



OFFICE OF THE CITY AUDITOR COLORADO SPRINGS, COLORADO

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21-06 City of Colorado Springs Pikes Peak Regional Transportation Authority (PPRTA) Projects

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Purpose

The purpose of this audit was to review the administration and accounting of Colorado Springs capital improvement projects funded by Pikes Peak Regional Transportation Authority (PPRTA) taxes.

Highlights

We conclude administration and accounting for City of Colorado Springs' PPRTA capital projects were adequate and met the requirements outlined in the ballot measure, the PPRTA Intergovernmental Agreement (IGA), and the PPRTA Board policies. We identified three commendable practices and one opportunity for improvement. See pages 2 and 3 of this report for details.

The 2014 PPRTA ballot measure included 34 A-list capital projects to be overseen by City of Colorado Springs (City) Public Works department. The current construction schedule anticipates 88% (30 out of 34 projects) would be completed by the end of 2024. Per the funding projections, all 34 capital improvement projects were expected to be fully funded by 2024 year end for completion. We reviewed project management tools and methods in use for three projects.

Project managers kept accurate records of the project cost and contractual obligations. A project management handbook was in use, as was a standard framework for collecting project documentation. Project changes were accurately communicated to governance. Auditors reviewed meeting materials, engaged in interviews, evaluated financial documentation and determined the City adequately governs and accounts for their portion of the PPRTA project budget.

PPRTA Overview and Background

Pikes Peak Regional Transportation Authority was established through a sales and use tax in November 2004 with the passage of ballot measure 1A. The subsequent renewal in November 2014 extended the sunset date an additional 10 years. The extension provided funding for 34 roadway capital improvement projects in Colorado

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Commendable Practices

1. Improvement in reporting to Board of Directors
2. Improvements to cost estimating practices
3. Increased oversight by senior management of PPRTA projects.

Opportunity for Improvement

As a PPRTA member government, City staff should collaborate with the PPRTA staff and the Board to increase transparency to post complete meeting materials in future months on the PPRTA website. Both the Board of Directors and Citizen Advisory Committee meetings should be documented as they occur and after any website upgrades.

Management Response

Management agrees with the recommendation. See page 3.

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Springs. These 34 projects would be constructed by the City of Colorado Springs using PPRTA funding. The City of Colorado Springs provides the PPRTA Board with quarterly capital project activity reports.

Governance of PPRTA consists of a Board of Directors (Board) and the Citizen Advisory Committee (CAC). Five member governments of the PPRTA Intergovernmental Agreement include the City of Colorado Springs, El Paso County, Green Mountain Falls, Manitou Springs, and Ramah. The Board is comprised of nine elected officials from the member governments whose primary responsibility is the management and disbursement of funds generated by the PPRTA tax. The Board determines the annual appropriations and project prioritization for funding in accordance with ballot language and based upon stakeholder recommendations.

The CAC is comprised of citizen appointees from the member governments, Citizen Transportation Advisory Board (CTAB), El Paso County Highway Advisory Commission (HAC), as well as several at-large members. The purpose of the CAC is to review preliminary budgets prepared by PPRTA and local governments, review on-going projects, evaluate proposed changes and requests, and provide recommendations to the Board of Directors.

The City Engineering division of the Public Works department has responsibility for management of City PPRTA capital project implementation.

Commendable Practices

During the audit we noted recent operational improvements resulting in increased effectiveness and efficiency in administration of PPRTA projects by the Public Works Department. These improvements resulted in more complete and accurate information to the Citizen Advisory Committee and PPRTA Board members. The changes include:

- Improvement in reporting to Board of Directors—More detailed explanations, cost, and schedule forecasting communicated in quarterly reports.
- Improvement to cost estimating practices—New detailed cost estimating process to align with best practices from the Association for the Advancement of Cost Engineering (AACE) International Cost Estimate Classification System.
- Added the position of City Engineer/Deputy Director to provide more oversight by senior management of City PPRTA projects.

We would like to thank the representatives from the Public Works department and the PPRTA staff that assisted us with this audit.

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Opportunity for Improvement

The PPRTA web site (PPRTA.org) contained meeting information available to the public. During our review, we noted 17 months (28%) from January 2015 to December 2019 that were missing meeting minutes, missing presentation documents, or documents for the wrong month were posted.

Per the Colorado Open Meetings law, public meetings must be properly noticed. Meeting minutes must be retained and made available for public inspection. It appears the intent was to use the PPRTA.org site to make these documents available to the public.

Ideally, the PPRTA web site should have a complete and accurate library of the monthly Board of Directors and Citizen Advisory Committee meetings. The library documents should include the monthly agenda, meeting minutes, and any materials presented for discussion or review.

We understand recent changes were made to the PPRTA web site and some documents may not have been uploaded in the process. All of the audit's requested documents were provided by PPRTA administrative staff when they were not found on the web site.

Management Response

As a member government, the City will assign both the City's PPRTA Program Manager and the City Engineer with the task of collaborating with PPRTA staff and Board members to improve transparency of complete meeting materials. Complete meeting materials are anticipated to be posted for public access through the PPRTA website.

Recommendation

As a PPRTA member government, we encourage City staff to collaborate with the PPRTA staff and the Board to increase transparency by ensuring future meeting materials on the PPRTA website are complete. Both the Board of Directors and Citizen Advisory Committee meeting materials should be available on the PPRTA website going forward.