



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

**California Division**

February 5, 2021

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In Reply, Refer To:  
HDA-CA

Mr. Michael Keever  
Deputy Director, Project Delivery (Chief Engineer)  
California Department of Transportation  
1120 N Street  
Sacramento, CA 95814

Subject: Revision to FHWA Risk-Based Project Involvement

Dear Mr. Keever:

FHWA is continuing to review and update our Risk-Based Stewardship and Oversight processes in order to more effectively utilize our resources to assist Caltrans and local public agencies (LPAs) in efficiently and effectively delivering the Federal-aid Program. As part of this effort, FHWA has revised its Risk-based Project Involvement Process. Effective immediately, all Projects of Division Interest (PoDIs) and Project Oversight Agreements (POAs) are retired and the PoDI term will no longer be used.

Therefore, for all former PoDIs, all discretionary approval actions that FHWA retained on those projects are now delegated to Caltrans. Discretionary approval actions are identified in Appendix A in the May 28, 2015 Stewardship and Oversight Agreement (S&O Agreement). FHWA will continue to perform project actions not delegated in the S&O Agreement for all projects. Examples of required project involvement include review and approval of project authorizations, Major Project Financial Plans and Interstate Access requests.

The revised FHWA Risk-based Project Involvement Process will continue to assess individual projects for threat and opportunity risks. Through this process, FHWA will select projects for risk-based project involvement (RBPI) and identify FHWA involvement activities. Few projects will be selected for RBPI. Only in very unusual instances will RBPI activities include retaining actions that are delegable to Caltrans. Normally, the RBPI activities will be related to technical assistance and guidance, identification of opportunities for innovation, project inspections, and post-approval reviews (e.g. compliance spot checks). The revised project involvement process will assist Caltrans and LPAs in accelerating project delivery.

The ongoing FY 2021 Risk-based Project Involvement process resulted in selecting 14 projects for RBPI from the former 55 PoDIs. We are currently identifying the specific RBPI activities for these projects, none of which are approval actions that are delegable to Caltrans, so our involvement will be significantly different for these former PoDIs.

FHWA will complete the ongoing FY 2021 Risk-based Project Involvement Process by mid-February and provide you with the list of selected projects and RBPI activities.

If you need additional information or clarification, please contact me at (916) 498-5850 or [Matt.Schmitz@dot.gov](mailto:Matt.Schmitz@dot.gov).

Sincerely,

**MATTHEW T  
SCHMITZ**

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Matt Schmitz  
Director, Project Delivery  
Federal Highway Administration