



September 18, 2019

Office of the State Comptroller  
Division of State Government Accountability  
59 Maiden Lane – 21<sup>st</sup> Floor  
New York, NY 10038

Re: Audit Report - 2017-S-25, Issued 6/20/2019

Dear Ms. Maldonado:

On behalf of the New York State Department of Transportation (NYSDOT) and pursuant to Executive Law §170, I write to provide confirmatory information concerning NYSDOT's 90-day response to OSC's six recommendations detailed in Audit Report Number 2017-S-25 titled Welcome Center and Rest Area Planning and Implementation.

**State Comptroller's Comment:** The audit identified deficiencies in the Department's planning and implementation of Welcome Centers. While the Department disagrees with the findings, it has offered no specific, substantive evidence to support its position despite being provided multiple opportunities to do so.

#### **NYSDOT Response to Recommendations**

**OSC Recommendation (1):** Strengthen planning for Welcome Centers and Rest Areas by following Department policies and procedures related but not limited to: project planning as described in the Project Development Manual, entering comments into PSS as described in the PPMIS Instructions, Case I Reviews, and MOU requirements as described in the Highway Design Manual.

**NYSDOT Response:** We continue to disagree with this recommendation. OSC failed to fully recognize the scope and extent of the transportation infrastructure that falls under the operations/maintenance jurisdiction of NYSDOT. NYSDOT has a comprehensive set of project development/delivery manuals, instructions and guidelines. These documents, which were provided to OSC, clearly detail a consistent approach in guiding the delivery of a wide variety of capital project types. OSC's audit did not acknowledge that the welcome center/rest area rehabilitation/construction development process audited was a multi-agency initiative that incorporated strategic priorities and design elements funded by others: As such, the Welcome Center process necessarily differed from NYSDOT's typical capital planning process. OSC specifically questioned certain process steps, such as the Initial Project Proposal, that were not necessary or in some cases inappropriate for this initiative. Notwithstanding, recognizing the age of the Project Scheduling System (PSS), NYSDOT is in the process of implementing a new program management system – Oracle Primavera Portfolio Management system. OPPM will replace PSS and provide enhanced utility and consistency between Regions and further strengthen ongoing planning. With respect to the MOU, NYSDOT will coordinate efforts with other impacted agencies to develop draft MOUs by the end of March 2020.

**State Comptroller's Comment:** The Department's response – that the Welcome Center process differed from its typical capital planning process and certain steps were not needed – conflicts with its response to recommendation 3, which states its process is for a wide variety of capital project types, and that the Department adhered to its procedures in response to recommendations 3 and 6 for these types of projects. Lastly, the Department's Oracle Primavera Portfolio Management system has been in design and development for more than ten years and has yet to have a significant role in the Department's management of capital projects.

**OSC Recommendation (2):** Create and maintain a transparent environment that allows for the examination of the decision-making process and use of public resources of a State government agency.

**NYSDOT Response:** We continue to disagree with this recommendation. NYSDOT already maintains transparency throughout the planning, contracting and delivery of its capital projects. Resources available to the public include, among other things: Projects in your Neighborhood and the Statewide Transportation Improvement Program.

**State Comptroller's Comment:** The Department needs to develop a more mature and comprehensive understanding of transparency that includes fulfilling requests for information used by management in decision making. For example, multiple items that auditors requested during the audit were not received.

**OSC Recommendation (3):** Document planning and implementation decisions that follow the systems in place for the planning, design, and construction of Welcome Centers.

**NYSDOT Response:** We continue to disagree with this recommendation. All the projects reviewed as part of this audit adhered to NYSDOT procedures.

**State Comptroller's Comment:** The Department did not follow its own process, which is designed to make capital projects, including Welcome Centers, accessible to the traveling public. Our recommendation 4 was focused on the fact that the Long Island Welcome Center was not located "within 20 minutes of key entry points to the State or to tourist regions" and touring buses were not allowed at this Welcome Center, thus defeating the reason for having the Welcome Center.

**OSC Recommendation (4):** Identify solutions to bring the Interstate 81 corridor and westbound Long Island Expressway in compliance with AASHTO spacing guidelines.

**NYSDOT Response:** We continue to disagree with this recommendation. The AASHTO guidelines provide broad discretion in the spacing and types of services offered in the context of limited funding; service demand; and availability of other facilities (including private) for stopping opportunities. Ample stopping points with services exist along 1-81 and the Long Island Expressway (1-495) in the areas cited by the audit.

**State Comptroller's Comment:** Despite the Department's disagreement with the recommendation, it had initiated plans for a Welcome Center and Rest Area on these highways.

**OSC Recommendation (5):** Maintain current Rest Area Plans and Rest Area corridor plans.

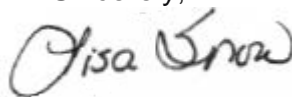
**NYSDOT Response:** We continue to disagree with this recommendation. NYSDOT already complies with the recommendation to refresh and consolidate the current welcome center/rest area policy; procedures; and guidance. Further, the existing suite of documents, including corridor plans , policies and procedures, provide sound guidance for implementing these projects and are consistent with national guidelines.

**State Comptroller's Comment:** Rest Area corridor plans range in age from 7 to 30 years and need to be updated.

**OSC Recommendation (6):** Develop and implement detailed policies and procedures regarding the processing of deleted, deferred, or withdrawn projects and the exemption/waiver process for both MURK Reviews and PQARs.

**NYSDOT Response:** We continue to disagree with this recommendation. The deletion of temporary project numbers or other unused database items were merely database management practices. There was no waiver of the MURK review, only a delegation of the task to the office engineer which was appropriate for the project. The PQAR exemption followed was standard practice that has been in place for quite some time. The October 2019 update of the Contract Administration Manual will include a formalization of this practice.

Sincerely,



Lisa Snow  
Acting Assistant Commissioner  
Administrative Services

- cc. Honorable Andrew M. Cuomo, Governor of the State of New York  
Honorable Thomas P. DiNapoli, State Comptroller  
Honorable Andrea Stewart-Cousins, Senate Majority Leader and President Pro Tempore  
Honorable John J. Flanagan, Senate Minority Leader  
Honorable Carl E. Heastie, Assembly Speaker  
Honorable Crystal D. Peoples-Stokes, Assembly Majority Leader  
Honorable Brian M. Kolb, Assembly Minority Leader  
Honorable Liz Krueger, Chairman, Senate Finance Committee  
Honorable James L. Seward, Ranking Minority Member, Senate Finance Committee  
Honorable Helene E. Weinstein, Chairman, Assembly Ways and Means Committee  
Honorable William A Barclay, Ranking Minority Member, Assembly Ways and Means Committee  
Robert F. Mujica Jr., Division of the Budget