

# OFFICE OF THE CITY AUDITOR

## PERFORMANCE AUDIT OF THE TRINITY RIVER CORRIDOR PROJECT



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September 9, 2005

## Memorandum



CITY OF DALLAS

September 9, 2005

Honorable Mayor and Members of the City Council  
City of Dallas

We have conducted a performance audit of the Trinity River Corridor Project (TRCP), administered by the Trinity River Corridor Project Office (Office), a division of the Department of Public Works and Transportation (PWT).

Our audit focused on assessing the adequacy of management controls with respect to the \$246 million bond funds approved in 1998. During the audit we did not evaluate the merits of the components/initiatives of the Trinity River Corridor Project. We performed limited tests to ensure that the controls were functioning as intended. These tests were limited to City of Dallas (COD) activities and did not extend to assessing the management controls used by the partner agencies involved with the TRCP. We also sought to identify opportunities to improve the current management control system.

Based on the procedures performed, we did not identify any significant internal management control issues. As a result, we will not be initiating any further audit work at this time.

We appreciate the cooperation of City staff during our examination.

Paul T. Garner

Paul T. Garner  
Assistant City Auditor

c: Mary K. Suhm, City Manager

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# PERFORMANCE AUDIT OF THE TRINITY RIVER CORRIDOR PROJECT

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## EXECUTIVE SUMMARY

We have conducted a performance audit of the Trinity River Corridor Project (TRCP), administered by the Trinity River Corridor Project Office (Office), a division of the Department of Public Works and Transportation (PWT). Our audit period was October 1, 2003, through September 30, 2004.

As a result of our inquiries, examinations, and observations, we did not identify any significant internal management control issues. Thus, we will not be initiating any further audit work at this time. We have summarized our Observations below:

- The program's mission, goals, and objectives appear appropriate, clearly stated, and consistent with management's intent. The mission statement is very specific to the Trinity River Corridor and clearly defines its purpose. TRCP goals appear to be broad as well as long-term, and consistent with the mission. Furthermore, objectives appear to align with the goals developed and seem to be consistent with the mission statement. Finally, it appears that employees' duties are adequately segregated and that they have the knowledge, skills, and abilities needed to perform their jobs.
- Mechanisms appear to be in place to monitor and evaluate compliance with rules, laws, and regulations. Relevant risks associated with contractor payments seem to be mitigated by layers of verifications and approvals within PWT and TRCP personnel appear to follow standard departmental practice regarding processing payments. Additionally, the City Attorney's Office provides legal input and advice on various TRCP matters. Finally, general City Of Dallas guidelines regarding bond sale, contract development, management, project management, approval, and contractor invoice payment processing appear adequate to monitor and evaluate TRCP compliance with applicable rules, laws, and regulations.
- Information appears to be adequately maintained, communicated, and is timely for decision making. TRCP organizational structure seems reasonable to facilitate the flow of reliable and timely information to be used for decision making.
- Bond funds appear to be used in accordance with bond covenants, and other resources seem to be safeguarded and used in accordance with federal, state, and city guidelines. Information included in the Preliminary Official Bond Statement, the Bond Sale and Work Plan spreadsheet, Council Resolutions, etc. appears consistent with the components identified in the 1998 Bond Program documents for the TRCP. Additionally, mechanisms appear to be in place for authorizing, reporting, and monitoring donations from other funding sources for the TRCP.

We commend the department for their management and staff.

## **INTRODUCTION**

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### **Authorization**

We have completed a performance audit of the Trinity River Corridor Project (TRCP), administered by the Trinity River Corridor Project Office (Office), a division of the Department of Public Works and Transportation (PWT). We conducted this audit under the authority of Chapter IX, Section 2 of the Dallas City Charter and in accordance with the Annual Audit Plan approved by City Council.

### **Scope and Methodology**

We performed our audit in accordance with generally accepted government auditing standards and included tests of the accounting and related records, inquiries, and other audit procedures that we considered necessary in the circumstances.

Our audit objectives were to determine whether management controls are reasonably adequate to ensure that:

- The program's mission, goals, and objectives are appropriate, clearly stated, and consistent with management intent.
- Documented mechanisms are in place to monitor and evaluate compliance with rules, laws, and regulations.
- Reliable and timely information is obtained, maintained, reported, and used for decision making.
- Bond funds are being used in accordance with bond covenants, and other resources are safeguarded and used in accordance with federal, state, and city guidelines.

Our audit covered the period October 1, 2003 through September 30, 2004. We also reviewed certain related procedures, events, and matters occurring before and after this period.

During the audit we did not evaluate the merits of the components/initiatives of the Trinity River Corridor Project. Our audit focused on assessing the adequacy of management controls with respect to the \$246 million bond funds approved in 1998. We performed limited tests to ensure that the controls were functioning as intended. These tests were limited to City of Dallas (COD) activities and did not extend to assessing the management controls used by the partner agencies involved with the TRCP. We also sought to identify opportunities to improve the current management control system.

We developed our understanding of relevant control structures as follows:

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- Inquired/Interviewed employees with the Office, PWT, and Intergovernmental Services.
- Obtained and reviewed various documents addressing TRCP matters.
- Performed various reviews and analyses.
- Toured selected TRCP sites.

### **Overall Conclusion**

Based on the procedures performed, we did not identify any significant internal management control issues.

- The program's mission, goals, and objectives appear appropriate, clearly stated, and consistent with management's intent.
- Mechanisms appear to be in place to monitor and evaluate compliance with rules, laws, and regulations.
- Information appears to be adequately maintained, communicated, and is timely for decision making.
- Bond funds appear to be used in accordance with bond covenants, and other resources seem to be safeguarded and used in accordance with federal, state, and city guidelines.

As a result, we will not be initiating any further audit work at this time.

### **Background**

Office of Management and Budget Circular A-123, Section II states "Management Controls are the organization, policies, and procedures used by agencies to reasonably ensure that (i) programs achieve their intended results; (ii) resources are used consistent with agency mission; (iii) programs and resources are protected from waste, fraud, and mismanagement; (iv) laws and regulations are followed; and (v) reliable and timely information is obtained, maintained, reported, and used for decision making". We considered and applied these components/factors/elements during our audit of the TRCP.

The current TRCP is the culmination of several studies and plans, as well as the collaborative efforts of City councils, citizens, other governmental entities, and consultants. The Trinity River Committee, a City Council committee, was established to address TRCP issues and provide direction for the TRCP. The Office is charged with the day-to-day administration of the TRCP and the implementation of its components. The Office is also responsible for identifying additional Trinity River improvements in cooperation with citizens, federal, state, and other governmental agencies. Intergovernmental Services (IGS) serves as a liaison for TRCP fundraising between City, federal and State lobbyists.

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The TRCP is a multi-year, multi-agency planned project with various phases totaling \$1.2 billion in estimated cost. \$246 million of the \$1.2 billion will be provided from the funds approved in Dallas’ 1998 bond election. The remainder is anticipated to be contributed by State and Federal agencies, private donors, and other agencies/parties. TRCP management indicated that the plan is to fully implement the first phase (Basic Phase I) with the 1998 bond monies and/or monies pledged, but yet to be received, from partners.

The TRCP is a multi-agency public works project along the Trinity River Corridor that provides for flood protection, environmental restoration/preservation, recreation, transportation improvements and economic development. The major partners and other agencies involved with the TRCP include:

- U.S. Army Corps of Engineers (USACE)
- Texas Department of Transportation (TxDOT)
- North Texas Tollway Authority (NTTA)
- Dallas County
- Environmental Protection Agency (EPA)
- North Central Texas Council of Governments (NCTCOG)
- Texas Commission on Environmental Quality (TCEQ)
- Trinity Commons Foundation

TRCP management revealed that there are written agreements with NTTA and with TxDOT for funding of the Trinity Parkway, with TxDOT for funding the Woodall Rogers Extension Bridge, and with USACE for funding the Dallas Floodway Extension project. TRCP management also stated that funding cannot be absolutely guaranteed because federal and state funding is typically provided on a year by year basis or through legislative action.

The funding from the City’s bond funds is secured. The \$246 million is allocated to the Project as follows:

Dallas Floodway Extension	\$24,700,000
Elm Fork Levee	\$30,000,000
Transportation	\$118,000,000
Chain of Lakes	\$31,500,000
Great Trinity Forest	<u>\$41,800,000</u>
Total	<u>\$246,000,000</u>

### A. The Dallas Floodway Extension (DFE)

The DFE project is a joint project of the City and USACE consisting of a “chain of wetlands” and system of protective levees. The flood control improvements will:

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- Reduce flooding of structures in the Central Business District and area neighborhood.
- Protect low-income neighborhoods and a major wastewater treatment plant.
- Increase the level of protection of the Dallas Floodway levee system from a 300-year flood event to the Standard Project flood (800-year event).
- Provide environmental restoration and mitigation and a variety of recreational opportunities.

### **B. Elm Fork Levee**

The development of flood improvements in the Elm Fork Area (DFIEFA) is a project of the COD. The DFIEFA will include developments/improvements of interior drainage, levee, wetlands, and recreational amenities.

### **C. Transportation**

The transportation improvements primarily include the Trinity Parkway, Woodall Rodgers Extension Bridge, and replacement of IH-30 and IH-35E bridges with signature bridges. The Parkway will be a joint project between the COD, TxDOT, and the NTTA.

The bridges are joint projects between the COD and TxDOT. The signature bridges are additions to the TRCP. The 1998 bond program included funds for a conventional bridge for the Woodall Rogers Extension Bridge. TxDOT will build the bridges. The City pays for the design and awards the design contracts. Contracts have been awarded to renowned architect and engineer Santiago Calatrava to provide engineering and design services to produce bridge layout and schematic designs for the Woodall Rogers Freeway Extension and the IH-30 signature bridges.

### **D. Trinity Lakes**

Lakes are proposed to be built in the Dallas Floodway. This is a joint project of the City and USACE. Two off-channel lakes will be placed near the East Levee between the Continental Street Viaduct and the Corinth Street Viaduct. The river channel will be relocated towards the West Levee of the Dallas Floodway to bypass everyday normal river flows around the lakes.



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### E. Great Trinity Forest

This is a joint project between the COD and the USACE. The 1998 City bond program included funds for a Trinity River Interpretive Learning Center, land preservation, equestrian facilities, hike/bike trails, gateways for public access, and boat launch facilities.

### F. Other Relevant Cost Considerations

According to TRCP personnel, all of the TRCP initiatives, except for Trinity Parkway and economic development, will generate some maintenance costs. TRCP personnel stated that the funds for maintenance will not be provided from capital funds but from the general fund.

Additionally, according to TRCP personnel, further costs will be incurred for cleaning up various illegal dumpsites in the Trinity Forest; the clean ups will involve several City departments and other parties. TRCP personnel stated that clean ups due to construction activities will be the responsibility of TRCP Office and its partners, while clean ups performed by other City departments such as Streets, Sanitation, and Parks and Recreation should be funded by the general fund as maintenance costs.

In addition to the components/initiatives of the TRCP, the following is a summary of the relevant law suits noted:

- In August 2001, a group called Taxpayers for Sensible Priorities sued the City over the Trinity River Corridor Project. The group argued that the City had turned the Project into something quite different from what voters had been promised in the 1998 bond campaign (the brochures, pamphlets, booklets, etc.). The City's argument in the State District Court was that the City was bound by the ballot language. State District Judge Ann Ashby agreed with the City.
- In September 1971, the Sierra Club filed a complaint against USACE in District Court. Sierra Club sought to enjoin construction of the Trinity River Project or, alternatively, the Wallisville Project on the Trinity River (a project in Houston area to control the intrusion of saltwater from Trinity Bay. Construction on the Wallisville Project began in 1970 and was completed in mid 1999).
- In February 1973, the court permanently barred USACE from taking action on the Trinity River Project or the Wallisville Project, or any of its components, including the Dallas Floodway Extension Project unless USACE complies with all requirements of the National Environmental

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Policy Act and the 1973 injunction. However, in July 1987, the Fifth Circuit vacated the 1973 injunction and dismissed the case.

- In May 2000, the Sierra Club filed a motion to enforce permanent injunction. The motion was later denied by US District Judge Sim Lake.
- A group including Texas Committee on Natural Resources, the Sierra Club, etc. (Plaintiffs) filed a lawsuit, in May 2000, against USACE along with a few other agencies (defendants) regarding the Dallas Floodway Extension (DFE) project.

The Plaintiffs alleged that the USACE's 1999 Environmental Impact Statement for the Dallas Floodway Extension project did not comply with the Administrative Procedure Act (APA) and the National Environmental Policy Act (NEPA). The plaintiffs asserted that the defendants violated:

- Count I: The APA through improper manipulation of computer model estimates of flood levels.
- Count II: The NEPA by failing to fully disclose environmental impacts and discuss alternatives.
- Count III: The NEPA by failing to consider "connected actions" (1) and "cumulative impacts" (2).
- Count IV: The APA by failing to follow the 1988 Record of Decision.

In April 2002, the US District Court concluded that the defendants were entitled to summary judgment on all counts except count III. US District Judge Terry Means ordered a halt to the DFE project until the defendants complied with NEPA and all other applicable laws. The court injunction was lifted in May 2004.

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## OBSERVATIONS

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Based on the work performed, we observed the following:

**1. Controls are reasonably adequate to ensure that the program's mission, goals, and objectives are appropriate, clearly stated, and consistent with management intent.**

### **A. TRCP mission statement**

We reviewed TRCP's current mission statement which states:

"This program consists of projects along the Trinity River Corridor that provide for flood protection, environmental restoration/preservation, recreation, transportation improvements and economic development. The current Trinity River Corridor projects include the Dallas Floodway Extension and development of flood improvements in the Elm Fork area. Also included are transportation improvements such as the Woodall Rodgers Extension Bridge and the Trinity Parkway, both of which will provide reliever routes to allow the State to make improvements to the Canyon/Mixmaster/Lower Stemmons areas. Other projects will provide for recreational amenities in the Great Forest and lakes within the Floodway."

A definition of mission statement is "... that it clearly defines your company's purpose for existence." The developed mission statement is very specific to the Trinity River Corridor and clearly defines its purpose. It identifies the components/initiatives associated with the TRCP, and the improvements to be gained from accomplishing these initiatives. The mission statement appears to be appropriate.

### **B. TRCP Goals**

The City conducted various studies pertaining to the TRCP. The Balanced Vision Plan, approved by City Council in December 2003, includes the following goals for the TRCP:

- "Provide undiminished flood protection for the full length of the corridor in a way that supports the achievement of environmental, recreational, mobility and economic goals.
- Complete bold initiatives of environmental responsibility, restoration, and proper management in the midst of an intensely urban setting.
- Create a magnificent recreation and urban open space amenity (without equal in any American city) while co-existing successfully with flows of vehicular traffic as well as periodic floodwaters.
- Meet the stated regional transportation goals in a way that supports economic development, air quality improvement and appreciation for the park.

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- Create critically important community and economic opportunities for the neighborhoods bordering the Trinity River, for downtown, and as the centerpiece of a major urban region.”

A definition of goals states “Broad, long-term aims that define desired result associated with identified strategic issues”. TRCP goals appear to be broad as well as long-term, and consistent with the mission.

### C. TRCP Objectives

The Trinity River Project is one of the five City Council Priorities established for FY 2004 and for FY 2005. The priorities for the TRCP for FY 2004-2005 include the following objectives:

- Select locally preferred alignment for Trinity Parkway.
- Complete construction of the Texas Buckeye Trail.
- Complete Comprehensive Land Use Plan.
- Pursue grant and other funding opportunities for unfunded amenities.
- Continue land acquisition process for Great Trinity Forest, Elm Fork, Woodall Rodgers, Dallas Floodway Extension Project, and Trinity Parkway.
- Begin design of Elm Fork Soccer Complex.
- Complete Great Trinity Forest sampling and data compilation and begin Forest Management Plan.
- Begin construction for the Lower Chain of Wetlands component of the Dallas Floodway Extension Project.

A definition of objectives reads “Objectives are statements of attainable, quantifiable, intermediate-term achievements that help to accomplish goals contained in the comprehensive plan”. The objectives developed appear to specifically address initiatives/activities associated with the various components of the TRCP. These TRCP objectives appear to align with the goals developed and seem to be consistent with the mission statement.

### D. TRCP Human Resources

Effective management controls also include ensuring resources are used consistent with the agency mission. Within the TRCP the human resources factor is an integral component in accomplishing the projects mission.

According to TRCP personnel, the City’s role for the project is to coordinate and implement the bond program. Currently, nine employees including one Director, five Senior Program managers, one Coordinator, one Office Assistant, and one Senior Public Information Officer, work in the Office. The

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Director reports to an Assistant City Manager (ACM) rather than to the department director of PWT. The other eight TRCP employees report to the Director of TRCP. The TRCP Director stated, "Each member of the TRCP staff is uniquely qualified to perform his or her job, based on education and experience...." Currently, each of the TRCP program managers generally handles one function area (e.g. flood improvement, transportation, recreation amenities, and economic development) of TRCP.

We judgmentally selected and reviewed four TRCP project managers' personnel files regarding their education, background, and experience. We also interviewed each of the four employees and obtained information specific to their job functions and responsibilities. Based on our reviews and interviews it appears that duties are adequately segregated and that TRCP employees have the knowledge, skills, and abilities needed to perform their jobs.

**We recommend** no additional audit work at this time.

### **2. Management controls are in place to reasonably monitor and evaluate compliance with rules, laws, and regulations.**

We selectively reviewed:

- The City Charter which provides general guidelines regarding bond sale and public contracts.
- Administrative Directive (AD) 4-5: Contracting Goods and Services, which provides guidelines regarding contract development and management.
- The City's Project Management Procedures Manual which provides guidelines for project management and contractor payment.
- Policies and Procedures Regarding Contractor Payment Processing.

We noted that the TRCP Director and program managers are involved in approving contractor invoices. The process is generally as follows:

- Contractor invoices and supporting documentation are reviewed by the TRCP Director or applicable program managers to ensure that the City is billed accurately.
- Contractors' project progress report(s) and other documentation are required as part of the billing supporting documentation.
- Once the invoices are approved by the TRCP Director and/or applicable program managers, the contractor's billing documentation is forwarded to the PWT Administrative Division for further payment processing.

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We also interviewed TRCP personnel and contacted PWT staff regarding compliance with laws, regulations, and written policies and procedures for contractor payment processing applicable to the TRCP. The City's Project Management Procedures Manual provides general guidelines for the relevant payment process. We noted that:

- PWT follows city-wide guidelines. PWT does not have written policies and procedures, regarding processing contractor payments, specific to Trinity River Corridor Project Office.
- Program/project managers, engineers, architects have to first approve the invoices for payment.
- Before processing the payments, personnel at PWT Administrative Division check the submitted invoices and supporting documentation against original contracts or applicable Council resolutions to ensure that contractor's billing is accurate, the payment is within the project budget, and contract provisions.

PWT accounts payable (A/P) staff reviews all submitted documents to ensure previous payments are properly accounted for. PWT A/P staff also ensures vendors' names and addresses on the invoices are consistent with those in Resource, the City's accounting system. Final payments require additional process and documentation. Staff ensures that the total payment is equal or less than that the original contract amount plus any change order amounts. The final payment must also have final evaluation, original consent of surety and affidavit of final payment/release of lien form, and OMBO participation percentage. The TRCP Director approves all final payments for the TRCP.

- Generally, program/project managers, engineers or architects do the initial verification; a Budget Accountant at PWT Administrative Division does the second verification; and the applicable manager at PWT Administrative Division does the third verification to ensure invoice accuracy.

It appears that relevant risks associated with contractor payments are mitigated by layers of verifications and approvals within PWT. Additionally, TRCP personnel appear to follow standard departmental practice regarding processing payments. Finally, the City Attorney's Office provides legal input and advice on various TRCP matters.

General COD guidelines regarding bond sale, contract development, management, project management, approval, and contractor invoice payment processing appear adequate to monitor and evaluate TRCP compliance with applicable rules, laws, and regulations.

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**We recommend** no additional audit work at this time.

**3. Information on the TRCP is adequately maintained, reported, communicated, and is considered reliable and timely for decision making.**

The TRCP is not a single project. The TRCP is a large complex, interrelated project with multiple partners, requiring considerable communication and coordination between the City, its partners, supporters, and decision makers. No one single person or entity is responsible for the entire project. Sharing information and frequent and open communication is vital to the ongoing and overall success of the TRCP.

We noted that various mechanisms are used to compile, monitor, analyze, distribute, and coordinate information relative to the TRCP:

**A. TRCP information system**

Various Excel spreadsheets, database (EPICS/Prolog), and Resource reports provide information used for budgeting, bond fund tracking, contract and project management.

The TRCP Office maintains the Bond Sale and Work Plan, a comprehensive excel worksheet. Updated on a quarterly basis, this planning tool projects the needs for future bond sales for TRCP and tracks the use of bond funds.

EPICS is a project management tool (database) that PWT currently uses to track project contract information. The City is currently implementing Prolog (CapPro) to replace EPICS.

TRCP personnel also regularly monitor expenditures against budget using the Resource "Fund/Org Summary Report" provided by the Office of Financial Services. The TRCP program managers review the monthly Resource fund/org summary report to identify obvious discrepancies between the actual contract amount (based upon the Council resolutions and/or Administrative Actions authorizing the contract), and the encumbered contract amount in Resource.

During the audit, at our request, TRCP personnel generated a Trinity River Corridor Project Contract list. The list includes all the contracts that have been authorized by the Council as well as Administrative Actions for TRCP as of May 31, 2005. The TRCP staff compared the actual contract amount with the encumbered amount in Resource, by TRCP component group (e.g. Trinity Parkway, Lakes, Forest, etc.). Variances were identified between the actual contract amount and the Resource system amount. However, the variances

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were primarily due to timing differences. According to TRCP personnel, such detail reconciliation has not been performed previously because there were not as many contract activities.

### **B. TRCP status and/or other project matters**

TRCP project status and other project matters are reported and communicated through various meetings, such as:

- Weekly staff meetings.
- Weekly meetings between the TRCP Director and the ACM.
- Monthly meeting between the TRCP Director and the other Department Directors who report to the ACM.
- The City Council's Trinity River Committee meetings.
- Meetings between the TRCP Director and the Trinity Commons Foundation personnel.
- The Mayor's Monthly TRCP Meeting.
- TRCP Monthly Interagency Team Meeting.

### **C. TRCP reports**

Various reports are periodically generated, and distributed to several parties. The reports include:

- TRCP briefings: to the Council Trinity River Committee, to all Assistant City Managers and all Council members. The information is also posted on the City of Dallas web site.
- Minutes of the bi-weekly City Council Trinity River Committee, distributed to the members of the committee, and to various City department directors.
- Minutes of the monthly Interagency Executive Team meetings distributed monthly to the team.

According to TRCP personnel, TRCP receives instructions and feedback from the Trinity River Committee and feedback from the Interagency Executive Team.

### **D. TRCP milestones**

The TRCP Office has developed mechanisms such as timelines, critical paths, etc. to determine, identify, monitor, and report on major project milestones. The TRCP has also identified flexibility as a key in adjusting planned schedules and timelines in response to changes. TRCP and relevant involved partner agencies closely monitor project status on a regular basis.



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The TRCP Office also maintains the project schedules for the Dallas Trinity Parkway and Dallas Floodway Environmental Impact Statement (EIS), Dallas Floodway Extension Project, and Woodall Rogers Extension Bridge, and other major project components, which identify relevant project timelines.

### E. Citizen's input to the TRCP

Documentation obtained from TRCP personnel shows that numerous stakeholder and neighborhood meetings, on various components of the TRCP, were scheduled, held, and information from these meetings were incorporated as deemed necessary in the overall project plan.

TRCP organizational structure seems reasonable to facilitate the flow of reliable and timely information to be used for decision making.

**We recommend** no additional audit work at this time.

### 4. Bond funds are used in accordance with bond covenants, and resources are safeguarded and used in accordance with federal, state, and city guidelines.

Our procedures were limited to ensuring compliance with the 1998 bond covenants and restrictions on grants and private donations received for the TRCP.

#### ➤ 1998 Bond Funds

We obtained and reviewed:

- Documentation regarding City Council's and citizens' authorization for the \$246 million bond election.
- Bond covenants regarding the \$246 million bond sale to gain an understanding of the bond restrictions.
- TRCP Bond Sale and Work Plan spreadsheet.
- The April 4, 2005 Preliminary Official Bond Statement and compared the authorized but un-issued bond amount on the official bond statement (for the \$246 million bond) with the amount shown on TRCP internal Bond Sale and Work Plan.
- Relevant council resolutions for selected contracts awarded for the TRCP.

We reviewed applicable documentation and inquired/interviewed TRCP management/personnel regarding the:

- Basis used for allocating the bond amount to each component and the funding allocation priority among project subcomponents.

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- Project funding and the steps taken to identify TRCP fund sources.
- Contractor invoice payment process and also inquired selected PWT personnel on this process.

We judgmentally selected various expenditure/encumbered items shown on the TRCP Bond Sale and Work Plan spreadsheet to determine whether the selected items were properly authorized and were specific to a TRCP component/initiative.

Information included in the Preliminary Official Bond Statement, the Bond Sale and Work Plan spreadsheet, Council Resolutions, etc. appears consistent with the components identified in the 1998 Bond Program documents for the TRCP.

➤ Other TRCP donations, gifts, and grants

We:

- Obtained and reviewed relevant council resolutions, Resource reports, and other applicable documentation to determine whether the receiving of the selected donations were properly authorized and recorded in Resource.
- Visited the Trinity Commons Foundation internet website to determine the role of the organization.
- Inquired TRCP personnel regarding how TRCP personnel are evaluated and assignments are monitored.
- Reviewed information from TRCP personnel regarding additional funding from the private sector for Expanded Phase 1.
- Obtained and reviewed the Council's authorization for the concept of the signature bridges and relevant funding information for the bridges.

Mechanisms appear to be in place for authorizing, reporting, and monitoring donations from other funding sources for the TRCP.

**We recommend** no additional audit work at this time.