

## **Supplemental Agenda Item No. 31a**

### **Board of Directors Meeting December 2, 2013**

#### **Location:**

**San Bernardino Associated Governments  
Santa Fe Depot – SANBAG Lobby 1<sup>st</sup> Floor  
1170 W. 3<sup>rd</sup> Street, San Bernardino, CA**

**31a. Presentation on Federal “Buy America” Requirements by California Steel Industries**

Receive the information and provide direction as appropriate. **Duane Baker**

**This item has not received prior policy committee or technical advisory committee review.**

*This information was not available at the time of agenda publishing.*



- San Bernardino County Transportation Commission ■ San Bernardino County Transportation Authority
- San Bernardino County Congestion Management Agency ■ Service Authority for Freeway Emergencies

*Minute Action*

AGENDA ITEM: 31a

**Date:** December 4, 2013

**Subject:** Presentation on Federal “Buy America” Requirements by California Steel Industries

**Recommendation:\*** Receive the information and provide direction as appropriate.

**Background:** California Steel Industries (CSI) is located in San Bernardino County and is the largest steel mill in the Western U.S., supplying about 160 customers in California. CSI is a “slab converter” mill that takes steel slabs and transforms them into steel sheet that its customers in California and the Western U.S. then further manufacture into a myriad of products like pipe and guardrails.

Under the Federal Highway Administration’s (FHWA) 1982 interpretation of Buy America, “slab converter” steel mills like CSI and their steel manufacturing customers are almost always unable to qualify under Buy America and participate in federally funded highway projects. CSI is a major employer in our County and would like the FHWA to grant a waiver for slab converter mills so that the steel sheet and the products made with it can be used on federally funded highway projects.

The U.S. Department of Transportation has a formal waiver request process, including the posting of the waiver request online followed by two 15-day comment periods between decision points. Waivers have been granted in cases of emergency, when the materials are not in sufficient supply domestically, or if there is a substantial cost differential. Approvals for waivers appear to be increasingly difficult to come by, with 40 granted in 2009 and only 3 granted in 2012.

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*Approved*  
*Board of Directors*

*Date:* \_\_\_\_\_

*Moved:* \_\_\_\_\_ *Second:* \_\_\_\_\_

*In Favor:* \_\_\_\_\_ *Opposed:* \_\_\_\_\_ *Abstained:* \_\_\_\_\_

*Witnessed:* \_\_\_\_\_

COG	X	CTC		CTA		SAFE		CMA	
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Check all that apply.

Mr. Brett Guge, Executive Vice President with California Steel Industries, Inc. will present some information on the impact of the Buy America requirements and efforts by his industry to gain a waiver.

***Financial Impact:*** This item has no financial impact on the SANBAG budget.

***Reviewed By:*** This item has not received prior policy committee or technical advisory committee review.

***Responsible Staff:*** Duane A. Baker, Director of Management Services