

Memorandum

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To: ALICE LEE
Chief, External Audit–Contracts
Audits and Investigations

Date: December 15, 2017

File: P2535-0076
P2535-0077
P2530-0041

From: RIHUI ZHANG
Chief
Division of Local Assistance

ORIGINAL SIGNED BY:

Subject: **DIVISION CORRECTIVE ACTION PLAN–AUDIT OF CITY OF FRESNO,
PROPOSITION 1B FUNDED PROJECTS**

This memorandum serves as the California Department of Transportation's (Caltrans) Division of Local Assistance (DLA) corrective action plan for findings described in the audit of the City of Fresno (City), dated September 2017, for the following Proposition 1B projects:

- 1) 180 West Frontage Road Improvements – SLPPFL 13 5060 272
- 2) Peach Avenue Widening – SLPPFL 13 5060 261
- 3) Shaw Avenue Traffic Light Synchronization – CML 5060 160

The DLA agrees with the audit findings.

Finding 1–Improvements Needed in Reporting Project Benefits/Outcomes

Two of the three benefits/outcomes for the 180 West Frontage Road Improvements project were not adequately reported in the Final Delivery Report (FDR); specifically, meeting existing and future traffic demands and promoting economic development in southwest Fresno. The State-Local Partnership Program (SLPP) guidelines, section 14, state that within six months of the project becoming operable, the implementing agency will provide the FDR to the California Transportation Commission (CTC) on the scope of the completed project, including performance outcomes derived from the project as compared to those described in the project agreements. Additionally, the implementing agency is responsible for maintaining documentation of the information reported on the FDR.

A&I Recommendations

- Review program guidelines to ensure a clear understanding of the requirements.
- Maintain documentation to support project benefits/outcomes reported in the FDR.
- Submit a supplemental FDR listing the actual project benefits/outcomes for meeting existing and future traffic demands and promoting economic development in southwest Fresno.

Finding 2–Final Delivery Report not Submitted Timely

The FDR for the Shaw Avenue Traffic Light Synchronization project was submitted 24 months late. The FDR was due October 2014, and was submitted October 2016. The Traffic Light Synchronization Program (TLSP) guidelines, section 16, require the FDR to be submitted within

six months after the project becomes operable. Section 16 states that a project becomes operable at the end of the construction phase when the construction contract is accepted. For this project, the construction contract was accepted in April 2014.

A&I Recommendations

- Review program guidelines to ensure a clear understanding of the requirements.
- Submit the FDR for state funded projects as required.

Corrective Actions

- The City should seek training for appropriate staff on future state funded programs to gain a better and clearer understanding of the requirements, and maintain proper documentation to be reported on the FDR.
- The City must ensure that all future FDRs are completed and submitted to the CTC within the deadlines as specified in CTC guidelines.
- For the 180 West Frontage Road Improvements project, the City must submit a supplemental FDR listing the actual project benefits/outcomes for meeting existing and future traffic demands and promoting economic development in southwest Fresno by March 31, 2018.

If you have any questions, please contact Carmen Wills, Division of Local Assistance, at (916) 653-3990 or carmen.wills@dot.ca.gov.

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