265

TIGER 2016

HWY 265 GRANT APPLICATION

ARKANSAS STATE HIGHWAY AND TRANSPORTATION DEPARTMENT

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Department of Transportation's National Infrastructure Investments under the Consolidated Appropriations Act, 2016

TIGER VIII Discretionary Grant Program

Project Name: **Highway 265 Widening and Relocation**
Randall Wobbe Lane to Highway 264

Project Location: **Springdale and Bethel Heights, Arkansas**
Washington and Benton Counties
United States Congressional District 3

Location Type: **Urban**

Total Funds Requested:	**$17,000,000**
Other Federal Funds:	**$4,700,000**
State/Local Match:	**$5,400,000**
Total Project Cost:	**$27,100,000**

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April 2016
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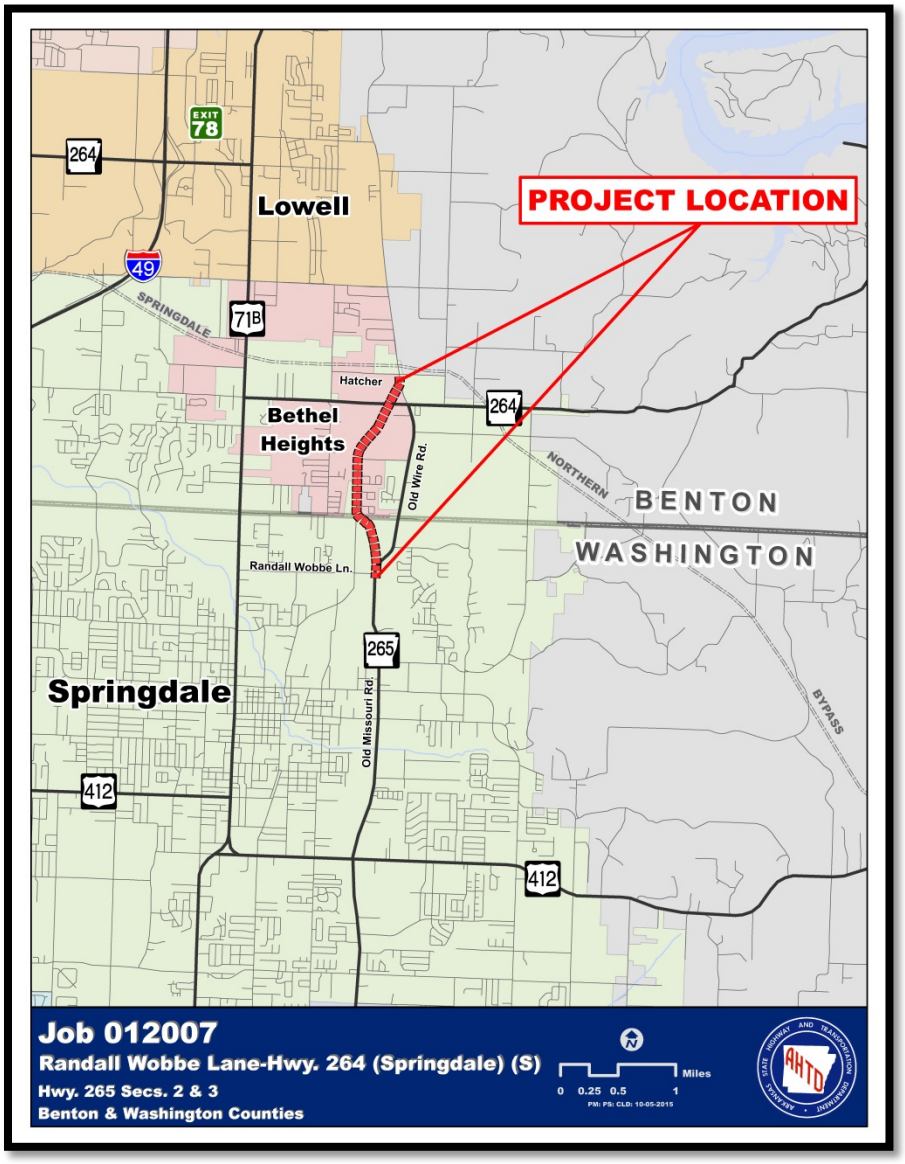
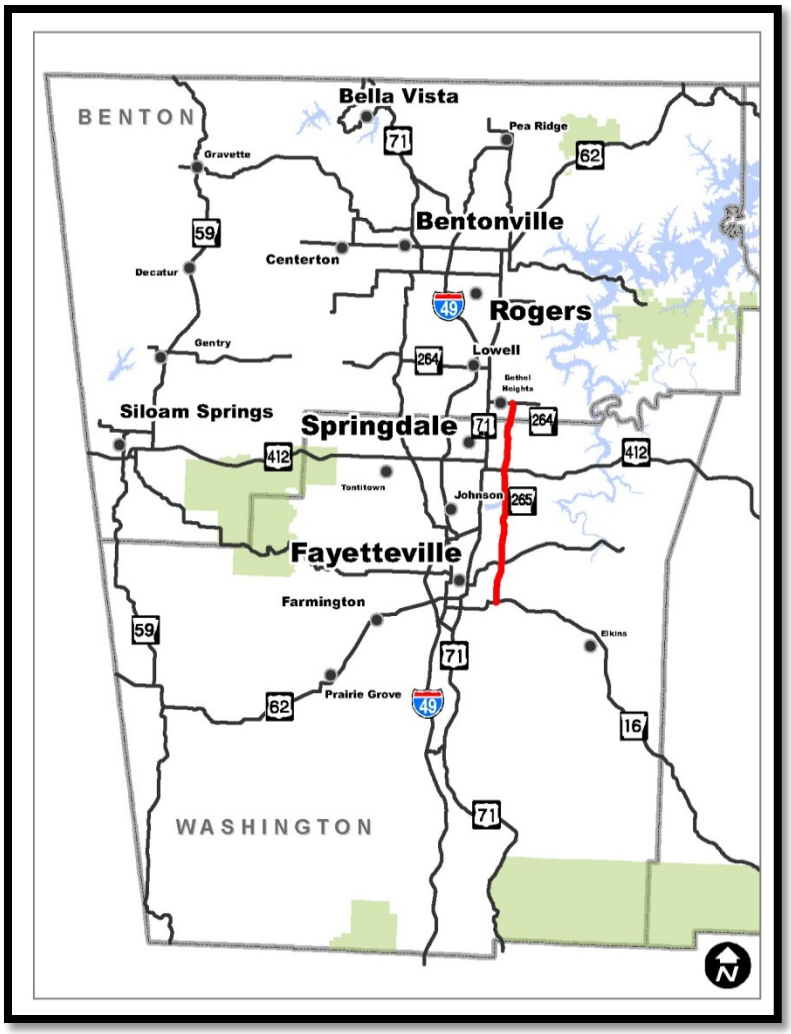
Project

Project Description

The Arkansas State Highway and Transportation Department (AHTD) is requesting funds to widen and relocate 1.93 miles of Highway 265 from Randall Wobbe Lane in Springdale to north of Highway 264 in Bethel Heights. The project is located in Washington and Benton counties in northwest Arkansas. AHTD is requesting $17.0 million in TIGER funds for this project. The Northwest Arkansas Regional Planning Commission (NWARPC), the Metropolitan Planning Organization (MPO) for this area, has dedicated $3.6 million, and the balance will be paid for with State funds. Continued growth and development in the region is generating an additional demand for north-south arterial facilities. The project need is based on high traffic volumes along Highway 265. The major objective of the project is to provide additional capacity to serve traffic needs in the region, create opportunities for utilization of public transportation, and safe bicycle and pedestrian facilities.





Overview

Although not one of Arkansas' original state highways, the path that Highway 265 follows is one of the State's oldest routes. It was originally known to the Native Americans as the Great Osage Trail. The route was first used as a military road from St. Louis to Fort Smith, and later as the Trail of Tears. The Butterfield Overland Mail Route was active from 1857 to 1861 on the route. The route carried United States mail from St. Louis, Missouri to San Francisco, California. This same route also carried telegraph lines west. Portions of the route are named Old Wire Road (also Old Missouri Road in Fayetteville) paying homage to the telegraph route.

Today, Highway 265 is one of three north-south principal arterials connecting Bethel Heights in Benton county, and Fayetteville in Washington County. The other north-south arterials are Interstate 49 (I-49) and U.S. Highway 71. Highway 265 is an important route that currently ends at State Highway 264 in Bethel Heights. Highway 264 connects Highway 265 to Highway 71B which continues into Missouri. Currently, Highway 265 does not connect directly to I-49, but can be reached via Highways 264 and 71B. A new portion of Highway 265 from Highway 264 to Pleasant Grove Road is currently under construction. The final portion of Highway 265 to Highway 94 is programmed. Despite its current segmented condition, Highway 265 is vital in terms of north/south movement for the area. More than 75,000 vehicles pass through Springdale each day on I-49 with another 24,000 passing through on U.S. Highway 412. Downtown Springdale hosts 32,000 vehicles a day on Highway 71B, which connects each major city in the region.

Substantial economic and population growth has occurred in the region during the past 25 years. This growth is expected to continue over the next 20 years. Improvements to Highway 265 will assist in providing the infrastructure needed to serve this expansion, thus contributing to the economic health of the area. The economic benefits from the project would include gains in overall efficiency, enhanced movement of goods and people, and increased access to the main

industrial area in eastern Springdale, in accordance with the Ladders of Opportunity Initiative. Access to businesses, transit stops, employers, and educational facilities will be improved by the addition of mass transit opportunities, and the inclusion of safe bicycle and pedestrian access.

Communities Served

Because Highway 265 serves an area much larger than Springdale, and the lines dividing the city limits for these municipalities, it is only prudent that the population of this area be considered as a whole. The Fayetteville, Springdale, and Rogers Metropolitan Statistical Area (MSA), is referred to as Northwest Arkansas. The United States Census Bureau (Census Bureau) defines this MSA as a four-county area including three Arkansas counties and one in Missouri. The MSA is anchored by the Arkansas cities of Fayetteville, Springdale, Rogers, and Bentonville — the state's third, fourth, eighth, and tenth largest cities, respectively.

Over the past decade or more, Northwest Arkansas has been one of the fastest growing regions in the south. Based on the 2014 United States Census Bureau, the total MSA population was 503,046 people. The racial makeup of the MSA was 85.2% White, 2.2% African American, 1.3% Native American, 2.8% Asian, 1.1% Pacific Islander, 4.3% from other races, and 3% from two or more races. The median income for a household in the MSA was $50,128. The median income for a family was $62,419. Males had a median income of $31,727 versus $20,654 for females. The per capita income for the MSA is estimated at $50,686. The Fayetteville-Springdale-Rogers MSA was the 23rd fastest growing area in the nation.

City and County populations, U.S. Census Bureau

City or County	1990	2000	2010	2040*
Cities				
Fayetteville	42,099	58,047	73,580	142,496
Springdale	29,941	45,798	69,797	148,612
Bethel Heights	281	714	2,372	5,365
Bella Vista	9,083	15,452	26,461	51,847
Lowell	1,224	5,013	7,327	16,093
Rogers	24,692	38,829	55,964	102,281
Bentonville	11,257	19,730	35,301	70,325
Counties				
Washington County	113,409	157,715	203,065	397,636
Benton County	97,499	153,406	221,339	404,736

*Based on the NWARPC 2040 Metropolitan Transportation Plan Totals

Fayetteville

Fayetteville is a city in Washington County, and home to the University of Arkansas. It is the main campus of the University of Arkansas System and is home to the State's beloved Arkansas Razorbacks. Academically it is noted for its strong architecture, agriculture, creative writing, and business programs. The economic impact of the University of Arkansas on state and local economies has grown from $725 million in 2009 to $1.2 billion in 2014, a 66 percent increase. In the Northwest Arkansas region, the university's economic impact is estimated at $932.3 million for 2014.

The city is the third most populous in Arkansas and serves as the county seat of Washington County. Fayetteville was ranked 8th in Forbes Magazine's Top 10 Best Places in America for Business and Careers in 2007. It is also known for Dickson Street, one of the most prominent entertainment districts in the state of Arkansas, which itself contains the Walton Arts Center. Blocks from Dickson Street is the Fayetteville Historic Square which hosts the Fayetteville Farmer's Market.

Springdale

Springdale is located in Washington and Benton Counties and is Arkansas' fourth-largest city, behind Little Rock, Fort Smith, and Fayetteville. Springdale's metropolitan area ranks as one of the nation's most affordable areas to live with a cost of living well below the national average. The headquarters of Tyson Foods Inc., the largest meat producing company in the world, is located in Springdale. The city has been dubbed the "Chicken Capital of the World" by several publications. In 2008, the Wichita Wranglers of AA minor league baseball's Texas League moved to Springdale and play in Arvest Ballpark as the Northwest Arkansas Naturals.

Rogers

Rogers is a city in Benton County. As of the 2010 census, the city is the eighth most populous in the state. Rogers is known for being the location of the first Walmart store. In June 2007, BusinessWeek Magazine ranked Rogers as 18th of the 25 best affordable suburbs in the South. In 2010, CNN money magazine ranked Rogers as 10th Best Place to Live in the United States.

Bentonville

Bentonville is located in Benton County. It is the state's 10th largest city. It is home to the headquarters of Walmart Stores, the largest retailer in the world.

Cultural

Bentonville is also the home of the Crystal Bridges Museum of American Art which was opened in November 2011. This museum is home to some of America's finest works of art and has immediately become one of the nation's premier art museums.

The museum was funded by Walmart founder Sam Walton's daughter, Alice Walton, and designed by world-renowned architect Moshe Safdie.

The Walton Arts Center is Arkansas' largest performing arts center. It is located in Fayetteville near the campus of the University of Arkansas and serves as a cultural center for the Northwest Arkansas area. The building was opened in 1992 in large part because of funds donated by the Sam Walton family. The center is host to many musicals, plays, and other artistic and educational events throughout the year. The Walton Arts Center is also home to the Symphony of Northwest Arkansas, currently under the direction of Paul Haas.

Business and Industry

The metropolitan area is the home of Walmart and Tyson Foods — global leaders in retail and meat and poultry processing, respectively.

J.B. Hunt Transport Services, Inc., North America's second largest publicly owned transportation and logistics company is also based in the area. Over 1,300 Walmart vendors have added corporate branches or offices in the area as well, including: Coca-Cola, Procter and Gamble, Unilever, Motorola, Nestlé, Dell, General Mills, Kellogg Company, and PepsiCo.

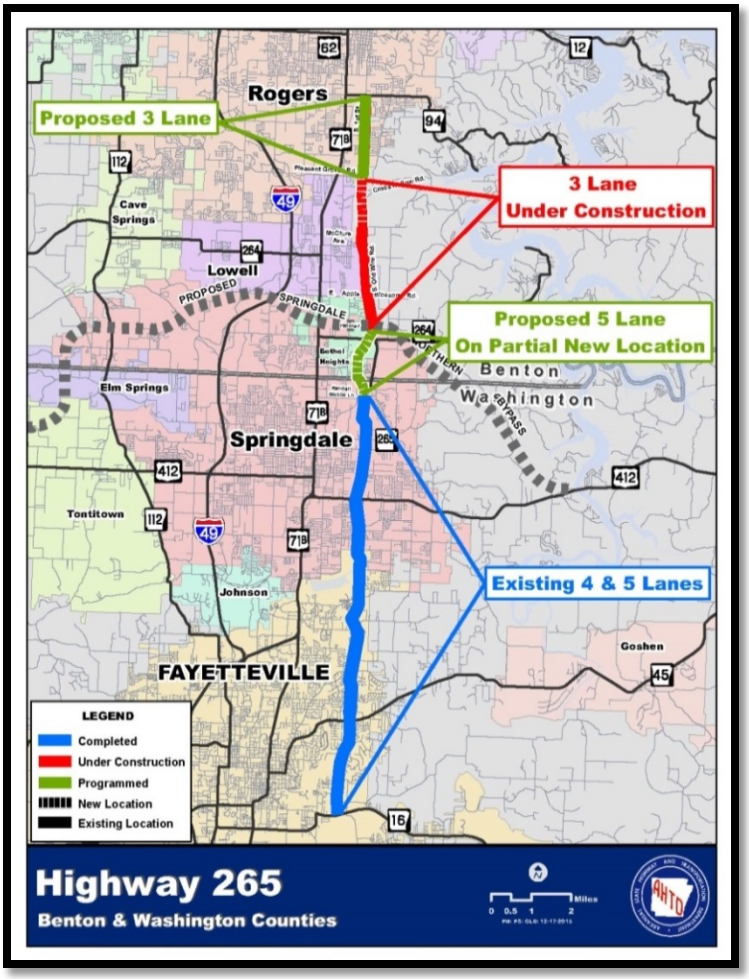
Booming prosperity accompanying a tremendous increase in the area's population has made Northwest Arkansas a recognized economic success. Many migrants come from Northeast Arkansas, South-Central Arkansas, and North Central Arkansas, to work in this booming area. The state's population grew 13.7 percent between 1990 and 2000, but the two-county metropolitan statistical area accounted for one-third of that growth. Benton and Washington counties grew 47 percent between 1990 and 2000.

The Springdale Technology Park is the next evolution in the region's ongoing effort to anticipate the demands of the coming decade's economic expansion in technology. The Park is the ideal solution for knowledge-based industry in search of the perfect venue for affordable and sustainable growth. A 34-acre development on Springdale's east side, the Springdale Technology Park is the region's premier site for successful knowledge-based companies in search of the perfect combination of affordability, ease of development, ready availability of all utilities, and central location in the northwest Arkansas metro area.

The majority of the people who moved to Benton and Washington counties between 1990 and 2000 came from California, Oklahoma, Missouri, Kansas, Texas and other parts of Arkansas. Even during national economic turmoil, Northwest Arkansas has experienced 8.2 percent job growth. According to the Bureau of Labor Statistics, in December 2015 the Northwest Arkansas region as a whole had an unemployment rate of 3.2 percent. This unemployment rate gave Northwest Arkansas a rank of 31 out of 382 metropolitan areas in the United States. Per capita income in Northwest Arkansas is $31,191, according to the most recent figures from the United States Census Bureau. This is approximately $7,000 below the national average per capita income.

Major Northwest Arkansas Employers

Company Name	Product	Employment
Walmart Corp.	Retailer	7,500
Tyson Foods, Inc.	Protein Processing	4,300
University of Arkansas	Education	4,000
George's, Inc.	Poultry Processing	2,500
J.B. Hunt	Motor Freight Carrier	2,500
Springdale Schools	Education	2,235
Mercy Health of NWA	Healthcare	2,000
Washington Regional Medical	Medical	1,750
Pinnacle Foods Int'l.	Frozen Dinners	1,750
Superior Industries	Cast Aluminum Wheels	1,750
Bentonville School District	Education	1,500
McKee Foods	Snack Foods	1,400
Rogers Public Schools	Education	1,300



Upgrades to Highway 265

From Highway 16 in southern Fayetteville to Highway 412, 8 miles of Highway 265 have been widened to four or five lanes. These improvements were constructed at a cost of $35.2 million. The cities of Fayetteville and Springdale partnered with the Arkansas State Highway and Transportation Department and provided $8.6 million of this cost. The next 2.6 miles from Highway 412 north, has been four-lanes for over 20 years. From Highway 264 to Pleasant Grove Road was let to contract for $15.4 million and is currently under construction. Ultimately, the route will utilize First Street in Rogers to connect with Highway 94. This leaves 1.93 miles of two-lane roadway with no shoulders from Randall Wobbe Lane to Highway 264 at Bethel Heights, a small community that

lacks the financial capacity to contribute additional funding. The roadway is too narrow to allow for any vehicles other than passenger vehicles. This TIGER Grant application is requesting funds to finance improvements for this section of Highway 265. The project will include widening, some new location, curb and gutter, bike lanes, and sidewalks. The public transit provider for the area, Ozark Regional Transit, has shown strong interest in providing public transit through the area, provided it is brought up to the same standards as the rest of Highway 265.

The criteria used for designating the new alignment of this area of Highway 265 included cost effectiveness, the overall impacts, and public input. The purpose of the proposed project is to improve north-south connectivity, provide opportunities for other modes of transportation, and enhance mobility for travelers in the Northwest Arkansas metro area. Data gathered for the Environmental Assessment supports the need for the project given both existing conditions and those projected for 2028.

Future Plans

Highway 265 is being extended further north from Highway 264 to Highway 94 using a combination of improvements to existing routes and construction on new location. It begins at Highway 264 and continues in a northerly direction along Old Wire Road. At Frisco Cemetery Road, the alignment will continue north on new location until it connects with South First Street. The alignment will then continue north along South First Street and end at Highway 94 in Rogers.

Highway 265 is part of the Northwest Arkansas 2035 Regional Long Range Transportation Plan, and has been chosen for inclusion in the Northwest Arkansas 2040 Regional Long Range Transportation Plan, currently in development. Highway 265, Randall Wobbe Lane to Highway 264 is included on the Transportation Improvement Program (TIP) Constrained Project List, and considered a high regional priority.

The pedestrian and bicycle lanes included in this project are included in the NWA Heritage Trail Plan, and the Northwest Arkansas Regional Bicycle and Pedestrian Master Plan. The NWA Heritage Trail Plan is part of a regional network for proposed bicycle and pedestrian facilities within the two counties of Northwest Arkansas. This regional system is designed to connect the emerging master trail plans of the region's cities. By tying into the regional and local trail plans, the NWA Heritage Trail plan provides linkage to work centers, schools, parks, museums, and retail shopping. Maps for each of these plans, as well as other planning documents, can be found at http://nwarpc.org/transportation/2040-mtp/.

Project Parties

The Arkansas Highway and Transportation Department is the primary party in this project and is partnering with the MPO for the region, NWARPC. NWARPC has included the improvement and extension of Highway 265 in their Metropolitan Transportation Plans since the early 1970's. Much of their planned work has been completed, and the present project will bring them closer to the completion of the goals for this area. They are committed to the success of this regionally significant project.

Grant Funds and Sources / Uses of Project Funds

NWARPC and the cities of Fayetteville and Springdale concur on the need to improve this corridor. Designated by the governor as the MPO for this region, NWARPC is responsible for the preparation of the TIP and the Metropolitan Transportation Plan. The TIP contains all short-term commitments for state and federal transportation funding in the metropolitan area. The TIP includes improvements for Highway 265 between Randall Wobbe Lane and Highway 264.

In addition to participating in the preparation of the TIP and Metropolitan Transportation Plan, the cities of Fayetteville and Springdale have worked with the AHTD to identify the need for improvements to Highway 265 and have determined that the improvements are a high priority. AHTD is requesting $17.0 million in TIGER VIII funds for this project. NWARPC has dedicated $3.6 million of federal funds and local match to begin right-of-way acquisition. The balance will be paid for with federal and state highway funds.

Selection Criteria

Primary Selection Criteria

Economic Competitiveness

Numerous factories and other businesses on the northeast side of Springdale employ large amounts of people and ship vast amounts of freight. According to 2012 Info USA data, approximately 5,000 people are employed in a four-square mile area served by this segment of Highway 265. Most of these jobs are in the manufacturing, industrial, and poultry processing sectors. This type of commerce requires immense amounts of freight in and out of the area. The current constraint of the two-lane Highway 265 facility from Randall Wobbe Lane to Highway 264 will continue to choke the efficient movement of people and goods if not improved to four or five lanes.

Quality of Life

Many residential communities have sprung up along Highway 265 as Northwest Arkansas has expanded. The ability of residents to reach their places of employment and schools safely and efficiently would be increased with the addition of bus service provided by Ozark Regional Transport. Additional modes of transportation would be available with the addition of bike lanes

and sidewalks. In addition, the entire community, and those outside the community traveling in to enjoy all the region has to offer, would benefit by easy access to sporting events, cultural attractions, historical sites, or just to enjoy the scenery of the Ozarks. Air quality would be improved in the surrounding areas including I-49 and Highway 71, as these are currently congested due to being the only north-south multiple-lane routes in the area.

Results of Benefit-Cost Analysis

Summary and Conclusions

This memorandum describes the methodology used for conducting the benefit-costs analysis for the Highway 265 Widening and Relocation project. The economic benefits of implementing the project include cost savings for users due to reduced vehicle operating costs and reduced travel delays. The summary of benefits-cost analysis yields a B/C ratio of 0.54 for the 1.98-mile roadway project. The table below summarizes the benefit-cost analysis.

Summary of Benefit-Cost Analysis

Benefit/Cost Category	No Discount	Discounted at 3%	Discounted at 7%
Vehicle Operating Cost Savings	$809,033	$527,031	$316,446
Travel Time Cost Savings	$8,728,867	$5,686,276	$3,414,215
Total Crash Reduction Cost Savings	$22,480,825	$14,644,761	$8,793,164
Sum of Benefits	**$32,018,725**	**$20,858,068**	**$12,523,825**
Project Life Cycle Costs	**$27,120,000**	**$25,305,596**	**$23,184,011**
B/C Ratio	**1.18**	**0.82**	**0.54**

Project Readiness

Despite the large amount of culturally and historically significant structures and sites in the area of Northwest Arkansas, a Phase I Cultural Resources Survey and evaluation revealed no historic properties within the proposed area that was available for investigation. Approximately 10 percent (approximately 1,200 linear feet of the proposed alignment) of the site was unavailable for survey due to denial of access by the owner; therefore a Programmatic Agreement has been prepared.

Representatives of five Native American tribes were presented with a report from the State Historic Preservation Officer (SHPO) containing the results of the area survey in August 2012.

Thus far, only the Osage have responded that sites that might be of cultural or religious significance to their tribe may be present within the project area.

Upon approval of the Environmental Assessment, a Finding of No Significant Impact (FONSI) was issued by the Federal Highway Administration on October 24, 2012. Based on two major issues with the originally selected alignment, an alternate alignment was selected and approved by Federal Highway Design Review in August 2015. The FONSI states that there is sufficient evidence and analysis to determine that an environmental impact statement is not required, and that the Preferred Location will have no significant impact on the human environment and issued FONSI pursuant to 23 CFR 88.121(a).

Project Readiness

Task	Completion Date
Design Surveys	Complete
Roadway Design	March 2018
Environmental	November 2017
Right of Way	October 2018
Utilities	September 2019
Project Obligation	September 2019

Project Schedule

Task	Completion Date
Award to Contract	September 2019
Mobilization of Project	October 2019
Project Substantially Complete	November 2021
Open to Traffic	November 2021

WAGE RATE CERTIFICATION
FOR
THE CONSOLIDATED APPROPRIATIONS
ACT OF 2016

Pursuant to the Fiscal Year 2016 Consolidated Appropriations Act (Pub. Law 114-113 (December 18, 2015), I, Scott E. Bennett, Director of Highways and Transportation for the State of Arkansas, certify that all laborers and mechanics employed by contractors and subcontractors on projects funded directly by or assisted in whole or in part by and through the federal government pursuant to the Act shall be paid wages at rates not less than those prevailing on projects of a character similar in the locality as determined by the Secretary of Labor in accordance with subchapter IV of Chapter 31 of Title 40, United States Code, the Davis-Bacon Act.

I understand that the Arkansas State Highway and Transportation Department may not receive TIGER 2016 funding unless this certification is made and posted.

Scott E. Bennett, P.E.
Director of Highways and Transportation

4-11-16
Date