



OFFICE OF THE CITY AUDITOR COLORADO SPRINGS, COLORADO

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17-25 Colorado Springs Utilities Verification of Qualifying Stormwater Expenses

October 2017

Purpose

The purpose of this audit was to assess and validate the cost of activities associated with Colorado Springs Utilities stormwater management. We limited our scope to the Stormwater Control Program Intergovernmental Agreement (IGA) 2016 annual report of final expenditures with Pueblo County.

Highlights

Based on our review, we conclude the identified activities, timing, and \$4.7M of the expenditures made by Utilities during the 2016 period for Stormwater Control Projects meet the criteria for the Inter-Governmental Agreement between the City of Colorado Springs, Colorado Springs Utilities, and Pueblo County.

The City of Colorado Springs and Utilities are required collectively to invest a minimum of \$16.5M per year on the City's Stormwater Control Program per the IGA. The City committed \$19M per year to stormwater system improvements with \$3M per year of that total contributed by Utilities. Construction of Sanitary Sewer Creek Crossing (SSCC) projects are intended to meet the \$3M per year Utilities' commitment. For the 2016 Calendar year reporting period, the City and Utilities have invested a total of \$25.5M with Utilities reporting \$4.7M spent on the Sanitary Sewer Creek Crossing Program (SSCC).

We reviewed 100% of the 15 work orders for the following expenditure criteria:

- For the inspection, evaluation, repair and/or replacement of sanitary sewer pipes, and the erosion protection of various creek crossings structures.
- Expenditures were made between 1/1/2016 through 12/31/2016.
- Activities were not currently required by other regulatory permits, agency enforcement or court orders, consent agreements, or governmental regulations.

In addition, we inquired if outside technical engineering experts hired by Pueblo County had any concerns or comments on the projects selected by Utilities for the SSCC activities. As of the end of our review, none had been expressed.

No exceptions were found. Expenditures were verified in the resource management system used by Colorado Springs Utilities for work order tracking and accounts payable. All expenditures were traced to the financial accounting system and verified as paid to the appropriate third parties for services.

See appendix for listing of the Colorado Springs Utilities SSCC Program Activities on page 2 of this report.

This audit was conducted in conformance with the International Standards for the Professional Practice of Internal Auditing, a part of the Professional Practices Framework promulgated by the Institute of Internal Auditors.

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Appendix

Colorado Springs Utilities SSCC Program Activities		
Work Order No.	Project name	Actual Spend (\$)
2829555	Monument Creek Stabilization near Fillmore Street, Phase I	\$244,868
2954537	Monument Creek near Fillmore-Phase II Stream Stabilization & Infrastructure Protection	696,646
2954719	Little Fountain Creek at CSR Wellfield Road Culvert Replacement	127,778
2954700	Little Fountain Creek at CSR Zero Discharge Pipeline Scour Protection Project	83,576
2952571	South Douglas Creek at Sinton Pond Sanitary Sewer Realignment & Stream Stabilization	167,036
3000322	North Douglas Creek Stabilization Upstream of Mark Dabling Boulevard	424,894
3001115	Sand Creek at East Fork Confluence Stream Stabilization	763,775
3073340	Monument Branch Channel Restoration Phase I	350,000
2785897	Clear Spring Ranch Sludgeline Bank Protection-Design	70,085
2973829	Monument Creek Stream Stabilization Upstream of Pikeview-Design	104,954
2972334	West Fork Sand Creek Stream Stabilization-Design	225,772
2970837	Cottonwood Creek Upstream of Duryea-Revegetation Contract	52,831
2913735	Monument Creek Stabilization Phase I-Revegetation Contract	22,657
2991979	North to North Transfer Line Stabilization Project (O&M)	63,062
2899031	Little Fountain Creek Project (Multi Service Capital)	1,315,090
	Total Utilities SSCC Program 2016 Project Costs to Date:	\$4,713,024