



**HSIP Project Delivery Encouragement Measures:**

To encourage the delivery of HSIP projects, Caltrans Division of Local Assistance will implement the following measures, effective immediately.

**1. Penalty for prolonged delivery delays – Project Removal from HSIP Program**

The following HSIP project delivery deadlines will be enforced:

- Cycles 0, 1 & 2 projects - September 30, 2015
- Cycle 3 projects - December 31, 2015
- Cycle 4 projects - March 31, 2016
- Other cycles of HSIP projects – 60 months from HSIP cycle release.

Projects that do not meet the above delivery deadlines will be removed from the HSIP Program. A HSIP project that has been removed from the Program may still compete for future HSIP Program cycles.

For a project to be considered delivered, a complete “Request for Authorization to Proceed for Construction” package shall be received and accepted by the District Local Assistance Engineer prior to the above mentioned due date.

Second Chance - To provide the delayed HSIP projects in Cycles 0, 1, 2, & 3 another opportunity for success, Caltrans will work with project sponsors to review and revise the project scope and develop an alternative project that meets the original HSIP project purpose. Such re-scoped HSIP projects will be given a new project delivery deadline which will then be strictly enforced. Such project re-scoping must be completed by **July 31, 2015**.

For those projects that are removed from the HSIP Program, the project sponsors may be responsible for the repayment of HSIP funds expended on the early phases of the project development as required by federal regulations.

**2. Incentive for early project delivery – 100% federal funding for a limited time using Toll Credits**

Effective immediately and until September 30, 2016, to encourage the early delivery of HSIP projects, Caltrans will increase the federal funding share to 100% of the eligible HSIP project cost through the use of toll credits. However, this project delivery incentive will only be offered to Cycle 6 HSIP projects. The reason for limiting 100% federal share only to Cycle 6 HSIP project is because “undelivered” HSIP projects in all prior cycles are either already-delayed or

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soon-to-be-delayed, including Cycle 5 projects. Rewarding those projects with 100% federal share is considered by most to be unfair to those project sponsors that have delivered their HSIP projects.

In the coming days, those HSIP project sponsors with delayed HSIP projects will receive notification of potential project removal from the HSIP Program, along with instructions on updating project status and on project re-scoping.

The on-time delivery of safety projects should be the top priority for any local agencies that have projects in the HSIP program. I am confident that with your and Caltrans' renewed focus on the delivery of HSIP projects, we can make our roads safer for the traveling public.

For your reference the delayed HSIP project list along with a copy of this letter can be found on the Division of Local Assistance web-site <http://www.dot.ca.gov/hq/LocalPrograms/>.

Sincerely,



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Chief  
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