

STAFF REPORT



MEETING DATE: December 10, 2019
SUBJECT: Correspondence
AGENDA ITEM: 5-4
STAFF CONTACT: Amy Lindsey, Administrative Associate

Attached and summarized below is correspondence determined to be of interest to the board of directors.

INCOMING CORRESPONDENCE

Date	From	Subject
10/10 through 10/17/19	- Patrick Minturn, Shasta County Department of Public Works director, and Paul Hellman, Shasta County Department of Resource Management director - Anne Wallach Thomas, Shasta Living Streets executive director - David Durette, city of Anderson director of Public Works - John Duckett, city of Shasta Lake city manager - Sara Sundquist, Healthy Shasta Coordinator - Chuck Aukland, city of Redding director of Public Works	Letters of support for the Shasta Trunk Line Grant Application.
10/30/19	Aaron Casas Office of Community and Regional Planning, California Department of Transportation, grant manager, associate transportation planner	Letter of grant award for FY 2018-19 Long-Range Transit Plan.
10/31/19	Erin Thompson, Office of Regional Planning, Department of Transportation, Division of Transportation Planning chief	Letter regarding the Single Audit Report Finding 2018-002 for the fiscal year ending June 30, 2018.
11/8/19	Erin Thompson, Office of Regional Planning, Department of Transportation, Division of Transportation Planning, chief and Tom Balkow, California Department of Transportation deputy district director planning and local assistance	Letter of reconciliation for FY 2018-19 to confirm unexpended totals in Consolidated Planning Grant (CPG) and state-funded grants as of June 30, 2019.

11/15/19	The PUN Group, Accountants & Advisors	Financial Statements and Independent Auditor's Reports for the Year Ended June 30, 2019. https://www.srta.ca.gov/DocumentCenter/View/4929/Pun-Group-Attachment-Link-for-BOD-Correspondence
11/21/19	Bruce De Terra, Division of Transportation Programming, Department of Transportation, Division of Transportation Programming, chief	Letter of approval for SRTA's 2018/19 - 2021/22 2019 Federal Transportation Improvement Program (FTIP) Amendment No. 8.
11/25/19	Antonio Johnson and Tashia J. Clemons, Planning & Environment Federal Highway Administration, director	Letter of Approval for SRTA's 2019 FTIP Formal Amendment No. 8, on behalf of both FHWA and FTA

OUTGOING CORRESPONDENCE

Date	To	Subject
11/20/19	Muhaned Aljabiry, Department of Transportation, Division of Transportation and Programming	Letter of approval for Formal Amendment No. 8 to the Shasta 2019 Federal Transportation Improvement Program (FTIP)
11/25/19	Erin Thompson, Office of Regional Planning, Department of Transportation, Division of Transportation Planning, chief	Letter regarding the resolution of Single Audit Report (SAR) Finding 2018-002 of SRTA's fiscal year ending June 30, 2018.



Daniel S. Little, AICP, Executive Director

Attachment: SRTA Correspondence Letters



Shasta County

DEPARTMENT OF PUBLIC WORKS AND
DEPARTMENT OF RESOURCE MANAGEMENT
1855 Placer Street, Redding, CA 96001

Patrick J. Minturn
Director, Public Works
Paul A. Hellman
Director, Resource Management

October 10, 2019

Daniel S. Little
Executive Director
Shasta Regional Transportation Agency
1255 East Street, Suite 202
Redding, CA 96001

Subject: Shasta Trunk Lines

Dear Mr. Little:

The Shasta County Department of Public Works and Department of Resource Management (County) support the Shasta Regional Transportation Agency's (SRTA) application to expand the reach of key active transportation corridors in the region's Strategic Growth Areas (SGAs). The project's objective is to bridge the gap between plans and construction in the region's SGAs, providing non-motorized implementation tools to stakeholders. This will help the County work with SRTA to deliver on the community's vision for regional active transportation connectivity.

The goals and objectives of the Shasta County General Plan (General Plan) as well as the GoShasta Active Transportation Plan (GoShasta) coincide with Caltrans' mission to provide a safe, sustainable, integrated and efficient transportation system to enhance livability and the economy. The General Plan and GoShasta set out to connect various communities, including disadvantaged ones, with innovative, and safe mobility improvements for active transportation users. This project would be vital in furthering these as well as the grant's other objectives of sustainability, preservation, health and economic vitality – which are values found in the broader reaches of the General Plan. The community's vision for trunk lines achieves many of the County's transportation goals overall as well as Caltrans' stated objectives and the positive impacts on our rural communities and SGAs from the success of this grant application would be numerous.

The County looks forward to working with SRTA to develop innovative active transportation corridor concepts and programs that reflect the vision of the people of Shasta County. We have offered in-kind match for staff to collaborate with SRTA on the project. We wish you good luck on the grant application.

Sincerely,

Patrick J. Minturn, Director
Department of Public Works

Paul A. Hellman, Director
Department of Resource Management

PH/DS/rk

☐ Suite 101
AIR QUALITY MANAGEMENT DISTRICT
(530) 225-5674
FAX: (530) 225-5237

☐ Suite 102
BUILDING DIVISION
(530) 225-5761
FAX: (530) 245-6468

☒ Suite 103
PLANNING DIVISION
(530) 225-5532
FAX: (530) 245-6468

☐ Suite 201
ENVIRONMENTAL HEALTH DIVISION
(530) 225-5787
FAX: (530) 225-5413

☐ Suite 200
ADMINISTRATION
(530) 225-5789
FAX: (530) 225-5807

Toll Free Access Within Shasta County 1-800-528-2850

Shasta Living Streets

Better bikeways, trails, walkable cities and vibrant public places

October 10, 2019

Daniel Little, Executive Director
Shasta Regional Transportation Agency
1255 East Street, Suite 202, Redding, CA 96001

Subject: **Enthusiastic support for a comprehensive planning effort to identify best facilities for biking and walking corridors to connect neighborhoods, towns and cities in Shasta County with a trail-like experience. *Shasta Trunk Lines***

Shasta Living Streets enthusiastically supports the Shasta Regional Transportation Agency's application to expand the reach of key active transportation corridors in the region's Strategic Growth Areas. The project's objective is to bridge the gap between plans and construction in the region's SGAs, providing non-motorized implementation tools to stakeholders.

Enabling Trail-oriented and Transit-oriented Development

We believe our community has an exciting opportunity to build great cities and towns for our residents and visitors by providing access for all-day, all-purpose trips for people walking and bicycling, and by combining this with easily accessible affordable housing to create transit-oriented and trail-oriented development in our region.

This is not about thinking bikes are cool and it's not about weekend exercise and recreation in our beautiful parks and open spaces. Though those things are good too. We believe making bicycling, walking, and transit safe, accessible and convenient for everyday transportation brings tremendous advantages – it allows families to be healthy and save money on housing and transportation, makes more vibrant and connected communities, and supports our local businesses by helping them attract customers, retain talented staff and attract tourists. While at the same time powerfully reducing the emissions that cause climate change and preparing our community for the future.

Preparing our neighborhoods, cities, and towns for the future

We expect this planning process will

- Assess the transportation needs of our community that can be met by high-quality, biking and walking trails, giving people a *trail-like* experience that will enable people of all ages and abilities to walk and ride, especially now that pedal-assist bikes are becoming so popular here for the longer distances in our region.
- Plan for biking and walking corridors that are essential linkages between neighborhoods and new-housing, helping to prepare us for the future.
- Thus enabling the trail-oriented development that will accompany transit-oriented development, to create connected communities, enable people to travel regularly without use of a car, and prepare families and business for the future.

Great need in our community

Creating convenient and safe bicycle networks and walkable neighborhoods in our community is essential to

- reduce transportation costs
- reverse alarming negative health outcomes and inactivity behaviors that cause disease

Disadvantaged community. Shasta county is considered a disadvantaged community by measures of income and unemployment.

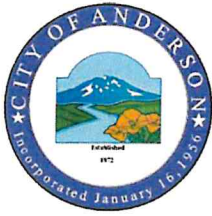
High rates of negative health outcomes related to inactivity. The latest County Health data prepared by the Robert Wood Johnson Foundation showed Shasta County ranks a low 48th of 58 for health outcomes and 41st of 58 for health behaviors, with physical inactivity rates higher than state average, and access to exercise opportunities significantly lower than the state average.

Thank you for improving the health and wellbeing of individuals, families and businesses in our region by ensuring funding for this community planning effort that will bring essential trail-oriented development to connect neighborhoods and affordable housing improvements in our region.

For so many reasons, this is a transportation priority for family and individual health, local business strength and regional economy.



Anne Wallach Thomas
Executive Director, Shasta Living Streets



October 14, 2019

Daniel S. Little
Executive Director
Shasta Regional Transportation Agency
1255 East Street, Suite 202
Redding, CA 96001

Subject: Shasta Trunk Lines

Dear Mr. Little:

The City of Anderson supports the Shasta Regional Transportation Agency's (SRTA) application to expand the reach of key active transportation corridors in the region's Strategic Growth Areas (SGAs). The project's objective is to bridge the gap between plans and construction in the region's SGAs, providing non-motorized implementation tools to stakeholders.

This project will assist the city to provide a safe, sustainable, integrated and efficient transportation system to enhance our economy and livability. By providing safe corridors for alternative transportation, our citizens can have more opportunity to access jobs and services such as healthcare or other needs. As a disadvantaged community, issues such as safety, mobility, and good economic health are of paramount concern and we feel this project may help greatly alleviate much of the burdens associated with inequity. It is our hope that, through sustainable practices such as this project, our city can preserve the natural beauty of our small Northern California town while implementing innovative solutions to build up our community.

The City of Anderson looks forward to working with SRTA to develop innovative active transportation corridor concepts and programs. We have offered in-kind match for staff to collaborate with SRTA on the project. Good luck on the grant application.

Sincerely,

David Durette, P.E.
Director of Public Works

October 16, 2019

Daniel S. Little
Executive Director
Shasta Regional Transportation Agency
1255 East Street, Suite 202
Redding, CA 96001

Subject: Shasta Trunk Lines

Dear Mr. Little:

The City of Shasta Lake supports the Shasta Regional Transportation Agency's (SRTA) application to expand the reach of key active transportation corridors in the region's Strategic Growth Areas (SGAs). The project's objective is to bridge the gap between plans and construction in the region's SGAs, providing non-motorized implementation tools to stakeholders.

Specifically, the Shasta Lake loop project will create a continuous safe path of travel for pedestrians to get out of their vehicles encouraging walking and biking. The City of Shasta Lake is fortunate to have a walkable community, however as a disadvantaged City, the available funding for non-motorized projects are very minimal, therefore outside funding is necessary to carry projects to further the goals of the grant program to provide a safe, sustainable, integrated and efficient transportation system to enhance California's economy and livability.

The City of Shasta Lake looks forward to working with SRTA to develop innovative active transportation corridor concepts and programs. We have offered in-kind match for staff to collaborate with SRTA on the project. Good luck on the grant application.

Sincerely,



John N. Duckett, Jr.
City Manager
City of Shasta Lake



Caltrans, District 2
City of Anderson
City of Redding
City of Shasta Lake
County of Shasta
Dignity Health, Mercy
Medical Center Redding
First 5 Shasta
Good News Rescue
Mission
Redding Rancheria
Redding School District
Shasta County Child
Abuse Prevention
Coordinating Council
Shasta College
Shasta Community Health
Center
Shasta County Office of
Education
Shasta Regional
Transportation Agency
Shasta Family
YMCA
Shasta Head Start
Simpson University
The McConnell
Foundation
Turtle Bay Exploration
Park
University of California
Cooperative Extension
Viva Downtown
Whiskeytown National
Recreation Area

October 16, 2019

Daniel S. Little
Executive Director
Shasta Regional Transportation Agency
1255 East Street, Suite 202
Redding, CA 96001

Subject: Shasta Trunk Lines & Sustainable Transportation Planning

Dear Mr. Little:

Healthy Shasta supports the Shasta Regional Transportation Agency's (SRTA) application to expand the reach of key active transportation corridors in the region's Strategic Growth Areas (SGAs) through the Sustainable Transportation Planning efforts. The project's objective is to bridge the gap between plans and construction in the region's SGAs, providing non-motorized implementation tools to stakeholders.

Healthy Shasta's vision is for a community where the 'healthy choice is the easy choice' for active healthy lifestyles. One of our initiative areas is focused on increasing walking and bicycling throughout Shasta County, from encouraging community members to become more active to working with partners to create communities that are safer and more inviting to walk or bike. Planning funds to engage the community and work out details for high quality bicycle and pedestrian projects would greatly benefit our community, which suffers from high rates of chronic disease and low average life expectancies. We also have high rates of poverty, so active transportation options are often the only option many people have to get to the places they need to go – so safe convenient non-motorized infrastructure is critical.

Healthy Shasta looks forward to working with SRTA to develop innovative active transportation corridor concepts and programs. We are willing to partner on efforts that increase safety and convenience for active transportation, and that have the potential to positively impact health outcomes and equity.

Sincerely,

A handwritten signature in black ink, appearing to read "Sara Sundquist", written over a horizontal line.

Sara Sundquist
Healthy Shasta Coordinator



CITY OF REDDING

777 CYPRESS AVENUE, REDDING, CA 96001

P.O. BOX 496071, REDDING, CA 96049-6071

**PUBLIC WORKS
ENGINEERING DIVISION**

530.225.4170

530.245.7024

October 17, 2019

Daniel S. Little
Executive Director
Shasta Regional Transportation Agency
1255 East Street, Suite 202
Redding, CA 96001

Subject: Sustainable Transportation Planning Grant Application

Dear Mr. Little:

The City of Redding Public Works Department supports the Shasta Regional Transportation Agency (SRTA) application to expand the reach of key active transportation corridors in the region's Strategic Growth Areas (SGAs). The project's objective is to bridge the gap between plans and construction in the region's SGAs, providing non-motorized implementation tools to stakeholders.

Developing safe, efficient and sustainable bicycle, pedestrian and transit facilities will advance local, regional, and state efforts to reduce single occupancy vehicle trips and transportation-related greenhouse gas emissions. These facilities will enhance the livability and economy of our region by promoting safe, alternative transportation connections to key residential and employment nodes.

The City of Redding Public Works Department looks forward to working with SRTA to develop innovative active transportation corridor concepts and programs. We have offered in-kind match for staff to collaborate with SRTA on the project. Good luck on the grant application.

Sincerely,

Chuck Aukland, P.E.
Director of Public Works

CA:sm
101719L-SRTA-TrunkLines_Support

DEPARTMENT OF TRANSPORTATION

DISTRICT 2

Office of Community and Regional Planning

1657 Riverside Drive, MS-7

REDDING, CA 96002

PHONE (530) 225-3426

TTY 711

www.dot.ca.gov

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a California Way of Life.*

October 30, 2019

Mr. Daniel Little
Executive Director
Shasta Regional Transportation Agency
1255 East Street, Suite 202
Redding, CA 96001

Dear Mr. Little:

The California Department of Transportation (Caltrans) is pleased to inform the Shasta Regional Transportation Agency that Conditions of Grant Acceptance have been met and work for the below Transportation Planning grant is authorized to begin effective July 23, 2018.

Sustainable Communities Formula – Road Maintenance and Rehabilitation Account

Grant Fiscal Year (FY)	2018-19
Project Title	Long Range Transit Plan
Grant Award	\$167,765
Local Match	\$21,736
Total Project Amount	189,501
Grant Expiration Date	February 28, 2021 (time extensions are not allowed)
Final Invoice Due	April 28, 2021

As a reminder, Caltrans approval is required when making any changes to the list of Sustainable Communities Formula grant activities that were submitted to satisfy Condition 2.

RECEIVED

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SHASTA REGIONAL
TRANSPORTATION AGENCY

Mr. Daniel Little
October 30, 2019
Page 2

I look forward to working with your agency on your Sustainable Communities Formula grant activities. If you have questions, please contact me at 530-225-4732.

Sincerely,



AARON CASAS, GRANT MANAGER
Associate Transportation Planner
Office of Community and Regional Planning

c: GILBERT VALENCIA, Transportation Planner, Caltrans, Headquarters

DEPARTMENT OF TRANSPORTATION

DIVISION OF TRANSPORTATION PLANNING

P.O. BOX 942874, MS-32

SACRAMENTO, CA 94274

PHONE (916) 653-1818

TTY 711

www.dot.ca.gov

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a California Way of Life.*

October 31, 2019

Ms. Monika Long, CPA
Chief Financial Officer
Shasta Regional Transportation Agency
1255 East Street, Suite 202
Redding, CA 96001

Dear Ms. Long:

This letter is in regard to the management decision made by the Independent Office of Audits and Investigations (IOAI) regarding the resolution of Single Audit Report (SAR) Finding 2018-002 of the Shasta Regional Transportation Agency (SRTA) for the fiscal year ending on June 30, 2018. In the finding, SRTA's independent certified public accountant (CPA) reported the fourth Quarterly Progress Report and the Certification of Allocation and Expenditures by Fund Source were submitted to Caltrans after the due date. The CPA recommended that SRTA update procedures to improve the risk assessment process and control activities over the timely submission of the reports in the event of key personnel turnover.

Corrective Actions:

SRTA must update the appropriate policies and procedures to demonstrate:

- How SRTA will ensure, in the event of turnover, that the new project planners/project managers will recognize their duties and responsibilities.
- Who will perform the project planners/project managers duties while their positions are vacant to ensure timely submission of the reports.

Caltrans requests that SRTA provide a corrective action plan outlining how the above corrective actions will be implemented and dates for completion. Failure by SRTA to respond and submit the corrective action plan to Caltrans within 60 days of this letter will result in Caltrans not recommending SRTA's FY 2020-21 Overall Work Program for Federal approval. Caltrans has consulted with FHWA and FTA regarding the above course of action.

All support documentation and corrective actions provided by SRTA will be reviewed by Caltrans staff. SRTA's progress with regards to the corrective actions and final

Ms. Monika Long
October 31, 2019
Page 2

resolutions will be closely monitored by Caltrans staff, including any follow-up audit work that may be performed.

We appreciate SRTA's cooperation and coordination during this process. If you have any questions, please contact Jacqueline Kahrs at jacqueline.kahrs@dot.ca.gov or (916) 653-9255.

Sincerely,



Erin Thompson, Chief
Office of Regional Planning

c: Tashia Clemons, Director of Program Development, Federal Highway Administration
Rodney Whitfield, Director of Financial Services, Federal Highway Administration
Grace Regidor, Financial Specialist, Federal Highway Administration
Veneshia Smith, Financial Manager, Financial Services, Federal Highway
Administration
Marsue Morrill, Chief, External Audits, Independent Office of Audits and Investigations
Tom Balkow, Deputy Director, Planning and Local Assistance, District 2, Caltrans
Kathy Grah, Senior Transportation Planner, Planning and Local Assistance, District 2,
Caltrans
Ian Howat, District Local Assistance, District 2, Caltrans

DEPARTMENT OF TRANSPORTATION

DIVISION OF TRANSPORTATION PLANNING

P.O. BOX 942874, MS-32

SACRAMENTO, CA 94274

PHONE (916) 653-1818

FAX (916) 653-0001

TTY 711

www.dot.ca.gov

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November 8, 2019

Mr. Dan Little
Executive Director
Shasta Regional Transportation Agency
1255 East Street, Suite 202
Redding, CA 96001

Dear Mr. Dan Little:

The purpose of this reconciliation letter for fiscal year (FY) 2018-19 is to confirm the unexpended totals in Consolidated Planning Grant (CPG) and state funded grants as of June 30, 2019.

FHWA Metropolitan Planning (PL):	\$78,689.04
FTA 5303 Statewide & Metropolitan Planning:	\$70,933.06
FTA 5304 Strategic Partnerships – Transit Grants:	
WE 703.05	\$355,871.92
RMRA (SB1) Sustainable Communities Formula (18/19):	
WE 701.12	\$167,765.00
Total CPG and State Planning Funds Available:	\$673,259.02

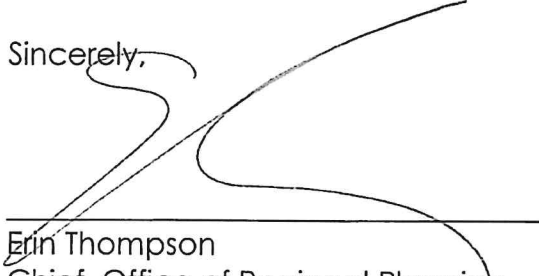
Please review the reconciled totals. If in agreement with the balance(s), please sign and return the **original copy** to:

Rosie Flores
Chief, Fiscal Management Branch
Office of Regional Planning
Division of Transportation Planning
Department of Transportation
P.O. Box 942874, MS-32
Sacramento, CA 94274-0001

Mr. Dan Little
November 8, 2019
Page 2

If you have any questions or need additional information, please contact your district Regional Planning Liaison, Aaron Casas at (530) 225-4732 or Caltrans Headquarters Liaison, Brenda Caruso at (916) 653-5995.

Sincerely,


Erin Thompson
Chief, Office of Regional Planning
Division of Transportation Planning
Thomas Balkow
Planning Deputy District Director
District 2

I concur with the above balances:


Dan Little
Executive Director
Shasta Regional Transportation Agency

11-18-2019
Date

DEPARTMENT OF TRANSPORTATION
DIVISION OF TRANSPORTATION PROGRAMMING
1120 N STREET, MS-82
SACRAMENTO, CA 94273-0001
PHONE (916) 654-4013
TTY 711
www.dot.ca.gov



Making Conservation
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November 21, 2019

Mr. Vincent Mammano
Division Administrator
Federal Highway Administration
650 Capitol Mall, Suite 4-100
Sacramento, CA 95814

Mr. Ray Tellis
Regional Administrator
Federal Transit Administration
90 Seventh Street, Suite 15-300
San Francisco, CA 94103

Attention: Ms. Tashia Clemons

Attention: Mr. Ted Matley

Dear Ms. Clemons and Mr. Matley:

The California Department of Transportation has completed the review of the following amendment to the Shasta Regional Transportation Agency's (SRTA) 2018/19 – 2021/22 2019 Federal Transportation Improvement Program (FTIP):

- | <u>No.</u> | <u>Description</u> |
|------------|---|
| 8 | Local Transportation Systems <ul style="list-style-type: none">This amendment modifies a grouped project funded from the Highway Bridge Program. |

See enclosure.

The updated programming is for projects in an air quality attainment area that is exempt from the conformity determination requirement. SRTA has certified that this FTIP amendment is financially constrained, and meets the requirements of public involvement procedures per SRTA's Public Participation Plan.

Pursuant to the authority delegated to me by the Director of Caltrans, I approve SRTA's Amendment Number 8. I also recommend that the Federal Highway Administration and the Federal Transit Administration approve this FTIP amendment for inclusion into California's 2019 Federal Statewide Transportation Improvement Program (FSTIP). Approval of this amendment does not constitute an eligibility determination of projects for federal funding.

Mr. Vincent Mammano/ Mr. Ray Tellis
November 21, 2019
Page 2

Please address any questions on this FSTIP approval request to Abhijit Bagde of my staff,
at (916) 654-3638.

Sincerely,

A handwritten signature in blue ink, appearing to read "Bruce De Terra".

BRUCE DE TERRA
Chief
Division of Transportation Programming

Enclosures

C: Karina OConnor - EPA Office of Air Planning (w/enclosure)
Daniel S. Little - Shasta Regional Transportation Agency
Kathy Urlie - Shasta Regional Transportation Agency



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

California Division

November 25, 2019

650 Capitol Mall, Suite 4-100
Sacramento, CA 95814
(916) 498-5001

In Reply Refer To:
HDA-CA

Mr. Bruce de Terra
Chief, Division of Transportation Programming
California Department of Transportation, MS 82
1120 N Street
Sacramento, CA 95814

Attn: Muhaned Aljabiry

SUBJECT: Shasta Regional Transportation Agency (SRTA) FY 2019 FTIP Amendment # 8

Dear Mr. De Terra:

The Federal Highway Administration (FHWA) and the Federal Transit Administration (FTA) have completed the review of Amendment # 8 to the Shasta Regional Transportation Agency (SRTA) FY 2019 Transportation Improvement Program (FTIP) that was submitted by your letter dated November 21, 2019. SRTA adopted Amendment # 8 on November 20, 2019. This amendment to SRTA's FTIP:

- Modifies a grouped project in the Highway Bridge Program.

Pursuant to the February 14, 2018, *Memorandum of Agreement between the Federal Highway Administration, California Division, and the Federal Transit Administration, Region IX*, we accept the modifications to the FY 2019 Federal Statewide Transportation Improvement Program (FSTIP) for the SRTA region in accordance with the Final Rule on Statewide and Metropolitan Transportation Planning published in the May 27, 2016 Federal Register.

We find that the SRTA's FTIP, through Amendment # 8, was developed through a continuing, cooperative and comprehensive transportation planning process carried out in accordance with the metropolitan planning provisions of 23 U.S.C. 134, and 49 U.S.C. Chapter 53 as amended by Public Law 114-94, the Fixing America's Surface Transportation Act (FAST).

We have determined that this program modification is exempt from the regional emissions analysis requirements pursuant to the transportation conformity provisions found in 40 CFR Part 93. This finding has been coordinated with Region 9 of the Environmental Protection Agency (EPA) in accordance with the procedures outlined in the *National Memorandum of Understanding between DOT and EPA on Transportation Conformity*, dated April 25, 2000. Therefore, we find that the FTIP continues to conform to the applicable State Implementation Plan (SIP).

This approval is provided with the understanding that the FTA funding approval on the individual projects contained in the FSTIP are subject to grantees meeting all necessary FTA administrative requirements, and that approval of this programming action does not provide a federal eligibility determination for CMAQ projects or any other project funding source included in this amendment.

If you have questions or need additional information concerning our approval for this SRTA FSTIP amendment, please contact Scott Carson (scott.carson@dot.gov) of the FHWA California Division office at (916) 498-5029.

ANTONIO
JOHNSON

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JOHNSON
Date: 2019.11.25 12:50:34 -08'00'

Tashia J. Clemons
Director, Planning & Environment
Federal Highway Administration

cc: (e-mail)

Ted Matley, FTA (ted.matley@dot.gov)

Jerome Wiggins, FTA (jerome.wiggins@dot.gov)

Muhaned Aljabiry, Caltrans (muhaned.aljabiry@ca.dot.gov)

Abhijit Bagde, Caltrans (abhijit.bagde@ca.dot.gov)

Jacqueline Kahrs, Caltrans (jacqueline.kahrs@ca.dot.gov)

Dan Little, SRTA (dlittle@sрта.ca.gov)

Kathy Urlie, SRTA (kurlie@sрта.ca.gov)

Keith Williams, SRTA (kwilliams@sрта.ca.gov)

Tashia Clemons, FHWA (tashia.clemons@dot.gov)

Scott Carson, FHWA (scott.carson@dot.gov)

Karina O'Connor, EPA (oconnor.karina@epa.gov)

cc: (other)

SRTA 2019 FTIP Folder

I:\Program Development Unit\Planning and Air Quality (2005-Present)\SRTA\Federal
Transportation Improvement Program\2019 FTIP\AMENDMENT 8

SCarson



1255 East Street, Suite 202 • Redding, CA 96001 • (530)262-6190 • FAX (530)262-6189
E-Mail srta@srta.ca.gov • HOME PAGE www.srta.ca.gov

Daniel S. Little, Executive Director

November 20, 2019

Mr. Muhaned Aljabiry
Department of Transportation
Division of Transportation Programming, MS 82
P.O. Box 942874
Sacramento, CA 94274-0001

Attention: Abhijit Bagde, SRTA FTIP Liaison

Subject: Formal Amendment No. 8 to the Shasta 2019 Federal Transportation Improvement Program (FTIP)

Dear Mr. Aljabiry:

With the delegation authority provided to me by the Shasta Regional Transportation Agency (SRTA) Board of Directors per attached SRTA Resolution #13-14, dated December 10, 2013, I hereby approve Formal Amendment No. 8 to the Shasta 2019 Federal Transportation Improvement Program (FTIP) for forwarding to Caltrans for review and recommendation of approval to the Federal Highway Administration (FHWA) and the Federal Transit Administration (FTA).

The amendment is consistent with metropolitan transportation planning regulations per Title 23 Code of Federal Regulations Part 450. As amended, the 2019 FTIP is financially constrained, and the attached financial summary confirms that funding is available. Additionally, the amendment is consistent with the 2018 Regional Transportation Plan. Shasta County is in conformance with federal air quality standards.

The amendment notification process complied with SRTA's adopted 2016 Participation and Partnership Plan (Title VI). The public and interagency review period ran from November 5 through November 19, 2019, meeting the requisite 14-day review period.

This amendment updates one grouped project listing:

- **Grouped Projects for Bridge Rehabilitation and Reconstruction (CTIPS ID No. 211-0000-0083)**
- Updates the listing of Highway Bridge Program (HBP) projects to the Caltrans, Headquarters issued one of November 1, 2019. There are seven adjustments to existing projects. Two prior bridge projects that proceeded to construction are no longer included: Old 44 over Oak Run Creek, 3.0 miles north of State Route 44; and county of Shasta Bridge Preventive Maintenance Program.

With this transmittal, Shasta 2019 FTIP Formal Amendment No. 8 is being provided directly to Caltrans. An electronic copy will be transmitted by email to Caltrans, FHWA, and FTA. The approved amendment will be posted to the SRTA website at <http://www.srta.ca.gov>. Please recommend this formal amendment for federal approval.

For questions, please contact Senior Transportation Planner Kathy Urlie at (530) 262-6194, or kurlie@srta.ca.gov.

Sincerely,



Daniel S. Little, AICP, Executive Director
Shasta Regional Transportation Agency (MPO)

DSL/KKU/al

Attachments: SRTA Resolution Number 13-14 – Delegation Authority for Formal FTIP Amendments
Summary of Changes Table
Financial Tables (Tables 1-3)
Amended and Original Programming Pages for FTIP Project
Grouped Project Listing Tables for Highway Bridge Program

C: Scott Carson, FHWA CA Division
Ted Matley, FTA Region 9
SRTA Board of Directors
Dave Durette, City of Anderson
Chuck Aukland, City of Redding
Jeff Tedder, City of Shasta Lake
Al Cathey, County of Shasta
Rick Somers, Caltrans, District 2
Nicole Fortner, Caltrans, District 2



1255 East Street, Suite 202 • Redding, CA 96001 • (530) 262-6190 • Fax: (530) 262-6189

E-mail: srta@srta.ca.gov • Website: www.srta.ca.gov

Daniel S. Little, Executive Director

November 25, 2019

Erin Thompson
Chief
Office of Regional Planning
Division of Transportation Planning
PO Box 942874
Sacramento, CA 94274

Dear Erin:

In response to your letter regarding the resolution of Single Audit Report (SAR) Finding 2018-002 of the Shasta Regional Transportation Agency (SRTA) for the fiscal year ending June 30, 2018. In the finding, SRTA's independent certified public accountant (CPA) reported the fourth Quarterly Progress Report and the Certification of Allocation and Expenditures by Fund Source were submitted to Caltrans after the due date. The CPA recommended that SRTA update their procedures to improve the risk assessment process and control activities over the timely submission of the reports in the event of key personnel turnover.

FINDING 2018-002 – Reporting – Internal Control and Compliance over Reporting

Recommendations

CalTrans requested in their letter the following corrective actions:

SRTA must update the appropriate policies and procedures to demonstrate:

- How SRTA will ensure, in the event of turnover, that the new project planners/project managers will recognize their duties and responsibilities.
- Who will perform the project planners duties while their positions are vacant to ensure timely submission of the reports.

Corrective Action Plan

SRTA adopted new policies at the February 26, 2019 board of directors' meeting and developed internal policies to address the following bulleted items:

- How SRTA will ensure, in the event of turnover, that the new project planners/project managers will recognize their duties and responsibilities.

SRTA's modified policies under section 2.40.020 "Grant Management Responsibilities" of SRTA's "Big Book". These policies now list out the specific duties and responsibilities of project managers/planners, including item 9: "Complete and submit progress reports and final reports in accordance with the term of the grant contract." These policies and procedures are provided to each new employee upon hire and additionally, are available for them to refer to and review on the SRTA website.

- Who will perform the project planners duties while their positions are vacant to ensure timely submission of the reports.

SRTA has developed an internal document listing each staff person's area of responsibility. In the event that a project planner's position becomes vacant, the executive director is responsible for redistributing the vacant position's duties to another planner to ensure timely submission of reports.

SRTA's independent auditor has reviewed the corrective actions taken to remediate the findings from Single Audit Report (SAR) Finding 2018-002 and deemed them to have been corrected per the most recent financial statement audit for the fiscal year ending June 30, 2019.

Please contact us should you have any questions.

Sincerely,

A handwritten signature in black ink, appearing to read 'D. Little', is written over a horizontal line.

Daniel S. Little, AICP, Executive Director
Shasta Regional Transportation Agency (MPO)

Attachments: Policy Excerpts: SRTA Big Book: Chapter 2.40 Grant Contracting and Management

Chapter 2.40 - GRANT CONTRACTING AND MANAGEMENT

(AMENDED February 2019)

2.40.010 - GRANT CONTRACT APPROVAL PROCESS

- A. Applications for grant funding require pre-authorization by the board of directors. If required, a signed resolution of the board of directors shall be obtained. On occasion, the deadline to submit a grant application and the timing of board of directors' meetings do not align. In such cases, the executive director may authorize submittal of a grant application followed by a request for authorization at the next scheduled board of directors meeting. The board of directors shall have the option to rescind the grant application at this time.
- B. Upon notice of grant award, a grant contract shall be prepared by the project manager for review and approval by the executive director and legal counsel. Approval of the grant contract shall then be agendaized at a meeting of the board of directors. Non-administrative changes to the originally proposed scope of work (i.e., the addition, subtraction, or substantive changes to work tasks), budget (i.e., a change in overall or major work task cost), or deliverables (i.e., the deletion or substantive modification of specified deliverables) must be agreed upon by the grantor and be included in the grant contract.
- C. Grant contracts approved by the board of directors shall be signed first by the chair or vice-chair of the board of directors, or designee of the board of directors (e.g., executive director). The grant contract is then returned to the grantor for signature. A 'notice-to-proceed' is typically provided by the grantor, once the signed grant contract has been received and processed. This date may be different than the date of the last signature on the grant contract. In no case shall grant-reimbursable work be performed until the grant contract is signed by both parties and a notice-to-proceed, if required by the grantor, has been received and documented in the contract folder.
- D. Copies of all grants and contracts, including any modifications or amendments thereof, shall be maintained in the agency in a form approved by the executive director.

2.40.020 - GRANT MANAGEMENT RESPONSIBILITIES

- A. It is the project manager's responsibility to:
 - 1. Arrange for signatures on the grant contract and any amendments thereof.
 - 2. Work with the accountant/chief fiscal officer to convert the grant agreement budget into line item codes that can be entered into the agency's accounting system.

3. Assign the grant project a name and unique numerical work element number for inclusion in the agency's overall work program and accounting system.
4. Read and understand the particulars of each grant contract.
5. Ensure that staff working on the project understands any particulars unique to the project, grant contract, and funding source.
6. Understand the budget for each project and monitor expenses through the term of the grant contract.
7. Ensure that all documentation, reports, and paperwork needed by an auditor to evaluate compliance with SRTA policies and the terms of the grant contract are documented in the grant contract file.
8. Ensure that all deliverables stated in the grant contract are accumulated during the term of the contract.
9. Complete and submit progress reports and final report in accordance with the term of the grant contract.
10. For any contracting opportunity under the grant, the project manager will keep a control file (throughout the term of the contract and for five years following completion of all work) consisting of the following sections:
 - a. Copy of the RFQ, RFP, IFB or informal bid process, and any respective addenda.
 - b. Vendor list and copy of notice (if required).
 - c. Rationale for type of procurement used.
 - d. Independent cost estimate, if informal procurement followed.
 - e. Documentation of the publication or advertisement of the procurement.
 - f. List of all vendors responding to the procurement.
 - g. All documentation relating to the selection process, including, but not limited to: evaluation score sheets, bids, rationale for selection and/or rejection of respondents, the basis for the contract price, and documentation of the price analysis or cost analysis if sole source.
 - h. Final contract.

- i. Agency board report, if required.
- j. Notice to proceed.
- k. Change orders or addenda.
- l. Cost/price analyses to support change orders.
- m. Proof of insurance.
- n. Original proposals to the procurement.
- o. DBE information, as necessary.
- p. Returned mail.

B. It is the accountant/chief fiscal officer's responsibility to:

1. Prepare and enter the agency budget for each grant into the accounting system.
2. Know the financial requirements of each particular grant (sometimes the travel reimbursement rate is different, etc.)
3. Monitor the expenses on each grant to be sure staff complies with rules and regulations of the grant and the budget as approved by the grantor.
4. Generate quarterly project financial reports to assist the project manager and the executive director in keeping project costs within budget. These may be monthly or quarterly financial reports as agreed upon and shall include budget versus actual expenditures for each grant and major work task or category.
5. Invoice the granting agency for reimbursement as soon as it is allowed, and as frequently as permissible and desirable by the agency.
6. Prepare and submit expenditure reports or financial forecast reports as required by the grant contract.
7. Retrieve Catalog of Federal Domestic Assistance (CFDA) numbers for financial statement purposes.

C. It is the executive director's responsibility to:

1. Review quarterly and final reports and expenditures, including eligible staff time, direct expenses, and consultant invoices.

2. Compare actual spending with budgeted amounts and request budget modifications as necessary.
3. Determine the accrued income and expenses prior to the end of the grant period.
4. Review each contract and/or amendment to ensure compliance with fiscal and legal provisions.

2.40.030 - ENTERING INTO AND MANAGING AGREEMENTS WITH SUB-RECIPIENTS OF FEDERAL (STATE) GRANT FUNDS

- A. The agency is mandated by the federal and state governments to develop regional plans for transportation, growth management, hazardous waste management, air quality and other issues of regional significance. The agency receives federal funds through the California Department of Transportation (Caltrans). Federal sources of funds primarily include the Federal Highway Administration (FHWA) and the Federal Transit Administration (FTA) consolidated planning grant funds (CPG). These funds are administered through the Master Fund Transfer Agreement (MFTA) between Caltrans and the agency.

The following fund sources are governed by the terms and conditions of the MFTA, as included in each annual Overall Work Program Agreement (OWPA) between agency and Caltrans:

1. FHWA - Metropolitan Planning.
2. FHWA - Partnership Planning.
3. FTA Metropolitan Planning - Section 5303.
4. FTA State Planning and Research - Section 5304.
5. Any other federal or state Funds administered by and through Caltrans, Office of Regional and Inter Agency Planning Agency and the sub-recipients have access to the Regional Planning Handbook developed by the Caltrans Headquarters Office of Regional and Inter agency Planning (ORIP) as a resource to describe the interactions between Caltrans District, ORIP staff, Metropolitan Planning Organizations (MPOs), Regional Transportation Planning Agencies (Agency's) on the Overall Work Program (OWP) and the Regional Transportation Plan (RTP).

SRTA may receive Federal and State awards as well as disburse Federal and State funds to sub-recipients and contractors, depending on the terms of agreements with Federal (State) awarding agencies. SRTA staff must make a case-by-case determination whether the

agreement entered into for the disbursement of Federal (State) program funds casts the recipient of funds in the role of a sub-recipient or that of a contractor. The Federal/State awarding agency may supply and require recipients to comply with additional guidance to support these determinations.

- B. The purpose of this policy is to ensure that both the agency and sub-recipients are in compliance with 2 CFR Part 225 and 49 CFR, Part 18. It is the intent of this policy to document the agency's procedures to ensure that payments made to sub-recipients are for costs associated with activities and/or products identified in the continuing cooperative agreement and that such costs are allowable and eligible for reimbursement. This manual also provides procedures that agency will follow to exercise oversight of the sub-recipients and the procedures that the sub-recipients will follow to ensure compliance with federal and state laws and regulations.
 - C. The procedures in this policy apply to the agency, a "pass-through entity", and its sub-recipients seeking to receive grant funds from agency. All sub-recipients of federal and/or state grant funds through agency are subject to the same federal and state requirements as the agency. The agency's Master Fund Transfer Agreement (MFTA) with Caltrans requires the agency and its consultants, sub-consultants and sub-recipients to comply with federal and state requirements set forth in the MFTA.
 - D. Sub-recipients are non-federal entities that expend federal grant awards or state funds received from a pass-through entity to carry out a federal and/or state program. A sub-recipient may also be a recipient of other awards directly from a federal awarding agency. A sub-recipient may also be a recipient of state funds directly from a state agency. The agency's sub-recipients include, but are not limited to, transportation providers, cities, counties and other public, private and/or non-profit agencies. Agreements with these sub-recipients take the form of Memorandum of Understanding (MOU), Funding Agreements, or similar agreements.
1. Determining a Sub-Recipient vs. a Contractor Role:
- a. Sub-Recipients - A sub-award, sometimes referred to as 'pass-through' funding, is for the purpose of carrying out a portion of a Federal (State) award and creates a Federal (State) assistance relationship with the sub-recipient. Characteristics that support the classification of the non-Federal (State) entity as a sub-recipient are when the non-Federal (State) entity:
 - I. Determines who is eligible to receive what Federal (State) assistance;
 - II. Has its performance measured in relation to whether objectives of a Federal (State) program were met;
 - III. Has responsibility for programmatic decision making;

- IV. Is responsible for adherence to applicable Federal (State) program requirements specified in the Federal (State) award; and
 - V. In accordance with its agreement, uses the Federal (State) funds to carry out a program for a public purpose specified in authorizing statute, as opposed to providing goods or services for the benefit of the pass-through entity.
- b. Contractors - A contract is for the purpose of obtaining goods and services for SRTA's own use and creates a procurement relationship with the contractor. Characteristics that support a procurement relationship between the non-Federal (State) entity and a contractor are when the contractor:
- I. Provides the goods and services within normal business operations;
 - II. Provides similar goods or services to many different purchasers;
 - III. Normally operates in a competitive environment;
 - IV. Provides goods or services that are ancillary to the operations of SRTA; and
 - V. Is not subject to compliance requirements of the Federal (State) program as a result of the agreement, though similar requirements may apply for other reasons.
- c. Use of Judgment in Making Determination - In determining whether an agreement between SRTA and a non-Federal (State) entity casts the latter as a sub-recipient or a contractor, the substance of the relationship is more important than the form of the agreement. Whereas all characteristics listed above may not be present in all cases, SRTA must apply best judgment in classifying each agreement as a sub-award or a procurement contract.
- E. Requirements to Pass-through Federal (State) Funds to a Sub-Recipient. All sub-awards of Federal (State) funding to a sub-recipient must be preceded by a sub-recipient agreement. Prior to doing so, SRTA shall:
- 1. Ensure that each sub-award is clearly identified as such in a sub-recipient agreement that includes the following information. Should any of the following information not be available, the best available information shall be used.
 - a. Federal (State) Award Identification;
 - b. Sub-recipient name (which must match the name associated with its unique entity identifier);

- c. Sub-recipient's unique entity identifier;
 - d. Federal (State) Award Identification Number (FAIN);
 - e. Federal (State) Award Date of award to the recipient by the Federal (State) agency;
 - f. Sub-award Period of Performance Start and End Date;
 - g. Amount of Federal (State) Funds Obligated by this action by SRTA to the sub-recipient;
 - h. Total Amount of Federal (State) Funds Obligated to the sub-recipient by SRTA including the current obligation;
 - i. Total Amount of the Federal (State) Award committed to the sub-recipient by SRTA;
 - j. Federal (State) award project description, as required to be responsive to the Federal (State) Funding Accountability and Transparency Act (FFATA);
 - k. Name of Federal (State) awarding agency, SRTA, and contact information;
 - l. Catalog of Federal Domestic Assistance (CFDA) Number and Name, including dollar amount made available under each Federal (State) award and the CFDA number at time of disbursement;
 - m. Identification of whether the award is for Research and Development;
 - n. Indirect cost rate for the Federal (State) award (including if the de minimis rate is charged); and
 - o. Any additional information imposed by SRTA on the sub-recipient to ensure that the Federal (State) award is used in accordance with Federal (State) statutes, regulations, and the terms and conditions of the Federal (State) award.
2. Evaluate each sub-recipient's risk of noncompliance with Federal (State) statutes, regulations, and the terms and conditions of the sub-award, which may include consideration of such factors as:
- a. The sub-recipient's prior experience with the same or similar sub-awards;
 - b. The results of previous audits, including whether or not the sub-recipient receives a Single Audit and the extent to which the same or similar sub-award has been audited as a major program;

- c. Whether the sub-recipient has new personnel or new or substantially changed systems; and
 - d. The extent and results of Federal (State) awarding agency monitoring (e.g., if the sub-recipient also receives Federal (State) awards directly from a Federal (State) awarding agency).
 - e. Ensure that SRTA imposes any additional requirements on the sub-recipient necessary for SRTA to meet its own responsibility to the Federal (State) awarding agency, including identification of any required financial and performance reports.
 - f. Receive an approved Federal (State) recognized indirect cost rate negotiated between the sub-recipient and the Federal (State) Government or, if no such rate exists, either a rate negotiated between SRTA and the sub-recipient, or a de minimis indirect cost rate.
 - g. Require that the sub-recipient permit SRTA and auditors to have access to the sub-recipient's records and financial statements.
 - h. Require appropriate terms and conditions concerning closeout of the sub-award.
 - i. Consider imposing specific sub-award conditions upon a sub-recipient as appropriate.
3. Monitoring Sub-Recipients: Sub-recipient activities must be monitored as necessary to ensure that the sub-award is used for authorized purposes and that the sub-recipient is in compliance with Federal (State) statutes, regulations, and the terms and conditions of the sub-award—and if applicable, that sub-award performance goals are achieved. SRTA's monitoring activities shall include:
- a. Reviewing financial and performance reports required by SRTA.
 - b. Following-up to ensure that the sub-recipient takes timely and appropriate action on all deficiencies pertaining to the Federal (State) award, as detected through audits, on-site reviews, and other means.
 - c. Issuing a management decision for audit findings pertaining to the Federal (State) award.
 - d. Monitoring tools identified by SRTA to ensure proper accountability and compliance with program requirements and performance goals, as identified during SRTA's assessment of compliance risk posed by the sub-recipient. Such tools may include:
 - i. Providing sub-recipients with training and technical assistance on program-related matters;

- II. Performing on-site reviews of the sub-recipient's program operations; and
 - III. Arranging for agreed-upon-procedures engagements.
- e. Verifying that every sub-recipient is audited when it is expected that the sub-recipient's Federal (State) awards expended during the respective fiscal year equaled or exceeded the single audit threshold.
 - f. Considering whether the results of the sub-recipient's audits, on-site reviews, or other monitoring indicate conditions that necessitate a correction to SRTA's accounting records.
 - g. Considering taking enforcement action against noncompliant sub-recipients in response to noncompliance with the terms and regulations imposed by SRTA and the Federal (State) funding agency.
- F. Applicable federal regulations include, but are not limited to, the following:
- 1. Code of Federal Regulations, Title 48, Federal Acquisition Regulations System, Chapter 1, Part 31, Contract Cost Principles and Procedures -This part defines the various types of costs for consultants, including direct and indirect costs, the principles and procedures and a discussion of selected costs that are allowable or unallowable.
 - 2. Code of Federal Regulations, Title 49, Transportation, Part 18, Uniform Administrative Requirements for Grants and Cooperative Agreements to State, Local and Indian Tribal Governments - This part establishes uniform administrative rules for Federal grants and sub awards. Some of the items discussed are rules for matching, or third-party, in-kind contributions. This part also sets out the requirement that sub-grantees must conform to the rules imposed upon grantees and that grantees are responsible for managing and monitoring grant and sub-grant supported activities to assure compliance with applicable federal requirements and that performance goals are being achieved. Rules on conflicts of interest are also included in this part.
 - 3. Code of Federal Regulations, Title 2, Part 225 (Formerly known as Office of Management and Budget Circular A-87, Cost Principles for State, Local and Indian Tribal Governments) - This regulation establishes principles and standards for determining allowable costs for federal awards carried out through grants, cost reimbursement contracts and other agreements with State and local governments and Indian tribal governments. It defines certain elements of costs and discusses allowable and unallowable costs, similar to the Code of Federal Regulations, Title 48, Part 31, noted above. It also contains a section on Indirect Cost Rate Proposals and the way to submit them for approval.

4. Federal Transit Administration, Circular C 4220.1E, Third Party Contracting Requirements; This circular sets forth the requirements a grantee must adhere to in the solicitation, award and administration of its third-party contracts.
5. Federal Transit Administration, Circular C 5010.1C, Grant Management Guidelines - The purpose of this circular is to provide guidelines and management procedures for Metropolitan Planning grants, Capital Program grants and Urbanized Area Formula grants for assistance programs of the Federal Transit Administration (FTA), after award.
6. Federal Transit Administration, Circular C 8100.1B, Program Guidance and Application Instructions for Metropolitan Planning Grants - This circular provides application instructions and program guidance instructions for the preparation of Metropolitan Planning Program (MPP) grant applications for funds authorized by 49 U.S.C. 5303.
7. The Code of Federal Regulations, Titles 48 and 49, may be accessed on the Internet at <http://www.gpoaccess.gov/cfr> The Office of Management and Budget (OMB) Circular A-87 may be accessed at <http://www.whitehouse.gov/omb/circulars/a087>. The Federal Transit Administration circulars may be accessed at <http://www.fta.dot.gov/laws/circulars>.
- G. Sub-recipients must also comply with the Federal Certifications and Assurances, including the Lobbying Certification, published annually in agency's OWP, as required by the MFTA.
- H. Sub-recipients must also comply with the Caltrans Local Assistance Procedures Manual Chapter 5, Accounting/Invoicing (LPP 04-10) when seeking reimbursement of indirect costs. In instances where the agency authorizes a sub-recipient to retain a consultant(s) to perform work, the consultant selection process must comply with competitive selection requirements under 49 CFR 18.36 and State law and procedures, including the Caltrans *Local Assistance Procedures Manual* at www.dot.ca.gov/hq/LocalPrograms/lam/lapm.htm.
- I. Sub-recipients must incorporate all applicable flow-down requirements (from the CCA or other funding agreement between the agency and the sub-recipient), including the federal and state requirements described above, into such consultant(s) contracts.

Sub-recipients should review the above regulations so that they can comply with the requirements.

- J. The agency performs oversight of sub-recipients through various means. The agency utilizes various methods to monitor sub-recipients and ensure compliance. The agency will periodically review sub-recipient's procurement practices to ensure compliance. Procurements will be conducted according to the Federal Acquisition Regulations (CFR Title 48, Part 31 and CFR Title 49, Part 18.36).

- K. The following are the descriptions of the various types of oversight management that will be performed by agency:
1. The agency will develop overall work programs and corresponding continuing cooperative agreements in sufficient detail to provide a clear understanding of activities, tasks, deliverables, cost and schedule for work to be done by sub-recipients.
 2. The agency will require sufficient invoice detail to ensure that work performed, and costs billed are compliant with the continuing cooperative agreements and to ensure that costs are for eligible work and are allowable under 49 CFR, Part 18, 2 CFR Part 225 and 48 CFR Ch. 1 Part 31.
 3. The agency will review each invoice received from sub-recipients for compliance with the above. Reviews and approvals will be documented by the project manager's signature. The accountant will also signify concurrence by initialing the invoice.
 4. Payments will be withheld from sub-recipients for the following:
 - a. Insufficient detail to support the costs billed.
 - b. Unallowable costs.
 - c. Ineligible costs.
 - d. Late submittal of quarterly progress reports.
 5. Invoices will be date stamped upon receipt if received in hard copy. A record of the date of receipt will be maintained for those invoices sent electronically.
 6. Periodic training of the agency and sub-recipient staff will be provided to ensure currency and continued compliance with this policy.
- L. Project managers will perform oversight in the following ways:
1. Encourage sub-recipients to submit monthly invoices;
 2. Verify that invoices include progress reports;
 3. Review progress reports to ensure project is progressing accurately and on schedule;
 4. Compare invoice to contract budget to ensure eligibility of costs and costs do not exceed budget;

5. Review invoice to ensure supporting documentation is included and invoiced costs are within the scope of work for the project(s) being billed;
6. Obtain report, certification and supporting documentation of local (non-federal) in-kind match work from the sub-recipient;
7. Review sub-recipient match tasks for eligibility;
8. Notify the accountant that invoice is approved or disapproved.

M. Project managers will maintain a project file to include:

1. Project proposal (cooperative agreement tasks);
2. Project scope;
3. Correspondence, including communications log;
4. Meeting agendas, minutes, and attachments;
5. Progress reports;
6. Interim and final products;
7. Project close out form;
8. Copies of other applicable project documents as required, such as copies of contracts or MOUs.

N. Any changes to OWP funding must be approved by the Federal and State grantors in the form of an amendment.

There are two types of amendments: Administrative and Formal.

1. Administrative: These amendments require concurrence from Caltrans and involve changes to the OWP that do not affect the budget or the delivery of regional transportation planning tasks, activities, steps and products. Examples of an Administrative Amendment would be the correction of errata; project schedule change; changing from a staff task to a consultant task or vice-versa. The agency usually processes one administrative amendment by the end of September of the budget year and may process more on an as needed basis. Sub-recipients must notify the agency project manager of the need for an administrative amendment at the earliest possible time. The agency project manager will notify sub-recipients of the changes after receipt of written approval from Caltrans.

2. **Formal:** These amendments require Caltrans District approval and concurrence from Caltrans Headquarters before the amendment can be forwarded to FHWA/FTA for their review and final approval. A formal amendment is required if there are substantive changes to work elements funded with CPG, or if the changes (regardless of funding type) impact regional transportation planning activities and if there are changes to the total OWP budget and would require that the agency's OWP Agreement with Caltrans be amended. Some examples of changes that require a formal amendment is deleting or adding projects; a change in work scope; substitution of fund sources within a work element and/or project; redirection of CPG funds or local match among work elements and/or projects; increasing the work element/project budget. The agency will prepare a formal amendment, usually in October, to encompass both previous year's carryover balances and adjustments to the current year's budget due to circumstances that have occurred since the beginning of the fiscal year. Caltrans must concur with the carryover balances prior to submission of the amendment. The agency/board also must approve of the budget amendment prior to submission. This budget amendment must be submitted to Caltrans timely to allow sufficient time for review by FHWA, FTA and Caltrans. Once the amendment has been approved, costs can be incurred and any new RFP/contract process.

DEPARTMENT OF TRANSPORTATION

DIVISION OF TRANSPORTATION PLANNING

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SHASTA REGIONAL
TRANSPORTATION AGENCY

October 31, 2019

Ms. Monika Long, CPA
Chief Financial Officer
Shasta Regional Transportation Agency
1255 East Street, Suite 202
Redding, CA 96001

Dear Ms. Long:

This letter is in regard to the management decision made by the Independent Office of Audits and Investigations (IOAI) regarding the resolution of Single Audit Report (SAR) Finding 2018-002 of the Shasta Regional Transportation Agency (SRTA) for the fiscal year ending on June 30, 2018. In the finding, SRTA's independent certified public accountant (CPA) reported the fourth Quarterly Progress Report and the Certification of Allocation and Expenditures by Fund Source were submitted to Caltrans after the due date. The CPA recommended that SRTA update procedures to improve the risk assessment process and control activities over the timely submission of the reports in the event of key personnel turnover.

Corrective Actions:

SRTA must update the appropriate policies and procedures to demonstrate:

- How SRTA will ensure, in the event of turnover, that the new project planners/project managers will recognize their duties and responsibilities.
- Who will perform the project planners/project managers duties while their positions are vacant to ensure timely submission of the reports.

Caltrans requests that SRTA provide a corrective action plan outlining how the above corrective actions will be implemented and dates for completion. Failure by SRTA to respond and submit the corrective action plan to Caltrans within 60 days of this letter will result in Caltrans not recommending SRTA's FY 2020–21 Overall Work Program for Federal approval. Caltrans has consulted with FHWA and FTA regarding the above course of action.

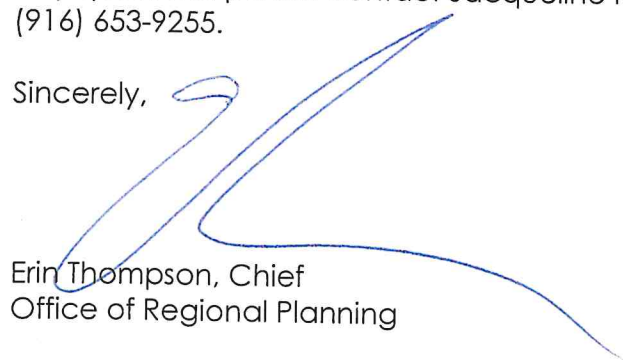
All support documentation and corrective actions provided by SRTA will be reviewed by Caltrans staff. SRTA's progress with regards to the corrective actions and final

Ms. Monika Long
October 31, 2019
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resolutions will be closely monitored by Caltrans staff, including any follow-up audit work that may be performed.

We appreciate SRTA's cooperation and coordination during this process. If you have any questions, please contact Jacqueline Kahrs at jacqueline.kahrs@dot.ca.gov or (916) 653-9255.

Sincerely,



Erin Thompson, Chief
Office of Regional Planning

c: Tashia Clemons, Director of Program Development, Federal Highway Administration
Rodney Whitfield, Director of Financial Services, Federal Highway Administration
Grace Regidor, Financial Specialist, Federal Highway Administration
Veneshia Smith, Financial Manager, Financial Services, Federal Highway Administration
Marsue Morrill, Chief, External Audits, Independent Office of Audits and Investigations
Tom Balkow, Deputy Director, Planning and Local Assistance, District 2, Caltrans
Kathy Grah, Senior Transportation Planner, Planning and Local Assistance, District 2, Caltrans
Ian Howat, District Local Assistance, District 2, Caltrans