



City of San Antonio

Agenda Memorandum

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In Control: Audit and Accountability Committee

AUDIT COMMITTEE SUMMARY

September 19, 2017

Audit of Transportation and Capital Improvements Department Consolidated Rental Car Facility Construction Project

Report Issued June 8, 2017

Audit Objective

Determine if oversight of the Consolidated Rental Car Facility construction project is adequate to include monitoring of contractors and funding.

Background

As part of the Vision 2050 project, the Airport Master Plan recommended the San Antonio International Airport construct a Consolidated Rental Car Facility (ConRAC). Turner Construction Company (Turner) was approved by City Council for a \$135.1 million Construction Manager-At-Risk contract. In June of 2016, the City Council authorized the acceleration to substantially complete the ConRAC project ahead of the Tri-Centennial and the Final Four. Additionally, the scope of work was modified, increasing the contract guaranteed maximum price to \$141.3 million.

Turner has overall responsibility and provides pre-construction and construction services. Pre-construction services included providing evaluations and recommendations, working with the design firm, providing design document reviews, and providing cost estimates. Construction phase responsibilities include coordinating all sub-contractors, quality control, project safety and completing project in accordance to contract schedule. The TCI Aviation Expansion Team is the primary project manager. They are responsible for monitoring the project schedule, project activities, expenditures, and project timeline.

Audit Scope and Methodology

The audit scope included the contract monitoring process from fiscal year 2016 through February 2017. We reviewed monthly pay applications to determine if they were submitted timely, approved, accurate and properly supported. We reviewed the monitoring procedures for meeting the Small Business Economic Development Advocacy (SBEDA) requirements. Finally we reviewed the contract monitoring process for appropriate contract inspections, material testing and overall project construction progress.

Audit Conclusions

Oversight of the ConRAC construction project was adequate to include monitoring of contractors and funding. The TCI Aviation Expansion Team had controls in place to ensure pay applications and change orders were supported, approved and accurate. TCI had controls in place to verify the project was in compliance with SBEDA requirements. Finally, inspection procedures and materials testing were in place and properly documented.

As we had no findings, we made no recommendations.