



OFFICE OF THE CITY AUDITOR

September 18, 2026

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SUBJECT: Audit Report of Public Works Department Right of Way Permits

Mayor and Council Members:

We are pleased to send you the final report of the Public Works Department Right of Way Permits. This audit began in May 2025 and concluded with an exit meeting with department management in July 2026. Management's verbatim response is included in Appendix D of the report. The Public Works Department management and staff should be commended for their cooperation and assistance during this audit.

The Office of the City Auditor is available to discuss this report with you individually at your convenience.

Respectfully Submitted,

Buddy Vargas, CPA, CIA, CFE
City Auditor
City of San Antonio

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**CITY OF SAN ANTONIO
OFFICE OF THE CITY AUDITOR**

PUBLIC WORKS DEPARTMENT
AUDIT OF RIGHT OF WAY PERMITS
PROJECT NO. AU25-033
September 18, 2026

BUDDY VARGAS, CPA, CIA, CFE
CITY AUDITOR



Table of Contents

Executive Summary	2
Background.....	3
Audit Scope and Methodology	5
Audit Results and Recommendations	6
A. Policies and Procedures	6
B. Permit Phase	7
C. Fee Accuracy.....	8
D. Accounts Receivable Management	10
Appendix A – ROW Fees	11
Appendix B – ROW Permit Activity	12
Appendix C – Staff Acknowledgement.....	13
Appendix D – Management Response	14

Executive Summary

As part of our annual Audit Plan approved by City Council, we conducted an audit over Public Works Department (PWD), specifically the management of the right of way permits. The audit objective, conclusion, and recommendations follow:

Determine if Right of Way (ROW) permits are processed in accordance with applicable ordinances to include program administration and payment.

PWD has effective controls to address 311 service requests that correspond to ROW operations. Additionally, PWD appropriately documents the reason for denied ROW permits. However, we identified areas where controls could be improved over policies and procedures, permit phase accuracy, fee accuracy, and accounts receivable management.

Currently, written procedures and controls are insufficient to ensure consistent ROW program execution. We identified inconsistencies in execution across definitions of simple permits, permit application review, and excavation inspection documentation. Additionally, permits are potentially assigned inaccurate permit phases. PWD also does not have sufficient controls to ensure ROW fees are accurately invoiced. Lastly, accounts receivable processes are not performed in accordance with the Accounts Receivable Administrative Directive.

We provided recommendations to management to strengthen controls and resolve identified issues. PWD management agreed with the audit findings and have developed positive action plans to address them. Management's verbatim response is in **Appendix D** on page 14.

Background

The Right of Way (ROW) Division within the Public Works Department (PWD) is responsible for managing a variety of permits related to both construction and non-construction activities involving the City of San Antonio's infrastructure. To ensure public safety and maintain mobility, permits are required for any operations conducted within the City's ROW. Through this permitting process, PWD coordinates construction activities, mitigates public inconvenience, enforces regulations, and ensures proper street repair.

To submit a ROW permit application, contractors must first be registered with the City of San Antonio in the Accela system. The PWD Administration Team verifies that contractors have appropriate insurance coverage, meet bond requirements, and pay the applicable registration fee. Once approved, contractors may submit ROW permit applications for individual projects. Permit types are outlined below (with applicable fees listed at **Appendix A** on page 11).

*Excavation Permit*¹

Simple Excavation Permits include excavation projects less than 49 feet in length, street boring, telecommunications, and overhead electric. Complex Permits apply to excavation projects exceeding 50 feet, manhole servicing, and pipe bursting. Emergency Excavation Permits address urgent public safety concerns such as loss of water service, which are automatically approved, and may begin without delay. Emergency Excavation Permits are restricted to major utility providers like CPS, SAWS, AT&T, or their authorized contractors.

Simple and Emergency Permits are reviewed by PWD Inspectors, while Complex Permits are handled by the PWD Utility Coordinator. Inspectors assess project specifications, calculate fees, and forward permit details to the Administration Team for invoicing. Upon payment, the permit is issued. Contractors who exceed their estimated project duration or violate the ROW ordinance may have a violation fee assessed.

Non-Excavation Permits

Block Party Temporary Street Closure Permits are required for events that block or restrict street access. Block Party applications are submitted by the applicant and reviewed for traffic impact by a PWD Senior Engineer, who coordinates with Fire and Police departments to ensure safety measures are in place. Once the review is complete and the fee is calculated, the Senior Engineer submits the information to the Administration Team for invoicing. The permit is issued upon payment.

Lane/Sidewalk Closure Permits are necessary for work involving the removal, repair, modification, or installation of sidewalks, curbs, medians, or traffic signals not related to utility work. Parking

¹ The ROW Ordinance defines excavation as any activity that removes or otherwise disturbs, soil, pavement, driveways, curbs, or sidewalks in the Right of Way. Accordingly, throughout this report we may reference two categories—excavation and non-excavation.

Restriction Permits are required when reserving City parking spaces for temporary loading or unloading. Parking Restriction and Lane/Sidewalk Permits are submitted by the applicant and reviewed by the PWD Utility Coordinator. Parking Restriction Permits also require coordination with the Center City Development and Operations department to confirm availability of the requested parking area and allow time for traffic plan review. These permits are also issued upon payment.

Finally, for Complex Permits and utility companies, PWD follows a monthly billing process. To ensure billing accuracy, the PWD Accountant and Program Manager reconcile the number of permits billed and email invoices to customers. In addition to billing, the PWD Accountant is responsible for monitoring past due payments.

During fiscal year 2025, 19,085, ROW permit applications were submitted. Additionally, \$5,425,739 in total revenue was collected during FY 2025. See **Appendix B** on page 12 for detailed figures.

Audit Scope and Methodology

The audit scope was October 2024 through February 2026 which included contractor registration; application review; ROW inspections; permit violations and ROW complaints; permit closure; permit billing and collection; and system user access.

To gain an understanding of ROW operations, we interviewed PWD personnel and performed walkthroughs over ROW contractor registration, permit application review processes, monthly billing, violation issuance, and systems used. The ROW ordinance, Utility Excavation Criteria Manual (UECM), and PWD's policies and procedures were our primary criteria for this audit.

As part of our testing procedures, we reviewed a judgmental sample of Accela ROW permit records to determine if PWD personnel reviewed registration and permit applications for required documentation and assessed the appropriate fees. We also verified routine permit inspections were completed and properly documented. In addition, we evaluated the appropriateness of permit violations, including support documentation. Furthermore, we confirmed ROW complaints were addressed. We also performed data analysis to identify potentially anomalous data such as permits remaining in a phase for an extensive period of time.

We also reviewed ROW permit fees to determine whether they were assessed appropriately based on ROW policies and procedures and processed in accordance with Administrative Directive (AD) 8.4 Financial Management of Accounts Receivable. This included verifying ROW fees for registration, permit applications, monthly fees, and permit violations were invoiced and processed in SAP. Additionally, our procedures included analyzing the aging of past due accounts. Lastly, we reviewed user access to Accela for appropriateness.

We relied on computer-processed data in Accela to verify documentation for inspections, supporting documents, permit status, and user access reports. In addition, we relied on data in SAP, the City's accounting system, to validate ROW revenue and accounts receivable balances. Our reliance was based on performing direct tests on the data rather than evaluating the system's general and application controls, with the exception of user access reviews. We do not believe the absence of testing general and application controls had an effect on the results of our audit.

We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives.

Audit Results and Recommendations

PWD is effectively addressing 311 service requests that correspond to ROW operations. We reviewed 25 closed service requests and confirmed all 25 had sufficient documentation and were appropriately closed out. We also reviewed the eleven 311 service requests that remained open as of October 2025 and confirmed these requests were being researched and progressing toward resolution.

In addition, PWD is appropriately documenting the reason for denied ROW permits. We reviewed a sample of 25 denied permits and confirmed all 25 included documentation and appropriate justification in accordance with the ROW ordinance.

However, we identified areas where controls could be improved over policies and procedures to promote consistency in execution, permit phase accuracy, fee accuracy, and accounts receivable management.

A. Policies and Procedures

Currently, PWD written procedures and controls are insufficient to ensure consistent ROW program execution. We identified inconsistencies in execution across definitions of simple permits, permit application review, and excavation inspection documentation.

Simple Permit Definitions

Simple permits are not clearly defined. We reviewed simple excavation permits issued between October 2024 and September 2025 and identified 581 permits that exceeded 49 linear feet in length, which could potentially indicate these permits should have been categorized as complex permits instead. We then selected 25 random permits for further review in Accela. Of the 25 permits reviewed, 16 were confirmed to exceed the 49 linear foot threshold for a simple permit. Per PWD, these 16 permits met other criteria that qualified them as simple permits (e.g., work performed by telecommunication contractors, geotechnical boring, and manhole televising). However, neither the ROW ordinance, UECM, or written procedures, define these as simple permits. Without clearly defined permit definitions, permits could potentially be miscategorized or not follow the required workflow.

Non-Excavation Application Review Timeframes

PWD has not clearly defined review timeframes for non-excavation permits. Although the ROW ordinance establishes a 10-day review timeframe for excavation permits and a 2-day review timeframe for expedited excavation permits, internal policies and procedures do not define review timeframes for non-excavation permits (e.g., block party, parking restriction, and lane and sidewalk). As an example, PWD explained parking restriction permits are not reviewed until the seven-day window preceding the requested date. However, this review timeframe is not defined

in current policies and procedures. Although these permits do not involve excavation, without documented required review timeframes, applicants may be unaware of permit status.

Excavation Application Review Timeliness

Excavation permits are not reviewed within the required timeframe. We reviewed 80 excavation permits and determined 6 were reviewed on average 9 days late, with one permit being reviewed 18 days late. The ROW ordinance outlines a 10-day review timeframe for excavation permits and a 2-day review timeframe for expedited excavation permits. However, PWD is not consistently reviewing permits within the required timeframe. In effect, this may impede contractors' ability to perform work in the ROW.

Excavation Inspection Documentation

Excavation inspections are not appropriately documented. We reviewed a random sample of 25 closed excavation permits. We determined 4 of 25 inspections did not have pictures uploaded to Accela to support inspection results.

PWD procedures require ROW inspection records to be supported by photographs of the inspected site. However, controls do not currently exist for PWD to review inspection records. As a result, inspections may not be performed in compliance with requirements.

Recommendation

PWD Director modify written procedures to clearly define permit types and program requirements as necessary. Additionally, develop monitoring controls to ensure policies and procedures are executed as intended.

B. Permit Phase

PWD does not ensure permits are assigned accurate permit phases. We performed data analysis on active permits as of August 2025 and identified issues with permits in both the *Approved* and *Issued* statuses.

Excavation permits (to include simple and complex) remained in *Approved*² status beyond 30 days. We identified 52 excavation permits whose status had not changed for an average of 266 days, with one permit remaining in *Approved* status for as many as 343 days. We then reviewed a sample of 10 permits and confirmed with PWD these permits did indeed remain in *Approved* status. Per the ROW ordinance, PWD has 10 days to review excavation permits. These permits are then subject to review by administrative and inspection staff. However, these permits had

² *Approved* permits have been reviewed by the PWD Administration Team but still require approval by a PWD Inspection prior to permit issuance.

not been advanced to an *Issued*³ status by the PWD Construction Inspector or *Denied*⁴ if application requirements had not been met.

In addition, simple excavation permits remained in *Issued* status for more than 30 days. While the ROW ordinance does not address how long permits may remain in *Issued* status, this could be indicative of permits potentially being miscategorized as simple rather than complex permits due to the excessive timeframes or permits still pending a final inspection. We identified 2,399 simple permits remaining issued for an average of 136 days with one as many as 214 days. We selected a judgmental sample of the 10 permits with the longest duration time. For 9 simple excavation permits, PWD acknowledged a final inspection was still needed, but did not provide further details. For the remaining permit, PWD stated a final inspection had been performed, however, the status had not been updated to *Closed*⁵.

Lastly, complex excavation permits remained in *Issued* status despite no longer being billed indicating they should have potentially been *Closed*. We reviewed 363 complex permits and determined 12 had not been appropriately updated to *Closed*. Specifically:

- For 9 of 12 permits, final inspections were documented in Accela or PWD confirmed ROW work was completed therefore, the permit should have been closed.
- In addition, 1 of these 9 permits continued being invoiced monthly and was overbilled for a period of 16 months beyond the final inspection date for a total of \$55,950.
- Lastly, for 3 of 12, we could not determine if the permit should have been closed.

As a best practice, permit phases should be reviewed for accuracy where anomalous data exists. However, monitoring procedures have not been established by PWD. In effect, there is potential for inaccurate records, delayed reviews/inspections, and billing inaccuracies.

Recommendation

PWD Director establish monitoring procedures to identify and correct potentially inaccurate permit phases.

C. Fee Accuracy

PWD does not have sufficient controls to ensure ROW fees are accurately invoiced. Issues were identified with emergency excavation fees, parking restriction fees, and violations. These issues are attributed to a lack of policies and/or inadequate monitoring controls. In effect, this has resulted in a loss of ROW revenue.

³ *Issued* permits have been issued to the ROW contractor and are authorized to perform work in the ROW.

⁴ *Denied* permits are those which have been denied by either the PWD Administration Team or PWD Inspector as they did not meet one or more requirements. Applicants are not authorized to proceed with ROW work.

⁵ *Closed* permits represent ROW projects which have been completed and have passed a final inspection.

Emergency Excavation Fees

ROW fees are not consistently invoiced for emergency permits. We performed data analysis over permits issued between May and June 2025 and identified 97 that potentially did not have ROW fees invoiced (to include application and inspection fees). We reviewed 97 permits and confirmed 11, all of which were emergency excavation permits, were not invoiced. Per the ROW ordinance, emergency permits may initiate work immediately to address emergency needs. Additionally, according to PWD, these permits are invoiced the application and inspection fees (a total of \$170) after the work has been performed at month end. However, these permits had not been invoiced as of February 2026. In the aggregate, this resulted in lost ROW revenue totaling approximately \$1,870.

Parking Restriction Fees

Parking restriction permits are underbilled. We reviewed 25 parking restriction permits to confirm they were invoiced in accordance with the ROW fee schedule. Per ROW's fee schedule, each 22-foot parking space should be assessed a \$30 fee per day, plus tax. We determined 6 of 25 permits sampled were underbilled. For example, one parking restriction permit requested accommodation for 9 buses/cars for one day and was only invoiced \$240 before tax. However, the correct fee was not assessed based on the number and length of parking spaces. In the aggregate, these 6 permits were underbilled approximately \$2,793.

Violation Waivers & Fees

PWD does not appropriately document justification for violation waivers. Additionally, violations are not consistently invoiced. We reviewed 361 complex permits issued between March and August 2025 to evaluate whether violations had been recorded in Accela. As of February 2026, a total of 130 violations had been issued across these permits. Of these 130 violations, 77 violations (59%), were marked as waived without justification documented in Accela, representing an estimated \$46,200 in waived fees. For the remaining 53 violations that were not documented as waived, we performed further test work to determine whether the violation fees were invoiced. We confirmed 15 (28%) of 53 fees had not been invoiced and 1 was invoiced twice (i.e., duplicated).

Although the Utility Excavation Criteria Manual (UECM) provides examples of violations and PWD has procedures guiding inspectors on how to identify and document violations in Accela, procedures do not currently exist to provide guidance on when violations may be waived. Further, the ROW ordinance establishes a \$600 waiver fee per occurrence.

PWD currently does not have procedures to ensure violations are invoiced and waivers are properly assessed. In effect, violations are not consistently assessed which may result in repeat violations.

Recommendation

PWD Director establish written policies and procedures to promote accurate ROW fee assessment. Additionally, develop monitoring procedures to ensure accurate invoices.

D. Accounts Receivable Management

PWD's accounts receivable processes are not performed in accordance with the Accounts Receivable Administrative Directive. PWD does not initiate accounts receivable collection efforts for past due non-excavation invoices. We sampled 15 random invoices to confirm collection efforts had been initiated. However, PWD could not provide evidence of collection efforts (e.g., email or phone calls) for 11 of the 15 invoices (73%) reviewed.

Additionally, past due customer accounts exceeding 120 days were not escalated. We selected the 13 customer accounts with cumulative accounts receivable balances exceeding \$15,000 to confirm whether the accounts had been forwarded to Finance or the City Attorney's Office for subsequent review. However, support for 8 of 13 accounts (62%) was not provided.

Per Administrative Directive 8.4 – Financial Management of Accounts Receivables, City departments are responsible for initiating collection efforts, which should begin with phone calls or mailed notices at 30, 60, and 90 days past due. If these efforts are unsuccessful, the department must coordinate with the City Attorney's Office for accounts receivable balances over \$5,000 and more than 120 days past due. After all reasonable collection actions have been exhausted, items deemed uncollectible should be recommended for write off.

PWD has not established policies and procedures for managing ROW accounts receivable processes as required by the Administrative Directive. In effect, this has contributed to a significant number of unpaid invoices. As of September 2025, there were a total of 313 unpaid invoices with an outstanding accounts receivable balance of \$954,008.

Recommendation

PWD Director develop policies and procedures for monitoring past due accounts in accordance with Administrative Directive 8.4 Accounts Receivable.

Appendix A – ROW Fees

Table 1 – ROW Fees by Type		
Fee Type	Fee Components	Total Cost
ROW Contractor Registration Fee	\$45 at time of registration and annually thereafter	\$45 total
Simple Permit	\$50 application fee \$120 inspection fee	\$170 total
Expedited Simple Permit	\$50 application fee \$120 inspection fee \$250 expedited fee	\$420 total
Complex Permit	\$50 application fee Daily tier fee billed monthly	\$50 + tier fee (See tiers at Table 2)
Block Party Permit	\$100 per block per day	\$100 × blocks × days
Lane/Sidewalk Closure Permit	\$50 application fee Daily square foot fee	\$50 + (\$0.0629 × total square feet × days)
Parking Restriction Permit	\$30 per parking space per day Sales tax	(\$30 × number of spaces × days) + sales tax
Violations Fee	Per violation	\$600

Source: PWD Website & City of San Antonio Municipal Code

Table 2 – Complex Permit Monthly Fee		
Tier	Daily Rate	Duration Range
Tier 1	\$60/day	0–60 days
Tier 2	\$90/day	61–120 days
Tier 3	\$120/day	121–180 days
Tier 4	\$150/day	>180 days

Source: PWD Website

Appendix B – ROW Permit Activity

Table 3 – ROW Permit Applications⁶

Permit Type	FY 2025	FY 2026 through March 31, 2026	Total
Emergency Excavation	10,039	5,040	15,079
Simple Excavation	5,884	2,659	8,543
Complex Excavation	910	520	1,430
Parking Restriction	765	422	1,187
Expedited Simple Excavation	729	400	1,129
Lane and Sidewalk Closure	599	277	876
Block Party	159	94	253
Total	19,085	9,412	28,497

Table 4 – ROW Permit Revenue

Fee Type	FY 2025	FY 2026 through March 31, 2026	Total
Permit Inspection	\$3,415,080	\$1,650,980	\$5,066,060
Land & Sidewalk Closures	\$916,053	\$452,875	\$1,368,927
Permit Application	\$541,745	\$264,039	\$805,784
Permit Violations	\$373,800	\$171,000	\$544,800
Parking Restriction	\$144,266	\$79,030	\$223,296
Block Party	\$29,125	\$14,126	\$43,251
Registration	\$5,670	\$1,440	\$7,110
Total	\$5,425,739	\$2,633,489	\$8,059,228

⁶ Permit applications are subject to review by PWD ROW staff and may not result in permit issuance.

Appendix C – Staff Acknowledgement

Abigail Estevez, CPA, CIA, CISA, Audit Manager
Rudy Carrasco, Auditor in Charge
Ty Myers, Auditor

Appendix D – Management Response



OFFICE OF THE CITY AUDITOR

August 20, 2026
Buddy Vargas, CPA, CIA, CFE
City Auditor
San Antonio, Texas

RE: Management's Corrective Action Plan for Audit of Public Works Department Right of Way Permits

The Public Works Department has reviewed the audit report and has developed the Corrective Action Plan below corresponding to the report recommendations.

Recommendation					
#	Description	Audit Report Page	Accept, Decline	Responsible Person's Name/Title	Completion Date
A	Policies and Procedures PWD Director modify written procedures to clearly define permit types and program requirements as necessary. Additionally, develop monitoring controls to ensure policies and procedures are executed as intended.	6	Accept	Anthony Chukwudolue Deputy Public Works Director	February 2027

Action plan: PWD is presently amending Standard Operating Procedures (SOP), to educate external users of policy changes, and continue ongoing coordination with ITSD to optimize Accela based on departmental needs.

Simple Permit Definitions: PWD has started the process of creating additional permit types so that the Simple Excavation permit is used specifically for work that meets its intended criteria.

PWD is working with ITSD to create appropriate additional permit types. Additional permit types will include Utility Non-Excavation Work and Manhole Servicing, which will allow these types of projects to be appropriately categorized rather than being processed under the Simple Excavation permit type. As a further effort to improve permit classification and tracking, PWD has started a process to create COSA permit types for COSA contractors performing work on behalf of the city. To date, ROW has eight (8) IT work orders addressing these efficiencies.

These changes will provide clearer distinctions between permit types, reduce the potential for mis categorization, and help ensure permits follow the appropriate review and approval workflow. The goal should be that each permit is used specifically for work that meets its intended criteria.

Non-Excavation Application Review Timeframes: PWD is updating its Standard Operating Procedures (SOPs) to establish and document the applicable review timeframes for non-excavation permit types, including parking restrictions, block parties, and lane and sidewalk permits. In addition, PWD will update the City's website to include clear information regarding the applicable review timeframes and expectations for non-excavation permits. These updates will provide consistency between internal procedures and public-facing information and will help ensure applicants have a clear understanding of the permit review process and anticipated timing. The PWD website will be updated to inform customers of review timelines and approval windows.

Excavation Application Review Timeliness: Timely review of excavation permits is important to ensure contractors can proceed with work in the ROW without unnecessary delays. To improve monitoring and accountability, PWD has initiated daily and weekly automated permit status reports that identify the status of the permits (Approved, In Review, and Issued status). These reports will be distributed to senior staff on a recurring basis to provide greater visibility into permit activity, identify permits approaching or exceeding the applicable review timeframe, and allow management to take timely action when delays occur. This enhanced monitoring will help PWD better track permit performance and ensure compliance with the established 10-day standard for excavation permits and 2-day standard for expedited excavation permits.

Excavation Inspection Documentation: Addressed. Team leaders have been advised to adhere to the SOP that requires photo documentation of completed work.

B	Permit Phase	7	Accept	Martin Ruiz Capital	February 2027
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Recommendation					
#	Description	Audit Report Page	Accept, Decline	Responsible Person's Name/Title	Completion Date
	PWD Director to establish monitoring procedures to identify and correct potentially inaccurate permit phases.			Programs Manager	
Action plan: SOPs will be developed to track permit phases. PWD management has provided training refreshers for staff on revised procedures and Accela capabilities. PWD will continue on-going collaboration with ITSD to make modifications to Accela to meet departmental needs. PWD has requested the implementation of automated weekly permit status reports that will be provided to senior staff and identify permits in Approved, In Review, and Issued status. These reports will provide management with greater visibility of the age and status of permits, allowing staff to identify permits that have remained in a phase beyond the expected timeframe and take appropriate action to advance, deny, inspect, or close the permit as applicable. PWD is also working to establish additional automated customer notifications for key permit expiration milestones. These notifications will help keep permit holders informed of upcoming expiration dates and outstanding requirements, including the need to complete required inspections. Increased communication with customers is expected to reduce the number of permits that remain inactive or untouched and encourage customers to complete the necessary steps to move permits through the workflow. For the existing population of older permits, PWD is developing a memorandum to authorize a mass status change to "Inactive" for applicable permits that have remained in Issued status for extended periods without the required final inspection or customer activity. This action will provide a clear distinction between active permits and older permits that are no longer progressing through the workflow, while reducing confusion for both PWD staff and customers. Going forward, permits that remain active will be expected to proceed through the required inspection and closeout process. These corrective actions are intended to establish more consistent monitoring of permit phases, improve customer awareness of permit requirements and expiration dates, reduce the number of aging permits, and provide greater accuracy and transparency within Accela permit records.					

Recommendation					
#	Description	Audit Report Page	Accept, Decline	Responsible Person's Name/Title	Completion Date
C	Fee Accuracy PWD Director establish written policies and procedures to promote accurate ROW fee assessment. Additionally, develop monitoring procedures to ensure accurate invoices.	8	Accept	Martin Ruiz Capital Programs Manager	February 2027
Action plan: Emergency Excavation Fees: Addressed. The billing report has since been corrected to capture emergency excavation permits, and the reporting issue that caused the missed invoices has been resolved. Parking Registration Fees: Addressed. Staff has been advised to adhere to the SOP and/or document formal agreements. Violation Waivers & Fees: SOP will be updated to require the documentation of the reason why a violation fee is waived or is unsupported. To strengthen this process, PWD is working to implement additional controls in Accela. Under the proposed process, once a violation is entered, any request to waive the violation will require a separate waiver action by a supervisor, along with mandatory comments documenting the reason for the waiver. This will provide a clear audit trail and ensure that waivers are supported by an explanation and appropriate oversight. PWD is also working to implement a new process to verify that violations issued in Accela are invoiced appropriately. The process will provide greater oversight of outstanding violation fees and help identify violations that have not been invoiced or that may have been invoiced incorrectly. These improvements will strengthen supervisory oversight, establish documentation requirements for violation waivers, and improve the consistency of violation invoicing.					
D	Accounts Receivable Management PWD Director develop policies and procedures for monitoring past due accounts in accordance with Administrative Directive 8.4 Accounts Receivable.	10	Accept	Anna Resendez Departmental Fiscal Administrator	February 2027

Recommendation					
#	Description	Audit Report Page	Accept, Decline	Responsible Person's Name/Title	Completion Date
	Action plan: In accordance with AD 8.4 Accounts Receivables, PWD is refreshing and updating SOPs to ensure that ROW and Fiscal staff are aware of the required steps and procedures related to our collection efforts. These updates are intended to promote consistency and accountability in the collection process and help ensure that customers' payments are received in a timely manner. Aging Report Review: Review the aging report to identify all customer accounts with outstanding, past-due balances. Categorizing these balances into the appropriate aging buckets: 30, 60, 90 days past due for tracking and collections purposes. Collection Notices at Aging Milestones: Customers with outstanding balances will receive a collection letter at each applicable aging milestone (30, 60, 90 days past due) using the approved collection letter template. Past Due Notices: Any outstanding balance that is past-due but has not yet reached one of the designated aging milestones will receive a past due notice using the approved template Follow Up Collections Calls: One week after a past-due notice or collection letter is sent, if payment has not been received, a follow-up phone call will be made to the customer to attempt to collect the outstanding balance. Collections Schedule and Compliance: Collections activities will be performed twice per month, during the second and fourth weeks of each month, to ensure consistent follow-up and compliance with established collection procedures. After all collection efforts have been made, permits will no longer be issued to applicants with balances exceeding 90 days.				

We are committed to addressing the recommendation in the audit report and the plan of action presented above.

Sincerely,



Art Reinhardt, PE, CFM
Director / City Engineer
Public Works Department

8/20/26
Date



John Peterek
Assistant City Manager
City Manager's Office

8/21/26
Date