

ARKANSAS STATE HIGHWAY AND TRANSPORTATION DEPARTMENT
LITTLE ROCK, ARKANSAS

October 1, 2014

ADMINISTRATIVE CIRCULAR NO. 2014-14

TO: ALL DIVISION HEADS AND DISTRICT ENGINEERS

We are transmitting herewith for your information and records a copy of the Minutes of the Commission Meetings in Little Rock, AR on September 17, 2014.

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 of Highways
and Transportation

c: Commission

MINUTES OF THE MEETING
OF THE
ARKANSAS STATE HIGHWAY COMMISSION

September 17, 2014

Following is the record of proceedings of the Arkansas State Highway Commission in Little Rock, Arkansas, September 17, 2014. Members present were:

John Ed Regenold, Chairman
Dick Trammel, Vice Chairman
Robert S. Moore, Jr., Member
Frank D. Scott, Jr., Member

2014-101 IT IS ORDERED that a meeting of the Arkansas State Highway Commission be opened at 10:30 a.m., September 17, 2014.

2014-102 WHEREAS, the Purchasing Committee has awarded purchases on July 18, 2014, and August 5 and 27, 2014, in the amount of \$1,289,054.20, \$151,865.00, and \$458,072.20, respectively, totaling \$1,898,991.40, 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.

2014-103 WHEREAS, the Highway System in Arkansas provides for safe mobility, economic development and tourism enhancement throughout the State; and

WHEREAS, public information and education is important in providing the citizens of our State with the necessary information relative to the issues facing the Commission and the Department; and

2014-103 - Continued

WHEREAS, the Arkansas Good Roads Transportation Council serves as an effective group to provide this information and education.

NOW THEREFORE, the Director is authorized to make a contribution of \$25,000 to the Arkansas Good Roads Transportation Council for its public information and education services for calendar year 2014.

2014-104

WHEREAS, the American Association of State Highway and Transportation Officials (AASHTO) has requested participation in the AASHTO's Engineering Technical Service Programs; and

WHEREAS, these programs provide benefits to the member departments through the pooling of resources and expertise from across the country; and

WHEREAS, the benefits include technical services in a wide variety of areas, pooled resources for a common goal, and reducing duplication of effort; and

WHEREAS, these memberships include the Environmental Technical Assistance Program (ETAP); Equipment Management Technical Services Program (EMTSP); Highway Safety Policy and Management Technical Service Program (SAFETY); Load and Resistance Factor Design (LRFD); Bridges and Structures Specification Maintenance (LRFDMSM); National Transportation Product Evaluation Program (NTPEP); Develop AASHTO Materials Standards (DAMS); Transportation Curriculum Coordination Council (TC3); and Transportation System Preservation (TSP2); and

WHEREAS, these programs are regarded as being highly beneficial to the Department with the means to exchange ideas, information, and best practices with other highway agencies.

NOW THEREFORE, the Director is authorized to utilize State Planning and Research funds to pay annual membership dues for participation in these programs.

2014-105

WHEREAS, the Moving Ahead for Progress in the 21st Century authorized funding for the Transportation Alternatives Program and the Recreational Trails Program; and

WHEREAS, the Safe, Accountable, Flexible, Efficient Transportation Equity Act: A Legacy for Users authorized funding for the Safe Routes to School Program; and

WHEREAS, funding for these programs is available to the Arkansas State Highway and Transportation Department for Federal Fiscal Year 2015.

NOW THEREFORE, the Director is authorized to solicit applications from local sponsors to fund eligible projects under these programs.

2014-106

WHEREAS, the 2009 Edition of the Manual on Uniform Traffic Control Devices (MUTCD) requires that a YIELD or STOP sign be installed along with a Crossbuck Assembly at passively controlled at-grade railroad crossings; and

WHEREAS, the Union Pacific Railroad (UPRR) has proposed to partner with the Department to upgrade all passively controlled at-grade railroad crossings along UPRR's rail line to meet the MUTCD requirements; and

WHEREAS, Federal-aid Railway-Highway Crossing Safety funds are available for these improvements.

NOW THEREFORE, the Director is authorized to enter into an agreement with the UPRR to proceed with improvements at these crossings subject to the following conditions:

1. Maintenance of the signals or surfaces shall be performed by the Railroad Company at no cost to the State.
2. All required right-of-way furnished will be at no cost to the State.
3. Appropriate program approval by the Federal Highway Administration.

2014-107

WHEREAS, the Department has owned and operated a 1979 Cessna 206 aircraft for aerial photography for the past 35 years; and

WHEREAS, this aircraft is flown exclusively for the location selection and the design of highways all across the state; and

WHEREAS, the aircraft has accumulated more than 4,440 hours of flight time and is in some need of repair and updating; and

WHEREAS, Minute Order 2014-061 authorized the Director to seek a replacement aircraft of model year 2010 or later to continue our aerial photography work; and

WHEREAS, after an extensive nationwide search with the assistance of Central Flying Service, the Department has been unable to find a used plane that could meet our needs.

NOW THEREFORE, the Director is authorized to negotiate with the Cessna Aircraft Company and purchase a new 2014 or 2015 Cessna 206 as funds become available.

2014-108

WHEREAS, the Arkansas Highway Commission (AHC), per Amendment 42 to the Arkansas Constitution, is responsible for administering the Arkansas State Highway and Transportation Department (AHTD), which includes managing the use of existing funds as well as communicating the needs of the AHTD to others; and

WHEREAS, the AHC has a solid record of making good use of available funds, and has consistently communicated the needs of the AHTD and the State regarding its highway system; and

WHEREAS, the AHC has determined that at least \$300 million per year in new state revenue is needed to maintain the status quo for highway maintenance, administration, operations, pavement and bridge condition, and traffic levels of service, to continue matching Federal-aid highway funds, and to begin improving the overall condition of the highway system; and

WHEREAS, the AHC believes the recommendations contained in the Final Report of the Blue Ribbon Committee on Highway Finance are worthy of further consideration, especially the Road User Revenue Transfer recommendation presented to the legislature in the 2013 legislative session; and

WHEREAS, the Road User Revenue Transfer concept would not require any new or increased taxes or fees, relying instead on the re-allocation of existing revenues over a multi-year phase-in period.

NOW THEREFORE, the AHC will continue to communicate to our Congressional delegation the need for a long-term (6 years), federal transportation bill that provides increased funding levels to Arkansas;

FURTHERMORE, while the Commission supports the Road User Revenue Transfer concept as a preferred method for generating additional state funds for state highway operations, we encourage continued dialogue and consideration among all transportation stakeholders, elected officials, and others regarding other revenue enhancement options that may come before the legislature in the upcoming legislative session.

WHEREAS, the severity of recent winter storms has focused attention on the snow and ice removal procedures utilized by the Department; and

WHEREAS, a thorough review of these procedures has been conducted; and

WHEREAS, this review has highlighted the need for a policy to govern snow and ice removal operations, which will assist in providing a more uniform statewide response during winter weather events;

NOW THEREFORE, the following policy will be used in snow and ice removal operations on the state highway system:

The Department shall conduct snow and ice removal operations based on the following criteria:

- The Department shall utilize an approach to snow and ice removal operations that will first focus on the major routes, consisting primarily of the Arkansas Primary Highway Network, until they are returned to a serviceable condition and then proceed to the other routes thereafter.
- The Department shall utilize a concept for snow and ice removal operations that will dedicate the necessary manpower and equipment resources to achieve acceptable results.
- The Department shall establish and maintain a snow and ice removal guide that can be used in providing uniform statewide procedures for responding to winter weather events.

2014-110

WHEREAS, the Arkansas State Highway Commission (the "Commission") is authorized, pursuant to Title 27, Chapter 64, Subchapter 4 of the Arkansas Code of 1987 Annotated and an election held on November 8, 2011, to issue general obligation bonds of the State of Arkansas (the "State") for the purpose of financing improvements to Interstate highways in the State; and

WHEREAS, the Commission proposes to offer for sale a series of State of Arkansas Federal Highway Grant Anticipation and Tax Revenue Bonds in the maximum aggregate principal amount of up to \$207,000,000 (the "Bonds"); and

WHEREAS, the Commission will prepare and distribute an Official Notice of Sale requesting bids for the purchase of the Bonds; and

WHEREAS, the Commission will prepare and distribute a Preliminary Official Statement relating to the Bonds.

NOW THEREFORE,

- (1) The Bonds shall be offered for sale on electronic bids on the date to be specified in the Official Notice of Sale. The Director, after consultation with Stephens Inc., as Financial Advisor, and Friday, Eldredge & Clark, LLP, as Bond Counsel, is authorized to select a date for the sale and to review the bids from prospective purchasers of

the Bonds as they are received pursuant to the Official Notice of Sale and to accept the bid having the lowest true interest cost or to reject all bids, as the Director, in his sole discretion, shall determine.

- (2) The preparation and distribution of an Official Notice of Sale and Preliminary Official Statement for the Bonds is hereby approved. The Chairman is authorized to approve these documents. The signature of the Chairman on such documents conclusively establishes his approval thereof.
- (3) The Director is delegated by the Commission the authority to deem final, for purposes of Rule 15c2-12 issued by the Securities and Exchange Commission, the Preliminary Official Statement for the Bonds at such time and in such form as is required by such Rule.
- (4) The Chairman is hereby authorized to execute the documents approved herein; to take such other actions and to approve such other documents as are, in his judgment, necessary or appropriate in order to prepare for the sale of and to sell the Bonds; to prepare and execute a Final Official Statement for the Bonds and to deliver copies to the low bidder in accordance with the Official Notice of Sale; to prepare a General Resolution providing for the issuance of Federal Highway Grant Anticipation and Tax Revenue Bonds; to prepare a Series Resolution prescribing the terms and provisions of the Bonds; and to accomplish the intent of this Minute Order and the Series Resolution.

2014-111

WHEREAS, the Arkansas State Highway Commission (Commission) acquired property and imposed Permanent Easements in connection with Job No. R20008-3, Highway 79 – Bobo Road, U. S. Hwy 65 Bypass, Jefferson County, Arkansas from two different owners. Tract Nos. 301E-1 and 303E for Job No. R20008-3 were acquired by contract dated the 10th day of August 1989, from the W. E. Bobo Company, Inc. on an unrecorded Permanent Easement. Tract No. 317E for Job No. R20008-3 was acquired by contract dated the 24th day of September, 1991, from Walter H. McClain on an unrecorded Permanent Easement, which the unrecorded easements are attached hereto and hereby made a part of record as Exhibit “A”; and

WHEREAS, the Commission acquired Tract No. 301E-1 for Job No. R20008-3 for the amount of FORTY-FIVE AND NO/100 DOLLARS (\$45.00), which the tract is more particularly described as follows:

Job No. R20008-3 Tract No. 301E-1 Permanent Easement

A part of the Southwest Quarter of the Southwest Quarter of Section 20, Township 6 South, Range 9 West of the 5th principal meridian, Jefferson County, Arkansas, being more particularly described as follows:

Commencing at the Southwest Corner of Section 20, Township 6 South, Range 9 West, being the point of beginning; thence North 00° 52' 54" West, 113.55 feet along the west line of said Section 20 to a point on the proposed Northeasterly right of way line of Bobo Road; thence South 33° 44' 03" East, 47.77 feet along said proposed Northeasterly right of way line; thence South 17° 52' 22" East, 77.44 feet along said proposed Northeasterly right of way line to the South line of said Section 20; thence along the South line of said Section 20, South 89° 52' 32" West, 48.55 feet to the point of beginning containing 0.08 acres, more or less, of which 0.06 acres, more or less, is being used as a public road.

6/27/14 DH Rev 9/03/14 DH

WHEREAS, the Commission acquired Tract No. 303E for Job No. R20008-3 for the amount of ONE HUNDRED THIRTY-FIVE AND NO/100 DOLLARS (\$135.00), which the tract is more particularly described as follows:

Job No. R20008-3, Tract No. 303E - Permanent Easement

A part of the Northwest Quarter of the Northwest Quarter of Section 29, Township 6 South, Range 9 West of the 5th principal Meridian, Jefferson County, Arkansas being more particularly described as follows:

Commencing at the Northwest corner of Section 29, Township 6 South, Range 9 West, being the true point of beginning; thence along the north line of said Section 29, North 89° 47' 17" East 48.52 feet to the proposed Easterly right of way of Bobo Road; thence South 01° 24' 51" East, 119.50 feet along said proposed East right of way; thence North 89° 03' 30" West, 50.04 feet to the West line of said Section 29; thence along the said West section line North 00° 41' 46" West, 118.54 feet to the true point of

beginning, containing 0.13 acres, more or less, of which 0.07 acres, more or less, is being used as a public road.

6/27/14 Revision DH 8/29/14 jhk

WHEREAS, the Commission acquired Tract No. 317E for R20008-3 for the amount of THREE THOUSAND FOUR HUNDRED AND NO/100 DOLLARS (\$3,400.00), which tract is more particularly described as follows:

Job No. R20008-3, Tract No. 317E – Permanent Easement

A part of the Southeast Quarter of the Southeast Quarter of Section 19 and a part of the Northeast Quarter of the Northeast Quarter of Section 30; all in Township 6 South, Range 9 West of the 5th principal Meridian, Jefferson County, Arkansas described as:

Beginning at the Southeast corner of said Section 19; thence South 00° 41' 46" East, 118.54 feet along the East line of said Section 30; thence North 89° 03' 30" West, 38.00 feet; thence North 05° 07' 29" West, 82.00 feet; thence North 30° 29' 16" West, 235.12 feet to the proposed southwesterly right of way of the U.S. Highway 65 bypass; thence North 59° 27' 35" East 105.00 feet along said proposed southwesterly right of way; thence South 33° 45' 42" East, 127.73 feet to the East line of said Section 19; thence South 00° 52' 54" East, 113.55 feet along said East line to the point of beginning containing 0.61 acres, more or less, of which 0.05 acres, more or less, is being used as a public road.

6/27/14 DH

WHEREAS, this property was obtained for use as a city street for the City of Pine Bluff, Arkansas; it has been maintained by the city and the City of Pine Bluff has asked the Commission to abandon and transfer all of the right, title, interest or equity for Tract Nos. 301E-1, 303E and 317E- that were imposed as Permanent Easements for Job No. R20008-3 in exchange for the compensation originally paid for the three said tracts being the total sum of THREE THOUSAND FIVE HUNDRED EIGHTY AND NO/100 DOLLARS (\$3,580.00), which the District Engineer for District 2 has determined is not now, nor in the foreseeable future will be, needed for highway purposes; and the City of Pine Bluff, upon release, has agreed to assume responsibility for all future administration and maintenance of Bobo Road.

NOW THEREFORE, the above-described properties are declared surplus and upon receipt of the executed documentation of reassignment of right to reacquire from previous property owners, the W. E. Bobo Company, Inc. and Walter H. McClain, to the City of Pine Bluff, Arkansas, and upon receipt of consideration of the sum of THREE THOUSAND FIVE HUNDRED EIGHTY AND NO/100 DOLLARS (\$3,580.00) from the City of Pine Bluff, Arkansas, upon release, the City of Pine Bluff agrees to assume responsibility for all future administration and maintenance of Bobo Road; the Chairman of the Commission is authorized and directed to execute a Quitclaim Deed conveying all of the right, title, interest or equity of the above-described unrecorded permanent easements as reflected on the Exhibit "A" which are attached hereto and made a part of that were imposed for Job No. R20008-3, Highway 79–Bobo Road, U. S. Hwy 65 Bypass, Jefferson County, Arkansas, to the City of Pine Bluff; as reflected on the Right of Way Maps as Exhibit "B" which are attached hereto and made a part of; and hereby releasing from the State Highway System; that the Right of Way Division is directed and authorized to record a copy of this Minute Order and the Quitclaim Deed in the records of Jefferson County, Arkansas; and, if necessary, the right of way shall be remonumented to reflect the boundaries designated herein. Any Federal-aid funds from this disposal shall be credited to Federal Funds or otherwise credited as permitted by Federal Law.

2014-112

WHEREAS, the Arkansas State Highway Commission (Commission) acquired property known as Tract No. 45R-2 in fee from Grantor, Bank of the Ozarks, filed for record on September 23, 2010, in the Circuit Clerk's office of Washington County, Arkansas in connection with Job No. 040524, Highway 62 Bypass (Prairie Grove) Washington County, Arkansas;

WHEREAS, the above named Grantor assigned its right to reacquire Tract No. 45R-2 to C&R Developments, LLC, on February 21, 2014; and

WHEREAS, C&R Developments, LLC, has asked to repurchase Tract No. 45R-2 which the District Engineer for District 4 has determined is not now, nor in the foreseeable future will be, needed for highway purposes; and

WHEREAS, the Commission acquired Tract No. 45R-2 for TWO THOUSAND AND NO/100 DOLLARS (\$2,000.00), which the tract is more particularly described as follows:

Part of the Lots 38 through 57 of Sundowner Subdivision Phase 3 to the City of Prairie Grove, being part of the Northeast Quarter of the Southwest Quarter, and part of the Southeast Quarter of the Northwest Quarter all being in Section 17, Township 15 North, Range 31 West, Washington County, Arkansas, more particularly described as follows:

Commencing at a 5/8 Inch Rebar with Cap being used as the Southwest corner of Lot 60, Sundowner Subdivision Phase 3, said point being on the Northerly right of way line of Park Street as established by the plat of Sundowner Subdivision Phase 3 recorded June 14, 2007; thence North 88°37'43" West along said right of way line a distance of 100.05 feet to a point being the Southwest corner of Lot 58, Sundowner Subdivision Phase 3; thence North 88°38'10" West along said right of way line a distance of 79.61 feet to a point being the Southwest corner of Lot 57, Sundowner Subdivision Phase 3; thence North 88°38'10" West along said right of way line a distance of 89.76 feet to the POINT OF BEGINNING; thence continue North 88°38'10" West along said right of way line a distance of 66.21 feet to a point being used as the Southwest corner of Sundowner Subdivision Phase 3; thence North 01°53'17" East along said West line a distance of 363.66 feet to a point; thence North 02°27'10" East along said West line a distance of 1,318.95 feet to a point on the North line of the Southeast Quarter of the Northwest Quarter of Section 17; thence South 87°31'36" East along said North line a distance of 31.10 feet to a point on the Westerly right of way line of U.S. Highway 62 Bypass as established by AHTD Job 040524; thence South 02°17'28" West along said right of way line a distance of 240.41 feet to a point on the North line of Lot 40, Sundowner Subdivision Phase 3; thence South 01°12'21" East along said right of way line a distance of 160.33 feet to a point on the North line of Lot 42, Sundowner Subdivision Phase 3; thence South 12°59'15" West along said right of way line a distance of 81.41 feet to a point on the North line of Lot 43, Sundowner Subdivision Phase 3; thence South 08°14'56" East along said right of way line a distance of 81.40 feet to a point on the North line of Lot 44, Sundowner Subdivision Phase 3; thence South 05°56'46" West along said right of way line a distance of 240.49 feet to a point on the North line of Lot 47, Sundowner Subdivision Phase 3; thence

South 01°12'22" East along said right of way line a distance of 160.32 feet to a point on the North line of Lot 49, Sundowner Subdivision Phase 3; thence South 16°24'47" West along said right of way line a distance of 82.42 feet to a point on the North line of Lot 50, Sundowner Subdivision Phase 3; thence South 10°03'46" East along said right of way line a distance of 163.85 feet to a point on the North line of Lot 52, Sundowner Subdivision Phase 3; thence South 04°05'45" West along said right of way line a distance of 160.07 feet to the point on the North line of Lot 54, Sundowner Subdivision Phase 3; thence South 00°59'15" East along said right of way line a distance of 303.24 feet to a point; thence South 06°04'10" East along said right of way line a distance of 18.42 feet to a point of beginning and containing 1.54 acres, more or less, (66,922 sq. ft. more or less) as shown on plans prepared by the AHTD referenced as Job 040524.

Subject to the access conveyance originally executed on Tract 45 as shown on AHTD Job 040524: There is reserved and excepted to Grantor its successors and assigns, the right of direct access as shown on the right of way plans from Left Station 333+15.00 to Station 333+65.00 and from Left Station 339+60.00 to Station 340+10.00.

DH 6/06/14

Also being subject to the Permanent Easement along the South property line described as follows:

PERMANENT EASEMENT

Part of the Lots 56 and 57 of Sundowner Subdivision Phase 3 to the City of Prairie Grove, Washington County, Arkansas, more particularly described as follows:

Commencing at a 5/8 Inch Rebar with Cap being used as the Southwest Quarter of Lot 60, Sundowner Subdivision Phase 3, said point being on the Northerly right of way line of Park Road as established by plat of Sundowner Subdivision Phase 3 recorded June 14, 2007; thence North 88° 37' 43" West along said right of way line a distance of 100.05 feet to a point being the Southwest corner of Lot 59, Sundowner Subdivision Phase 3; thence North 88° 36' 23" West along said right of way line a distance of 79.61 feet to a point being the Southwest corner of Lot 58, Sundowner Subdivision Phase 3; thence North 88° 38' 10" West along said right of

way line a distance of 89.79 feet to the POINT OF BEGINNING; thence continue North 88° 38' 10" West along said right of way line a distance of 66.21 feet to a point being the Southwest corner of Sundowner Subdivision Phase 3; thence North 01° 53' 17" East along said West line a distance of 14.68 feet to a point; thence North 88° 08' 25" East a distance of 63.79 feet to a point on the Westerly right of way line of U.S. Highway 62 Bypass as established by AHTD Job 040425; thence South 06° 04' 10" East along said right of way line a distance of 18.42 feet to the point of beginning and containing 1,072 square feet, more or less, as shown on plans prepared by the AHTD referenced as Job 040524.

DH 6/06/14

NOW THEREFORE, the above-described property is declared surplus and upon receipt of the consideration of TWO THOUSAND AND NO/100 DOLLARS (\$2,000.00), the Chairman of the Commission is authorized and directed to execute a quitclaim deed conveying the above-described property to C&R Developments, LLC; the Deed and a copy of this Minute Order shall be recorded in Washington County, Arkansas, and, if necessary, the right of way shall be remonumented. Any Federal-aid funds from this disposal shall be credited to Federal Funds or otherwise credited as permitted by Federal Law.

2014-113

WHEREAS, IN ST. FRANCIS AND CROSS COUNTIES, the Forrest City and Wynne Municipal Airports have been closed and will be sold to help finance construction of the new Delta Regional Airport in Colt; and

WHEREAS, Highway 980, Section 10, servicing the Forrest City Municipal Airport is no longer needed for highway purposes; and

WHEREAS, Highway 980, Section 38, servicing the Wynne Municipal Airport is no longer needed for highway purposes.

NOW THEREFORE, IT IS ORDERED that upon official notification by the Deputy Director and Chief Engineer, Highway 980, Section 10 and Highway 980, Section 38 are hereby removed from the State Highway System, as shown on the attached sketches.

2014-114

WHEREAS, the Northwest Arkansas Regional Planning Commission (NWARPC) has requested that the Department participate in funding the 2014 Northwest Arkansas Aerial Imagery Project; and

WHEREAS, the project will include aerial imagery for all of Benton and Washington Counties; and

WHEREAS, this project will be of benefit to the Department for planning and project development in this area.

NOW THEREFORE, the Director is authorized to enter into necessary agreements with NWARPC to assist with the financing of the 2014 Northwest Arkansas Aerial Imagery Project.

2014-115

WHEREAS, the City of Jonesboro applied for and has received a Transportation Investment Generating Economic Recovery (TIGER) VI Discretionary Grant of \$1.2 million for planning, environmental and design activities to provide an overpass of the Highway 18 Burlington Northern Santa Fe (BNSF) Railroad Crossing; and

WHEREAS, the Arkansas State Highway and Transportation Department commends the City of Jonesboro in their effort to develop and implement a long term Railroad Corridor Plan to address and prioritize the 44 crossings within the City; and

WHEREAS, improvements to the Highway 18 BNSF Railroad Crossing will greatly enhance safety and decrease delay currently experienced by road users; and

WHEREAS, the Federal Highway Administration and the City have requested that the Department serve as the administrative agency and the pass-through for Federal-aid funds for this project to ensure that all Federal-aid rules and regulations are met in a timely and efficient manner.

NOW THEREFORE, the Director is authorized to enter into the necessary agreements with the Federal Highway Administration and the City of Jonesboro, for the Department to serve as the administrative agency for the Highway 18 BNSF Railroad Crossing project.

2014-116

WHEREAS, a joint agreement for inspection and maintenance of the Interstate 40 Bridge over the Mississippi River exists between the Tennessee Department of Transportation (TDOT) and the Arkansas State Highway and Transportation Department (AHTD); and

WHEREAS, an inspection of the bridge has revealed deficient areas in the superstructure; and

WHEREAS, TDOT and AHTD have agreed that a construction contract will be required for the repair; and

WHEREAS, the Agreement between TDOT and AHTD is to share the cost of such work on a 50/50 basis.

NOW THEREFORE, the Director is authorized to proceed with plans and development of a project to make this repair as the funds become available.

2014-117

WHEREAS, the City of Camden by Resolution 41-14, has acknowledged Highway 79B in Camden as the “Nelle Jane Dawson Highway”; and

WHEREAS, the Highway Commission has adopted guidelines for the installation of commemorative signs by Minute Order 2014-023, and the actions taken by the City of Camden meet these guidelines.

NOW THEREFORE, the Director is authorized to permit the installation of signs on Highway 79B with one in each direction near City Hall within the City of Camden in accordance with Commission Policy.

2014-118

WHEREAS, the Arkansas State Highway Commission received bids on the following projects at the September 17, 2014 letting;

| JOB NO. | DISTRICT | COUNTY | JOB NAME | ROUTE | APHN |
|---------|----------|-------------|---|-------|------|
| BB0106 | 01 | ST. FRANCIS | SHEARERVILLE-WEST (F) | 40 | Y |
| 110544 | 01 | MONROE | HWY. 17-ST. FRANCIS CO. LINE STRS. & APPRS. (S) | 70 | Y |
| 020535 | 02 | CHICOT | HWY. 208-HWY. 65 (REHAB.) (SEL. SECS.) (S) | 165 | Y |

2014-118 - Continued

| JOB NO. | DISTRICT | COUNTY | JOB NAME | ROUTE | APHN |
|---------|----------|-------------------|--|------------|------|
| 040086 | 04 | CRAWFORD | ALMA WEIGH STATIONS RECONSTRUCTION (S) | 40 | Y |
| 040646 | 04 | WASHINGTON | CRAWFORD CO. LINE-FAYETTEVILLE (SEL. SECS.) (CABLE MEDIAN BARRIER) (S) | 49 & 71B | Y |
| 050302 | 05 | INDEPENDENCE | HWY. 167/HWY. 14/HWY. 25 SIGNAL UPGRADE (INDEPENDENCE CO.) (S) | VAR | Y |
| CA0609 | 06 | PULASKI | HWY. 365-I-430 (WIDENING) & I-430 INTCHNG. MOD. (F) | 40 & 430 | Y |
| 061214 | 06 | GARLAND | PRINTERS PLACE-CRAWFORD ST. (HIGDON FERRY RD.) (HOT SPRINGS) (S) | 88 | Y |
| 061275 | 06 | PULASKI | ARKANSAS RIVER STR. & APPRS. (BROADWAY) (LR/NLR) (F) | 70 | Y |
| 061303 | 06 | PULASKI | FIVE MILE CREEK STR. & APPRS. (REMOUNT RD.) (NLR) (S) | --- | --- |
| 061312 | 06 | GARLAND | HOT SPRINGS CREEK STR. & APPRS. (HOT SPRINGS) (S) | --- | --- |
| 061431 | 06 | GARLAND | HWY. 7S-HWY. 70 INTCHNG. (CABLE MEDIAN BARRIER) (S) | 70B & 70 | Y |
| 080481 | 08 | CONWAY | HWY. 9/HWY. 9B SIGNAL UPGRADE (MORRILTON) (S) | 9 & 9B | Y |
| 090251 | 09 | BENTON | HWY. 71B-SHELL RD. (HWY. 12) (BENTONVILLE) (S) | 12 | Y |
| 090284 | 09 | BENTON | HWY. 71B-HWY. 265 (SPRINGDALE) (S) | 264 | Y |
| 090305 | 09 | BENTON | NEW HOPE RD.-HWY. 62/102 WIDENING (ROGERS) (S) | 49 | Y |
| 090379 | 09 | BOONE | MO. ST. LINE-HWY. 62 (CABLE MEDIAN BARRIER) (S) | 65 | Y |
| BB1006 | 10 | MISSISSIPPI | NO. OF HWY. 18-MISSOURI ST. LINE (S) | 55 | Y |
| 100800 | 10 | CRAIGHEAD | HWY. 49/VALLEY VIEW DR./DARR HILL RD. SIGNAL (JONESBORO) (S) | 49 | Y |
| 012184 | 08 | FAULKNER & CONWAY | WEIGH/INSPECTION PADS (FAYETTEVILLE SHALE) (PHASE II) (S) | 9, 64 & 65 | Y |
| 012195 | 05 & 10 | VARIOUS | HWY. 167-HWY. 226 (SEL. SECS.) (CABLE MEDIAN BARRIER) (S) | 67 | Y |
| 012196 | 01 & 10 | VARIOUS | JONESBORO-I-55 (SEL. SECS.) (CABLE MEDIAN BARRIER) (S) | 63 | Y |

2014-118 - Continued

| JOB NO. | DISTRICT | COUNTY | JOB NAME | ROUTE | APHN |
|---------|----------|----------------------|--|-------|------|
| C14002 | 07 | COLUMBIA | MCNEIL OVERLAY (SEL. SECS.) (S) | --- | - |
| C21003 | 02 | DESHA | ARKANSAS CITY OVERLAY (SEL. SECS.) (S) | --- | - |
| C23001 | 08 | FAULKNER | HOLLAND & WOOSTER OVERLAY (S) | --- | - |
| C41001 | 03 | LITTLE RIVER | ASHDOWN OVERLAY (SEL. SECS.) (S) | --- | - |
| C47002 | 10 | MISSISSIPPI | ETOWAH BRACKETT RD. SURFACING (SEL. SEC.) (S) | --- | - |
| C47003 | 10 | MISSISSIPPI | KEISER MAIN ST. & SCHOOL ST. SURF. & OVERLAY (S) | --- | - |
| C59002 | 06 | PRAIRIE | BISCOE OVERLAY (SEL. SECS.) (S) | --- | - |
| C59003 | 06 | PRAIRIE | DEVALLS BLUFF OVERLAY (SEL. SECS.) (S) | --- | - |
| C62002 | 06 | SALINE | SHANNON HILLS OVERLAY (SEL. SECS.) (S) | --- | - |
| C76009 | 07 | CALHOUN & OUACHITA | EAST CAMDEN, HARRELL & THORNTON OVERLAY (S) | --- | - |
| C76013 | 01 | LEE & ST. FRANCIS | MADISON & HAYNES OVERLAY (SEL. SECS.) (S) | --- | - |
| C76014 | 05 & 08 | CLEBURNE & VAN BUREN | FAIRFIELD BAY SURFACING & OVERLAY (SEL. SECS.) (S) | --- | - |
| C76015 | 06 | LONOKE & PULASKI | CABOT & MAUMELLE OVERLAY (S) | --- | - |
| SA1768 | 04 | CRAWFORD | CRAWFORD COUNTY OVERLAY NO. 5 (SEL. SECS.) (S) | --- | - |
| SA2542 | 05 | FULTON | FULTON CO. OVERLAY NO. 2 (SEL. SECS.) (S) | --- | - |
| BR2604 | 06 | GARLAND | LOCKETT CREEK STR. & APPRS. (S) | --- | - |
| FA2808 | 10 | GREENE | HWY. 351-WEST (RECONSTRUCTION) (S) | --- | - |
| SA3047 | 06 | HOT SPRING | HWY. 270-HWY. 51 (OVERLAY) (S) | --- | - |
| SA3935 | 01 | LEE | HWY. 261-EAST (OVERLAY) (SEL. SEC.) (S) | --- | - |
| SA4134 | 03 | LITTLE RIVER | LITTLE RIVER COUNTY SURFACING NO. 2 (SEL. SECS.) (S) | --- | - |
| SA4274 | 04 | LOGAN | LOGAN COUNTY OVERLAY (SEL. SECS.) (S) | --- | - |
| SA4742 | 10 | MISSISSIPPI | HWY. 18-SOUTH (BASE) (S) | --- | - |
| SA4831 | 01 | MONROE | HWY. 146-NORTH (SURFACING) (S) | --- | - |

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| JOB NO. | DISTRICT | COUNTY | JOB NAME | ROUTE | APHN |
|---------|----------|----------|--|-------|------|
| SA5641 | 10 | POINSETT | HWY. 14-HWY. 214 OVERLAY (SEL. SEC.) (S) | --- | - |
| FA7314 | 05 | WHITE | GLAISE CREEK STR. & APPRS. (S) | --- | - |

and

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 Arkansas Constitution, Amendment 42, Section 6, as well as other laws of this State, the Commission has the authority to delegate certain of its 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. Further, 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.

MOTION

Vice Chairman Dick Trammel moved, Commissioner Robert S. Moore Jr. seconded and the motion passed to approve the Minutes of July 23, 2014.

MOTION Vice Chairman Dick Trammel moved, Commissioner Robert S. Moore, Jr. seconded and the motion passed to accept the Staff's recommendation to enter into an agreement with Blackmon Auctions to conduct the AHTD's annual equipment auction on October 28, 2014, and any other necessary sale(s).

MOTION Commissioner Frank D. Scott, Jr. moved, Vice Chairman Dick Trammel seconded and the motion passed to accept the Staff's recommendation for the proposed 2015-2017 biennium budget request and to authorize the budget request to be submitted to the Legislative Council and Joint Budget Committee.

MOTION Vice Chairman Dick Trammel moved, Commissioner Frank D. Scott, Jr. seconded, and the motion passed to ask the City of Monette to have a final decision made by November 4, 2014, as to whether they will accept the bypassed portions of Highways 18 and 139 upon completion of the bypass. This date will allow the Commission to discuss the City's decision at their next Commission Meeting on November 5, 2014.

MOTION Commissioner Robert S. Moore, Jr. moved, Vice Chairman Dick Trammel seconded and the motion passed to instruct Staff to coordinate appreciate-type event/meal invitations so the event/meal can be scheduled at the AHTD Central Office on regular Commission meeting dates. Other Commission invitations for events such as ribbon cuttings, groundbreakings and listening sessions will continue to be coordinated by Staff as schedules allow.

OTHER DISCUSSION ITEMS

Director Bennett recognized Vicki Haydon, Audit Manager in the Internal Audit Office, for her work with the International Fuel Tax Association (IFTA). The organization recently presented her with the 2014 Richard L. Reeves IFTA Leadership Award. The Leadership Award is presented to an individual who has provided effective leadership and outstanding accomplishments and contributions.

Director Bennett also recognized Lorie Tudor, Assistant Chief Engineer-Planning and Paula Cigainero, Graphic Design Specialist, for helping with the development of the first SASHTO Annual Report. They provided significant leadership, coordination, and produced the report. The SASHTO Board approved a resolution extending their appreciation to Lorie and Paula.

Larry Dickerson, Chief Fiscal Officer, provided the August 2014 update on state highway revenue. Mr. Dickerson noted that state highway revenues to the Department from most traditional sources are down a total of \$1.0 million in the first two months of State Fiscal Year (SFY) 2015 compared to the same period for SFY 2014. With the revenue from the Natural Gas Severance Tax coming in higher for the first month of this year compared to last year, total revenues available are \$1.7 million higher for this year. Actual state revenue received is also \$1.7 million higher compared to projected (budgeted) revenue for this year.

In closing, Mr. Dickerson stated that July and August revenue from the 0.5% General Sales Tax for the Connecting Arkansas Program was 3.8% higher (\$1.0 million) than projected by the Department of Finance and Administration (DF&A). This revenue source has come in under DF&A's projections for ten of the fourteen months since the tax went into effect, and is cumulatively 1.9%, or \$3.6 million, under DF&A's projections to date.

Director Bennett provided the latest information on the Federal highway and transit funding issues. He gave a brief summary on these key Federal funding issues:

- July 6, 2012 – The President signed Moving Ahead for Progress in the 21st Century (MAP-21), authorizing funding for the final two months of Fiscal Year 2012 plus two full Fiscal Years (FYs 2013 and 2014). MAP-21 will expire on September 30, 2014.
- July 1, 2014 – a Federal Highway Administration memorandum was sent to the states that outlined the procedures for reimbursement during a cash shortfall in the Federal Highway Trust Fund (HTF). This memo stated that unless otherwise directed, cash management procedures would be implemented on August 1.

Discussion Item - Continued

- July 15, 2014 – the House overwhelmingly passed a 10-month patch that would shore up the fund through May 2015 with \$11 billion. Nearly every Congressional member who spoke – both Democrat and Republican – said they preferred a long-term bill, but failing that, they didn't want to see the trust fund run out of money.
- July 31, 2014 – on the last day before a month-long break, the U. S. Senate yielded to pressure from the House and passed a bill that will provide funding for the Highway Trust Fund through the end of May 2015.
- August 8, 2014 – President Barack Obama signed the bill. Lawmakers now have until May 2015 to address the need for a long-term highway bill.
- The Highway and Transportation Funding Act of 2014 (H.R. 5021) is a temporary patch to the Highway Trust Fund and provides \$11 billion in transportation funding. It allows states to be reimbursed for projects until roughly May 2015, and it extends MAP-21 funding authorization and policies for highway, mass transit, and safety programs through May 31, 2015. No user fees were increased for this patch, instead Congress used a controversial budget technique called pension smoothing, as well as boosting customs fees, to pay for the general fund transfer.

Director Bennett gave an update on the status of the 2011 Interstate Rehabilitation Program (IRP), Connecting Arkansas Program (CAP), and State Aid City Street Program. 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. Two 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 available for construction). The second was sold in October 2013 at a par value of \$171 million (true interest cost of 2.2%) with a premium of \$29 million (total of \$200 million available for construction). A Minute Order was submitted and approved to offer for sale a series of State of Arkansas Federal Highway Grant anticipation and

Discussion Item - Continued

Tax Revenue Bonds in the maximum aggregate principal amount of up to \$207,000,00.

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).

With the approval of the 0.5% Sales Tax for the Connecting Arkansas Program, 1 cent in motor fuel tax revenue (approximately \$20 million annually) is being set aside for a State Aid City Street Program. Projects are selected by the State Aid City Street Committee and are designed, let to contract, and inspected by the Department.

Director Bennett briefed the Commissioners on proposed legislation that the Department is interested in pursuing in the 2015 Legislation Session.

Director Bennett provided options to generate additional state revenue. At previous Commission meetings this year, updates were given on Arkansas highway conditions and needs. As reported at those meetings, and historically, revenue available to meet highway needs has fallen woefully short. Even with the 2011 Interstate Rehabilitation Program and the Connecting Arkansas Program providing an additional \$3 billion investment in our highway system (which will improve less than 4% of our highway system), we have a shortfall of \$16.8 billion in being able to meet our needs for system preservation and capital improvements over the next 10 years.

While it is highly unlikely that any revenue options to generate an additional \$1.7 billion annually would be considered, additional revenue totaling approximately \$300 million annually is needed to maintain status quo (i.e., matching Federal-aid funds; sustaining current levels of maintenance, administration, and operations; and sustaining the current overall condition of pavements and bridges and levels of service for traffic)

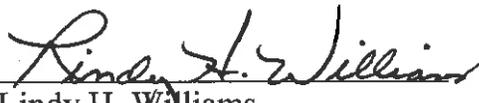
Discussion Item - Continued

and to begin improving the overall condition of our highways. A Minute Order was submitted and approved to support the Road User Revenue Transfer concept as a preferred method for generating additional state funds for state highway operations, but to continue discussions and evaluations of all pertinent revenue enhancing options.

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IT IS ORDERED that a meeting of the Arkansas State Highway Commission be closed at 2:15 p.m., September 17, 2014.

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 September 17, 2014.


Lindy H. Williams
Commission Secretary