

Local Assistance  
Highway Bridge Program Advisory Committee Meeting  
June 17, 2021—Decisions Made, Action Items and Summary

**Attendees**

Jeanie Ward-Waller, Planning & Modal Programs  
Dee Lam, DLA  
Linda Newton, DLA  
Robert Peterson, DLA  
Andy Chou, DLA  
Jeremy Wright, DLA  
Robert Zeffoff, DLA  
Kirk Anderson, DLAE D6  
Jesus Serrano, DLAE D10  
Parminder Singh, DLAE D10  
Sudhakar Vatti, SLA  
Michael Chung, San Joaquin County

Matt Randall, Placer County  
Chris Sneddon, Santa Barbara County  
Jason Vivian, Tulare County  
Debbie O'Leary, City of Oxnard  
Rebecca Neves, City of Placerville  
Jesse Gothan, City of Sacramento  
Robert Newman, City of Santa Clarita  
Ross McKeown, MTC  
José Luis Cáceres, SACOG  
Chris Lee, CSAC  
Max Katt, Quincy Engineering  
Gavin Keating, Quincy Engineering  
Susan Herman, CSUS

**Decisions**

The committee declined to vote on the high-cost bridge reform (see Agenda Item 3). Straw poll results and discussion points are listed in the notes.

**Action Items**

All completed or closed Action Items will be removed from the list for the next meeting summary.

<b>Item Number</b>	<b>Status</b>	<b>Who</b>	<b>Action</b>	<b>Date Created</b>	<b>Target Date</b>
A95	Open	DLA	Bridge Capacity System (BCS) hosting: consider costs and risks, with input from County of LA, Caltrans IT, and LTAP Center.	2/19/15	August 2021

<b>Item Number</b>	<b>Status</b>	<b>Who</b>	<b>Action</b>	<b>Date Created</b>	<b>Target Date</b>
A110	Open	CSAC reps	Contact county agencies whose unprogrammed bridge projects appear on the scour critical list coded 1 or 2, to promote awareness of HEC 23 chapter 2 (Scour Plan of Action and Countermeasures), available mitigation funding, and HBP prioritization criteria.	2/21/19	2021
A112	Open	DLA	Invite Caltrans Local Assistance Environmental Coordinator to provide input on NEPA process, for discussion on how to streamline.	4/18/19	August 2021
A114	Open	All	Discuss possible changes to 6-A scoping document to help estimate project cost more precisely.	4/18/19	December 2021
A115	Complete	All	Discuss future of BIC program to balance flexibility and fairness—e.g., whether to simplify the program to encourage better utilization, discontinue program, or other action.	4/18/19	2021

<b>Item Number</b>	<b>Status</b>	<b>Who</b>	<b>Action</b>	<b>Date Created</b>	<b>Target Date</b>
A120	Open	DLA	Circulate letter for comment to 6 county agencies whose yet-to-be programmed bridge projects appear on the scour critical list coded 2, seeking response on Scour Plan of Action and Countermeasures.	8/22/19	2021
A127	Open	DLA	Environmental mitigation: Invite DEA input on Caltrans and CDFW departments' different terms for environmental monitoring and maintenance (3 years vs. 5)	2/22/21	August 2021
A128	Complete	All	Committee members to provide input on the CA Statewide Local Streets and Roads Needs Assessment to Quincy by June 25, 2021.	4/15/21	6/25/21
A129	Complete	Quincy Engineering	Quincy will create a list of local and state moveable bridge projects of interest where recent work has been completed, to gather more information about costs.	4/15/21	May 2021

Item Number	Status	Who	Action	Date Created	Target Date
A130	Open	DLA	Open discussion with Caltrans Division of Budgets on reapplication for toll credits and general path forward.	6/17/21	August 2021

## **Discussions**

### **1. Welcome and Introductions**

- Jeannie Ward-Waller shared her appreciation and support for the HBP advisory committee's work, as well as her hopes that discussions at the Federal level on the American Jobs Plan will result in a boost in bridge-related funding.
- Dee Lam recognized the Caltrans HBP management team specifically for their advancement of action items.
- Jeremy Wright is still acting in role of LBSRP manager; his replacement will be hired soon.

### **2. Agenda Review**

- A short break was added to the agenda following Item 3.

### **3. High Cost Bridge Reform**

- HBP managers shared the tiered reimbursement approach discussed in previous meetings, plus an additional approach with a modified Tier 4 and new Tier 5.
- In the additional approach, Tier 4 is for bridges with phase costs between \$176-225 million; Tier 5 is for bridge phases costing \$226-500 million.
- A straight-line reimbursement approach was also presented, as an alternative to the tiered approach. The straight-line approach sets 2 end points - a reimbursement rate at \$80 million and another reimbursement rate at \$250. The reimbursement rate for a project with a total phase cost within the 2 end points would be reimbursed at a rate that is linearly interpolated between the 2 end points. Projects beyond \$250 million would be capped at the amount determined by the reimbursement rate at \$250 million multiplied by \$250 million.
- The proposed policy would apply only to new projects coming into the HBP after the reform's effective date. Projects already in the program will not fall under the new policy.
- There are now three versions of the reform being considered:
  - A. 4 tiers with progressively lower reimbursement rates as project costs increases, \$200 million participation cap for bridge phase total cost.
  - B. 5 tiers, \$500 million participation cap for bridge phase total cost.

- C. Straight line reimbursement, \$250 million participation cap for bridge phase total cost.
- The committee declined to have a formal vote but did conduct a straw poll on the preferred version of the reform to present to Caltrans upper management. Committee comments were:
  - Two committee members did not choose any of the options, with the rationale that it is more important to advocate for higher program funding overall than change a policy that affects only a few agencies and whose impacts will not be apparent for until approximately 2031.
  - Those few agencies with expensive bridge projects will have to pursue other funds OR close the bridge—effectively forcing a political issue. Those sponsors with political connections will get their project funded; however, this does not benefit the bridge program overall and fragments the advocacy efforts to get more funding.
  - The other eight voting members recommended capping the bridge phase costs with the rationale that the point of the reform is to create a limit that allows Caltrans management to show fiscal responsibility, and to set funding expectations for sponsors of future high-cost bridges. It remains unclear how much, if any, this reform saves and when that savings would take place.
  - As for the tiered approach with lower cap, Option A, vs. the straight-line calculation, Option C, one committee member preferred option A, five preferred option C, and two said either A or C were acceptable. The main argument in favor of option C is that it seems more intuitive and would be easier for project sponsors to understand.
  - Committee members suggested that additional language be added to qualify the policy, such as a stipulation about future adjustments based on more favorable income to debt ratio, clarifying language on which projects the policy applies to, and an exception/appeal clause for projects with costs exceeding the cap.

#### **Q & A, Comments**

- Q: Would project sponsors be incentivized to increase their construction cost estimates to “jump up” a level? At the \$200 million phase cost level the straight-line calculation becomes more advantageous than the tiers.
- A: Maybe, but ultimately HBP eligible participating cost and reimbursement rate are determined at contract award.
- Table to be updated to say “non-HBP funds or Other funds” instead of “Local Contribution”.
- Less than 7% of current bridge projects are high-cost, and they use half the current HBP allocation. Even if program allocation doubles, that additional funding will be dedicated to the increasing backlog of poor condition bridges.

- If the \$226-500 million range is included in policy, it will need to be clearly justified; a more reasonable approach based on current funding levels would be to drop the 5-tiered proposal (Option B).
- For context, HBP's participating amount for 6<sup>th</sup> Street Bridge construction phase was capped at \$246 million. For the Mt. Vernon Bridge it was capped at \$171 million. These are the largest projects the program has handled so far.
- Caltrans management wants to move forward with the reforms the committee has recommended.

#### **4. Review of May and June action summaries**

- A112: wording was updated to Caltrans Local Assistance Environmental Coordinator

#### **5. Financial Status**

HBP managers provided the financial status report.

- \$232 million has been obligated as of 6/7/21; \$25.8 million was de-obligated from prior year projects.

#### **6. Toll Credit/BIC Update**

HBP managers discussed California's use of Toll Credits that FHWA approved in 2010.

Office of Federal Programming was notified that there may be potential for Toll Credits to be completely utilized and it was unclear if a new request would be submitted to the Federal Highway Administration.

- The exact amount of future funding remains to be seen, but agencies can be reasonably assured that toll credits will continue past September 2023.
- Toll credits are the mechanism for funding the Bridge Investment Credit program. Discussion is needed between RTPAs and Caltrans to urge Caltrans to reapply for toll credits.
- A committee member noted that legislation has been introduced in Congress to allow states to sell toll credits to each other (Toll Credit Marketplace Act).
- DLA will have further discussion with Caltrans Division of Budgets regarding the path forward with toll credits.

#### **7. Projects not yet authorized**

- HBP managers shared a list showing 95 projects that are currently in the HBP but have not started yet due to their lower prioritization. Their combined value is \$287,572,008. Due to the program reform policy recently put in place, there will be a change in reimbursement rates that affects these projects.
- Per the Office Bulletin issued 2/2021: The federal/local reimbursement ratios for all new HBP projects will be revised to 80%/20% for on-federal aid system projects and 88.53%/11.47% for off-federal aid system projects. This applies to projects that do not yet have an authorization to proceed with the PE phase by March 30, 2021.

- The list will be shared with District staff next week. District staff will get verification from local sponsoring agencies of whether they want to proceed with their projects at the new, lower reimbursement rates.
- DLA will provide an update in August on which projects are staying in the program and which are dropping out, and total savings to the program because of the reform.

## **8. CA Statewide Local Streets and Roads Needs Assessment—Bridge Needs Coordination**

- Quincy Engineering provided the update and thanked the two committee members who provided comments, as well as the HBP management group. 120+ comments were provided in all. These were summarized in an Excel spreadsheet which will be provided to committee members.
- The administration draft is open for one more week—last call for comments.
- Main topics for follow-up with Quincy Engineering:
  - Section (1) Expand Executive Summary beyond two pages?
    - Committee will look at a new draft of the Executive Summary for the Bridge Needs report with proposed edits added and determine whether 2.5-3 pages are acceptable.
    - In the Executive Summary for the Statewide Needs Assessment, only a few lines mention bridge needs; this should be highlighted more.
    - Quincy offered to put together a coordinating meeting with NCE on this. The meeting will consist of Quincy, NCE, and those who provided comments on the report.
  - Section (3.3) Eliminate “Wave of Bridges” concept?
    - Bridge Age Distribution bar graph shows that bridges now 50-59 years old were built at a rate of approx. 250 bridges per year. Today they are being replaced/repared at a rate of 40 per year.
    - Bridge Inventory Age line graph shows the “wave” of bridge replacements. This might not be as effective a visual as some others.
    - A committee member suggested including a comparison line showing typical useful service life, so the disparity can be better understood.
    - An alternative approach may be to leave out the graphic and simply say that in 10 years, X number of our bridges will be over 80 years old. Similar language as is commonly used to describe Baby Boomer generation/Social Security.
  - Section (4.3) Expand methodology subsections (Rehab and PM)
    - Comments had suggested moving the detailed methodology information and flow charts out of the Appendix and into running text.
    - However, this may require repeating information in each subsection for Replacement, Rehabilitation, and Preventive Maintenance, adding up to 20 pages’ additional length to the report.
    - Updated version will give each subsection its own appendix

- Section (4.6) Load Posting Estimate
  - Section captures cost information about a small number of bridges which do not have structural issues but can't carry modern vehicular loads—reduction in load bearing capacity is shown in relation to percent increase in bridge replacement cost.
  - Not much data exists for this, so the percentages are an educated guess.
  - Quincy will follow up with the commenters
- Section (4.7) Seismic Estimate through LBSRP programmed amounts
  - Nothing in NBI about condition of existing seismic retrofits. New fault mapping indicates bridges previously unknown to be at risk of earthquake. New seismic design criteria—not all have yet been tested.
  - More clearly acknowledge the limitations on seismic data; it is based on today's seismic needs, not future needs. This section does not project future seismic needs like the sections do on other needs, such as replacement or rehabilitation. How to express this in executive summary in a way that doesn't artificially mask the real bridge needs?
  - Updated version can provide a range of costs instead.
- Section (5) Accuracy of Local Agency Surveys
  - Accuracy of local agency surveys varied widely—depends on which staff member responded to the survey, their expertise & knowledge of their agency's infrastructure.
  - A committee member noted their agency has 300+ short span, non-NBI bridges, lack staff to proactively inspect them. Instead they depend on community members' reports and reactively make repairs.
  - Updated version will include additional paragraph acknowledging that much funding for local infrastructure does not apply to non-NBI bridges.
- Section (7.3) Recent HBP Programming
  - Quincy will work with HBP managers to follow up on this.
- Section (7) Future Policy Discussion?
  - Quincy suggested sticking with current policy and how HBP has developed, rather than talking about upcoming policy changes or recommended policy changes. Other members agreed that this report does not need to discuss potential future policies as they are not certain.
- Once committee members digest all comments, Quincy Engineering will follow up with a focus discussion on report updates and invite those who provided comments.



## **9. Review new Action Items**

A130 and A131 were added.

## **10. Roundtable**

- A lot of RSTP money will not get used up this year; possible to offer loans to allow bridge program to deliver programs in July/August vs. November.
- Re: June 2 email about escalation factors to use in estimated costs for bridges in the program—weren't all agencies supposed to be doing this, for all federal funds in the TIP? If Caltrans wasn't ensuring this was happening before now, then that means our TIP may be in non-compliance with federal regulations. If this is considered a new reform, then what other programs might possibly be out of compliance?
  - The HBP reform ensures consistency on the escalation rate used for all HBP projects moving forward. Escalation was previously included, but not consistently.
- What is the estimated effect of the recent HBP reforms in terms of overall cost savings or in terms of how many additional bridges can go to construction?
  - The most immediate savings will result from reimbursement ratio change—once we get verifications back from the 95 projects currently in the program that haven't started yet, that will give us a better idea. This will be available in August.
  - The biggest potential cost savings were from the proposed reforms of limiting cost of approach roadway and capping high-cost bridges at \$80M. Both reforms were rejected by the Advisory Committee.
  - No instantaneous savings: the savings will be seen years into the future.

## **Adjourn**

The meeting adjourned at 3:00pm.