



TRINITY RIVER VISION AUTHORITY (TRVA)

CENTRAL CITY FLOOD CONTROL PROJECT

DRAFT PRESENTATION

Wednesday 07/10/19

DRAFT UNDER EMBARGO – NOT FOR PUBLIC DISSEMINATION

TABLE OF CONTENTS

03

EXECUTIVE SUMMARY

10

BACKGROUND AND TIMELINE

30

PROJECT STAKEHOLDERS AND
OPERATIONS

39

KEY FINDINGS AND
RECOMMENDATIONS

64

APPENDIX

EXECUTIVE SUMMARY

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INTRODUCTION AND BACKGROUND

Situation

- ▶ The **Trinity River Vision Central City Flood Control Project** is an ambitious, multiyear effort to **reduce flood threats and improve the protection of human life and property** in flood-prone areas throughout Fort Worth.
- ▶ This project will have the **ancillary national and regional economic development benefits of connecting the community to the Trinity River and enabling economic development in an underutilized industrial area** between the revitalized Downtown and the Stockyards National Historic District.

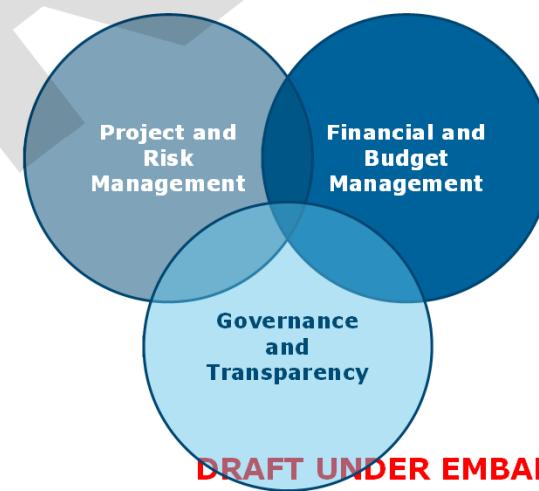
Challenge

- ▶ This complex project has faced budget and scheduling challenges.
- ▶ There is concern over securing federal funding, potentially leaving project without needed federal funding.
- ▶ Taxpayers, businesses and other stakeholders have been impacted by construction, and continue to question project objectives, scope, budget and timing. There is also confusion and debate regarding the role of the TRVA, overall project responsibilities, project management and transparency.

Approach

- ▶ Riveron was asked to **assess project and risk management, financial and budget management, and organizational governance and transparency** with respect to the project to date.
- ▶ Based on the findings from the assessment phase, Riveron was asked to provide recommendations to meet expectations and leading practices in the above-mentioned areas of focus that ultimately help meet the Trinity River Vision Central City Flood Control Project objectives.

**Phase 1:
Assessment**



**Phase 2:
Recommendations**

THE CENTRAL CITY FLOOD CONTROL PROJECT

The Vision and Plan for the Central City Project

The area in and around Fort Worth has an extensive history of flooding. In 2001, a task force was launched to examine and address the outdated flood control levee system and address the recommendations of the U.S. Army Corps of Engineers (USACE) to either build out the levees, build a bypass channel, or do nothing. The task force - composed of the City of Fort Worth, Streams & Valleys Inc., Tarrant Regional Water District (TRWD), Tarrant County, and the USACE concluded that the bypass channel was the optimal, most economically viable path forward.

Building and Funding the Project

Funded by local, state and federal contributions and tax-increment financing (TIF), the project went through extensive studies and analysis before being adopted as the Central City Flood Control Project. Over the course of almost 15 years, the project has grown to include both the direct flood control and public safety initiatives as well as design, preparation and activity to clean up and reclaim what is currently an industrial area known as Panther Island.

Moving Forward

The local and state portions of this project are fully funded. To complete the Central City Flood Control Project as currently envisioned, the project will need to secure almost \$500MM in future federal funding between now and 2028 to allow the USACE to complete the channel, and the necessary design, planning, and completion of the bridges spanning this channel, as well as utility and other supporting infrastructure needs to successfully meet the vision for the project.

METHODOLOGY AND APPROACH

Methodology and Approach in Developing Findings, Conclusions and Recommendations

Riveron conducted over 25 interviews with the staff and Board of the Tarrant Regional Water District (TRWD) and the Trinity River Vision Authority (TRVA), the City of Fort Worth, Tarrant County, and other project stakeholders at the municipal, state and federal levels. These interviews were supported by gathering and reviewing both qualitative and quantitative data focused on the following categories:

- ▶ Financial and Budget Management
- ▶ Project and Risk Management
- ▶ Project and Organizational Governance and Transparency

Based on the review of both qualitative and quantitative data, Riveron developed **Key Findings** and organized them around one of the three previously mentioned categories. Based on the areas of focus within these key findings, Riveron documented how the Central City Flood Control Project (the project) met what are considered **Leading Practices**. Leading practices are based on Riveron experience as well as applicable, relevant published guidance from the *Government Finance Officer's Association* (GFAO), the *National Association of Corporate Directors* (NACD), *Standard & Poor's* (S&P Global), *Moody's*, the *Project Management Institute* (PMI) and other sources. Based on these findings and **Observations**, Riveron developed **Conclusions** and **Recommendations** regarding current state project and risk management, financial and budget management, and project and organizational governance.

Assessment

Findings

Observations

Conclusions

Recommendations

High-level findings can be found on the following page, followed by recommendations to support meeting the project and program mission and vision. Detailed documentation on areas of focus, leading practices, observations and conclusions can be found in the body of the full report.

During the ninety-day period allotted to complete this project, Riveron worked extensively with project stakeholders to gather and synthesize data and formulate objective findings upon which to make subjective conclusions and recommendations. **Riveron did not validate or test data other than to compare it to understand accuracy of the information provided.**

KEY FINDINGS

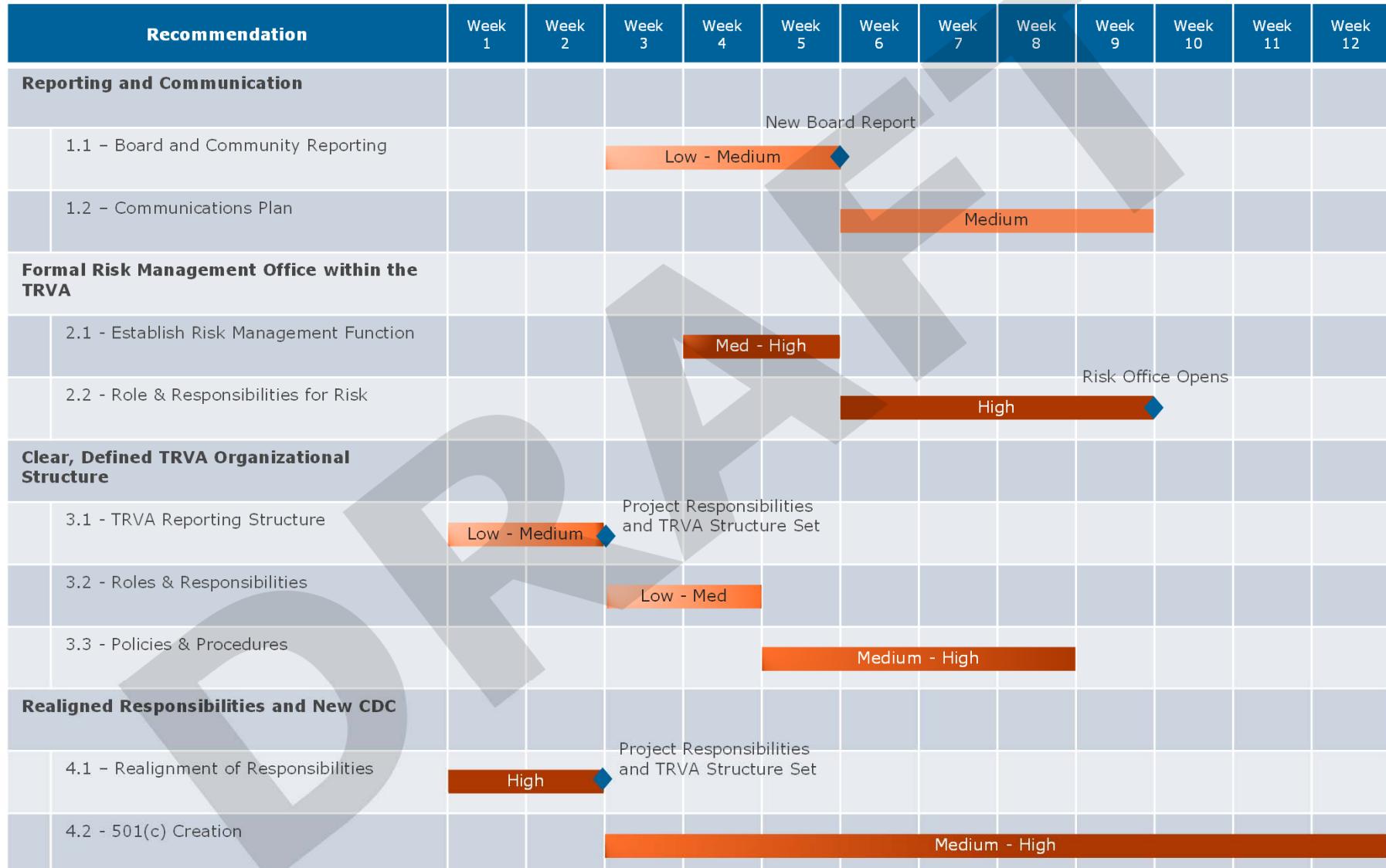
Improvements to financial stewardship, project and risk management, and governance needed to demonstrate unity in vision and intent among project stakeholders, furthering the potential for future federal contributions to the project.

Finance and Funding	<p>① Unclear Revenue and Expenditure Projections Inconsistent reporting and high variances to project budget and cash flow estimates, forecasting and reporting, <i>resulting in</i> confusion over project progress, misunderstanding on financial gaps, and perceptions of mismanagement and waste</p> <p>② Unclear Financial and Management Reporting Overwhelming and complex project financial and reporting information, <i>resulting in</i> lack of awareness and understanding among taxpayers and stakeholders on project and budget estimates and revisions, and the root cause of those changes</p>
Project and Risk Management	<p>③ No Project Management Office (PMO) TRVA is a coordinating entity and not a true PMO with administrative authority and control over decisioning and project participants, <i>resulting in</i> changes to timeline/budget originating from project participants but not subject to same change control and approval processes as local decisions</p> <p>④ Informal Change and Risk Management Lack of well-documented project change management and risk contingency planning for funding and partner/contractor management processes, <i>resulting in</i> lack of clarity on project performance to date, confusion and rumors; also <i>resulting in</i> dispute mechanisms relying on litigation rather than cooperation or mediation through formal mechanisms.</p>
Governance and Transparency	<p>⑤ Inconsistent Views on Project Goals and Objectives Dual focus on core project goals of flood control and public safety as well as ancillary project benefits for recreation and economic development, <i>resulting in</i> confusion, project fatigue, and inconsistent views on project direction and priorities, status and expectations for completion</p>
Governance and Transparency	<p>⑥ Unclear Mandate, Roles and Mission TRVA is a coordination body for project stakeholders including TRWD, Tarrant County, City of Fort Worth, TXDOT, and the US Army Corp of Engineers. TRVA has no mandate to enable effective project management. There is no project charter and roles/responsibilities are not always clear, resulting in changes to budget/timeline/scope being made without appropriate change and decision support processes</p>
Governance and Transparency	<p>⑦ Insufficient Operational Oversight and Transparency A combined lack of robust policies, procedures and transparency into TRVA operations, specifically with respect to project and change management, hiring, promotion, performance management, decisioning, roles and responsibilities, <i>resulting in</i> appearances of impropriety, nepotism, favoritism, and unfair dealing</p> <p>⑧ Complicated, Opaque Structure and Hierarchy Complicated and opaque governance, project management, organizational and reporting structure between and within the TRWD and TRVA, and among project participants, <i>resulting in</i> confusion on roles and responsibilities both within the project stakeholder team and with the general public, as well as an opportunity to subvert chain of authority, policies, and other controls</p>

KEY FINDINGS AND RECOMMENDATIONS

Finance and Funding	<p>1 Unclear Revenue and Expenditure Projections</p> <p>2 Unclear Financial and Management Reporting</p>	<p>Inconsistent reporting and high variances regarding project budget and cash flow estimates, forecasting and reporting</p> <p>Overwhelming and complex project financial and reporting information</p>	<ul style="list-style-type: none"> • Gather key requirements from stakeholders and develop Board and Community Reporting Packages • Develop and execute a comprehensive Communications Plan with messages appropriately targeted to key audiences
Project and Risk Management	<p>3 No Project Management Office (PMO)</p> <p>4 Informal Change and Risk Management</p>	<p>TRVA is a coordinating entity and not a true PMO with administrative authority and control over decisioning and project participants</p> <p>Lack of well-documented project change management and risk contingency planning for funding, partner and contractor management processes</p>	<ul style="list-style-type: none"> • Establish a formal Risk Management Office within the TRVA • Create a Risk Management, Assessment, and Reporting structure within that RMO that is responsible to the Board and Key Project Stakeholders
Governance and Transparency	<p>5 Inconsistent Views on Project Goals and Objectives</p> <p>6 Unclear Mandate, Roles and Mission</p>	<p>Dual focus on project goals of flood control and public safety versus ancillary project benefits for recreation and economic development</p> <p>There is no mandate to enable effective project management, and roles/responsibilities are not always clear</p>	<ul style="list-style-type: none"> • Implement a Clear, Defined Organizational Structure in the TRVA, with roles and responsibilities in line with leading practice expectations for transparency and accountability • Build out its internal Policies and Procedures environment
	<p>7 Insufficient Operational Oversight and Transparency</p> <p>8 Complicated, Opaque Structure and Hierarchy</p>	<p>Lack of robust policies, procedures and transparency into TRVA operations, specifically with respect to project and change management, hiring, promotion, performance management, decisioning, roles and responsibilities</p> <p>Complicated and opaque governance, project management, organizational and reporting structure between and within the TRWD and TRVA, and among project participants</p>	<ul style="list-style-type: none"> • Separate and Realign Responsibilities for flood control from ancillary efforts by creating a Community Development Corp (501c) to oversee the economic development and recreation aspects associated with the project

PRIORITIZED RECOMMENDATIONS AND NEXT STEPS



◆ Milestone

Low Medium High

Workstream Duration / Level of Effort to Implement

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BACKGROUND AND TIMELINE

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A BRIEF OVERVIEW

Building an Ambitious Vision

Major public sector capital projects are full of complexities and dependencies. These inherent challenges are amplified in a project as complex and transformative as the Central City Flood Control Project in the following ways:

- ▶ The project was envisioned after extensive planning and design on the parts of project stakeholders. The US Army Corps of Engineers (USACE) served as the primary designer for the bypass channel, which is the central project feature. The methodology used by the USACE is considered best-in-class, but does not account for ancillary economic and environmental improvement as part of a benefit-cost analysis (BCA).
- ▶ To meet the requirements in place at the time, the project Benefit-Cost-Analysis (BCA) was conducted by University of North Texas (UNT). This was the first of many studies, evaluations, and assessments conducted by different parties to examine the design, construction, safety, economic and environmental impact of the project. The current confusion over whether one is needed has created the current policy and technical obstruction to federal funding.
- ▶ Congress and the USACE approved this project using the UNT BCA, which showed a positive impact due to an expansive methodology that took into account future economic and environmental benefits from the project. This was also the basis for the TIF agreement signed only by all project stakeholders as a formal agreement to the vision for the flood control project.
- ▶ The rigid nature of autonomous project participants and their cost and budget estimate methodology also meant that indirect or non-demonstratable issues such as projected inflation, escalation, ancillary costs and other project and risk management contingencies were not factored into budget projections.
- ▶ The lack of planning for contingencies arising from utility and land needs greatly increased costs, as did changes to regulations arising from lessons learned in hurricanes (Katrina the most relevant) and other events. These changes had major impacts on both project timing and execution.

A BRIEF OVERVIEW

How We Got Here

- ▶ Infrastructure projects of this size are much more complex to manage and execute than is generally understood. The process of change - from assessment to design to review to approval to implementation to incorporation into the project plan and eventually construction - can take years to ripple through multi-vector, multi-variable infrastructure project with multiple participants, multiple funding sources, multiple levels of oversight and approval, multiple taxing and regulatory bodies, and multiple project participants.
- ▶ Many major changes have occurred as the project progressed, notably the addition of Gateway Park, that created both direct and indirect budget and project planning issues associated with them.
- ▶ There have been major miscommunications and understanding regarding project progress and milestones. For instance, the 7th Street Bridge form/design as applied to Henderson/Main/White Settlement has been incorrectly understood to be a rejection of a cost-saving measure, when in fact the offer by TXDOT to leverage the 7th street design would have had a direct negative impact on scope, was not guaranteed to be approved by the USACE, would have required extensive addition to time and scope (and ultimately cost) for assessment and redesign, and was not guaranteed to occur.
- ▶ The complexity, coordination, and ability to provide strong project and risk management would generally require a centralized program management office, supported by qualified project managers for the multiple workstreams, and a responsibility for command/control mandated in a project charter. The TRVA is a coordinating entity and not a command-and-control program management office (PMO).

A BRIEF OVERVIEW

How We Got Here

- ▶ The Executive Director of the TRVA is responsible for leading the TRVA team, coordinating efforts between the different project stakeholders, reporting on project progress, and most importantly communicating the vision for the Trinity River Vision, which has arguably been achieved. There is confusion over the TRVA leadership not being equipped to manage a project of this size and magnitude. This stems from confusing the Executive Director of the TRVA with the project management team working with USACE, TXDOT and its subcontractors, and the TRWD.
- ▶ At the tactical project level, the team is composed of project management experts using robust risk management and project management tools and methods, including a coordinated use of the Project Primavera (P6) platform across project stakeholders.
- ▶ Over the course of time, the structure of the TRVA and its role within the TRWD has become increasingly confusing both to internal and external stakeholders, with multiple avenues of communication, direction and responsibility that are not clear in terms of intent or effectiveness.
- ▶ There are opportunities for improved governance, operations, communication and reporting, structure, and oversight both within the TRVA as well as needs for improved operation of and cooperation between the greater project stakeholder group.

A BRIEF OVERVIEW

Where We Are Going

- ▶ During the process of conducting the Programmatic Review, the Riveron team was met with various levels of skepticism and concern regarding project timeline and future expectations, scope, missed deadlines and root causes, financial beneficiaries, stakeholder agendas, efficacy of leadership, and stewardship of funds.
- ▶ Riveron was also met with generally uniform anticipation and excitement for the future completion of the bypass channel, the bridges that span the channel, and the future Trinity River Vision.
- ▶ Local government sponsors have secured funding for the portions of the project under their mandate. The obstacle remaining to project completion is securing federal funding for the remaining aspects of the Bypass Channel to be completed in concert with bridge completion, and ancillary construction and cleanup required for future habitation and use.
- ▶ To demonstrate unified local government support, an eagerness to implement leading practices, and ultimately secure federal funding, the TRVA and TRWD engaged Riveron to perform this programmatic review. What follows is our findings, conclusions, and recommendations for moving forward and completing the Central City Flood Control Project.

INTRODUCTION: A HISTORY OF FLOODING

Flooding and Flood History

The Fort Worth area and the greater DFW metroplex have a history of flooding and water issues that have led to loss of property and life:

- ▶ 1922 flooding breaches 17 levees; results in 10 deaths and \$1MM in damage (1922 USD)
- ▶ 1949 flooding; 13,000 homeless, boil orders, no functional system for clean water; results in 10 deaths and over \$15MM damage (1949 USD)
- ▶ More recent flooding here (1989 Lake Arlington) and elsewhere (named Hurricanes including Katrina, Harvey, etc. impacting Dallas, Houston, Louisiana)
- ▶ The current levee system was built in 1960 for a population of approximately 350,000. The system is now badly fatigued and serves over 900,000 - a much larger population than it was originally designed to support.
- ▶ In the late 1990s the US Army Corps of Engineers (USACE) recommended a few flood control options:
 - ▶ raise the levees 10 feet all around (and condemn property out 150 feet on both sides all along river) or
 - ▶ construct a bypass channel

The Trinity River Vision Central City Flood Control Project

In 2001, a task force was launched to examine and address the outdated flood control levee system and address the recommendations of the USACE. This task force - composed of the City of Fort Worth (Mayor Kenneth Barr), Streams & Valleys Inc., Tarrant Regional Water District (TRWD), Tarrant County, and the USACE - was asked to focus on five areas:

- ▶ Flood protection
- ▶ Environmental cleanup
- ▶ Federal funding for flood control
- ▶ Public access to the river
- ▶ Responsible development in the river corridor

THE PROJECT

The Central City Flood Control Project

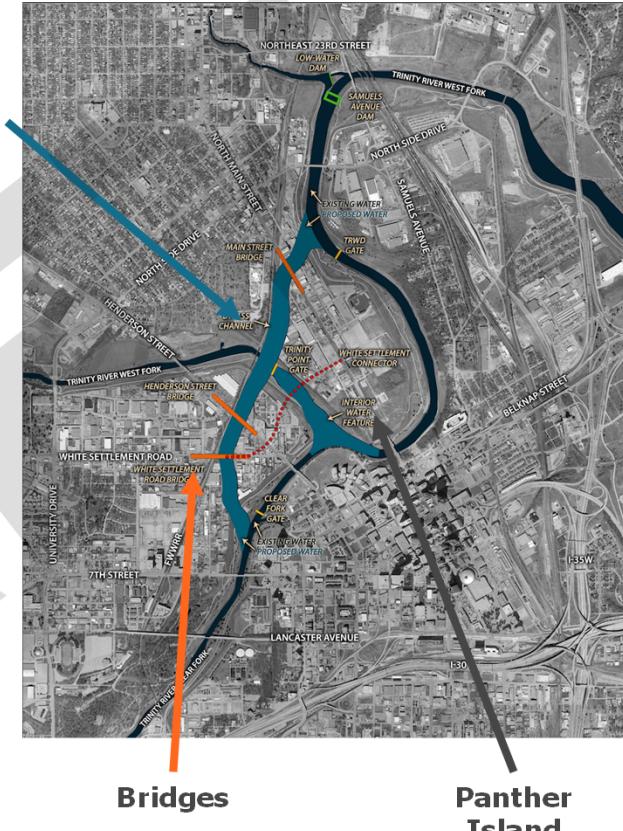
The task force essentially considered three choices as proposed by the USACE:

- ▶ Build the existing levees an additional 10 feet taller, requiring an additional 150 feet on each side of riverway, negatively impacting businesses and neighborhoods, and resulting in an even more inaccessible riverfront
- ▶ Build a 1.5 mile flood control bypass channel, which would be a very complicated, expensive, and ambitious project that would potentially transform the City and its relationship to the waterfront
- ▶ Do nothing and accept increased flood risk, damage and loss of people and property

The Trinity River Vision (TRV)*

After public debate and agreement, federal, state and local government stakeholders and sponsors agreed to the initial USACE design for the three inter-related elements of the Central City Flood Control Project:

- ▶ The 1.5 Mile flood control **Bypass Channel**
- ▶ The three **Bridges** at Henderson, Main, and White Settlement that will span the Bypass Channel
- ▶ Clean up and ultimately enable future development and recreation in the area between the river and channel, known as **Panther Island**



* For more on the TRWD and TRVA structure, function and personnel, please see next section on Project Stakeholders and Operations.

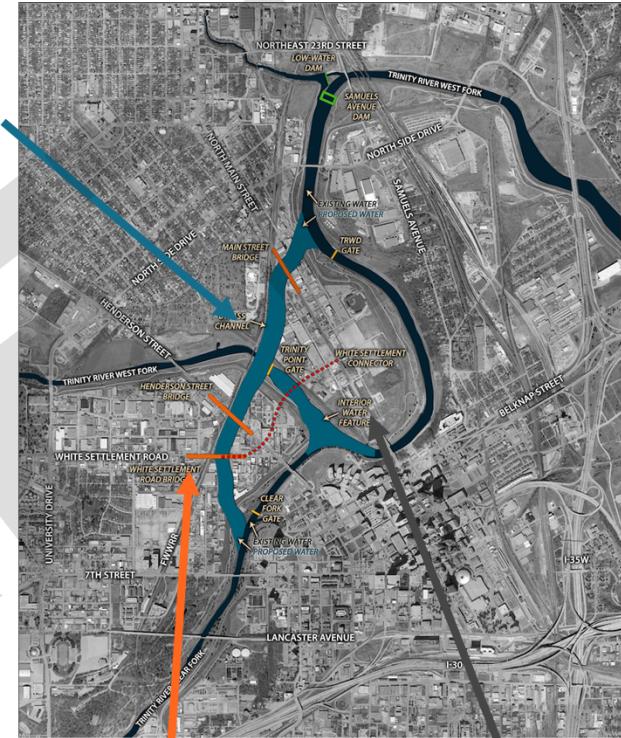
THE PROJECT

The Trinity River Vision Authority (TRVA)*

In 2006, the TRVA was created to coordinate and manage efforts between the federal, state and local government project stakeholders responsible for project design and construction:

- ▶ **TRWD:** responsible for acquiring land, reclaiming and restoring the environment around that land, and developing/maintaining other features on the land such as interior channels (*NOT the federal bypass channel*)
- ▶ **City of Fort Worth (CoFW):** responsible for the utilities on and under the land, and for overseeing the **Texas Department of Transportation** (TXDOT) on bridge design and construction management and oversight (*TXDOT utilizes contractors for this work; currently the contractor is Sterling Construction*).
- ▶ **Tarrant County:** responsible for funding contribution
- ▶ **The US Army Corp of Engineers (USACE):** responsible for bypass channel design and construction (*not bridge or other feature construction*)
- ▶ **TRVA:** responsible for coordinating and managing stakeholders, developing building and zoning standards on the eventual island that will be created from the bypass channel

Bypass
Channel
(USACE)



Bridges
(USACE,
TXDOT,
Sterling)

Panther
Island
(TRVA,
TRWD)

* For more on the TRWD and TRVA structure, function and personnel, please see next section on Project Stakeholders and Operations

FUNDING THE PROJECT

Budgeting and Authorized Funding

Congress authorized and the USACE developed an estimate of approximately **\$435MM** to complete the project as envisioned.

- ▶ The USACE and TRWD fund economic and environmental studies to support the project. Initial funding for the bypass channel initially came from:
 - ▶ USACE estimated its portion of the project would be **\$190.9MM**
 - ▶ City of Fort Worth budgeted **\$26.6MM**
 - ▶ Tarrant County budgeted **\$11MM**
 - ▶ TRWD budgeted **\$64MM**
- ▶ For the portion of the project that was initially focused on the bridges:
 - ▶ It was estimated that TXDOT would commit **\$46.8MM**
 - ▶ It was estimated that **\$10MM** would come from EDI/HUD program dollars

= **\$349.3MM**

Tax Increment Financing District (TIF)

To meet the local funding requirements for the project without increasing direct property taxes, the City of Fort Worth funded a study and ultimately authorized (in formal agreement with Tarrant County and TRWD) a 25 year TIF (*TIF District 9; amended 2009*) to cover the remaining **\$86.1MM** at the time. The TIF revenues from future increased property values was determined to be a more equitable route to the local area than taking a more regional approach that would impact all the taxpayers in the region for what is a local (albeit transformative and regionally beneficial) initiative.

RIVERON | 18

* For more on the TIF, please see next page on *How a TIF Works*

HOW A TIF WORKS

How a Tax Increment Financing District (TIF) Works

A TIF is essentially a way to incentivize development via future increases in property tax values, economic development and job creation. It is giving up some value today to encourage investment and development that would otherwise likely not occur. In that sense, it is an investment tool. A TIF is created when three conditions occur:

- ▶ The property being considered is either blighted (in disrepair) or is in need of effort to avoid becoming blighted
- ▶ It's too expensive for any single entity (i.e. a developer) to do on their own
- ▶ The TIF initiative will have eventual direct and indirect benefits to the entire community

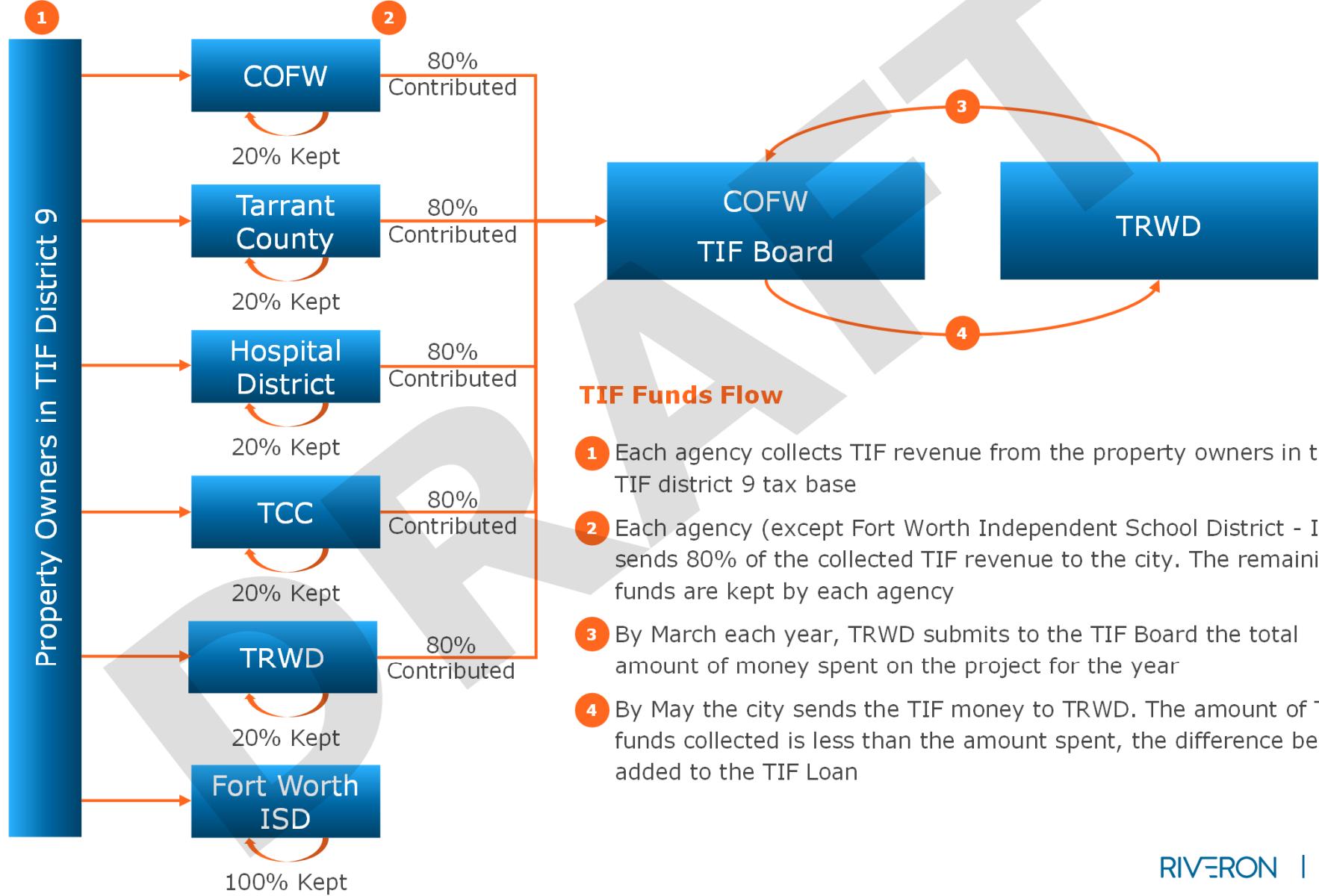
An incremental amount of the taxes paid in a TIF district represents the assessment of the future value of that property. This future value accrues to the TIF, and is conceptually what is used to pay for this kind of initiative.

TIF Loans

The challenge with a TIF, aside from it being a relatively complex way to fund public-sector initiatives and economic development, is that the funds are not immediately available (i.e. accrue). TIF funds accrue over time as property values within the TIF district rise, assessors determine the increase of that value, the taxes on the property are paid, and TIF dollars are collected and distributed. The revenues from the TIF take time to be collected, while expenses on projects funded from the TIF are being incurred and have to be paid. This is especially the case when projects need to be "shovel ready" and fully funded to meet USACE requirements.

For these reasons, the TRWD loaned the TIF approximately \$200MM from estimated future mineral royalties and gas revenues to fund the project. The TRWD and City of Fort Worth entered into an interagency agreement under which the TRWD would lend to and be repaid by the TIF District 9.

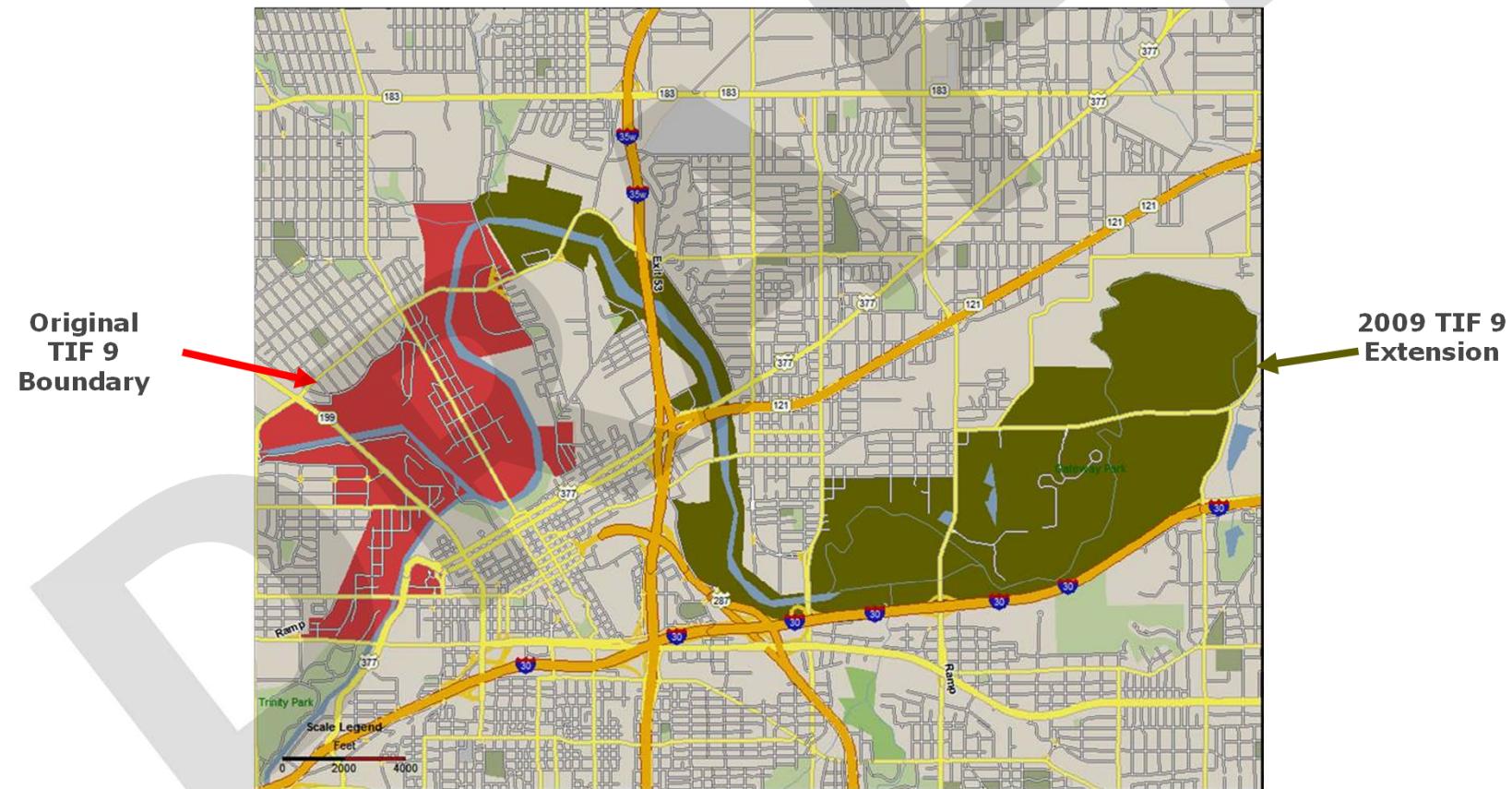
HOW TIF 9 WORKS



TIF 9 BOUNDARIES

► TIF 9 District Boundaries

- The original incorporated area for TIF 9 is shaded in **red**
- TIF 9 district boundaries were extended in 2009 to include the area shaded in **green**



PROJECT DESIGN AND EXECUTION

Sequencing a Capital Project

Three bridges were designed for Main Street, Henderson Street, and White Settlement to span the eventual bypass channel. The bridge design was approved by the City, USACE, TXDOT and the TRVA Board. Bridge design work was done by the firm of Freese & Nichols and Rosales + Partners, and construction is being performed by Sterling under the direction of TXDOT and with the support and coordination from the City and TRVA, respectively.

It is critical to understand the complexity and sequencing of a project of this nature. There are multiple stakeholders working on what is essentially three projects:

- ▶ the bypass channel to provide flood control;
- ▶ the three bridges spanning the channel;
- ▶ the utility and other elements necessary to create habitable land in the "island" that is formed once the channel is in place.

To safely and economically deliver this complex project, the bridges need to be essentially completed by the time the channel begins construction. This approach allows the project participants to sequence dependent activities among each other with a minimum of starts and stops to re-evaluate and re-design – which would be required if building bridges over a completed, water-filled channel.



PROJECT EXPANSION AND CRITICAL CHANGES

Gateway Park and TIF 9 Expansion

After multiple studies and planning, the authorization of the TIF and the creation of the TRVA, the Central City Flood Control project receives Congressional authorization in 2004 for the flood control components. The Army and local USACE issues a memo (2006) approving the project and formally moving from conceptual design to actual construction. In addition, the USACE proposes combining Gateway Park as an additional valley storage site (floodwater overflow) to the benefit of the core Central City Flood Control project.

The USACE Environmental Impact Study (EIS – completed 2008) resulted in the addition of Gateway and the expanded protection to over 2,400 acres. This addition also required additional local efforts for land acquisition, environmental cleanup and restoration of 383,000 tons of toxic and contaminated soil.

This addition resulted in the extension of TIF 9 boundaries to include Gateway Park and ancillary areas, and led to the expansion of TIF 9 from 25 to 40 years (December 2009).

Throughout the project, a number of change orders and change management issues (estimates on utility costs, the lack of inclusion of inflation in the cost estimates, the addition of Gateway Park and the associated design and change management costs) have led to significant increases in project costs.

Flood Control Bond Sale and TIF Expansion

In addition to what's previously been covered, a few initial recent events should be considered

- ▶ Voters in May 2018 approved *Flood Control Bonds* backed by the future revenues from the TIF in concert with efforts to extend the TIF from 40 to 50 years
- ▶ Sale of the bonds and extension of the TIF are codependent, and **on hold as well as any significant project activity pending the completion of the Programmatic Review**

PROJECT DESIGN AND EXECUTION

The 7th Street Bridge

Unrelated to the Central City Flood Control Project, TXDOT was involved in another nearby effort to build the West 7th Street Bridge on the west side of downtown Fort Worth.

Leveraging lessons learned from this effort, TXDOT approached the Central City Flood Control Project participants about leveraging the experience and design template for the West 7th Street Bridge to the bridges at Henderson, White Settlement and Main that will eventually span the channel.

Initially the local government sponsor was responsible to pay for any budget overages and the State obligation would be capped. TXDOT made an offer to take on the obligation of budget overages if the local government sponsor would agree to use the 7th Street Bridge plans for all three of the new bridges.

The USACE, in reviewing this proposed change, indicated that the design change would require formal USACE review and would require significant rework to the proposed design of both the bridges and bypass channel. Accepting the West 7th Street proposal was ultimately rejected for two reasons.

- ▶ The design itself would impact and potentially weaken other structures and was not acceptable as presented
- ▶ Any design change would also have triggered USACE requirements to study and evaluate the resulting flow, turbulence, and other hydrodynamic effects, likely adding years to the project timeline

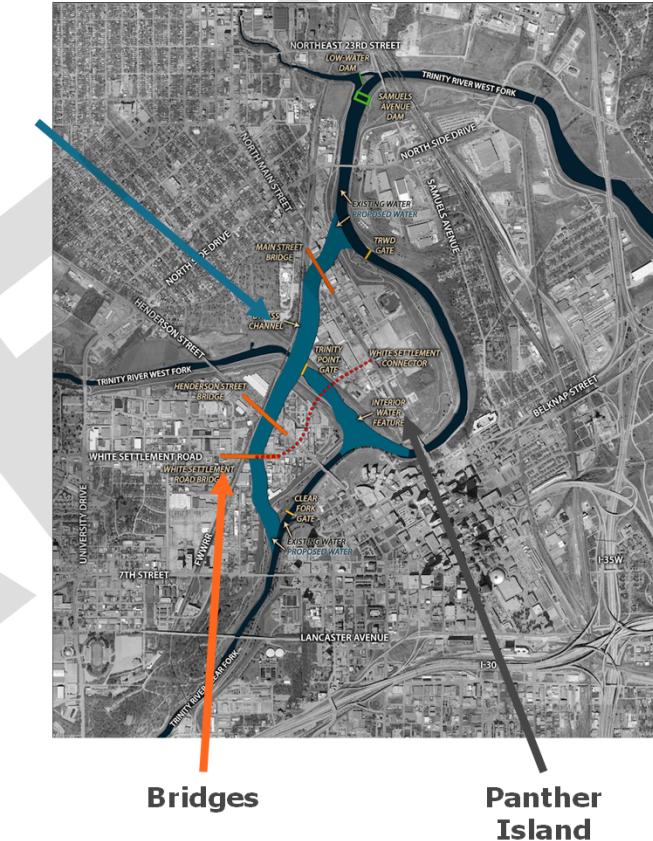


OTHER PROJECT COST DRIVERS

Escalations, Inflation and Other Events

In addition to the critical milestones previously described, a few things occurred that would not normally be a common source of significant project scope or project cost increases:

- ▶ During the early years of the project's design, there were various failures to include escalation (i.e. inflation and other factors that take into account macroeconomic issues that directly and indirectly contribute to project costs).
- ▶ Throughout the project, the incremental cost estimates for utility, land acquisition, demolition, relocation and other needs associated with project changes were continuously updated in response to significant project management and design changes. Of note here was the resulting federal regulatory changes that resulted from lessons learned by the USACE subsequent to Hurricane Katrina.
- ▶ Reductions to anticipated revenues arising from reduced gas revenues. This negatively impacted the working cash flow of TRWD and ultimately the project.



PUBLIC UNDERSTANDING

Three Projects Viewed as One

The public views this as a single project encompassing flood control, economic development, and recreation. This creates a problem not only in terms of identifying responsible parties but also in obtaining federal funding because the USACE is not permitted to spend federal dollars on local economic development. The USACE is also limited to \$5.5 million for anything categorized as recreation.

Deborah Peoples said: "Here's the deal. Your guess about what that thing is really going to do is as good as mine."

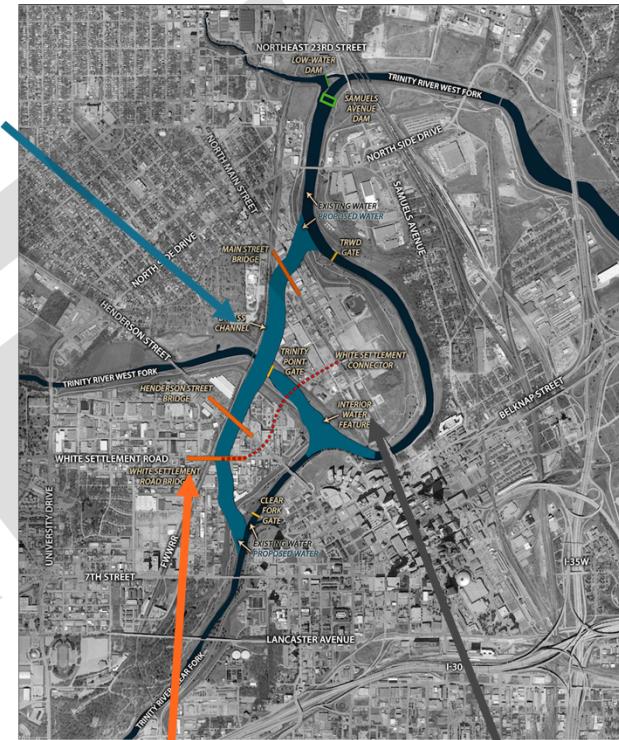
She said officials have not been transparent enough to give a full accounting of the project. "I've told people if it is a flood control measure I'm all for it. If it's setting up another entertainment district that's going to make developers rich and people with a lot of disposable income," she is against it, she said.

<https://tinyurl.com/yxat4psp>
- FW Business Press, Apr 29, 2019

Aside from managing flood control and hosting events like Panther Island Ice and Rockin' the River, one of the biggest things on TRVA's plate right now is the Panther Island project — an estimated \$910 million development that intends to bring housing, restaurants, entertainment and a San Antonio-style riverwalk to the northside of downtown. All in all, the development will span 88 miles down the Trinity.

<https://tinyurl.com/yyxyc4cr>
- FW Magazine, Jan 18, 2018

Bypass Channel



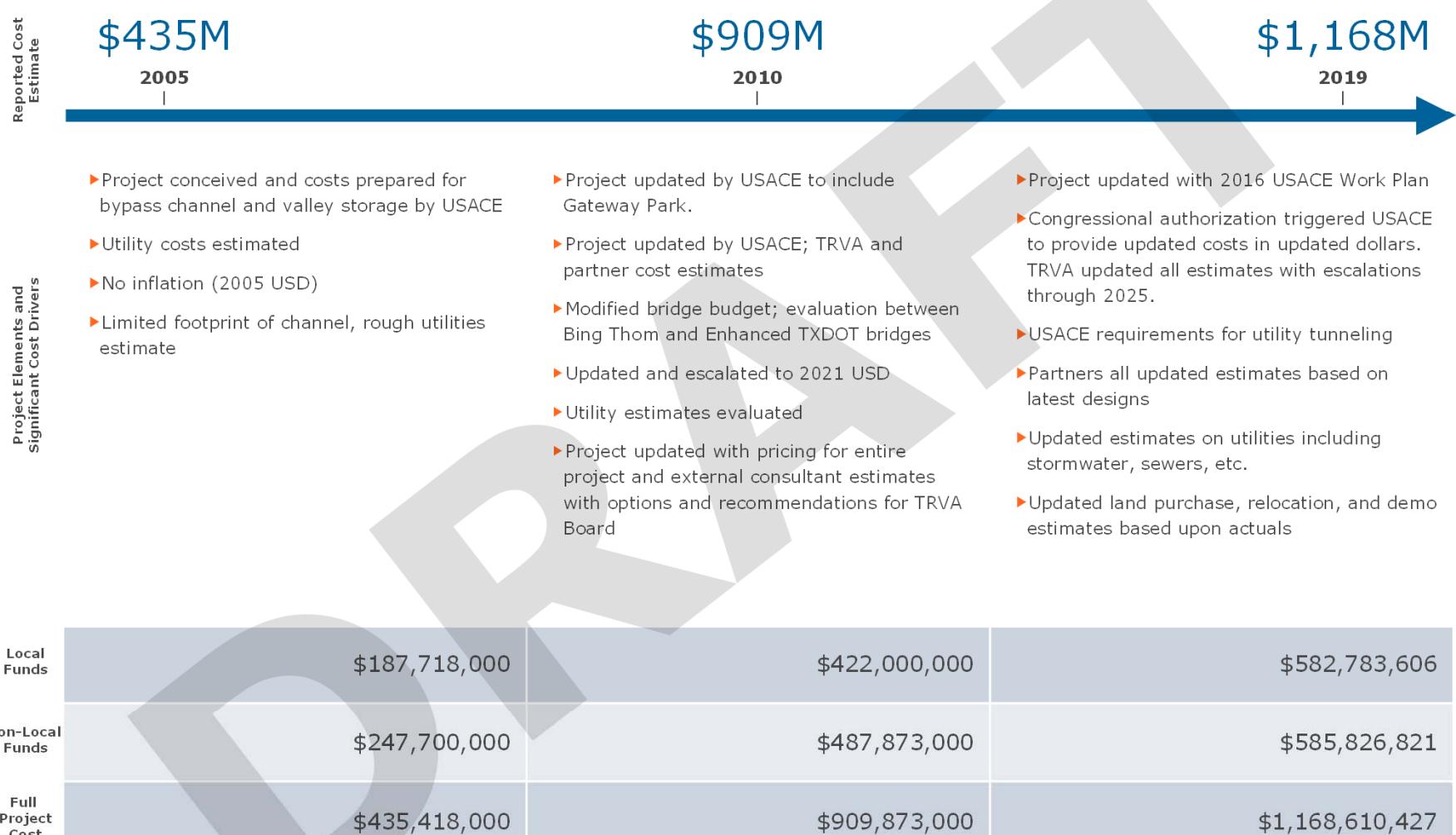
Bridges

Panther Island

Panther Island, billed as both a flood-protection project and an economic development endeavor

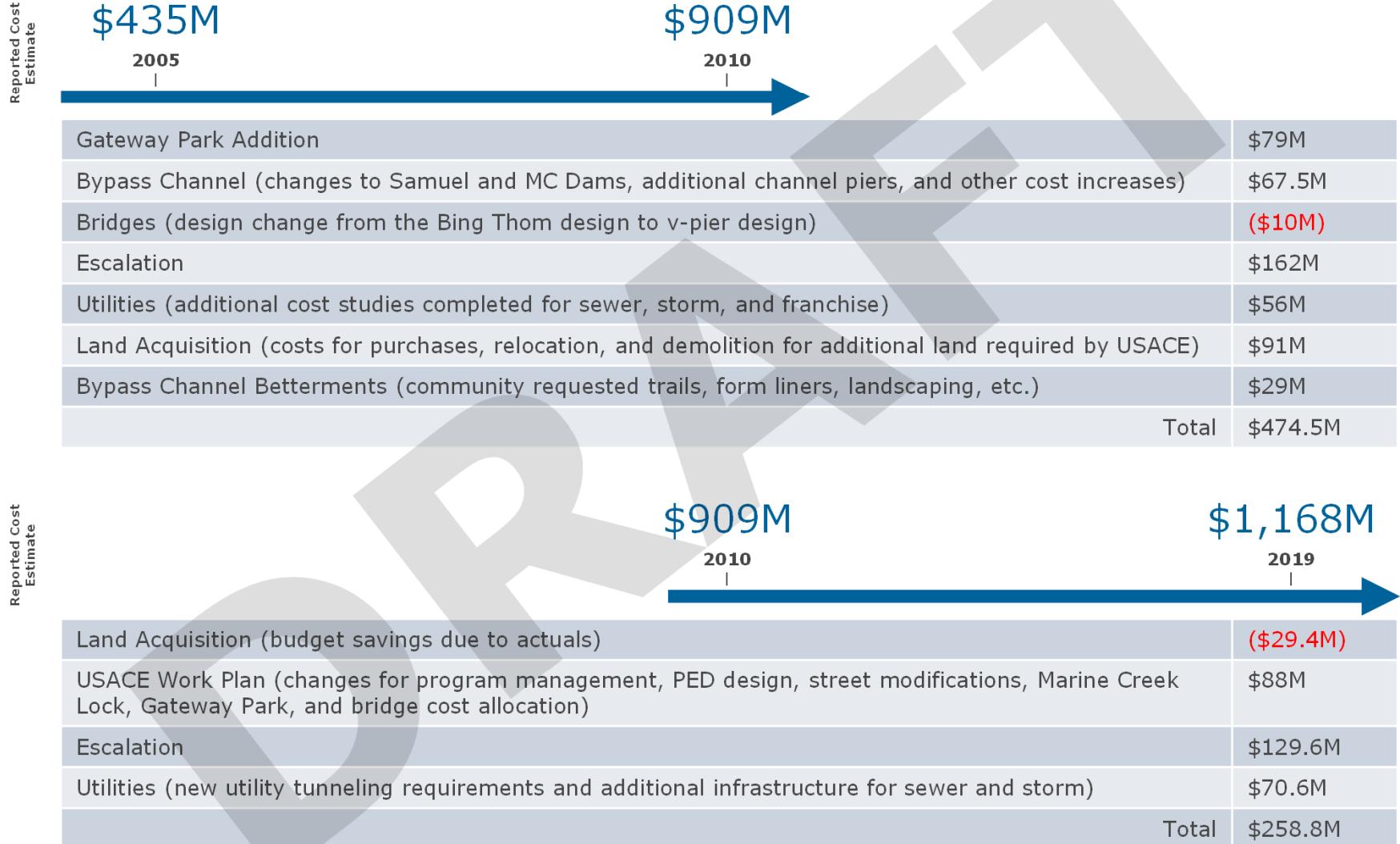
<https://tinyurl.com/yy5zgrk2>
- NBC DFW, Dec 3, 2018

PROJECT BUDGET AND EVENT TIMELINE



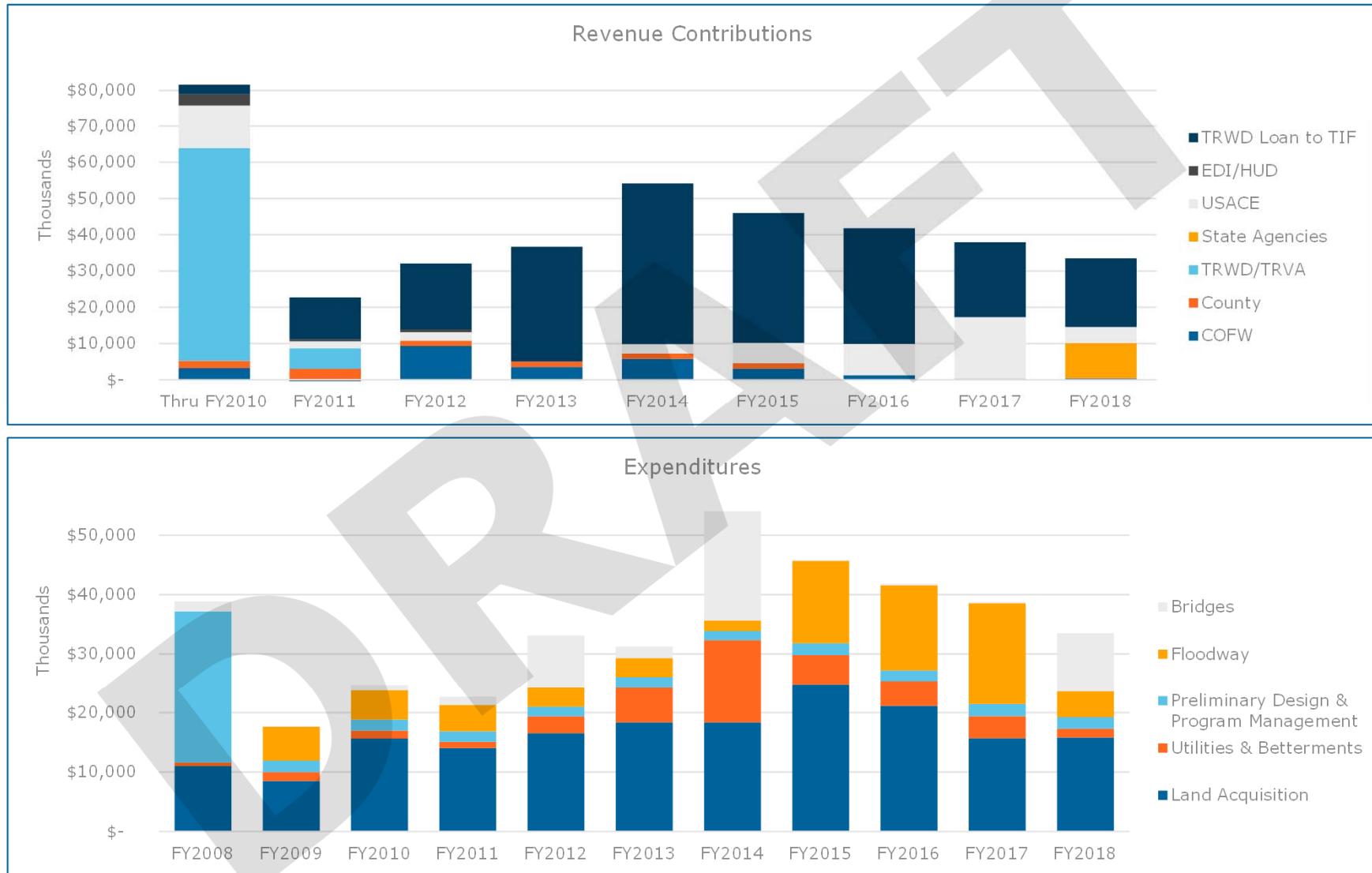
* See Appendix regarding interviews conducted and data received. Riveron's programmatic review involved gathering and assessing data from a variety of stakeholder sources. Riveron did not validate or test data other than to compare it to understand accuracy of the information provided.

PROJECT BUDGET AND EVENT TIMELINE



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PROJECT CONTRIBUTIONS AND EXPENDITURES



PROJECT STAKEHOLDERS AND OPERATIONS

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PROJECT STAKEHOLDERS

Critical Coordination of Project Stakeholders

Large-scale, capital-intensive, transformative projects require cooperation and coordination at the municipal, state, and federal levels. Much like a gearbox, all participants regardless of size and scope must work together in order to successfully achieve the Trinity River Vision.



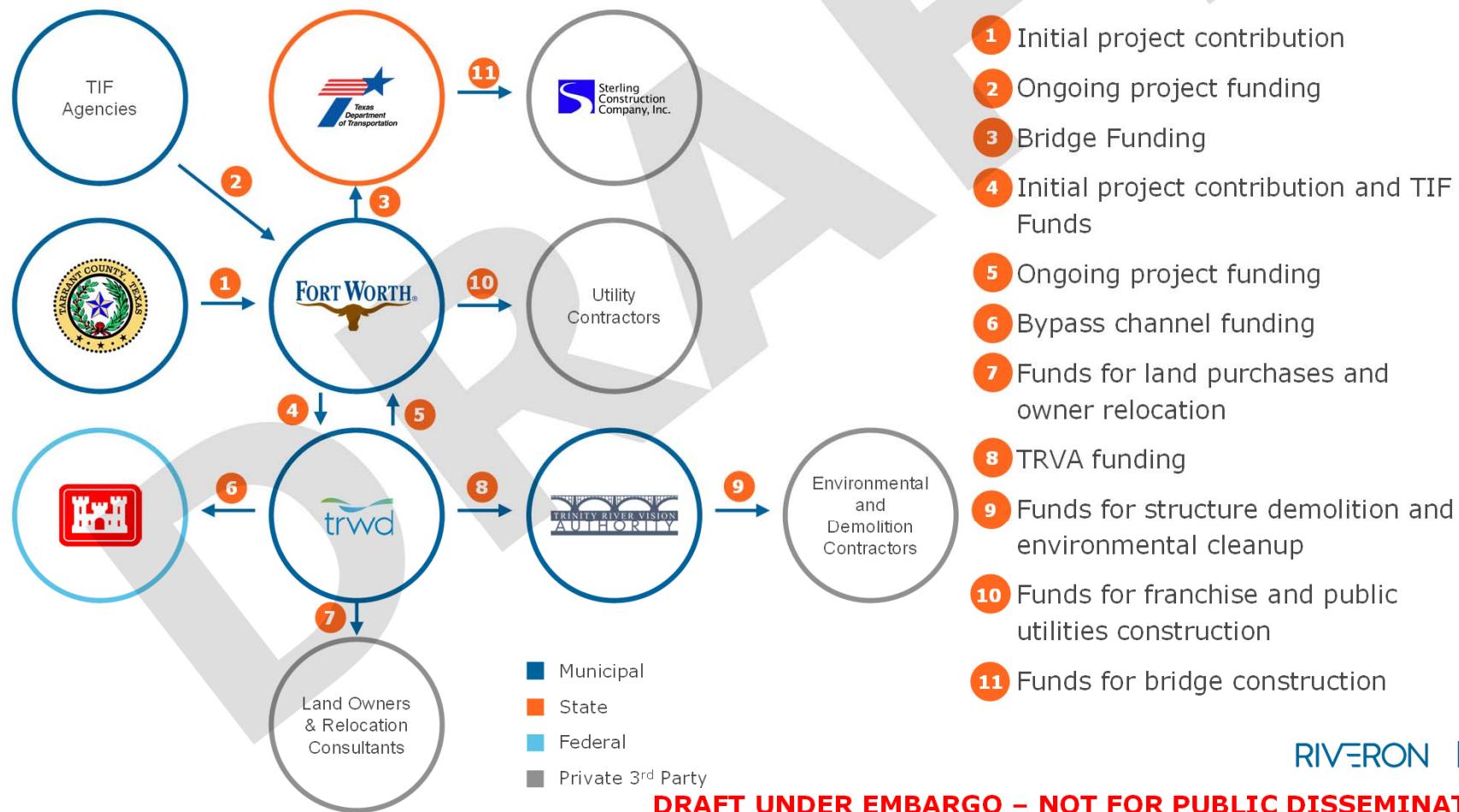
Responsibilities:

- ▶ **TRVA** – program management and coordination with all the various project management teams
- ▶ **TRWD** – land acquisition and financial management
- ▶ **Tarrant County** – funding
- ▶ **City of Fort Worth** – zoning authority, and partner with the State and TXDOT for bridges
- ▶ **TXDOT** – right of way for roads and contracting authority for the bridge construction (Sterling)
- ▶ **USACE** – river way and movement of river, canal construction and management
- ▶ **Office of Management and Budget** – executive level oversight of project prioritization and federal funding

PROJECT FUNDING

Where The Money Goes

The vision for the future of the Trinity River and Fort Worth required many project participants and complex planning, scheduling and funding. Below is a simplified representation of where project dollars have come from and how they pass through to various project stakeholders.



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THE TRWD AND TRVA

Tarrant Regional Water District



TRWD is responsible for providing a reliable and sustainable supply of water and flood protection services to county residents and businesses. The TRWD is specifically tasked with:

- ▶ Flood protection
- ▶ Raw water supplies to municipal treatment facilities in Tarrant County
- ▶ Construction and management of man-made lakes along Trinity River
- ▶ Water pipelines from east Texas (\$2BB and 150 miles of pipe)
- ▶ Wetland protection and water conservation

The TRWD is led by an elected, five-member Board, each of whom serve four-year terms:

- ▶ Jack Stevens (Chair), Private Citizen
- ▶ James Hill, Private Citizen and TRVA Board Member
- ▶ Leah King, Private Citizen
- ▶ Jim Lane, Private Citizen
- ▶ Marty Leonard, Private Citizen

Trinity River Vision Authority

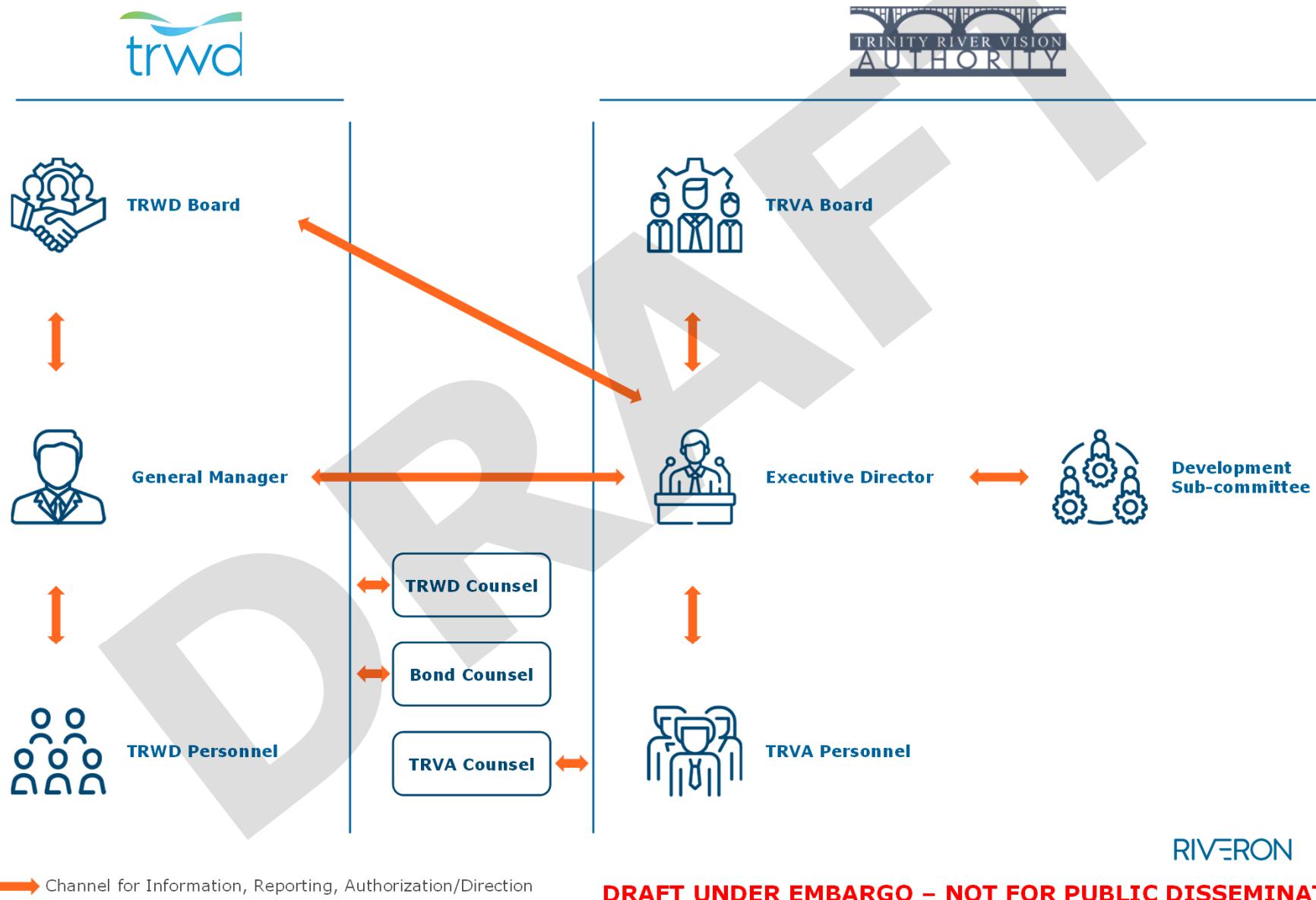


In 2006 the TRWD created the TRVA to coordinate and lead activities related to the Central City Flood Control Project. While primarily responsible for coordinating efforts between the different project participants, the TRVA has also taken on the responsibility for responsible economic development, recreational programming, and for communicating the vision of the project and its impact on the citizens of Fort Worth.

The TRVA is led by an appointed seven-member Board that represents the interests of project stakeholders at the City, County and TRWD levels:

- ▶ Commissioner Roy Brooks
- ▶ David Cooke, City Manager
- ▶ Councilmember Carlos Flores
- ▶ James Hill, Private Citizen and TRWD Board Member
- ▶ GK Maenius, County Administrator
- ▶ Jim Oliver, TRWD General Manager
- ▶ Bob Riley, Streams and Valleys, Inc.

CURRENT STRUCTURE FOR DECISIONS AND INFORMATION



CRITICAL SENIOR MANAGEMENT ROLES

Executive Director

	Current State
Key Responsibilities	<ul style="list-style-type: none">Operations oversight for the flood control project, recreation events department, and economic development officeCompliance with all organizational regulations, policies, and proceduresLiaison with other local stakeholder agencies and federal agencies to represent the TRVADevelopment of real estate projects for TRWD owned parcelsPublic resource for real estate developers to inquire about regulations and requirements around development on Panther IslandVetting, review, and approval of any submitted economic development projects within the geographic area of Panther IslandNegotiation of TRWD land sales for parcels located on Panther Island
Core Skills	<ul style="list-style-type: none">Ability to lead a team across multiple independent agenciesExperience in marketing and public outreachKnowledge in economic development and master planned communitiesExpertise in land sales and real estate development
Reports to	<ul style="list-style-type: none">TRWD General ManagerTRVA Board of DirectorsTRWD Board of Directors

CRITICAL SENIOR MANAGEMENT ROLES

Chief Financial Officer

	Current State
Key Responsibilities	<ul style="list-style-type: none">• Financial policy development and implementation to ensure compliance with State and Federal laws, rules and regulations• Preparation and presentation of monthly financial reports for Board meetings• Creation and presentation of annual budget book given to the Board• Oversight of activities to receive, disburse, and account for project and TRVA funds• Maintain the TIF Loan balance forecast to understand project cash position
Core Skills	<ul style="list-style-type: none">• Expertise in financial management, budget formulation, and financial reporting• Experience in project accounting• Detailed knowledge of local, state, and federal financial regulations
Reports to	<ul style="list-style-type: none">• TRWD General Manager• TRVA Executive Director

CRITICAL SENIOR MANAGEMENT ROLES

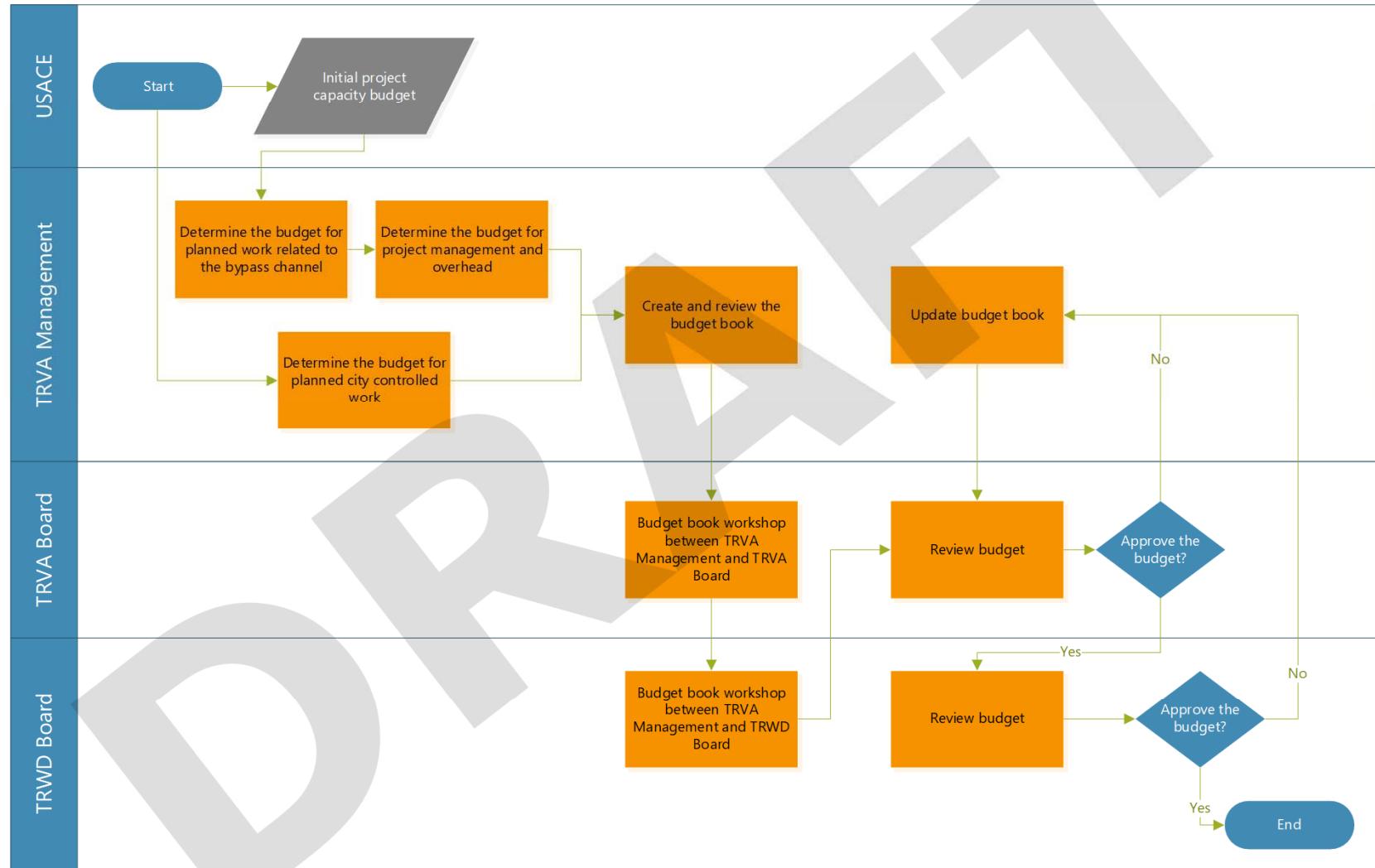
Project Manager – Bypass Channel

	Current State
Key Responsibilities	<ul style="list-style-type: none">• Operational project oversight and budget oversight for the bypass channel• Lead a team of project managers and schedulers• Liaising with regional and national offices of the USACE• Coordinating with bridge project management in sequencing of major milestones
Core Skills	<ul style="list-style-type: none">• Expertise in USACE project methodologies• Understanding of critical path analysis• Experience in management of large scale water projects
Reports to	<ul style="list-style-type: none">• TRWD General Manager• TRVA Executive Director

Project Manager – Bridges

	Current State
Key Responsibilities	<ul style="list-style-type: none">• Operational project oversight and budget oversight for the construction of the three bridges and utility infrastructure• Liaising with regional and state offices of TXDOT• Updating bypass channel project management team on status of bridge and utility milestones
Core Skills	<ul style="list-style-type: none">• Expertise in TXDOT project methodologies• Understanding of critical path analysis• Experience in management of large transportation and utility projects
Reports to	<ul style="list-style-type: none">• City of Fort Worth• TRVA Executive Director

TRVA ANNUAL BUDGET PROCESS



KEY FINDINGS AND RECOMMENDATIONS

DRAFT UNDER EMBARGO – NOT FOR PUBLIC DISSEMINATION

METHODOLOGY AND APPROACH

Methodology and Approach in Developing Findings, Conclusions and Recommendations

Riveron conducted over 25 interviews with the staff and Board of the Tarrant Regional Water District (TRWD) and the Trinity River Vision Authority (TRVA), the City of Fort Worth, Tarrant County, and other project stakeholders at the municipal, state and federal levels. These interviews were supported by gathering and assessing both qualitative and quantitative data focused on the following categories:

- ▶ Financial and Budget Management
- ▶ Project and Risk Management
- ▶ Project and Organizational Governance and Transparency

Based on the assessment of both qualitative and quantitative data, Riveron developed **Key Findings** and organized them around one of the three previously mentioned categories. Based on the areas of focus within these key findings, Riveron assessed how the Central City Flood Control Project (the project) met what are considered **Leading Practices**. Leading practices are based on Riveron experience as well as applicable, relevant published guidance from the *Government Finance Officer's Association* (GFAO), the *National Association of Corporate Directors* (NACD), *Standard & Poor's* (S&P Global), *Moody's*, the *Project Management Institute* (PMI) and other sources. Based on **Observations** and assessment of the data, Riveron developed **Conclusions** and **Recommendations** regarding current state project and risk management, financial and budget management, and project and organizational governance.

Assessment

Findings

Observations

Conclusions

Recommendations

High-level findings can be found on the following page, followed by recommendations to support meeting the project and program mission and vision. Detailed documentation on areas of focus, leading practices, observations and conclusions are included here.

During the ninety-day period allotted to complete this project, Riveron worked extensively with project stakeholders to gather and synthesize data and formulate objective findings upon which to make subjective conclusions and recommendations. **Riveron did not validate or test data other than to compare it to understand accuracy of the information provided.**

RIVERON | 40

KEY FINDINGS

Improvements to financial stewardship, project and risk management, and governance needed to demonstrate unity in vision and intent among project stakeholders, furthering the potential for future federal contributions to the project.

Finance and Funding	<p>① Unclear Revenue and Expenditure Projections Inconsistent reporting and high variances to project budget and cash flow estimates, forecasting and reporting, <i>resulting in</i> confusion over project progress, misunderstanding on financial gaps, and perceptions of mismanagement and waste</p> <p>② Unclear Financial and Management Reporting Overwhelming and complex project financial and reporting information, <i>resulting in</i> lack of awareness and understanding among taxpayers and stakeholders on project and budget estimates and revisions, and the root cause of those changes</p>
Project and Risk Management	<p>③ No Project Management Office (PMO) TRVA is a coordinating entity and not a true PMO with administrative authority and control over decisioning and project participants, <i>resulting in</i> changes to timeline/budget originating from project participants but not subject to same change control and approval processes as local decisions</p> <p>④ Informal Change and Risk Management Lack of well-documented project change management and risk contingency planning for funding and partner/contractor management processes, <i>resulting in</i> lack of clarity on project performance to date, confusion and rumors; also <i>resulting in</i> dispute mechanisms relying on litigation rather than cooperation or mediation through formal mechanisms.</p>
Governance and Transparency	<p>⑤ Inconsistent Views on Project Goals and Objectives Dual focus on core project goals of flood control and public safety as well as ancillary project benefits for recreation and economic development, <i>resulting in</i> confusion, project fatigue, and inconsistent views on project direction and priorities, status and expectations for completion</p>
Governance and Transparency	<p>⑥ Unclear Mandate, Roles and Mission TRVA is a coordination body for project stakeholders including TRWD, Tarrant County, City of Fort Worth, TXDOT, and the US Army Corp of Engineers. TRVA has no mandate to enable effective project management. There is no project charter and roles/responsibilities are not always clear, resulting in changes to budget/timeline/scope being made without appropriate change and decision support processes</p> <p>⑦ Insufficient Operational Oversight and Transparency A combined lack of robust policies, procedures and transparency into TRVA operations, specifically with respect to project and change management, hiring, promotion, performance management, decisioning, roles and responsibilities, <i>resulting in</i> appearances of impropriety, nepotism, favoritism, and unfair dealing</p>
Governance and Transparency	<p>⑧ Complicated, Opaque Structure and Hierarchy Complicated and opaque governance, project management, organizational and reporting structure between and within the TRWD and TRVA, and among project participants, <i>resulting in</i> confusion on roles and responsibilities both within the project stakeholder team and with the general public, as well as an opportunity to subvert chain of authority, policies, and other controls</p>

KEY FINDINGS AND RECOMMENDATIONS

Finance and Funding	<p>1 Unclear Revenue and Expenditure Projections</p> <p>2 Unclear Financial and Management Reporting</p>	<p>Inconsistent reporting and high variances regarding project budget and cash flow estimates, forecasting and reporting</p> <p>Overwhelming and complex project financial and reporting information</p>	<ul style="list-style-type: none"> • Gather key requirements from stakeholders and develop Board and Community Reporting Packages • Develop and execute a comprehensive Communications Plan with messages appropriately targeted to key audiences
Project and Risk Management	<p>3 No Project Management Office (PMO)</p> <p>4 Informal Change and Risk Management</p>	<p>TRVA is a coordinating entity and not a true PMO with administrative authority and control over decisioning and project participants</p> <p>Lack of well-documented project change management and risk contingency planning for funding, partner and contractor management processes</p>	<ul style="list-style-type: none"> • Establish a formal Risk Management Office within the TRVA • Create a Risk Management, Assessment, and Reporting structure within that RMO that is responsible to the Board and Key Project Stakeholders
Governance and Transparency	<p>5 Inconsistent Views on Project Goals and Objectives</p> <p>6 Unclear Mandate, Roles and Mission</p>	<p>Dual focus on project goals of flood control and public safety versus ancillary project benefits for recreation and economic development</p> <p>There is no mandate to enable effective project management, and roles/responsibilities are not always clear</p>	<ul style="list-style-type: none"> • Implement a Clear, Defined Organizational Structure in the TRVA, with roles and responsibilities in line with leading practice expectations for transparency and accountability • Build out its internal Policies and Procedures environment
	<p>7 Insufficient Operational Oversight and Transparency</p> <p>8 Complicated, Opaque Structure and Hierarchy</p>	<p>Lack of robust policies, procedures and transparency into TRVA operations, specifically with respect to project and change management, hiring, promotion, performance management, decisioning, roles and responsibilities</p> <p>Complicated and opaque governance, project management, organizational and reporting structure between and within the TRWD and TRVA, and among project participants</p>	<ul style="list-style-type: none"> • Separate and Realign Responsibilities for flood control from ancillary efforts by creating a Community Development Corp (501c) to oversee the economic development and recreation aspects associated with the project

A ➔ REPORTING AND COMMUNICATION

What is Board & Management Reporting?

Board reporting uses both financial and operational information to provide insights into the organization in order to assist directors and managers in making better decisions. High-quality reporting should contain all the necessary information in a digestible format for the Board to determine operational and financial strategy, oversee successful execution of the project plan, and to assess key risks. Information can be presented textually, numerically, or graphically in numerous ways depending on what is most effective. It's imperative that the right key performance indicators (KPIs), metrics, and qualitative data points are selected and presented in the most intuitive fashion to lead to the best possible decisions.

Recommended TRVA Board & Management Reporting Package

The reporting package for the TRVA Board and Management should begin with a dashboard followed by a section with reports that drill down one level deeper.

- ▶ **Dashboard** – one to two page high-level outline of the current state of the project. It must summarize all the important information and data to an aggregated level that can be quickly understood. The goal of the dashboard is to be concise so that the Board/management can quickly focus on the most relevant information to make decisions. It serves much the same purpose that an executive summary does for any exhaustive report.
- ▶ **Detailed Reports** – These reports should layout the information in greater detail than the dashboard. They should show the financials broken down by category and in greater timing detail. The project risks, decisions, and open issues should also be presented in greater detail. Even though these reports should be more granular than the dashboard, care still must be taken to prevent providing too much detail that would only serve to overwhelm the audience and lose their focus.

A ➔ REPORTING AND COMMUNICATION

Dashboard Example

MONTHLY STATUS REPORT									
Indicator	Key Performance Indicators			Summary of Revenues and Expenditures					
	Jul-19	Jul-18	Variance	Category	Jul-19	Jul-18	Variance		
Total Revenue	85,000	75,000	10,000	Revenue					
Total Expenditures	70,000	65,000	5,000	Taxes	50,000	40,000	10,000		
Open Projects	75	65	10	Oil and Gas	25,000	20,000	5,000		
Average Project Cost	10,000	9,500	500	Recreation	10,000	15,000	(5,000)		
Average Remaining Project Life	6.5 yrs	5.5 yrs	1.0 yrs	Total Revenue:	85,000	75,000	10,000		
Value of Capital Assets	1,000,000	800,000	200,000	Expense					
Outstanding Debt	500,000	450,000	50,000	Flood Control Operations	45,000	35,000	10,000		
Total Cash and Equivalents	125,000	100,000	25,000	Debt Service	15,000	20,000	(5,000)		
Headcount	250	225	25	Storm Operations	10,000	10,000	-		
				Total Expense:	70,000	65,000	5,000		
Open Project Status and Costs									
Status	Spend	Budget	Delta	Average Remaining Life	Future Projects and Costs				
Not Started	2,500	2,500	-	5.0 yrs	6-Month Project Outlook				
On Hold	500	750	(250)	6.0 yrs					
Pending Approval	1,000	1,250	(250)	10.0 yrs					
Initial Development	5,000	4,500	500	9.0 yrs					
Additional Funding Required	7,500	5,000	2,500	2.0 yrs					
Near Completion	2,500	2,000	500	1.0 yrs					
Total:	19,000	16,000	3,000	5.5 yrs					
Net Assets									
Type	Jul-19	Jul-18	Delta						
Cash and Equivalents	125,000	100,000	25,000						
Capital Assets	1,000,000	800,000	200,000						
Total Assets:	1,125,000	900,000	225,000						
Outstanding Debt	500,000	450,000	50,000						
Other Long-Term Liabilities	100,000	75,000	25,000						
Total Liabilities:	600,000	525,000	75,000						
Total Net Assets:	525,000	375,000	150,000						
Project Management Office Updates									
Project/WBS	Risk Level	Discussion							
Project 123	High								
Project 456	Low								
Project ABC	Medium								
Project XYZ	Low								
Project Delta	High								

A ➔ REPORTING AND COMMUNICATION

Dashboard Example (cont.)

Open Project Details (\$ in 000s)

Type	Project/WBS	Risk Level	Remaining Life	Life to Date		Estimated to Complete		Estimated at Complete		
				Spend	Budget	Spend	Budget	Spend	Budget	Variance
Bridge	Project XYZ	Low	5.0 yrs	1,000	1,500	2,000	2,500	3,000	4,000	(1,000)
Bridge	Project ABC	Medium	6.0 yrs	2,000	2,500	5,000	4,000	7,000	6,500	500
Land	Project 123	High	6.0 yrs	3,000	2,500	6,000	5,000	9,000	7,500	1,500
Land	Project 456	Low	6.5 yrs	4,000	5,000	8,000	9,000	12,000	14,000	(2,000)
Dam	Project Alpha	High	7.5 yrs	2,000	1,500	5,000	2,500	7,000	4,000	3,000
Dam	Project Delta	High	12.0 yrs	1,000	1,500	15,000	12,000	16,000	13,500	2,500
Totals by Type				3,000	4,000	7,000	6,500	10,000	10,500	(500)
Bridge				7,000	7,500	14,000	14,000	21,000	21,500	(500)
Land				3,000	3,000	20,000	14,500	23,000	17,500	5,500
Total:				13,000	14,500	41,000	35,000	54,000	49,500	4,500

Sample of Recommended Metrics and KPIs

Contributions	Expenses	Project Updates	Debt Obligations	KPIs
<ul style="list-style-type: none"> ▶ TIF Revenues ▶ Revenue from Bond Sales ▶ Commercial Paper Sales ▶ Federal Funds 	<ul style="list-style-type: none"> ▶ Project Expenditures by Category ▶ Commercial Paper Converted to Bonds ▶ Bond Payments 	<ul style="list-style-type: none"> ▶ Status of Critical WBS ▶ Open Issues ▶ Key Decisions Made ▶ Potential Risks 	<ul style="list-style-type: none"> ▶ Total Bonds Sold ▶ Remaining Available Bonds to be Sold ▶ Commercial Paper Bonds Outstanding 	<ul style="list-style-type: none"> ▶ Budget to Actuals ▶ Expenditure trends ▶ TIF/TIF Loan Growth Rates ▶ Bond Coverage Ratios

A ➔ REPORTING AND COMMUNICATION

Next Steps for Board & Management Reporting

The key with Board reporting moving forward is to ensure that the reports will be easily understood by all the relevant parties. This is traditionally a somewhat iterative process that begins with creating the prototype reports before refining them into a finished product. The process looks like this:

- ▶ Workshops with TRVA Board members
- ▶ Workshops with TRVA Management
- ▶ Report requirements documented and report prototypes developed
- ▶ Report prototypes socialized and comments are solicited
- ▶ Reports are refined, socialized, and commented on until a final structure is signed off
- ▶ Reports are delivered with updated information at regular intervals

A ➔ REPORTING AND COMMUNICATION

Communications Plan

As mentioned throughout this report, one of the TRVA's objectives was to communicate and trigger understanding in community residents and taxpayers regarding the future vision for the Trinity River. The TRVA largely succeeded in this mission, and is now tasked with using the same communication media and channels to clarify the Central City Flood Control Project objectives of flood control and public safety.

Namely, the TRVA will be tasked with communicating the mission, objectives, and progress to completion for the Central City Flood Control Project, focusing on at least the following areas:

- ▶ **Roles and Responsibilities** of project participants and the defined role of the TRVA on project risk management, project coordination between project participants and stakeholders, and community engagement regarding flood control and public safety
- ▶ **Community Reporting** on project progress, budgetary and project decisions including significant change management decisions, financial management decisions, land acquisition/condemnation/ eminent domain, and other information suitable to public scrutiny and examination

Community engagement requires both financial and project-level information to trigger stakeholder understanding. It is recommended that the TRVA work to assess current channels, medium and messaging

REPORTING AND COMMUNICATION

Communications Plan

Community engagement requires both financial and project-level information to trigger stakeholder understanding. The TRVA has been successful in conveying the future vision for the Central City Flood Control Project and the Trinity River. It is recommended that the TRVA leverage and augment on what it already has in place, and what it has already accomplished, to perform the following:

1. Assess current state community engagement capabilities:

- ▶ Communication methods, channels, medium and messaging to leverage what is already in place.
- ▶ Stakeholder understanding and awareness regarding project objectives, mission, roles and responsibilities, timing and scope, budgetary needs, etc.
- ▶ Stakeholder needs for transparency, complete information, fiscal responsibility and project stewardship

2. Identify future state community engagement needs:

- ▶ **New methods, channels, medium** (i.e. social media, sponsorships, other community engagement tactics)
- ▶ **New content** to build understanding, awareness, transparency

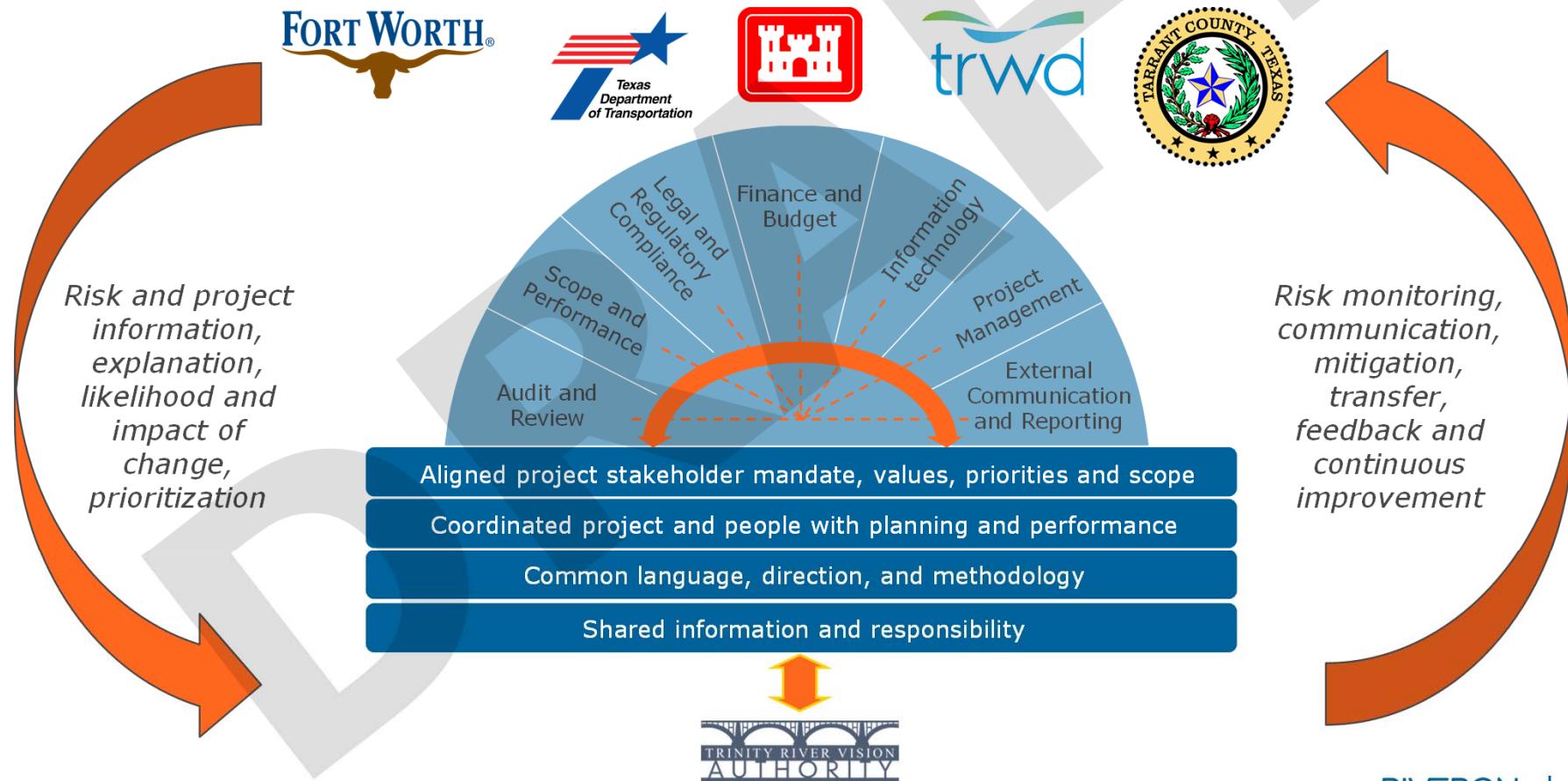
3. Implement future state community engagement tools and methods

4. Continuously monitor effectiveness of community engagement

B FORMAL RISK MANAGEMENT OFFICE WITHIN THE TRVA

Risk Management Coordination

One of the critical challenges throughout the history of the Central City Flood Control Project has been the lack of a strong risk management process to set and manage expectations, timelines, and activities among autonomous actors. Introducing a formal risk management function will serve to coordinate efforts and share risk information.



FORMAL RISK MANAGEMENT OFFICE WITHIN THE TRVA

Risk Management Coordination

The risk management role will be responsible for implementing and then managing the risk management office, and coordinating between all stakeholders to ensure that the right risk information gets to the right participants with which to make informed risk-based decisions.



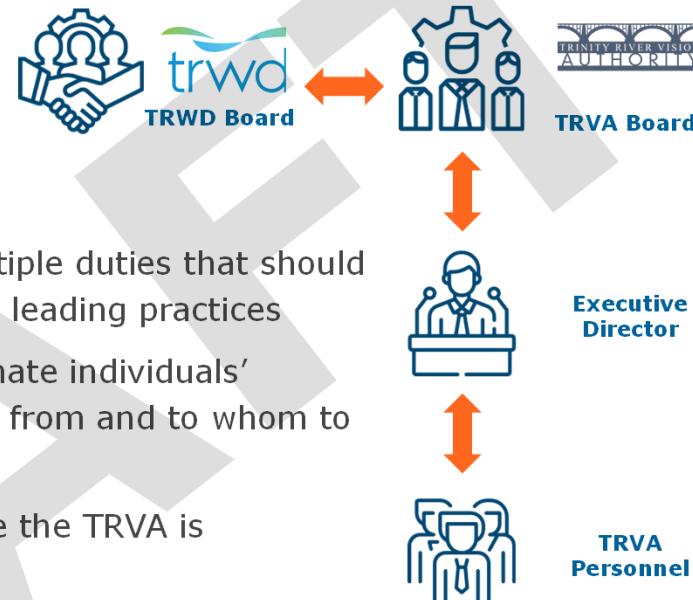
Executive Director – Risk Management Responsibilities

- **Governance:**
 - *Leadership:* Task the TRVA Board or a subset of its members as the Risk Committee to review risk process and underlying governance on a semi-annual basis
 - *Participation:* Assign / appoint a team of project stakeholders to serve as points of contact for risk management and risk ownership, with risk information reviewed by the TRVA Board/Risk Committee on a consistent basis (ideally monthly, assuming risk information is not critical or urgent in nature)
 - *Structure:* Develop a risk charter with clearly defined roles, decision and communication processes, expectations, reporting, and resources
 - **Process:**
 - *Risk Language:* Develop a common language for risk, including common definitions by risk category, by project stakeholder, and by functional area
 - *Risk Identification:* Develop and execute a process for risk identification and assessment (interviews, surveys, data review)
 - *Risk Quantification:* Based on previous risk exposures as well as other inputs (safety thresholds, dollar/budget thresholds, etc.) develop an impact quantification process (likelihood, severity, velocity) as well as a common language for risk appetite and risk tolerance with which to establish baselines, targets, and triggers
 - *Continuous Risk Management:* Develop a process for continuous risk monitoring, reporting, communication, prioritization and escalation to both the risk owners and to the project coordinator, including risk dashboards and aggregation tools
 - *Stress Testing:* Develop a process for annual or other scenario and stress-testing on project timeline and budget
 - **Reporting:**
 - Dashboarding and KPI trends relative to key risks, responsibilities, implications and proposed mitigation
 - Risk profile changes impacting project budget/time/scope
 - Significant performance variances, especially those breaching established risk parameters (appetite, tolerance)
 - Risk management and mitigation activities/monitoring/results/insights

► CLEAR, DEFINED TRVA ORGANIZATIONAL STRUCTURE

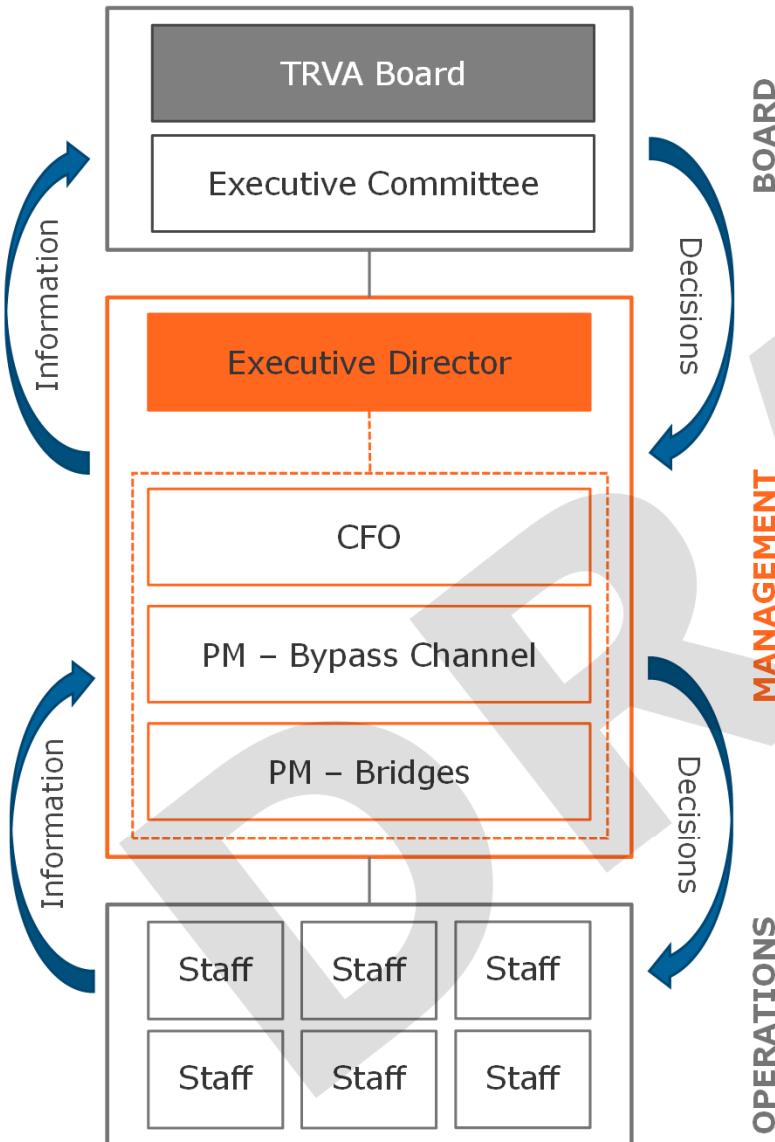
Greater Accountability and Transparency

- ▶ Establishes a more clear and concise reporting structure to improve overall information flow, transparency, and the understanding of project status
- ▶ Removes ability for any individual to perform multiple duties that should be segregated to be consistent with internal audit leading practices
- ▶ Creates a one-to-one reporting structure to eliminate individuals' confusion on whom to receive project information from and to whom to report project decision making
- ▶ Increases the ability for the TRVA Board to ensure the TRVA is completing its stated mission



- ▶ **TRVA Board** would continue to be comprised of seven appointed members. Two from the City of Fort Worth, two from Tarrant County, two from TRWD, and one from Streams & Valleys. As part of their duties in overseeing the TRVA, they would be responsible for keeping their agency (i.e. the City, County, or Water District) informed. They would have sole authority over the appointment of the executive director and will serve as the director's primary supervisor.
- ▶ **Executive Director** will report only to the Board on all TRVA business. Their primary responsibility is managing the day to day operations of the TRVA
- ▶ **TRVA Personnel** will continue to consist of personnel on loan from the TRWD

► CLEAR, DEFINED TRVA ORGANIZATIONAL STRUCTURE



TRVA Board & Executive Committee:

- ▶ Establishes vision, mission and values for organization
- ▶ Sets strategy and structure for the organization
- ▶ Delegates authority to management to carry out strategic plans
- ▶ Monitors and evaluates the implementation of policies, strategies and operations plans
- ▶ Operates with accountability and is responsible to relevant stakeholders
- ▶ Ensures effective communications to and from stakeholders

Executive Director:

- ▶ Works with the Board to carry out the organization's mission and strategy
- ▶ Serves as liaison between the Board and the rest of the organization and between the organization and relevant external stakeholders
- ▶ Provides oversight into the organization's functions, e.g., Marketing, Accounting, etc.

CFO:

- ▶ Responsible for managing the organization's finances, including financial planning, management of financial risks, record keeping and financial reporting

Project Manager:

- ▶ Serves as leader and integrator of the project team to achieve the project's objectives
- ▶ Manages scope, schedule and budget for project and reports on project progress to project sponsors and key stakeholders

Staff:

- ▶ Carries out tactical elements of the strategy and decisions of the Board and Executive Committee
- ▶ Performs day-to-day operational activities

► CLEAR, DEFINED TRVA ORGANIZATIONAL STRUCTURE

Deloitte states in its 2018 TRVA Audit, "*The accounting policies of the TRVA conform to accounting principles generally accepted in the United States of America as applicable to governmental units and promulgated by the Governmental Accounting Standards Board (GASB).*" The following is a summary of policies Riveron recommends implementing, as these were not provided to reviewers at time of writing.

Policy / Procedure	Benefits and Objectives
Segregation of Duties	Internal control that divides a process between two or more individuals to prevent potential errors and fraud.
Preventative and Detective Controls for Financial Mgmt. and via Audit	Preventative controls are designed to prevent errors, inaccuracy or fraud <i>before</i> it occurs. Detective controls are designed to uncover the existence of errors, inaccuracies or fraud that has <i>already</i> occurred.
Decision Structure and Process	Ensures the right decisions are being made by the right groups and then communicated effectively.
Recruitment and Selection	Ensures a fair and transparent hiring process when filling an available position.
Budgeting	A robust budgeting process helps increase accuracy of estimated expenditures and control project costs.
PO/Invoice Driven Procurement (with preventative controls based on dollar thresholds)	Provides a record of exactly what was ordered to avoid incorrect or duplicate payments. Dollar limit controls (approved through a delegation of authority) help to monitor any large expenses and their impact to overall budget. POs also provide insight into project expenses earlier and help with budgeting.
Three Year Lookback Review of Expenditures above \$X* (*to be determined based on materiality)	Review to ensure proper approvals were adhered to. Helps test the approvals process and improves understanding of how expenditures were applied to the value of the project.
Policy driven, audit ready documentation	Documentation is thorough in terms of critical processes, responsibilities, detective and preventative controls that are relevant, timely and audit-ready.
Contract Management	Ensures that the respective obligations between the vendor and buyer are met. Periodic review of contracts with long-term vendors to ensure competitive pricing.
RFP Issuance Requirements	Facilitates accurate and comparable responses from each prospective vendor and enables fair evaluation of the responses.
Expense Policies and Approvals	Helps monitor and control project overhead expenses and their impact to overall project budget.

► CLEAR, DEFINED TRVA ORGANIZATIONAL STRUCTURE

Defined Critical Roles: Executive Director

	Current State	Future State
Key Responsibilities	<ul style="list-style-type: none"> Operations oversight for the flood control project, recreation events department, and economic development office Compliance with all organizational regulations, policies, and procedures Liaison with other local stakeholder agencies and federal agencies to represent the TRVA Development of real estate projects for TRWD owned parcels Public resource for real estate developers to inquire about regulations and requirements around development on Panther Island Vetting, review, and approval of any submitted economic development projects within the geographic area of Panther Island Negotiation of TRWD land sales for parcels located on Panther Island 	<ul style="list-style-type: none"> Operations oversight for the flood control project Compliance with all organizational regulations, policies, and procedures Liaison with other local stakeholder agencies and federal agencies to represent the TRVA Responsible for project risk management as outlined in this section
Core Skills	<ul style="list-style-type: none"> Ability to lead a team across multiple independent agencies Experience in marketing and public outreach Knowledge in economic development and master planned communities Expertise in land sales and real estate development 	<ul style="list-style-type: none"> Ability to lead a team across multiple independent agencies Experience in managing risk for large projects
Reports to	<ul style="list-style-type: none"> TRWD General Manager TRVA Board of Directors TRWD Board of Directors 	<ul style="list-style-type: none"> TRVA Board of Directors

► CLEAR, DEFINED TRVA ORGANIZATIONAL STRUCTURE

Defined Critical Roles: Chief Financial Officer

	Current State	Future State
Key Responsibilities	<ul style="list-style-type: none">• Financial policy development and implementation to ensure compliance with State and Federal laws, rules and regulations• Preparation and presentation of monthly financial reports for Board meetings• Creation and presentation of annual budget book given to the Board• Oversight of activities to receive, disburse, and account for project and TRVA funds• Maintain the TIF Loan balance forecast to understand project cash position	<ul style="list-style-type: none">• Financial policy development and implementation to ensure compliance with State and Federal laws, rules and regulations• Preparation of monthly financial reports for Board meetings• Creation and presentation of annual budget book given to the Board• Oversight of activities to receive, disburse, and account for project and TRVA funds• Maintain the TIF Loan balance forecast to understand project cash position• Oversight of bond-related transactions including sale proceeds, payments due, and accounting against TIF revenues
Core Skills	<ul style="list-style-type: none">• Expertise in financial management, budget formulation, and financial reporting• Experience in project accounting• Detailed knowledge of local, state, and federal financial regulations	<ul style="list-style-type: none">• Expertise in financial management, budget formulation, and financial reporting• Experience in project accounting• Detailed knowledge of local, state, and federal financial regulations
Reports to	<ul style="list-style-type: none">• TRWD General Manager• TRVA Executive Director	<ul style="list-style-type: none">• TRWD General Manager• TRVA Executive Director

► CLEAR, DEFINED TRVA ORGANIZATIONAL STRUCTURE

Defined Critical Roles: Project Manager for Bypass Channel

	Current State	Future State (no changes)
Key Responsibilities	<ul style="list-style-type: none">• Operational project oversight and budget oversight for the bypass channel• Lead a team of project managers and schedulers• Liaising with regional and national offices of the USACE• Coordinating with bridge project management in sequencing of major milestones	<ul style="list-style-type: none">• Operational project oversight and budget oversight for the bypass channel• Lead a team of project managers and schedulers• Liaising with regional and national offices of the USACE• Coordinating with bridge project management in sequencing of major milestones
Core Skills	<ul style="list-style-type: none">• Expertise in USACE project methodologies• Understanding of critical path analysis• Experience in management of large scale water projects	<ul style="list-style-type: none">• Expertise in USACE project methodologies• Understanding of critical path analysis• Experience in management of large scale water projects
Reports to	<ul style="list-style-type: none">• TRWD General Manager• TRVA Executive Director	<ul style="list-style-type: none">• TRWD General Manager• TRVA Executive Director

► CLEAR, DEFINED TRVA ORGANIZATIONAL STRUCTURE

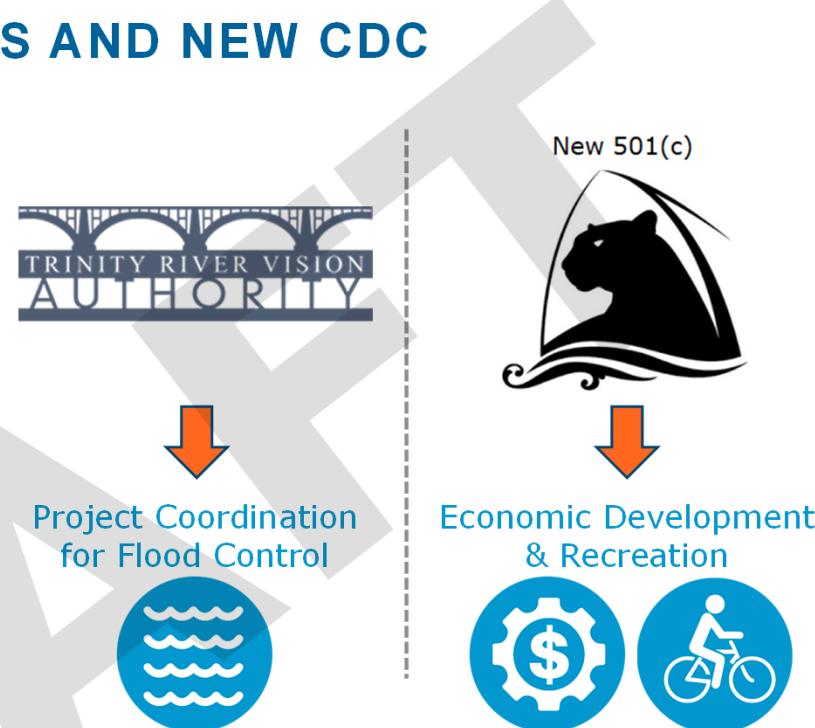
Defined Critical Roles: Project Manager for Bridges

	Current State	Future State (no changes)
Key Responsibilities	<ul style="list-style-type: none">• Operational project oversight and budget oversight for the construction of the three bridges and utility infrastructure• Liaising with regional and state offices of TXDOT• Updating bypass channel project management team on status of bridge and utility milestones	<ul style="list-style-type: none">• Operational project oversight and budget oversight for the construction of the three bridges and utility infrastructure• Liaising with regional and state offices of TXDOT• Updating bypass channel project management team on status of bridge and utility milestones
Core Skills	<ul style="list-style-type: none">• Expertise in TXDOT project methodologies• Understanding of critical path analysis• Experience in management of large transportation and utility projects	<ul style="list-style-type: none">• Expertise in TXDOT project methodologies• Understanding of critical path analysis• Experience in management of large transportation and utility projects
Reports to	<ul style="list-style-type: none">• City of Fort Worth• TRVA Executive Director	<ul style="list-style-type: none">• City of Fort Worth• TRVA Executive Director

D → REALIGNED RESPONSIBILITIES AND NEW CDC

Changes to Responsibilities

- ▶ **TRVA Project Coordination for Flood Control:** The TRVA remains the entity responsible for working with the USACE, TXDOT, and other project stakeholders. It will focus solely on the construction of the bypass channel, bridge construction, and ancillary construction requirements. The TRVA's development subcommittee, having completed the community master plan and building standards, will cease to exist.
- ▶ **New 501(c) for Economic Development and Recreation:** A 501(c) Community Development Corporation (CDC) will be established under the authority of the City of Fort Worth with the leadership appointed by the City. The CDC's geographic area will be the area currently referred to as Panther Island. This corporation's responsibilities would include:
 - ▶ **Economic Development:** Promote future development on the island and coordinate/advise on future development plans and proposals. They will ensure the established community vision for the island is being met and serve as a resource for developers to answer their questions and assist them throughout the planning process.
 - ▶ **Recreation:** Plan for and provide recreation near the island and to manage the many successful river events that the TRVA established in order to continue to drive community excitement and engagement.



Advantages

- ▶ Demonstrates and formally separates flood control and public safety
- ▶ Removes appearances of impropriety by isolating community building standards from the review/approval of development plans
- ▶ Establishes a clear, concise structure with defined responsibilities

Disadvantages

- ▶ Requires structured coordination between stakeholders to share information on sequencing and coordination for both construction and resource allocation purposes
- ▶ Requires all parties to restructure their budget and internal resources to realign with new mission

D ➤ REALIGNED RESPONSIBILITIES AND NEW CDC

Community Development Corporation (CDC) Model

Community development corporations are organized under the 501(c) section of the IRS revenue code and are typically created to revitalize struggling communities. They often perform both on-the-ground efforts of completing their stated missions as well as the community outreach to drive participation. CDCs are typically made up of community members as well as experts in specific technical fields that help to drive the core mission of the CDC. For example, a CDC focusing on economic development might have members with expertise in real estate development, construction management, raising capital, and oversight of the community master plan.

Why a 501(c)?

Additional scenarios were analyzed for adjusting the current project organizational structure to separate the economic development and recreation from the project coordination for flood control, but the unique qualities of a 501(c) created the most benefits. The largest benefits are:

- ▶ **Greater Transparency** – 501(c) entities are formed to serve the public interest so their finances are open to public inspection. They must comply with various legal and regulatory requirements, including the submittal of annual financial filings to state and federal authorities which are accessible to the public.
- ▶ **Increased Independence** – It exists as a distinct legal entity separate from its founders that has its own Board of directors and management personnel. The organization operates independently and is not subservient to another agency or entity.
- ▶ **Fiduciary Responsibility** – Members of the Board of directors are barred from receiving any salary and have a fiduciary duty to act in the organization's best interest, otherwise they can be held liable for violating that responsibility. Managers can only be paid reasonable salaries (if any) and the organization is prohibited from allowing any of its income or assets to accrue to insiders.
- ▶ **Focused Efforts** – The 501(c) is created to solve a community need. Incorporating crystalizes the organization's mission and structure to narrowly focus all their efforts in furtherance of their stated mission.
- ▶ **Business-like Mindset** – Nonprofits have to constantly demonstrate accomplishments and proper financial stewardship otherwise they risk losing their funding and being dissolved. This forces a more business-like approach throughout the organization when compared to a government agency.
- ▶ **Eligibility for Grants** – Unlike many other types of organizations, a 501(c) is eligible to receive funds from both public and private grant programs.
- ▶ **Tax Exemptions & Deductions** – Nonprofits are exempted from federal corporate income taxes and are typically granted similar exemptions at the state and local levels. Donations made to the nonprofit become tax deductible for the individual or agency giving the donation.



D ➔ REALIGNED RESPONSIBILITIES AND NEW CDC

Creating the New Panther Island CDC

Critical steps to create the new Panther Island CDC:

- ▶ City of Fort Worth appoints the Board of Directors (three to seven members) to found the new 501(c)
- ▶ The Board members create the organization charter that lays out the nonprofit's core mission and vision for the future. They then need to identify an Executive Director that will be responsible for running the day to day operations
- ▶ Board of Directors with assistance from the Executive Director need to establish the following:
 - ▶ Articles of Incorporation
 - ▶ Corporate Bylaws
 - ▶ Funding plan
 - ▶ High level financial and operating policies. Some examples of these are operational structure, operations handbook, financial practices, delegation of authority, codes of conduct, strict agreements against self-dealing, expense policies, etc.
- ▶ Board of Directors will oversee the formal formation of the new 501(c)
- ▶ Executive Director will begin to operationalize the organization



Member Core Skillsets

In order to have success the new 501(c) needs have knowledge and experience in economic development and recreation. The individual members should have skills in the following areas of expertise:

- ▶ Commercial and residential real estate development, including construction management as well as dealing with potential regulatory, zoning, and permitting challenges
- ▶ Establishing and overseeing the building of a master planned community
- ▶ Capital raising
- ▶ Event management for large scale festivals, concerts, and river based events
- ▶ Community outreach to drive public engagement and enthusiasm



D ➤ REALIGNED RESPONSIBILITIES AND NEW CDC

Similar, existing CDC examples in Fort Worth

There are examples of similar non-profits in Fort Worth that achieve goals similar to the CDC being proposed:



Formed in 1981, DFWI is Downtown Fort Worth's planning, advocacy, public space and project management organization. DFWI serves as a liaison, ombudsman, and information source for property owners, residents, business owners, lenders, community organizations, and policy makers.

DFWI is a 501 (c)(6) non-profit membership organization engaged in a wide range of downtown development and management activities:

- ▶ DFWI leads the downtown strategic action planning process, conducted every 10 years. Plan implementation, advocacy and advancement are championed by DFWI volunteer leaders and staff.
- ▶ DFWI started and manages the first Public Improvement District in the state of Texas, established in 1986 and Fort Worth PID #14. The PIDs provide enhanced services to property owners including maintenance and landscaping, public space management, promotions and marketing, research, transportation, planning and security services to 564 acres of Downtown.
- ▶ DFWI administers Fort Worth's first Tax Increment Finance District (TIF) by contract with the City of Fort Worth. Eligible TIF projects include parking, infrastructure assistance to new developments, historic preservation, affordable housing, transportation, and education

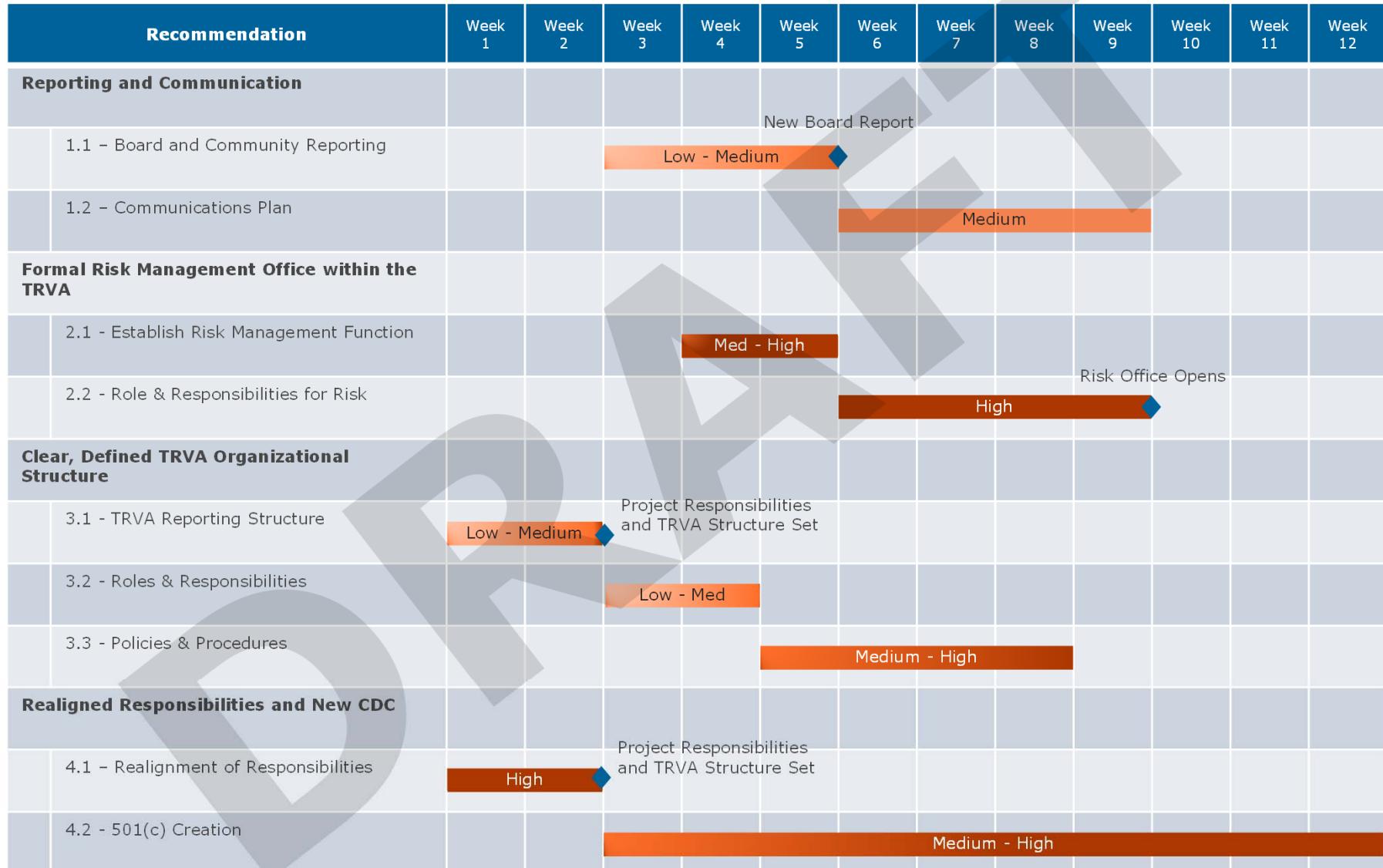


NEAR SOUTHSIDE, INC.

Near Southside, Inc. (NSI) is a private, member-funded, 501 (c)(4) nonprofit organization dedicated to revitalizing the Near Southside. Through all initiatives, NSI pursues five primary goals:

- ▶ Build public awareness of the Near Southside, not only for the district's existing business and institutions, but also as part of the larger goal of attracting residents, residential development and new businesses to the Near Southside.
- ▶ Advance the district's walkable, mixed-use, urban vision by assisting private and public development projects.
- ▶ Produce and support public events and networking opportunities, where visitors can experience strong community ties between business and residents.
- ▶ Provide information and resources to assist all Near Southside stakeholders.
- ▶ Foster a revitalized and safe central city in partnership with the City of Fort Worth and other organizations that advance beneficial educational initiatives, public policies, and community programs.

PRIORITIZED RECOMMENDATIONS AND NEXT STEPS



◆ Milestone

Low Medium High

Workstream Duration / Level of Effort to Implement

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PRIORITIZED RECOMMENDATIONS AND NEXT STEPS

Sequencing Next Steps

- ▶ Recommendations **3.1** (*TRVA Reporting Structure*) and **4.1** (*Realignment of Responsibilities*) should be prioritized first because of their importance and their effect on the other recommendations. Both of these recommendations can be worked on in parallel as they are partially intertwined
- ▶ Recommendations **1.1** (*Board and Community Reporting*), **3.2** (*Roles & Responsibilities*), and **4.2** (*501(c) Creation*) should be started next. Recommendation **4.2** should not be too labor intensive at the beginning but will eventually ramp in order to set the structure and governance around the new organization
- ▶ Recommendation **2.2** (*Role & Responsibilities for Risk*) is dependent on the completion of recommendation **2.1** (*Establish Risk Management Function*)
- ▶ Recommendation **1.2** (*Communications Plan*) can be moved around the calendar depending on resource availability

APPENDIX

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APPENDIX: DETAILED FINDING SCORECARD

Key Finding 1: Unclear Revenue and Expenditure Projections

Leading Practice	Observations	Conclusion
Budgets and other financial statements are reviewed and approved on a continuous basis	Annual financial statements for the TRWD and TRVA are reviewed and approved by the Board, but project financial statements are not independently reviewed	●
Leading practices for budgeting are utilized within the project participant framework (i.e. zero-based or value-based budgeting, activity-based budgeting, etc.)	Neither the project budget nor TRVA operation budget undergo significant, formal root-cause or driver analysis for budget variances.	●
Material variances from Budget to Actuals are documented, escalated to appropriate audience at the project or Board level, root cause is identified and remediation activities are executed by the responsible party	Budget to actual variances are discussed at the Board level, although root cause and remediation aren't formally discussed	●
Project has met various federal, state and municipal requirements for approval (land use/permitting, vision, time and scope, funding, etc.)	This project has had funding difficulties from federal sources due to issues regarding federal prioritization and ranking, technical requirements for funding that are in dispute, and concerns for receiving federal funding in general	●
The budgeting process is the fundamental basis for a budget and/or funding request	Budgets and most expenditures are reviewed by the Board prior to budget approval and/or funding request. The budgeting process is the fundamental basis for budgeting and funding requests, although significant project and budget variances have occurred	●
Budget preparation is transparent, incorporates all project stakeholders, and is aligned with mission objectives and capabilities	Project budgeting is a manual process of aggregating multiple budgets from various sources into a master budget at the TRVA. This process is generally consistent from all sources, but at times lacks thorough explanation for project stakeholder and participant decisions regarding budget choices, changes or allocations (see TRVA Annual Budget Process on Page 38)	●
Project stakeholders use consistent budgeting and reporting methods, and a consistent basis for performance evaluation	Multiple project stakeholders use different budgeting and reporting methods, thus creating an inconsistent basis for evaluating financial performance. The TRVA continuously works to harmonize information received from project stakeholders and maintain a consistent, project-wide budget	●

● Proficient

● Sufficient

● Insufficient

DRAFT UNDER EMBARGO – NOT FOR PUBLIC DISSEMINATION

APPENDIX: DETAILED FINDING SCORECARD

Key Finding 1: Unclear Revenue and Expenditure Projections

Leading Practice	Observations	Conclusion
Financial adequacy is demonstrated at project inception and continuously updated for: - Construction and Start-up Costs (including variances, exclusions, commodity prices, etc.) - Working Capital - Reserve Funding - Repayment Rates	The project stakeholder team at the municipal level collectively agreed to the creation of and contribution to TIF 9 with which to fund the project. This was the formal demonstration of agreement to financial adequacy at project inception. Financial adequacy has not been maintained through the life of the project	●
Project financing was understood and documented at inception	Project funding and financing was understood and documented at inception. However, original project estimates were based on assumptions and limitations that are not applicable today, and were built using a rigid methodology that did not allow for contingencies and uncertainties, contributing to variances in budget over time	●
Project has documented funding adequacy to include sources, timing, amount, contingencies	There is uncertainty over the amount, timing, source, and flow of cash from federal sources. In recent years, federal funding has not been realized under the yearly federal budget and appropriations processes. The project has received significant funding to reach the current stage, and will require significant funding from federal or other sources to successful move forward after 2019. Funding from local sources has been well understood and documented by project stakeholders. The TIF loan was well-documented to support transparency ("arms-length transaction")	●
Project capital structure includes secured debt, and has sufficient liquidity and financial flexibility to meet future project expectations	The project has been funded to date via local and federal contributions, tax increment financing (TIF), and a loan from the TRWD to the TIF. Approval of \$250M worth of bond sales was secured via election in 2018 by an approximately 80% approval rate. There is uncertainty over the amount, timing, source, and flow of cash from federal sources.	●

Proficient

Sufficient

Insufficient

APPENDIX: DETAILED FINDING SCORECARD

Key Finding 2: Unclear Financial and Management Reporting

Leading Practice	Observations	Conclusion
Project financials are disclosed in accordance with leading practices for Government-Related Issuers (GRI; i.e. Green Book, PCAOB, other)	While reviewed and approved by the TRVA Board, financial statements for the project are not independently reviewed. Financial statements for both the TRWD and TRVA entities are independently reviewed by Deloitte LLC, and Deloitte has attested that the TRVA accounting policies are in accordance with GASB	Yellow
Meeting materials and agendas are agreed upon well in advance of Board or Committee meetings	Meeting materials are generally static, although agenda may change frequently as events mandate	Green
A stakeholder assessment was conducted, and critical project stakeholders and constituents (i.e. citizens, taxpayers, other interested parties) are continuously updated and informed on project progress.	While a formal stakeholder analysis was not conducted, there were numerous efforts to assess community engagement, perception, and priorities for flood control. Project progress has been continuously communicated throughout the life of the effort, although the communications have conflated flood control and public safety with ancillary recreational and economic development.	Red
Creating and tracking to an annual budget (budgeting) is used as the barometer for financial performance through the period (calendar year)	Budgeting is done annually, and expenditures against budget (i.e. budget to actuals) are tracked consistently. Financial and project reporting includes frequent ad hoc reporting and change requests from different stakeholders and the Board. These frequent changes and requests lead to budget to actuals that are hard to interpret and compare to previous periods, and difficult to identify root causes for budget variances.	Red
Financial reporting is actionable and relevant to the TRVA Board. Reporting includes budget, financial activities and impacts resulting from project changes	Project financials are communicated on monthly, quarterly, and annual cadences. Reporting is built for accounting purposes rather than Board needs for actionable, relevant information with which to make informed decisions	Yellow

● Proficient

● Sufficient

● Insufficient

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APPENDIX: DETAILED FINDING SCORECARD

Key Finding 2: Unclear Financial and Management Reporting

Leading Practice	Observations	Conclusion
The TRVA collects and reports on cash flow and liquidity metrics for normal and adverse scenarios.	The TRVA performs cash and liquidity monitoring and updates to the TRVA Board and project participants. Adverse scenarios are planned for, but stress scenarios and assumptions are not incorporated into budget planning	●
The TRVA is providing appropriate, relevant, actionable information with the right content and level of detail for the right audience	Financial reports are consistently updated for both revenues and expenses. Financial reports are dense, numbers-driven exercises that aren't actionable by the Board. There is confusion, delay, and debate regarding whether the TRVA is providing sufficient Board-level reporting on project and operational budget-to-actuals	●

Proficient

Sufficient

Insufficient

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RIVERON | 68

APPENDIX: DETAILED FINDING SCORECARD

Key Finding 3: No Project Management Office (PMO)

Leading Practice	Observations	Conclusion
A formal risk management framework, based on leading practices (COSO, ISO 31000, etc.) that is well-resourced, documented, and followed	There is no formal risk management structure or framework for risk that encompasses the entire project and project stakeholder group. There are risk management processes at the tactical level.	●
Clear owners for project oversight and project delivery with clear responsibilities, lines of reporting and lines of sight	TRVA is responsible for project coordination but does not have a mandate or responsibility for project management	●
Established, consistent project metrics aligned to project outcomes in terms of financial, time, resource milestones	Despite lacking a formal project management office or the mandate for a PMO covering all project stakeholders, the TRVA project managers have established project metrics and key performance indicators, which are monitored and managed on a continuous basis. Within the TRVA, the project management team consolidates and coordinates project scheduling and progress, and works with the financial team to translate project events into budget to actual estimates for reporting purposes	●
Formal and explicitly agreed to elements for risk management including risk register, common risk definitions and risk language, a harmonized understanding and definition of project risks, defined accountability structure and process for addressing areas like conflicts of interest, and remediation and dispute mechanisms such as Contractor Dispute Agreements (CDA)	Formal risk management governance structure, tools and processes exist at the tactical project level, but do not appear to exist at a PMO or Board level	●
Project and associated funding are stage-gated based on project completion milestones	Project and associated funding are stage-gated, although this is based on annual fund availability and not on project milestones	●
Project has sufficiently identified, measured, addressed and introduced continuous monitoring and improvement for project and associated risks (i.e. safety, change order management, site conditions, labor or material costs, damages, etc.)	The TRVA Project Management team has decades of experience and formal education in critical infrastructure, urban planning and hydrodynamic engineering. The TRVA itself is not empowered to be a formal Project Management Office, and thus lacks the ability to drive change or continuously identify and mitigate project risks	●

● Proficient

● Sufficient

● Insufficient

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APPENDIX: DETAILED FINDING SCORECARD

Key Finding 3: No Project Management Office (PMO)

Leading Practice	Observations	Conclusion
Project risk is well-understood and risk transfer strategies are effective (contracts, pricing incentives and penalties, etc.)	Risk transfer strategies including compensation and contractual incentives and penalties exist, but there is no formal project management structure to monitor and incorporate project risk into planning and reporting	● Yellow
Qualified and motivated project team members with strong project management skills and experience	The TRVA Project Management team has decades of experience and formal education in critical infrastructure, urban planning and hydrodynamic engineering. The TRVA itself is not empowered to be a formal Project Management Office, and thus lacks the ability to drive change and maintain project progress and direction	● Green
Right of way and material permitting issued at project kickoff, or remaining requirements are known, disclosed and documented	Documentation and disclosure at the tactical project level have been well-documented and incorporated into the Work Breakdown Structure (WBS) that is maintained by TRVA project managers	● Green
Formal project management includes the following: - A baseline of critical elements focuses on project scope, time, budget, risk, and accountability around key tasks - Defined, memorialized project structure with defined participants, roles and responsibilities - Memorialized policies and procedures around decisioning and decision rights, resource assignments, reporting, deliverables, review and continuous improvement	Formal project management documentation is not always available and may not exist in all cases. For instance, a formal project charter, formal creation of a PMO at project inception were not identified	● Red
Use of consistent tools to track and report on projects across the project	Project-wide use of Primavera (P6), providing project coordinators with full view on work breakdown structure (WBS) across all stakeholders	● Green

● Proficient

● Sufficient

● Insufficient

APPENDIX: DETAILED FINDING SCORECARD

Key Finding 4: Informal Change and Risk Management

Leading Practice	Observations	Conclusion
A communications and stakeholder plan should identify key stakeholders, objectives and messaging, communication channels, communication cadence, and feedback/evaluation of communication	While there has been extensive communication and messaging regarding the project and the TRVA itself, there is no known formal communication plan or stakeholder assessment	●
Assigned, empowered personnel with the understanding and drive to champion effective change	There is no formal documentation or structure for change management, and therefore no system nor expectations from project stakeholders on how change is identified, addressed, and incorporated into project and budget management	●
Documented dispute resolution process agreed and adhered to by all parties prior to project execution, minimizing the length of disputes and/or the reliance on legal avenues	The dispute resolution mechanism appears to be, by default, litigation rather than mediation or arbitration. Riveron did not review or identify any dispute resolution processes. CDAs may exist between project participants outside the scope of this effort	●
Documented internal review/approval processes for critical tasks and change management, minimizing the risk of introduced change	There are documented review and approval processes, although it is not clear that these are always followed or documented. Reviewers relied upon minutes of meetings and formal documentation from federal authorities to understand the review and approval process, as well as how changes to scope and budget were to be communicated	●
Legislative and other exogenous risks to project were factored into estimates	Legislative and environmental risks were factored into project planning during project inception. In the years since project began, numerous regulatory, legislative, environmental, and other known and unknown changes have impacted the project timeline, scope and budget. For instance, hurricane events such as Katrina led to increased flood control construction requirements from USACE and other oversight bodies	●
Project counterparties are established, proven, creditworthy partners in executing infrastructure efforts	N/A Not part of scope. Project stakeholder solvency, liquidity and creditworthiness was not addressed as part of this effort	N/A

● Proficient

● Sufficient

● Insufficient

RIVERON | 71
DRAFT UNDER EMBARGO – NOT FOR PUBLIC DISSEMINATION

APPENDIX: DETAILED FINDING SCORECARD

Key Finding 4: Informal Change and Risk Management

Leading Practice	Observations	Conclusion
Project counterparty risk is minimized via insurance, warranties and contractual obligations with counterparties, and is reflected via the contractor dispute agreement (CDA).	N/A Not part of scope. Contractual obligations exist between project participants. CDA was not reviewed to determine if mediation or arbitration structures were discussed rather than relying on litigation for project dispute mechanism	N/A
Project participants have substitutes and are considered replaceable under qualifying circumstances	N/A Not part of scope. Project participants at the local level do have imperfect substitutes	N/A
Project risks and assumptions are continuously stress-tested for resilience to adverse scenarios for project financing, events impacting design or construction, regulatory or legal, etc.	Assumption testing is done informally, either during internal discussions or in the context of Board meetings. While the project has experienced significant changes and challenges during the course of the project's life, there is no formal stress-testing of project risk or resiliency against project financial shortfalls, significant construction delays, legal or regulatory events, etc.	●
The Board meetings are constructive and deliberate	Board meetings are highly tactical, and do not seem to be deliberately built to evoke constructive debate among differing points of view	●
Documented change and risk planning, objectives, outcomes, and performance measures/metrics to evaluate progress and success	No formal documentation or structure for change or risk management. Robust documentation for project/risk management, outcomes, metrics	●
Identifiable risks arising from unexpected design variations were identified at project inception	Identifiable risks were addressed, but the TRVA was constrained in its ability to respond to and incorporate true risk management into project planning due to the nature of the project and the rigid methodology of project stakeholders. Project construction and change management has been documented both within the WBS maintained by the TRVA as well as within meeting minutes relevant to significant change	●

● Proficient

● Sufficient

● Insufficient

APPENDIX: DETAILED FINDING SCORECARD

Key Finding 5: Inconsistent Views on Project Goals and Objectives

Leading Practice	Observations	Conclusion
Messages are accurate and consistent across channels	Messaging has been consistent and accurate, but is not targeted to specific audiences. Messaging conflates flood control and public safety with the ancillary benefits for economic development and recreation. This is creating confusion in the community and among project stakeholders	●
Project has a demonstrated, validated need to exist, and is aligned with local community and other stakeholder needs and interests	The case for flood control and public safety was demonstrated via the USACE study regarding flood control options. The task force launched in 2001 was created to align local community and stakeholder interests	●
Project has been sufficiently conceived and designed to account for current and future budget needs	Project was designed and conceived by the USACE with support and input from local, state, and federal stakeholders. The project was approved by Congress and the USACE. Project scope has changed significantly relative to the initial scope and budget, and therefore future budget needs changed since project inception	●
Consideration has been given and/or stakeholder assessment has been conducted to identify and improve on public messaging, and mechanisms are in place to evaluate and assess messaging and channel efficacy.	The TRVA has arguably succeeded in its mission to communicate the vision for the Trinity River system, the bypass channel and how the project will significantly and positively impact the future of Fort Worth and its citizens. There is a more positive outlook for the river and the City's relations to it, having formerly been thought of as a "dumping area" for hazardous waste.	●
Project design and objectives are well-understood by project stakeholders, and project employs proven methodologies, technologies, construction planning and execution	Project is extraordinarily complex in design and execution, specifically the coordinated construction of a bypass channel, three complex bridges, and ancillary construction. All parties have sufficient resources to understand and approve/commit to the design and scope of effort	●

● Proficient

● Sufficient

● Insufficient

RIVERON | 73
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APPENDIX: DETAILED FINDING SCORECARD

Key Finding 5: Inconsistent Views on Project Goals and Objectives

Leading Practice	Observations	Conclusion
Messaging is part of a coordinated communications strategy and appropriate communication channels are leveraged for the appropriate audience	There is not a formal, coordinated communications strategy to include stakeholder analysis, message efficacy, channel efficacy, etc. The TRVA leverages multiple channels and medium for communication and community engagement, but is sending the same message/content to multiple stakeholder and constituent audiences at the municipal, state, and federal levels. This is conflating the message of flood control, public safety, recreation and flood control. Conflating this message creates confusion in the community and among project stakeholders regarding the nature and objectives of the project	●
Communication includes project progress, significant scope changes, and risk management updates including remediation activities	High-level qualitative and quantitative project updates such as open issues and key decisions are inconsistently communicated to the Board, as demonstrated in meeting minutes and as identified by various Board members. Key information and actions are not always communicated to the Board, are ineffectively communicated	●
Project documentation is readily available and clear to all internal and external parties, especially with respect to roles, responsibilities, contingency planning and dispute resolution	Project documentation is limited to project vision, objectives, benefits, participants, and progress, which are some but not all the elements of a strong project charter. Roles and responsibilities are not well-defined, specifically the lack of a mandate for project management. Day-to-day project planning, status updates and other project materials are robust and managed by the TRVA project management team	●
The TRVA is providing appropriate, relevant, actionable information with the right content and level of detail for the right audience	Project team has weekly and bi-weekly status meetings to keep the project schedule updated	●

Proficient

Sufficient

Insufficient

RIVERON | 74
DRAFT UNDER EMBARGO – NOT FOR PUBLIC DISSEMINATION

APPENDIX: DETAILED FINDING SCORECARD

Key Finding 6: Unclear Mandate, Roles and Mission

Leading Practice	Observations	Conclusion
Cash management includes payment management methods such as cost to complete testing, milestone-based payments, interest preservation payments	The TRVA has defined policies and procedures with respect to custody of funds, cash and account management, and bond issuance. Defined policies exist for procurement (\$75,000 limit on expenditures), bank account management, and other critical treasury tasks	Yellow
Major stakeholders are aligned with clear objectives and responsibilities	Stakeholders are aligned in outcome objectives, but conflicts arise on responsibility, accountability, and communication between project participants and stakeholders.	Red
Appointments, terms and rules are memorialized in policy and parliamentary rules	Parliamentary rules are in place and adopted from municipal, state and federal laws and guidelines for appointments, terms, rules and procedures	Green
A clear understanding of accountability for success by defined responsibilities for defined workstreams, with service-level agreements (SLA) and key performance indicators (KPI) that are actively measured, reported, reviewed and addressed when a KPI breaches a defined band of tolerance	There is no single point of accountability for the project with the authority and independence necessary to shepherd decisions and drive solutions in a timely and transparent manner. See Current Structure for Decisions and Information, page 34.	Red
Defined accountability and responsibilities for project stakeholders, mutually agreed to by all parties	There are defined roles and responsibilities for project stakeholders. These defined roles and responsibilities are not always well-defined and well understood by some project stakeholders and constituents	Yellow

Proficient

Sufficient

Insufficient

RIVERON | 75
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APPENDIX: DETAILED FINDING SCORECARD

Key Finding 6: Unclear Mandate, Roles and Mission

Leading Practice	Observations	Conclusion
<p>Basic policies and procedures are in place to promote financial transparency, and to define clear roles and responsibilities. These basic policies should include:</p> <ul style="list-style-type: none">- General Reserve Funds- Other Reserve Funds- Debt and Investment/Cash Management- Accounting and Financial Reporting- Risk Management and Controls- Procurement- Long-Term Financial Planning- Capital Assets- Revenue and Expenditures- Operating Budget- Segregation of Duties (including transaction level)	<p>According the independent reviewer Deloitte LLC, the accounting policies of the TRVA conform to accounting principles generally accepted in the United States of America as applicable to governmental units and promulgated by the Governmental Accounting Standards Board (GASB)</p>	

Proficient

Sufficient

Insufficient

APPENDIX: DETAILED FINDING SCORECARD

Key Finding 7: Insufficient Operational Oversight and Transparency

Leading Practice	Observations	Conclusion
Project financials and cash management is subject to independent oversight and/or review	While reviewed and approved by the TRVA Board, financial statements for the project are not independently reviewed. Financial statements for both the TRWD and TRVA entities are independently reviewed by Deloitte LLC	●
Board and operational entity (TRVA) have appropriate progress and project updates and communications	TRVA management provides updates to the TRVA Board at recurring Board meetings, approximately monthly	●
Board conducts a self-evaluation at least annually to determine effectiveness	The Board does not conduct a self-evaluation to assess Board or Committee effectiveness	●
Board and staff are aligned in objectives and expectations	Board is focused on key issues and areas of concern, specifically with respect to project timeline, budget, and issues that arise during project progress. Available meeting time is not as critical to the Board as is fully understanding the information available and provided. TRVA management provides robust information on project budget, while interviews with Board members indicate that expectations are not being met for relevant, timely, actionable information on project scope and timeline decisions that will impact project expenditures, funding or other areas of Board concern	●
Board has sufficient time and is well-informed to ask targeted questions and debate ideas and decisions	Board has sufficient time allocated to asking questions and debating. The Board receives a significant amount of information from TRVA management, but that information is dense and does not provide sufficient context with which to make informed decisions	●

● Proficient

● Sufficient

● Insufficient

DRAFT UNDER EMBARGO – NOT FOR PUBLIC DISSEMINATION

APPENDIX: DETAILED FINDING SCORECARD

Key Finding 7: Insufficient Operational Oversight and Transparency

Leading Practice	Observations	Conclusion
Board makeup, objectives and decision-rights are engrossed in policy	TRVA Bylaws direct the Board to be composed of between three and seven members, as specified by the TRWD. The Board Directors are appointed by the TRWD Board. Although not engrossed in policy, the TRVA Board is composed of two members from the City of Ft. Worth, two from Tarrant County, two from the TRWD, and one from Streams & Valleys, Inc. Board members are relevant, reliable members of the Community with sufficient political acumen and knowledge with which to make informed choices	●
A mechanism is in place to escalate concerns beyond the project team or project leadership (i.e. whistleblower agreements, dispute hotlines, other mechanism), or for an independent third party to receive, assess, investigate, and address project concerns. Mechanisms are in place for assessing, escalating and addressing conflicts of interest, inappropriate conduct and other areas of potential conflict, malfeasance, corruption or other	There are no formal mechanisms in place to escalate project risk, conflicts of interest, conduct or other issues outside of the TRVA management and Board. During the course of this engagement, reviewer (Riveron) found no appearances to indicate malfeasance, corruption or other clear violations of the law	●

● Proficient

○ Sufficient

● Insufficient

RIVERON | 78
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APPENDIX: DETAILED FINDING SCORECARD

Key Finding 8: Complicated, Opaque Structure and Hierarchy

Leading Practice	Observations	Conclusion
All parties have sufficient resources to understand and approve/commit to the design and scope of effort	There are formal discussions and documentation regarding changes to project scope and design. Within the project there are scope and design discussions between project stakeholders. The deliberations regarding design and construction changes between project stakeholders are not directly managed by the TRVA	●
Appropriate spans of control and segregation of duties are coherent enough and manageable in size for effective management oversight	The TRVA size and structure means that responsibilities are often shared. Financial and budget responsibility lies with CFO. See Current Structure for Decisions and Information, page 34.	●
Organization and project structure is aligned to mission, goals and objectives	The TRVA structure was created based on existing TRWD structure, and the TRVA adopted most of the TRWD policies. The TRVA is not structured to align to the project mission, goals, and objectives of addressing flood control and public safety. TRVA management does not directly report to the TRVA Board, and there is no central project authority to collect project management information nor to make project management decisions that cover all project stakeholders	●
Project and construction methodology is structured in a phased approach that enables stage-gates and changes throughout the life of project, focused on project design, project execution (construction risk) and project management (ability to manage and respond to risks)	Construction and constructability of project elements (bypass channel, bridges, ancillary work) was not considered within the scope of this effort. The TRVA does not have a mandate for project management and has had to rely on project coordination between autonomous stakeholders to document and incorporate changes to scope, timing and budget into project documentation.	●
Management brings critical issues to Board attention in a timely manner	While the TRVA Board meets on a regular basis (at least monthly) critical issues are communicated from TRVA management to either the Board, to a Board member, or to the TRWD General Manager. Communications do not consistently occur along predictable reporting structures. Issues not deemed critical are handled by the TRVA team and other project stakeholders	●

● Proficient

● Sufficient

● Insufficient

DRAFT UNDER EMBARGO – NOT FOR PUBLIC DISSEMINATION

APPENDIX: DETAILED FINDING SCORECARD

Key Finding 8: Complicated, Opaque Structure and Hierarchy

Leading Practice	Observations	Conclusion
Governance in terms of structure and policy is well-documented and encourages direct accountability, transparency and efficiency in decisions and activities.	TRVA structure and specifically reporting structure is complicated and opaque. The Executive Director reports to the TRVA Board, the General Manager at the TRWD, or the TRWD Board depending on the subject. Multiple reporting avenues leads to missed information and lack of communication to relevant audiences, and creates a lack of accountability and transparency in effort and decisioning	●
Defined accountability and responsibilities for project stakeholders, mutually agreed to by all parties	There are coordinating activities that occur between and among project stakeholders, but there is no central command-and-control for the project with sufficient authority to make and enforce decisions across the project. See Current Structure for Decisions and Information, page 34.	●

Proficient

Sufficient

Insufficient

APPENDIX: DICTIONARY OF TERMS

Acronym or Term	Full Name or Definition
COFW	City of Fort Worth
EA	Economic Assessment
EIS	Environmental Impact Study
Escalation	Project costs are escalated for inflation. Indexes for future escalation are developed using the updating factors in the USACE civil works direct program development policy guidance
TIF	Tax Increment Financing
TRVA	Trinity River Vision Authority
TRWD	Tarrant Regional Water District
TXDOT	Texas Department of Transportation
USACE	United States Army Corp of Engineers

* Riveron's programmatic review involved gathering and assessing data from various stakeholder sources. Riveron did not validate or test data other than to compare it to understand accuracy of the information provided.

APPENDIX: INTERVIEWS

Agency/Entity	Name	Title/Role	Status
County of Tarrant/TRWD/TRVA	G.K. Maenius	County Administrator/TRVA Board Member	4/18, Ongoing
County of Tarrant	Maegan South/Kandice Boutte	County Administration	4/18, Ongoing
City of Fort Worth/TRVA	David Cooke	City Manager, TRVA Board Member	5/07
City of Fort Worth	Kate Beck	Assistant Finance Director	4/23, 4/25, Ongoing
City of Fort Worth	Mayor Betsy Price	Mayor and Staff	5/01
US Congress	Congresswoman Kay Granger	US Representative for TX 12th District	5/24
TRWD/TRVA	Sandy Newby	TRVA / TRWD CFO	4/23, 4/24, 4/25, Ongoing
TRWD/TRVA	Jim Oliver	TRWD General Manager, TRVA Board Member	4/23, 4/25, 5/07, Ongoing
TRWD/TRVA	J.D. Granger	TRVA Executive Director	4/23, 4/25, Ongoing
TRWD/TRVA	Woody Frossard	TRVA Project/Environmental Engineer	4/24, Ongoing
TRWD/TRVA	James Hill	TRWD/TRVA Board Member	5/01, 5/15
TRWD	Jack Stevens	TRWD Board Member	5/15
TRWD	Jim Lane	TRWD Board Member	5/15

* Riveron's programmatic review involved gathering and assessing data from various stakeholder sources. Riveron did not validate or test data other than to compare it to understand accuracy of the information provided.

APPENDIX: INTERVIEWS

Agency/Entity	Name	Title/Role	Status
TRWD	Marty Leonard	TRWD Board Member	5/16
TRWD	Leah King	TRWD Board Member	5/23
TRVA	Bob Riley	TRVA Board Member	5/16
TRVA	Carlos Flores	TRVA Board Member	5/22
TRVA	Roy Brooks	TRVA Board Member	5/20
City of Fort Worth	Kenneth Barr	Former Mayor	5/28
Cassidy & Associates	Charles Brittingham	Senior Vice President	5/16
Caver & Associates	Fred Caver	President	5/22

* Riveron's programmatic review involved gathering and assessing data from various stakeholder sources. Riveron did not validate or test data other than to compare it to understand accuracy of the information provided.

APPENDIX: DATA PROVIDED BY CLIENT

Document Name	Date Provided
Approvals of Project Budget Changes	
2-21-19 UPDATED PROJECT TOTAL.pdf	4/29/2019
TRVA 9-2-09 - 909 UPDATED NUMBER.pdf	4/29/2019
TRWD agenda item to Receive the budget change.pdf	4/29/2019
Bridge Cost	5/23/2019
Trinity River Vision Bridges Opinion of Probable Construction Cost_20100811	5/23/2019
TCB Opinion of Probable Cost.pdf	5/23/2019
Financial Review	6/24/2019
Original 435 budget.pdf	6/24/2019
Monthly Financial Reports	4/26/2019
10-21-15.pdf	4/26/2019
10-2-13.pdf	4/26/2019
10-3-12.pdf	4/26/2019
10-4-17.pdf	4/26/2019
10-5-11.pdf	4/26/2019
10-5-16.pdf	4/26/2019
10-6-10.pdf	4/26/2019
10-8-14.pdf	4/26/2019
1-10-19 - NO Meeting.pdf	4/26/2019
1-11-12.pdf	4/26/2019
11-1-17.pdf	4/26/2019
1-12-11.pdf	4/26/2019
11-2-16.pdf	4/26/2019
11-3-10.pdf	4/26/2019
11-4-15.pdf	4/26/2019
11-5-14.pdf	4/26/2019
11-6-13.pdf	4/26/2019
11-7-12.pdf	4/26/2019
1-17-18 - NO REPORT.pdf	4/26/2019
11-7-18.pdf	4/26/2019
1-18-17.pdf	4/26/2019
11-9-11.pdf	4/26/2019
12-10-09.pdf	4/26/2019
12-14-16.pdf	4/26/2019
12-15-11.pdf	4/26/2019
12-3-14.pdf	4/26/2019
12-5-18.pdf	4/26/2019
12-6-17.pdf	4/26/2019
1-6-10.pdf	4/26/2019

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APPENDIX: DATA PROVIDED BY CLIENT

Document Name	Date Provided
Monthly Financial Reports	4/26/2019
1-6-16.pdf	4/26/2019
1-9-13.pdf	4/26/2019
2-1-12.pdf	4/26/2019
2-1-17.pdf	4/26/2019
2-13-13.pdf	4/26/2019
2-2-11.pdf	4/26/2019
2-21-18.pdf	4/26/2019
2-3-10.pdf	4/26/2019
2-3-16.pdf	4/26/2019
2-4-15.pdf	4/26/2019
2-5-14.pdf	4/26/2019
2-6-19.pdf	4/26/2019
3-13-13.pdf	4/26/2019
3-21-12.pdf	4/26/2019
3-2-16.pdf	4/26/2019
3-3-10.pdf	4/26/2019
3-4-15.pdf	4/26/2019
3-5-14.pdf	4/26/2019
3-7-18.pdf	4/26/2019
3-9-11.pdf	4/26/2019
4-10-19.pdf	4/26/2019
4-1-15.pdf	4/26/2019
4-17-13.pdf	4/26/2019
4-4-18.pdf	4/26/2019
4-6-11.pdf	4/26/2019
4-6-16.pdf	4/26/2019
4-6-17.pdf	4/26/2019
4-7-10.pdf	4/26/2019
4-9-14.pdf	4/26/2019
5-16-18.pdf	4/26/2019
5-2-12.pdf	4/26/2019
5-4-11.pdf	4/26/2019
5-5-16.pdf	4/26/2019
5-6-15.pdf	4/26/2019
5-7-14.pdf	4/26/2019
6-1-11.pdf	4/26/2019
6-1-16.pdf	4/26/2019
6-3-15.pdf	4/26/2019

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APPENDIX: DATA PROVIDED BY CLIENT

Document Name	Date Provided
Monthly Financial Reports	4/26/2019
6-4-14.pdf	4/26/2019
6-5-13.pdf	4/26/2019
6-6-12.pdf	4/26/2019
6-6-18.pdf	4/26/2019
6-7-17.pdf	4/26/2019
7-17-13.pdf	4/26/2019
7-18-18 - NO REPORT.pdf	4/26/2019
7-20-16.pdf	4/26/2019
7-27-11.pdf	4/26/2019
7-29-15.pdf	4/26/2019
7-5-12.pdf	4/26/2019
7-7-10.pdf	4/26/2019
8-10-16.pdf	4/26/2019
8-11-10.pdf	4/26/2019
8-20-14.pdf	4/26/2019
8-2-17.pdf	4/26/2019
8-5-15.pdf	4/26/2019
8-7-13.pdf	4/26/2019
8-8-12.pdf	4/26/2019
8-8-18.pdf	4/26/2019
9-4-13.pdf	4/26/2019
9-5-12.pdf	4/26/2019
9-5-18.pdf	4/26/2019
9-6-17.pdf	4/26/2019
9-7-11.pdf	4/26/2019
9-7-16.pdf	4/26/2019
A3 TRV-CC Budget vs actual 7 31 07.pdf	4/26/2019
Agenda 3-4-09.pdf	4/26/2019
Agenda 4-1-09.pdf	4/26/2019
Agenda 5-13-09.pdf	4/26/2019
Agenda.pdf	4/26/2019
April agenda.pdf	4/26/2019
February Agenda.pdf	4/26/2019
March agenda.pdf	4/26/2019
TRVA Board Mtg Minutes - December 6, 2006_final.pdf	4/26/2019
TRVA bud vs Act April 07.pdf	4/26/2019
TRVA CC.pdf	4/26/2019
TRV-CC Budget vs actual 1 31 09 Summary.pdf	4/26/2019

* Riveron's programmatic review involved gathering and assessing data from various stakeholder sources. Riveron did not validate or test data other than to compare it to understand accuracy of the information provided.

APPENDIX: DATA PROVIDED BY CLIENT

Document Name	Date Provided
Monthly Financial Reports	
TRV-CC Budget vs actual 10 31 08 summary.pdf	4/26/2019
TRV-CC Budget vs actual 11 30 08summary.pdf	4/26/2019
TRV-CC Budget vs actual 12 31 08 Summary.pdf	4/26/2019
TRV-CC Budget vs actual 2 28 09 Summary.pdf	4/26/2019
TRV-CC Budget vs actual 3 31 09 (2)summary.pdf	4/26/2019
TRV-CC Budget vs actual 5 31 09 (2) summary.pdf	4/26/2019
TRV-CC Budget vs actual 6 30 09 summary.pdf	4/26/2019
TRV-CC Budget vs actual 7 31 08 summary.pdf	4/26/2019
TRV-CC Budget vs actual 7 31 09summary.pdf	4/26/2019
TRV-CC Budget vs actual 8 31 08 summary.pdf	4/26/2019
TRV-CC Budget vs actual 8 31 09 Summary.pdf	4/26/2019
TRV-CC Budget vs actual 9 30 08 Summary.pdf	4/26/2019
TRV-CC Budget vs actual 9 30 09 summary .pdf	4/26/2019
TRV-CC Finance Report.xls	4/26/2019
TRV-CC.pdf	4/26/2019
TRV-CC.xls	4/26/2019
Project Approval	5/30/2019
20121217 FWCC Bypass Channel Design Guideline Revision No 2.pdf	5/30/2019
ASA approval of \$810.pdf	5/30/2019
Betterments Cost.pdf	5/30/2019
CoE Implementation Guidance for \$810.pdf	5/30/2019
Combining Central City and Oxbow Projects.pdf	5/30/2019
E&W2009.pdf	5/30/2019
EIS based utility cost\CommunityBasedAlternativeCostEstimate.pdf	5/30/2019
FEIS.pdf	5/30/2019
FSEIS_FortWorthCentralCity(Mar08).pdf	5/30/2019
FSEIS_FortWorthCentralCity.pdf	5/30/2019
Original CoE recommendation (2006).pdf	5/30/2019
Original Division Recommendation of CC Project.pdf	5/30/2019
ProjectReport_masterdoc.pdf	5/30/2019
Public LAW-114publ322.pdf	5/30/2019

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APPENDIX: DATA PROVIDED BY CLIENT

Document Name	Date Provided
Project Approval	
ROD.pdf	5/30/2019
ROD-2008-21-May.pdf	5/30/2019
TRV Panther Island Storm Drain MP TRVA-Costs_2017-11-08.pdf	5/30/2019
Upper Trinity River Central City Modified Project Report - April 2008	5/30/2019
Information.pdf	5/30/2019
Wiin Act Specific Authorization.pdf	5/30/2019
Project Schedule	5/23/2019
TRVA Program Summary Schedule.pdf	5/23/2019
Property	5/3/2019
TRV Bypass Property Map.pdf	5/3/2019
TRV Oxbow Property Map.pdf	5/3/2019
TIF	5/13/2019
Interlocal Agreement.pdf	5/13/2019
Interlocal Amendment 1.pdf	5/13/2019
Ordinance 15797.pdf	5/13/2019
Ordinance 16768-01-2006.pdf	5/13/2019
Ordinance 18975-12-2009.pdf	5/13/2019
TXP TIF estimates report.pdf	5/13/2019
TRVA Yearly Budgets	4/26/2019
7-23-08.pdf	4/26/2019
7-23-14 - APPROVED 8-20-14.pdf	4/26/2019
8-11-10.pdf	4/26/2019
8-2-17.pdf	4/26/2019
8-5-09.pdf	4/26/2019
8-5-15.pdf	4/26/2019
8-6-16.pdf	4/26/2019
8-7-13.pdf	4/26/2019
8-8-18.pdf	4/26/2019
9-5-07.pdf	4/26/2019
9-5-12.pdf	4/26/2019
9-7-11.pdf	4/26/2019
TRWD Annual Reports	4/26/2019
2012 TRWD Annual Report Non GAS.pdf	4/26/2019
2013-trwd annual report.pdf	4/26/2019
TRWD Annual Financial Report FY2007.pdf	4/26/2019
TRWD Annual Financial Report FY2008.pdf	4/26/2019
TRWD Annual Financial Report FY2009.pdf	4/26/2019
TRWD Annual Financial Report FY2010.pdf	4/26/2019

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APPENDIX: DATA PROVIDED BY CLIENT

Document Name	Date Provided
TRWD Annual Reports	
TRWD Annual Financial Report FY2011.pdf	4/26/2019
	4/26/2019
TRWD Budgets General Fund	
FY 2007 General Fund Budget.pdf	4/26/2019
FY 2008 General Fund Budget.pdf	4/26/2019
FY 2009 General Fund Budget Approved 09_11_2008.pdf	4/26/2019
FY 2010 General Fund Budget Approved 09_15_2009.pdf	4/26/2019
FY 2011 General Fund Budget Approved 09_21_2010.pdf	4/26/2019
FY 2012 General Fund Budget Approved 09_20_2011.pdf	4/26/2019
FY 2013 General Fund Budget Approved 09_18_2012.pdf	4/26/2019
FY 2014 General Fund Budget Approved 09_17_2013.pdf	4/26/2019
FY 2015 General Fund Budget Approved 09_23_2014.pdf	4/26/2019
FY 2016 General Fund Budget Approved 09_15_2015.pdf	4/26/2019
FY 2017 General Fund Budget Approved.pdf	4/26/2019
FY 2018 General Fund Budget Approved 09_19_2017.pdf	4/26/2019
FY 2019 General Fund Budget Approved 09_18_2018.pdf	4/26/2019
TxDOT	
Corps Response to TxDot.pdf	5/3/2019
Corps Response to Txdot_2.pdf	5/3/2019
Other	
20030401 Trinity River Vision Master Plan.pdf	6/11/2019
20090300 TRVI MEMO TO TRVA RE TRVA Draft Final Cost Estimate and Mill Comparison.pdf	5/8/2019
20090318 Presentation Baseline Cost Estimate.pdf	5/8/2019
20190206 TRVA Board Meeting Pkt	7/2/2019
Comptroller letter ruling 1-23-08.pdf	6/11/2019
Draft 909 w split Timeline.xlsx	5/3/2019
Project.pdf	6/11/2019
High level summary of Flood, Bridges and Other.pdf	4/25/2019
Minutes for ByLaws and Bank account approvals.pdf	4/24/2019
Operating Procedures for Cash Disbursements and Relocation process.pdf	4/24/2019
TRV bidtab.pdf	5/9/2019
TRV Updated Revenues_Costs_Schedule 07 21 09_.ppt	5/8/2019
TRVA ByLaws.pdf	4/23/2019
TRVA Event Timeline 20030603 - 20160621	6/3/2019
TRVA.CostEstimate.PBCDavidCooke.050819.pdf	5/10/2019
TRVA.KeyFactsHandout.042619.pdf	4/26/2019

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APPENDIX: PROJECT FINANCIALS

Project Expenditures to Date

	FY2008	FY2009	FY2010	FY2011	FY2012	FY2013	FY2014	FY2015	FY2016	FY2017	FY2018	Category Total
Land Acquisition	\$10,998,968	\$8,495,444	\$15,619,713	\$14,046,319	\$16,551,093	\$18,378,414	\$18,363,132	\$24,828,489	\$21,163,678	\$15,680,654	\$15,795,545	\$179,921,449
Utilities & Betterments	\$592,195	\$1,504,144	\$1,345,805	\$1,053,498	\$2,820,386	\$5,863,652	\$13,975,470	\$4,989,460	\$4,235,127	\$3,709,566	\$1,480,777	\$41,570,080
Preliminary Design & Program Management	\$25,598,860	\$1,906,792	\$1,859,599	\$1,734,328	\$1,625,887	\$1,846,751	\$1,541,386	\$2,007,692	\$1,828,327	\$2,092,824	\$1,950,906	\$43,993,352
Floodway	\$0	\$5,743,232	\$4,939,399	\$4,468,389	\$3,235,979	\$3,233,333	\$1,768,428	\$13,858,930	\$14,344,512	\$17,028,106	\$4,397,335	\$73,017,643
Bridges	\$1,684,671	\$86,940	\$981,294	\$1,387,529	\$8,890,776	\$1,925,547	\$18,369,944	\$126,554	\$273,789	\$246,343	\$9,863,679	\$43,837,066
Annual Total	\$38,874,694	\$17,736,552	\$24,745,810	\$22,690,063	\$33,124,121	\$31,247,697	\$54,018,360	\$45,811,125	\$41,845,433	\$38,757,493	\$33,488,242	
												Grand Total \$382,339,590

*Land Acquisition includes the costs to purchase the land as well as any costs for relocation, demolition, and environmental cleanup

Contributions to Project by Entity to Date

	Inception thru FY2010	Inception thru FY2011	Inception thru FY2012	Inception thru FY2013	Inception thru FY2014	Inception thru FY2015	Inception thru FY2016	Inception thru FY2017	Inception thru FY2018
Local Entities									
COFW	\$3,195,048	\$2,636,075	\$11,925,031	\$15,442,344	\$21,229,520	\$24,315,764	\$25,552,276	\$25,807,993	\$26,194,059
County	\$2,000,000	\$5,000,000	\$6,500,000	\$8,000,000	\$9,500,000	\$11,000,000	\$11,000,000	\$11,000,000	\$11,000,000
TRWD/TRVA	\$58,716,677	\$64,400,000	\$64,400,000	\$64,400,000	\$64,400,000	\$64,400,000	\$64,400,000	\$64,400,000	\$64,400,000
TIF Loan (gross)	\$2,576,015	\$14,168,218	\$32,355,694	\$64,039,518	\$108,384,357	\$144,171,319	\$176,049,583	\$196,726,143	\$215,672,791
State/Federal									
State Agencies	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$0	\$9,758,061
USACE	\$11,956,100	\$13,886,154	\$16,213,103	\$12,628,335	\$15,161,646	\$20,759,612	\$29,418,899	\$46,431,677	\$50,829,015
EDI/HUD	\$3,163,035	\$3,702,035	\$4,485,535	\$4,485,535	\$4,485,535	\$4,485,535	\$4,485,535	\$4,485,535	\$4,485,535

* Riveron's programmatic review involved gathering and assessing data from various stakeholder sources. Riveron did not validate or test data other than to compare it to understand accuracy of the information provided.

APPENDIX: PROJECT FINANCIALS

TIF Performance to Date – Contributed

Actual TIF Contributed to Project by Entity - 80%							
Year	COFW	County	Hospital	TCC	TRWD	Fort Worth ISD	Annual Total
2005	\$278,056	\$91,451	\$0	\$44,787	\$6,427	\$0	\$420,721
2006	\$166,803	\$198,534	\$0	\$89,790	\$12,884	\$0	\$468,011
2007	\$385,943	\$297,939	\$0	\$143,571	\$20,601	\$0	\$848,054
2008	\$424,913	\$282,872	\$236,630	\$152,013	\$21,813	\$0	\$1,118,241
2009	\$649,432	\$375,099	\$249,880	\$163,534	\$23,734	\$0	\$1,461,679
2010	\$838,029	\$246,193	\$319,719	\$217,989	\$31,668	\$0	\$1,653,598
2011	\$1,001,785	\$449,377	\$360,799	\$229,375	\$33,330	\$0	\$2,074,666
2012	\$1,073,143	\$440,256	\$445,811	\$261,831	\$35,153	\$0	\$2,256,194
2013	\$1,368,162	\$586,501	\$474,849	\$317,637	\$42,646	\$0	\$2,789,795
2014	\$1,558,536	\$602,600	\$571,033	\$352,644	\$47,174	\$0	\$3,131,987
2015	\$1,682,009	\$552,729	\$590,299	\$383,642	\$51,323	\$0	\$3,260,002
2016	\$946,376	\$581,406	\$501,897	\$329,243	\$44,046	\$0	\$2,402,968
2017	\$1,406,319	\$701,570	\$629,471	\$399,757	\$53,584	\$0	\$3,190,701
2018	\$1,722,435	\$810,166	\$745,183	\$465,048	\$64,414	\$0	\$3,807,246
Entity Total	\$13,501,941	\$6,216,693	\$5,125,571	\$3,550,861	\$488,797	\$0	
						Grand Total	\$28,883,863

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APPENDIX: PROJECT FINANCIALS

TIF Performance to Date – Retained

Actual TIF Created by Project and Retained by Entity - 20%

Year	COFW	County	Hospital	TCC	TRWD	Fort Worth ISD	Annual Total
2005	\$69,514	\$22,863	\$94,550	\$11,197	\$1,607	\$665,957	\$865,688
2006	\$41,701	\$49,634	\$189,558	\$22,448	\$3,221	\$1,331,913	\$1,638,475
2007	\$96,486	\$74,485	\$303,094	\$35,893	\$5,150	\$1,949,406	\$2,464,514
2008	\$106,228	\$70,718	\$59,158	\$38,003	\$5,453	\$1,622,325	\$1,901,885
2009	\$162,358	\$93,775	\$62,470	\$45,113	\$6,540	\$2,055,224	\$2,425,480
2010	\$209,507	\$61,548	\$79,930	\$54,498	\$7,917	\$2,616,599	\$3,029,999
2011	\$250,446	\$112,344	\$90,200	\$57,344	\$8,332	\$2,750,834	\$3,269,500
2012	\$268,286	\$110,064	\$111,452	\$65,458	\$8,788	\$3,107,649	\$3,671,697
2013	\$342,041	\$146,625	\$118,713	\$79,410	\$10,661	\$3,523,591	\$4,221,041
2014	\$389,634	\$150,650	\$142,758	\$88,161	\$11,793	\$3,897,711	\$4,680,707
2015	\$420,502	\$138,182	\$147,575	\$95,911	\$12,831	\$4,234,301	\$5,049,302
2016	\$236,594	\$145,352	\$125,474	\$82,311	\$11,012	\$4,130,653	\$4,731,395
2017	\$351,580	\$175,393	\$157,368	\$99,939	\$13,396	\$4,667,923	\$5,465,598
2018	\$430,609	\$202,542	\$186,296	\$116,262	\$16,104	\$5,611,396	\$6,563,208
Entity Total	\$3,375,486	\$1,554,175	\$1,868,596	\$891,948	\$122,805	\$42,165,482	
						Grand Total	\$49,978,489

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