

**TRANSPORTATION AND STORMWATER SERVICES DEPARTMENT
TRANSPORTATION AND STORMWATER OPERATIONS DIVISION
TSS OPERATIONS AND MAINTENANCE
AUDIT 15-13
MARCH 01, 2016**



CITY OF TAMPA

Bob Buckhorn, Mayor

Internal Audit Department

Christine Glover, Internal Audit Director

March 1, 2016

Honorable Bob Buckhorn
Mayor, City of Tampa
1 City Hall Plaza
Tampa, Florida

RE: TSS Operations & Maintenance, Audit 15-13

Dear Mayor Buckhorn:

Attached is the Internal Audit Department's report on Transportation and Stormwater Services Operations & Maintenance. The focus of this audit was on the Right-of-Way permitting process.

We thank the management and staff of the Transportation and Stormwater Services Department for their cooperation and assistance during this audit.

Sincerely,

/s/ Christine Glover

Christine Glover
Internal Audit Director

cc: Dennis Rogero, Chief of Staff
Sonya Little, Chief Financial Officer
Brad Baird, Administrator of Public Works and Utility Services
Jean Duncan, Director of Transportation and Stormwater Services
Pete Brett, Operations Manager of Transportation and Stormwater Services
Bob McDonough, Administrator of Economic Opportunity
Thomas Snelling, Director of Planning and Development
Catherine Coyle, Manager of Planning and Urban Design
Sabine Lundgren, Applications Systems Analyst

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/s/ Christine Helt

Christine Helt, Senior Auditor

/s/ Christine Glover

Christine Glover, Audit Director

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BACKGROUND

The Department of Transportation and Stormwater Services (TSS) is primarily responsible for maintaining and building the City of Tampa's Stormwater and transportation infrastructure. The TSS Department reports directly to the Administrator of Public Works and Utility Services. ¹

There are three divisions within the TSS Department:

- Transportation and Stormwater Operations Division
- Transportation Engineering Division
- Stormwater Engineering Division¹

The Transportation and Stormwater Operations Division is responsible for:

- Planning and scheduling preventive and corrective maintenance of assets within the public right-of-way (ROW) including drainage system maintenance, asphalt repair, roadway striping, traffic sign fabrication and maintenance.
- Administering all contracts for the division, monitoring all service contracts, and overseeing all memorandums of agreement for maintenance of assets owned by others.
- Overseeing both the in-house and contractual paving programs, the in-house Stormwater capital improvement program, and traffic signal maintenance and repair. ¹

All private construction and/or maintenance activities, which take place within the City of Tampa ROW, are subject to oversight by the City. This is accomplished via a permit application and review process. Sidewalk and street closures require maintenance of traffic (MOT) plans to be submitted with the ROW permit application. In FY2015, there were approximately 3,419 ROW permits received. ¹

The most commonly requested ROW permits fall into the following categories:

- Utility construction and maintenance activities
- Sidewalk and driveway construction/repair
- Special events (e.g., parades, block parties, carnivals, road festivals, etc.)¹

Responsibility for the ROW permitting process transferred to the Planning and Urban Design Division of the Planning and Development Department prior to the conclusion of this audit. A new system, Accela, was also implemented to replace Permit Manager during our audit. Accela was modified for ROW permitting until the Right-of-Way Management Solutions module of Accela becomes available and can be implemented.

¹ City of Tampa Transportation and Stormwater Services webpage - <http://www.tampagov.net/transportation>

STATEMENT OF OBJECTIVES

This audit was conducted in accordance with the Internal Audit Department's FY2015 Audit Agenda. The audit objectives were to ensure that:

1. Controls over fees collected are adequate.
2. ROW permitting fees are being charged correctly.

STATEMENT OF SCOPE

The audit period covered ROW permitting activity that occurred from October 1, 2014, to September 30, 2015. Tests were performed to determine whether the Transportation and Stormwater Operations Division personnel were fulfilling their stated duties and responsibilities in an effective and efficient manner. Original records as well as copies were used as evidence and verified through observation and physical examination.

STATEMENT OF METHODOLOGY

To achieve the audit objectives internal controls over the ROW permitting process were assessed based on interviews with staff, questionnaires, and a review of internal policies. Based on our risk analysis, a review was conducted of a sample of fees for permits issued during FY2015. ROW fees entered in Permit Manager were compared to the resolution on permitting fees. The assessed fees per Permit Manager were then traced to the receipt books and letters that the Utility Administrative Support Technician prepares and sends to the Banking Division. These fees were then traced to the Oracle General Ledger entries.

STATEMENT OF AUDITING STANDARDS

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 CONCLUSIONS

Based upon the test work performed and the recommendations noted below, we conclude that:

1. Overall, controls over fees collected are adequate. However, controls could be improved with a procedure to reconcile the amount collected back to the amount due in the system.
2. Overall, ROW permitting fees are being charged correctly. However, there were some minor discrepancies found between the amount due and the amount collected.

REVIEW OF ROW PERMIT APPLICATIONS AND PLANS

STATEMENT OF CONDITION: During our review of the ROW permitting process, we noted that a response is not required of everyone responsible for reviewing ROW permit applications. The permit application and maintenance of traffic (MOT) plans are approved by an Engineer within the department. However, if a response is not received from other reviewers by the due date given in an email, it is assumed that there is no conflict and the permit is issued. Based on discussions with ROW permitting staff, if they are aware that there may be a conflict or a major reviewer does not respond they will attempt to contact this reviewer prior to issuing the permit.

CRITERIA: In order to ensure that no conflicts or safety issues exist, a response should be required from all City reviewers prior to issuing a permit. If a response is not attainable, the reason should be documented.

CAUSE: A response is not mandatory for all reviewers.

EFFECT OF CONDITION: A permit could be issued in error without the proper reviews if a reviewer is delayed in responding or does not receive the message. The absence of proper reviews could result in a safety risk, increased costs, and/or additional work.

RECOMMENDATION 1: We recommend that management ensure that the new system, Accela, which was recently implemented require proper approvals. Based on our discussions with management (Planning Manager & Engineer III), Accela can require that each internal (City) reviewer sign-off in the system before a permit can be issued. The Planning and Urban Design employees will have authority to override a sign-off; however, there will be a record of overrides with a reason documented.

MANAGEMENT RESPONSE: We agree with the recommendation that management continue to move forward with the implementation of Accela for the ROW permitting process. The currently used Access data base is cumbersome for users to populate and recover information, or document processes. The ROW Permitting Team is currently under the supervision of the Planning and Development Department. We understand that Accela will be fully implemented in February of 2016.

RECONCILIATION OF PERMITTING FEES

STATEMENT OF CONDITION: During our review and reconciliation of permitting fees we noted that the fees in the Permit Manager system did not always match what was actually paid per the receipt, bank deposit and general ledger account. Based on the minor discrepancies found and discussions with the Applications Systems Analyst, the fees actually collected are not being reconciled back to the fees in the system prior to issuing a permit. The details of the discrepancies found were provided to management in a separate correspondence.

CRITERIA: The permitting fees collected should match what is in the system; and reconciliation should be completed to verify no discrepancies exist.

CAUSE: Payments received were not being reconciled back to the amount due per the system (Permit Manager).

EFFECT OF CONDITION: For two permits in our sample the incorrect amount was charged; and the permits were issued without full payment. For one additional permit the correct amount was charged but there was no record of payment being due in the system. While the discrepancies may be immaterial (\$245 total), the absence of reconciliation presents the opportunity for errors to go undetected.

RECOMMENDATION 2: We recommend that procedures be written and implemented to reconcile payments received back to the amount due prior to issuing permits. It is our understanding that the Accela software recently implemented will capture permit and payment activity in the same system allowing for better checks and balances.

MANAGEMENT RESPONSE: The procedure followed for the past several years to ensure that permit fee charges reconciled with deposits at the downtown permit office was cumbersome but reliable. Permit intake personal hand delivered a hard copy of the permit with the written amount to be charged to administrative support staff who received payments from customers. They received payments and entered the amount on the same permit hardcopy, so both the fee charged and received dollar amounts were in full view ensuring that they matched. Deposits were made by the Banking Division in the Revenue and Finance Department and they were provided with a monthly tally of all permit receipts.

In early 2015 the ROW Permit Team moved from downtown to the 40th Street Operations Facility. During that time email was used to inform administrative support personnel of the permit charges to be collected. The email process could introduce a higher probability for errors than the hard copy process mentioned above. The email process was thought to be temporary until the new Accela permit software was installed.

However, installation delays continued until the end of 2015, about the time the ROW Permit Team began utilizing Accela and moved to the Planning Department. Currently, the Planning and Development Department is using the Accela permit software and we understand that it will track and reconcile charges using a common and automated data base providing consistent results.

OPPORTUNITY FOR BETTER COLLABORATION

STATEMENT OF CONDITION: During our review of the ROW permitting process, we noted that there are opportunities for better collaboration between ROW permitting and Construction permitting. Construction plans often also include construction in the ROW that must be reviewed and permitted separately. Management has expressed concern that they often do not know about this construction until there is an issue. Currently these plans are stamped notifying the customer that a ROW permit is also required. However, the customers do not always return to obtain a ROW permit.

CRITERIA: ROW permitting should be notified if construction plans also include construction in the ROW so that plans can be properly reviewed.

CAUSE: Customers can obtain a construction permit and never return to obtain a ROW permit.

EFFECT OF CONDITION: The City does not know that ROW work was not done correctly until there is an issue. The work cannot be properly inspected if the City does not know about it.

RECOMMENDATION 3: We recommend that management collaborate with the Development Services Center to improve and streamline this process. Plans that require more than one type of permit should be communicated among departments. This can be accomplished by requiring that all plans be reviewed and approved at the same time; or by at least communicating and providing a copy of the plans to each other.

MANAGEMENT RESPONSE: We agree; this is a frequent problem that transfers undo costs to the City for after the fact revisions and repairs needed on substandard developer work done within the ROW. ROW Permitting is now located in the Planning and Development Department. They also permit development sites. Therefore, permit coordination between development site work and ROW work should improve over time.

MAPPING OF ROW PERMITS

STATEMENT OF CONDITION: During our review of the ROW permitting process, we noted that Permit Manager does not have the capability to identify potential conflicts with already active permits. The Application Systems Analyst mapped the permits in a separate system, ArcGIS, which does not interface with the Permit Manager database. Due to system (ArcGIS) upgrades in progress and time constraints, these maps are not all inclusive and are not up to date.

CRITERIA: ROW permit locations should be more accurately tracked to ensure proper maintenance of traffic and public safety.

CAUSE: Permit Manager does not interface with a mapping system; and the department was relying mostly on memory to identify conflicts.

EFFECT OF CONDITION: ROW permits that conflict have the potential to cause traffic congestion and/or accidents and cost agencies involved additional money.

RECOMMENDATION 4: We recommend that policies be written and implemented to ensure that permit locations are being mapped and more accurately tracked. Based on our discussions with management (Planning Manager & Engineer III), it is our understanding that the new software, Accela, which was recently implemented, will be integrated with GIS to display conflicts and overlap of permit locations. This will help to ensure that permits do not conflict and allow better coordination among agencies.

MANAGEMENT RESPONSE: We agree that Accela will eventually be integrated with GIS to display conflicts and overlap of permit locations for better coordination of among agencies. The ROW Permitting Team is currently under the supervision of the Planning and Development Department. We understand that Accela will be fully implemented in February of 2016.