

MINUTES
SENATE INTERIM COMMITTEE ON TRANSPORTATION, TECHNOLOGY
AND LEGISLATIVE AFFAIRS
HOUSE INTERIM COMMITTEE ON PUBLIC TRANSPORTATION
MEETING JOINTLY

February 3, 2016

The Senate Interim Committee on Transportation, Technology & Legislative Affairs and the House Interim Committee on Public Transportation met jointly at 9:00 a.m., Wednesday, February 3, 2016, in Room B, MAC, Little Rock, Arkansas.

Committee members present: Senators Bill Sample, Chair; Bobby J. Pierce, Vice Chair; Ronald Caldwell, Jimmy Hickey, and Greg Standridge; Representatives Mary P. “Prissy” Hickerson, Chair; Mike Holcomb, Vice Chair; Dan M. Douglas, David Hillman, Bob Johnson, Julie Mayberry, Milton Nicks, Jr., Mathew Pitsch, Marcus Richmond, Brandt Smith, James Sorvillo, and James Sturch.

Other legislators present: Senators Linda Chesterfield, Alan Clark, Jonathan Dismang, and Jon Woods; Representatives Scott Baltz, Rick Beck, Nate Bell, David Branscum, Gary Deffenbaugh, Jim Dotson, Kenneth Ferguson, Joe Jett, Micah Neal, Betty Overbey, James Ratliff, Dwight Tosh, and Marshall Wright.

Senator Sample called the meeting to order.

Comments by Committee Chairs

Senator Sample and Representative Hickerson welcomed members and guests to the meeting.

Consideration to Approve Minutes of November 10, 2015, Meeting [Exhibit C]

Upon motion by Representative Douglas, and second by Senator Pierce, the Minutes from the November 10, 2015, meeting were approved.

Overview of State Highway Construction Projects

Mr. Scott Bennett, Director, Arkansas State Highway and Transportation Department (AHTD), presented an update on the Interstate Rehabilitation Program (IRP) and the Connecting Arkansas Program (funded by ½ cent sales tax approved by voters in 2012).

IRP (halfway finished mileage-wise)

- completed: 23 projects; 170 miles; \$449 million spent on interstates
- under construction: 15 projects; 80 miles; \$424 million
- scheduled: 44 projects; 240 miles; \$556 million; \$175 million scheduled for 2016; 25 miles of projects

The remainder of jobs will be scheduled from 2017-2023 and should be finished quicker than the others since they are mill and inlay jobs (repair).

Connecting Arkansas Program:

- under construction: 7 projects; 29 miles; \$263 million
- scheduled: 28 projects; 149 miles; \$1.5 billion

AHTD is 2.5 years into this program and currently, revenue is right on projection. Under this program there are 4 more projects scheduled for this year at a cost of \$121 million; the bulk of the work will be done between 2017-2019.

Mr. Bennett stated there are currently 134 projects under construction at a cost of \$1.6 billion. AHTD is in the process of developing the next Statewide Transportation Improvement Program (STIP) through 2020. Due to

the longer term federal highway program, additional state money is needed to match federal aid; the STIP is being developed as if state money will be available. Between 2016-2020, \$3.9 billion worth of work will be performed around the state much of which will be for system preservation, \$450 million will be spent on bridge projects with the focus on bridges that are weight restricted and/or structurally deficient, and \$250 million will be spent on safety projects, with at least one job in every county.

Mr. Bennett provided an overview of AHTD's organizational structure which includes 4 branches: Planning, Design, Operations, and Administration; 3,700 employees (300 engineers); 10 districts -- each district has 7 - 8 counties that are responsible for the maintenance and operations of 1,600 miles of roads.

AHTD also looks at capital improvement projects and coordinates with local agencies and metropolitan planning organizations to review the impact on economic development. STIP federal requirements include a 4-year construction program and public involvement. AHTD must show the money will be available over the 4-year period and is required to coordinate with metropolitan areas with a population over 50,000. AHTD must also show performance management to prove they are making progress in making the system better overall. When looking at projects, AHTD considers calendars days, working days, and the fixed completion date. They also look at road user cost, cost plus time, and incentives and disincentives (both are capped). The contractor bids on items in the contract as well as number of days to complete the project. In 2010, AHTD began accepting all bid letting electronically which has improved efficiency in the bidding process. Contractors must submit a bid bond that equals 5% of the bid amount. In 2016, over \$1 billion in work will be done with an average of \$750 million each year through 2020.

Upon questioning by several members, Mr. Bennett provided the following information:

- AHTD will need \$50 million annually in state funds to match \$250 million in federal aid
- if a contractor falls behind, the liquidated damages clause would apply and they would not be allowed to bid on a new project until they are out of liquidated damages -- the information is available online
- the current STIP report is available online and notice will be sent to members when the Commission adopts the draft 2016-2020 STIP
- the original completion date on the I-30/Highway 70 project in Malvern was Thanksgiving 2015 but, due to unforeseen contract/material/weather problems, the completion date has been set for mid-March (depending on weather). Bids for this project were taken December 2014, awarded March 2015, and the work order given April 2, 2015. AHTD posted signs to warn of slowing traffic, merging onto Highway 70, and also stationed a Highway Police car with flashing lights to warn drivers
- the Broadway bridge will close in May or June and reopen in November; AHTD will provide public notice well in advance.
- school districts that build new facilities but have no plan in place to ensure traffic flow should consult with AHTD and have more coordination on the front end; school districts should do more work on a traffic impact analysis (at their own cost)
- the federal fiscal year begins in October which causes a lapse in the state and federal money flow from July to September
- research by Duke University shows that for every \$1 billion spent, 27,000 jobs are created; one out-of-state contractor hired 80% of his crew from Arkansas to work on an \$80 million project in Fort Smith
- update on the proposed I-30 corridor project: AHTD is going through a detailed analysis of the alternatives, such as widening the interstate to 8-10 lanes with 2 collector distributor lanes for local traffic; reviewing alternatives to the downtown interchange; plans to hold a public hearing in March to present the analysis and response to comments; mayors of surrounding areas are included as this is a regional project

Mr. Bennett will provide the Duke University research study to staff for dissemination to committee members.

Representative Hickerson introduced several members of the Highway Commission that were in attendance and Mr. Bennett introduced AHTD staff.

With no further business, the meeting adjourned at 10:05 a.m