

FEDERAL HIGHWAY ADMINISTRATION

Major Project Oversight Agreement for the New Mid County Parkway Corridor Alignment

Date: October 25, 2007

Description:

In the Riverside County, through the Cities of San Jacinto, Perris, and Corona, construct a new east-west transportation corridor, the Mid County Parkway (MCP), comprising of a major limited access transportation facility to meet current and projected travel demand for year 2035. The new corridor is 32 miles between Interstate 15 (I-15) on the west, joining Interstate 215 (I-215) in the center, and joining State Route 79 (SR-79) on the east.

This project is one of the four Community and Environmental Transportation Acceptability Process (CETAP) corridors addressed in the Executive Order 13724 on Environmental Stewardship and Streamlining. CETAP was one of the first seven in the nation to be covered under this Executive Order 13274 and is reviewed quarterly as part of the National Priority List of Projects by a Cabinet-level task force. The Mid County Parkway, as one of the CETAP corridors, continues to be listed on the Executive Order for Environmental Streamlining.

EA: 08-0F320; KP 0.0/51.0 (PM 0.0/31.7)

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:

A FHWA Project Oversight Manager (POM), Bren I. George-Nwabugwu, has been assigned for the oversight of this project. Mr. George-Nwabugwu 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:

Mr. George-Nwabugwu 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 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, Mr. George-Nwabugwu will attend regular meetings to discuss the project's progress including any unforeseen circumstances.

PROJECT-SPECIFIC REQUIREMENTS

Oversight activities specific to this project are detailed below and in the Project Responsibilities List in Attachment A.

Planning:

FHWA will ensure that the Project is included in a conforming Transportation Improvement Plan.

Environment:

The appropriate NEPA document for this project is an Environmental Impact Statement (EIS) and is under development and on schedule. The Draft EIS (DEIS) and 4(F) Evaluation document has been reviewed by FHWA, and comments sent to Caltrans. All environmental review, consultation, and any other action required in accordance with applicable Federal laws and regulations for this project are being carried out accordingly, and the Record of Decision (ROD) is expected to be issued by FHWA before spring of 2009.

Design:

Design is at about 20% and expected to be at 30% at the time the ROD is issued by FHWA. Final design is expected to be concluded by early or late 2010.

Right of Way (ROW):

Appropriate FHWA review/approval shall be conducted as warranted, and shall be in compliance with local, State, and Federal requirements. ROW acquisition is expected to

start late in 2009, and appropriate certification acquired prior to start of the construction phase in 2011.

Construction:

Construction phase is expected to start in 2011. The FHWA POM, Bren I. George-Nwabugwu 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.

Initial Financial Plan:

Caltrans is collaborating with the Riverside County Transportation Commission (RCTC) in the preparation of the Initial Finance Plan (IFP). Now, it is in the initial draft form. The IFP could be submitted and approved by FHWA either prior to right-of-way acquisition, OR prior to authorization of Federal-aid funding for mainline project construction (i.e. sometime in 2011). After approval, the financial plan must be updated annually, and the scheduled timing of the updates shall be shown in the Initial Financial Plan by indication of the annual reporting date of the plan. These updates must reflect changes in total and remaining project cost and/or available funding. The annual update is to be submitted to FHWA for approval no more than 90 days after the effective date established in the Initial Financial Plan.

The scope of the annual update should be sufficient to identify and resolve any cost and/or funding (including cash flow) changes which have occurred since the previous submission. This would include any changes in project scope that impact the cost estimate and/or completion schedule of the project. In the instance of major cost or funding changes, the update may need to revise the cost and funding figures for future years in addition to those for the current year.

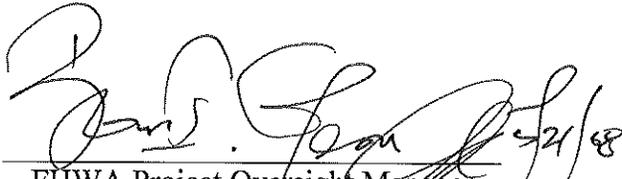
Project Management Plan

Caltrans is also collaborating with the Riverside County Transportation Commission (RCTC) in the preparation of the Project Management Plan (PMP). The draft PMP is expected to be submitted to the FHWA for review prior to approval of the NEPA decision document. The FHWA will provide comments in a timely manner and Caltrans is expected to re-submit the final PMP to FHWA for approval within 90 days of the date (in 2009) of the signed NEPA decision document (ROD). The final PMP shall be approved by the FHWA California Division, in concurrence with the FHWA Headquarters Major Projects Team. Updates to the PMP shall be completed and submitted on a regular basis (along with the Financial Plan (FP) updates if significant changes occur to the project cost and/or schedule.

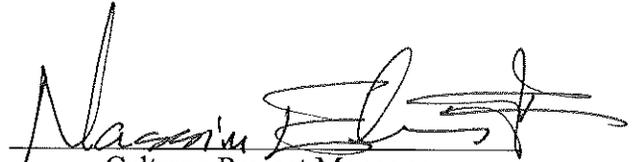
Note: The schedule for update submissions shall be outlined in the PMP and IFP with the first updates due on or before the initial dates of the approval of these two documents. These plans should be submitted no later than 30 days prior to that date to permit

adequate review time and approval. The submission of updated PMPs and FPs should continue until all construction has been completed on the project.

Signatures:



FHWA Project Oversight Manager
(Bren I. George-Nwabugwu)



Caltrans Project Manager
(Nassim Elias)

ATTACHMENT A

Overview

The Project Responsibility List identifies the responsible agency for project level actions. It is organized by columns listed as High Profile and Delegated 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 delegated 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 delegated to Caltrans if the particular activity is of low risk to the project or the FAHP.

APPROVAL ACTION	APPROVAL AUTHORITY
	High Profile Projects
ADMINISTRATION	
Financial Management	
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
PROJECT DEVELOPMENT	
ROW	
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]	N/A
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
Environment	
Categorical Exclusion (CE) [23 CFR 771.117 (c) and (d); SAFETEA-LU 6004; 23 CFR 771.117 all other CEs: SAFETEA-LU 6005]	N/A
Certification of Public Hearing [23 CFR 771.111(h)(2)(vi)]	FHWA
Draft Environmental Impact Statement (DEIS) [23 CFR 771.123; 23 CFR 771.123 (e); SAFETEA-LU 6005]	FHWA (1)
Environmental Assessment (EA) Availability to the Public [23 CFR 771.1199(c); SAFETEA-LU 6005]	N/A
Final Environmental Impact Statement (FEIS) [23 CFR 771.125; 23 CFR 771.125(c); SAFETEA-LU 6005]	FHWA (1)
FEIS Legal Sufficiency [23 CFR 771.125(b); SAFETEA-LU 6005]	FHWA (1)
Finding of No Significant Impact [23 CFR 771.121; SAFETEA-LU 6005]	N/A
Noise Abatement [23 CFR 772]	FHWA
Project-Level Transportation Conformity for CE processed under SAFETEA-LU 6004 MOU [40 CFR 93]	N/A
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]	FHWA (1)
Re-evaluation on Approved Environmental Documents [23 CFR 771.129; SAFETEA-LU 6004 & 6005]	FHWA (1)
Section 4(f) <i>De Minimis</i> Determination [SAFETEA-LU 6004, 6005 & 6009, 49 USC 303]	FHWA (1)
Section 4(f) Individual [23 CFR 771.135; SAFETEA-LU 6004 & 6005]	FHWA (1)
Section 4(f) Programmatic [23 CFR 771.135; SAFETEA-LU 6004 & 6005]	FHWA (1)
Supplemental EIS [23 CFR 771.130; SAFETEA-LU 6005]	FHWA (1)
Preliminary Design	
Consultant Selection [23 CFR 172.5]	FHWA
Financial Plans for projects from \$100M to \$499M [SAFETEA-LU 1904]	Caltrans
Major 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
Minor ITS Project Development [23 CFR 940.11]	Caltrans

APPROVAL ACTION	APPROVAL AUTHORITY
	High Profile Projects
New/Modified Interstate Access Determination of Engineering and Operations Acceptability [Feb 1998 Federal Register, Vol#28 - (minor access changes delegated to Caltrans, see letter dated September 15, 1994)]	FHWA
PIF – Airspace Clearance FAA [CFR 620.104]	FHWA
PIF - Use of Negotiated Consultant Contracts [23 CFR 172.5(3)]	FHWA
Detailed Design	
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
PS&E and Advertising	
Authorize advertising for bids [23 CFR 635.112]	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
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
Construction	
Accept Materials Certification [23 CFR 637.207]	FHWA
Addenda during advertising period [23 CFR 635.112(c)]	FHWA
Buy America Waiver [23 CFR 635.410, ISTEPA 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
Minor changes and extra work [23 CFR 635.120]	FHWA
Subcontracting Requirements [23 CFR 635.116(b)]	FHWA
Research	
Experimental Features [FAPG Ch. 6, Sect G 6042.4]	FHWA
Emergency Relief	
ER Damage Assessments and Reports on the SHS [23 CFR 668, 23 USC 120 and 125]	N/A
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]	N/A
(1) Caltrans has assumed responsibility for these items under the executed 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.	