

ARKANSAS DEPARTMENT OF TRANSPORTATION

LITTLE ROCK, ARKANSAS

February 15, 2018

ADMINISTRATIVE CIRCULAR NO. 2018-05

TO: ALL DIVISION HEADS AND DISTRICT ENGINEERS

We are transmitting herewith for your information and records a copy of the Minutes of the Commission Meeting in Little Rock, AR on February 6, 2018.

After making a careful review of these proceedings, please take appropriate action through designated lines of authority to forward the carrying out of any orders applying to your respective divisions and districts.



Scott E. Bennett
Director

c: Commission

MINUTES OF THE MEETING
OF THE
ARKANSAS STATE HIGHWAY COMMISSION

February 6, 2018

Following is the record of proceedings of the Arkansas State Highway Commission in Little Rock, Arkansas, February 6, 2018. Members present were:

Dick Trammel, Chairman
Thomas B. Schueck, Vice Chairman
Robert S. Moore, Jr., Member
Alec Farmer, Member
Philip Taldo, Member

2018-001 IT IS ORDERED that a meeting of the Arkansas State Highway Commission be opened at 9:30 a.m., February 6, 2018.

2018-002 WHEREAS, the Purchasing Committee has awarded purchases on January 3, 4 and 23, 2018, in the amount of \$381,025.00, \$109,136.00 and \$1,311,728.49, respectively, totaling \$1,801,889.49, and supply and service contracts, in accordance with authority previously conveyed, all of which have been documented by official minutes which are of record in the files of the Commission and Equipment and Procurement Division.

NOW THEREFORE, IT IS ORDERED that the action of the Purchasing Committee be ratified and confirmed in all particulars.

2018-003 WHEREAS, the American Association of State Highway and Transportation Officials (AASHTO) has billed the Arkansas Department of Transportation for membership dues for the year 2018; and

WHEREAS, this membership is regarded as being highly beneficial to the Department.

NOW THEREFORE, IT IS ORDERED that the Director is authorized to process payment for membership dues for the year 2018 in the amount of \$42,365.76.

2018-004

WHEREAS, the Department extensively utilizes an aerial camera, mounted in the Department's Cessna 206 plane, to acquire photography for use in preliminary engineering for highway projects and planning studies; and

WHEREAS, the utilization of aerial photography and photogrammetric techniques has shown to be a cost-effective method for obtaining information for highway projects by reducing the need for manual surveying; and

WHEREAS, the current Leica RC30 aerial camera, purchased in 1994, is nearing the end of its useful life, uses film that is increasingly difficult to purchase, and can no longer be calibrated; and

WHEREAS, advancements in aerial camera technology allow for the digital capture of imagery that will result in increased accuracy and picture quality while eliminating cost associated with processing film.

NOW THEREFORE, the Director is authorized to prepare specifications, advertise for bids, and purchase a digital aerial camera as a replacement for the current film aerial camera.

2018-005

WHEREAS, the United States Code of Federal Regulation requires that all sampling and testing of materials used in highway construction and maintenance be executed by qualified testing personnel, and that all contractor, vendor, and state testing used for acceptance decisions shall be performed at qualified laboratories; and

WHEREAS, the Center for Training Transportation Professionals (CTTP) was established at the University of Arkansas at Fayetteville in cooperation with the Department to provide training and certification of Department and contractor technicians; and

WHEREAS, there is a need to continue this certification program by the CTTP.

NOW THEREFORE, the Director is hereby authorized to renew a three-year agreement to continue the training and certification courses as mutually agreed upon by the Department and the CTTP.

2018-006

WHEREAS, the Department's current accounting system is comprised of several outdated computer programs; and

WHEREAS, this system was developed in-house and has been modified many times over the past approximately forty years; and

WHEREAS, this has resulted in a system with components that are not fully integrated or compatible, which leads to duplication of efforts and other inefficiencies; and

WHEREAS, the current antiquated accounting system is not only obsolete, but is also becoming increasingly more difficult to maintain resulting in an inefficient use of Department staff and resources; and

WHEREAS, an upgraded customizable accounting system would benefit the Department by providing greater accuracy, efficiency, and productivity.

NOW THEREFORE, the Director is authorized to solicit and evaluate proposals for development and implementation of a comprehensive accounting system for the Department.

2018-007

WHEREAS, it is necessary for the Department to provide timely engineering surveys for the design and construction of highways and land surveys necessary for the purchase of highway rights of way; and

WHEREAS, in accordance with Minute Order 2013-106 passed on October 30, 2013, the Department entered into contracts to conduct on-call surveying services; and

WHEREAS, work performed under these on-call services contracts has been an effective method of producing timely surveying services and supplementing in-house capabilities.

NOW THEREFORE, the Director is authorized to employ consultant engineering firms and land surveying firms qualified to perform these surveys, as well as to perform photogrammetric services and land title abstract services, as needs are identified for Fiscal Years 2019 through 2022.

2018-008

WHEREAS, IN BENTON COUNTY, Job 090373, Highway 264 to Pleasant Grove Road is nearing completion; and

WHEREAS, upon completion of Job 090373, Highway 265 will extend to the intersection of Pleasant Grove Road; and

WHEREAS, improvements have already been completed north of Pleasant Grove Road on South 1st Street to Highway 94; and

WHEREAS, it has been determined that Highway 94 is a logical termination of Highway 265 for continuity of the Highway System.

NOW THEREFORE, IT IS ORDERED that upon official notification by the Deputy Director and Chief Engineer, the following changes are hereby made to the State Highway System as shown on the attached sketch.

- Upon completion of Job 090373, Highway 265, Section 3 will be added to the State Highway System.

2018-009

WHEREAS, IN DESHA COUNTY, Arkansas Department of Parks and Tourism (ADPT) has designated an additional 2.90 miles to the Delta Heritage Trail State Park; and

WHEREAS, this addition will provide access to recreation facilities managed by the Arkansas Game and Fish Commission; and

WHEREAS, the ADPT has requested that these extensions to the Delta Heritage Trail State Park be designated as part of the State Maintenance System per Arkansas Code Annotated § 27-67-204.

NOW THEREFORE, IT IS ORDERED that upon official notification by the Deputy Director and Chief Engineer, the following changes are hereby made to the State Highway System as shown on the attached sketch.

- State Highway 600, Section 10 will continue from the junction with Sprague Street in Arkansas City to the parking area of Kate Adams Lake Access west of Arkansas City.

2018-009 - Continued

- The portion of roadway to the McCallie Access will be added as State Highway 600, Section 18.

2018-010

WHEREAS, IN BENTON AND WASHINGTON COUNTIES, the alignment of the Springdale Northern Bypass has been approved; and

WHEREAS, portions of the Springdale Northern Bypass are currently under construction or programmed for construction.

NOW THEREFORE, IT IS ORDERED that upon official notification by the Deputy Director and Chief Engineer, the following changes are hereby made to the State Highway System as shown on the attached sketch.

- The approved alignment of the Springdale Northern Bypass beginning at the junction with U. S. 412 in the vicinity of Tontitown and continuing east to the junction with Interstate 49 is hereby designated as Highway 612, Sections 1 and 2.

2018-011

WHEREAS, IN WHITE COUNTY IN THE VICINITY OF SEARCY, Job 050249, Hwy. 36-Hwy. 16 (S) and Job 050251, Hwy. 16-Hwy. 67 (S) are nearing completion.

NOW THEREFORE, IT IS ORDERED that upon official notification by the Deputy Director and Chief Engineer, the following changes are hereby made to the State Highway System as shown on the attached sketch.

- The newly constructed portion of roadway built by Job 050249 and Job 050251, from the intersection of Highway 36 to the intersection of Highway 385, is hereby added to the State Highway System as Highway 13, Section 13.

2018-012

WHEREAS, IN LAWRENCE COUNTY, a crash analysis of Highway 25, Section 6 has been completed; and

WHEREAS, the predominant type of crashes in the study area is roadway departure crashes; and

WHEREAS, the analysis identified safety improvements such as pavement widening, ultra-thin bonded wearing course, shoulder rumble stripes, superelevation adjustments, guardrail replacement, chevron alignment signs, and tree trimming to address roadway departure crashes and provide substantial safety benefits; and

WHEREAS, the Arkansas Strategic Highway Safety Plan (2017) identified roadway departure crashes as a primary emphasis area; and

WHEREAS, these improvements are eligible for Federal-aid Safety funds.

NOW THEREFORE, the Director is authorized to proceed with plans and construction of a safety improvement project on this section of Highway 25 as funds become available.

2018-013

WHEREAS, the Federal Lands Access Program (FLAP) provides funding to improve transportation facilities that provide access to, are adjacent to, or are located within Federal lands; and

WHEREAS, the Department applied for and was awarded FLAP funding to improve Highway 28 from the Oklahoma State Line to Highway 80; and

WHEREAS, the Department must enter into an agreement with Federal Highway Administration Eastern Federal Lands Highway Division to establish roles and responsibilities for implementation of the project.

NOW THEREFORE, the Director is authorized to enter into any necessary contracts and agreements with Eastern Federal Lands Highway Division and to proceed with surveys, plans, and construction of a project to improve this segment of Highway 28.

2018-014

WHEREAS, the Quorum Court of Searcy County, by Resolution 2017-10, has acknowledged the accomplishments of Atomic Veteran Delno Taylor; and

WHEREAS, the Arkansas Highway Commission has adopted guidelines for the installation of commemorative signs by Minute Order 2014-023 and the County's request meets these guidelines.

NOW THEREFORE, the Director is authorized to permit the installation of signs in each direction on Highway 74, between Snowball and Highway 65, as requested by the County, in accordance with Commission Policy.

2018-015

WHEREAS, the Arkansas State Highway Commission will accept bids on the following projects at the February 21, 2018 letting; and

JOB NO.	DISTRICT	COUNTY	JOB NAME	ROUTE	APHN
020618	02	CHICOT & DREW	SOUTH OF DREW CO. LINE -- HWY. 35 (SEL. SECS.) (S)	165	Y
020624	02	JEFFERSON & LINCOLN	HWY. 425 -- GRADY (SEL. SECS.) (S)	65	Y
020632	02	DESHA	HWY. 165 -- CHERRY ST. (DUMAS) (S)	54	Y
020645	02	JEFFERSON	LONOKE CO. LINE -- SOUTH (S)	15	Y
020663	02	JEFFERSON	CANEY BAYOU -- ARKANSAS RIVER (S)	79B	Y
061530	06	GARLAND	MONTGOMERY CO. LINE -- ROYAL (SEL. SECS.) (S)	270	Y
061546	06	GARLAND	WHITTINGTON AVE. -- HWY. 7S (HOT SPRINGS) (S)	7	Y
061560	06	GARLAND	MOUNTAIN PINE -- HWY. 192 (SAFETY IMPVTS.) (S)	227	Y
CA0703	07	CALHOUN	HWY. 274 -- NORTH (WIDENING) (S)	167	Y
070271	07	CLARK	I-30 -- NEVADA CO. LINE (SEL. SECS.) (S)	53	Y
070452	07	CLEVELAND	JEFFERSON CO. LINE -- FRIENDSHIP (S)	63	Y
080558	08	VAN BUREN	CONWAY CO. LINE -- HWY. 65 (S)	9	Y
100910	10	POINSETT	HWY. 69S EAST & WEST (TRUMANN) (S)	69	Y
100926	10	MISSISSIPPI	TOLUCA -- HWY. 148 (S)	61	Y
100958	10	CRAIGHEAD	POINSETT CO. LINE -- HWY. 63B (S)	555	Y

2018-015 - Continued

JOB NO.	DISTRICT	COUNTY	JOB NAME	ROUTE	APHN
012295	04 & 09	VARIOUS	DISTRICTS 4 & 9 PAVEMENT FRICTION IMPVTS. (SEL. SECS.) (S)	VAR	Y
C05007	09	BOONE	DIAMOND CITY SURFACING (SEL. SECS.) (S)	---	-
C11003	10	CLAY	MCDUGAL SURFACING (SEL. SECS.) (S)	---	-
C11004	10	CLAY	NIMMONS OVERLAY (SEL. SECS.) (S)	---	-
C26003	06	GARLAND	MOUNTAIN PINE OVERLAY (SEL. SECS.) (S)	---	-
C38007	10	LAWRENCE	POWHATAN & WALNUT RIDGE SURFACING & OVERLAY (SEL. SECS.) (S)	---	-
C60005	06	PULASKI	WRIGHTSVILLE OVERLAY (SEL. SECS.) (S)	---	-
C61003	10	RANDOLPH	O'KEAN OVERLAY (SEL. SECS.) (S)	---	-
C72008	04	WASHINGTON	ELKINS STOKENBURY RD. & 1ST ST. OVERLAY (SEL. SECS.) (S)	---	-
C75003	08	YELL	PLAINVIEW OVERLAY (SEL. SECS.) (S)	---	-
GF5110	05	STONE	HWY. 14 - NORTHEAST (OVERLAY) (S)	---	-
SA2134	02	DESHA	DESHA CO. WIDENING & BASE (SEL. SECS.) (S)	---	-
SA2372	08	FAULKNER	FAULKNER CO. WIDENING & OVERLAY NO. 2 (SEL. SECS.) (S)	---	-
SA3345	05	IZARD	IZARD CO. OVERLAY NO. 10 (SEL. SECS.) (S)	---	-
SA3544	02	JEFFERSON	I-530 - HWY. 365 OVERLAY NO. 2 (S)	---	-
SA4137	03	LITTLE RIVER	HWY. 32 SOUTH AND WEST LEVEL AND RESEAL (S)	---	-
SA4746	10	MISSISSIPPI	MISSISSIPPI COUNTY OVERLAY NO. 3 (SEL. SECS.) (S)	---	-

WHEREAS, a thorough bid review and analysis is undertaken by the Department to ensure that only those projects are awarded which are judged to be in the best interests of the State; and

WHEREAS, the right is retained to reject any or all proposals, to waive technicalities, or to advertise for new proposals, also as judged to be in the best public interests of the State; and

WHEREAS, the Commission desires to expedite work on these important projects; and

WHEREAS, in accordance with Amendment 42 of the Arkansas Constitution, Section 6, as well as other laws of this State, the Commission has the authority to delegate certain powers to the Director of Highways and Transportation.

NOW THEREFORE, upon the contractors furnishing the necessary performance and payment bonds and submitting all additional information required for the above mentioned projects, the Director is hereby authorized to enter into contracts and supplemental agreements for any projects deemed to be in the best interests of the State.

FURTHERMORE, the Director is authorized to reject any or all proposals, to waive technicalities, and/or to advertise for new proposals whenever deemed to be in the best interests of the State.

Chairman Dick Trammel opened the meeting by welcoming everyone in attendance.

MOTION Vice Chairman Tom Schueck moved, Commissioner Alec Farmer seconded and the motion passed to approve the Minutes from the previous Commission Meeting of October 18, 2017.

MOTION The Commission approved Minute Order 2017-102 on October 18, 2017, authorizing the Department to advertise a Request for Proposals for Construction Manager/General Contractor for Job 061331 - Pleasant Ridge Rd. to Pleasant Valley Dr. on Highway 10 in Little Rock. Vice Chairman Tom Schueck moved, Commissioner Robert Moore seconded and the motion passed to accept the Staff's recommendation to enter into a contract with Kiewit Infrastructure South Co. of Fort Worth, Texas to provide Construction Manager/General Contractor services for Job 061331 on Highway 10 in Little Rock.

MOTION

The Commission approved Minute Order 2017-102 on October 18, 2017, authorizing the Department to advertise a Request for Proposals for Independent Cost Estimating services in the development of Job 061331 - Pleasant Ridge Rd. to Pleasant Valley Dr. on Highway 10 in Little Rock. Vice Chairman Tom Schueck moved, Commissioner Robert Moore seconded and the motion passed to accept the Staff's recommendation to enter into a contract with Innovative Contracting & Engineering of Las Vegas, Nevada to provide the Independent Cost Estimate services for Job 061331 on Highway 10 in Little Rock. This motion also authorized the Department to request and evaluate proposals and recommend to the Commission an additional Independent Cost Estimator to provide an Engineer's Estimate for Job 061331 on Highway 10 in Little Rock at a later date.

MOTION

The Commission approved Minute Order 2017-093 on October 18, 2017, authorizing the Department to advertise for qualified Certified Public Accounting (CPA) firms to perform pre-award reviews and in-state CPA workpaper reviews of audited indirect cost rates. Commissioner Alec Farmer moved, Commissioner Philip Taldo seconded and the motion passed to accept the Staff's recommendation to enter into negotiations to provide On-Call Certified Public Accountant Review Services with the following firms:

Cotton & Company LLP - Alexandria, Virginia
Crowe Horwath, LLP - Chicago, Illinois
Markham & Associates PC - Littleton, Colorado
MH Miles Company, CPA, PC - Decatur, Georgia
Miller, Smith & Co., CPAS, PLLC - Little Rock, Arkansas
T. Wayne Owens & Associates, PC - Lawrenceville, Georgia

MOTION

The Commission approved Minute Order 2015-051 on June 10, 2015, authorizing the Department to plan, acquire, and develop mitigation areas to comply with the National Environmental Policy Act (NEPA), the Endangered Species Act of 1973, Section 404 of the Clean Water Act, and other state and federal environmental laws and regulations. In order to mitigate impacts on Indiana Bats, the Department advertised for consultant services for Statewide Mitigation and Monitoring for Indiana Bats. Vice Chairman Tom Schueck moved, Commissioner Philip Taldo seconded and the motion passed to accept the Staff's recommendation to enter into negotiations with Copperhead Environmental Consulting, Inc. of Paint Lick, Kentucky to provide Statewide Mitigation and Monitoring for Indiana Bats.

MOTION

Director Bennett presented a comparison of the current funding plan for the remaining Future Interstate 69 Federal-aid earmarked funds to construct the western portion of the Monticello Bypass versus an alternative funding plan that would construct the route from the eastern terminus of the Monticello Bypass to Highway 65. Commissioner Robert Moore moved, Commissioner Philip Taldo seconded and the motion passed to proceed with the STIP Amendment process to put in place this alternative funding plan for construction from the eastern terminus of the Monticello Bypass to Highway 65 in McGehee. This alternative still includes the acquisition of right of way for the western portion of the Monticello Bypass. Nita McDaniel, Executive Director of the Monticello Economic Development Commission, Mike Smith of Ashley County, Desha County Judge Jack May and Dan Flowers with the I-69 Coalition all spoke in favor of this change.

MOTION

Commissioner Philip Taldo moved, Commissioner Alec Farmer seconded and the motion passed to not pursue an Initiated Act for highway funding in the 2018 General Election. The Commission will pursue additional funding in the 2019 General Session, and may pursue an Initiated Act in 2020 if necessary.

MOTION

Commissioner Robert Moore moved, Vice Chairman Tom Schueck seconded and the motion passed to have Director Bennett send out a public statement regarding the proposed Constitutional Amendment entitled "The Arkansas Casino Gaming and Highway Funding Amendment of 2018".

OTHER DISCUSSION ITEMS

Mike Boyd, Chief Fiscal Officer, provided the December 2017 update on state highway revenue. Mr. Boyd noted that state highway revenues to the Department from traditional sources are up a total of 2.4% (\$4.6 million) in the State Fiscal Year (SFY) 2018 compared to the same period for SFY 2017. Revenue from the Natural Gas Severance Tax is higher this year compared to last year, resulting in total revenues available being 2.2% (\$4.3 million) above last year. Actual state revenue received is 2.6% (\$5.2 million) above projected (budgeted) revenue for this year.

Discussion Item - Continued

In closing, Mr. Boyd stated that December revenue from the 0.5% General Sales Tax for the Connecting Arkansas Program was 3.35% higher, (\$537,000) than projected by the Department of Finance and Administration (DF&A) for the month. Year to date actual revenue is below projections by 2.6% (\$2.4 million). Since inception this revenue source is 0.70%, or \$5.3 million, under DF&A's projections.

Director Bennett provided the latest information on the Federal highway and transit funding issues. Director Bennett noted that the passage of the FAST Act, passed in December 2015, provided increased funding over its five-year term. However, Congress has not been able to pass a budget for Federal Fiscal Year 2018. We are currently operating under the fourth Continuing Resolution for Federal Fiscal Year 2018 which will expire on February 8, 2018. If Congress fails to act by then, we will experience another shutdown as we did on January 20, 2018. On May 23, 2017, President Trump released his full budget proposal for Federal Fiscal Year 2018 entitled "The New Foundation for American Greatness". This budget would provide full funding for the FAST Act in Federal Fiscal Year 2018. However, beginning in Federal Fiscal Year 2021, funding would be limited to revenue that is deposited into the Highway Trust Fund. This would result in a 40% reduction in the Federal-aid Highway Program.

In closing, Director Bennett stated that not only are there questions regarding future Federal-aid funding, but the source(s) of dependable long-term State revenue to provide the match for Federal-aid funds beyond 2017 and the additional State revenue needed to adequately maintain and improve Arkansas' transportation system have not been identified.

Director Bennett gave an update on the status of the 2011 Interstate Rehabilitation Program (IRP) and Connecting Arkansas Program (CAP). The 2011 Interstate Rehabilitation Program was approved by Arkansas voters in November 2011. Under this program, the Commission has the authority to issue up to \$575 million in GARVEE bonds for Interstate rehabilitation. Three series of bonds have been issued. The first was sold in September 2012 at a par value of \$197 million (true interest cost of 1.6%) with a premium of \$33 million (total of \$230 million

Discussion Item - Continued

available for construction). The second was sold in October 2013 at a par value of \$172 million (true interest cost of 2.2%) with a premium of \$29 million (total of \$201 million available for construction). The third was sold in November 2014 at a par value of \$206 million (true interest cost of 2.1%) with a premium of \$37 million (total of \$243 million available for construction).

The Connecting Arkansas Program was approved by Arkansas voters in November 2012. Under this program, the Commission has the authority to issue up to \$1.3 billion in revenue bonds for four-lane highway construction. The first series of bonds was sold in September 2013 at a par value of \$469 million (true interest cost of 3.1%) with a premium of \$25 million (total of \$494 million available for construction). No other bond sales under this program are expected.

Director Bennett presented a summary of the apparent low bids and bidders from the January 17, 2018, Bid Letting.

Director Bennett gave a look back at the previous year - progress, accomplishments, significant events, etc. and an overview of what lies ahead for 2018.

Director Bennett gave a summary of the potential new highway program. The 2017 91st General Assembly failed to successfully address the funding shortfall the Department is facing to meet our basic needs to keep the State Highway System in a state of good repair. Since that time, the Department has been exploring a variety of solutions to meet the State's transportation needs. A target of an additional \$400+ million has been established and verified by Arkansas Legislative Audit. Director Bennett presented a proposed program of projects using this additional funding.

Director Bennett presented a list of upcoming meetings and events that the Commissioners and Director will be attending, including the Legislative Fiscal Session that begins February 12 through March 14; the Future I-57 Signing Event on February 23 in Searcy, and the State CFC Leadership Class in West Memphis on February 26.


Director Bennett recognized Deputy Director and Chief Engineer Emanuel Banks for his 30 years of service.

The meeting ended with recognition of Chief Ronnie Burks who will be retiring soon. Chief Burks was presented a proclamation for his distinguished accomplishments and was appointed Goodwill Ambassador for the Arkansas Department of Transportation, Arkansas Highway Police Division.

2018-016

IT IS ORDERED that a meeting of the Arkansas State Highway Commission be closed at 12:30 p.m., February 6, 2018.

I hereby certify that the above and foregoing is a true record of the proceedings taken by the Arkansas Highway Commission at its meeting on February 6, 2018.


Lindy H. Williams
Commission Secretary