California's Infrastructure Spending Outlook

The good news is that our economy is definitely on the road to recovery. All of us have seen signs of this here and there, such as the increase in number of land development as well as public works projects in Southern California. Another sure sign is the engineering labor market which although still soft, has picked up a bit, and engineering companies have increased their hiring these past few months.

This trend seems to be happening state-wide. Last month, Governor Brown unveiled his budget. An analysis by the Legislative Analyst's Office or LAO for the 2014-2015 fiscal outlook concludes that assuming that the current policies continue, there will be a $2.3 billion projected reserve at the end of 2014-15. The LAO stresses that continued caution is needed because the large projected surplus is “dependent on a number of assumptions such as continuing economic growth and slow, but steady, growth in stock prices.”

Your reaction at this point may be, this sounds good but what does it have to do with infrastructure spending? Well, this is the second part of the good news. In addition to releasing his budget, the Governor also released his 5-year Infrastructure Plan. Since 1999, the “California Infrastructure Planning Act” has required the Governor to submit a 5-year infrastructure plan for consideration with the annual budget bill, to the Legislature. This infrastructure plan calls for investing $56.7 billion in our infrastructure over the next five years.

The Plan proposes to invest $56.7 billion in capital funding to renovate and augment California's aging infrastructure over the next five years. The Plan also provides $815 million for deferred maintenance in the 2014-15 Budget. Historically, California's Five-Year Infrastructure Plans have not considered the cost of maintaining capital investments or the deferred maintenance.

According to the newly released Infrastructure Plan, the reported statewide deferred maintenance need totals over $64 billion and transportation represents by far the largest share of total deferred maintenance. Much of the state highway system was built between the 1950s and early 1970s. The past few decades have seen a continual increase in population. This coupled with an increase in international trade and increased reliance on our port system, has led to a substantial increase in trucking, which is placing additional pressure on our aging highway system. The Infrastructure Plan further states that Caltrans' current annual budget of $412 million available for maintenance priorities—such as patching, thin overlays, joint and bearing repairs on bridges, and minor repairs to drainage systems is well under the estimated $928 million in annual needs. The $2.3 billion in the State Highway Operation and Protection Program available annually for repair work such as replacement of pavement and culverts and reinforcement of overpasses and bridges is insufficient to address the estimated $8.2 billion in annual need. Be that as it may the $815 million is a step in the right direction.

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ARTICLE

ASCE Region 9 Transportation Committee

by Kenneth H. Rosenfield, P.E., F.ASCE, Chair

The ASCE Region 9 Transportation Committee actively monitors State legislative proposals that impact Transportation Infrastructure, the practice of Civil Engineering or the standing policies of ASCE. During this past legislative year, the Committee held monthly conference calls and convened for a day at the Capitol to speak with legislators and their staffs about issues of importance to ASCE. During this annual activity, it became clear to me that, while ASCE has an ever increasing recognition in the State as a resource for non-partisan expertise in all matters associated with infrastructure, we need to build coalitions to enhance the effectiveness of our message.

The ASCE Region 9 Board of Governors embraced this concept as it is consistent with Society policies. ASCE Policy Statement No. 139 states, “The American Society of Civil Engineers (ASCE) actively participates in and strongly supports the involvement of civil engineers, as well as individual citizens and coalitions, in the legislative and regulatory decision making processes at the local, state and national levels” (emphasis added). Accordingly, the Transportation Committee reached out to the group Transportation California to seek an affiliation which would start to build a coalition of organizations with common interests.

ASCE and Transportation California have a mutual goal of increasing investments in Transportation Infrastructure and our affiliation gives ASCE access to members of this group that we do not typically interact with including representatives of major construction contractors, labor groups, the American Council of Engineering Companies (ACEC), and others. But, more than that, our affiliation is the first step in building a larger statewide coalition of all groups interested in reinvestment in the State’s infrastructure. This past fall, both the ASCE Region 9 Board of Governors and the Board of Directors of Transportation California approved of the ASCE Region 9 affiliation.

The Executive Director of Transportation California is Will Kempton. Mr. Kempton is a former Director of Caltrans and most recently the Chief Executive of the Orange County Transportation Authority. Mr. Kempton is an expert in the field of Transportation and sees great value in coalition building. He, like ASCE, recognizes there is a significant shortfall of investment in Transportation Infrastructure including funding for basic maintenance, renewal and expansion to meet the growing needs of the State’s population.

One of our top issues is to educate legislators and the public on the plight of our infrastructure, particularly for the Transportation Committee this entails discussing the lack of adequate funding for Transportation Infrastructure. As noted in the 2011 report by the California Transportation Commission, there is a need for about $10 Billion per year of new funding for maintenance and $20 billion per year of new funding for system expansion. These figures were confirmed in the 2012 ASCE issued California Report Card where we estimated a total annual need of about $36 Billion for Transportation Infrastructure. There is little appetite in the State Legislature to directly find a solution to this issue and this is why a coalition of interested parties need to band together to push a solution to this chronic problem of underfunding of the State’s Infrastructure. This is because fully functional, safe and good quality Transportation Infrastructure is critical to the economic vitality of the State of California and for improved living standards for all Californians. Goods movement, efficient highway transportation and multi-modal transportation opportunities are necessary to serve the population and business interests in this State. The state of affairs of Transportation Infrastructure is poor as there is a lack of Federal and State leadership, funding commitments or alternate funding sources available to maintain or expand the existing Transportation System Infrastructure.

Recently, Transportation California, after having completed outreach to likely voters, submitted a request to the State Attorney General for a title and summary of a proposed constitutional amendment initiative that would provide a new source of Transportation funding to address the state’s critical roadway and transit preservation fiscal crisis. The Transportation California Board of Directors authorized a collaboration to join with the California Alliance for Jobs to take this first serious step towards placing a new Transportation funding measure on the November 2014 General Election ballot. Reportedly, Transportation California and the Alliance for Jobs have worked together over the past two years on this effort, including substantial political survey research that has led to this point of submitting initiative measure language. The proposed initiative would increase the vehicle license fee by 1% of the value of the vehicle, implemented over a four-year phase in, to generate up to $3 Billion per year for Transportation System Maintenance. This proposal, if placed on the ballot and approved by the voters, would be the first increase in consistent funding for the System in over 20 years. For more information on this proposal, please visit the Transportation California web site: www.Transportationca.com. ASCE Region 9 will provide you with additional information on this initiative as it moves forward.

During the 2013 Legislative Session, the Transportation Committee reviewed 18 proposed bills ranging from enhancing Infrastructure Financing Districts to Design Build authorization to Peer Review regulations. Of eight bills on which the Committee took a support position, three became law and five were deferred to the next legislative session becoming “two-year” bills. We were very active in tracking this legislation and are receiving positive feedback from Sacramento on the importance of our participation in the process.

To become involved with the ASCE Region 9 Transportation Committee, please email me at krosenfield@ci.laguna-hills.ca.us or call me at (949) 707-2655. I look forward to your participation!
Roughly 94% of the proposed $56.7 billion or about $53 billion is earmarked for transportation, of which over $25.5 billion is targeted for the High Speed Rail Authority, and $27 billion will go to Caltrans. If you are keeping track of the math, the remainder of the $53 billion goes to the CHP and the DMV. ASCE Region 9’s Transportation Committee recently met to review and discuss the Infrastructure Plan. While the committee was supportive of the initiatives raised in the Plan, it also made clear that there should be a lot more additional initiatives and policy developments to ensure delivering a consistent funding source for the maintenance and improvement of California’s transportation system.

The California Economic Summit (CES) which met in November 2013 also delved into the issue of infrastructure investment. According to CES, California’s infrastructure is not adequate to meet the needs of a 21st Century economy and promote global competitiveness, environmental sustainability, and equal opportunity. Furthermore, with growing fiscal challenges, the State will have fewer resources to pay for infrastructure and finance long-term debt, yet California’s highly-centralized system for building infrastructure relies on large capital investments by state government. Finally, the state only has the resources to pay for about half of the estimated $765 billion in infrastructure investments it must make over the next decade. The group came out with its own four-point initiative to spur infrastructure funding which include:

1. Focus on Results;
2. Build Public Confidence;
3. Include adequate revenues; and
4. Provide New tools to drive private investment.

Each of these initiatives have a “What” or “Recommendations” and a “How” or “Implementation Actions”. For example, 1) If the “What” is Focus on Results, then the “How” is strengthening design-build authority, promoting the integration of planning, design, and delivery, including life cycle costs. 2) If the “What” is Build Public Confidence, then the “How” is a regional and local communications effort to make the case for infrastructure investment by promoting performance metrics and tracking results. 3) If the “What” is Include adequate revenues, then the “How” is raising gas taxes or revising the vote requirements for special taxes dedicated to infrastructure. This latter point is especially important and evidence of its effectiveness is prevalent throughout Southern California, namely Measure M in Orange County or Measure R in Los Angeles County. However, the two thirds requirements in my opinion, is an extremely high bar to overcome for certain jurisdictions. I have witnessed firsthand that a ½ cent sales tax increase dedicated to funding much needed transportation projects for a county in Northern California “failed” with 64% of the voters in favor of it. This failure caused a lot of undue hardship and pain for years to come. While I am not a fan of taxes, I do believe that self-help financing is an effective way of financing infrastructure projects and as such a 55% threshold is a fair way of measuring the public’s appetite for such financing. 4) Lastly, if the “What” is to Provide New tools to drive private investment, then the “How” is to ensure state’s Infrastructure Bank’s criteria are adequate to attract private capital.

As can be seen, the CES report or “Playbook” has similar analysis and recommendations to the 2012 ASCE Region 9’s California Infrastructure Report Card. With a balanced state budget and modest but promising infrastructure plan and convergence of economic and infrastructure outlook across the state, here is looking forward to a year full of opportunities as we continue our road to economic recovery.

**ARTICLE**

**Certification for California’s “Safety Assessment Program”**

by Paul E. Callaway, ASCE SB/V Branch Vice President

Quoting from the California Governor’s Office of Emergency Services’ (CalOES) Safety Assessment Program (SAP) webpage here is how they describe this program.

The Safety Assessment Program utilizes volunteers and mutual aid resources to provide professional engineers and architects and certified building inspectors to assist local governments in safety evaluation of their built environment in an aftermath of a disaster. The program is managed by Cal OES with cooperation from professional organizations. SAP produces two resources, SAP Evaluators, described above, and SAP Coordinators, which are local government representatives that coordinate the program. CalOES issues registration ID cards to all SAP Evaluators that have successfully completed the program requirements. Training for this program is now eligible for Homeland Security Grant Program funding.

**Interested in getting re-certified as an evaluator for California’s SAP?** If your certification is about to expire or your certification has recently expired, you can go online and take a CalOES training course with tests at the end of each section to get recertified. This training is available from the CalOES website by using the following link: http://www.calema.ca.gov/recovery/pages/safety-assessment.aspx. Then click the “SAP Evaluator Online Refresher Training” link on that page and follow the instructions and links on the linked webpage.

**If you have not been certified and you want to get certified as a structure evaluator** you might be interested in attending a day-long training event sponsored by the Santa Barbara/Ventura Branch and the City of Ventura on Friday, March 14, 2014, at Ventura’s City Hall, starting at 8:30 A.M., in the Community Meeting Room. The actual training takes about 6 hours of class time but with breaks and lunch you will spend most of the day in beautiful downtown Ventura. Our Evaluator Trainer will be Andrew Stuffer, the City of Ventura’s Chief Building Official. Be prepared to have your photo taken after the training session for use on your Evaluator Identification Card.

If you want to make a reservation to attend this training class please contact, James Winslow, ASCE SB-V Branch President or Earl Schwartz, ASCE SB-V Branch Secretary at jwinslow@cityofgoleta.org or earl.schwartz@valicoooper.com for additional information. This training course has no cost to ASCE members but a small fee of $10.00 will charged to others for the 260+ page training manual.
Cordially Invites You to the

Life Member Brunch

March 1, 2014

In Honor of those members who have advanced to Life Member status in the society and in recognition of their career achievements.

Keynote Speaker:

ASCE Society President-Elect,
Dr. Robert D. Stevens, PhD., AICP, F.ASCE

Members & Guests: $35.00 per person
Table Sponsor: FULL - $300.00 (4 seats for Sponsor & 6 for Honored Life Members/Students) or HALF - $175 (2 seats for Sponsor & 3 for Honored Life Members/Students)

Reception: 11:00 am    Brunch: 11:30 am    Program: 12:30 pm – 2:00 pm
Lunch: Chicken Chardonnay, Vegetarian available

Reservation must be received no later than Friday, February 21.

Monterey Hill Steakhouse
3700 W. Ramona Blvd.
Monterey Park, CA 91754
323-264-8426

For reservations, please send checks to:
ASCE, Los Angeles Section
1405 Warner Avenue, Suite B
Tustin, CA  92780

Return to: ASCE, Los Angeles Section, 1405 Warner Ave., Ste. B, Tustin, CA  92780
Attn: Gayle Stewart    Phone:  714-258-8306    Fax:  714-784-7806

Name (for nametag) ___________________________  Phone (         ) _________________
Firm_____________________________________ Fax (            ) ___________________
Address ________________________________________________________________
City ____________________________________  State ________  Zip ______________
Spouse / Guest Name(s) (for nametag) ____________________________
My check for $________ is enclosed for _____guests/members/table.  #_______Vegetarian

Make checks payable to: ASCE, Los Angeles Section or register online: www.ascelasection.org
State Investments and Legislative Update

by Richard Markson, CA Region 9 Legislative Advocate

The Legislature reconvened on January 6, 2014 and the two houses must act on all two-year bills by the end of the month.

The January Legislative deadlines were:
- January 10 – Budget must be submitted by Governor (Art. IV, Sec. 12(a)).
- January 17 – Last day for policy committees to hear and report to Fiscal committees fiscal bills introduced in their house in 2013 (J.R. 61(b)(1)).
- January 24 – Last day for any committee to hear and report to the Floor bills introduced in their house in 2013 (J.R. 61(b)(2)). Last day to submit bill requests to the Office of Legislative Counsel.
- January 31 – Last day for each house to pass bills introduced in 2013 in their House (Art. IV, Sec. 10(c)), (J.R. 61(b)(3)).

Appointments
Governor Edmund G. Brown Jr. made the following appointments. These appointments may require Senate confirmation.

To California Board for Professional Engineers, Land Surveyors, and Geologists:

To the California Scientific Guidance Panel (all reappointments):
- Asa Bradman, Berkeley, co-founder and director of the Center for Environmental Research and Children's Health at UC Berkeley; Thomas McKone, Alameda, adjunct professor of environmental health sciences at UC Berkeley School of Public Health; Penelope Quintana, San Diego, associate professor at San Diego State University Graduate School of Public Health.

As special assistant for program review at the California Department of Toxic Substances Control: Terri Hardy, Sacramento, principal consultant at Senate Office of Research.

Recent Reports

MapLight, a non-partisan research organization that tracks campaign contributions, releases “How Much Does a Seat in the CA State Legislature Cost,” finds that the average member of the Assembly “on average, raised $708,371, an average of $970 every day during the 2012 cycle” and that each member of the Senate, “on average, raised $1,041,537 an average of $1,427 every day during the 2012 cycle.”


The Legislative Analyst has reviewed the proposed constitutional initiative related to funding for transportation programs (A.G. File No. 13-0045) and delivered its preliminary analysis.

California spends an estimated $27 billion a year from a combination of state, federal, and local funds to maintain, operate, and improve its highways, streets and roads, passenger rail, and transit systems. About one-half of the funding comes from various local sources, such as sales and property taxes and transit fares. About one-quarter of the funding comes from the federal government and the remaining one-quarter comes from the state.

Summary of Fiscal Effects. The LAO estimates that this measure would have the following fiscal effects:

- Increased state revenues from a new tax on vehicles of $3 billion to $4 billion annually for state and local transportation programs.
- Reduced state General Fund resources of about $200 million annually for non-transportation programs, with a corresponding increase in funding available for transportation programs.

Message From the Section Membership Champion

by Brad Dybel, PE, GE, CEG, Chair of Membership Committee, ASCE Los Angeles Section

“Champions Made Here” - the motto of the University of California, Los Angeles athletics program inspires the Membership Committee of the ASCE Los Angeles Section to build on the successes of 2013 by making new ASCE Membership Champions, those ASCE members who make extra effort to attract new members and to retain existing ASCE members. The Committee temporarily has a veteran mentor from a recent official ASCE mentoring program that is available to advise all prospective ASCE Membership Champions.

The Membership Champion program in ASCE is relatively new, which gives new Champions opportunities to innovate. As such, the Committee urges Membership Champions to be creative, and to set only goals that are fun to achieve, such that the Champion's enthusiasm for being a leader in ASCE energizes others to follow suit.

So – how does an interested ASCE member become a champion? First, think of ways that ASCE can improve. One need look no further than the article by ASCE Region 9 Governor Dr. Gregg Fiegel that appeared in the December, 2013 newsletter of the ASCE Los Angeles Section for no fewer than seven ideas for improving the transition process of student members to the associate member level. Membership Champions also take advantage of the many resources on ASCE’s website at www.asce.org, including participating in webinars that are specifically designed to help Membership Champions develop as leaders in ASCE. All civil engineers who wish to fulfill their potential as ASCE Membership Champions should contact Brad Dybel by telephone at (949) 291-5291.
ACE Mentor Program Announces 2014 ACE Spotlight Awards
Southern California Companies, Mentors and Educators Honored

LOS ANGELES, CA – January 1, 2014 – John A. Martin & Associates Engineers, Perkins + Will Architects, and Hathaway Dinwiddie Construction Company will be in the spotlight as Firms of the Year at the upcoming 2nd Annual ACE Spotlight Awards, February 27, 2014, at The California Club in Los Angeles. The ACE Mentor Program Los Angeles Metropolitan Area recognizes the firms and mentors who demonstrate an exemplary commitment to cultivating the next generation of designers and builders.

The hotly anticipated event also aims to fundraise $150,000 for the annual ACE scholarship program and to further grow the program in Los Angeles and Orange County high schools. To date, more than $660,000 in scholarships has been awarded to deserving students to continue their education in the ACE (Architecture, Construction and Engineering) professions.

Awardees for the 2014 Spotlight Event include:

Firms of the Year:
• John A. Martin & Associates Engineers
• Hathaway Dinwiddie Construction Company
• Perkins + Will Architects

Mentors of the Year:
• Greg McCool, Degenkolb Engineers
• Ricardo Zendejas, Clark Construction Company
• Anabel Martinez, KTGY Architects

Educators of the Year:
• Adriana Haeusler, Segerstrom High School, Santa Ana
• Kevin Nagashiz, John Marshall High School, Los Angeles
• John Lee, John Marshall High School, Los Angeles

Volunteer mentors across the nation immerse high school students in hands-on activities, which realistically simulate the process of designing and constructing a project. In return, the industry gets a much-needed boost of new talent.

The ACE Spotlight Awards is a major fundraising event of the year. To purchase your ticket or to sponsor the event, visit www.acespotlight.org. For more information about the ACE Program and how to get involved, see www.ACEmentor.org/LosAngeles.

2014 California Infrastructure Symposium & Awards Dinner

Transportation and Water Infrastructure in California – two broad and complex topics. Engineers, speakers and panelists will discuss the state and future of California’s critical infrastructure.

Themes include:

Transportation Track
• Regional Transportation Projects including the Transbay Terminal and Bay Bridge
• New lines to the 405; LAX – Transportation Plan
• Ports and Waterways: “Inside Hemispheres in the 21st Century”
• Future Vision for Regional Transportation
• State Transportation Overview

Water Track
• Regional Water Projects including California Aqueduct and the Desilting Delta Project
• California Bay Delta Projects
• Water Sustainability
• Water Tribes
• Public/Private Partnerships and the Flood Protection Project
• Regional Water Vision for the San Francisco Area

Organized by American Society of Civil Engineers Region 9 & the San Francisco Professional Section | ACE