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Highway Maintenance and Repair Needs

LEGISLATIVE ANALYST'S OFFICE

Presented to:
Senate Transportation and Housing Committee
Hon. Jim Beall, Chair





Overview of Highway Maintenance and Repair Programs

State Highway Repair Programs Perform Various Types of Work			
Highway Maintenance Program		SHOPP	
Minor Maintenance	Major Maintenance	Minor Rehabilitation	Major Rehabilitation
<ul style="list-style-type: none"> Performed on highway components in good condition. Examples include filling potholes, damage assessment, and bridge painting. Work performed by Caltrans staff. 	<ul style="list-style-type: none"> Performed on highway components in good or fair condition. Examples include thin pavement overlays, bridge joint seals, and culvert debris removal. Work performed by contractors. 	<ul style="list-style-type: none"> Performed on highway components in distressed condition. Examples include thick pavement overlays and concrete panel replacement. Work designed by Caltrans staff and performed by contractors. 	<ul style="list-style-type: none"> Performed on highway components in distressed condition. Examples include complete removal and replacement, reconstructing road base, and mitigating erosion around bridge foundations. Work designed by Caltrans staff and performed by contractors.

SHOPP = State Highway Operation and Protection Program.

- Highway Maintenance Program.** In 2016-17, the Department of Transportation (Caltrans) plans to spend \$1.5 billion for highway maintenance, including about \$400 million for maintenance projects on pavement, bridges, and culverts.
- State Highway Operation and Protection Program (SHOPP).** In 2016-17, Caltrans plans to spend about \$2.3 billion for the SHOPP including \$1.2 billion for pavement, bridges, and culverts.
- LAO Assessment of Highway Maintenance and Repair Needs.** In February 2016, we released an assessment of the funding needs for Caltrans' Highway Maintenance Program and pavement, bridge, and culvert projects in the SHOPP. The findings from that assessment are summarized in this handout.



Highway Maintenance Program Needs

Current Funding Level Falls Short of Meeting Ongoing Major Maintenance Needs			
<i>(In Millions)</i>			
	Current Funding Level	Ongoing Annual Need	Annual Shortfall
Pavement	\$234	\$750	-\$516
Bridges	177	200	-23
Culverts	23	600	-577
Totals	\$434	\$1,550	-\$1,116

- The Highway Maintenance Program has ongoing needs of about \$1.5 billion annually. However, current funding for this program is \$434 million, leaving a \$1.1 billion annual funding shortfall.
- In addition, the Highway Maintenance Program has a backlog of needed repairs costing about \$3 billion.



SHOPP Needs

Current Funding Level Falls Short of Meeting Ongoing SHOPP Needs

(In Millions)

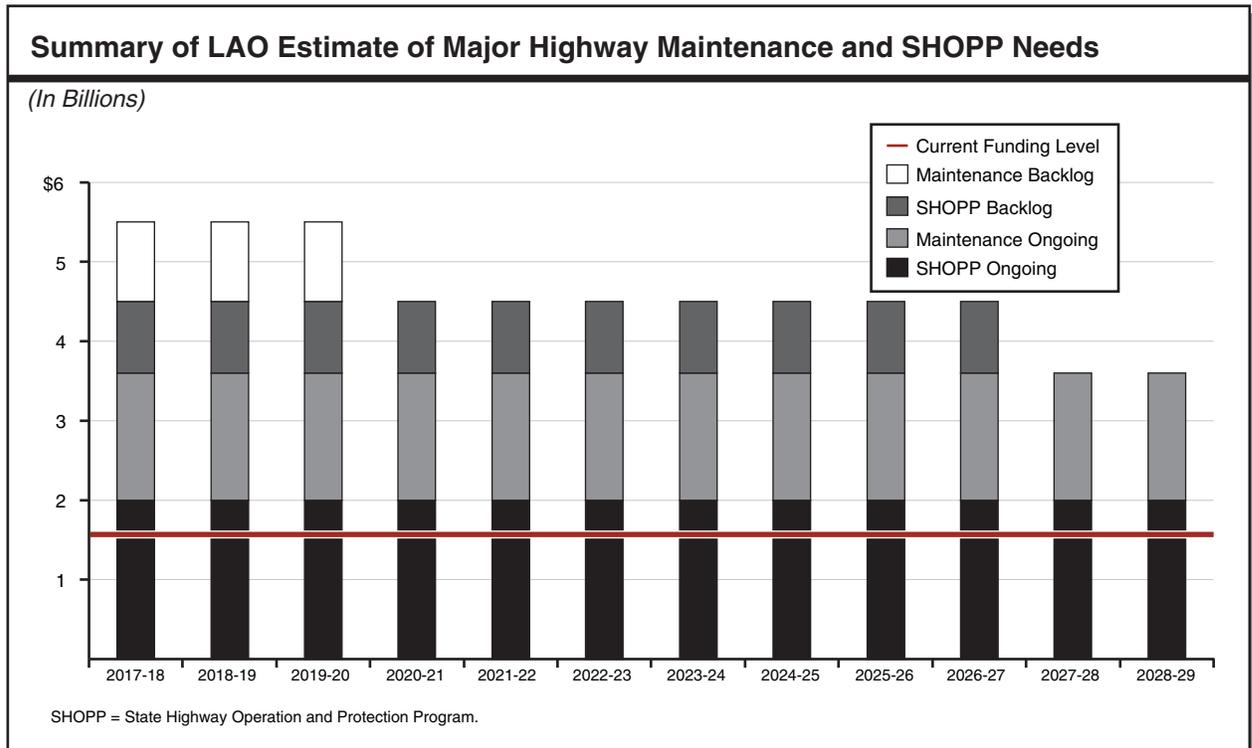
	Current Funding Level	Ongoing Annual Need	Annual Shortfall
Pavement	\$800	\$900	-\$100
Bridges	350	350	—
Culverts	50	750	-700
Totals	\$1,200	\$2,000	-\$800

SHOPP = State Highway Operation and Protection Program.

- For the core assets—pavement, bridges, and culverts—the SHOPP has ongoing needs of about \$2 billion. However, the current funding level for these projects is \$1.2 billion, leaving an \$800 million annual shortfall.
- In addition, the SHOPP has a backlog of \$9 billion in pavement, bridge, and culvert projects.
- The SHOPP also has needs for projects other than pavement, bridges, and culverts that are not included in the amounts above, such as roadside facilities.



Summary of Highway Maintenance and Core SHOPP Needs



Assuming the elimination of the Highway Maintenance Program backlog in three years and the SHOPP backlog in ten years, Caltrans would require an additional \$3.9 billion annually for the first three years, and an additional \$2.9 billion annually for the remainder of the next decade. The funding shortfall would drop to \$2 billion on an ongoing basis after the backlogs of work are eliminated.