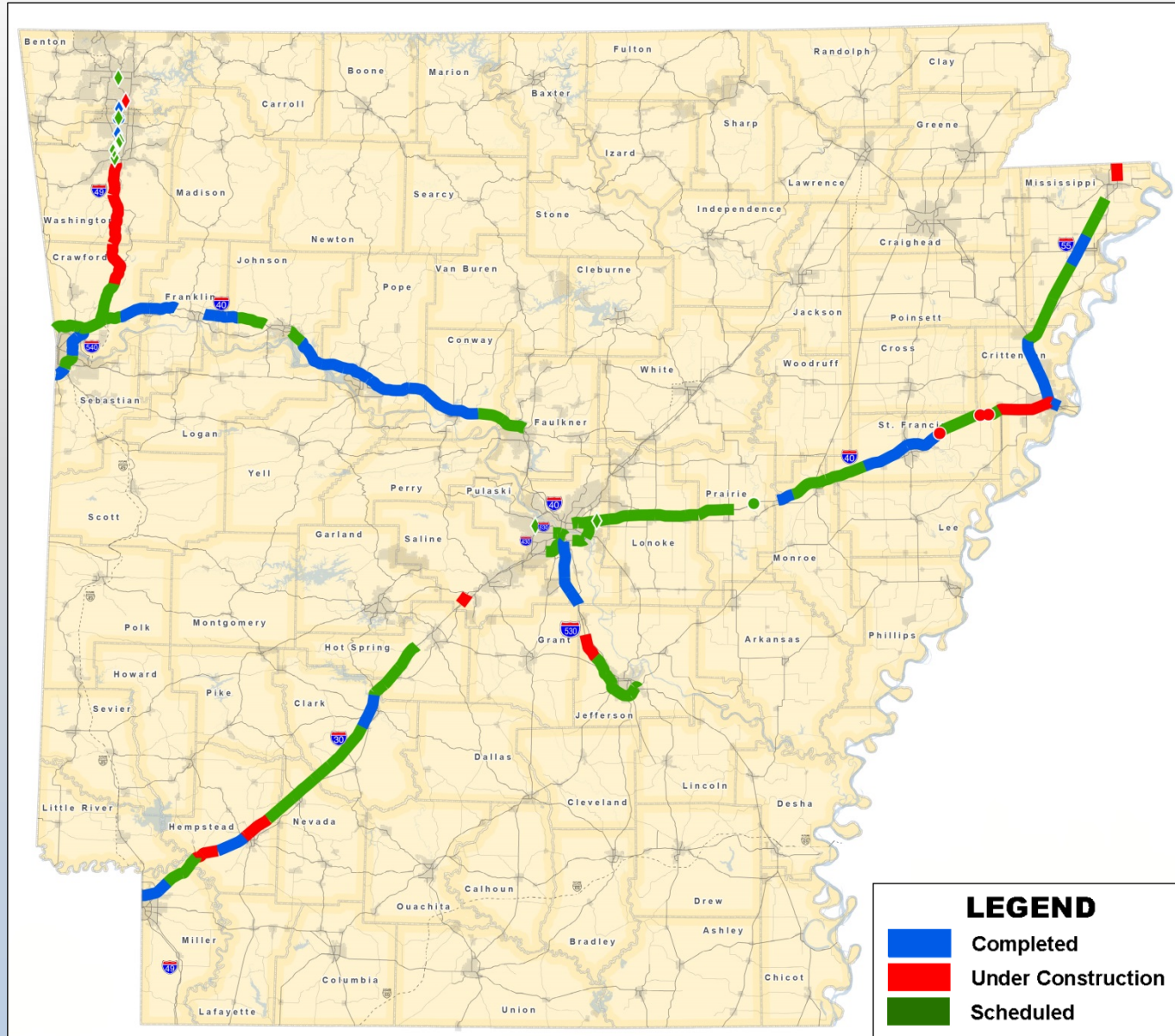


Interstate Rehabilitation Program Update

Completed:
23 Projects
170 miles
\$449 million

Under Construction:
12 Projects
71 miles
\$295 million

Scheduled:
47 Projects
250 miles
\$688 million



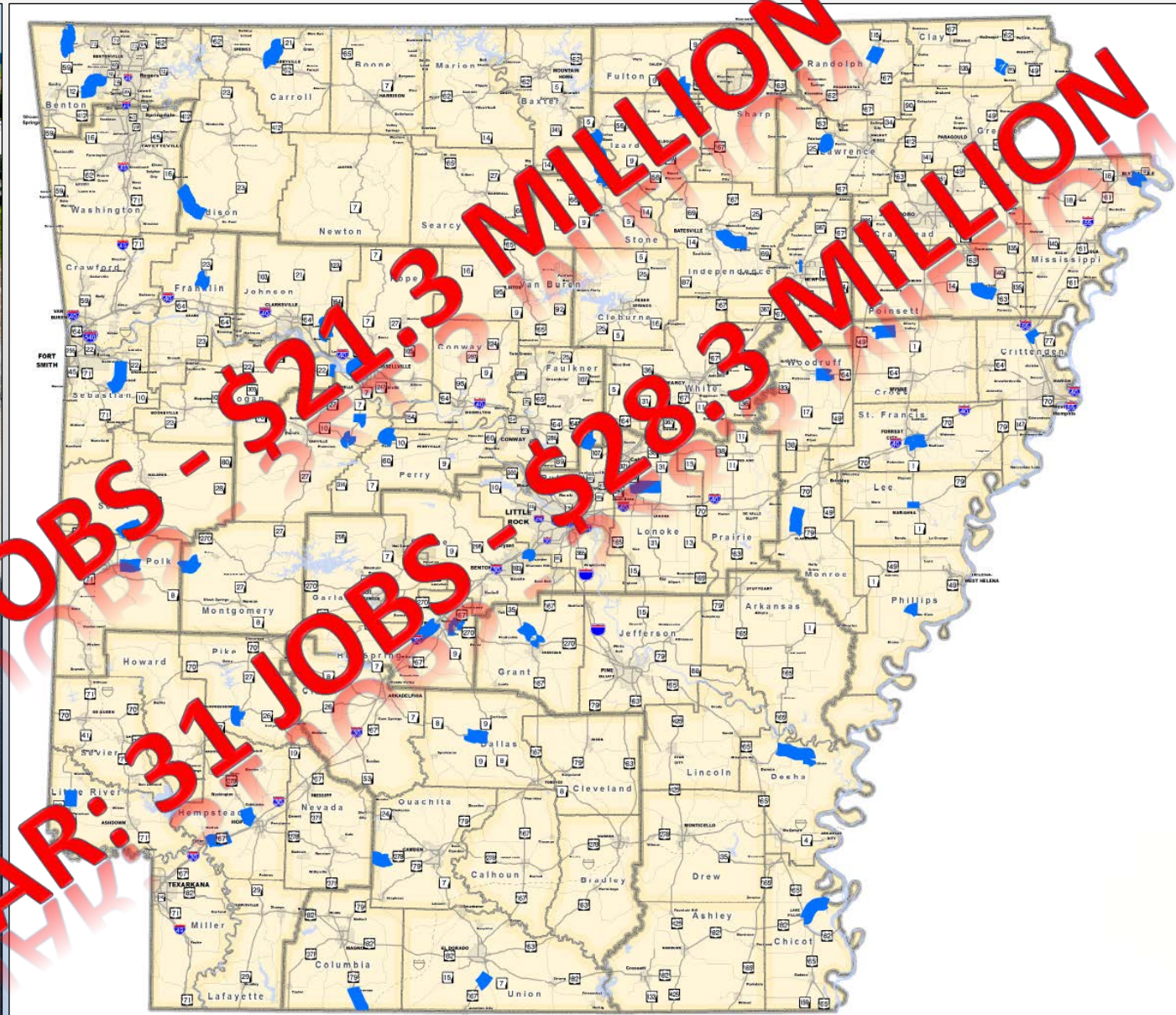


2016 Overlay Program





2016 Overlay Program





2016 Lettings Summary

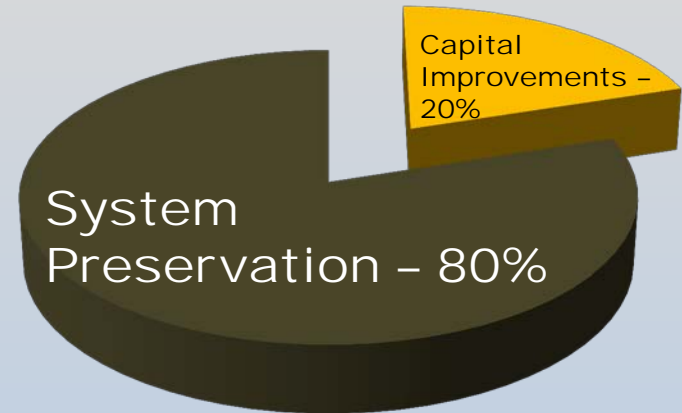
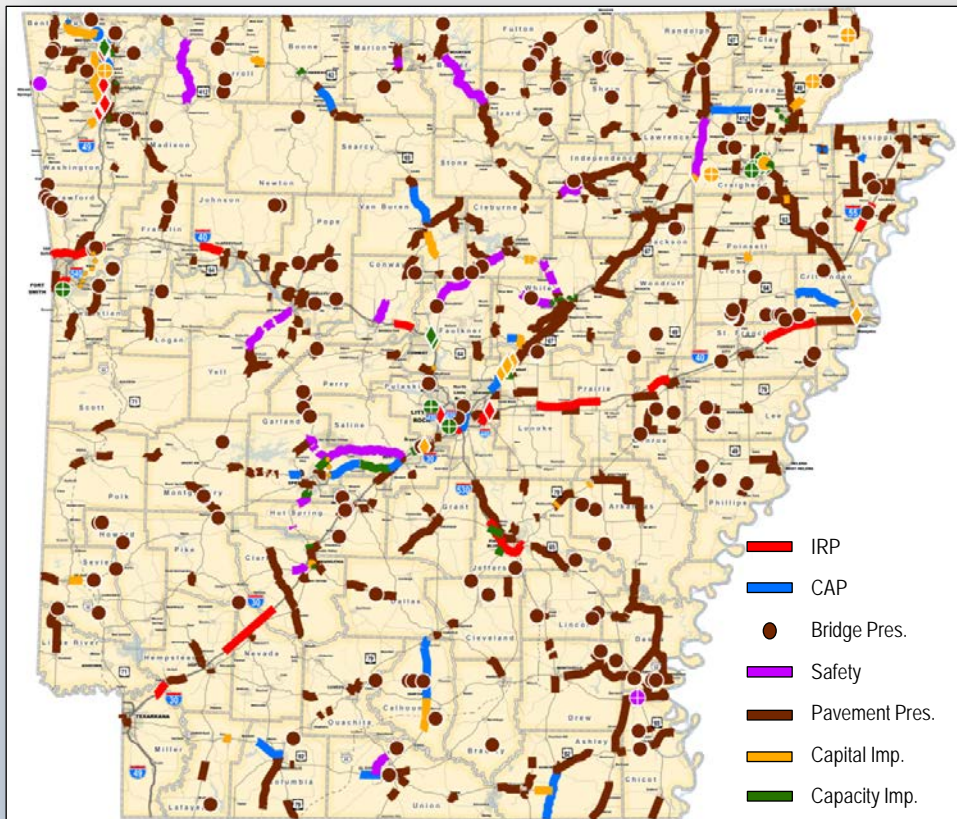
Date	Number of Jobs	Amount (in Millions)
13 Jan	21	\$ 241.3
10 Feb	29	\$ 97.1
23 Mar	38	\$ 81.9
11 May	12	\$ 130.1
22 Jun	9	\$ 169.1
10 Aug	4	\$ 45.6
21 Sep	12	\$ 98.5
2 Nov	5	\$ 77.4
7 Dec	7	\$ 72.3
Totals for 2016	137	\$1,013.3



Draft 2016-2020 STIP

“When you realize the value of all life, you dwell less on what is past and concentrate more on the preservation of the future.”

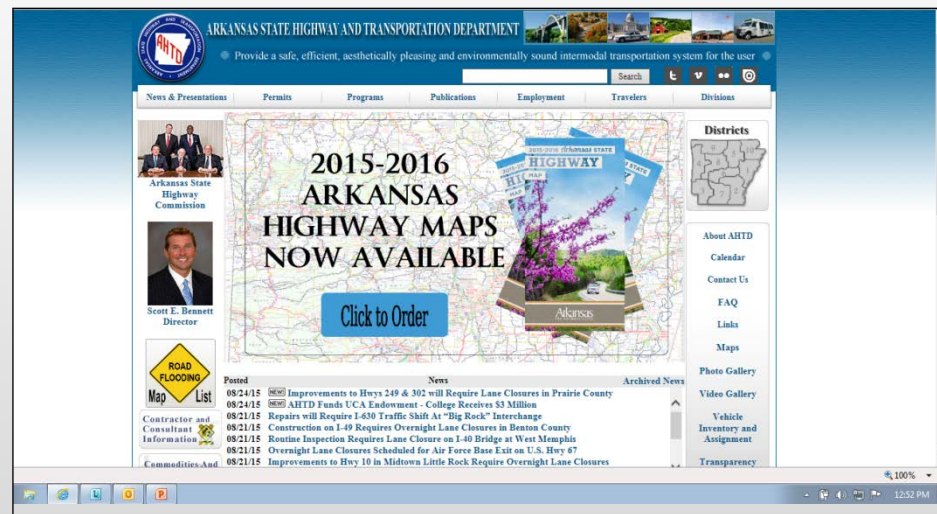
-Dian Fossey



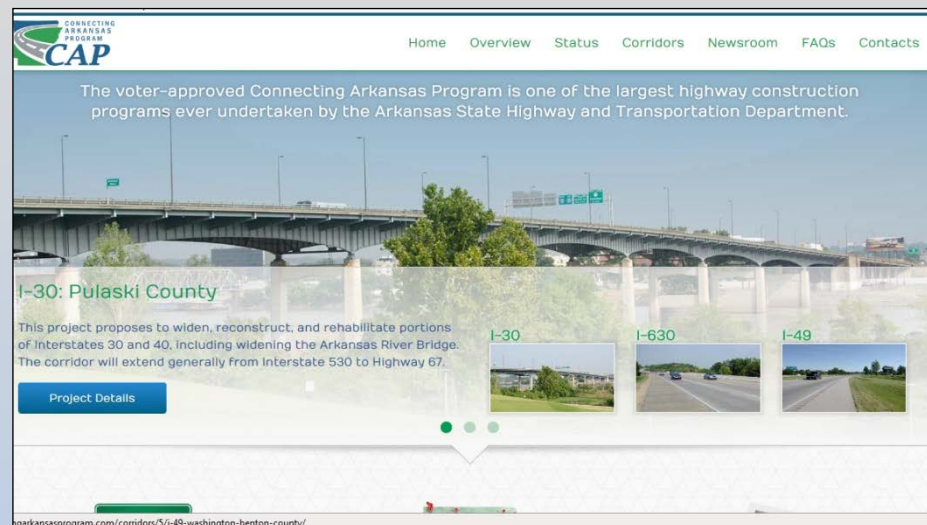
**Commission
Discretionary Funds**



- ArkansasHighways.com
- ConnectingArkansasProgram.com
- Vimeo.com/AHTD
- IDriveArkansas.com
- [Twitter.com @AHTD](https://twitter.com/AHTD)



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Questions?

