

STATE AID CITY STREET PROGRAM PROJECT RESOLUTION

RESOLUTION NO. 4-2019

A RESOLUTION EXPRESSING THE WILLINGNESS OF  
THE CITY OF GILBERT  
TO UTILIZE STATE AID STREET MONIES  
FOR THE FOLLOWING CITY PROJECT:

Original copy

**Gilbert Overlay & Surfacing**

WHEREAS, the City of GILBERT understands that State Aid Street Program funds are available for certain city projects at the following participating ratios:

	<u>Work Phase</u>	<u>State Aid %</u>	<u>City %</u>
Reconstruction/Resurfacing	Preliminary Engineering	100%	-0-
Construction of City Projects	Right-of-Way	-0-	100%
	Utilities	-0-	100%
	Construction	100%	-0-
	Construction Engineering	100%	-0-
City projects programmed but not let to contract	All Phases	-0-	100%

NOW, THEREFORE, BE IT RESOLVED BY THE CITY COUNCIL OF THE CITY OF GILBERT, ARKANSAS, THAT:

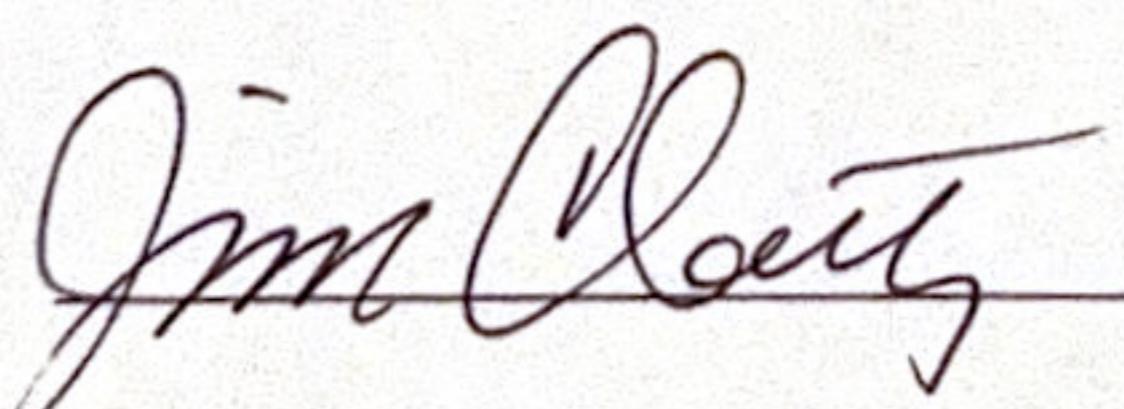
**SECTION I:** The City will participate in accordance with its designated responsibilities in this project.

**SECTION II:** The Mayor, or his designee, is hereby authorized and directed to execute all appropriate agreements and contracts necessary to expedite the construction of this city project.

**SECTION III:** The City agrees upon completion of the project to assume the maintenance of the right-of-way by City Forces and/or others including utilities and individuals in accordance with the prevailing Arkansas Department of Transportation regulations.

**SECTION IV:** The City pledges its full support and hereby authorizes the Arkansas Department of Transportation to initiate action to implement this project.

THIS RESOLUTION adopted this 16<sup>th</sup> day of December, 2019.

  
\_\_\_\_\_  
\_\_\_\_\_  
\_\_\_\_\_  
Mitch Morvedt  
Mayor Mitch Morvedt

ATTEST:

(SEAL)



November 19, 2019

Dear Mayors, Municipal Officials and Municipal Personnel:

I'm not prone to overstating plain and simple facts. Thus, it is with a straight face and clear mind that I make this statement: Arkansas faces a potential transportation and economic development crisis at the ballot in November of 2020.

To fully understand my concerns, it is imperative to know a bit of Arkansas law and some math, and then analyze that law against a calendar. First, the law. Arkansas currently has a temporary half-cent (1/2) sales tax on the sale of gasoline. The collections from that sales tax are split as follows:

70% to the State of Arkansas;  
15% to the counties in Arkansas; and,  
15% to the cities and towns in Arkansas.

You'll often hear this distribution called the traditional 70/15/15 formula. It's exclusively used to improve state highways, county roads and city/town streets.

That's the law. Here's the math, and to be clear, this is the rough math. The current distribution of the half-cent equates to approximately \$22 per person (population of city or town) per year. A simple example for the town of "Awesome," Arkansas:

Current monies received in a year for streets (total): \$27,000.00  
Town population is 400  
 $400 \times \$22.00 = \$8,800.00$

Remember those numbers.

Here's the calendar: On June 30, 2023, the current half-cent sales tax sunsets and will no longer be collected. If nothing is done, your 15% portion of the half-cent sales tax will go away.

Combining the law, math and calendar for your city or town creates a transportation and economic disaster for our state. Here's what happens in Awesome, Arkansas:

Current monies collected (total): \$27,000.00  
Money lost (400 people x \$22.00) = \$8,800.00  
 $\$27,000.00 - \$8,800.00 = \$18,200.00$

In this example, Awesome loses approximately 30% of its street funds. That's nothing short of a disaster in Awesome, and it's catastrophic for Arkansas.

Jonesboro Mayor Harold Perrin, President • Mulberry Mayor Gary Baxter, First Vice President • Fairfield Bay Mayor Paul Wellenberger, Vice President, District 1 • Wrightsville Council Member Allan Loring, Vice President, District 2 • Siloam Springs Mayor John Mark Turner, Vice President, District 3 • Magnolia Mayor Parnell Vann, Vice President, District 4 • Executive Director Mark R. Hayes

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ARKANSAS DEPARTMENT OF TRANSPORTATION

ARDOT.gov | IDriveArkansas.com | Scott E. Bennett, P.E., Director

STATE AID DIVISION

10324 Interstate 30 | P.O. Box 2261 | Little Rock, AR 72203-2261 | Phone: 501.569.2346 | Fax: 501.569.2348

November 21, 2019

The Honorable Mitch Morvedt  
Mayor of Gilbert  
P.O. Box 1  
Gilbert, Arkansas 72636

Job C64004  
Gilbert & Pindall Overlay  
& Surfacing (S)  
Various City Streets  
Searcy County

Dear Mayor Morvedt:

In anticipation of your request being approved by the Street Committee in February, we have prepared the enclosed set of plans for the subject job. Construction funding has not been approved at this time.

These plans have been prepared generally in accordance with the items discussed and agreements reached. After review of these plans, please advise as soon as possible if you have any comments or suggestions. Your approval is requested.

This project is funded with 100% State Aid City Street funds up to the maximum amount. In order to proceed, a resolution (sample enclosed) is required to be on file with the State Aid Division. Please return this resolution as soon as possible.

Sincerely,

Bryan Freeling  
State Aid Engineer

BEF:AF:caa  
Enclosures

Is there a solution? Yes. Our friends at the Legislature have ensured that Arkansans will decide the future of this funding at the ballot during the 2020 General Election. We, the Arkansas voters, can pass a permanent replacement half-cent sales tax with a “yes” vote, continuing this crucial funding for our infrastructure.

And, perhaps most importantly, discuss this issue with each other—it is essential that city officials and staff understand the cost of losing the one half-cent (1/2¢) sales tax if the June 30, 2023, deadline goes forward without a resolution. By educating yourself and those who represent your city or town, you will be able to engage in a dialogue with your community and educate voters about the impact this vital issue will have on them and the place they call home.

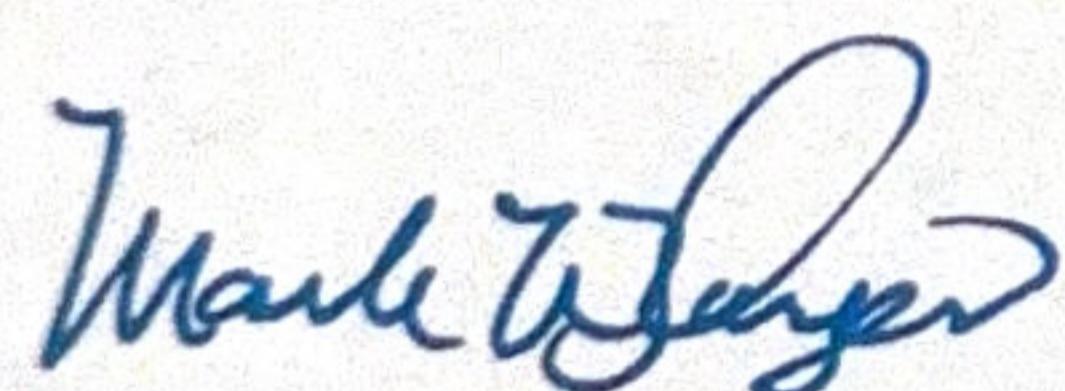
Enclosed, you will find a sample resolution articulating all of these circumstances and noting your city’s need for this passage of the replacement half-cent. An electronic copy of the resolution may also be found at [arml.org](http://arml.org) in the eCommunications section on the homepage. I encourage your city to take action to pass this resolution for the purpose of educating your citizens about this impending crisis. Once passed, please email a copy of your city’s/town’s resolution to the League at [jadams@arml.org](mailto:jadams@arml.org).

Lastly, I want to remind you the full membership of your League passed a resolution during the 85<sup>th</sup> Convention fully supporting this very issue. Consequently, the resolution is printed in our *2019-2020 Policies and Goals* and can be found on page 12.

On Friday of last week, Governor Hutchinson announced his Highway Funding Campaign, “Vote for Roads. Vote for Issue 1.” During the press conference, the Governor stated many of the same facts that are included in this letter. For more information and to educate yourself on this issue, please visit [voteforroads.com](http://voteforroads.com).

As more information and resources become available, we will share it with you across all communication channels, including the AML Communities ListServ and our social media feeds. Please visit [arml.org](http://arml.org) to subscribe to available listservs and to connect with us on social media.

Sincerely,



Mark R. Hayes  
Executive Director

Enclosure: stated

cc: Joe Quinn, Arkansas Good Roads Foundation  
Chris Villines, Arkansas Association of Counties