



U.S. Department
of Transportation
**Federal Highway
Administration**

NEBRASKA DIVISION

March 12, 2012

100 Centennial Mall North
Room 220
Lincoln, NE 68508
(402)742-8460

In Reply Refer To:
HDA-NE

Mr. Larry L. Legg
Secondary Roads Engineer
Nebraska Department of Roads
Lincoln, NE

Dear Mr. Legg:

Soft Match "Source" Project Review Proposal

This letter is in response to your March 1, 2012 letter regarding the soft match program.

The Federal Highway Administration (FHWA) concurs with the proposed approach to conducting the soft match review. For those counties with no "source" projects since the implementation of the 2004 Soft Match Policy, review of the balance is unnecessary. Please send a letter documenting the counties and their current balances. All other counties can be reviewed by the phased approach described in your letter.

With respect to the acceptance of soft match credit for drop pipes culverts, in the 2004 policy, the Nebraska Department of Roads (NDOR) chose to limit eligible items to those items specifically related to the actual construction costs of the bridge. Based on your response, it appears that it was not the intent to limit drop pipe culverts. Federal Regulations allow the state flexibility in determining specific allowable costs. FHWA does not have any objection to this, with the understanding that additional funds allowed to cover "soft match" takes away from the general pool of funds (HBP funds) available for bridge replacement.

We commend NDOR on their commitment to resolve the issues from the review and look forward to providing NDOR with the necessary assistance to reinstate the Soft Match Bridge Program.

If you have any questions, please feel free to contact me at (402)742-8477.

Sincerely yours,

Nicholas O. Finch
Local Programs Engineer