

Robert S. Moore Jr.
Arkansas Highway Commissioner



Pine Bluff Chamber of Commerce

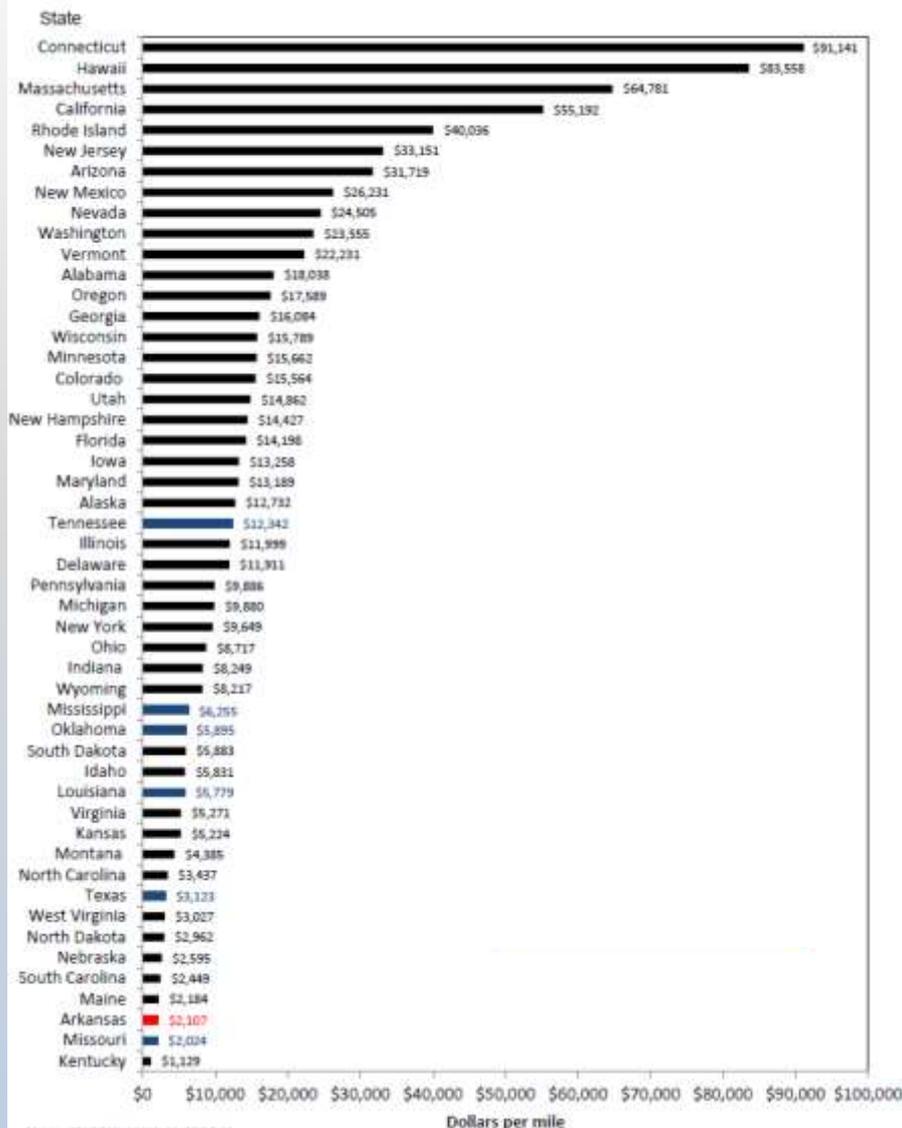
Tuesday, May 3, 2018

*Provide safe and **efficient** transportation solutions to support Arkansas' economy and enhance the quality of life for generations to come.*

Adopted June 7, 2017

Administrative Cost Per Mile

Arkansas Ranks 48th in the Nation



Source: "2013 Federal Highway Statistics"
Note: Excludes Toll Facilities

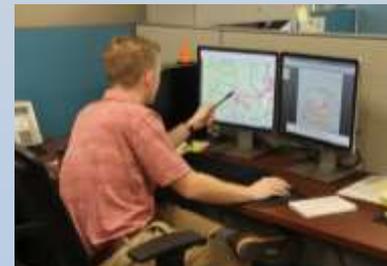
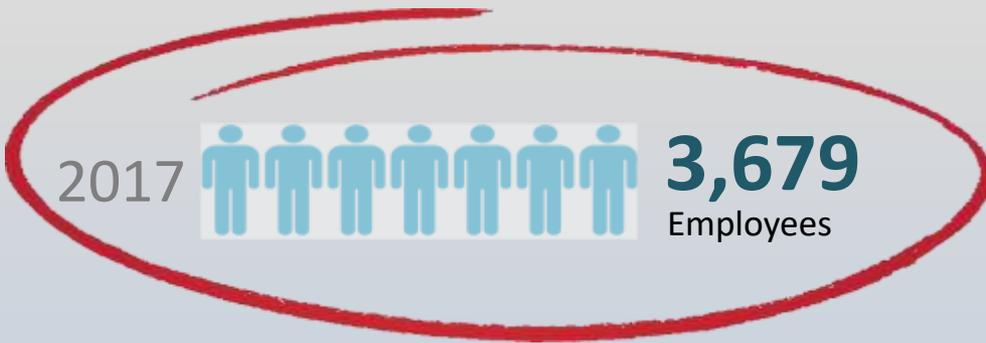
Arkansas = \$2,107

Surrounding States Average = \$4,334

National Average = \$9,224

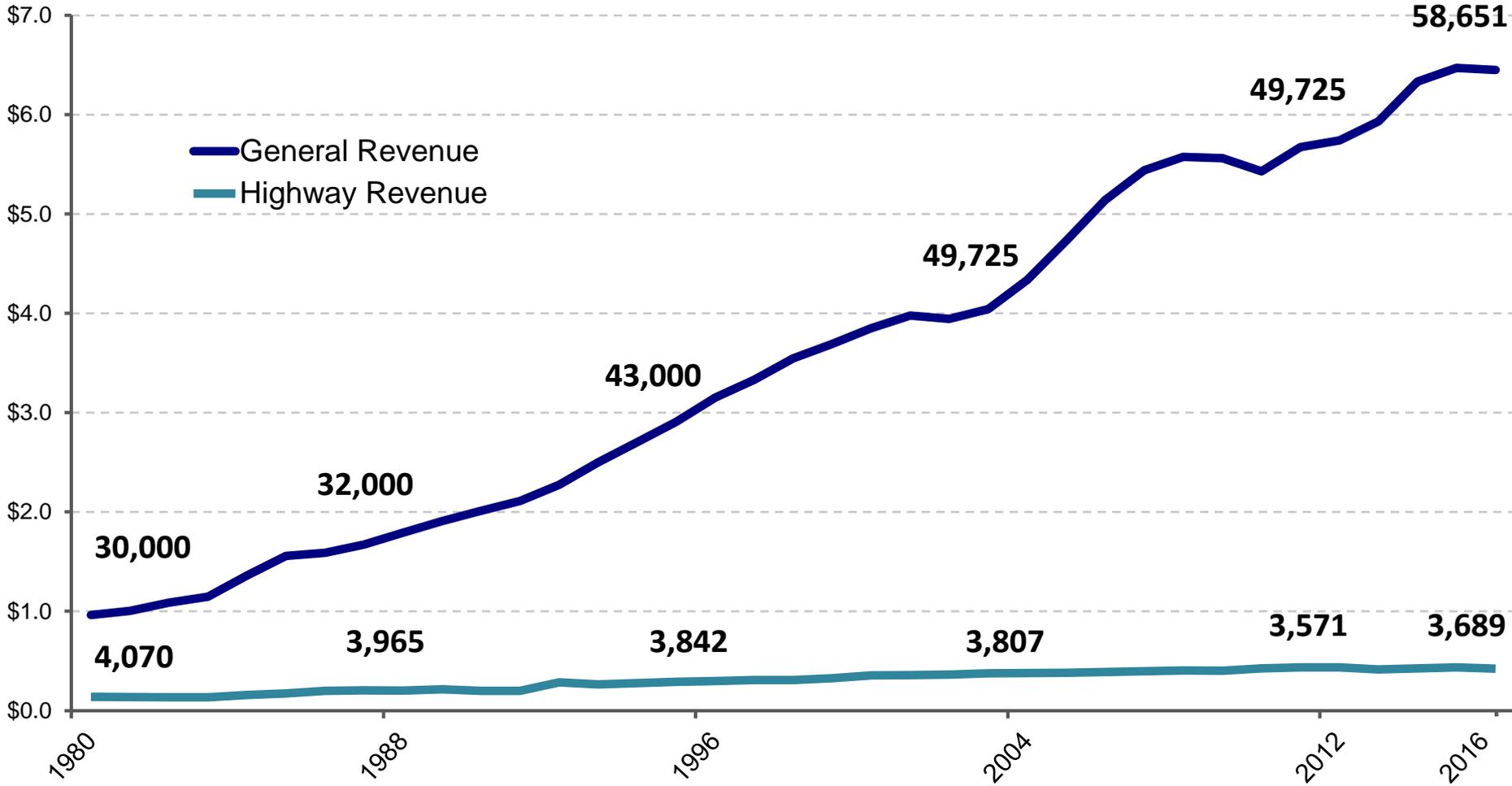
Arkansas has the
3rd Lowest
Administrative Cost Per
Mile
in the Nation

Employment Levels Efficiency



Highway vs. State Government Compared to Employment Levels

Billions



Excludes County & City Aid funds | Excludes CAP funds

Fiscal Year

Promises Made



Promises Kept

Promises



**Rebuilding Arkansas
Interstates**



IRP

IRP



CAP

CAP



1999 Interstate Rehabilitation Program



50 Projects
356 Miles
\$973 Million

Prior to Program
63% Poor or
Mediocre

After Program
72% Good

Completed

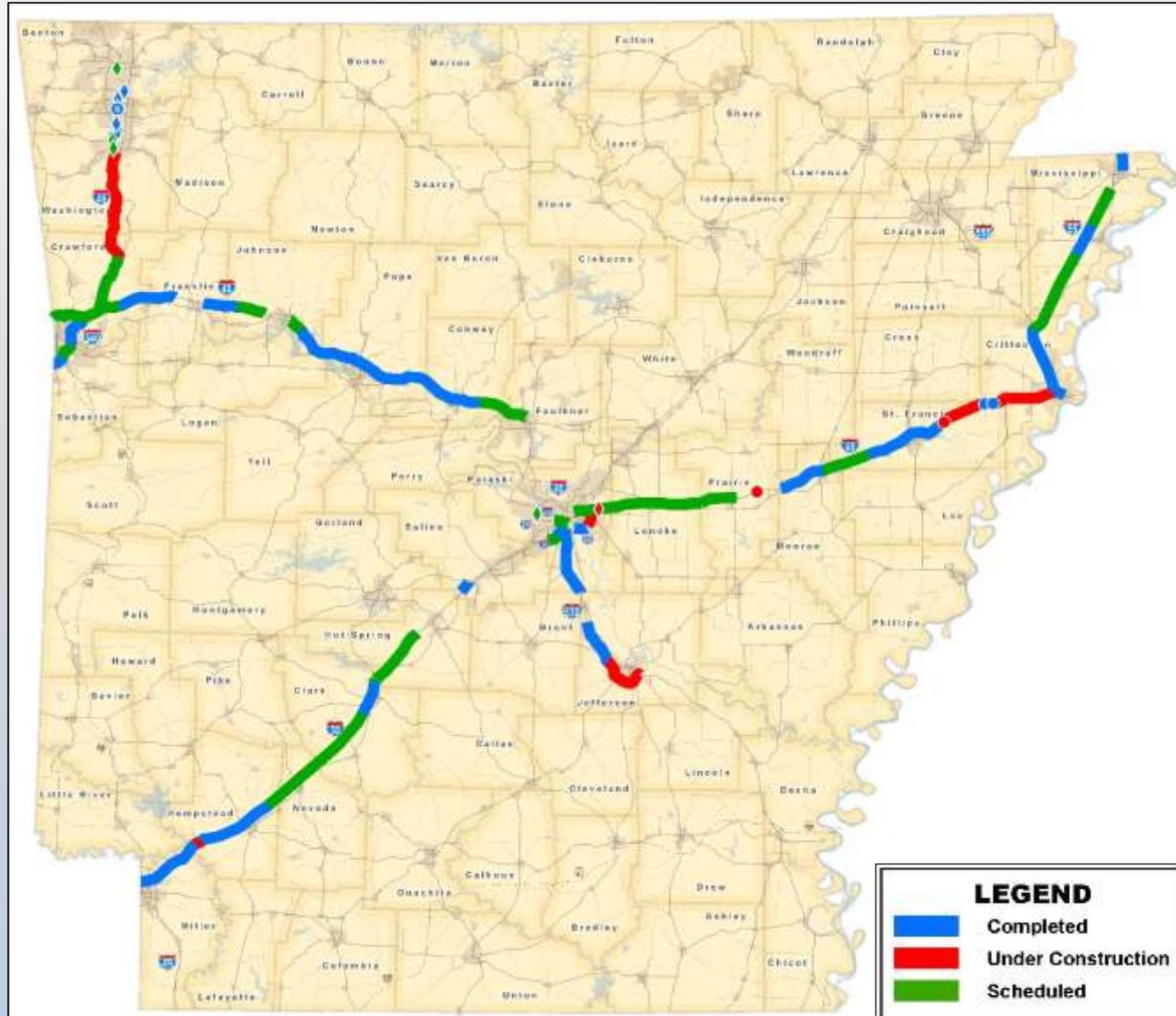
39 Projects
227 Miles
\$823 Million

Under Construction

9 Projects
76 Miles
\$369 Million

Scheduled

32 Projects
191 Miles
\$295 Million



I-530 Rehabilitation



Completed

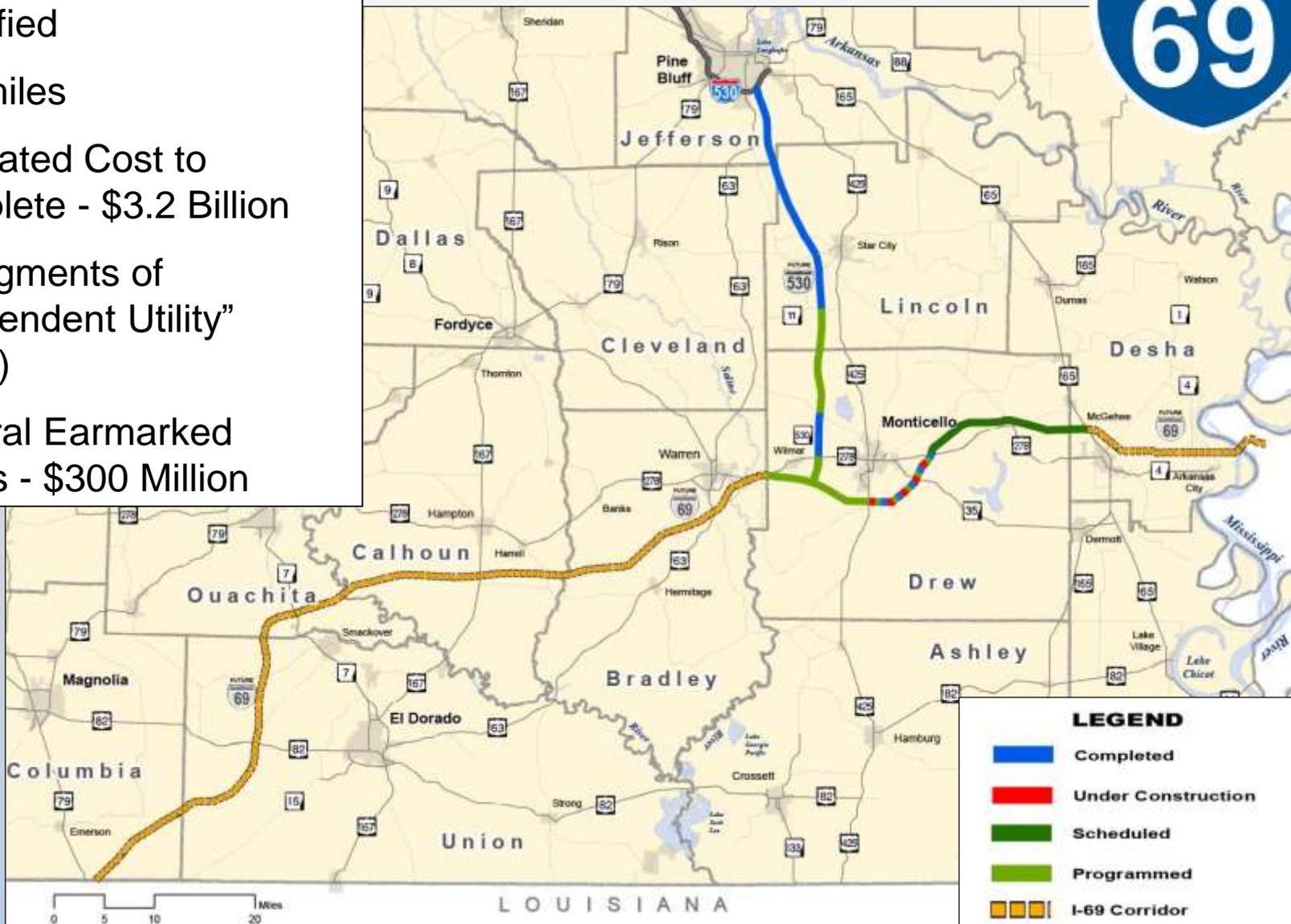
2 Projects
11.2 Miles
\$58 Million

Under Construction

1 Project
10.4 Miles
\$67.2 Million

Interstate 69 in Arkansas

- Preferred Alignment Identified
- 180 miles
- Estimated Cost to Complete - \$3.2 Billion
- 4 “Segments of Independent Utility” (SIUs)
- Federal Earmarked Funds - \$300 Million

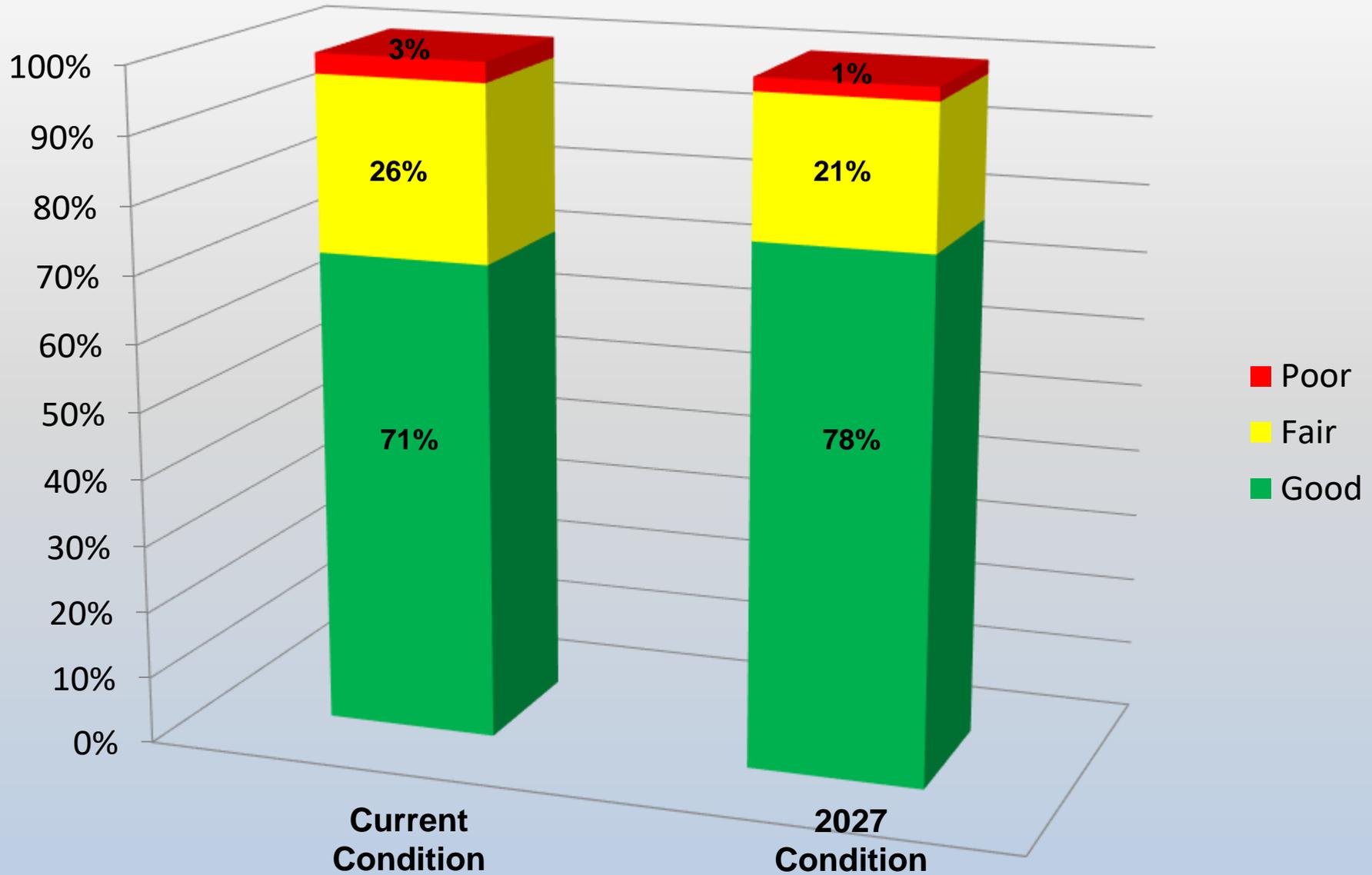


Highway Condition

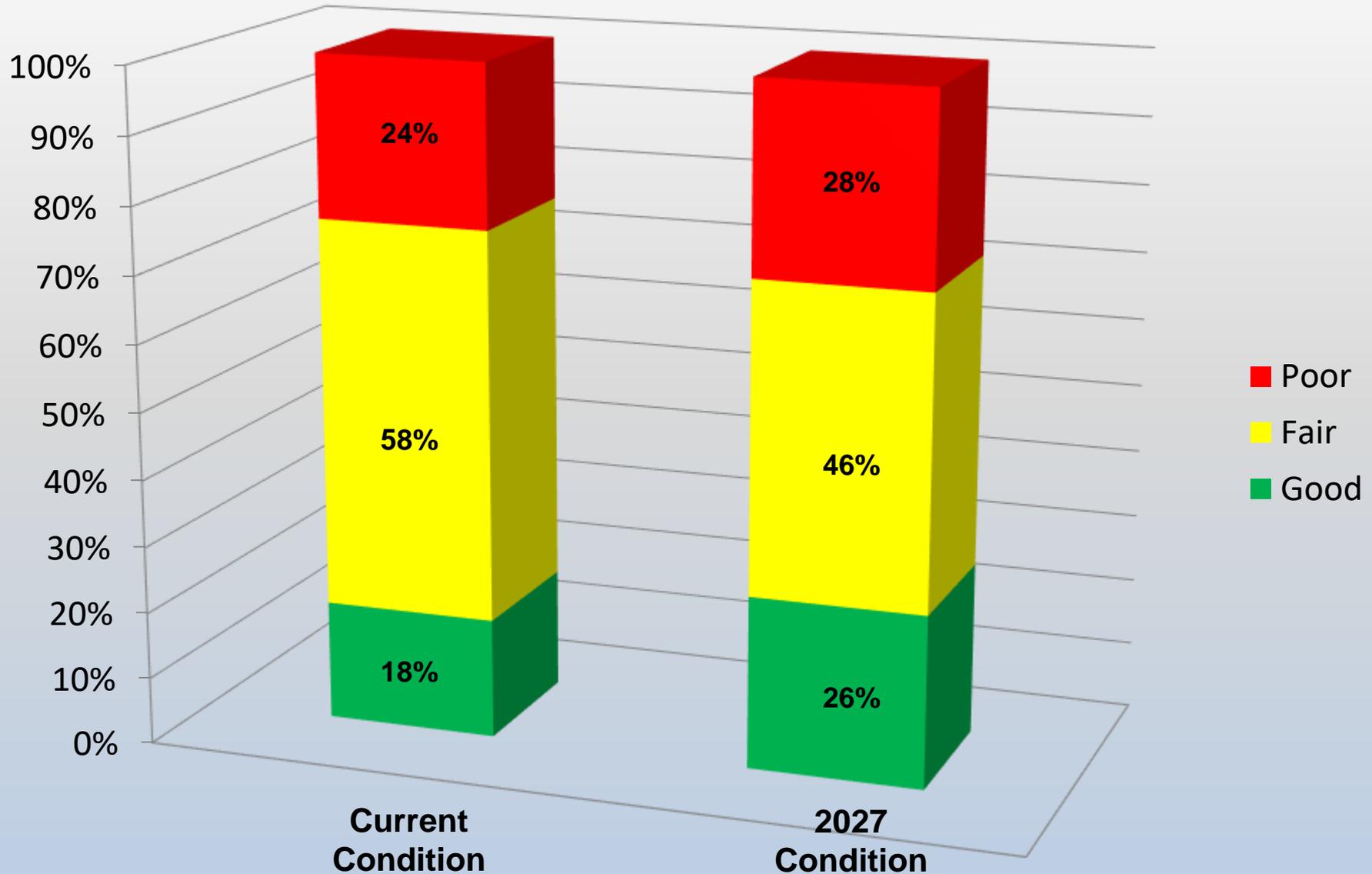


and Needs

Interstates



All State Highways – Including Interstates

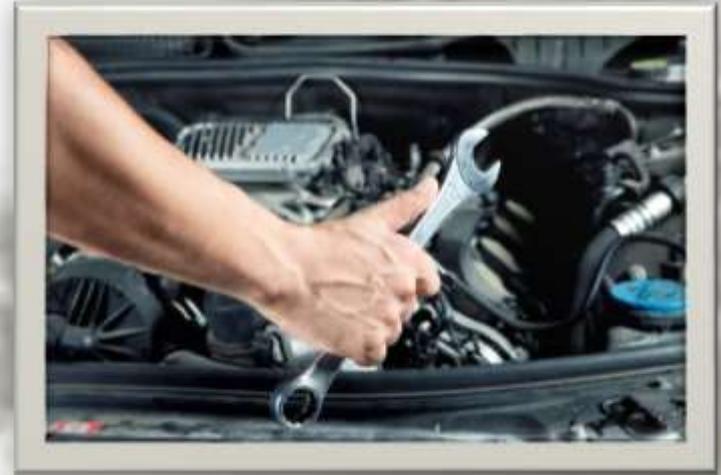


Pay a **Little** Now



Overlay
\$100,000
per lane mile

Pay a **Whole Lot** Later



Reconstruction
\$1,500,000
per lane mile

SIGNIFICANT LOSS OF PURCHASING POWER

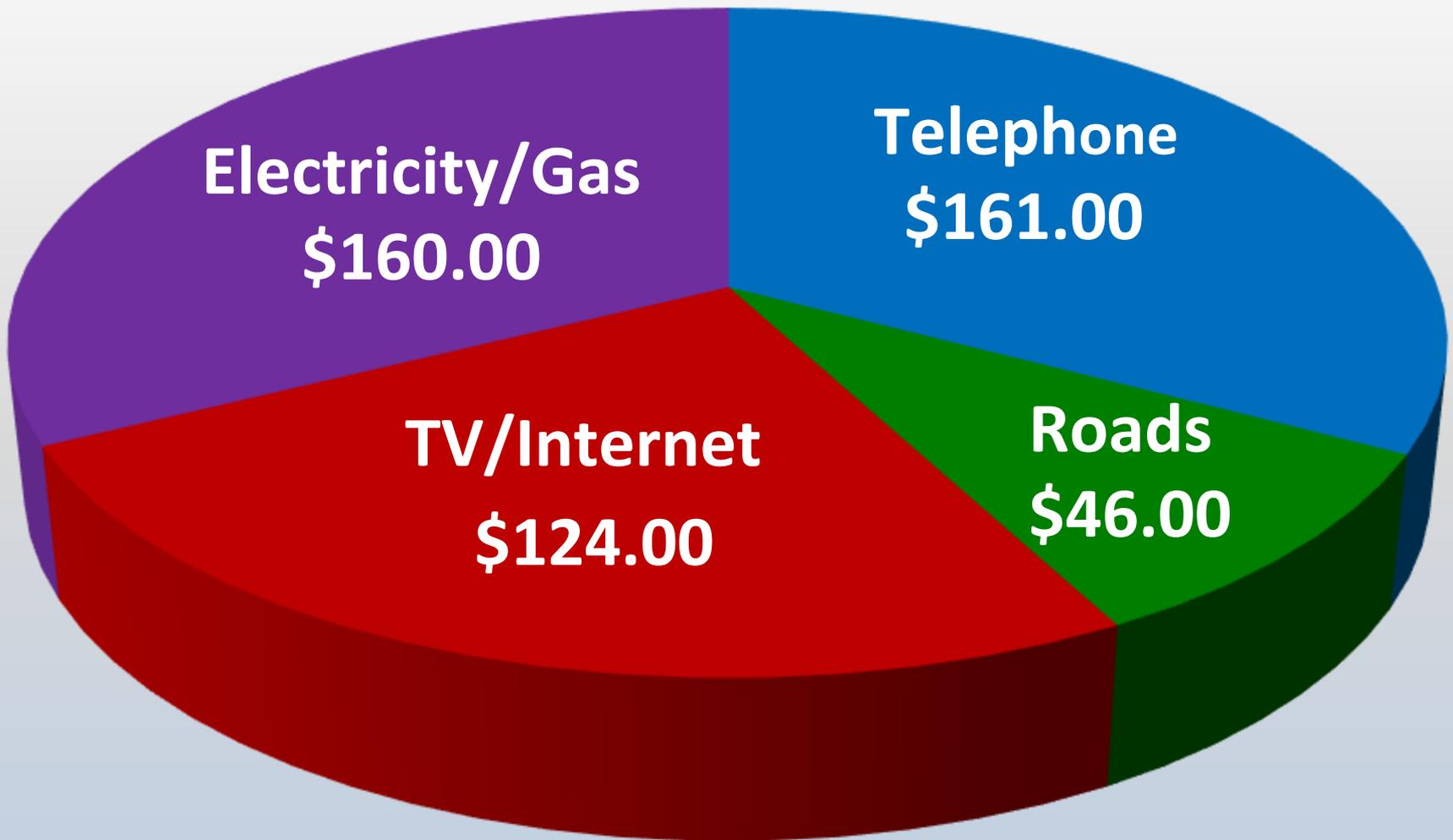
Sample of Nominal Prices Relative to Federal Gas Tax, 1993 and 2010

ITEM	UNIT/DESCRIPTION	1993	2010	PERCENT CHANGE
College Tuition	Average Tuition and Required Fees	\$ 3,517	\$ 9,136	160%
Gas	Per Gallon	\$ 1.12	\$ 2.73	144%
Movie Ticket	Average Ticket Price	\$ 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	One First-class Stamp	\$ 0.29	\$ 0.44	52%
Beef	Per Pound of Ground Beef	\$ 1.57	\$ 2.28	46%
Car	Average New Car	\$ 19,200	\$ 26,850	40%
Federal Gas Tax	Per Gallon	\$ 0.184	\$ 0.184	0%

Sources: U.S. Census Bureau, U.S. Department of Transportation, U.S. Postal Service, U.S. Department of Commerce, U.S. Department of Education, National Association of Theater Owners



Average Monthly Household Expenditures



Funding



Update

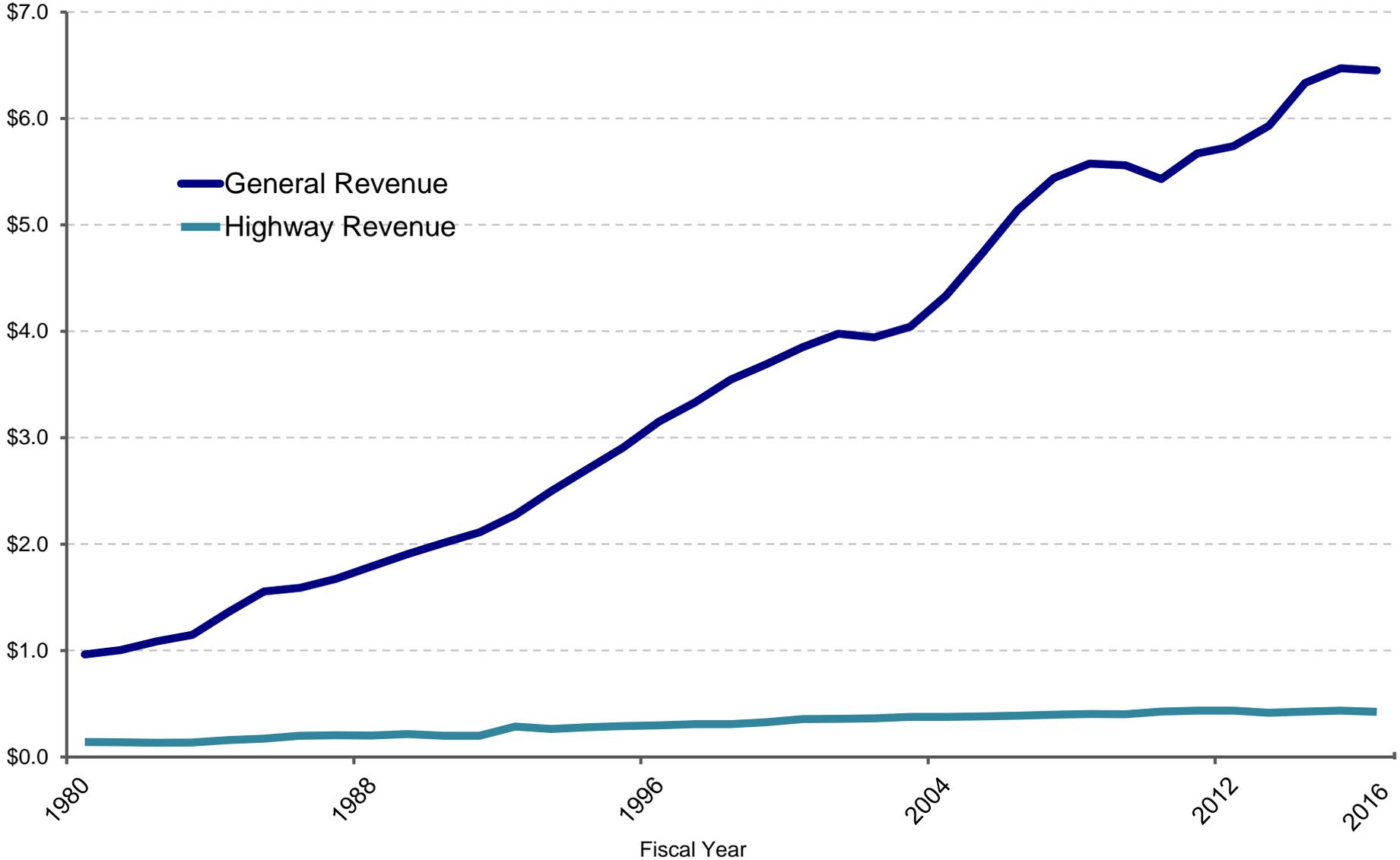
Great amount of uncertainty at the federal level

State funds stagnant at best



Highway vs. General Revenue

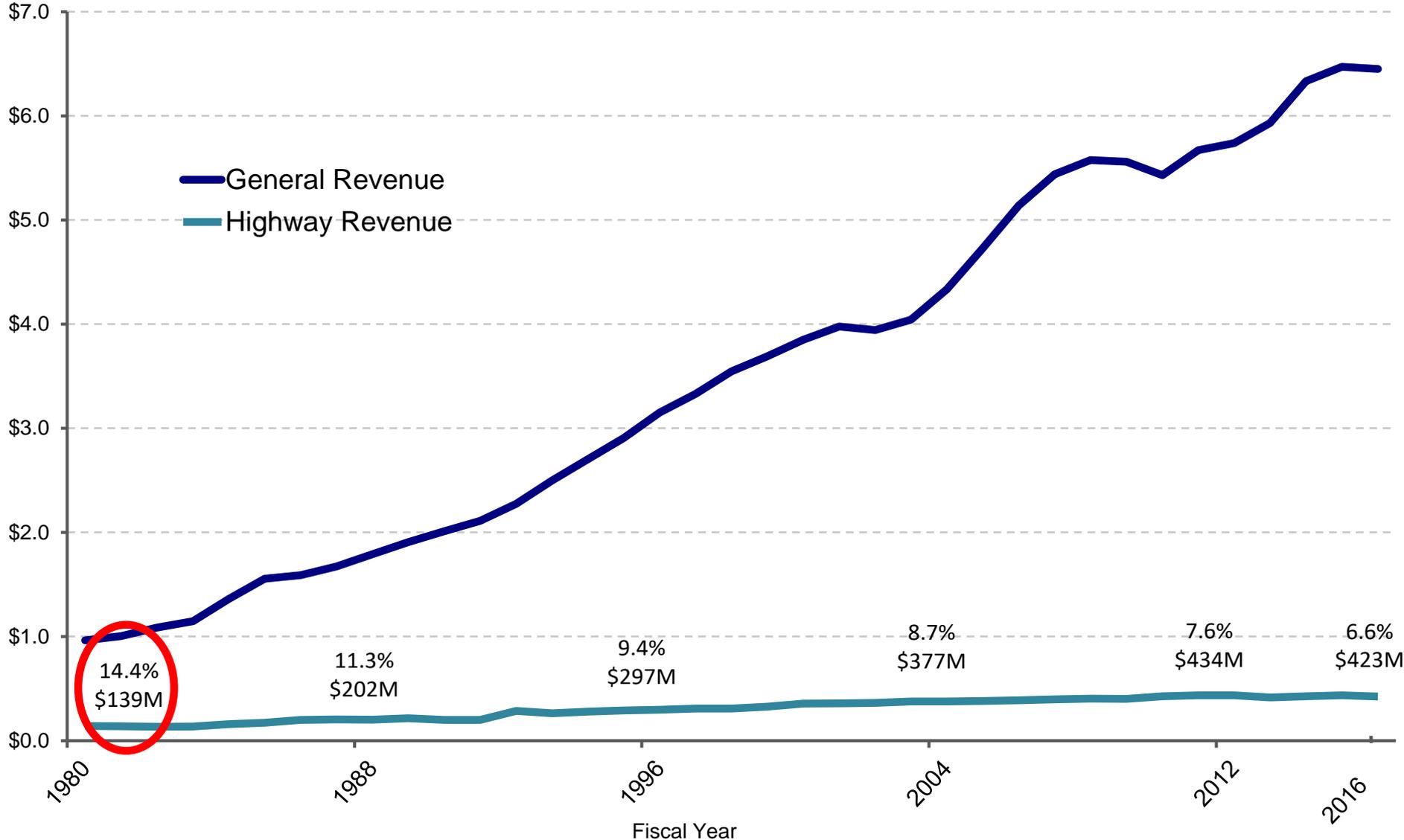
Billions



Excludes County & City Aid funds | Excludes CAP funds

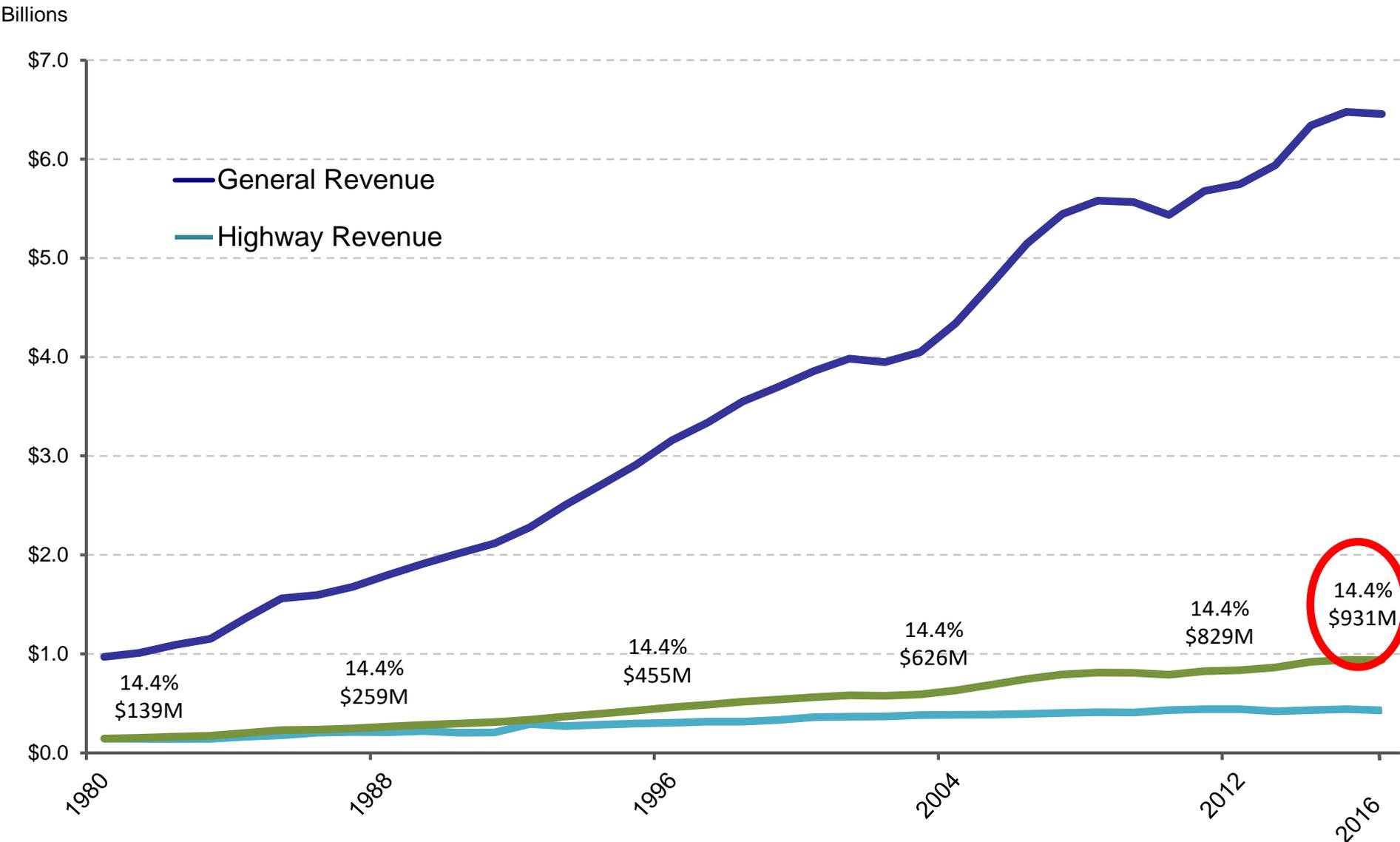
Percent of Highway vs. General Revenue

Billions



Excludes County & City Aid funds | Excludes CAP funds

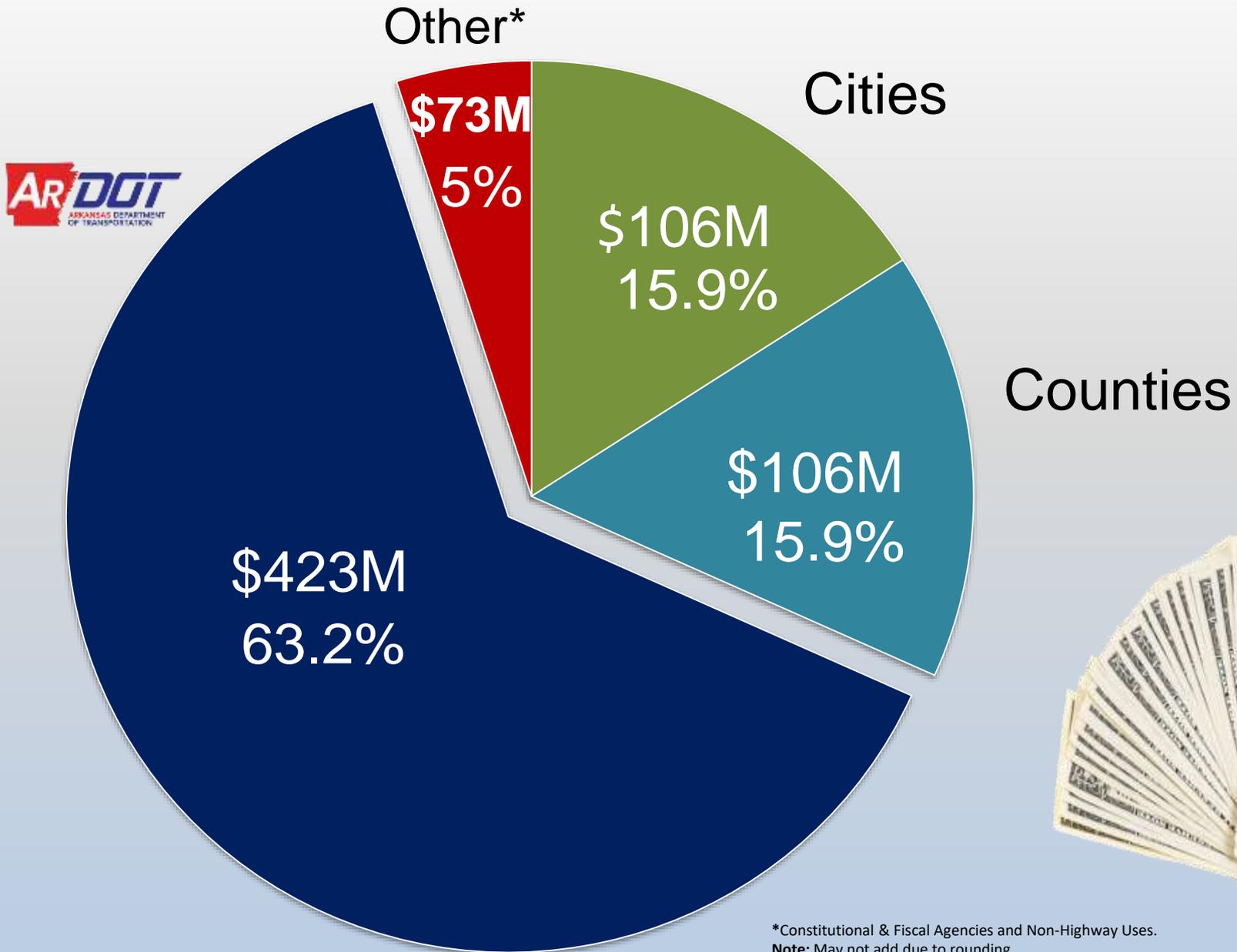
Highway Revenue at 14.4% of General Revenue



Excludes County & City Aid funds | Excludes CAP funds

Fiscal Year

Annual Highway User Revenue Distribution

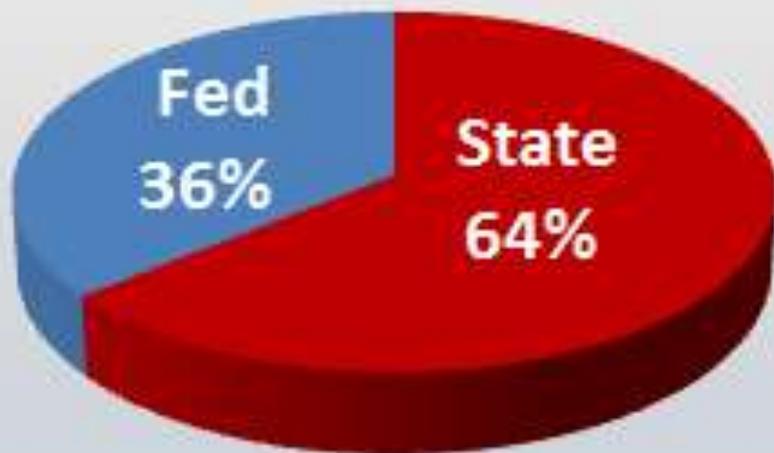


*Constitutional & Fiscal Agencies and Non-Highway Uses.
Note: May not add due to rounding

Federal vs. State Funding

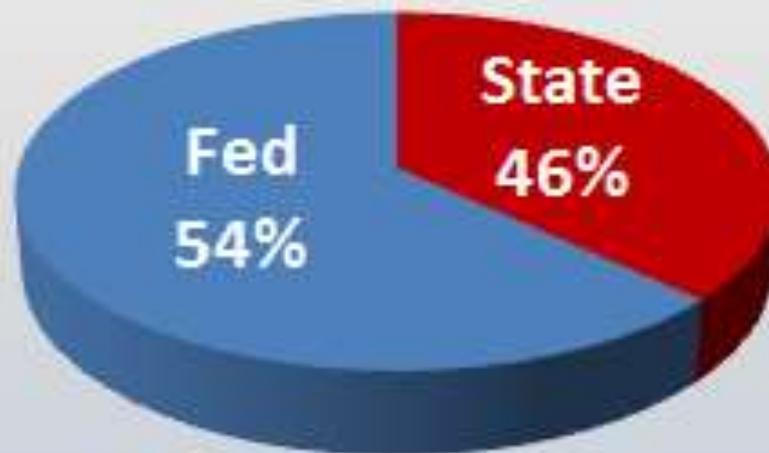
1993

Hwy. Funding Breakdown



2016

Hwy. Funding Breakdown



THEN

22 years ago, in 1995,
200 miles of Highway
could be overlaid.

NOW

As of 2015, using the
same resources, only
54 miles of Highway
could be overlaid.



Challenges

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

➤ **42nd** in highway revenue per mile.

➤ **\$9 billion** in needs

➤ **\$4.4 billion** in available revenue



Where



Are We Going?

Arkansas State Highway Needs

Exhibit III

Arkansas Department of Transportation (ARDOT) Summary of Annual State Funds Needed to Meet Proposed Highway Construction Plan Over a 10-Year Period

Description	Additional Annual Revenues	Additional Annual Expenditures	Additional Annual Net
System Preservation			
Pavement			
Bridges			
Total System Preservation			
Capacity Relief			
Safety Improvements			
Maintenance			
Equipment upgrades	19,000,000	19,000,000	
Facilities upgrades	8,000,000		8,000,000
Intelligent Transportation System (ITS)	3,000,000		3,000,000
Total Maintenance	30,000,000	19,000,000	11,000,000
Totals	\$ 925,000,000	\$ 447,000,000	\$ 478,000,000

\$ 447,000,000

Note: Amounts shown are rounded.

ALA staff reviewed projected revenues and expenditures for fiscal years 2017 through 2020 ...for consistency and reasonableness when compared with prior years.

Arkansas State Highway Needs

Exhibit III

Arkansas Department of Transportation (ARDOT) Summary of Annual State Funds Needed to Meet Proposed Highway Construction Plan Over a 10-Year Period

Description			Additional Annual Revenues
System Preservation			
Pavement			
Bridges			
Total System Preservation			
Capacity Relief			2,000,000
Safety Improvements			12,000,000
Maintenance			
Equipment upgrades	19,000,000	19,000,000	
Facilities upgrades	8,000,000		8,000,000
Intelligent Transportation System (ITS)	3,000,000		3,000,000
Total Maintenance	30,000,000	19,000,000	11,000,000
Totals	\$ 925,000,000	\$ 447,000,000	\$ 478,000,000

\$ 478,000,000

Note: Amounts shown are rounded.

ALA staff reviewed supporting documentation obtained from ARDOT to verify that costs for the projects were reasonable, based on historical information.



“... 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 backwards.”

-Final Report, Dec 2010



Blue Ribbon
Committee
on Highway Finance
BlueRibbonHighways.com

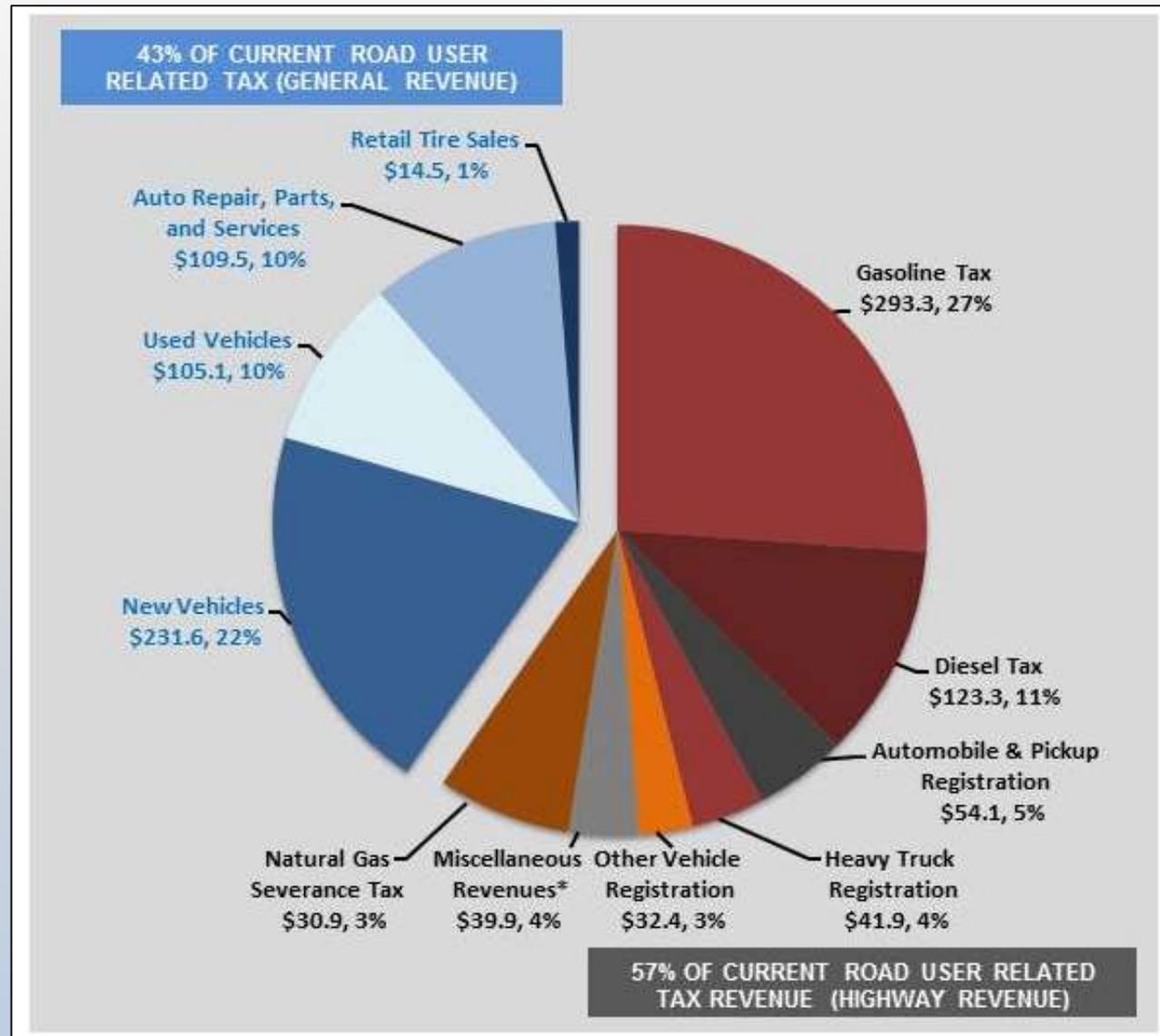
- Reissue GARFIELD Bonds for Interstate Rehabilitation Program **APPROVED**
- State Aid Programs for Cities **APPROVED**
- Temporary One Percent General Sales Tax to Fund Multi-Year Construction Program **APPROVED**
- Transfer Sales Tax on New and Used Vehicles, Auto Repair Parts and Services, Tires and Batteries

Total Road User Revenue
\$1,076.5 Million

Distribution:

General Revenue
\$460.7 Million (43%)

Highway Revenue
\$615.9 Million (57%)

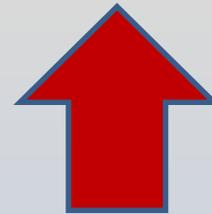




Your
TRANSPORTATION SYSTEM



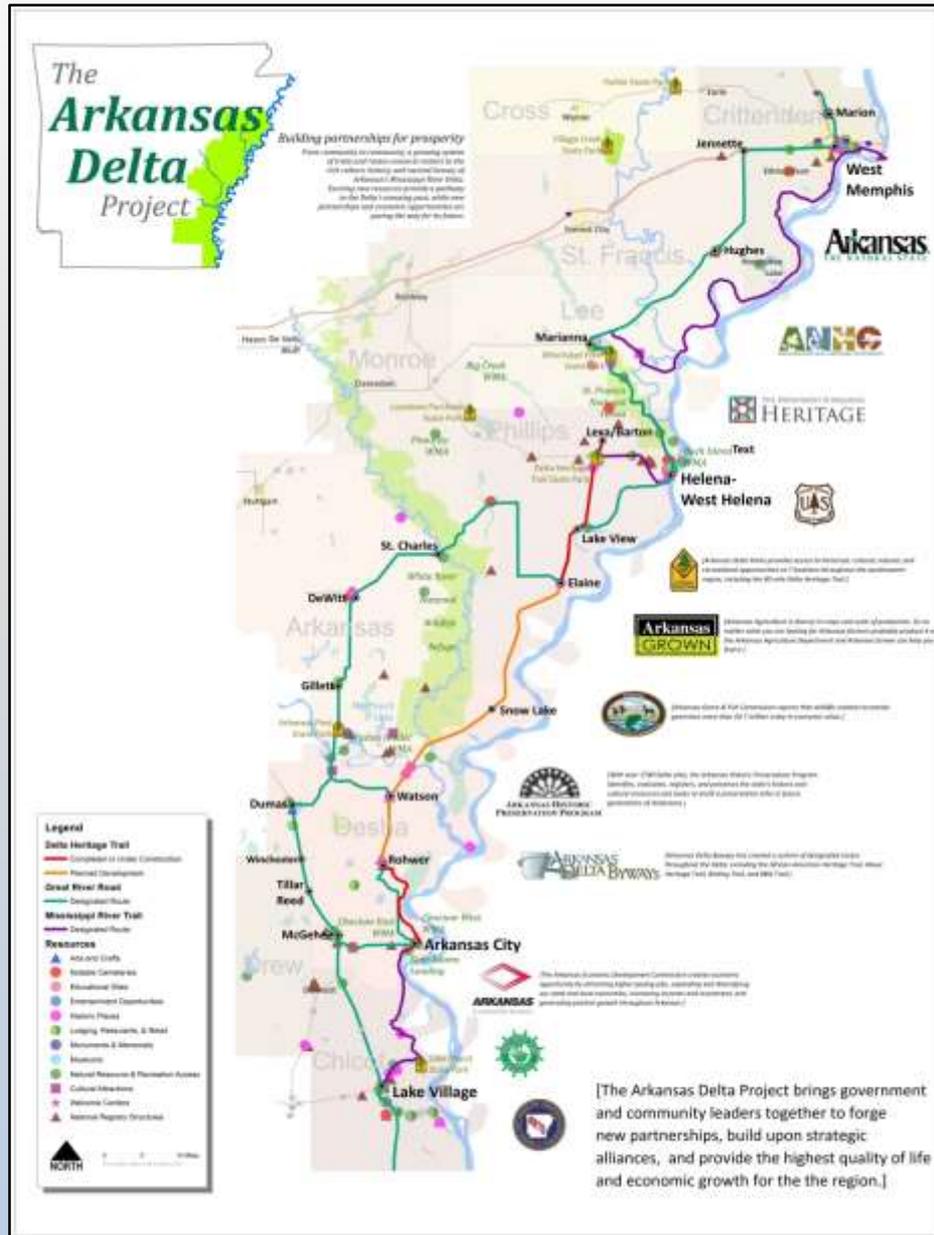
Costs



Revenue



Delta of the Future



[The Arkansas Delta Project brings government and community leaders together to forge new partnerships, build upon strategic alliances, and provide the highest quality of life and economic growth for the the region.]

- ARDOT.gov
- ConnectingArkansasProgram.com
- Vimeo.com/myARDOT
- IDriveArkansas.com
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Questions?

