

**Scott E. Bennett, P.E.**

**Director of Highways and Transportation**



# **ARKANSAS STATE HIGHWAY AND TRANSPORTATION DEPARTMENT**

**AGC ARKANSAS**

Wednesday, January 27, 2016



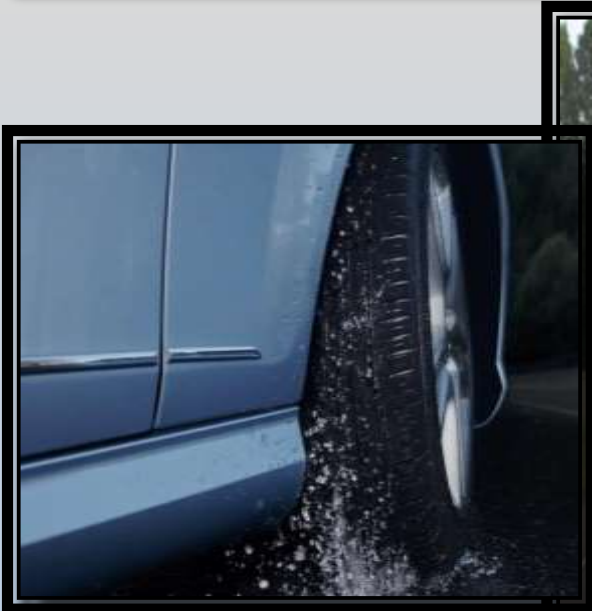
# Arkansas Highway Commission







# 2015 Awards





# AHTD and AGC Partnering Agreement

## PARTNERING AGREEMENT AHTD and AGC

Whereas, the Arkansas State Highway and Transportation Department (AHTD) and the Associated General Contractors of America, Arkansas Chapter (AGC), recognize the importance of providing quality surface transportation facilities in a safe, timely and cost-effective manner;

Therefore, we agree to continue our partnering efforts and to formalize the agreement through the following:

- Promote harmonious relationships throughout the industry, fostered in the concept of mutual trust and respect;
- Foster an inclusionary industry that ensures full and open opportunity for all to participate and for responsible businesses to compete in an open, competitive bid environment;
- Promote quality through continuous improvement at all stages of the design and construction process;
- Cooperatively promote and encourage the use of new products, technology and processes that provide a demonstrated level of improved quality;
- Promote prompt and fair dispute resolution by opening communications through the use of partnering;
- Deliver surface transportation facilities in a manner that is environmentally responsible in both design and construction; and
- Ensure that the safety of the public and our employees will be a prime concern in delivering transportation facilities.

By following these principles, we can build customer satisfaction, enhance our ability to deliver a top quality product in which we can take pride.

Signed this 16<sup>th</sup> day of October 2011

Arkansas State Highway  
and Transportation Department

Associated General  
Contractors of America,  
Arkansas Chapter

*Madison Murphy*  
Madison Murphy  
Commission Chairman

*Brad Fryar*  
Brad Fryar  
President

*Scott E. Bennett*  
Scott E. Bennett  
Director of Highways and Transportation

*Mark Winkle*  
Mark Winkle  
Highway Division







# Best Wishes to Richard Hedgecock



# 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
<b>Sources and Revenues:</b>						
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	
<b>TOTAL</b>	<b>\$ 401.9</b>	<b>\$ 404.4</b>	<b>\$ 406.9</b>	<b>\$ 409.5</b>	<b>\$ 412.1</b>	<b>\$ 407.0</b>
<b>Less Fixed Expenditures:</b>						
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	
<b>TOTAL</b>	<b>\$ 331.3</b>	<b>\$ 332.8</b>	<b>\$ 334.4</b>	<b>\$ 336.0</b>	<b>\$ 337.6</b>	<b>\$ 334.5</b>
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
<b>Shortfall in State Highway Matching Funds Needed for Federal Highway Funds</b>	<b>(\$ 46.1)</b>	<b>(\$ 47.8)</b>	<b>(\$ 49.4)</b>	<b>(\$ 51.3)</b>	<b>(\$ 53.3)</b>	<b>(\$49.6)</b>







# 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

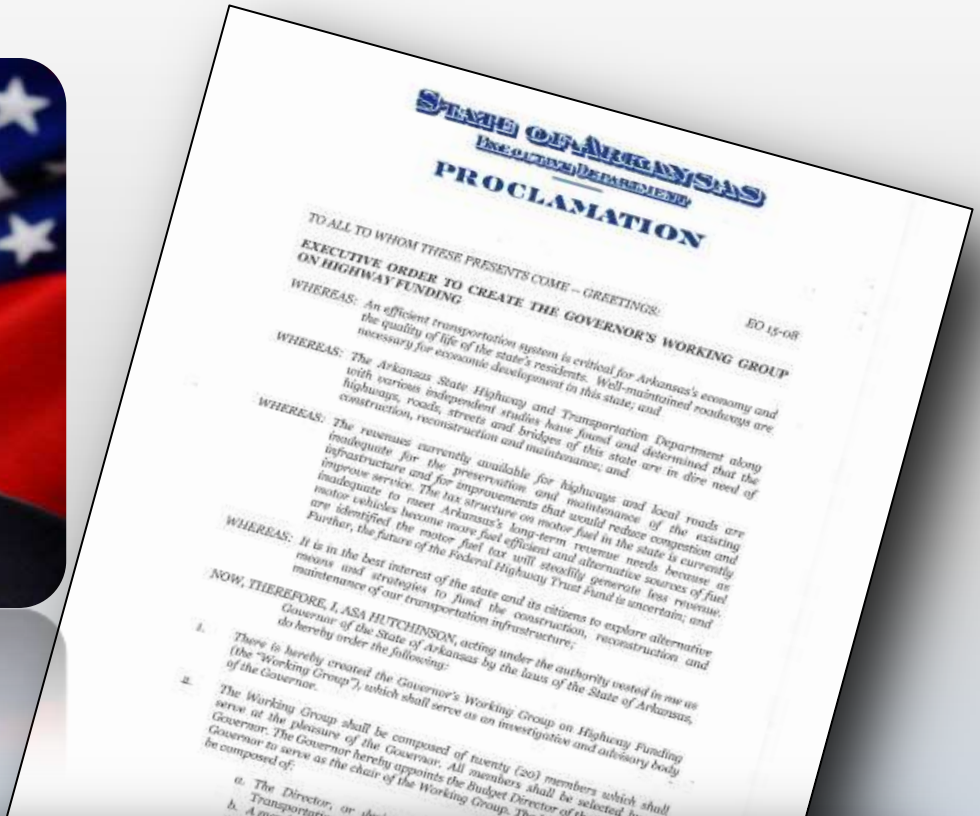
- **Reduction in Annual State Highway Revenue Available to Match Federal Highway Funds**

- ✓ 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**



# 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

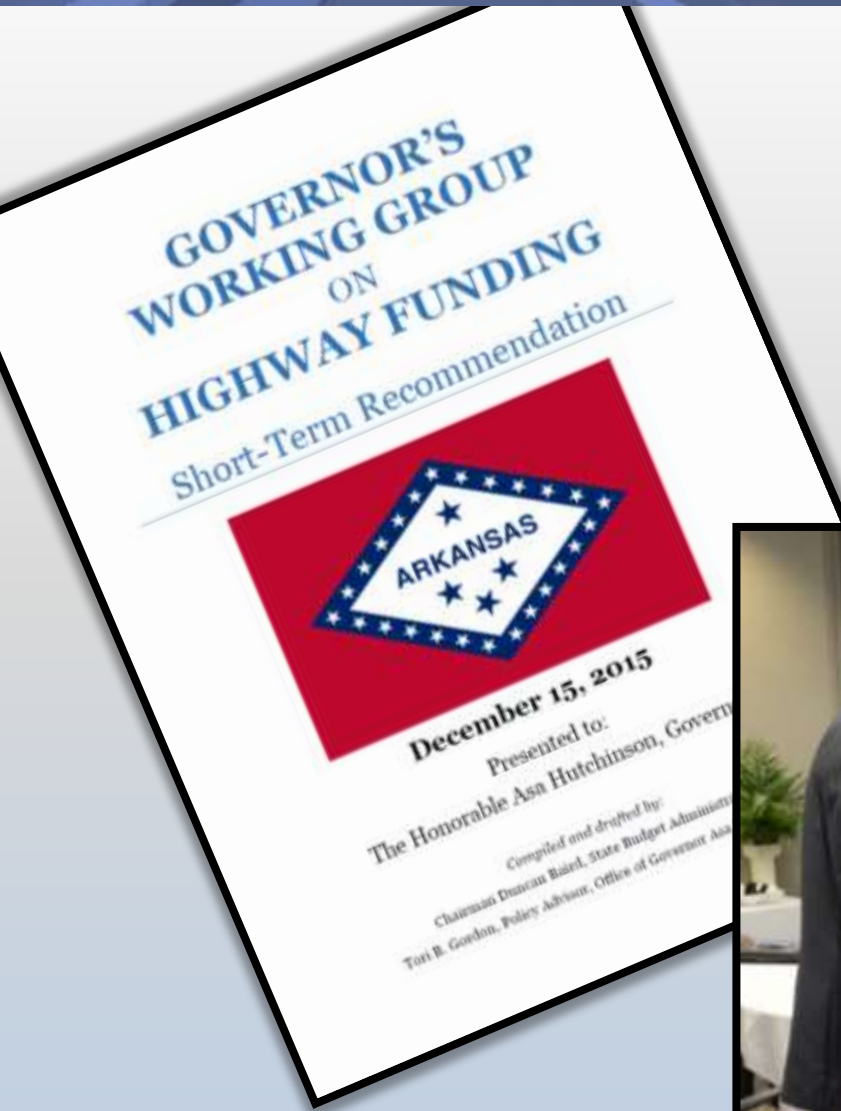
Needs	Net to AHTD (x \$1 M)	Cumulative Amount (x \$1 M)	Benefits
Immediate/Short-Term (within 2 years)	\$110	\$110	<ul style="list-style-type: none"> <li>• Critical Needs</li> <li>• Match Federal Highway Funds</li> <li>• Overlays</li> </ul>
Mid-Term (within 3-5 years)	\$140	\$250	<ul style="list-style-type: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

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





# Governor's Working Group on Highway Funding

January 19, 2016  
Press Conference





# Highway Funding Option Presented by Governor Hutchinson 2016 Special Session

Item	Source	2016 (x \$1M)	2017 (x \$1M)	2018 (x \$1M)	2019 (x \$1M)	2020 (x \$1M)
Transfer 2015 Unobligated Funds	Surplus	\$20.0				
Transfer from Governor	Rainy Day Fund	\$20.0				
Transfer Sales Tax New & Used Vehicles	General Revenue	\$ 1.5	\$ 8.0	\$15.0	\$20.0	\$25.0
Redirect Diesel Tax	General Revenue		\$ 2.7	\$ 2.7	\$ 2.7	\$ 2.7
Eliminate Deduction - Temporary ½ cent Sales Tax	State Central Services	\$ 5.4	\$ 5.4	\$ 5.4	\$ 5.4	\$ 5.4
<b>Total</b>		<b>\$46.9</b>	<b>\$16.1</b>	<b>\$23.1</b>	<b>\$28.1</b>	<b>\$33.1</b>

Estimate based on 10-Year Average

Allocate 25% of General Improvement Funding	Surplus		\$48.0	\$48.0	\$48.0	\$48.0
<b>Total</b>		<b>\$46.9</b>	<b>\$64.1</b>	<b>\$71.1</b>	<b>\$76.1</b>	<b>\$81.1</b>





# 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



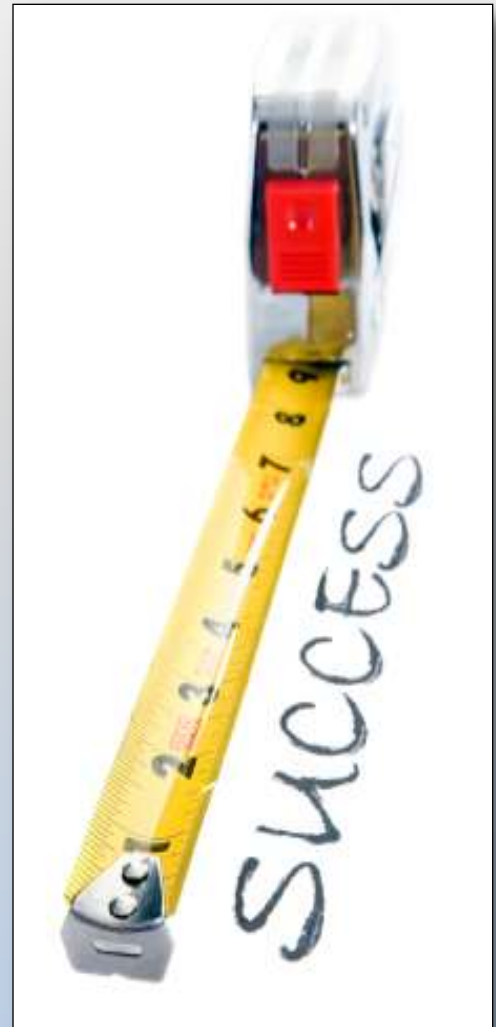


# Federally Mandated Performance Measures

National Goal Area:  
Infrastructure Condition

Monitor – Evaluate – Report

Possible Impacts





# 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

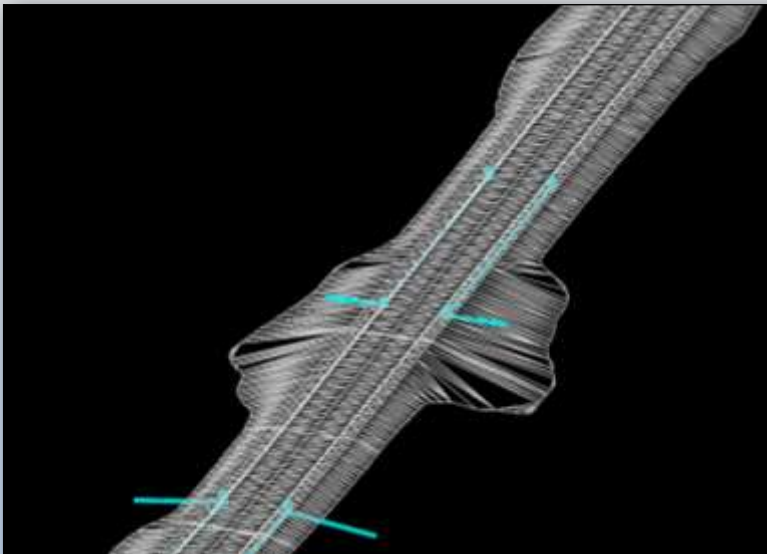




# Innovation

## EDC-3 (2015-2016)

- ✓ E-Construction
- ✓ 3D Modeling







# 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 Crawford  
(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 tabs include "Library - e-C...", "AHTD Empl...", "e-Construct...", "AASHTOWa...", and "DocExpre...". The application header features the "Doc Express" logo and navigation links for "Dashboard", "Preferences", and "Help". A user menu in the top right contains "My Account" and "Logout".

The main content area displays the contract ID "090347" with "Contracts / 090347" as a breadcrumb. Below this, the contract title is "OSAGE CREEK STR. APPRS. (S) FEDERAL AID PROJECT STPF-BRN-0004(53)". A summary line includes: "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	



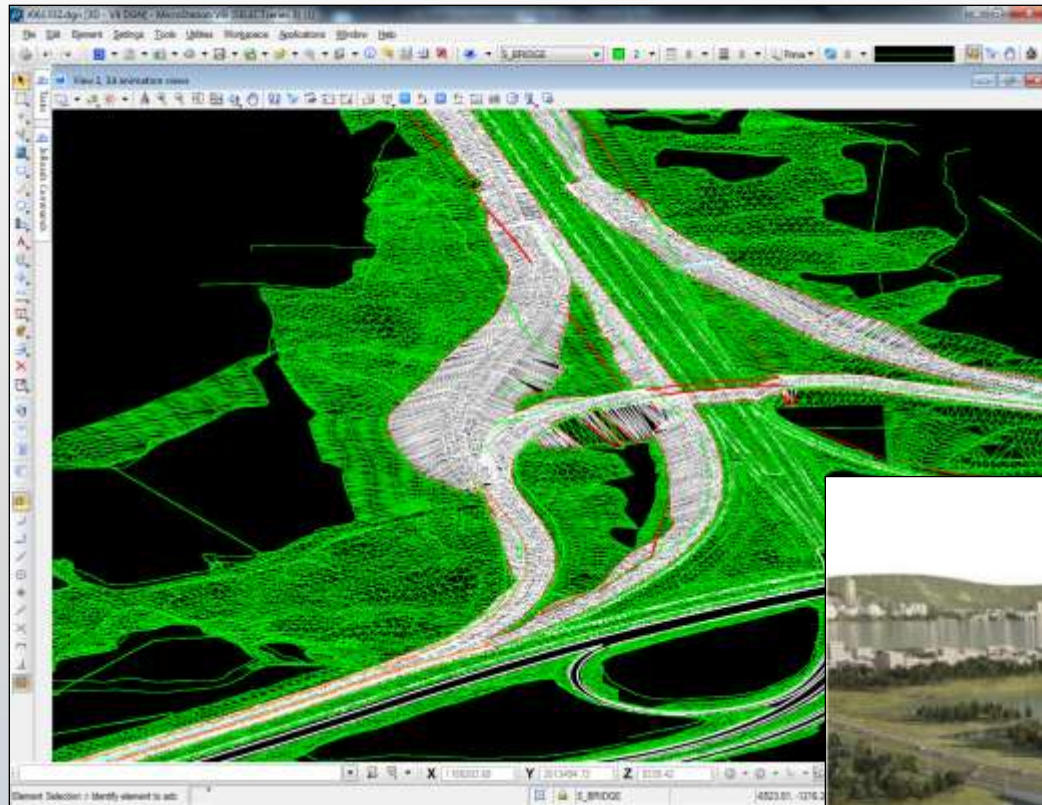


Next Area of Change

Estimate Vouchers

Change Orders

# 3D Modeling



- I-40 / I-430 Interchange Improvements via 3D Modeling

- Realistic renderings based on 3D Modeling





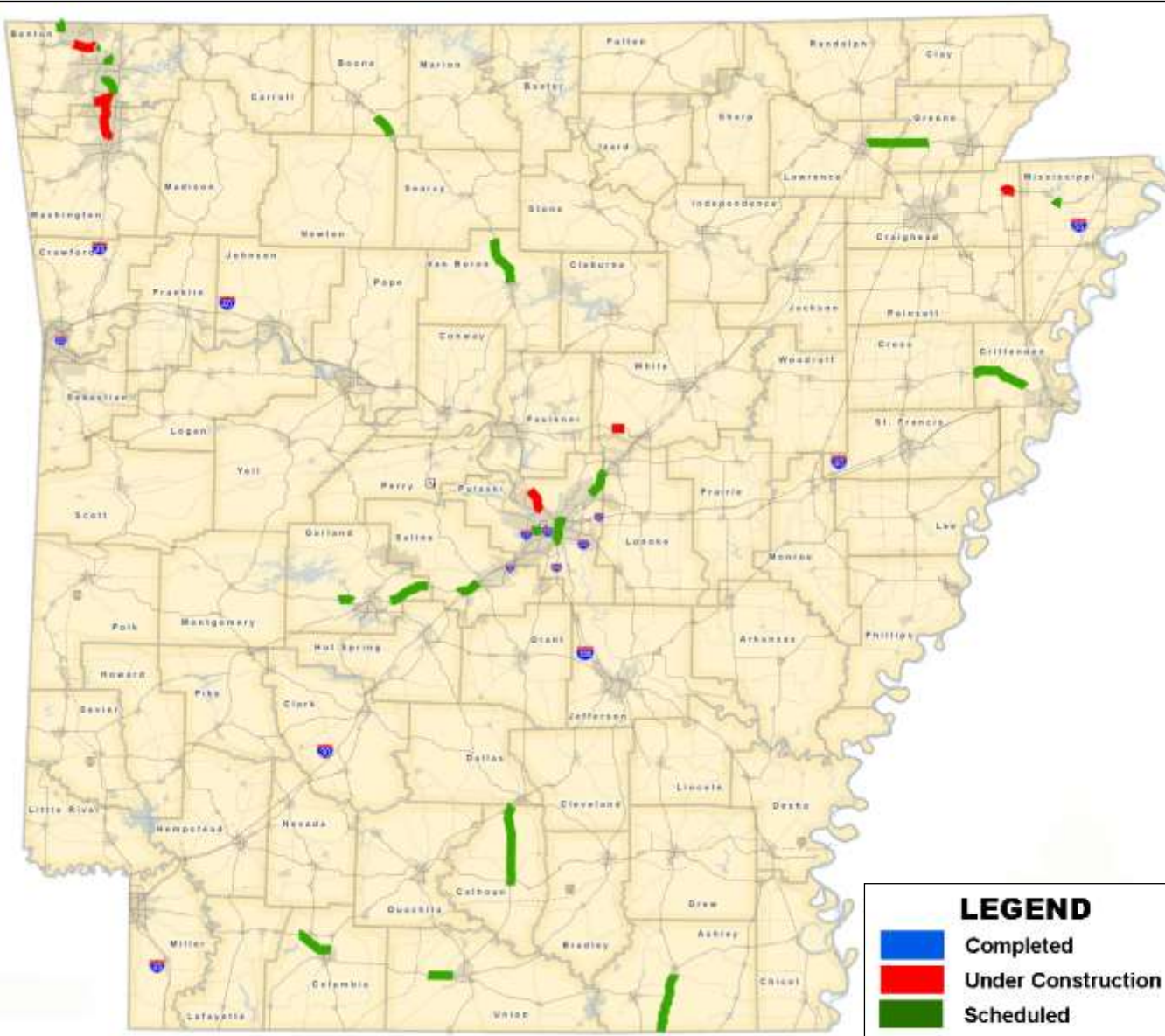
# e-Construction







# Connecting Arkansas Program Update



**Under Construction:**  
7 Projects  
29 miles  
\$263 million

**Scheduled:**  
28 Projects  
149 miles  
\$1.5 billion

**LEGEND**

- Completed
- Under Construction
- Scheduled



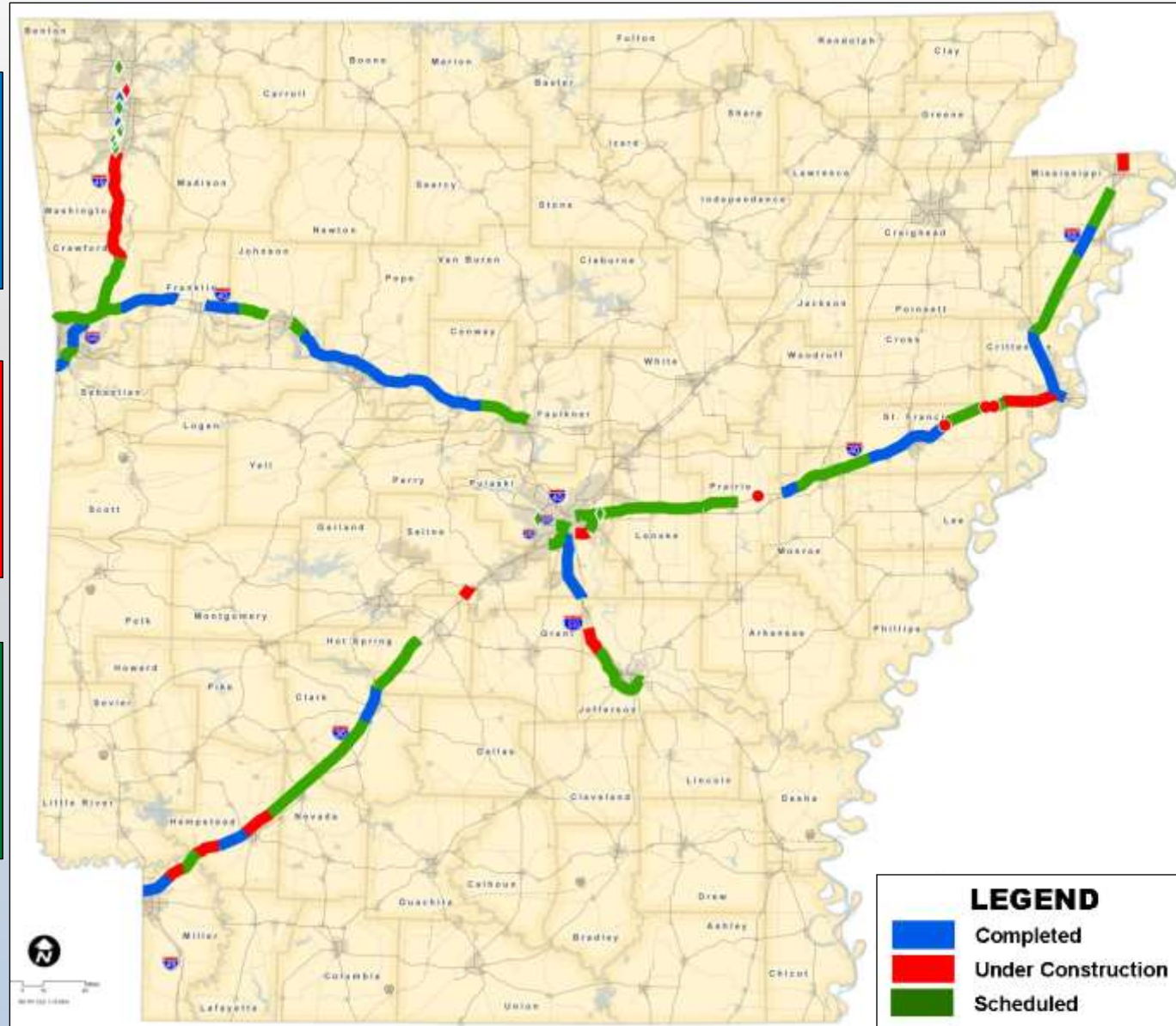


# Interstate Rehabilitation Program Update

**Completed:**  
23 Projects  
170 miles  
\$449 million

**Under Construction:**  
15 Projects  
80 miles  
\$424 million

**Scheduled:**  
44 Projects  
240 miles  
\$556 million







# 2016 Overlay Program







# 2016 Overlay Program





# 2016 Lettings Summary

Date	Number of Jobs	Amount (in Millions)
13 Jan	20	\$ 239.6
10 Feb	29	\$ 90.9
23 Mar	41	\$ 87.9
11 May	11	\$ 127.3
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
<b>Totals for 2016</b>	<b>137</b>	<b>\$1,014.7</b>

**SUBJECT TO CHANGE**

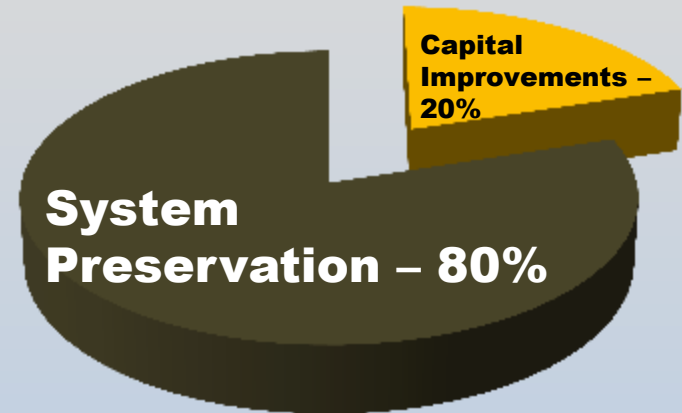




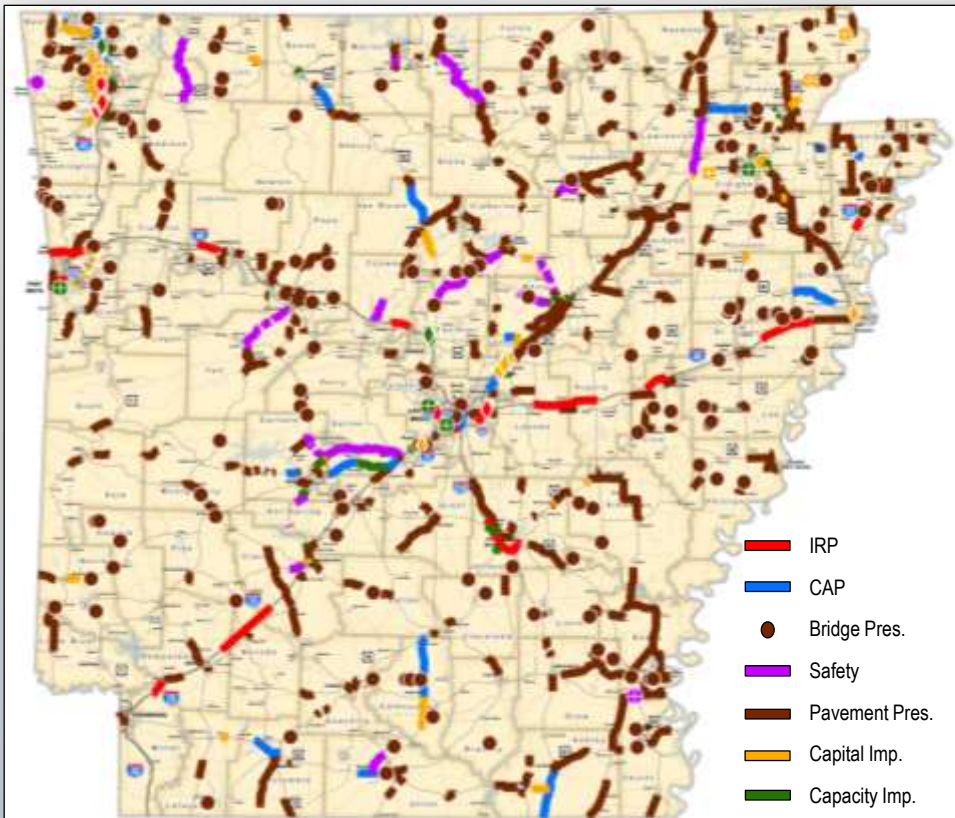
# Draft 2016-2020 STIP

“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**







# Draft 2016-2020 STIP

- Current STIP Schedule
  - ✓ January 2016 – Proposed Projects to MPOs
  - ✓ Spring 2016 – Receive MPOs Transportation Improvement Programs (TIPs)
  - ✓ Spring 2016 – Release STIP for Public Comment Period
  - ✓ Mid-2016 – Submit to Federal Highway Administration (FHWA) and Federal Transit Administration (FTA)
  - ✓ Summer 2016 – Approval from FHWA and FTA



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



@AHTD





# Questions?

