# CHAPTER 12 – Project Approvals and Changes to Approved Projects

## Table of Contents

**CHAPTER 12 – Project Approvals and Changes to Approved Projects**

<table>
<thead>
<tr>
<th>Section</th>
<th>Page</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>SECTION 1 General</strong></td>
<td>12-3</td>
</tr>
<tr>
<td>Reference Information</td>
<td>12-3</td>
</tr>
<tr>
<td>Various Reports Can Approve a Project</td>
<td>12-3</td>
</tr>
<tr>
<td>Project Approval</td>
<td>12-3</td>
</tr>
<tr>
<td>Approvals by Other Entities</td>
<td>12-3</td>
</tr>
<tr>
<td>Changes to Approved Projects</td>
<td>12-4</td>
</tr>
<tr>
<td>Preferred Alternative</td>
<td>12-4</td>
</tr>
<tr>
<td><strong>SECTION 2 Selecting a Preferred Alternative</strong></td>
<td>12-5</td>
</tr>
<tr>
<td>Selection Timing</td>
<td>12-5</td>
</tr>
<tr>
<td>Selection Decision and Approval</td>
<td>12-5</td>
</tr>
<tr>
<td>Justified Unavoidable Impacts</td>
<td>12-6</td>
</tr>
<tr>
<td>Reasonable Alternatives</td>
<td>12-6</td>
</tr>
<tr>
<td>Gain Consensus</td>
<td>12-6</td>
</tr>
<tr>
<td>Avoidance Alternative</td>
<td>12-6</td>
</tr>
<tr>
<td>Environmentally Preferred Alternative</td>
<td>12-7</td>
</tr>
<tr>
<td>Overriding Considerations</td>
<td>12-7</td>
</tr>
<tr>
<td>Balancing Resource Impacts</td>
<td>12-7</td>
</tr>
<tr>
<td>California Transportation Commission Involvement</td>
<td>12-7</td>
</tr>
<tr>
<td><strong>SECTION 3 Project Report Approves Projects</strong></td>
<td>12-8</td>
</tr>
<tr>
<td><strong>ARTICLE 1 General</strong></td>
<td>12-8</td>
</tr>
<tr>
<td>Purpose of the Project Report</td>
<td>12-8</td>
</tr>
<tr>
<td>Draft Project Report</td>
<td>12-8</td>
</tr>
<tr>
<td>Environmental Document</td>
<td>12-8</td>
</tr>
<tr>
<td>Project Report Content</td>
<td>12-8</td>
</tr>
<tr>
<td>Categorically Exempt and Categorically Excluded Projects</td>
<td>12-9</td>
</tr>
<tr>
<td>Format and Guidelines</td>
<td>12-9</td>
</tr>
<tr>
<td>Project Report Approval</td>
<td>12-9</td>
</tr>
<tr>
<td><strong>ARTICLE 2 Documenting the Preferred Alternative</strong></td>
<td>12-9</td>
</tr>
<tr>
<td>Project Report and Final Environmental Document Roles</td>
<td>12-9</td>
</tr>
<tr>
<td>Project Report Documentation</td>
<td>12-10</td>
</tr>
<tr>
<td><strong>ARTICLE 3 Caltrans’ Project Approval Process</strong></td>
<td>12-11</td>
</tr>
<tr>
<td>Approvals by Other Entities</td>
<td>12-11</td>
</tr>
<tr>
<td>Approval Process</td>
<td>12-11</td>
</tr>
</tbody>
</table>
# Part 2 – The Project Development Process

<table>
<thead>
<tr>
<th>Approval</th>
<th>12-11</th>
</tr>
</thead>
<tbody>
<tr>
<td>SECTION 4 Other Reports that Approve Projects</td>
<td>12-13</td>
</tr>
<tr>
<td>Project Study Report-Project Report</td>
<td>12-13</td>
</tr>
<tr>
<td>Permit Engineering Evaluation Report for</td>
<td></td>
</tr>
<tr>
<td>Encroachment Permit Projects</td>
<td>12-14</td>
</tr>
<tr>
<td>Projects Sponsored by Others</td>
<td>12-15</td>
</tr>
<tr>
<td>Project Report for Minor A Projects</td>
<td>12-15</td>
</tr>
<tr>
<td>Minor B Projects</td>
<td>12-16</td>
</tr>
<tr>
<td>Director’s Order for Urgent Projects</td>
<td>12-17</td>
</tr>
<tr>
<td>Projects off the State Highway</td>
<td>12-17</td>
</tr>
<tr>
<td>SECTION 5 Federal Highway Administration and California Transportation Commission Approval of Projects</td>
<td>12-18</td>
</tr>
<tr>
<td>Federal Participation</td>
<td>12-18</td>
</tr>
<tr>
<td>Federal Highway Administration Approvals</td>
<td>12-18</td>
</tr>
<tr>
<td>California Transportation Commission Approvals</td>
<td>12-19</td>
</tr>
<tr>
<td>SECTION 6 Changes to Approved Projects</td>
<td>12-21</td>
</tr>
<tr>
<td>Major/Minor Change Determination</td>
<td>12-21</td>
</tr>
<tr>
<td>Minor Changes</td>
<td>12-21</td>
</tr>
<tr>
<td>Major Changes</td>
<td>12-21</td>
</tr>
</tbody>
</table>
CHAPTER 12 – Project Approvals and Changes to Approved Projects

SECTION 1 General

Reference Information

Some of the references found in this chapter have hyperlinks that connect to Caltrans intranet pages which are not displayable to the general public. Until such time that the specific reference becomes available on the internet, the user will have to contact their district liaison, Caltrans project manager, or the appropriate Headquarters division to inquire about the availability of the reference.

Various Reports Can Approve a Project

The project report (PR) documents Caltrans’ approval for most types of State highway projects. This includes new facilities, as well as improvements, modifications, or repairs to existing facilities—whether done by Caltrans or by others under an encroachment permit.

Some transportation projects use other reports for project approval. Some of these reports may serve a dual purpose as a project initiation document and a project approval document. These other project approval documents are described in Section 4 “Other Reports that Approve Projects.”

Project Approval

Project approval means approval by Caltrans, and where required, approval by the Federal Highway Administration (FHWA) and the California Transportation Commission (CTC).

Approvals by Other Entities

Transportation projects often require other types of approvals from outside entities before they may proceed to design and construction. Other project-related approvals, agreements, and permits are discussed in Chapter 13 – Project Related Permits, Licenses, Agreements, Certifications, and Approvals.
Changes to Approved Projects

A separate approval must be obtained when changes in project concept or scope are proposed after project approval. This may include the need to write a supplemental PR. See Section 6 “Changes to Approved Projects” for details.

Preferred Alternative

All projects for which an environmental impact report (EIR) and/or an environmental impact statement (EIS) is prepared require the development and evaluation of project alternatives. Before such projects can be approved a preferred alternative must be selected. This selection process is described in Section 2 “Selecting a Preferred Alternative.”
SECTION 2 Selecting a Preferred Alternative

Selection Timing

Selection of the preferred alternative occurs only after specific effects and reasonable mitigation measures have been identified for each project alternative. The selection is made after all comments are received from the circulation of the draft environmental document (DED) for public comment and from the public hearing process. These comments and the rationale for selecting the alternative are detailed in the final environmental document (FED) and summarized in the PR.

Selection Decision and Approval

The preferred alternative, with discussion substantiating its selection, is presented in the final environmental document. In cases where more than one alternative is equally suitable, the final environmental document can be structured to present such options. The “plan-to-ground” strategy utilized during the formal study’s evaluation of alternatives (see Chapter 10 – Formal Project Studies) permits the decision maker to select the alternative (which may or may not be the preferred alternative) that best meets the specific evaluation criteria associated with any particular project proposal.

Informed Decision

The environmental document (ED) should present sufficient information to enable a reasoned choice among the project alternatives. The issues should be sharply defined and provide a clear basis for selection. The selection must reflect the consideration of all significant, reasonably foreseeable, adverse impacts that remain after incorporation of all reasonable mitigation measures. The selection decision must be structured, analytical, and clearly address the specific evaluation criteria developed for the project. It must ensure that the selected project meets the purpose-and-need for the project.
Part 2 – The Project Development Process

Approval

The preferred alternative is approved with PR approval by the District Director after selection by the project development team (PDT) and recommendation of the project manager. The preparer of the environmental document has no authority to make an approval decision.

Justified Unavoidable Impacts

An alternative that results in a significant, adverse environmental impact or the use of protected resources will only be approved when all of the following are demonstrated:

- There are no reasonable alternatives that will avoid such impacts or uses.
- There are no reasonable alternatives or mitigation measures that will substantially lessen such impacts or uses.
- There are specific conditions (economic, social, or other) that make other alternatives or mitigation measures unreasonable.

Reasonable Alternatives

Reasonable alternatives are those that have been found to be reasonable and acceptable to Caltrans and FHWA in meeting the project’s intended purpose-and-need.

Gain Consensus

The goal in defining reasonable alternatives for the preferred alternative selection is to gain a consensus of the community, the PDT, and the permitting agencies. The agreement of the permitting agencies must be formally documented.

Avoidance Alternative

If there is a reasonable alternative that avoids all significant impacts, uses of protected resources, and impacts on hazardous waste, then efforts should be directed to the selection of this alternative. If there are multiple alternatives that avoid all significant impacts, then efforts should be made to select the avoidance alternative that best fulfills the project’s purpose-and-need. Certain environmental resources, such as wetlands, floodplains, and resources protected by federal law known as Section 4(f), require the consideration, and in some cases the selection, of an avoidance alternative.
Environmentally Preferred Alternative

If there is no such avoidance alternative, then efforts should be directed to selection of the reasonable alternative that causes the least harm, after mitigation, to protected resources and the environment. This is termed the “environmentally preferred alternative.”

Overriding Considerations

When overriding considerations dictate the selection of a preferred alternative that is not an available avoidance alternative or the environmentally preferred alternative—the decision must be substantiated with a statement of overriding considerations. When overriding considerations are involved, the consensus reached with the involved resource and regulatory agencies should reflect any balancing of resource impacts.

Balancing Resource Impacts

At times it may be necessary to suggest the acceptance of impacts on one resource in order to avoid or minimize impacts on another resource. Efforts should be made to gain a consensus of the involved resource and regulatory agencies regarding identification of the environmentally preferred alternative.

California Transportation Commission Involvement

When selection of the preferred alternative is highly controversial or if the proposed preferred alternative is significantly higher in overall cost as compared to other build alternatives, it may be appropriate to involve the CTC in the preferred alternative selection. In such an instance, a preferred alternative report should be submitted to the CTC as a monthly agenda item, with a request for their concurrence. If this is done, it should be done prior to PR approval. If the CTC becomes involved in selecting the preferred alternative, a CTC public hearing will probably be held before the selection.
SECTION 3 Project Report Approves Projects

ARTICLE 1 General

Purpose of the Project Report

The PR documents Caltrans’ approval for most types of State highway projects, including capital preventive maintenance (CAPM). A project receives Caltrans’ approval when the PR is approved by the District Director or a division chief who has been delegated that authority. When a project is initiated with a project study report-project development support (PSR-PDS), the PR also approves the programming of capital support and capital project dollars for the remainder of the project.

Draft Project Report

Projects with draft environmental documents require the preparation of a draft project report (DPR) prior to finalizing the PR. The DPR documents the need for the transportation project and summarizes the studies of the cost, scope, and overall impact of project alternatives, so that an informed decision can be made on whether or not to proceed to the public hearing phase of project development. After a public hearing and the selection of a preferred alternative, the DPR is updated to become the PR. Refer to Chapter 10 – Formal Project Studies, for information on the DPR.

Environmental Document

When there is an environmental document for a project, it is a key project approval document. The environmental document is prepared to assure that the project complies with State and federal environmental laws. All project activities, such as the development of project alternatives, public input, and selection of the preferred alternative, are discussed in the final environmental document. Selection of the preferred alternative is discussed in Section 2 “Selecting a Preferred Alternative.”

Project Report Content

If a final environmental document or Categorical Exemption/Categorical Exclusion Determination Form is required for the project, it must be attached to the PR; otherwise a statement of compliance with environmental laws and regulations must be included in the body of the PR. Discussion of items covered in the final environmental document should be summary in nature, but should provide enough
detail to allow district management to obtain a concise picture of the project without researching the final environmental document. The attached final environmental document should be referenced for any detailed environmental information.

There may also be certain statutory requirements or report considerations that may not be appropriate for the final environmental document. These items are incorporated into the PR.

**Categorically Exempt and Categorically Excluded Projects**

When a project is statutorily or categorically exempt under the *California Environmental Quality Act of 1970* (CEQA) and categorically excluded under the *National Environmental Policy Act of 1969* (NEPA), there is no environmental document so all information must be provided in the PR. The Categorical Exemption/Categorical Exclusion Determination Form is a required attachment unless the project does not require a Categorical Exemption/Categorical Exclusion Determination Form. See Chapter 30 and Chapter 34 of the *Standard Environmental Reference*.

**Format and Guidelines**

An outline and detailed guidelines for PR preparation is provided in Appendix K – Preparation Guidelines for Project Report.

**Project Report Approval**

See Article 3 “Caltrans’ Project Approval Process” of this section for a detailed description of the PR approval process.

**ARTICLE 2 Documenting the Preferred Alternative**

**Project Report and Final Environmental Document Roles**

The selection of the preferred alternative is documented in the PR (and also in the final environmental document, when a final environmental document is involved). The PR documents the detailed engineering reasons for selecting the preferred alternative. The final environmental document documents the environmental reasons for selecting the preferred alternative.
Project Report Documentation

When there is a DPR, it is used as a starting point for creating the PR. The DPR answered these three basic questions:

- Why do it at all? (need for project).
- Why do it now? (cost effectiveness).
- Which ways are practical? (alternatives).

The PR should answer the final question:

- Which way provides the greatest public good with the least private harm? (preferred alternative)

The preferred alternative should be documented in accordance with the PR guidelines and outline provided in Appendix K – Preparation Guidelines for Project Report. The items in the following list should be covered:

- Summarize the final environmental document discussion of the preferred alternative, as well as the rationale for its selection. The rationale is the essence of the preferred alternative section of the final environmental document. It describes engineering, environmental, and system planning rationale and explains why each of the other alternatives were rejected.
- Discuss the current construction and right-of-way costs of the preferred alternative compared to the programming figures in the current State Transportation Improvement Program (STIP). Recommendations for any STIP programming changes are made for cost amounts, fiscal year scheduling, or stage construction.
- Summarize the public hearing process results and evaluation, as appropriate. This includes local agency positions.
- Summarize the final environmental document evaluation of major comments related to project alternatives that were received from circulation of the draft environmental document.
ARTICLE 3   Caltrans’ Project Approval Process

Approvals by Other Entities

Project approval refers to approval by Caltrans, and where required, approval by the FHWA and the CTC. Transportation projects often require approvals from outside entities before they may proceed to design and construction. Other project-related approvals, agreements, and permits are discussed in Chapter 13 – Project Related Permits, Licenses, Agreements, Certifications, and Approvals.

Approval Process

- To ensure that all right-of-way information contained in the PR and the right-of-way data sheet attached to it are complete, current, and accurate, the right-of-way division chief signs the PR cover sheet.
- To ensure that all engineering and environmental studies have been included in the PR, the project manager signs the PR cover sheet, recommending approval.
- To ensure that all technical information has been prepared in accordance with State law, the registered civil engineer, usually the project engineer preparing such technical information, signs the appropriate sheet.
- When a final environmental impact report (FEIR) is completed, a two-part certification is prepared. To ensure that the CEQA laws have been satisfied, the environmental unit chief signs the first part of the certification sheet, attaching the completed findings and statement of overriding considerations.
- To certify that the information contained in a final environmental impact report has been reviewed and considered prior to approving the project, the authorized signer of the project report (District Director) signs the second part of the certification sheet. The certification is attached to the front of the final environmental document and is not included in the body of the PR.

Approval

The District Director approves the project by signing the PR cover sheet. The date of signing becomes the “official” project approval and environmental document date (milestone M200 PA&ED).
Federal Approval Process

FHWA project approval is only required for some projects and some specific project circumstances. FHWA approval is discussed in Section 5 “Federal Highway Administration and California Transportation Commission Approval of Projects.”

The NEPA environmental process is completed when Caltrans determines that a project is categorically excluded from NEPA, or approves a project and issues a notice of availability for a finding of no significant impact (FONSI) or a record of decision (ROD) for an environmental impact statement.

State Approval Process

State project approval is given by the District Director after the final environmental document is approved by Caltrans. The CEQA environmental process is completed when Caltrans, as lead agency, either determines that a project is statutorily or categorically exempt from CEQA or when Caltrans approves a project and files a notice of determination (NOD) with the State Clearinghouse in the Governor’s Office of Planning and Research. Refer to the Standard Environmental Reference for further information.

California Transportation Commission Approval Process

The CTC takes project approval action, if involved, after the project has been approved by the District Director. This is discussed in Section 5 “Federal Highway Administration and California Transportation Commission Approval of Projects.”
SECTION 4 Other Reports that Approve Projects

Project Study Report-Project Report

The project study report-project report (PSR-PR) eliminates the separate processing of a project initiation report (PID) and a PR and is used to obtain project approval for projects-funded-by-others.

A project-funded-by-others is a highway improvement project that is sponsored by a local agency or private developer and does not use any State or federal funds, nor federal reimbursements. The District Director retains the authority to use a PSR-PR. See Chapter 9 – Project Initiation for additional considerations. See Appendix A – Preparation Guidelines for Project Study Report-Project Report for the report template.

Ineligible for a Project Study Report-Project Report

If a project has any of the following features, the project cannot use the PSR-PR:

- New or modified Interstate access, as FHWA approval is a two-step process.
- Approval of a route adoption by the CTC.
- An environmental impact report to comply with CEQA and/or requiring an environmental impact statement to comply with NEPA. For these type of projects, even when there is no federal funding involved but because federal approval is required, the use of a PSR-PR to program the project and to obtain project approval is permissible. A supplemental PSR-PR will be needed to obtain final environmental approval to comply with NEPA and to obtain federal approval.
- A Clean Water Act, Section 404 Individual Permit.
- A Coastal Development Permit.
- A San Francisco Bay Conservation and Development Commission Permit.
- A Tahoe Regional Planning Agency Permit.
- Formal consultation under the Federal Endangered Species Act.

Considerations for a Project Study Report-Project Report

Once it is determined that the project is not specifically ineligible from using a PSR-PR, the PDT must perform a focused risk assessment to identify factors that can
Part 2 – The Project Development Process

affect project scope and estimate the degree of uncertainty that these factors pose. At a minimum the PDT must consider:

- Consensus of key stakeholders on the project purpose-and-need.
- Consensus of key stakeholders on the project scope. Stakeholders may include, but not be limited to, the project sponsor, Caltrans as the owner-operator of the State Highway System, CTC, federal agencies that have approval authority, railroad entities, and other regulatory agencies.
- Impacts to the State Highway System as identified by traffic studies.
- Impacts to the environment and community. The district environmental generalist must provide factors to make this evaluation.
- Availability of Caltrans project initiation and capital support resources to provide delivery products and/or independent quality assurance.
- Geometric feasibility of the proposed alternatives (see Chapter 21 – Design Standard Decisions).
- A reasonable funding source.

Project Approvals

The PSR-PR, when completed and approved by the District Director, will serve as an approved PR when the environmental determination/documentation is attached. Without these items, it functions as a document to approve circulation of the environmental document. It should be noted that NEPA approval cannot be obtained with a PSR-PR until after the project is programmed. Federal approval is needed even when no federal funds are involved if an environmental impact statement is required for the project. For such instances, a supplemental PSR-PR will need to be completed once the environmental document is finalized to approve the project for design. The supplemental PSR-PR must follow the requirements as described in Section 6. “Changes to Approved Projects.”

Permit Engineering Evaluation Report for Encroachment Permit Projects

Encroachment permit projects are those State highway improvements constructed by others under encroachment permit, with an estimated construction cost of $1,000,000 or less. Encroachment permit projects utilize the permit engineering evaluation report (PEER) process in place of a PR for project approval to authorize issuance of an encroachment permit. Districts may require a PSR-PR in some cases, provided the cost is over $300,000. Instructions covering the PEER process are included in Chapter 9 – Project Initiation. See Appendix I – Preparation Guidelines for Permit
Engineering Evaluation Report, for guidelines for preparing a PEER. The PEER process cannot be used for a project that requires an approval by the CTC, such as a new public road connection to a freeway or a controlled access highway; a PR would be required for such a situation.

**Projects Sponsored by Others**

Projects sponsored by other entities, such as rail transit projects, water projects, redevelopment projects, etcetera, often require relocation or modification of existing State highways. These are considered special funded or encroachment permit projects as described previously. All required State highway construction or reconstruction to accommodate a project sponsored by others must be covered by a PR, by a PSR-PR, or by a PEER, as appropriate. Coordination, review, and reimbursement provisions follow the general procedures found in the references cited in Chapter 2 – Roles and Responsibilities, for locally funded State highway projects.

It is Caltrans policy that all special funded projects will use the PSR-PDS to initiate projects unless a project study report (PSR) is requested by the project sponsor and authorized by the District Director. In the preparation of a PSR-PDS, only existing information is used and preliminary studies are not prepared. Therefore, final approval reports for projects initiated with a PSR-PDS may take more time to prepare and may require more resources to complete than a project initiated with another type of project initiation document. See Chapter 9 – Project Initiation for more information on project initiation documents.

**Project Report for Minor A Projects**

The PR for a Minor A project (see Chapter 4 – Programming for a definition) serves as both the project initiation document and the project approval document. When approving a PR for a Minor A project (except for an occasional Minor A project that gets listed in the STIP), the district follows program priorities established by the program advisor. The Headquarters program advisor should be consulted in cases where the appropriate program is in question. See Appendix K – Preparation Guidelines for Project Report, for guidelines and an outline for the PR. Refer to the *California Manual on Uniform Traffic Control Devices* (California MUTCD) for additional requirements for traffic signal project reports.

If a logical project exceeds the Minor A dollar limit for construction, a major project should be initiated. Separate Minor A projects for segments of an overall project
should not be considered. Minor A funds should not be used to finance a series of small, related, and contiguous projects when a single contract is more appropriate. In those instances, to authorize the larger project, a project initiation document (PSR or equivalent) is prepared and the project is programmed in the appropriate programming document.

**Minor B Projects**

Minor B projects do not need a PID or a PR except as noted in the following subheading. Minor B projects use the procedural instructions for preparing contracts for services contained in the *Contract Managers Handbook*.

**Traffic Signal Projects**

Although Minor B projects normally are not required to have a PR, the *California Manual on Uniform Traffic Control Devices*, specifically requires a PR to investigate the conditions at locations where a new traffic signal is to be installed, an existing traffic signal is to be modified, or an existing traffic signal is to be removed.

A written summary of the investigation and justification for the installation, modification, or removal of a traffic signal is required when any portion of the intersection is within the State Highway System. The PR must include the information outlined in the *California Manual on Uniform Traffic Control Devices, Part 4, Section 4B.102(CA)*. The purpose of this written report is to provide the technical justification for the traffic signal work and may be an abbreviated report in a cover letter format instead of a PR.

The district may establish its own level of approval authority while also indicating the professional engineer in responsible charge of the work.

Traffic signal projects that include restriping or other geometric changes that introduce or perpetuate nonstandard conditions for lane widths, shoulder widths, disabled access, etcetera, will require approval of a design standard decision document even though the PR is reduced to this cover letter format. See *Chapter 21 – Design Standard Decisions and Appendix BB – Design Standard Decision Documentation* for more information.

This cover letter and attachments must be maintained on file as a part of the historical background of that portion of the State Highway System within the district’s jurisdiction.
Chapter 12 – Project Approvals and Changes to Approved Projects
Section 4 – Other Reports that Approve Projects

Director’s Order for Urgent Projects

A Director’s Order authorizes project work for emergencies that exceed established cost limits when done by informal bid procedures, force account procedures, equipment rental, or day labor. Additional information about Director’s Orders, including the Director’s Order Guidelines is located at the Headquarters Division of Maintenance-Major Damage and Director’s Orders website.

Projects off the State Highway

Caltrans has occasionally been responsible for development of projects of others, such as State Parks roads, federal roads, rail transit, etcetera. The need, alternative solutions, costs, and reasons for selecting a specific design must be documented and reviewed. A PR is prepared and approved to accomplish this documentation. If State highways are involved, the PR documents decisions impacting the highway facility.
SECTION 5 Federal Highway Administration and California Transportation Commission Approval of Projects

Federal Participation

Caltrans’ policy requires pre-qualification of most projects for federal funding participation. Minimum dollar amounts for federal participation are established by the Headquarters Division of Budgets for various program items. Current instructions from the Headquarters Division of Budgets should be consulted, as the limits change according to financial conditions. Refer to Deputy Directive DD-11 – Federal Aid Project Funding.

When State-only funding is requested for a project, but State-only funding has not been identified in the programming document, specific approvals must be obtained from the Headquarters Division of Transportation Programming. The PR proposing State-only funding should fully explain the efforts taken to qualify the project for federal participation and explain why federal funding could not be obtained.

If such a determination is made late in the process, approval from the Headquarters Division of Budgets is required. State-only funding requests must be reviewed and approved by the Headquarters Project Delivery Coordinator prior to submittal to the Division Chief of the Headquarters Division of Transportation Programming or the Division Chief of the Headquarters Division of Budgets. A copy of the approved PR should be attached to the request.

The amount of State-only funds may be limited. All approvals are based on availability of funds at the time of advertising.

Federal Highway Administration Approvals

Certain projects require FHWA review and/or concurrence, regardless of source of funding. For more information, see Chapter 2 – Roles and Responsibilities and Chapter 8 – Overview of Project Development.
For example, when a project includes a new or modified Interstate access, regardless of the funding, FHWA approval is required. The FHWA approval process for a new or modified interstate access consists of two steps: a Determination of Engineering and Operational Acceptability and a Final Approval. Refer to Chapter 27 – Access Control Modification for more information.

Any requests for FHWA approval or concurrence are submitted by the district to the FHWA. To ensure FHWA approval, it is necessary to involve and inform them of project development from the beginning of studies through preparation of the plans, specifications, and estimate (PS&E). Whenever possible, the FHWA liaison engineer should informally review requests for approvals prior to submittal of the formal request. This facilitates the processing of the formal request.

See the latest Stewardship and Oversight Agreement on Project Assumption and Program Oversight between the FHWA, California Division and Caltrans for the project actions assumed by Caltrans and the project actions where FHWA has retained their authority as well as the detail associated with the various oversight responsibilities.

**California Transportation Commission Approvals**

California Transportation Commission approval is needed for route adoptions, new public road connections to freeways and expressways, and funding allocations when the CTC is the responsible agency under CEQA.

**Route Adoption Book Item**

The Headquarters Division of Design finalizes the route adoption book items that are submitted for CTC approval. For more information on the procedures for route adoption, see Chapter 23 – Route Adoptions.
New Public Road Connection Book Item

The Headquarters Division of Design finalizes the new public road connection book items that are submitted for CTC approval. For more information on the procedures for new public road connections to freeways and expressways, see Chapter 13 – Project Related Permits, Licenses, Agreements, Certifications, and Approvals; and Chapter 27 – Access Control Modification.

Future Consideration of Funding Book Item

The Headquarters Division of Environmental Analysis prepares reports for approval of a project for future consideration of funding by the CTC for projects where Caltrans is the CEQA lead agency. Refer to the Standard Environmental Reference for details.
SECTION 6 Changes to Approved Projects

Major/Minor Change Determination

To guard against future litigation, care should be exercised in determining whether a project change is major or minor. A highly detailed, approved plan of development establishes an understanding of what is to take place. Generally speaking, the greater the detail shown on the exhibit maps in the environmental document or at the public hearing, the smaller the proposed change must be to qualify as a minor change.

Minor Changes

Minor changes are usually defined as small variations of design that do not significantly affect costs, adjacent properties, or environmental impacts. Minor changes to previously approved major design features normally do not require recycling of the environmental and public hearing processes, but do require concurrence from appropriate entities.

Approvals

Approval to proceed with a minor change to an approved project is given by the District Director, and when appropriate, by the FHWA. The approval request must include an explanation of what prompted the change as well as a substantive justification for approving the change.

Major Changes

Major project changes include any change in project concept or a substantial change in project scope.

Reevaluate Concept

Because of the long lead time associated with major projects, changing land-use patterns, or loss of funding, there is often a need to reevaluate the concept and scale of previously approved projects. If a previously approved project or its ultimate scope has materially changed in concept, current detailed information should be evaluated before the extent of rescoping is decided. Proposed major deviations from approved concepts should be discussed with the Headquarters Project Delivery Coordinator before undertaking full-scale environmental and design studies.
Required Reports

Any change in concept and substantial changes in scope should be discussed in a supplemental PR. If the project development team determines that a new or supplemental draft environmental document is required, a supplemental DPR is prepared. In some cases, it may be appropriate to begin again with a new PID.

Rescoping

Supplemental DPRs and supplemental PRs covering rescoping place particular emphasis on the following:

- The degree to which rescoping limits future expansion or flexibility.
- The impacts on adjacent, local street systems and the ability of local agencies to adjust their programs to match.
- Alternatives and their trade-offs in cost, traffic service, and economic, social, and environmental effects.
- Problems and costs resulting from right-of-way acquisition and contractual commitments previously made within these project limits.

If rescoping involves rescission of an adopted alignment and the disposal of acquired right-of-way, then the processes for modifying an adopted route designation and the process for recycling freeway route adoptions are involved. These are outlined in Chapter 23 – Route Adoptions.

Staged Projects

A supplemental PR is not required if a currently programmed project has been identified as a stage of a previously approved project and it is consistent with the ultimate concept of the original project.

Staging, as appropriate, should be discussed in a DPR and a draft environmental document, or in an environmental reevaluation, or in a supplemental DPR and draft environmental document, as appropriate. The final PR and final environmental document must address a fundable project.
Content of the Supplemental Project Report

All supplemental PRs require the same signatures as a PR and require the same statements covering environmental determination. The magnitude of project change determines the format and level of detail for the body of the report. Smaller project changes would require preparation of a memorandum that describes the changes to the original, approved project; changes of greater magnitude would require the preparation of a complete new report, following the PR outline provided in Appendix K – Preparation Guidelines for Project Report.