

Federal Highway Administration (FHWA) and California Department of  
Transportation (Caltrans)

# Joint Stewardship and Oversight Agreement

Updated 2010

## Matrix of Document Changes

Page	Original Text or Change	New Text or Change	Comment
General	The document uses the word “delegate” in the document	Uses the word “delegate” or assign” as appropriate	Brings text more in accordance with the law
1	SAFETEA-LU	(P.L. 109-59),,	Reference
1	The FHWA is charged with stewardship and oversight responsibilities for all Federally funded programs	Including the American Recovery and Reinvestment Act (ARRA),	Clarification
2	<b>AGENCY ROLES AND RESPONSIBILITIES Overview</b>		List of appendixes was shortened and reorganized
2	The FHWA will maintain overall responsibility for the FAHP within the parameters of 23 USC 106	Except for the assignment of environmental responsibilities under SAFETEA-LU sections 6004 and 6005 (23 USC §§ 326 and 327).	Clarification and updating the assignment of responsibilities under SAFETEA-LU
3	Mandatory design exceptions on the interstate (relating to the 13 controlling criteria	As per Federal-Aid Policy Guidance (FAPG) NS 625 Section 8, Subsection (A)(2))	Added policy guidance reference to the sentence.
3	Waivers to Buy America requirements	Waivers to Buy America requirements (23 USC § 313); and	Reference added
3		Assuring local agency compliance with State and Federal applicable laws, regulations, directives and standards as well as providing appropriate training	Added responsibility and clarification
5	The FHWA and CALTRANS will work cooperatively to identify appropriate stewardship and oversight initiatives using a risk-	Added “performance management” to sentence	Clarification

	based		
8		<p><i>Performance Management</i></p> <p>In performance management, key desired outcomes are identified and tracked; and actions are taken to achieve these desired outcomes. The outcomes may involve the ultimate performance of the system in areas such as safety, asset management, or livability; or they may involve delivery of the FAHP, focusing on areas such as project delivery timeliness or the planning process.</p>	Added a section on Performance Management
9	While CALTRANS will be responsible for approval of project level activities for low risk projects, the FHWA will maintain project-level approval for high profile projects	Added:” except for environmental activities delegated in accordance with the pilot program.”	Clarification reflecting the pilot program.
9		Projects using innovative contracting method with Federal funds	Addition to clarify SEP-14, SEP-15
10		The California Stewardship & Oversight Agreement Approach to Identifying “High Profile” Projects is attached in Appendix B. It includes the Project Responsibilities List, which has highlighted boxes designating either the FHWA or CALTRANS responsibility for specific project activities. The Project Responsibilities List is included as part of the Project-Specific “High Profile” Project Agreement which is	Added language on High Profile Projects (HPP)
10	Any other project that does not have a completed, signed and dated “High Profile” Project Agreement will be designated as a Delegated Project.	Any other project that does not have a completed, signed and dated “High Profile” Project Agreement will be designated as an Assigned Project.	
	Performance Indicators/Measures		Section deleted and

			replaced with Performance Management section
10	The FHWA has the ultimate responsibility for meeting Federal requirements with respect to all projects delivered with FAHP funds.	Added: “therefore, CALTRANS assumption of low risk project level approvals to only functions as long as those activities remain low risk.”	Clarification
10	Reporting		Section added
10		Annually by July 30th, CALTRANS must to submit a list of all projects greater than \$100 Millions with dates and status of milestones from PID, PSR, Draft Env Doc, ROD/FONSI, PR, Design, PS&E, RTL, Award, through Final Acceptance.	Reporting language added
10		In addition, CALTRANS must to submit an annual summary of oversight activities on assumed projects to provide assurances of meeting the Federal requirements. The assurances may include activities such as CALTRANS reviews and summary of findings, risk, and resolution, process improvements, training, and outreach. The summary should also include local agency assurances of responsibilities further delegated to them by CALTRANS.	Reporting language added
11, Bridges, Other Structures, Hydraulics, and Geotechnical	The NBIS covers the minimum requirements for inspection programs, including such items as frequency of inspection and minimum qualifications for bridge inspection personnel. The highway bridge program (HBP) ...	Deleted the sentence: formerly known as the Bridge Replacement and Rehabilitation Program	Clarification
12, Construction	The main contract administration components include: Advertising, Competitive Bidding, Letting and	The main contract administration components include: Advertising, Competitive Bidding, Letting and Award of Contract, Project Construction Authorization, Davis-	Clarification

	Award of Contract, Project Construction Authorization, and Quality of Materials (materials sampling and testing), Buy America provisions, and Labor and Davis-Bacon.	Bacon and Copeland Acts provisions (prevailing wages rates), Quality of Materials (materials sampling and testing), and Buy America	
13, Environment	The section 6004 MOU dated June 29, 2007	Added June 7, 2010, deleted old date	Information update
13	The program also includes innovative financing tools, such as the Grant Anticipation Revenue Vehicle (GARVEE), Advanced Construction, Flexible Match, Tapered Match, the Transportation Infrastructure Finance and Innovation Act (TIFIA) loans, and SEP-14 and SEP-15, under 23 CFR Part 636 and 23 U.S.C. §502(a).	Added law reference	Clarification
13		FHWA's finance program has four Core Elements:  1. Funds Management: Management of the use of Federal funds including STIP fiscal constraint; monitoring and review of inactive obligations; use of innovative financing; funding obligation limits, lapses and transfers, monitoring of project overruns/underruns; and compliance with applicable Federal regulations;	New text for clarification

		<p>2. Federal-Aid Billing: State processes for billing, payment and request for reimbursement including FHWA’s reimbursement process. The RASPS billing system security controls and systems to ensure compliance with pertinent Federal requirements;</p> <p>3. Project Authorizations, Modifications &amp; Voucher: Processes and procedures to authorize Federal projects, modify authorizations and submit final vouchers on Federal-Aid projects; and</p> <p>4. Locally Administered Projects: Process for ensuring compliance on projects managed by local agencies. Processes for review and approval as needed of Indirect Cost Allocation Plans and compliance with the provision in OMB Circular A-87 and A-133.</p>	
14, Local Agency Program			Section added
15, Research, Development, and Technology		The purpose of the Federal-Aid research program, also known as the State Planning and Research (SPR) Part 2, is to create a mechanism for funding research on new areas of knowledge; adapting findings to practical applications by developing new technologies; and the transfer of these technologies, including the process of dissemination, demonstration, training, and adoption of innovation by users.	Added text for clarification
15, Safety		The purpose of the Highway Safety Improvement Program (HSIP) is to reduce the number and severity of collisions and their associated costs. Caltrans	Clarification

		implements the HSIP for State highways by programming and funding projects in the Collision Reduction Category, one of eight categories that make up the State Highway Operation and Protection Program (SHOPP). The Collision Reduction Category is further divided into two programs: Safety Improvement and Collision Severity Reduction. The Safety Improvement Program is among Caltrans' top priorities in the SHOPP and as a result, all projects that meet the criteria for the Safety Improvement Program are funded. These criteria include a benefit-cost analysis that evaluates the safety benefit of these projects in terms of collision costs saved and the cost of constructing the improvement.	
16, Traffic Operations		The purpose of Traffic Operations is to provide for the safe and efficient movement of people and goods through various modes of transportation. These modes include autos, buses, trucks, bicycles and pedestrians. It is also an area that contributes heavily to the operations of highway facilities by providing techniques, procedures, management practices/systems and inventory tools. Key elements include encroachment permits issued to others for work within the state's right- of-way, transportation permits issued for the movement of oversized loads, enforcement of the Highway Beautification Act requirements by the Outdoor Advertising Compliance Branch, and signing and delineation standards for the orderly movement of traffic. Other key areas within Traffic Operations are traffic incident management systems, work zone traffic control and freeway and arterial management operations.	Clarification
16	UPDATES TO THE AGREEMENT		Change section title from

			“Improvements” to “Updates.” Added language for clarification
16, UPDATES TO THE AGREEMENT	It is anticipated that during its implementation there will be instances when both agencies agree that improvements can be made to the terms of this Agreement.	It is anticipated that instances, such as a new Federal authorization or changes in Federal/State guidance, may require an update of this Agreement during its implementation.	Re-write for clarification
A-1, Appendix A: Program Responsibilities List		Changes to Caltrans and FHWA contacts	Update
Appendix B	Appendix B: Project Responsibilities List	Appendix B: California Stewardship & Oversight Agreement Approach to Identifying “High Profile” Projects February 11, 2008 (Amended September 2010)	Incorporated the “Approach...” which was a separate document into Stewardship and Oversight Agreement. Project Responsibilities List is a part of this document
Appendix C	Appendix C: List of Measures		Removed. Being refined under a separate process. Final measures will be incorporated in the Stewardship and Oversight Agreement by reference.

Appendix D		Incorporated into Appendix B: California Stewardship & Oversight Agreement Approach to Identifying “High Profile” Projects February 11, 2008 (Amended September 2010)	Revision/clarification
Appendix E		Incorporated into Appendix B: California Stewardship & Oversight Agreement Approach to Identifying “High Profile” Projects February 11, 2008 (Amended September 2010)	Revision/clarification
Appendix C: ACRONYMS	Appendix F: ACRONYMS	Appendix C: ACRONYMS	Revised due to reformation of document
Appendix C: ACRONYMS		SERF – System Engineering Review Form SEMP – System Engineering Management Plan	Added

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## INTRODUCTION

### Overview

The United States Congress (Congress) has charged the Federal Highway Administration (FHWA) with administering the Federal-aid Highway Program (FAHP) under Title 23 of the United States Code (USC), Title 23 of the Code of Federal Regulations (CFR), and other associated laws and regulations. The FHWA and the California Department of Transportation (Caltrans) have jointly administered the FAHP for many years. With the passage of the Safe, Accountable, Flexible, Efficient, Transportation Equity Act: A Legacy for Users (SAFETEA-LU) (P.L. 109-59), stewardship evolved to cover all aspects of the FAHP including financial integrity, local agency project delivery, and other mainstream FAHP program elements. With the changes in the law, Congress has tasked both agencies with managing the FAHP through stewardship and oversight to accomplish national, state and local goals of maintaining a national highway network, improving its operation and safety, and providing for national security while protecting and improving the environment.

The FHWA is charged with stewardship and oversight responsibilities for all federally funded programs, including the American Recovery and Reinvestment Act (ARRA), regardless of project approval authorities assumed by Caltrans. The FHWA must conduct activities to ensure that Caltrans' implementation of the FAHP conforms to established laws, regulations, and policies; and that Caltrans is carrying out its roles and responsibilities according to this established agreement with the FHWA.

Stewardship and oversight, as outlined in this document, are exercised through program management and project level activities. The FHWA and Caltrans have defined stewardship and oversight as follows:

*Stewardship is the efficient and effective management of the public funds that have been entrusted to the FHWA. Stewardship is a joint responsibility for the development and implementation of the federal highway programs. It involves all the FHWA activities in delivering the federal highway program, such as leadership, technology deployment, technical assistance, problem solving, program administration and oversight. Stewardship activities include continuous process improvement initiatives, technology assistance, technology deployment, performance measurement, project involvement activities, and sharing best practices. Stewardship can be considered “how” we meet program goals.*

*Oversight is the act of ensuring that the federal-aid highway program is delivered in accordance with applicable laws, regulations and policies. Oversight is the compliance or verification component of the FHWA stewardship activities. Narrowly focused, oversight activities ensure that the implementation of the FAHP is done in accordance with the applicable laws, regulations, and policies. Broadly focused, oversight activities enable both agencies to ensure the effective delivery and operation of the transportation system envisioned in our governing*

laws and regulations. Oversight activities include process reviews, program evaluation, program management activities, and project involvement activities.

Caltrans and the FHWA will work in partnership to deliver the FAHP to ensure integrity, value, and quality for system stakeholders and all of its customers. In order to meet this desired outcome, the agencies will implement effective strategies, and employ a variety of tools to assess and continuously monitor the overall health of the FAHP to enhance the transportation system within the State of California.

## **Purpose**

The purpose of this Joint Stewardship and Oversight Agreement (Agreement) is to provide a roadmap to effectively and efficiently manage the FAHP both in terms of program and project delivery. It defines roles and responsibilities, outlines authorities, and assures accountability.

The Agreement also defines how Caltrans and the FHWA will utilize a Comprehensive Risk-Based Approach to manage the FAHP. The approach includes a Joint Strategic Planning Process, Strategic Stewardship and Oversight, performance indicators/measures and the development of the FHWA Multi-Year Plan. Together these tools help minimize program risks and develop strategies in managing the FAHP, in order to effectively and efficiently utilize resources. This innovative way of doing business represents a paradigm shift in the joint and collaborative management of the FAHP.

## **AGENCY ROLES AND RESPONSIBILITIES**

### **Overview**

In an effort to enhance the continuing partnership between the FHWA and Caltrans, this Agreement focuses on the individual and joint agency roles and responsibilities. More specific details about Caltrans and the FHWA's roles, responsibilities, and performance measures for each program area are described in the respective program overviews and summarized in the following documents which are attached to this agreement: Appendix A: Program Responsibility List and Appendix B: California Stewardship & Oversight Agreement Approach to Identifying "High Profile" Projects. A list of Performance Measures is incorporated by reference in the document.

### **Roles and Responsibilities**

#### *Federal Highway Administration*

The FHWA will maintain overall responsibility for the FAHP within the parameters of 23 USC 106, except for the assignment of environmental responsibilities under SAFETEA-LU Sections 6004 and 6005 (23 USC §§ 326 and 327).<sup>1</sup> In addition, the FHWA is ultimately responsible for ensuring financial integrity and compliance with applicable federal laws and regulations. The

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<sup>1</sup> Sections 6004 and 6005 of SAFETEA-LU are codified in 23 USC 326 and 327, respectively. For convenience, they are referred to here as Section 6004 and 6005.

FHWA remains accountable to the public and Congress for the FAHP and ensuring that it is delivered in an efficient and effective manner regardless of approval authority or responsibility assigned to Caltrans. The FHWA maintains authority for the actions and approvals in the following categories:

- Addition and modification of access points on the Interstate System;
- Civil Rights Act of 1964;
- Mandatory design exceptions on the Interstate (relating to the 13 controlling criteria as per Federal Aid Policy Guidance (FAPG) NS 625 Section 8, subsection (a)(2));
- Environmental approvals not specifically assigned under Sections 6004 and 6005 of SAFETEA-LU;
- Federal air quality conformity determinations required by the Clean Air Act;
- Progress payments and final vouchers;
- Hardship acquisition and protective buying;
- Project agreements and modifications to project agreements;
- Obligation of funds;
- Planning and programming pursuant to 23 USC 134 and 135;
- Special Experimental Projects (SEP-14 and SEP-15);
- Use of Interstate airspace for non-highway related purposes;
- Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970 (UA), as amended;
- Waivers to Buy America requirements (23 USC § 313); and
- Assuring local agency compliance with State and Federal applicable laws, regulations, directives and standards as well as jointly providing appropriate training.

Projects for which defined approval authority is assigned to Caltrans are not subject to further approvals by the FHWA, unless jointly agreed. However, the FHWA reserves the right to perform reviews of all programs and projects at any time while maintaining a focus on efficient project delivery. The reviews may include projects or programs with unique features, high-risk elements, unusual circumstances, and those included in compliance/process reviews.

#### *California Department of Transportation*

Caltrans, through the specific assumptions allowed under federal law, has authority for monitoring, reviewing, and/or approving activities that are eligible for FAHP funds. Caltrans, in conformance with 23 USC 106, accepts responsibilities for the assigned duties in this Agreement. Additionally, per SAFETEA-LU Sections 6004 and 6005, Caltrans has been assigned the FHWA's authority and responsibility for compliance with the National Environmental Policy Act (NEPA) and other federal environmental laws. Specific authorities, responsibilities and exceptions are defined in the Memoranda of Understanding (MOUs) for these assignments.

Caltrans is responsible for administering the FAHP in a manner that ensures efficient and effective use of the FAHP funds and compliance with federal laws and regulations. Caltrans will administer the FAHP by being responsible for:

- Duties assumed pursuant to 23 USC 106;
- Ensuring and verifying, as needed, compliance with all federal laws, regulations and requirements;
- Identifying areas that are either non-compliant with federal requirements or have a high risk for becoming non-compliant (through a structured assessment process);
- Taking appropriate action when non-compliant findings are made;
- Implementing safeguards and/or improvements to reduce the risk of non-compliance;
- Continually assessing the FAHP through routine involvement;
- Conducting reviews and offering conflict resolution processes where necessary;
- Reviewing and approving activities under this Agreement related to federal-aid funds usage;
- Assuring local agency compliance with State and Federal applicable laws, regulations, directives and standards as well as jointly providing appropriate training, and
- Ensuring compliance with the executed MOUs assigning federal responsibilities and supporting all required reviews and audits of activities under SAFETEA-LU Sections 6004 and 6005.

Caltrans will exercise its FHWA assumed authority by further delegating federal authority to local agencies to the greatest extent possible for those federal-aid projects that are located off of the State Highway System, as outlined in the Caltrans Local Assistance Procedures Manual. Caltrans is responsible and accountable to the FHWA for locally administered federal-aid projects including assigned activities. In addition, Caltrans is responsible to the FHWA for assuring that local agencies have adequate project delivery systems in place and sufficient accounting controls to properly manage FAHP funds. For those projects advertised, awarded, and administered by the local agencies on the State Highway System, Caltrans will ensure that state standards and project development procedures are followed.

Caltrans will provide the necessary review and approval to assure that locally administered federal-aid projects, as further delegated by Caltrans, comply with federal requirements. Caltrans will achieve this by:

- Providing local agencies with accurate federal-aid project development procedures and program guidelines;
- Conducting prioritized Process Reviews, Maintenance Reviews, Plans, Specifications and Estimates (PS&E) Reviews, Field Reviews including project verification on all projects by Caltrans on or after final inspection by local agency, and special audits;
- Providing continuous federal-aid project training;
- Providing ROW training to local agencies to assure compliance with the Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970
- Participating in formal program audits;
- Implementing quality assurance measures over those quality control activities delegated to local agencies; and
- Holding statewide meetings and conferences, such as the City-County-State-Federal Co-Op Committee meeting, to receive local agency and Caltrans district feedback.

### *Joint Roles and Responsibilities*

Caltrans and the FHWA will work cooperatively to manage the FAHP, and review, monitor, and approve activities as necessary in the designated areas of responsibility to comply with applicable laws, regulations, directives, and standards as defined in the Program Responsibilities (Appendix A) and the Project Responsibilities (Appendix B, Attachment 2) lists. The overall health of the FAHP in California is a joint responsibility that requires both agencies to be proactive in monitoring and improving the program, as well as taking necessary corrective actions when needed. Caltrans and the FHWA will work together to:

- Enable decisions that will achieve broad national and state transportation goals;
- Manage financial resources to assure full and efficient use of federal apportionments, allocations and obligation authority;
- Implement joint business processes to assure timely reviews, approvals, and decisions to efficiently deliver products;
- Review and maintain existing Caltrans manuals and other guidance to assure project compliance with federal applicable laws, regulations, directives, and standards; and,
- Work together and with other stakeholders, as appropriate, to develop innovative methods for efficient delivery of the FAHP.

## **COMPREHENSIVE RISK-BASED APPROACH**

### **Overview**

The FHWA and Caltrans will work cooperatively to identify appropriate stewardship and oversight initiatives using a risk-based, performance management approach. The process will consider items such as strategic goals, mutual FHWA and Caltrans initiatives to improve quality, cost, and the FHWA level of confidence in oversight mechanisms and activities. This process should result in a mixture of initiatives to achieve strategic goals, meet customer needs and expectations, yield high benefits or pay-offs, result in systemic improvement, deploy innovative technology, provide technical assistance, and to ensure that the FAHP is being delivered consistent with laws, regulations, policies and strategic goals.

This Agreement, therefore, implements a comprehensive, risk-based approach to effectively manage the FAHP and assess its overall health. This approach to program stewardship and oversight facilitates the effective leveraging of federal resources by focusing on areas of risk at the program and project level. It will be accomplished using four distinct, yet inter-dependent methodologies:

1. Joint Strategic Planning Process;
2. Strategic Stewardship and Oversight (SSO);
3. Performance Measures/Indicators.

## **Joint Strategic Planning Process**

Caltrans and the FHWA will coordinate strategic planning activities, to the extent possible, in an effort to align agency strategic plans. The FHWA will represent California perspectives in setting national FHWA goals and strategies, and will coordinate the adopted national goals and strategies with the Caltrans Strategic Planning Process in order to assure reasonable alignment of desired outcomes, objectives, and measures of both agencies.

Each year Caltrans and FHWA staff will jointly assess various elements within the FAHP to ensure that program elements are being managed effectively and efficiently, and assess how well the elements are achieving program goals. They will accomplish this through the utilization of SSO methods (see below), performance measures/indicators and other strategies. In addition, they will consider changes to goals or requirements that affect program elements.

## **Strategic Stewardship and Oversight**

SSO includes methods and activities by which Caltrans and the FHWA will work together in managing the FAHP to: 1) ensure effective strategies are implemented to maintain and improve the overall health of the transportation system within the State of California; and, 2) monitor and maintain compliance with all required federal laws and regulations. These methods develop into the Joint Strategic Planning Process and also serve as a venue for implementing strategies that effectively manage risk and provide the framework for the FHWA's Annual Unit Plan.

SSO is achieved through effective program management of the responsibilities, including those listed in Appendix A. Program management refers to the daily stewardship of these programs and activities within the FAHP. Effective management means ensuring that all requirements are met while proactively seeking opportunities to add to and improve the program through:

- Conducting routine approval actions;
- Performing continuous program level involvement;
- Promoting new initiatives and concepts;
- Participating on relevant joint task forces, joint committees, and joint quality improvement teams;
- Assisting other stakeholders with program-related issues;
- Verifying compliance through project level samples;
- Conducting program assessments (see below);
- Conducting program reviews (see below); and
- Conducting strategic project oversight (see below).

### *Program Assessments*

Program assessments provide an avenue for determining the current health and effectiveness of the FAHP and assess future risk. Assessments include program analysis such as Risk Management techniques and self-assessments. These tools are based on the common concepts of identifying strengths, areas of concern, opportunities, and sharing best practices to continually improve the programs.

Caltrans and the FHWA will conduct Program Analyses and implement principles of Risk Management in assessing the health of the FAHP. Principles of Risk Management include assessing risk, prioritizing risk events and statements, and implementing response strategies to effectively manage risk. This will be accomplished by performing an Annual Program Analysis and Risk Assessment in core program areas. The Program Analysis will identify initiatives that could be accomplished to “close the gap” between the effectiveness of the current state of the program and the program vision of where it should be in three years. In order to accomplish this, a Risk Assessment will be conducted to identify future risk events or elements that may affect the program. In addition, information obtained from oversight activities and performance measures/indicators will be considered when performing the program analysis and risk assessment. The program analysis will outline response strategies and initiatives to effectively manage risk. Response strategies may include training, program reviews, updating manuals/guidance, and providing technology transfer/technical assistance. Each year both agencies will update the program analysis and risk assessments to reflect the most current information, while maintaining a focus on the program vision.

Program assessments may be prompted by national requirements or initiatives or the desire to strive for continual improvement. These may also include FHWA review and verification of selected project level approval activities in order to verify their compliance with laws and regulations. These activities will be selected strategically based on findings from program assessments, reviews, or performance measures, while maintaining a focus on efficient project delivery.

### *Program Reviews*

Program reviews analyze key program components and the processes employed by Caltrans and the FHWA in managing the program. Individuals or teams from the FHWA and Caltrans and other stakeholder groups or organizations can conduct program reviews. Program reviews are often an outcome of program assessments or performance indicators/measures that suggest a need for improvement. Performance indicators/measures may also be developed as a part of program reviews to help highlight and quantify successes and problem areas. In general, the reviews will:

- Gauge compliance with Federal requirements;
- Identify opportunities for greater efficiencies and improvements to the program;
- Identify exemplary practices;
- Identify areas that need attention and make recommendations for improvement; and
- Follow up to ensure that recommendations have been implemented.

Program reviews include those that are conducted through the Financial Integrity Review and Evaluation (FIRE) Program. This is a review and oversight program in support of the FHWA’s annual certification of internal and financial controls.

Caltrans will perform program reviews on the environmental responsibilities it has assumed under Sections 6004 and 6005 of SAFETEA-LU.

### *Performance Management*

In Performance Management, key desired outcomes are identified and tracked; and actions are taken to achieve these desired outcomes. The outcomes may involve the ultimate performance of the system in areas such as safety, asset management, or livability; or they may involve delivery of the FAHP, focusing on areas such as project delivery timeliness or the planning process.

For Performance Management, quantitative measures need to be identified for each outcome of interest. These measures require accurate, timely, consistent, and reliable data that is tracked over time in order to show achievement, or progress toward achievement, of a defined goal. The measures will be arranged in Tiers. The first Tier (Tier 1) will be the most critical measures used to identify success in the key program areas. FHWA and Caltrans will collaboratively identify and track these critical measures. Once FHWA and Caltrans agree to the list of Tier 1 measures, this list will be appended to this document. Tier 1 measures, however, generally do not contain enough detail to determine why this measure may be changing, or how Caltrans and FHWA can alter their program or actions to impact this performance (i.e., do Performance Management). Therefore, Tier 2 and possibly Tier 3 measures are also necessary. These would include breaking down the Tier 1 measure into greater detail (such as showing the measure by District, listing fatalities by type, or evaluating the on and off-State system separately) or may focus on program or project delivery as they impact the larger performance area (such as how many bridge reviews were conducted).

Caltrans will produce a quarterly document, which identifies the current status and recent trend of all Tier 1 performance measures. Tier 2 and 3 measures may also be included in the document, but if not listed specifically there, data from these measures should be available upon request. FHWA and Caltrans will also meet quarterly to discuss the Tier 1 measures and identify the trends of the FAHP in California. Measures that are not obtaining desired levels of success will require scrutiny of Tier 2 and 3 measures to determine what programmatic changes could be made to impact performance of these areas. FHWA and Caltrans will jointly make recommendations and take action to attempt to modify program performance. Future quarterly meetings will revisit these measures and determine if further changes or additions are necessary.

### *Strategic Project Oversight*

On September 30, 1997, 23 USC 106(b) permitted the States to approve, on a project-by-project basis, plans, specifications, and estimates for projects to resurface, restore, and rehabilitate highways on the National Highway System (NHS), and further permitted the States to request that the U.S. Secretary of Transportation no longer review and approve highway projects on the NHS with an estimated construction cost of less than \$1,000,000. Additionally, the FHWA issued guidance on February 22, 2007, that allows for removal of the \$1,000,000 threshold and shifting responsibilities to the States for inherently low risk projects on the Interstate.<sup>2</sup>

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<sup>2</sup> 23 USC § 160(b) was amended by Pub. L. 105-178, commonly known as “TEA-21” however

It is mutually desirable to both the FHWA and Caltrans to streamline the approval process for routine and inherently low risk projects. Through this Agreement, the FHWA agrees to assign to Caltrans responsibility for oversight and approval of project-level activities for low-risk projects. This includes projects on the Interstate System that are routine and inherently low risk in which Caltrans has a high level of experience and has well documented procedures and processes in place for ensuring compliance with federal requirements. For projects on the Interstate that are assigned to Caltrans, conducting SSO methods and activities will satisfy the FHWA's oversight. Therefore, both agencies will implement a risk-based approach to project-level management that no longer uses the \$1,000,000 threshold.

While Caltrans will be responsible for approval of project level activities for low risk projects, the FHWA will maintain project-level approval for High Profile projects except for Environmental activities assigned in accordance with the Pilot Program. This risk-based approach to project oversight will be conducted in two steps: 1) selecting the projects that traditionally pose a risk to the health of the FAHP (High Profile projects), and 2) within the High Profile projects, further assigning approval authorities in activities that pose a low risk to the individual projects.

First, Caltrans and the FHWA will jointly determine which projects are considered to be High Profile projects based on the criteria listed below. The High Profile project determination will be made at the District level in conjunction with FHWA. Appendix B Attachment 1 further explains each criterion and provides examples. The criteria include:

- Controversial and Congressional Interest projects;
- Pilot projects;
- Executive Order 13274 projects;
- Interstate Projects involving but not limited to new or modified access points;
- Invitational projects;
- High Risk Intelligent Transportation Systems (ITS) projects;
- Major Projects (>\$500 million);
- Non-Traditional Revenue Sources projects;
- Projects using innovative contracting method with federal funds --
  - Special Experimental Projects – Alternative Contracting (SEP-14),
  - Special Experimental Projects – Public Private Partnerships (SEP-15); and
- Unusual Bridge and Structure projects.

Secondly, the risk-based approach will be carried one step further by highlighting activities on the project responsibilities list that can be further assigned on High Profile projects. The FHWA's intent is to have approval authority in activities that cannot be assigned and activities that may pose a risk to individual projects.

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§ 106(c)(4) permits states to assume the same level of responsibility as was permitted under Title 23 on September 30, 1997.

High Profile determinations will be a joint, cooperative effort and will be made on a project-by-project basis. For each High Profile determination, the FHWA and Caltrans will establish which project responsibilities will be retained by the FHWA and which project responsibilities Caltrans will assume for that specific project. The California Stewardship & Oversight Agreement Approach to Identifying “High Profile” Projects is attached in Appendix B. It includes the Project Responsibilities List (Appendix B Attachment 2), which has highlighted boxes designating either the FHWA or Caltrans responsibility for specific project activities. The Project Responsibilities List is included as a part of the project-specific “High Profile” project agreement which is signed and dated by both agencies. The agreement may also include a general summary of other involvement, including attending regular meetings, conducting project inspections, etc. Any other project that does not have a completed, signed and dated “High Profile” Project Agreement will be designated as an assigned project. For these projects, the FHWA and Caltrans will have project-level approval authorities as indicated in the assumed projects column.

The Strategic Project Oversight Selection Process is outlined in Appendix B Attachments 4 and 5, which identifies the critical phases of project development, criteria to be considered, decisions to be made and the outcome of the decisions. This diagram guides the decision makers through the process so as to identify the potential High Profile projects as early as possible. All projects, regardless of level of assignment, will be administered in accordance with the Project Responsibilities List.

The FHWA has the ultimate responsibility for meeting federal requirements with respect to all projects delivered with FAHP funds. Therefore, Caltrans assumption of low risk project level approvals only functions as long as those activities remain low risk. If SSO methods reveal concerns with Caltrans approval process for assigned activities, these activities would have the potential to become high risk, and therefore could eventually alter the FHWA’s involvement in their approval. Caltrans and the FHWA will maintain an open and collaborative relationship in order to ensure timely and efficient delivery of all projects within the FAHP.

## **Reporting**

Annually by July 30th, Caltrans must submit a list of all projects greater than \$100 Millions with dates and status of milestones from Project initiation Document (PID), Project Study Report (PSR), Draft Environmental Document, Record of Decision (ROD)/Finding of No Significant Impact (FONSI), Project Report (PR), Design, PS&E, Ready to List (RTL), and Award, through Final Acceptance.

In addition, Caltrans must submit an annual summary of oversight activities on assumed projects to provide assurances of meeting the federal requirements. The assurances may include activities such as Caltrans reviews and summary of findings, risk, and resolution, process improvements, training, and outreach. The summary should also include Local agency assurances of responsibilities further delegated to them by Caltrans.

## **INDIVIDUAL PROGRAM OVERVIEWS**

### **Air Quality**

The purpose of the air quality program is to ensure that, in areas that are classified as maintenance or non-attainment of the nation's air quality standards, transportation planning and proposed projects are consistent with the air quality goals of the Clean Air Act. This is accomplished through the transportation conformity process. The air quality program has three primary components: regional conformity, project-level conformity and the Congestion Mitigation and Air Quality (CMAQ) funding program.

Pursuant to SAFETEA-LU Section 6004(a), the responsibility for determinations for project level conformity for 6004 classified projects has been assigned to Caltrans.

### **Bridges, Other Structures, Hydraulics and Geotechnical**

The purpose of the bridge program is to assure that publicly accessible vehicle bridges are in good repair and safe for the traveling public. This is accomplished through two key components of the federal-aid highway bridge program: the National Bridge Inspection Program, which encompasses the National Bridge Inspection Standards (NBIS) and the National Bridge Inventory. The NBIS covers the minimum requirements for inspection programs, including such items as frequency of inspection and minimum qualifications for bridge inspection personnel. The Highway Bridge Program (HBP) is used to improve the conditions of the nation's existing bridges, including preventive maintenance to extend the useful life of bridges. The bridge program also encourages and promotes the use of a systematic process, such as a Bridge Management System (BMS), in determining cost-effective preventive maintenance activities to extend the service life of existing bridges.

In regard to the design and construction of all transportation projects, the purpose of the areas listed in this subpart is to assure that work done on the federal-aid system or funded through the FAHP is designed and constructed in accordance with approved standards. The hydraulics and geotechnical areas support bridge and roadway design, construction, and maintenance activities.

### **Civil Rights**

The purpose of the civil rights program, also known in California as The Business and Economic Opportunity Program is to protect the rights of those employed in, benefiting from, or affected by the FHWA or the programs, policies and activities of its recipients, sub-recipients, or contractors. The seven major program areas include: Equal Employment Opportunity (EEO) Contractor Compliance; State Department of Transportation (DOT) Internal EEO; Disadvantaged Business Enterprise (DBE); Title VI of the Civil Rights Act; On-the-Job Training Supportive Services (OJT/SS); Disadvantaged Business Enterprise Supportive Services (DBE/SS); and Americans with Disabilities Act (ADA)/Section 504 of the Rehabilitation Act.

## **Construction**

The purpose of the construction program is to facilitate the FHWA's evaluation of the State's use of federal-aid funds to assure effective quality controls and to verify that the project is completed in accordance with the plans, specifications, special provisions, and contracting requirements. In addition, the program focuses on the efficient and effective delivery of projects related to time, budget, and quality. For the purpose of construction program management, the term construction pertains primarily to all post-award activities (such as, but not limited to: Quality Control and Assurance, Contract Claims, Change Orders, Payment to Contractor). The main contract administration components include: Advertising, Competitive Bidding, Letting and Award of Contract, Project Construction Authorization, Davis-Bacon and Copeland Acts provisions (prevailing wages rates), Quality of Materials (materials sampling and testing), and Buy America.

## **Design**

The purpose of the design program is to provide program level and project level federal oversight of project design. The design phase is a part of the project development process that spans a period of time that begins with feasibility studies and ends with the completion of PS&E, resulting in a product that is buildable and biddable. The major components at the program level are the development and implementation of state design policies (such as applications of Design Standards, Value Engineering, Interstate access control, context sensitive solutions, etc.) and standards such as those contained in the Highway Design Manual, development and implementation of roundabout, conformance with Americans with Disabilities Act requirements, standard specifications and assistance in the consistent application of those policies and standards on projects from inception through construction. The major components at the project level are review and approval of Interstate access requests and design exceptions, detailed design reviews and approval of PS&Es.

## **Emergency Relief**

The purpose of the emergency relief (ER) program is to provide funds to the state for the repair or reconstruction of federal-aid highways that have sustained serious damage resulting from natural disasters or catastrophic failures from an external cause. Natural disasters such as floods, hurricanes, earthquakes, tornadoes, tsunamis, severe storms or landslides all potentially qualify under the program. Catastrophic failure refers to the sudden and complete failure of a major element or segment of the highway system that causes a disastrous impact on transportation. Regulations currently define eligible disasters as those where the cost of damage would exceed \$700,000 in program assistance per year.

## **Environment**

The purpose of the environmental program is to provide for a single, unified, environmental review process that results in effective and sound transportation decisions as called for by the National Environmental Policy Act of 1969 (NEPA). The key components of the environmental review process include the assessment of the social, economic, and environmental impacts of a

proposed action or project; an analysis of a range of reasonable alternatives to the proposed project, based on the applicant's defined purpose and need for the project; the consideration of appropriate impact mitigation; interagency participation, coordination and consultation; public involvement including opportunities to participate and comment; and documentation and disclosure.

For projects using FAHP funds or requiring federal action, the FHWA is the lead federal agency. However, the FHWA and Caltrans have entered into two MOUs that assign many of the project-level environmental review process authorities and responsibilities to Caltrans. Caltrans and the FHWA California Division agreed to the assignment of responsibilities to Caltrans for categorical exclusions (CEs) under Section 6004 of SAFETEA-LU, 23 USC § 326. This assignment is described in the Section 6004 MOU dated June 7, 2010. Caltrans has also taken full advantage of the NEPA assignment allowed by Section 6005 of SAFETEA-LU, 23 USC § 327. The Section 6005 MOU dated June 29, 2007, details the scope of this assignment of responsibilities to Caltrans. Pursuant to the assignment of responsibilities under Sections 6004 and 6005, Caltrans serves as the lead federal agency. However, the FHWA remains the lead federal agency for specific projects and certain categories of projects listed in the Section 6005 MOU as being exempt from this assignment.

## **Finance**

The purpose of the finance program is to provide financial oversight for the FAHP to ensure the most effective and efficient use of FAHP funds; ensure that funds are utilized consistent with transportation and appropriations laws, regulations and policies; and provide reasonable assurance of accurate and reliable financial statements. The program also includes innovative financing tools, such as the Grant Anticipation Revenue Vehicle (GARVEE), Advanced Construction, Flexible Match, Tapered Match, the Transportation Infrastructure Finance and Innovation Act (TIFIA) loans, and SEP-14 and SEP-15, under 23 CFR Part 636 and 23 U.S.C. §502(a).

FHWA's finance program has four Core Elements:

1. **Funds Management:** Management of the use of Federal Funds including STIP fiscal constraint; monitoring and review of inactive obligations; use of innovative financing; funding obligation limits, lapses and transfers, monitoring of project overruns/underruns; and compliance with applicable federal regulations;
2. **Federal-Aid Billing:** State processes for billing, payment and request for reimbursement including FHWA's reimbursement process. The RASPS Billing System security controls and systems to ensure compliance with pertinent federal requirements;
3. **Project Authorizations, Modifications & Voucher:** Processes and procedures to authorize Federal projects, modify authorizations and submit final vouchers on Federal-aid projects; and
4. **Locally Administered Projects:** Process for ensuring compliance on projects managed by local agencies. Processes for review and approval as needed of Indirect Cost Allocation Plans and compliance with the provision in OMB Circular A-87 and A-133.

## **Intelligent Transportation Systems**

The purpose of the Intelligent Transportation Systems (ITS) program is to provide project oversight and approval responsibilities for ITS software/hardware system developments that affect regional integration. Only the technical review and approval of the systems engineering products is affected for these types of projects. All ITS projects require a Systems Engineering Review Form (SERF). A Systems Engineering Management Plan (SEMP) is also required for all ITS system developments before system design begins.

Additionally, the Transportation Equity Act for the 21<sup>st</sup> Century (TEA-21) ITS Integration earmark projects are still a large part of the ITS program in California, even though SAFETEA-LU did not continue this TEA-21 program. These earmark projects require pre-award activities to ensure that the projects being pursued meet program purposes, non-federal match, and other requirements.

## **Local Agency Programs**

The purpose of the Local Agency Programs (LAP) is to provide guidance and oversight to the local public agencies (LPA) administering Federal-aid transportation projects. As part of the assumption of responsibilities, Caltrans accepted responsibility for the administration and oversight of local agency Federal-aid transportation projects. In the mid-1990's, Caltrans made a conscious decision to further delegate federal-aid responsibilities, including construction oversight, for projects located off the state highway system (SHS) to the LPAs. Since that time, the local FAHP has grown significantly in size and complexity. The Caltrans Division of Local Assistance (DLA) has the primary stewardship and oversight responsibility of the LAP and now oversees more than \$1.0 billion dollars in regular Federal-aid funding annually and \$1.6 billion in American Reinvestment and Recovery Act (ARRA) funding (fiscal year (FY) 2009) which is available to over 600 LPAs in California. If separated out, the LAP in California represents one of the top 10 largest Federal-aid programs in the Nation.

As part of the assumption of responsibilities, Caltrans is responsible for ensuring that the appropriate procedures and guidelines are in place to facilitate the compliance of LPA administered Federal-aid projects. As part of this Agreement, Caltrans and FHWA will take a risk-based approach to LAP oversight. The process for determining which LPA projects meet the "High Profile" criteria and will be chosen for FHWA risk-based oversight is outlined in Appendix B. For those LPA projects and low risk "High Profile" project activities where Caltrans assumes responsibility, both agencies are working to determine the best risk-based approach to ensure compliance of the LPAs. As this approach is developed, it will be incorporated into this Agreement by reference.

## **Planning**

The purpose of the planning program is to ensure that Caltrans, the metropolitan planning organizations (MPOs), and public transportation operators carry out a continuing, comprehensive and coordinated transportation planning and programming process in the state and metropolitan

areas. Program components include the Overall Work Program (OWP) prepared annually by each MPO, the Statewide Long Range Transportation Plan developed by Caltrans, the Statewide Transportation Improvement Program (STIP) containing all projects to be funded by the FHWA and the Federal Transit Administration (FTA) for a four-year period, the MPO long-range transportation plans and Transportation Improvement Programs (TIPs), and the federal certification reviews of Transportation Management Areas (TMAs). The planning program is administered jointly with the FTA in accordance with the MOU between the two federal agencies dated July 15, 2004.

These responsibilities are not assigned to Caltrans pursuant to SAFETEA-LU § 6005, 23 USC § 327.

### **Research, Development and Technology**

The purpose of the federal-aid research program, also known as the State Planning and Research (SPR) Part 2, is to create a mechanism for funding research on new areas of knowledge; adapting findings to practical applications by developing new technologies; and the transfer of these technologies, including the process of dissemination, demonstration, training, and adoption of innovation by users. State Departments of Transportation are encouraged to develop, establish, and implement research, development and technology transfer programs that anticipate and address transportation concerns before they become critical problems.

### **Right-Of-Way**

The purpose of the right-of-way (ROW) program is to provide for the acquisition of property, relocation of people, replacement housing, business relocation and accommodation, and adjustment and relocation of utilities in accordance with federal laws and regulations. The program consists of four core elements: 1) acquisition and appraisal; 2) relocation assistance; 3) program management; and 4) Highway Beautification Act implementation. Throughout the project delivery process and beyond, ROW functions play critical roles.

### **Safety**

The purpose of the Highway Safety Improvement Program (HSIP) is to reduce the number and severity of collisions and their associated costs. Caltrans implements the HSIP for State highways by programming and funding projects in the Collision Reduction Category, one of eight categories that make up the State Highway Operation and Protection Program (SHOPP). The Collision Reduction Category is further divided into two programs: Safety Improvement, and Collision Severity Reduction. The Safety Improvement Program is among Caltrans' top priorities in the SHOPP and as a result, all projects that meet the criteria for the Safety Improvement Program are funded. These criteria include a benefit-cost analysis that evaluates the safety benefit of these projects in terms of collision costs saved and the cost of constructing the improvement.

## **Traffic Operations**

The purpose of Traffic Operations is to provide for the safe and efficient movement of people and goods through various modes of transportation. These modes include autos, buses, trucks, bicycles and pedestrians. It is also an area that contributes heavily to the operations of highway facilities by providing techniques, procedures, management practices/systems and inventory tools. Key elements include encroachment permits issued to others for work within the State's right-of-way, transportation permits issued for the movement of oversized loads, enforcement of the Highway Beautification Act requirements by the Outdoor Advertising Compliance Branch, and signing and delineation standards for the orderly movement of traffic. Other key areas within Traffic Operations are traffic incident management systems, work zone traffic control, ramp metering and freeway and arterial management operations.

## **Transportation System Preservation**

The purposes of the system preservation program are to manage and improve the condition of the pavement and bridges and to ensure the structural integrity and cost effectiveness of the transportation system. The program consists of five major program areas: Pavement Management System (PMS); Bridge Management System (BMS); rehabilitation monitoring program; Highway Performance Monitoring System (HPMS); and, asset management.

## **UPDATES TO THE AGREEMENT**

It is anticipated that instances, such as a new Federal Authorization or changes in Federal/State laws or guidance, may require an update of this agreement during its implementation. In order to facilitate any such changes, each agency agrees to appoint a Stewardship and Oversight Agreement manager who will be the principal contact for assuring that the Agreement is kept current, and will coordinate the negotiation of any changes. The Stewardship and Oversight Agreement managers will make the final recommendations to the Caltrans Director and the FHWA Division Administrator, who will have approval authority for any such changes.

**EXECUTION OF DOCUMENT**

The FHWA and Caltrans enter into this Agreement to carry out their respective responsibilities with mutual cooperation and collaboration. This Agreement does not relieve either party from accountability for compliance with federal laws and regulations of the FAHP. Signatures on this Agreement by the FHWA and Caltrans acknowledge the assignment of responsibilities for stewardship and oversight under the provisions of SAFETEA-LU.

*/s/ Cindy McKim*

*10/14/2010*

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**Cindy McKim, Director  
California Department of Transportation**

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

*/s/ Walter C. Waidelich Jr.*

*10/14/2010*

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**Walter C. Waidelich Jr., Division Administrator  
Federal Highway Administration**

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

## APPENDIX A: PROGRAM RESPONSIBILITIES LIST

### Overview

The Program Responsibilities List is to be used as a tool to jointly manage program activities that are integral parts of the FAHP. This comprehensive list defines program level activities, roles, and responsibilities. The list also outlines the approval authorities (highlighted in yellow, where applicable) and is broken down by program area identifying frequency of approvals and actions, regulatory references, and provides the FHWA and Caltrans contact information. In addition to the contacts below, Caltrans Federal Resources Office within Budgets Division will be copied on all interagency letters. Effective management of these activities contributes to the overall health of the FAHP.

ACTIVITY	Authority	Frequency / Due	Caltrans Contact	FHWA Contact	Remarks
<b>Planning</b>					
<b>Statewide Planning</b>					
SPR (Part 1) Work Program	23 CFR 420.111	Annually by June 30	Planning	Planning Team	
State Participation Process for Non-metropolitan Local Officials	23 CFR 450.210(b)	As needed or as revised by State	Planning	Planning Team	
State Public Involvement Process	23 CFR 450.210(a)	As needed or as revised by State	Planning	Planning Team	
State Self-certification	23 CFR 450.218	Submitted with proposed STIP or STIP amendments	Programming/ Planning	Planning Team	FHWA and FTA issue a joint finding
Statewide Transportation Plan	23 CFR 450.214	Revise and update, as appropriate	Planning	Planning Team	
STIP	23 CFR 450.216	At least every 4 years	Programming	Planning Team	Joint FHWA and FTA approval
STIP Amendments	23 CFR 450.218	As submitted by State	Programming	Planning Team	Joint FHWA and FTA approval
Tribal Government Consultation Process (es)	23 CFR 450.210(c)	As needed or as revised by State	Planning	Planning Team	
<b>Metropolitan Planning</b>					
Annual Listing of Obligated Projects	23 CFR 450.332	Annually, no later than 90 days after September 30	Programming	Planning Team	
Certification in TMAs	23 CFR 450.334(b)	Every 4 yrs	Planning	Planning Team	Joint FHWA and FTA certification
Congestion Management Process in TMAs	23 CFR 450.320	Established and revised as needed	Planning	Planning Team	
Metropolitan Planning Area Boundaries	23 CFR 450.312	Established and revised as needed	Planning	Planning Team	Require agreement between Governor and the MPO
Metropolitan Transportation Plan (MTP) in Attainment Areas	23 CFR 450.322	Every 5 yrs	Planning	Planning Team	Developed by MPOs
MPO Designation and Redesignation	23 CFR 450.310	As needed/revised by MPO/State	Planning	Planning Team	Require agreement between Governor and local governments

ACTIVITY	Authority	Frequency / Due	Caltrans Contact	FHWA Contact	Remarks
MPO Self-certification (Non-TMAs)	23 CFR 450.334(a)	At least every 4 years, with submittal of TIP as part of the STIP	Programming/ Planning	Planning Team	
MTP in Non-attainment and Maintenance Areas	23 CFR 450.322	Every 4 yrs	Planning	Planning Team	Developed by MPOs
Participation Plans	23 CFR 450.316	As needed or revised by MPOs	Planning	Planning Team	Developed by MPOs
TIP	23 CFR 450.324; 23 CFR 450.328	At least every 4 years	Programming	Planning Team	
TIP Amendments	23 CFR 450.326; 23 CFR 450.328	As submitted by MPOs	Programming	Planning Team	
Unified Planning Work Programs	23 CFR 450.306	Annually by May 15	Planning	Planning Team	Developed by MPOs; Joint FHWA and FTA approval. Referred to as OWP in CA.
<b>Air Quality</b>					
CMAQ Funds Report	04/28/99 HQ CMAQ guidance memo	Annually by Feb 1	Programming	Planning Team	
Conformity Determination for MTP in Non-attainment and Maintenance Areas	23 CFR 450.322; 40 CFR 93	With MTP updates at least every 4 years and as needed on amendments	Planning	Planning Team	Joint FHWA and FTA determination; In consultation with the Environmental Protection Agency (EPA)
Conformity Determination for TIP in Non-attainment and Maintenance Areas	23 CFR 450.328; 40 CFR 93	With TIP submittal at least every four years and as needed on TIP amendments	Planning	Planning Team	Joint FHWA and FTA determination; In consultation with EPA
PM2.5 and Mobile Source Air Toxics	Memos February 3, 2006 and March 29, 2006, 71 FR 12468, 23 CFR 771.129	As needed	Planning/ Environment	Planning Team/	In consultation with EPA
<b>ROW</b>					
Acquisitions, Appraisals, and Relocations	49 CFR 24, The UA	As needed	ROW	ROW Team	
Early Acquisitions	23 CFR 710.501	As needed	Planning	ROW Team	
Local Public Agency Oversight	49 CFR 24.4(b); 23 CFR 710.201(h)	As needed	Local Assistance/ ROW	ROW Team	Caltrans has oversight of local public agencies.
Outdoor Advertising Policies and Procedures	23 CFR 750.304	As needed or submitted by State	ROW	ROW Program Manager	
Railroad Agreement Alternate Procedure	23 CFR 646.220	One time	ROW	ROW Team	
Requests for Waivers	49 CFR 24.204(b); 49 CFR 24.7	As submitted by State	ROW	ROW Team	
State ROW Manual	23 CFR 710.201	Jan. 1, 2001 & every 3 years thereafter	ROW	ROW Program Manager	
Uniform Relocation Assistance and Real Property Acquisition Report – [Office of Management and Budget	49 CFR 24.9(c) and Attachment 2	Annually by no later than November 15	ROW	ROW Team	Submitted to FHWA Headquarters (HQ)

ACTIVITY	Authority	Frequency / Due	Caltrans Contact	FHWA Contact	Remarks
(OMB) Form 2125-0030]					
Utility Accommodation Policy	23 CFR 645.215	When changes occur	ROW	ROW Program Manager	
Utility Agreement Alternate Procedure	23 CFR 645.119	One time	ROW	ROW Program Manager	
<b>Highway Information</b>					
Functional classification of highways/streets	23 CFR 105(b)	As needed or as revised by State	Transportation System Information (TSI)	National Programs	
HPMS Data Submission and Review	FHWA HPMS Field Manual & CFR 420.105(b)	Submission by June 15; Review by November 1	TSI	Data Analyst	Submission by Caltrans; Review by FHWA Division
Interstate additions & revisions	23 CFR 470.111, 115(a)	As requested by State	TSI	National Programs/ State Programs	Approved by HQ - Office Director
NHS revisions	23 CFR 470.113, 115(a)	As requested by State	TSI	National Programs/ State Programs	Approved by HQ - Office Director
Public road mileage certification	23 CFR 460.3 & FAPG NS 23 CFR 460	Annually by June 1	TSI	Data Analyst	Approved by Governor or designee
Urban area boundaries	23 CFR 470.105(a)	As needed or as revised by State	TSI	Planning Team	
<b>Environment</b>					
Audits on Section 6005 Pilot Program MOU	SAFETEA-LU Section 6005; MOU	Semiannually for first 2 years of pilot program, annually thereafter until program terminates	Pilot Program Manager	Headquarters with Div. Office Assistance	Third-party audit to be conducted by FHWA HQ
Bicycle Transportation and Pedestrian Walkways	23 USC 217	As needed or requested by State	Design/Local Assistance	Environmental Coordinator/ National Programs	
Environmental Justice	FHWA Order 6640.23	As needed or required	Environment	Civil Rights/ Environmental Coordinator	
Environmental Review Process	SAFETEA-LU Section 6002	As required for EISs and as needed for EAs	Environment	Environmental Coordinator	
NEPA Procedures, including Section 4(f)	23 CFR 771; 23 CFR 774; SAFETEA-LU 6007 & 6009	As needed or required	Environment	Environmental Coordinator	
Noise Abatement	23 CFR 772; 06/12/95 HQ memo	As needed or required	Environment/ Design	Environmental Coordinator	FHWA approves Caltrans' noise abatement policy
Performance Measures for Section 6005 Pilot Program	SAFETEA-LU Section 6005 FHWA/Caltrans MOU	As outlined in MOU	Pilot Program Manager	Environmental Coordinator	Caltrans to report to FHWA on measures
Planning and Environmental Linkages	23 CFR 450.212; 23 CFR 450.318; Appendix A to 23 CFR	As needed	Planning/ Environment	Environmental Coordinator/ Planning Team	

ACTIVITY	Authority	Frequency / Due	Caltrans Contact	FHWA Contact	Remarks
	450				
Process Reviews on Section 6004 MOU	SAFETEA-LU Section 6004; MOU	At least every 15 months	Environment	Environmental Coordinator	
Public involvement/Public Hearing Program	23 CFR 771.111(h)(1)	As revised by State	Environment/ Design/Project Management	Environmental Coordinator	Program is in place
Section 106 of the National Historic Preservation Act	23 CFR 800	As needed or required	Environment	Environmental Coordinator	
Section 404 of the Clean Water Act	23 CFR 777; NEPA/404 MOU	As needed or required	Environment	Environmental Coordinator	
Section 6(f) of the Land and Water Conservation Fund Act	36 CFR 59	As needed or required	Environment	Environmental Coordinator	
Section 7 of the Endangered Species Act	50 CFR 402; Dispute Resolution Process	As needed or required	Environment	Environmental Coordinator	
Section 9 of the Rivers and Harbors Act (Bridge Permits)	23 CFR 650 Subpart H; 33 CFR 114 and 115	As needed or required	Environment	Environmental Coordinator	
Tribal Government Consultation	36 CFR 800.16(m)	As needed or required	Planning/ Environment	Environmental Coordinator	
<b>Civil Rights</b>					
ADA/Sec. 504 Program Plan accomplishments and next year's goals	49 CFR 27.11(c), EO 12250	Annually by Oct. 1	Business Economic Opportunities Program	Civil Rights	Division reviews and comments
ADA complaint reports of investigation	28 CFR 35.190	As requested by FHWA	Business Economic Opportunities Program	State and Local Programs/National Programs/Civil Rights	Division reviews, FHWA HQ approves and issues finding
Annual Contractor Employment Report [Construction Summary of Employment Data (Form PR-1392)]	23 CFR 230.121(a)(3)	Annually by Sept 30	Business Economic Opportunities Program	Civil Rights	Division reviews and submits to FHWA HQ
DBE Program Plan accomplishments and next year's goals	49 CFR 26.11	Annually by Oct. 1	Business Economic Opportunities Program	Civil Rights	Division reviews and comments
DBE Program revisions	49 CFR 26.21(b)(2)	As needed	Business Economic Opportunities Program	Civil Rights	
EEO Contract Compliance review reports	23 CFR 230.409, 230.413(b)(1)(i)(D)	Upon completion by State	Business Economic Opportunities Program	Civil Rights	Division reviews and comments
EEO Contractor Compliance Plan accomplishments and next year's goals	23 CFR 230, Subpart C, Appendix A, Part I, III	Annually by Oct. 1	Business Economic Opportunities Program	Civil Rights	Division reviews and comments

ACTIVITY	Authority	Frequency / Due	Caltrans Contact	FHWA Contact	Remarks
Historically Black College & University / Minority Institutions of Higher Learning / Tribal Colleges and Universities Report	EO 12876	Annually by Nov 1	Business Economic Opportunities Program	Civil Rights	Division reviews and submits to FHWA HQ
OJT goals & accomplishments	23 CFR 230.111(b)	Annually by Jan 30	Business Economic Opportunities Program	Civil Rights	Division reviews and comments
Report on supportive services (OJT & DBE)	23 CFR 230.113(g), 230.121(e), 230.204(g)(6)	Quarterly by April 15, July 15, Oct. 15, and Jan. 15	Business Economic Opportunities Program	Civil Rights	Division reviews and comments
State Employment Practices Report (EEO-4)	23 CFR 230.311(a)(2), FAPG-1-C-230-C	Annually by Aug. 15	Business Economic Opportunities Program	Civil Rights	Division reviews and submits to FHWA HQ
State internal EEO affirmative action plan (Title VII) accomplishments, next year's goals, and employment statistical data	23 CFR 230.311, FAPG-1-C-230-C	Annually by Oct. 1	Business Economic Opportunities Program	Civil Rights	Division reviews and comments
State's Overall Disadvantaged Business Enterprise (DBE) Goal	49 CFR 26.45(f)(1)	Annually by Aug 1	Business Economic Opportunities Program	Civil Rights	Also requires FHWA legal review and concurrence
Supportive services funds requests (OJT and DBE)	23 CFR 230.113 & 230.204	As requested by FHWA	Business Economic Opportunities Program	Civil Rights	Division reviews and submits to FHWA HQ for approval
Title VI Plan accomplishments and next year's goals	23 CFR 200.9(b)(10), FAPG-1-C-200	Annually by Oct. 1	Business Economic Opportunities Program	Civil Rights	Division reviews and comments
Title VI Plan revisions	23 CFR 200.9	As needed	Business Economic Opportunities Program	Civil Rights	
Uniform Report of DBE Commitments/Awards and Payments	49 CFR 26, Attachment 2	Semi-annually by June 1 and Dec. 1	Business Economic Opportunities Program	Civil Rights	Division reviews and submits to FHWA HQ
<b>ITS and Traffic Operations</b>					
Hybrid/High Occupancy Vehicle Lanes	SAFETEA-LU 1121, 23 CFR 656	Semi Annually	Traffic Operations	National Programs	
Incident Management	23 CFR 500	Quarterly	Traffic Operations	National Programs	
Traffic Operations Performance Data	23 CFR 500	Semi Annually	Traffic Operations	National Programs	
National Network Modifications	23 CFR 658.11	As requested by State	Traffic Operations	Planning Team	
Regional ITS Architecture Maintenance	23 CFR 940.9	As needed	Planning/Traffic Operations	National Programs	Typically, MPOs own and maintain system
Statewide ITS Architecture and System Plan	23 CFR 940.9	As needed or as revised by State	Planning/Traffic Operations	National Programs	
Systems Engineering Analysis Implementation	23 CFR 940.11	Until fully integrated	Planning/ Traffic Operations	National Programs	
Vehicle Size & Weight enforcement certification	23 CFR 657.13	Annually by Jan 1	Traffic Operations	National Programs	

ACTIVITY	Authority	Frequency / Due	Caltrans Contact	FHWA Contact	Remarks
Vehicle Size & Weight enforcement plan	23 CFR 657.11	Annually by Oct 1	Traffic Operations	National Programs	
<b>Research, Development and Technology</b>					
Local Technical Assistance Program (LTAP) Centers Work Plan and Budget	FHWA LTAP Field Manual	Annually by March 31	Local Assistance	Local Programs Team	FHWA HQ approval
SPR (Part 2) Work Program	23 CFR 420.111	Annually by June 30	Research & Innovation	Planning	
Technology Transfer Program	23 CFR 420.207	10 <sup>th</sup> of each month		National Programs	
<b>Safety</b>					
402 Highway Safety Plan	12/22/99 guidelines, TEA-21, 2001	Annual	N/A	National Programs	The California Office of Traffic Safety coordinates with the National Highway Traffic Safety Administration for review and approval; no Caltrans or FHWA involvement required
5% Report	23 USC 148(c)(1)(D)	Annually by August 31	Traffic Operations/ Local Assistance	National Programs	
Drug offender driver's license suspension law & enforcement certification	23 USC 159, 23 CFR 192.5	Annually by Jan 1	N/A	National Programs	The Department of Motor Vehicles coordinates with Governor's office for certification; no Caltrans involvement
High Risk Rural Road Safety	SAFETEA-LU 1401, 23 USC 148	Annually by August 31	Local Assistance/ Traffic Operations	National Programs	
Highway Safety Improvement Program	SAFETEA-LU, 23 USC 148	Annually by August 31	Traffic Operations/ Local Assistance	National Programs	
Pedestrian and Bicycle Safety Program	23 CFR 652	As needed	Traffic Operations/ Local Assistance	National Programs	Includes the non-motorized transportation pilot program
Project crash data	23 CFR 630.1010	Continuous	Traffic Operations/ Local Assistance	National Programs	
Repeat Offender	23 CFR 1275; 23 USC 164	Annually by October 1	N/A	National Programs	The OTS coordinates with Caltrans on annual transfer.
Roadside Hardware	FHWA July 25, 1997 Policy Memo re: NCHRP Report 350	As needed	Traffic Operations	National Programs	
SHSP	SAFETEA-LU, 23 USC 148	As needed	Traffic Operations	National Programs	
Work Zone Safety and Mobility Final Rule compliance	23 CFR 630	Continuous	Construction/ Traffic Operations	National Programs	<b>Implementation date: October 12, 2007.</b> Caltrans already implements transportation management plans (TMPs) and will continually review and refine TMPs to comply with the provisions of the Final Rule.
Temporary Traffic Control Devices Final Rule Compliance	23 CFR 630	Continuous	Construction/Traffic Operations	National Programs	<b>Implementation date: December 4, 2008.</b> Caltrans has implemented positive protective measures, uniformed law enforcement,

ACTIVITY	Authority	Frequency / Due	Caltrans Contact	FHWA Contact	Remarks
					maintenance of TTCD and separate pay items for TTCDs.
Worker Visibility Final Rule Compliance	23 CFR 634	Continuous	Construction/Traffic Operations	National Programs	<b>Implementation date: November 24, 2008.</b> Caltrans developed Traffic Operations Policy Directive on 11/21/2008 to be in compliance with FR.
<b><u>Bridges, Structures, Hydraulics and Geotechnical</u></b>					
Bridge Construction, Geotechnical, Hydraulics Review	23 CFR 650	As needed	Engineering Services	Structures Programs	
BMS	23 CFR 500.107	As needed	Maintenance/SMI	Structures Programs	
Bridge/Structural Design Review	23 CFR 650	As needed	Engineering Services	Structures Programs	
HBP Unit Cost submittal	23 CFR 650 Subpart D	Annually by April 1	Engineering Services	Structures Programs	
NBIS Review Statewide report	23 CFR 650 Subpart C	Annually (date determined by Division)	Maintenance/ Structure Maintenance and Investigations	Structures Programs	Division performs review and prepares annual report
<b><u>Design, Construction, &amp; Maintenance</u></b>					
3R Program	23 CFR 625	As needed	Design/ Maintenance	National Programs	Design responsible for 3R Guidelines (Design Information Bulletin 79)
Construction Inspections	23 USC 114	Quarterly	Construction	State and Local Programs	
Contracting Procedures Consultant Selection	23 CFR 172.5 & 172.9	As updated	DEPAC/ Engineering Services / Local Assistance	State and Local Programs	
Convict Produced Materials	23 CFR 635.417	As needed	Construction Engineering	State and Local Programs	
Defense Access Roads	23 CFR 660 Part E	As needed	Local Assistance	State and Local Programs	
Design Exception Policy	23 625.3	As needed	Design	National Programs	
Design Standards	23 CFR 625	When changes occur	Design	National Programs	
ER Process	23 CFR 635.204	As requested	Maintenance/ Design/ Construction	State and Local Programs	
Experimental Project Work Plans	FHWA LTAP Field Manual	Project by project	Construction	State and Local Programs	This includes items such as pilot and demonstration programs.
Highway Facility Relinquishment	23 CFR 620.203	As needed	Design/ROW	ROW Team	
Interstate Access Policy	23 CFR 470.111, 470.115	As needed	Design	National Programs	

ACTIVITY	Authority	Frequency / Due	Caltrans Contact	FHWA Contact	Remarks
Labor Compliance Policy	23 CFR 635.118, Davis-Bacon Act	As needed	Office Engineers	State and Local Programs	
Liquidated Damages	23 CFR 635.127	Every 2 years	Engineering Services	State and Local Programs	
Local Public Agency Oversight Policies & procedures	FAPG 23 CFR 635.105	As updated	Local Assistance/ Project Development	Local Programs	
Public Agency Furnished Material	23 CFR 635.407	As needed	Contract Administration	State and Local Programs	
Standard Specifications and Plans	23 CFR 625.4	As Needed	Engineering Services / Construction/ Design	State and Local Programs	
Warranties	23 CFR 635.413	As needed	Construction/ Engineering Services	State and Local Programs	
Year-end Value Engineering Report	FAPG G 6011.9	Annually by Nov. 22	Design	National Programs	FHWA HQ publishes national report
<b>Transportation System Preservation</b>					
Independent Assurance Annual Report	23 CFR 637.207	Annually by March 1	Materials Engineering and Testing Services (METS)	Structures Program	
Materials Acceptance – Quality Control/Quality Acceptance Program	Federal-aid Policy Guide (FAPG) 23 CFR 637B	As updated	Construction	Structures Program	
Materials Certifications	23 CFR 637 Appendix A	As needed on federal-aid projects	Construction/ METS	Structures Program	Certifications provide data for program updates.
Pavement Condition Surveys	23 USC 116	Every two years	Maintenance	Structures Program	Surveys are completed on the entire system.
Pavement Design Policy	23 CFR 626.3	As needed	Design	Structures Program	Design responsible for drainage & pavement design
PMS	23 CFR 500.106	As needed	Maintenance	Structures Program	
Preventive Maintenance Report	N/A	Annual	Maintenance	Structures Program	Report on number of lane miles receiving preventive maintenance.
<b>Financial Management</b>					
Alternate Fuel Report	Exec Order 13031	Annually by Oct. 1	Budgets	Financial Services	
Project Authorizations, Modification & Voucher		As needed	Local Assistance	Financial Services	Caltrans will submit electronic authorization via FMIS and provide all required supporting documentation to FHWA for review and approval.
Transfer of Funds between agencies and between programs as requested by State	23 USC 104(c) and 119(f) and 126	As needed	Budgets & Accounting	Financial Services	Caltrans will submit requests for transfer and FHWA approves processes the funding transfers to Federal Transit Administration and FHWA, HQ

ACTIVITY	Authority	Frequency / Due	Caltrans Contact	FHWA Contact	Remarks
Appropriations, Allotments, Obligations	31 USC 1341(a)(1)(A) & (B); 31 USC 1517(a); 23 USC 188(b)	As needed	Budgets	Financial Services	Caltrans will monitor appropriations, allotments and obligations to ensure that all funding is used efficiently within each Quarter and use all Obligation Authority (OA) by the end of the year. FHWA will forward all funding notices and review
Indirect Cost Allocation Plans (ICAPs)	49 CFR Part 18; 2 CFR Part 225 (OMB A-87); ASMB-10	As needed	Audits & Investigations	Financial Services	The State of California will certify that the ICAP was prepared in accordance with OMB A-87 and that they have not modified their calculation procedures and provide a summary of information for the calculation and reconciliation purposed. FHWA will review and file.
Major Projects Financial Plan reviews	Title 23, Section 106(h)	As needed	Caltrans	Financial Services/State Programs	Caltrans will approve and submit the Financial Plan to FHWA for approval.
Audit Coordination FHWA Financial Statement Audit Caltrans External Audit Reviews Caltrans Internal Audit Reviews FHWA	FMFIA, OMB A-123, 127, GAAP, CFO Act of 1990; DOT Order 8000 1C, OMB A-87, 123, GAAP	As Needed	Caltrans	Financial Services	Caltrans assures corrective action is taken to resolve audit findings and FHWA will monitor activities to ensure implementation.
FIRE Program	FHWA Order 4560.1B	Ongoing	Budgets & Accounting	Financial Services	Caltrans will continue to provide oversight and conduct reviews to ensure federal-aid compliance. FHWA will review and monitor. Caltrans responsibilities include multiple tasks in support of risk assessments, conducting reviews and implementation of recommendations
Inactive Projects (including ARRA)	23 CFR 630.106	Monthly	Local Assistance	Financial Services	Caltrans will proactively monitor project look-ahead listings and take appropriate action to avoid inactivity and meet the 0% performance measure.
Fed-aid Billing Reimbursement of Eligible Expenditures	23 CFR 140 and 635.122	Weekly	Accounting	Financial Services	Caltrans will submit accurate, eligible, and timely billings for approval. FHWA will approve reimbursements in a timely manner to avoid any interest charges.
Billing Reviews	23 CFR 140 and 635.122	Quarterly	Local Assistance & Accounting	Financial Services	Caltrans will provide all supporting documentation to include invoices, payroll, etc. FHWA will review and ensure costs reimbursed are eligible and accurate.

ACTIVITY	Authority	Frequency / Due	Caltrans Contact	FHWA Contact	Remarks
Improper Payments Review	Improper Payments Information Act of 2002, PL No: 107-300	Yearly	Accounting	Financial Services	Caltrans will provide all required data collection form information to meet required deadlines and FHWA will review
Innovative Financing	GARVEE 23 CFR 122; TIFIA 23 USC 181-189; SIB Guidance 9/97; AC NHS Act Section 308; Flexible Match 23 USC 323; Tapered Match TEA-21 Section 1302	As needed	Budgets	Financial Services	Caltrans will submit requests for Innovative Financing to FHWA for review and approval prior to project authorization
Toll Credit and Maintenance of Effort (MOE) Calculation	Toll 23 USC 129(A);	Yearly	Budgets	Financial Services	Caltrans will calculate the amount of eligible toll credit and submit for approval. FHWA will review and approve the request.
Quality Financial Management Initiative	Memo HFS-40, 12/01/97	Continuous	Budgets	Financial Services	
ARRA Reporting	America Recovery And Reinvestment Act of 2009	Continuous	Various Offices	Financial Services	Caltrans will meet all reporting requirements including RADS and other continuous and ad-hoc requests
<b>Discretionary and Other Funding Programs</b>					
Border Infrastructure Program/State Border Safety Inspection Facilities Program	2002 USDOT Appropriations Act; 2003 Consolidated Appropriations Resolution	Varies	District 11	Planning Team/State Programs	FHWA administers the program with the Federal Motor Carrier Safety Administration.
Border Technology Exchange Program	23 USC 506	Annually	District 11/ Planning	National Programs See DMEMO for list of contacts	Grant program administered by FHWA, Office of International Programs
CMAQ	SAFETEA-LU Sections 1101(a)(5), 1103(d), & 1808	As needed	Programming/ Local Assistance	Planning Team	
Coordinated Border Infrastructure Program	SAFETEA-LU Sections 1101(a)(11) & 1303	As needed	Budgets/Planning	National Programs See DMEMO for list of contacts/ Planning Team	FHWA recommends action to FHWA HQ
Ferry Boats and Ferry Terminal Facilities	SAFETEA-LU Sections 1101(a)(13) & 1801	As needed	Budgets	Structures	
Freight Intermodal Distribution Pilot Grant Program	SAFETEA-LU Section 1306	As needed	Budgets	National Programs see DMEMO for list of contacts	
High Priority Corridors on the NHS	SAFETEA-LU Section 1304	As needed	Local Assistance	National Programs see DMEMO for list of contacts	
High Priority Projects Program	SAFETEA-LU 1701-	As needed	Budgets/DLA	National Programs	

ACTIVITY	Authority	Frequency / Due	Caltrans Contact	FHWA Contact	Remarks
	1702			see DMEMO for list of contacts	
HBP	23 CFR 650 Subpart D	As needed	Local Assistance/ Budgets	Structures Programs	Division makes eligibility determinations
Highways For Life	SAFETEA-LU Section 1502	As needed	Budgets	Structures/National Programs/ State and Local Programs Teams	FHWA HQ approval
Innovative Bridge Research and Deployment Program	23 USC 503(b)	Annually (date varies)	Local Assistance	Structures Programs	Division makes eligibility determinations
Interstate Maintenance Discretionary	23 USC 118; SAFETEA-LU Section 1111(a)	Annually (date varies)	Budgets	Structures	
ITS Integration Program	TEA-21 Section 5208	Quarterly and Annual Reports	Local Assistance	National Programs	Program also requires FHWA qualitative assessments of adequacy of project descriptions and evaluation reports and timely submittal of reports by Caltrans.
ITS Deployment Program	TEA-21 Section 5208 and 5209	As needed	Local Assistance	National Programs	
MAGLEV (Magnetic Levitation)	SAFETEA-LU Section 1307	As needed	Budgets	National programs	
National Corridor Infrastructure Improvement Program	SAFETEA-LU Section 1302	As needed	Budgets	National Programs	
National Corridor Planning and Development Program	TEA-21 1118, 1119	As needed	Planning	Planning Team	Division recommends action to FHWA HQ
Nonmotorized Transportation Pilot Program	SAFETEA-LU Section 1807	As needed	Local Assistance	National Programs	
Projects of National and Regional Significance	SAFETEA-LU Section 1301	As needed	Budgets	National Programs	
Public Lands Highway Discretionary	SAFETEA-LU Section 1101(a)(9)(D)	As needed	Budgets	State Programs/Planning Team	Division recommends action to FHWA HQ
Railroad-Highway Crossings	SAFETEA-LU Section 1401	Annually by August 31	Rail	National Programs	
Recreational Trails Program	SAFETEA-LU Sections 1101(a)(8) & 1109	As submitted by State	California State Parks	Environmental Coordinator	Program administered by the CA Department of Parks and Recreation
Safe Routes to School	SAFETEA-LU Sections 1101 & 1404	Varies	Local Assistance	National Programs	
Scenic Byways Discretionary Program	SAFETEA-LU Sections 1101 & 1605	Annually	Landscape Architecture	Environmental Coordinator	FHWA division recommends action to FHWA HQ
Transportation Enhancements Program	SAFETEA-LU Sections 1113, 1122, & 6003; TE Guidance dated January 19, 2006	As needed	Transportation Enhancements Coordinators	Environmental Coordinator	FHWA provides program guidance and technical assistance

ACTIVITY	Authority	Frequency / Due	Caltrans Contact	FHWA Contact	Remarks
Transportation, Community, and System Preservation Program	SAFETEA-LU Section 1117	As needed	Budgets	Structures/National Programs	
Truck Parking Facility Grants	SAFETEA-LU Section 1305; 23 CFR 658, 810, 1235	Annually	Landscape Architecture	National Programs	Division reviews and submits to FHWA HQ for approval
Value Pricing Program	SAFETEA-LU Section 1604	Annually	Traffic Operations	National Programs	Division reviews and submits to FHWA HQ for approval
<b>Emergency Preparedness</b>					
FHWA Emergency Preparedness Program	Executive Order 12656 and FHWA Order 1910.2C	Continuously	Maintenance/Local Assistance	National Programs	
<b>State Manuals Approved by FHWA for Use on Federal-Aid Projects</b>					
ADA/Section 504 Program Plan	N/A	As Needed	Design	Civil Rights	
Annual Overall DBE Goal	N/A	As Needed	Business Economic Opportunities Program	Civil Rights	
Bridge Construction Manual	N/A	As Needed	Engineering Services	Structures Programs	
Bridge Design Manual	N/A	As Needed	Engineering Services	Structures Programs	
California Manual of Uniform Traffic Control Devices	23CFR655.603 (b)	Within 2 years of update to MUTCD	Operations	National Programs	
Caltrans A&E Consultant Contract Administration Handbook	N/A	As Needed	Procurement and Contracts	Local Programs	Local Programs
Construction Manual	N/A	As Needed	Construction	State Programs	State Programs
DBE Program Plan	N/A	As Needed	Business Economic Opportunities Program	Civil Rights	
EEO Contractor Compliance Program Plan	N/A	As Needed	Business Economic Opportunities Program	Civil Rights	
Highway Design Manual	N/A	As Needed	Design	National Programs	
Internal EEO Program Plan	N/A	As Needed	Business Economic Opportunities Program	Civil Rights	
Local Assistance Procedures Manual	N/A	As Needed	Local Assistance	Local Programs	Local Agency Program Manager may be FHWA contact in the future.

ACTIVITY	Authority	Frequency / Due	Caltrans Contact	FHWA Contact	Remarks
Local Assistance Program Guidelines	N/A	As Needed	Local Assistance	Local Programs	Local Agency Program Manager may be FHWA contact in the future.
Pavement Design Guide, Policy and Procedures	N/A	As Needed	Design	Structures Program	
ROW Manual	N/A	As Needed	ROW	ROW Program Manager	
Standard Plans	N/A	As Needed	Design	National Programs	
Standard Special Provisions	N/A	As Needed	Design	State Programs	
Standard Specifications	N/A	As Needed	Design	State Programs	
Title VI Program Plan	N/A	As Needed	Business Economic Opportunities Program	Civil Rights	
Unified Certification Program MOU	N/A	As Needed	Business Economic Opportunities Program	Civil Rights	

**Appendix B: California Stewardship & Oversight Agreement**  
**Approach to Identifying “High Profile” Projects**  
**February 11, 2008**  
**(Amended September 2010)**

The goal under the new Stewardship and Oversight Agreement (Agreement) executed on September 4, 2007 is to identify High Profile Projects (HPPs) and FHWA Approval/Involvement early in the Project Identification (Planning)/Initiation (PID) Phase or the Local Assistance “Authorization to Proceed” milestone. On Page 8 of the Agreement, it states “Caltrans and the FHWA will jointly determine which projects are considered to be HPPs based on the criteria listed below. The HPP determination will be made at the Caltrans District level in conjunction with the FHWA. “Therefore, Caltrans’ (Statewide and Local Assistance) current method of project identification and/or initiation will be the basis for determining HPPs with a few additional steps phased into the process. The criteria for HPPs include:

- Controversial and Congressional Interest projects
- Pilot projects
- Executive Order 13274 projects – Environmental Stewardship and Streamlining
- Interstate Projects involving but not limited to new or modified access points
- Invitational projects
- High Risk Intelligent Transportation Systems (ITS) projects
- Major Projects (>\$500 M)
- Non-Traditional Revenue Sources projects
- Special Experimental Projects – Alternative Contracting (SEP-14)
- Special Experimental Projects – Public Private Partnerships (SEP-15)
- Unusual Bridge and Structure projects

Projects not meeting the above criteria and/or not selected as HPPs will be considered as Assigned Projects and approval authority will follow that outlined in the “Assigned Projects – NHS/Non-NHS” column of the Project Responsibilities List. (Attachment 2) For Assigned Projects, Caltrans will have approval authority for all aspects of a Federal-aid project except those which may not be assigned by federal law (requiring FHWA approval). For the Assigned Projects, FHWA will verify compliance with federal regulations via annual program and process reviews.

23 Code of Federal Regulations (CFR) Section 1.2, defines a project as “An undertaking by a State highway department for highway construction, including preliminary engineering, acquisition of rights-of-way and actual construction, or for highway planning and research, or for any other work or activity to carry out the provisions of the Federal laws for the administration of Federal aid for highway.” For Major Projects, the scope of the project is defined in the Record of Decision (ROD), Finding Of No Significant Impact (FONSI), or Categorical Exclusion document (CE) and includes all work associated with implementing the project.

It should be noted that the processes outlined below are continuous and require projects to be assessed against the HPP criteria during and in between each phase. Also, project decisions

made on Assigned Projects which are upgraded to HPP will not be revisited with the upgrade. However, all parties should be aware that FHWA might embark upon a Program Review, which will review those decisions at a later date.

This HPP Identification process lays out how HPPs will be selected and the documentation, which will be used to show FHWA involvement/approval authorities. This process does not change any processes internal to Caltrans regarding coordination between the Districts and Headquarters.

### **High Profile Project Identification Process**

#### **Caltrans – Capital (State) Projects**

As stated above, the Agreement relies on the use of Caltrans' current method of project identification for the selection of HPPs. The process incorporates Caltrans current project phasing approach with criteria assessment as the project moves between phases. Those projects selected as HPPs will be mutually agreed upon by Caltrans and FHWA.

Continuous, open communication will take place throughout the year regarding the selection of HPPs.

The steps for identifying High Profile Projects on the Caltrans State Projects are as follows (See Attachment 4: Strategic Project Oversight Selection Process (Capital Projects)):

1. PID: As projects enter into the Project Initiation Document (PID) Phase, Caltrans staff will evaluate the project to determine if it might meet any of the criteria for High Profile Projects. Since funding sources have not been determined at this phase of a project, Caltrans will use the PID Phase for early identification of potential High Profile Projects. During this phase, the Caltrans Project Managers may begin early conversations with the FHWA representative regarding the project; however, a determination of whether the project will be a HPP will occur further along in the project, once funding is determined or early in the Project Approval and Environmental Document (PA&ED) Phase.

A Caltrans' tool for identifying when and if FHWA will be involved in the project development phase is the FHWA Record of Involvement. This form can be found in Caltrans Project Development Procedures Manual and should be updated as the projects progresses to the next phase.

2. PA&ED: During this phase, the project will be reassessed against the criteria for HPPs by the Caltrans' staff again.

If the assessment reveals that the project meets one or more of the above criteria, then the Caltrans Project Manager will contact the FHWA Representative to discuss the assessment of the project. At this point, the Caltrans and FHWA representatives will jointly decide if the project meets the above criteria. If the joint decision is that one or

more of the criteria are met, then the representatives will jointly decide if the criteria met are enough to warrant selection as a HPP.

Once a project has been selected as a HPP, a High Profile Project Oversight Agreement containing provisions of the Project Responsibilities List will be filled out to identify FHWA and Caltrans project approval authorities for that particular project. The HPP Agreement will be completed regardless of the phase in which the project is deemed High Profile. However, if the project is early in the project development phase, the HPP Agreement will be revisited once the project gets closer to the PS&E phase. The HPP Agreement will be chronologically numbered to record the number of versions. The HPP Agreement will document those areas where FHWA will have approval authority. It will also provide a project description, Federal-aid (once established) and State project numbers, and a discussion of FHWA's involvement on the project outside of the approval authority, such as attending monthly Project Development Team (PDT) Meetings or receiving monthly PDT meeting minutes. The template for HPP Agreements is attached. The information within the HPP Agreement will be jointly agreed upon by the Caltrans and FHWA representatives and will include signatures acknowledging this Agreement. If a project is selected to be a HPP, then FHWA involvement/approvals will be captured through the PS&E phase at which time FHWA and Caltrans will revisit the HPP Agreement for the remainder of the project. The information within the HPP Agreement will be jointly agreed upon by the Caltrans District Director (or designee) and FHWA representative and will include signatures acknowledging this agreement.

If it is determined that the project does not meet the criteria or should not be selected as a HPP at this time, then the project will move forward as a Caltrans Assigned project but will be revisited by FHWA and Caltrans as needed for reassessment. This decision will be documented in the FHWA Record of Involvement form, which Caltrans will keep with each project record.

3. Right-of-Way (R/W): During the PA&ED phase of the project, preliminary R/W work will proceed as either a HPP or an assigned project based upon the determination made for the project at the PA&ED phase.

During the PS&E phase, R/W work will proceed as either a HPP or an assigned project based upon the determination made for the project at the PS&E phase.

4. PS&E: The project will be reassessed against the criteria for HPPs by the Caltrans' staff. If the reassessment reveals that the project might meet one of the above criteria, the Caltrans' Project Manager and the FHWA Representative will jointly decide if the project meets the above criteria and should be selected as a HPP. At the conclusion of the PS&E Phase, if none of the HPP criteria applies, the project will advance to the Construction Phase as a Caltrans Assigned project. This decision will be documented in the FHWA Record of Involvement form, which Caltrans will keep with each project record.

5. Construction: During the Construction phase, Construction work will proceed as either a HPP or an Assigned project based upon the determination made for the project at either the PA/ED phase or PS&E phase.

### **Caltrans – Local Program**

Similar to Caltrans State Projects, the goal under the new Stewardship/Oversight Agreement (Agreement) is to identify HPPs and FHWA Approval/Involvement as early as possible (prior to “Authorization to Proceed”). Identification of Local Assistance HPPs will proceed in a manner consistent with Caltrans’ normal process for identifying Local projects. Continuous, open communication will take place throughout the year regarding the selection of HPPs. Those projects selected, as HPPs will be mutually agreed upon by the appropriate Caltrans District and FHWA. See Attachment 5: Strategic Project Oversight Selection Process (Local Assistance Projects).

The steps for identifying High Profile Projects under Caltrans Local Projects are as follows:

1. Pre-Authorization: Caltrans Local Assistance procedures, checklists, and forms will require Local Agencies to assess proposed projects against the HPP criteria and identify whether they think the project qualifies as a HPP prior to each “Authorization to proceed”.
2. Initial Authorization to Proceed: The Local Agency will indicate whether the project meets any HPP criteria in their initial “Request for Authorization to proceed” package (Exhibit 3-E of the Local Assistance Procedures Manual). The Caltrans District will assess the “Request for Authorization to Proceed” package to determine if the project meets any of the criteria for HPPs listed above. The District may request assistance from Caltrans Headquarters’ Division of Local Assistance (DLA).

If the assessment reveals that the project does meet one or more of the above criteria, then the Caltrans District Local Assistance Engineer (DLAE) will contact the FHWA Representative to discuss the assessment of the project. At this point, the Caltrans and FHWA representatives will jointly decide if the project meets the above criteria. If the joint decision is that one or more of the criteria are met, then the representatives will jointly decide if the criteria met are enough to warrant selection as a HPP.

If the project does not meet the criteria, as determined by the DLAE, then the project will move forward as an Assigned project.

Once a project has been selected as a HPP, a High Profile Project Oversight Agreement containing provisions of the Project Responsibilities List will be filled out to identify FHWA and Caltrans project approval authorities for that particular project. The HPP Agreement will document those areas where FHWA will have approval authority. It will also provide a project description, Federal-aid and State project numbers, and a discussion of FHWA’s involvement on the project outside of the approval authority. The DLAE will work directly with the Local Agency and FHWA to assure that the Project Responsibilities of the HPP Agreement are fulfilled. Caltrans Headquarters’ DLA may

assist the District as requested. If a project is determined to be an HPP at the initial “Authorization to Proceed”, then the HPP Agreement will be revisited once the project moves closer to construction. The information within the HPP Agreement will be jointly agreed upon by the Caltrans District Director (or designee) and FHWA representative and will include signatures acknowledging this Agreement.

3. Subsequent Authorization to Proceed: As in the initial “Request for Authorization to Proceed”, the project will be reassessed against the criteria for HPPs by Caltrans DLAE and FHWA at each of the subsequent “Request for Authorization to Proceed” milestones. At these milestones, it will be jointly decided if the project meets the criteria of an HPP and should be de-selected, selected, or continued as an HPP. If the reassessment at these milestones reveals that the project meets one of the HPP criteria and should be selected as a HPP, then the same process described under step 2 of **Caltrans – Local Program** above will be followed. Otherwise, the project will proceed as an Assigned Project.

### **Assistance Tools**

For assistance in determining if a project might meet the criteria for HPPs, the following tools are attached to this procedure:

- Definition of High Profile Projects Criteria (Attachment 1)
- Project Responsibilities List (Attachment 2)
- HPP Criteria Applicability on the Federal-aid System (Attachment 3)
- Strategic Project Oversight Selection Process – Capital Projects (Attachment 4)
- Strategic Project Oversight Selection Process – Local Assistance Projects (Attachment 5)
- Strategic Project Oversight Selection Process – ITS Projects (Attachment 6)
- Sample Project Oversight Agreement (Attachment &)

Attachment 2 has been included to assist Caltrans Project Managers and District Local Assistance Engineers with understanding the Approval Authorities under “High Profile Projects” and “Assigned Projects – NHS/Non-NHS”.

### **Conflict Resolution**

Within this process, many of the decisions to be made regarding HPPs under the provisions of the Agreement are to be FHWA/Caltrans joint decisions. Invariably, disagreements may arise between the FHWA and Caltrans representatives that could cause delays to project schedules. Consequently, when circumstances occur whereby there is a disagreement that needs to be resolved, the FHWA has the ultimate responsibility for meeting federal requirements with respect to all projects delivered with FAHP funds.

If a disagreement arises between the FHWA and Caltrans representatives that is impacting the project schedule and cannot be resolved within two weeks at that level, then the decision will be elevated to the representatives’ supervisors. The FHWA and Caltrans representatives will provide the basis for their viewpoint to the supervisors. The supervisors will evaluate each

viewpoint and work jointly to arrive at a decision. If after two weeks the supervisors are unable to reach agreement, then the decision will be elevated to the FHWA Director of State or Local Programs and the Caltrans District Director. All viewpoints along with any supporting documentation will be provided to the FHWA Directors and District Director to help them arrive at a joint decision. If after two weeks the FHWA Directors and District Director are unable to reach a decision, all documentation will be provided to the FHWA Chief Operating Officer for review. The FHWA Chief Operating Officer, in coordination with the FHWA Division Administrator, will have the final determination authority for the selection HPPs.

#### EXECUTION OF THE DOCUMENT

The FHWA and Caltrans concur in this process for identifying and selecting High Profile Projects and carrying out their respective Project responsibilities with mutual cooperation and collaboration. This process does not relieve either party from accountability for compliance with federal laws and regulations of the FAHP. Neither does it change or supersede any internal processes for either agency. Signatures on the updated Stewardship and Oversight Agreement by the FHWA and Caltrans acknowledge this method for identifying high profile projects and FHWA approval and involvement for each project.

## **ATTACHMENT 1: DEFINITIONS OF HIGH PROFILE PROJECTS CRITERIA**

**Controversial and Congressional Interest Projects** – These are projects that are highly controversial or are of high congressional interest as determined by the FHWA. Examples of these types of projects would be the selections made for the “Corridors of the Future Program” and “Urban Partnership Program.” Furthermore, these criteria could include projects of a National Interest with limited or no Federal funding such as the San Francisco-Oakland Bay Bridge.

**Pilot Projects** – These are projects included in pilot programs as established by Caltrans or the FHWA. These projects are testing a new or specific feature to determine the benefits to the highway program. These are not the projects, which use to be defined in legislation as Demo projects and are now called Congressional earmarks. Some examples of such programs are the Value Pricing Pilot Program, Express Lanes Demonstration Program, Caltrans’ Design/Build and Public Private Partnership Programs, Caltrans’ Design Sequencing Pilot Program, buses on shoulders, quiet pavements, and High Occupancy Toll lanes.

**Executive Order 13274 Projects** – These projects are selected by the Secretary of Transportation to enhance environmental stewardship and to streamline the environmental review and development of transportation infrastructure projects. This criterion applies to 2 projects: 1) Interstate 5 North Coast project and 2) Mid-County Parkway (CETAP) in Riverside.

**Interstate Projects with New/Modified Access** – These are projects where the existing points of access are changed or new points of access to the Interstate are proposed. FHWA approval of the New or Modified Access is obtained through a two-step process, which is described in the Caltrans Project Development Procedures Manual. Since these projects require FHWA approval, the majority of these projects may be assigned unless there are some other distinguishing criteria, which may warrant the project being considered as High Profile. Projects meeting these criteria which are not selected as High Profile Projects will be considered as Assigned Projects and approval authority will follow those outlined in the “Assigned Projects – NHS/Non-NHS” column of the Project Responsibilities List in Attachment 2 of the Stewardship/Oversight Agreement.

**Invitational Projects** – These are projects where Caltrans requests and establishes the FHWA’s level of involvement. An example of this type project is the Devil’s Slide Tunnel.

**High Risk ITS Projects** – These are projects that are described under 23CFR Section 940, as any ITS project that implements part of a regional ITS initiative that is multi-jurisdictional, multi-modal, or otherwise affects regional integration of ITS systems. See Attachment A for additional clarification.

**Major Projects** – These are projects, which have a total cost (including preliminary engineering, ROW, construction, project management, etc.) exceeding \$500 million. The projects are defined usually defined by the NEPA document not the State EA number; therefore, several EA numbers can be included in a Major Project. These require Finance Plans and Project Management Plans.

**Non-Traditional Revenue Sources Projects** – These are projects that are financed through non-traditional means. An example of this type of project is the TIFIA loan project.

**Special Experimental Projects (SEP-14) – Alternative Contracting** – The objective of SEP-14 process is to evaluate "project specific" innovative contracting practices undertaken by State highway agencies that have the potential to reduce the life cycle cost of projects, while at the same time, maintain product quality. SEP-14 projects follow a formal application process.

**Special Experimental Projects (SEP-15) – Public Private Partnerships** - SEP-15 is a new experimental process for the FHWA to identify, for trial evaluation, new public-private partnership approaches to project delivery. It is anticipated that these new approaches will allow the efficient delivery of transportation projects without impairing the FHWA's ability to carry out its stewardship responsibilities to protect both the environment and American taxpayers. SEP-15 projects follow a formal application process.

**Unusual Bridges** – These projects include bridges with difficult or unique foundation problems; new or complex designs with unique operational or design features; bridges with exceptionally long spans (greater than 150 m); or bridges designed with procedures that depart from currently recognized practices.

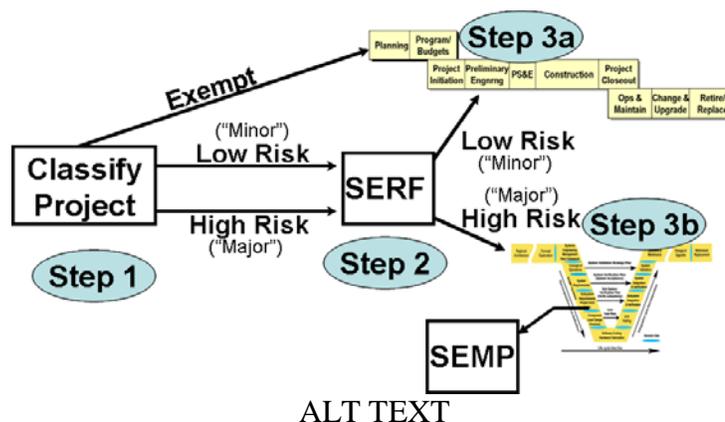
**Unusual Structures** – Unusual structures are tunnels, geotechnical structures featuring new or complex wall systems or ground improvement systems, hydraulic structures that involve complex stream stability countermeasures, and structures using atypical or unique designs or design techniques.

## Attachment A - High Risk ITS Projects

### OVERVIEW - ROADMAP TO ITS COMPLIANCE

The application and oversight process for ITS projects is different in some significant ways from the traditional roadway construction process. Because of this difference, many ITS projects have **not** been successful. This is especially true of ITS projects that involve something **new**, which might include new technology or new software or new communications, or joint efforts with new partners. Because of the high risk of failure for certain ITS projects, a special process is required to help **mitigate those risks** and to avoid the waste of taxpayer funds that occurs when ITS projects fall short.

The process is graphically depicted and summarized below. The process varies depending upon degree of **risk** involved. As shown in the Figure, there are three steps in the project funding and delivery process.



**Step 1** occurs when the ITS project is added to the Transportation Improvement Program (TIP). The lead agency makes a **preliminary** classification of the project as **High-Risk**, **Low-Risk**, or **Exempt**. If the project is **Exempt**, then the remainder of the process is exactly the same as for a traditional road building project. **Low-Risk** and **High-Risk** projects proceed to Step 2.

**Step 2** occurs with PSR completion for Caltrans projects and when initial funding is requested for local agencies. The Project Manager must fill out a Systems Engineering Review Form (SERF), which consists of seven questions. Based on the answers, the project is classified as **Low-Risk** or **High-Risk**, then proceeds accordingly.

**Step 3a** – For **Low-Risk** projects, the remainder of the process is *exactly the same* as for a traditional road building project.

**Step 3b** – For **High-Risk** projects, the traditional road building process is **not** appropriate. Instead, the best approach is usually a Systems Engineering process. A Systems Engineering Management Plan (SEMP) must be completed early in the process to help manage the detailed system design, implementation, and testing.

## TYPES OF PROJECTS

ITS projects are divided into three types: **Exempt, Low-Risk, and High-Risk projects**. The planning and development process to be followed is different for these three types. **The previous version of this Guideline referred to Low-Risk projects as “Minor” ITS projects, and High-Risk projects as “Major” ITS projects.** As a transition for the reader, both terms will be noted for a period of time.

The following attributes can often be used to classify ITS projects as exempt, low, or high risk.

**Exempt** ITS projects do not require a Systems Engineering Analysis (SEA) and are not covered under these ITS Program Guidelines. All activities of the traditional roadway project development life-cycle process will be followed. No further ITS-specific action is necessary. They can be *any* the following:

- 1) Upgrades to an existing traffic signal – This may include, for example, adding or revising left-turn phasing or other phasing, adding pedestrian-crossing displays.
- 2) Installing an “isolated” traffic signal – This is a signal not connected to any type of external signal-control system, nor likely to be in the future because of its isolation.
- 3) Traffic signal timing projects – This includes all “studies” whose purpose is to change the coordination parameters for controlling a group of signals – but with *no* installation of new hardware or software.
- 4) Studies, Plans, Analyses – This includes ITS Master Plans, Deployment Plans, Technology Studies, etc. whose product is only a document, with no new hardware or software installed.
- 5) Routine Operations – This includes operating and maintaining any ITS elements or systems – again with no new hardware or software installed.

**Low-Risk (formerly “Minor”)** ITS projects are often referred to as ITS infrastructure expansion. Standard Plans, Standard Specification, and Standard Special Provisions are well documented. They will have *all* of the following characteristics:

- 1) Single jurisdiction; single transportation mode (highway, transit or rail)
- 2) No software creation; commercial-off-the-shelf (COTS) or proven software
- 3) Proven COTS hardware & communications technology
- 4) No new interfaces
- 5) System requirements fully detailed in writing
- 6) Operating procedures fully detailed in writing
- 7) Project life-cycle not shortened by technology service life

**High-Risk (formerly “Major”)** ITS projects are often referred to as ITS “System Developments.” They have *one (or more)* of the following characteristics:

- 1) Multi-Jurisdictional or Multi-modal
- 2) Custom software is required

- 3) Hardware and Communications are “cutting-edge” or not in common use
- 4) New interfaces to other systems are required
- 5) System requirements not detailed or not fully documented
- 6) Operating procedures not detailed or not fully documented
- 7) Technology service life shortens project life-cycle

## **EXAMPLES OF ITS PROJECT TYPES**

An example of an **Exempt** ITS project would be the installation of traffic signal hardware (traffic controller/software, cabinet, detectors, etc) to control an isolated intersection in City A. It meets the signal warrants found in Chapter 4 of the California MUTCD, but there is no current or foreseen need to interconnect to other signals. No software development is needed; merely adjusting programmable settings and parameters for control. Standard plans, specifications, identified special provisions have been well documented over the years for the design and construction of signal control field equipment. The traditional roadway project development process will be used. Typical of this kind of project is for plans, specifications, and estimate (PS&E) to be developed, and construction contracts handled through a low-bid selection.

An example of a **Low-Risk** ITS project is the addition of 30 full matrix changeable message signs to an existing system that has five identical signs already deployed. No changes are needed to the existing central or field equipment. The system was initially designed to accommodate these additional signs so no additional software is needed. Assumptions are: 1) the initial system has been completed and the system is working well, 2) the contractor will deploy the signs, poles and foundations, controllers, and wire the controllers into the signs, and 3) the agency will add configuration information about the signs at the central computer. Updates to the existing plans have been reviewed to ensure that the original design and implementation is not adversely affected as a result of adding the elements.

During the design process, it may be discovered that a number of changes to the existing system are needed in addition to adding the expansion elements. This need could arise because of new and better technologies (or the old hardware is no longer available), or because of the desire to improve or expand the functionality of the “previous” system, or because of the need to use the system in a different way (e.g. sharing control with another party). **Any of these instances would elevate the project to a High-Risk implementation.**

Additional examples of **Low-Risk** ITS projects include:

- Adding five identical CCTV cameras to the existing 20 – with no other changes to the system or how it’s used.
- Adding 50 identical new loops to the existing 200 – no other changes
- Installing an existing parking management system at 2 additional garages – with no changes
- Expanding the pre-existing system/network by adding several more XXXX units – with no changes. (XXXX can be almost any ITS element)

- Expanding existing communications systems – this consists of extending existing fiber-optic or wireless communications systems, using the same technology and specifications as the preexisting system.
- Leasing turnkey services only (e.g., website-based information service) – with no hardware or software purchases.

**High-Risk** ITS projects are often referred to as ITS System developments. For example, a High-Risk ITS project will result from adding the following new requirement to the previously described Low-Risk project: “The changeable message signs will have shared control with a partner Agency B.” For this example, Agency B manages events at two activity centers. As part of the installation, Agency A will be installing six signs that would assist agency B for their event management. Agency B would use the CMS to divert traffic to get the attendees in and out of the event faster and more safely. To enable this shared control, new software may need to be developed and integrated into the existing system. With this requirement for new functionality (shared control), new risks and complexity are introduced. Although the traditional roadway Design/development and construction process is needed for the signs and controllers at each location, there will be a need for systems engineering to address the software development and integration efforts. In this example, revisions to the existing “concept of operations” and development of agreements for interagency coordination will be especially important to clarify expectations and avoid future disputes.

Additional examples of **High-Risk** ITS projects include:

- Multi-jurisdictional or multi-modal system implementation -- Because of the external interfaces required, these projects generally include substantial software development. For example:
  - A traveler information system that collects data from multiple agencies or modes
  - A Bus Traffic Signal Priority system between City Traffic and Regional Transit, or one that crosses multiple jurisdictions.
- The first stage of an “umbrella” system implementation. During this first stage, the full system engineering process would be used to develop the overall system framework plus the first implementation of that framework. For example:
  - New Traffic Signal Coordination system design plus implementation at an initial number of signals, with more signals added in later project(s).
  - New Traffic Information System design plus the first implementation in Cities X and Y, with more cities added in later project(s).
  - New Electronic Fare-Payment System design and initial implementation on Metro buses, with other transit agencies added in later project(s).

If subsequent stages replicate the initial implementation, they would not be high risk. Instead, they fit the definition of a low risk ITS project, expanding the existing system with no new capabilities, and no new interfaces.

## APPLICATION OF ITS PROCEDURES

Until such time as Caltrans formally addresses the requirements of 23CFR940.11 statewide and program-wide within their Project Development Procedures Manual, the ITS procedures for

Local Assistance projects are being followed. These are in the Local Assistance Program Guidelines (LAPG) in Chapter 13 *Intelligent Transportation Systems*. FHWA requires that a Systems Engineering Review Form (SERF) be completed close to time of PSR for all Major and Low Risk ITS Projects. The SERF is to be submitted to FHWA for review and approval for High Risk ITS Projects only. For Low Risk ITS Projects, the SERF shall reside in Caltrans project file. In addition, a Systems Engineering Management Plan (SEMP) is to be completed and submitted to FHWA for review and approval at completion of requirements and high-level functional design - before detailed specification/design and implementation take place. This information will address completely the elements of the SERF that were not known when system development began.

ATTACHMENT 2: PROJECT RESPONSIBILITIES LIST

*Overview*

The Project Responsibility List identifies the responsible agency for project level actions. It is organized by columns listed as High Profile and Assigned Projects. Within each column, activities are listed and the appropriate Approval Authority (FHWA or Caltrans) is identified. The FHWA will maintain approval authority for activities that cannot be assigned and activities that may pose a risk to individual projects. The activities with highlighted ( ) cells under the High Profile projects column, which show FHWA, may be assigned to Caltrans if the particular activity is of low risk to the project or the FAHP.

APPROVAL ACTION	Approval Authority	
	High Profile Projects	Assigned Projects NHS/Non-NHS
<b>ADMINISTRATION</b>		
<b>Financial Management</b>		
All Vouchers (progress payments and final)	FHWA	FHWA
Federal-aid Project Agreement and Modification—Preliminary Engineering through Construction [23 CFR 630.110]	FHWA	FHWA
Funding Eligibility Determinations	FHWA	Caltrans (4)
Obligate funds	FHWA	FHWA
Section 1.9 Waiver [23 CFR Section 1.9]	FHWA	FHWA
<b>PROJECT DEVELOPMENT</b>		
<b>ROW</b>		
Accept ROW certificate 3 as a condition of PS&E approval [23 CFR 635.309(c)(3)]	FHWA	FHWA
Accept ROW certificates 1 and 2 as a condition of PS&E approval [23 CFR 635.309(c)(1)&(2)]	FHWA	Caltrans
Air space agreements / Non-highway use and occupancy not on the Interstate [23 CFR 710.405]	FHWA	Caltrans
Air space agreements / Non-highway use and occupancy on the Interstate [23 CFR 710.405]	FHWA	FHWA
Control of Access [23 CFR 620.203(h)]	FHWA	FHWA
Functional Replacement [23 CFR 710.509]	FHWA	FHWA
Junkyard Control [23 CFR 751.25]	FHWA	FHWA
Outdoor Advertising Sign Removal Projects [23 CFR 750.307]	FHWA	FHWA
Protective Buying and Hardship Acquisition [23 CFR 710.307, 503]	FHWA	FHWA
Public Interest Finding (PIF) - Disposal of federally funded ROW [23 CFR 710.403, 409]	FHWA	FHWA
Railroad Agreement [23 CFR 646.216 (3)(d)]	FHWA	Caltrans
Relinquishment of a Highway Facility for continued highway purposes [23 CFR 620.201, 202, 203]	FHWA	FHWA
Request for Credits for Early Acquisition of ROW [23 CFR 710.501]	FHWA	FHWA
Request for Direct Federal Acquisition [23 CFR 710.603]	FHWA	FHWA

APPROVAL ACTION	Approval Authority	
	High Profile Projects	Assigned Projects
		NHS/Non-NHS
Request for Federal Land Transfer [23 CFR 710.601]	FHWA	FHWA
Request for Waivers [49 CFR 24.204(b)]	FHWA	FHWA
Utility Agreement [23 CFR 645.113, 119]	Caltrans	Caltrans
Utility Relocation [23 CFR 645 subparts A and B]	FHWA	Caltrans
Withholding of Payments [23 CFR 710.203(c), 23 CFR 1.36]	FHWA	FHWA
<b>Environment</b>		
Categorical Exclusion (CE) [23 CFR 771.117 (c) and (d): SAFETEA-LU 6004; 23 CFR 771.117 all other CEs: SAFETEA-LU 6005]	Caltrans (1)	Caltrans (1)
Certification of Public Hearing [23 CFR 771.111(h)(2)(vi)]	Caltrans	Caltrans
Draft Environmental Impact Statement (DEIS) [23 CFR 771.123; 23 CFR 771.123 (e); SAFETEA-LU 6005]	Caltrans (1)	Caltrans (1)
Environmental Assessment (EA) Availability to the Public [23 CFR 771.1199(c); SAFETEA-LU 6005]	Caltrans (1)	Caltrans (1)
Final Environmental Impact Statement (FEIS) [23 CFR 771.125; 23 CFR 771.125(c); SAFETEA-LU 6005]	Caltrans (1)	Caltrans (1)
FEIS Legal Sufficiency [23 CFR 771.125(b); SAFETEA-LU 6005]	Caltrans (1)	Caltrans (1)
Finding of No Significant Impact [23 CFR 771.121; SAFETEA-LU 6005]	Caltrans (1)	Caltrans (1)
Noise Abatement [23 CFR 772]	Caltrans	Caltrans
Project-Level Transportation Conformity for CE processed under SAFETEA-LU 6004 MOU [40 CFR 93]	Caltrans (1)	Caltrans (1)
Project-Level Transportation Conformity for CE, EA and Environmental Impact Statement (EIS) processed under SAFETEA-LU 6005 MOU [40 CFR 93]	FHWA	FHWA
Record of Decision [23 CFR 771.127; SAFETEA-LU 6005]	Caltrans (1)	Caltrans (1)
Re-evaluation on Approved Environmental Documents [23 CFR 771.129; SAFETEA-LU 6004 & 6005]	Caltrans (1)	Caltrans (1)
Section 4(f) <i>De Minimis</i> Determination [SAFETEA-LU 6004, 6005 & 6009, 49 USC 303]	Caltrans (1)	Caltrans (1)
Section 4(f) Individual [23 CFR 771.135; SAFETEA-LU 6004 & 6005]	Caltrans (1)	Caltrans (1)
Section 4(f) Programmatic [23 CFR 771.135; SAFETEA-LU 6004 & 6005]	Caltrans (1)	Caltrans (1)
Supplemental EIS [23 CFR 771.130; SAFETEA-LU 6005]	Caltrans (1)	Caltrans (1)
<b>Preliminary Design</b>		
Consultant Selection [23CFR 172.5]	FHWA	Caltrans (2)
Financial Plans for projects from \$100M to \$499M [SAFETEA-LU 1904]	Caltrans	Caltrans
High Risk ITS Project Development [23 CFR 940.11]	FHWA	FHWA
Major Projects and TIFIA Loan Projects - Project Management Plan and Financial Plan Approval [SAFETEA-LU 1904]	FHWA	FHWA
Low Risk ITS Project Development [23 CFR 940.11]	Caltrans	Caltrans

APPROVAL ACTION	Approval Authority	
	High Profile Projects	Assigned Projects
		NHS/Non-NHS
New/Modified Interstate Access Determination of Engineering and Operations Acceptability [Feb 1998 Federal Register, Vol#28 - (minor access changes assigned to Caltrans, see letter dated September 15, 1994]	FHWA (Caltrans)	FHWA (Caltrans) / N/A
PIF – Airspace Clearance FAA [23 CFR 620.104]	FHWA	FHWA / N/A
PIF - Use of Negotiated Consultant Contracts [23 CFR 172.5(3)]	FHWA	Caltrans (2)
Request for Qualifications [23 CFR 636] Design Build, Public Private Partnerships Statement of Qualifications	FHWA (5)	Caltrans
<b>Detailed Design</b>		
Approve preliminary plans for major and unusual structures	FHWA	Caltrans
Design Exceptions, non-Interstate (all other projects) [23 CFR 625.3]	Caltrans	Caltrans/ Local (3)
Design Exceptions on the Interstate (13 controlling Criteria) [23 CFR 625.3]	FHWA	FHWA/NA
Experimental Features (Pilot and Demo) aka CEWP, design/sequencing	FHWA	FHWA
New/Modified Interstate Access Control Change - Final Approval [Feb 1998 Federal Register, Vol#28]	FHWA	FHWA
PIF – Statewide and project specific use of proprietary products and processes [23 CFR 635.411]. If statewide, FHWA approval.	FHWA	Caltrans (2)
PIF and Cost Justification Letter - Statewide and Project Specific - Concur in use of publicly furnished materials and expenses [23 CFR 635.407]. If statewide, FHWA approval.	FHWA	Caltrans (2)
ROW encroachments - Use and occupancy of acquired ROW [23 CFR 710.401, HDM 504.8]	FHWA	FHWA
Value Engineering [23 CFR 627, SAFETEA-LU 1904]	Caltrans	Caltrans/ Local (3)
<b>PS&amp;E and Advertising</b>		
Authorize advertising for bids [23 CFR 635.112]	FHWA	FHWA
Approval of Final Request for Proposal [23 CFR 636] Design Build and Public Private Partnerships.	FHWA	FHWA
Authorize utility or railroad force account work [23 CFR 645.113 & 646.216]	FHWA	Caltrans (2)
Bid Analysis (Engineer Estimates)	FHWA	Caltrans (2)
Consultant Agreements [23 CFR 172.7 - 172.9]	FHWA	Caltrans (2)
Contingencies greater than 5% and Supplemental Work Items greater than 10% (Project Delivery Directive Memo from Rick Land 10/14/2009)	FHWA	FHWA
Exempt bridge from Coast Guard permit requirements [23 CFR 650.805]	FHWA	FHWA
Hiring of consultant to serve in a "management" role [23 CFR 172.9(d)]	FHWA	Caltrans (2)
Noise - Reasonable and Feasible Determination for PS&E approval [23 CFR 772.11(g)]	Caltrans (1)	Caltrans (2)
PIF - Advertising period less than three weeks [23 CFR 635.112]	FHWA	Caltrans
PIF - Use of contracting method other than competitive bidding [23 CFR 635.104 & 204]	FHWA	Caltrans

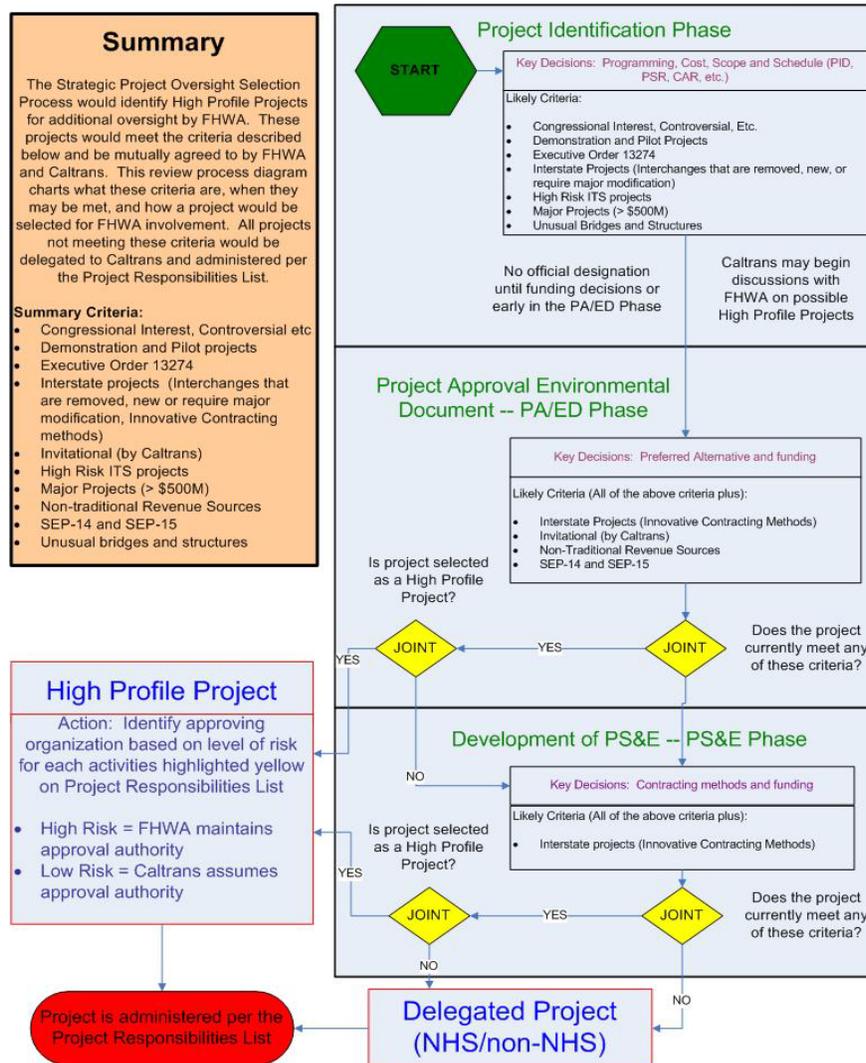
APPROVAL ACTION	Approval Authority	
	High Profile Projects	Assigned Projects
		NHS/Non-NHS
PIF - Use of Force Account [23 CFR 635.204, 205]	FHWA	Caltrans
PIF - Use of Mandatory Borrow/Disposal Sites [23 CFR 635.407]	FHWA	Caltrans (2)
PIF - Use of Publicly Owned Equipment [23 CFR 635.106]	FHWA	Caltrans (2)
PS&E [23 CFR 630.205, 23 USC 106]	FHWA	Caltrans (2)
Supplemental Work Item Justification	FHWA	Caltrans (2)
Utility and railroad agreements [23 CFR 645.113 & 646.216]	FHWA	Caltrans (2)
Warranties [23 CFR 635.413]	FHWA	FHWA
<b>Construction</b>		
Addenda during advertising period [23 CFR 635.112(c)]	FHWA	Caltrans (2)
Buy America Waiver [23 CFR 635.410, ISTEA Sec. 1041(a) & 1048(a), 41 CFR 10 (a-d)] Submit to HQ if >\$50K.	FHWA	FHWA
Concur in award of contract [23 CFR 635.114]	FHWA	Caltrans (2)
Concur in rejection of all bids [23 CFR 635.114]	FHWA	Caltrans (2)
Concur in settlement of contract claims [23 CFR 635.124; C&M Manual, Chapter 2]	FHWA	Caltrans (2)
Concur in termination of contracts [23 CFR 635.125]	FHWA	Caltrans (2)
Construction engineering by local agency [23 CFR 635.105]	FHWA	Caltrans (2)
Contract time extensions [23 CFR 635.120 & 121]	FHWA	Caltrans (2)
Final inspection/acceptance of completed work [23 USC 114(a)]	FHWA	Caltrans (2)
Incentive/Disincentive Amount Justification [23 CFR 635.127]	FHWA	Caltrans (2)
Innovative Contracting Requirements [SEP 14 & 15]	FHWA	FHWA
Liquidated Damages (rates subject to FHWA approval) [23 CFR 635.127]	FHWA	Caltrans (2)
Major changes and extra work [23 CFR 635.120]	FHWA	Caltrans (2)
Materials Certification Acceptance [23 CFR 637.207]	FHWA	Caltrans (2)
Minor changes and extra work [23 CFR 635.120]	Caltrans	Caltrans (2)
Subcontracting Requirements [23 CFR 635.116(b)]	FHWA	Caltrans (2)
<b>Research</b>		
Experimental Features [FAPG Ch. 6, Sect G 6042.4]	FHWA	FHWA
<b>Emergency Relief</b>		
ER Damage Assessments and Reports on the SHS [23 CFR 668, 23 USC 120 and 125]	FHWA	FHWA
ER Damage Assessments and Reports off the SHS [23 CFR 668; 23 USC 120 and 125; ER Q&A, Question #5 Revised DAF and #8 Coordination with Other Agencies]	FHWA/ Caltrans	Caltrans

APPROVAL ACTION	Approval Authority	
	High Profile Projects	Assigned Projects
	NHS/Non-NHS	
<p>(1) Caltrans has assumed responsibility for these items under the Section 6004 and 6005 MOUs. The FHWA will reassume responsibility should any of the applicable agreements be terminated or expire. Additionally, the FHWA remains responsible for several projects that have been excluded from the assumption of NEPA responsibilities by Caltrans.</p> <p>(2) Activity is delegated to the local agency off SHS.</p> <p>(3) Caltrans approval on State Highways System and local agency approval for off-State Highways System</p> <p>(4) Subject to the FHWA's Random Sampling Verification Process</p> <p>(5) FHWA reviews and comments</p>		

**ATTACHMENT 3: HIGH PROFILE PROJECTS CRITERIA APPLICABILITY ON THE FEDERAL-AID SYSTEM (✓ DENOTES APPLICABILITY)**

High Profile Projects Criteria	Interstate		National Highway System (NHS)		Non-NHS	
	Fed Funds	Non-Fed	Fed Funds	Non-Fed	Fed Funds	Non-Fed
A. Controversial and Congressional Interest Projects (*See explanation in Definitions Of High Profile Projects Criteria)	✓	✓*	✓	✓*	✓	✓*
B. Pilot Projects	✓		✓		✓	
C. Executive Order 13274 Projects (2 Projects) 1. Interstate 5 North Coast Project 2. Mid-County Parkway (CTAP) in Riverside	✓		✓		✓	
D. Interstate Projects involving but not limited to new or modified access points	✓	✓				
E. Invitational Projects	✓		✓		✓	
F. High Risk Intelligent Transportation Systems (ITS) Projects	✓		✓		✓	
G. Major Projects (>\$500M)	✓		✓		✓	
H. Non-Traditional Revenue Sources projects (Such as TIFIA Loans, etc.)	✓	✓	✓	✓	✓	✓
I. Special Experimental Projects – Alternative Contracting (SEP-14)	✓		✓		✓	
J. Special Experimental Projects – Public Private Partnerships (SEP-15)	✓	✓	✓	✓	✓	✓
K. Unusual Bridge or Structure Projects	✓	✓	✓		✓	

# ATTACHMENT 4: STRATEGIC PROJECT OVERSIGHT SELECTION PROCESS (CAPITAL PROJECTS)



## ALT TEXT ATTACHMENT 4: STRATEGIC PROJECT OVERSIGHT SELECTION PROCESS (CAPITAL PROJECTS)

Start. Project identification Phase then Key decisions: Programming, cost, scope, and schedule (PID, PSR, CAR, etc). No official designation until funding decisions or early in the PA/ED phase and Caltrans may begin discussions with FHWA on possible high profile projects. Then project approval environmental document—PA/ED phase with Key decisions being preferred alternative and funding then ask if the project currently meets criteria, if yes ask is the project a high profile project if yes, project is high profile. Ask if it is high risk, if yes FHWA maintains approval authority, if no Caltrans assumes approval authority. Then project is administered per the project responsibility list. If answer to “if the project currently meets criteria” or answer to “is project selected as a high profile project” is no, then enter development of PS&E phase with key decisions being contracting methods and funding. Then ask if the project currently meets criteria, if yes ask is the project a high profile project if yes, project is high profile. Ask if it is high risk, if yes FHWA maintains approval authority, if no Caltrans assumes approval authority. If answer to “if the project currently meets criteria” or answer to “is project selected as a high profile project” is no, then determine if delegated project is NHS or non-NHS. Then project is administered per the project responsibility list

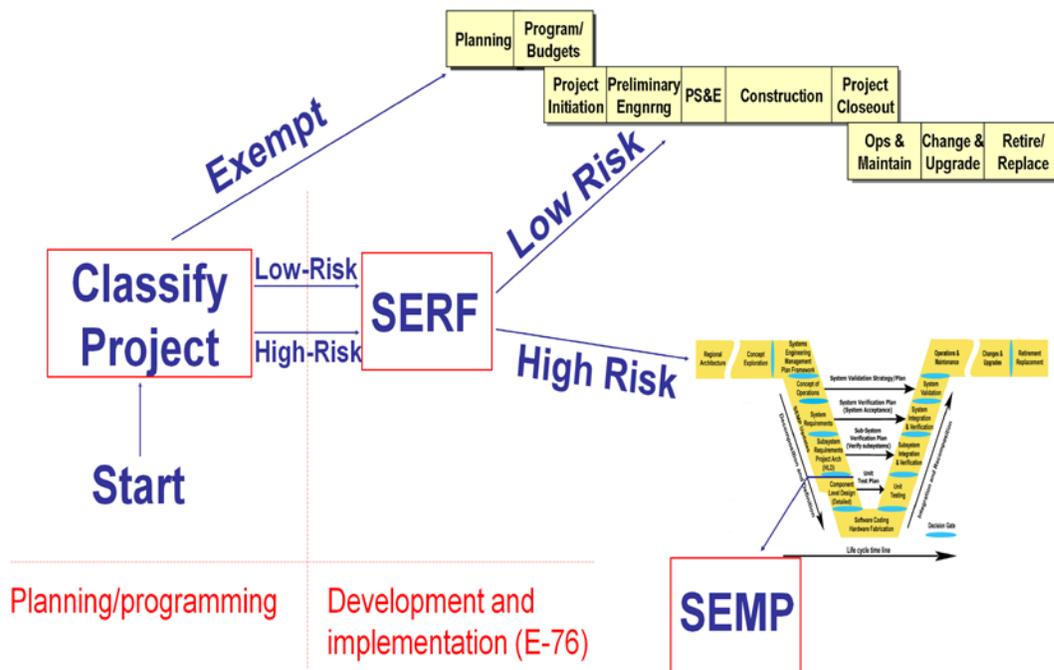
**ATTACHMENT 5: STRATEGIC PROJECT OVERSIGHT SELECTION PROCESS  
(LOCAL ASSISTANCE PROJECTS)**

**ALT TEXT ATTACHMENT 5: STRATEGIC PROJECT OVERSIGHT SELECTION  
PROCESS (LOCAL ASSISTANCE PROJECTS)**

**Start then Local Agency completes and submits “Request for Authorization to Proceed” to Caltrans District Local Assistance Engineer then at DLAE and ask “Does the project meet any of the HPP criteria?” If yes then Cal trans District Director/FHWA . Then ask “Is the Project Selected as a High Profile Project?” If yes Clarify Responsibilities List / Sign Caltrans/FHWA Agreement - Project Proceeds as a High Profile Project. Then Authorized Project Phase is completed then Local Agency and ask “Does the Project Seek Federal Aid for Another Phase of Work?” If yes, move back to start, if no end. If answer to “Does the project meet any of the HPP criteria” was no, then Project Proceeds as a Delegated Project then Local Agency and ask “Does the Project Seek Federal Aid for Another Phase of Work?” If yes, move back to start, if no end.**

**ATTACHMENT 6: Strategic Project Oversight Selection Process (ITS Projects)**

# Roadmap to ITS Compliance



**ALT TEXT ATTACHMENT 6: Strategic Project Oversight Selection Process (ITS Projects)**

**Step 1** occurs when the ITS project is added to the Transportation Improvement Program (TIP). The lead agency makes a **preliminary** classification of the project as **High-Risk**, **Low-Risk**, or **Exempt**. If the project is **Exempt**, then the remainder of the process is exactly the same as for a traditional road building project. **Low-Risk** and **High-Risk** projects proceed to Step 2.

**Step 2** occurs with PSR completion for Caltrans projects and when initial funding is requested for local agencies. The Project Manager must fill out a Systems Engineering Review Form (SERF), which consists of seven questions. Based on the answers, the project is classified as **Low-Risk** or **High-Risk**, then proceeds accordingly.

**Step 3a** – For **Low-Risk** projects, the remainder of the process is *exactly the same* as for a traditional road building project.

**Step 3b** – For **High-Risk** projects, the traditional road building process is **not** appropriate. Instead, the best approach is usually a Systems Engineering process. A Systems Engineering Management Plan (SEMP) must be completed early in the process to help manage the detailed system design, implementation, and testing.

## **ATTACHMENT 7: SAMPLE PROJECT OVERSIGHT AGREEMENT**

(Note: Some sections may not be applicable to all High Profile Projects)

FEDERAL HIGHWAY ADMINISTRATION  
Project Oversight Agreement for  
<Project>  
Fed Project No. / EA  
<Date>

On September 4, 2007, a new Federal Highway Administration (FHWA) and California Department of Transportation (Caltrans) Stewardship and Oversight (Stewardship/Oversight) Agreement was signed. Under the new Stewardship/Oversight Agreement, the FHWA and Caltrans will utilize a risk-based approach to project-level management that no longer uses the \$1,000,000 threshold to determine FHWA stewardship and oversight. This risk-based approach to project oversight will be conducted in two steps: 1) selecting the projects that traditionally pose a risk to the health of the Federal-aid Highway Program (High Profile projects) and 2) within the High Profile projects, further delegating approval authorities in activities that pose a low risk to the individual projects.

A Major Project is defined as having a total project cost of greater than \$500 million. Under the Stewardship/Oversight Agreement, all Major Projects are considered “High Profile” Projects. Each “High Profile” project will have a Project Responsibility List developed to define which approval actions are to be handled by FHWA or Caltrans/Local Agency. Other areas of Federal involvement and/or approval actions for this project are summarized in this agreement i.e., attending meetings, design reviews, conducting project inspections, etc.

### FHWA Project Personnel and Resources for Oversight:

An FHWA Project Oversight Manager (POM) has been assigned for the oversight of this project. The POM will be responsible for all project actions and approvals, with the guidance of the FHWA Division Office management and the assistance of other FHWA personnel. Division Office specialists will be available for project reviews and technical assistance in order to provide expeditious reviews and approvals of project actions. Oversight will be conducted through project inspections, review of project data and various other means. The U.S.D.O.T. Office of Inspector General may also perform audits of project costs and other financial data as required.

### Reporting Requirements:

The FHWA POM will be responsible for providing periodic updates of the costs and schedules of the project to FHWA Headquarters and the United States Department of Transportation (US DOT) – Office of the Secretary. Briefings will also be provided to assist various agencies with tracking information. The Project Management team will provide the POM with quarterly updates at a minimum (using all available information) with respect to project cost and scheduling to assist with this task. Along with the quarterly updates, the FHWA POM will attend regular meetings to discuss the project’s progress including any unforeseen circumstances.

Within 30 days of the execution of this agreement, the \_\_\_\_\_ (project sponsor) shall submit a proposed schedule of dates for work to be completed to the FHWA Project Oversight Manager. If the \_\_\_\_\_ (project sponsor), for any reason, cannot fulfill the FHWA recommended project timelines and milestones, the \_\_\_\_\_ (project sponsor) must propose alternate project timelines and milestones that would constitute a good faith effort to complete the project preferably within the initial time estimated for delivery of the project. Please refer to attachment 8 for examples of the required forms.

The projects alternate project timelines and milestones must receive the POMs advanced approval, in writing, prior to proceeding on further project activities. As the project progresses, updates to the schedules may be necessary, when proposed by the \_\_\_\_\_ (project sponsor) and agreed upon by the POM.

Major milestones for the project will identify dates for begin and end dates of major phases of the project documented in Caltrans' Project Development Workflow Tasks Manual.

## PRE-AWARD

### 1. Project Plans, Specifications and Estimate

- Must include: PE and ROW Initiation (Authorization), PS&E major milestones, ROW Certification, and any other milestones requested of the POM.

### 2. Contract Approval

- Must include: Construction Authorization, Ready to List for Advertising and Construction Award dates and any other milestone requested of the POM.

## POST-AWARD

### 1. Major Construction Milestones

- Must include first and last day of work, interim and final inspections, acceptance of completed construction project and any other milestones requested of the POM.

### 2. Final Invoicing and Financial Closeout

Please note, for projects where FHWA has retained NEPA approval authority, major milestones will be developed in conjunction with all studies and resource/permitting agency coordination activities that are required prior to NEPA completion. As FHWA oversight activities typically begin post Project Report/NEPA Certification, milestones will be organized under the following four categories. As these are all post-NEPA activities this will not compromise our existing NEPA delegation agreement:

## PROJECT DESCRIPTION

This project consists of <type of work> from <project limits>. The total project cost is estimated to be <\$\$>.

## PROJECT-SPECIFIC REQUIREMENTS

Oversight activities specific to this project are detailed in Attachment A. Items not addressed by the Project Responsibilities List that pertain to this project are discussed below.

*<For projects in NEPA or pre-NEPA stages add this sentence: Since this project has not yet completed the NEPA phase, the approval actions to be taken by FHWA, as indicated in Attachment A, may be assigned to Caltrans when the project has advanced enough to more accurately determine low-risk activities in later phases. Should a decision be made after NEPA but prior to construction that significantly changes the project's risks, i.e., a change to design sequencing or design-build, another evaluation of approval action responsibilities may be necessary. >*

### Planning:

FHWA has ensured that the Project is included in a conforming Transportation Improvement Plan.

### Environment:

*<For non-assigned projects the Project Responsibilities list will need to be changed accordingly. Any approvals changed to "FHWA" from "Caltrans" can be footnoted as follows: (1) FHWA remains responsible for this project, which has been excluded from the assumption of NEPA responsibilities by Caltrans. >*

### Design:

*<For projects with complex or high-risk design features, conduct preliminary design reviews as needed, and review and approval of project PS & E prior to authorization for construction>*

### Right of Way:

*<Activities in addition to those established on Attachment A>*

### Construction:

*<Level of Construction oversight will vary depending upon the complexity of the construction activities. Possible wording: The FHWA POM is responsible for FHWA construction oversight. This oversight may include routine inspections throughout the life of the project. If FHWA approval for Major Contract change orders is retained, it will be implemented per the Caltrans*

*Construction Manual Procedure 5-308B (1) Federal Highway Administration Involvement Requirements – Major Contract Change Orders. >*

Plan of Finance:

The initial Finance Plan will be submitted to FHWA as early as possible but no later than ninety days prior to authorization of funds for construction. Updates to the initial plan will be provided to the FHWA Division Office and the FHWA Major Projects Team by the annual submission date established in the Initial Finance Plan for each subsequent year until all construction is completed.

Project Management Plan

A draft Project Management Plan (PMP) will be submitted to FHWA prior to finalization of the NEPA decision document. The final PMP will be due 90 days after completion of NEPA. The FHWA California Division will approve the final PMP, in concurrence with the FHWA Headquarters Major Projects Team. Updates to the PMP will be completed and submitted on a regular basis if significant changes occur to the project cost and/or schedule.

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FHWA Project Oversight Manager

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Caltrans Project Manager

cc:  
Local Agency Sponsor (If applicable)

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# ATTACHMENT 8: HIGH PROFILE DATABASE FORMS



Federal Highway Administration  
California Division  
High Profile Project Database  
Form 1 - Prior to Award



Today's Date	<input type="text"/>
Project ID (EA number currently)	<input type="text"/> (EA number use first 7 digits)
Parent Project ID (EA number currently)	<input type="text"/> (if no parent project ID, please leave blank)
Federal Aid Project Number	<input type="text"/> (if available - enter number as XXXX(XXX))
Basic Project Description	<input type="text"/>
CA Project Manager (PM) Name	<input type="text"/>
CA PM Phone	<input type="text"/>
CA PM Email	<input type="text"/>
Comments:	<input type="text"/>

ALT Text Attachment 8 :Screenshot of electronic database entry form

Major	Milestones	Anticipated Date	Completed Date	Other Information
1a	Approved Project Initiation Document (PID)			
1b	CTC Approval for PE (E-76)			(PID AMOUNT \$)
1c	RFP/RFQ for Consultants			
1d	FHWA Approval of HPP Consultants for ENV			(ENV DOC TYPE)
2a	Begin Environmental (NOI)			N/A
2b	Begin Project (PE authorization)			
3a	Circulate Draft ED			(PE E-76 Amount \$)
3b	Draft PMP submittal (60 days prior to ROD)			
3c	Initial CER (30 days prior to Env Complete)			
3d	Conceptual Approval for Interstate Modifications			
4a	Environmental Complete (ROD/FONSI) PA/ED			
4b	Final PMP (90 days after ROD)			(ROW E-76 Amount \$)
5a	ROW authorization(E-76) or Begin ROW			
5b	RFP/RFQ for Design and ROW Consultants			
5c	FHWA Approval of HPP Consultants for ROW & DES			
5d	Begin Utility & Railroad Coordination			
5e	FHWA Review of Design Build/P3 RFQ (if applicable)			
5e	65% PS&E review & Approve Design Exceptions			
5g	Type Selection (for Major/Unusual Structures only)			
5h	FHWA Reviw of Design Build/P3 Draft RFP (if applicable )			
5i	Last CER			
5j	Initial Finance Plan			
5k	Receive 95% PS&E & Initial RTL submittal (60 days prior to RTL)			
6a	ROW Certification Approval			
7a	Ready To List (RTL)Approval & Approve 100% PS&E			
7b	CTC Construction Funds Allocation Vote			Con E-76 Amount \$)
7c	Construction Approval (E-76)			
7d	RFP/RFQ for Construction Management Consultants			
7e	FHWA Approval of HPP Consultants for Construction Management			
7f	FHWA Approval of Design Build/P3 Final RFP (if applicable )			
7g	Advertisement			
7h	Bids Opened			(Award Amount \$)
7i	Award Date			

**ALT Text Attachment 8 :Screenshot of electronic database entry form**



Federal Highway Administration  
California Division  
High Profile Project Database  
Form 2 - Post Award



Today's Date

Project ID (EA number currently)

Parent Project ID (EA number currently)  (if no parent project ID, please leave blank)

Federal Aid Project Number  (if available, format XXXX{XXXX})

Basic Project Description

CA Resident Engineer (RE) Name

CA RE Phone

CA RE Email

Comments:

**ALT Text Attachment 8 :Screenshot of electronic database entry form**

Major	Milestones	Anticipated Date	Complete Date	Other Information
8a	<b>Approve Contract (Executed Copy received at FHWA)</b>			
8b	Establish Construction Major Milestones (at CPM approval)			
8c	First Working Day (Actual)			
8d	Initial FHWA Construction Inspection			
8e	FHWA Finance Plan Annual Update			
8f	Critical Construction Milestones (from CPM)			
8g	Interim FHWA Construction Inspection			
8h	Critical Construction Milestones (from CPM)			
8i	Request for FHWA Final inspection			
8j	Final Materials Certification			
9a	<b>Contract Acceptance/Relief of Maintenance</b>			(Final Amount \$)
10a	<b>Final Voucher</b>			

**ALT Text Attachment 8 :Screenshot of electronic database entry form**

## ATTACHMENT 9: PROJECT RESPONSIBILITIES LIST

### Overview

The Project Responsibility List identifies the responsible agency for project level actions. It is organized by columns listed as High Profile and Assigned Projects. Within each column, activities are listed and the appropriate Approval Authority (FHWA or Caltrans) is identified. The FHWA will maintain approval authority for activities that cannot be assigned and activities that may pose a risk to individual projects. The activities with highlighted ( ) cells under the High Profile projects column, which show FHWA, may be assigned to Caltrans if the particular activity is of low risk to the project or the FAHP.

APPROVAL ACTION	Approval Authority
	High Profile Projects
<b>ADMINISTRATION</b>	
<b>Financial Management</b>	
All Vouchers (progress payments and final)	FHWA
Federal-aid Project Agreement and Modification—Preliminary Engineering through Construction [23 CFR 630.110]	FHWA
Funding Eligibility Determinations	FHWA
Obligate funds	FHWA
Section 1.9 Waiver [23 CFR Section 1.9]	FHWA
<b>PROJECT DEVELOPMENT</b>	
<b>ROW</b>	
Accept ROW certificate 3 as a condition of PS&E approval [23 CFR 635.309(c)(3)]	FHWA
Accept ROW certificates 1 and 2 as a condition of PS&E approval [23 CFR 635.309(c)(1)&(2)]	FHWA
Air space agreements / Non-highway use and occupancy not on the Interstate [23 CFR 710.405]	FHWA
Air space agreements / Non-highway use and occupancy on the Interstate [23 CFR 710.405]	FHWA
Control of Access [23 CFR 620.203(h)]	FHWA
Functional Replacement [23 CFR 710.509]	FHWA
Junkyard Control [23 CFR 751.25]	FHWA
Outdoor Advertising Sign Removal Projects [23 CFR 750.307]	FHWA
Protective Buying and Hardship Acquisition [23 CFR 710.307, 503]	FHWA
Public Interest Finding (PIF) - Disposal of federally funded ROW [23 CFR 710.403, 409]	FHWA
Railroad Agreement [23 CFR 646.216 (3)(d)]	FHWA
Relinquishment of a Highway Facility for continued highway purposes [23 CFR 620.201, 202, 203]	FHWA
Request for Credits for Early Acquisition of ROW [23 CFR 710.501]	FHWA
Request for Direct Federal Acquisition [23 CFR 710.603]	FHWA

APPROVAL ACTION	Approval Authority
	High Profile Projects
Request for Federal Land Transfer [23 CFR 710.601]	FHWA
Request for Waivers [49 CFR 24.204(b)]	FHWA
Utility Agreement [23 CFR 645.113, 119]	Caltrans
Utility Relocation [23 CFR 645 subparts A and B]	FHWA
Withholding of Payments [23 CFR 710.203(c), 23 CFR 1.36]	FHWA
<b>Environment</b>	
Categorical Exclusion (CE) [23 CFR 771.117 (c) and (d): SAFETEA-LU 6004; 23 CFR 771.117 all other CEs: SAFETEA-LU 6005]	Caltrans (1)
Certification of Public Hearing [23 CFR 771.111(h)(2)(vi)]	Caltrans
Draft Environmental Impact Statement (DEIS) [23 CFR 771.123; 23 CFR 771.123 (e); SAFETEA-LU 6005]	Caltrans (1)
Environmental Assessment (EA) Availability to the Public [23 CFR 771.1199(c); SAFETEA-LU 6005]	Caltrans (1)
Final Environmental Impact Statement (FEIS) [23 CFR 771.125; 23 CFR 771.125(c); SAFETEA-LU 6005]	Caltrans (1)
FEIS Legal Sufficiency [23 CFR 771.125(b); SAFETEA-LU 6005]	Caltrans (1)
Finding of No Significant Impact [23 CFR 771.121; SAFETEA-LU 6005]	Caltrans (1)
Noise Abatement [23 CFR 772]	Caltrans
Project-Level Transportation Conformity for CE processed under SAFETEA-LU 6004 MOU [40 CFR 93]	Caltrans (1)
Project-Level Transportation Conformity for CE, EA and Environmental Impact Statement (EIS) processed under SAFETEA-LU 6005 MOU [40 CFR 93]	FHWA
Record of Decision [23 CFR 771.127; SAFETEA-LU 6005]	Caltrans (1)
Re-evaluation on Approved Environmental Documents [23 CFR 771.129; SAFETEA-LU 6004 & 6005]	Caltrans (1)
Section 4(f) <i>De Minimis</i> Determination [SAFETEA-LU 6004, 6005 & 6009, 49 USC 303]	Caltrans (1)
Section 4(f) Individual [23 CFR 771.135; SAFETEA-LU 6004 & 6005]	Caltrans (1)
Section 4(f) Programmatic [23 CFR 771.135; SAFETEA-LU 6004 & 6005]	Caltrans (1)
Supplemental EIS [23 CFR 771.130; SAFETEA-LU 6005]	Caltrans (1)
<b>Preliminary Design</b>	
Consultant Selection [23CFR 172.5]	FHWA
Financial Plans for projects from \$100M to \$499M [SAFETEA-LU 1904]	Caltrans
High Risk ITS Project Development [23 CFR 940.11]	FHWA
Major Projects and TIFIA Loan Projects - Project Management Plan and Financial Plan Approval [SAFETEA-LU 1904]	FHWA
Low Risk ITS Project Development [23 CFR 940.11]	Caltrans
New/Modified Interstate Access Determination of Engineering and Operations Acceptability [Feb 1998 Federal Register, Vol#28 - (minor access changes assigned to Caltrans, see letter dated September 15, 1994)]	FHWA (Caltrans)

APPROVAL ACTION	Approval Authority
	High Profile Projects
PIF – Airspace Clearance FAA [23 CFR 620.104]	FHWA
PIF - Use of Negotiated Consultant Contracts [23 CFR 172.5(3)]	FHWA
Request for Qualifications [23 CFR 636] Design Build, and Public Private Partnerships Statement of Qualifications	FHWA (5)
<b>Detailed Design</b>	
Approve preliminary plans for major and unusual structures	FHWA
Design Exceptions, non-Interstate (all other projects) [23 CFR 625.3]	Caltrans
Design Exceptions on the Interstate (13 controlling Criteria) [23 CFR 625.3]	FHWA
Experimental Features (Pilot and Demo) aka CEWP, design/sequencing	FHWA
New/Modified Interstate Access Control Change - Final Approval [Feb 1998 Federal Register, Vol#28]	FHWA
PIF – Statewide and project specific use of proprietary products and processes [23 CFR 635.411]. If statewide, FHWA approval.	FHWA
PIF and Cost Justification Letter - Statewide and Project Specific - Concur in use of publicly furnished materials and expenses [23 CFR 635.407]. If statewide, FHWA approval.	FHWA
ROW encroachments - Use and occupancy of acquired ROW [23 CFR 710.401, HDM 504.8]	FHWA
Value Engineering [23 CFR 627, SAFETEA-LU 1904]	Caltrans
<b>PS&amp;E and Advertising</b>	
Authorize advertising for bids [23 CFR 635.112]	FHWA
Approval of Final Request for Proposal [23 CFR 636] Design Build and Public Private Partnerships	FHWA
Authorize utility or railroad force account work [23 CFR 645.113 & 646.216]	FHWA
Bid Analysis (Engineer Estimates)	FHWA
Consultant Agreements [23 CFR 172.7 - 172.9]	FHWA
Contingencies greater than 5% and Supplemental Work Items greater than 10% (Project Delivery Directive Memo from Rick Land 10/14/2009)	FHWA
Exempt bridge from Coast Guard permit requirements [23 CFR 650.805]	FHWA
Hiring of consultant to serve in a "management" role [23 CFR 172.9(d)]	FHWA
Noise - Reasonable and Feasible Determination for PS&E approval [23 CFR 772.11(g)]	Caltrans (1)
PIF - Advertising period less than three weeks [23 CFR 635.112]	FHWA
PIF - Use of contracting method other than competitive bidding [23 CFR 635.104 & 204]	FHWA
PIF - Use of Force Account [23 CFR 635.204, 205]	FHWA
PIF - Use of Mandatory Borrow/Disposal Sites [23 CFR 635.407]	FHWA
PIF - Use of Publicly Owned Equipment [23 CFR 635.106]	FHWA
PS&E [23 CFR 630.205, 23 USC 106]	FHWA
Supplemental Work Item Justification	FHWA

APPROVAL ACTION	Approval Authority
	High Profile Projects
Utility and railroad agreements [23 CFR 645.113 & 646.216]	FHWA
Warranties [23 CFR 635.413]	FHWA
<b>Construction</b>	
Addenda during advertising period [23 CFR 635.112(c)]	FHWA
Buy America Waiver [23 CFR 635.410, ISTEA Sec. 1041(a) & 1048(a), 41 CFR 10 (a-d)] Submit to HQ if >\$50K.	FHWA
Concur in award of contract [23 CFR 635.114]	FHWA
Concur in rejection of all bids [23 CFR 635.114]	FHWA
Concur in settlement of contract claims [23 CFR 635.124; C&M Manual, Chapter 2]	FHWA
Concur in termination of contracts [23 CFR 635.125]	FHWA
Construction engineering by local agency [23 CFR 635.105]	FHWA
Contract time extensions [23 CFR 635.120 & 121]	FHWA
Final inspection/acceptance of completed work [23 USC 114(a)]	FHWA
Incentive/Disincentive Amount Justification [23 CFR 635.127]	FHWA
Innovative Contracting Requirements [SEP 14 & 15]	FHWA
Liquidated Damages (rates subject to FHWA approval) [23 CFR 635.127]	FHWA
Major changes and extra work [23 CFR 635.120]	FHWA
Materials Certification Acceptance [23 CFR 637.207]	FHWA
Minor changes and extra work [23 CFR 635.120]	Caltrans
Subcontracting Requirements [23 CFR 635.116(b)]	FHWA
<b>Research</b>	
Experimental Features [FAPG Ch. 6, Sect G 6042.4]	FHWA
<b>Emergency Relief</b>	
ER Damage Assessments and Reports on the SHS [23 CFR 668, 23 USC 120 and 125]	FHWA
ER Damage Assessments and Reports off the SHS [23 CFR 668; 23 USC 120 and 125; ER Q&A, Question #5 Revised DAF and #8 Coordination with Other Agencies]	FHWA/ Caltrans

## APPENDIX C: ACRONYMS

ADA	Americans with Disabilities Act of 1990
BMS	Bridge Management System
CE	Categorical Exclusion
CFR	Code of Federal Regulations
CMAQ	Congestion Mitigation and Air Quality Improvement Program
DBE	Disadvantaged Business Enterprise
DEIS	Draft Environmental Impact Statement
DOT	Department of Transportation
EA	Environmental Assessment
EEO	Equal Employment Opportunity
EIS	Environmental Impact Statement
EPA	Environmental Protection Agency
ER	Emergency Relief
FAHP	Federal-aid Highway Program
FAPG	Federal-aid Policy Guide
FEIS	Final Environmental Impact Statement
FHWA	Federal Highway Administration
FIRE	Financial Integrity Review and Evaluation Program
FTA	Federal Transit Administration
GARVEE	Grant Anticipation Revenue Vehicle
HBP	Highway Bridge Program
HPMS	Highway Performance Monitoring System
ITS	Intelligent Transportation Systems
LTAP	Local Technical Assistance Program
METS	Materials Engineering and Testing Services
MOU	Memorandum of Understanding
MPO	Metropolitan Planning Organization
MTP	Metropolitan Transportation Plan
NBIS	National Bridge Inspection Standards
NEPA	National Environmental Policy Act
NHS	National Highway System
OJT	On-the-Job Training
OMB	Office of Management and Budget
OTS	Office of Traffic Safety
OWP	Overall Work Program
P3	Public Private Partnerships
PIF	Public Interest Finding
PMS	Pavement Management System
PS&E	Plans, Specifications and Estimate
ROW	Right-of-Way
SAFETEA-LU	The Safe, Accountable, Flexible, Efficient, Transportation Equity Act: A Legacy for Users
SEP	Special Experimental Project

SERF	System Engineering Review Form
SEMP	System Engineering Management Plan
SHSP	Strategic Highway Safety Plan
SPR	State Planning and Research
SSO	Strategic Stewardship and Oversight
STIP	Statewide Transportation Improvement Plan
TEA-21	Transportation Equity Act for the 21 <sup>st</sup> Century
TIFIA	Transportation Infrastructure Finance & Innovation Act
TIP	Transportation Improvement Plan
TMA	Transportation Management Area
TMP	Transportation Management Plan
TSI	Transportation System Information
UA	Uniform Relocation Assistance and Real Property Acquisition Policies Act of 1970, as amended
USC	United States Code