



# City of New York

## OFFICE OF THE COMPTROLLER

John C. Liu  
COMPTROLLER



## FINANCIAL AUDIT

**Tina Kim**

Deputy Comptroller for Audit

Audit Report on the Implementation of  
Croton Water Filtration Plant Park  
Projects by the Department of Parks  
and Recreation

7E12-140A

June 25, 2013

<http://comptroller.nyc.gov>



THE CITY OF NEW YORK  
OFFICE OF THE COMPTROLLER  
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NEW YORK, N.Y. 10007-2341

John C. Liu  
COMPTROLLER

June 25, 2013

**To the Residents of the City of New York:**

My office has audited the New York City Department of Parks and Recreation (Department) to determine whether it carried out capital improvement projects in the Bronx in accordance with a Memorandum of Agreement (MOA) to construct the Croton Water Filtration Plant. We audited these projects to ensure that City residents derived compensation for the displacement of City parkland that resulted from construction of the filtration plant.

The audit found that the Department is not always carrying out and overseeing the required capital improvements on time and within budgeted amounts. Although the Department had started work on 65 of the MOA's 67 capital improvement projects by April 30, 2013, only 46 projects were completed. Moreover, 37 of the 46 completed projects were finished later than the Department's scheduled completion dates. In addition, the Department did not obtain required approvals to carry out certain projects totaling over \$10 million. Even if the approvals had been obtained, the Department would have expended only \$146.6 million, thereby falling short of the \$186.05 million in funding that was stipulated in the MOA. Additionally, of the sampled completed projects, the audit found that 83 percent of projects were not completed within the Department's scheduled timeframes. In addition, 21 percent of projects were not completed within their original contract and contingency amounts. As a result, the Department expended \$7.4 million in additional project costs —\$560,791 in staffing costs for construction management and \$6.8 million in additional construction costs.

The audit recommends that the Department ensure that all eligible projects are carried out expeditiously with the funding provided for in the MOA; eligible projects are modified in accordance with the terms of the MOA; eligible projects are completed within their originally scheduled timeframes and original contract and contingency amounts; adequate measures are implemented to control delays that are specifically in the Department's control; and critical documents are submitted and maintained in project files.

The results of the audit have been discussed with the Department's officials, and their comments have been considered in preparing this report. Their complete written response is attached to this report.

If you have any questions concerning this report, please e-mail my audit bureau at [audit@comptroller.nyc.gov](mailto:audit@comptroller.nyc.gov).

Sincerely,

A handwritten signature in black ink, appearing to read "JCL".

John C. Liu

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# THE CITY OF NEW YORK OFFICE OF THE COMPTROLLER FINANCIAL AUDIT

## Audit Report on the Implementation of Croton Water Filtration Plant Park Projects by the Department of Parks and Recreation

7E12-140A

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### AUDIT REPORT IN BRIEF

On September 28, 2004, the City Council approved a Memorandum of Understanding (MOU) between New York City and New York State that allowed the City to move forward with the construction of a water filtration plant at the Mosholu Golf Course in Van Cortlandt Park. As compensation for the “alienation” (i.e., displacement) of City parkland that would be required for the filtration plant’s construction, the MOU provided for \$200 million to be expended on improvements to Bronx parks within five years (i.e., by September 28, 2009).<sup>1</sup> Under the MOU, the City’s Department of Environmental Protection (DEP) was to provide to the City’s Department of Parks and Recreation (the Department) funds from water and sewer revenues of the New York City Municipal Water Finance Authority.

A Memorandum of Agreement (MOA) between DEP and the Department was subsequently executed on September 6, 2005, that consolidated the required measures set forth in the MOU and City Council Resolution No. 933. According to the MOA, DEP would provide to the Department \$186.05 million in funding to undertake 67 projects.

Staff of the Department’s Capital Division Bronx Team are responsible for implementing and executing eligible projects. Each project has specific commencement and completion schedules. Contractors are required to submit schedules that must be approved by the Department. Capital Division staff holds progress meetings for each project. When a contractor is responsible for a project delay, Division staff issue a delay letter to the contractor and hold meetings to assess the reason for the delay and either ensure the project is resumed or assess the contractor for liquidated damages and/or terminate the contract.

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<sup>1</sup> In addition, under Resolution No. 933, the City Council required that other projects (known as “ULURP” projects) be implemented.

## Audit Findings and Conclusions

The Department is not always carrying out and overseeing required capital improvements related to the Croton Water Filtration Plant on time and within budgeted amounts. Our review found that by April 30, 2013, although the Department had started work on 65 of the MOA's 67 capital improvement projects, only 46 projects totaling \$107.4 million were completed. Moreover, 37 of the 46 completed projects were finished late based on the Department's scheduled completion dates.

The Department contended that it increased the number of eligible projects from 67 to 81 by carrying out some of them under multiple contracts or phases. However, the Department's lack of project controls led us to conclude that there was insufficient evidence to substantiate whether 26 of the 81 projects could indeed be deemed eligible. After the exit conference, the Department provided us with additional documentation by which we were able to ascertain the eligibility of 18 of the 26 questionable projects. However, eight projects, for which the Department expended over \$10 million in funding, could not be substantiated as eligible. In addition, there was no evidence that the Department had obtained approvals for the eight projects.

Moreover, even if the Department did obtain the required approvals, the Department would have expended only \$146.6 million as of April 30, 2013 thereby falling short of expending the \$186.05 million in funding that was stipulated in the MOA by at least \$39.45 million.

Additionally, of the sampled completed projects, we found that 83 percent of projects were not completed within the Department's scheduled timeframes. In addition, 21 percent of projects were not completed within their original contract and contingency amounts. As a result, the Department expended \$7.4 million in additional project costs—\$560,791 in additional staffing costs for construction management and \$6.8 million in additional construction costs.

Finally, only 29 eligible projects totaling \$48.6 million were completed by December 31, 2009. This is approximately the date specified in the original MOU by which the citizens of the Bronx were to have benefitted from over \$200 million of improvements to their parks.

## Audit Recommendations

This report makes a total of seven recommendations, including that the Department should ensure that:

- All eligible projects are carried out expeditiously with the funding provided for in the MOA.
- Eligible projects are modified in accordance with the terms of the MOA.
- Eligible projects are completed within their originally scheduled timeframes and original contract and contingency amounts.
- It implements adequate measures to control delays that are specifically in the Department's control.
- Critical documents are submitted and maintained in project files.

## Department Response

In their response, DPR officials focused on issues outside the scope of our audit rather than directly address the audit issues and accompanying recommendations. Except for one recommendation, they generally did not clearly state whether they agreed or disagreed with our recommendations. Areas of direct DPR statements that we wish to refute are included below. The full text of DPR's response is included as an addendum to this report.

The Department wrote, "The Report also states that Parks has expended up to \$146.6 million of the \$186 million in MOA funding. However, this summary does not provide a full accounting of the Department's Croton program costs because it excludes improvements that have not yet been billed to the Department and it excludes the costs that will be incurred to complete additional MOA projects. Once factoring in the costs of these projects, including \$34.6m in pipeline work, contingency amounts for the remaining projects and the cost of ULURP projects omitted by the Report, we believe the total cost of the Croton work will be \$186 million."

**Audit Comment.** We conducted our accounting of the Department's Croton program costs by reviewing the documentation that was made available by Department staff. There was no information about the cost of "improvements that have not yet been billed to the Department" and "costs that will be incurred to complete additional MOA projects."

The Department also wrote, "The Report also states that auditors initially believed that 26 contracts, not eight, were ineligible due to 'the Department's lack of controls.' In fact, the cause of this confusion was due to a lack of communication, and not a lack of controls."

**Audit Comment.** We disagree with the Department's assertion. During the course of the audit we communicated our requests to Department staff for project and contract information on November 16, 2012, December 11, 2012, February 13, 2013, and February 15, 2013. The Department, however, was unable to adequately respond to these requests. Given the shortcomings in the documentation that was available, we concluded that the Department was beset by a lack of internal controls over the entire program.

The Department also wrote, "The auditors appear to have made certain assumptions about the status of these projects. Once we discussed this matter at the exit conference, the auditors reassessed many of their initial determinations regarding the eligibility of these contracts, and the Report now cites eight contracts for improvements as 'ineligible' for inclusion under the MOA. However, Parks carefully examined these projects and must strongly disagree with this mischaracterization, as all such projects are included in the MOA's scope were developed in consultation with the community and are valuable popular park amenities . . ."

**Audit Comment.** Apparently, the Department's own documentation belies the allegation that the eight projects are included in the MOA's scope. The Department provided a confirming e-mail on May 8, 2013, with an attached Departmental spreadsheet. According to the spreadsheet, Department personnel deemed the eligibility of four of the eight projects as "No" and the eligibility of the other four projects was deemed "Maybe."

Finally, the Department asserted, "While the Report may attempt to raise questions with respect to whether the public derived compensation from the Croton program, it is obvious that a great deal of public good has come out of this program. However, the Report suggests that ' . . . the City may have reduced regular capital funding for Bronx parks ' due to Croton funding. The

Report makes this misleading suggestion without presenting the Agency with any written documentation or analysis.”

**Audit Comment.** The audit found that the Department used at least \$10 million of Croton funding for projects that were not eligible for inclusion under the MOA. As noted above, Department officials themselves questioned the eligibility of these projects. In these cases, ineligible projects should have been financed by funding from other sources.

# THE CITY OF NEW YORK OFFICE OF THE COMPTROLLER FINANCIAL AUDIT

## Audit Report on the Implementation of Croton Water Filtration Plant Park Projects by the Department of Parks and Recreation

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### INTRODUCTION

#### Background

On September 28, 2004, the City Council approved a Memorandum of Understanding (MOU) between New York City and New York State that allowed the City to move forward with the construction of a water filtration plant at the Mosholu Golf Course in Van Cortlandt Park. As compensation for the “alienation” (i.e., displacement) of City parkland that would be required for the filtration plant’s construction, the MOU provided for \$200 million to be expended on improvements to Bronx parks within five years (i.e., by September 28, 2009).<sup>2</sup> Under the MOU, the City’s Department of Environmental Protection (DEP) was to provide to the City’s Department of Parks and Recreation (the Department) funds from water and sewer revenues of the New York City Municipal Water Finance Authority. Of the \$200 million, \$190 million was for implementing eligible projects consisting of the acquisition of parkland and/or making capital improvements to parks, playgrounds, or other recreational facilities located in the Bronx.<sup>3</sup> An additional \$10 million was to provide for horticultural plantings in the Bronx. The MOU stipulated that the City would provide periodic, but at least annual, reports to the New York State Senate and Assembly on the progress of funding and constructing the projects.

A Memorandum of Agreement (MOA) between DEP and the Department was subsequently executed on September 6, 2005, that consolidated the required measures set forth in the MOU and City Council Resolution No. 933. According to the MOA, DEP would provide to the Department \$186.05 million in funding to undertake the following 67 projects:

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<sup>2</sup> In addition, under Resolution No. 933, the City Council required that other projects (known as “ULURP” projects) be implemented.

<sup>3</sup> There were 64 eligible projects consisting of five categories: 1) improving neighborhood parks, 2) renovating regional recreation facilities, 3) developing the Bronx Greenway, 4) improving and expanding access to the Bronx waterfront, and 5) “greening” the borough.

- \$180 million for 63 eligible projects for which the Department was responsible for bidding, contracting, and managing according to MOA Section V, A(1)(a) and Exhibit G.
- \$6.05 million to develop and implement four ULURP projects for which the Department was responsible.

The MOA also required DEP to provide an additional \$10 million for improvements to Roberto Clemente State Park to be undertaken by the New York State Office of Parks, Recreation, and Historic Preservation and an additional \$10 million for horticultural plantings to be undertaken by the New York State Energy Research and Development Authority.

Staff of the Department's Capital Division Bronx Team are responsible for implementing and executing eligible projects, which were selected from the list of projects contained in the MOA. A project commences with a meeting to develop the scope of work with various stakeholders such as community boards, user groups, the Department's maintenance and operations staff, and Department Borough Commissioners. After a project's work scope has been established, subsequent phases of a typical project include design, procurement, construction, final inspection, and close-out.

Each project has specific commencement and completion schedules. Contractors are required to submit schedules that must be approved by the Department. Capital Division staff holds progress meetings for each project. When a contractor is responsible for a project delay, Division staff issue a delay letter to the contractor and hold meetings to assess the reason for the delay and either ensure the project is resumed or assess the contractor for liquidated damages and/or terminate the contract.

According to the October 26, 2011 "Certificate-to-Proceed" (#53685), the Office of Management and Budget (OMB) approved project funding totaling \$161.35 million. As of April 30, 2013, the Department expended funds totaling \$146.6 million.

## Objective

The objective of this audit is to determine whether the Department of Parks and Recreation carried out the required capital improvements within schedule and budgeted amounts.

## Scope and Methodology Statement

We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives. This audit was conducted in accordance with the audit responsibilities of the City Comptroller as set forth in Chapter 5, §93, of the New York City Charter. This audit was conducted by auditors with engineering backgrounds.

The scope of this audit covers capital projects indentified in the MOA. Please refer to the Detailed Scope and Methodology at the end of this report for the specific procedures and tests that were conducted.

## Discussion of Audit Results

The matters covered in this report were discussed with Department officials during and at the conclusion of this audit. A preliminary draft report was sent to Department officials on April 17, 2013 and discussed at exit conference on April 29, 2013. On May 29, 2013, we submitted a draft report to Department officials with a request for comments. We received a written response from the Department on June 12, 2013.

In their response, DPR officials focused on issues outside the scope of our audit rather than directly address the audit issues and accompanying recommendations. Except for one recommendation, they generally did not clearly state whether they agreed or disagreed with our recommendations. Areas of direct DPR statements that we wish to refute are included below. The full text of DPR's response is included as an addendum to this report.

The Department wrote, "The Report also states that Parks has expended up to \$146.6 million of the \$186 million in MOA funding. However, this summary does not provide a full accounting of the Department's Croton program costs because it excludes improvements that have not yet been billed to the Department and it excludes the costs that will be incurred to complete additional MOA projects. Once factoring in the costs of these projects, including \$34.6m in pipeline work, contingency amounts for the remaining projects and the cost of ULURP projects omitted by the Report, we believe the total cost of the Croton work will be \$186 million."

**Audit Comment.** We conducted our accounting of the Department's Croton program costs by reviewing the documentation that was made available by Department staff. There was no information about the cost of "improvements that have not yet been billed to the Department" and "costs that will be incurred to complete additional MOA projects."

The Department also wrote, "The Report also states that auditors initially believed that 26 contracts, not eight, were ineligible due to 'the Department's lack of controls.' In fact, the cause of this confusion was due to a lack of communication, and not a lack of controls."

**Audit Comment.** We disagree with the Department's assertion. During the course of the audit we communicated our requests to Department staff for project and contract information on November 16, 2012, December 11, 2012, February 13, 2013, and February 15, 2013. The Department, however, was unable to adequately respond to these requests. Given the shortcomings in the documentation that was available, we concluded that the Department was beset by a lack of internal controls over the entire program.

The Department also contended, "The auditors appear to have made certain assumptions about the status of these projects. Once we discussed this matter at the exit conference, the auditors reassessed many of their initial determinations regarding the eligibility of these contracts, and the Report now cites eight contracts for improvements as 'ineligible' for inclusion under the MOA. However, Parks carefully examined these projects and must strongly disagree with this mischaracterization, as all such projects are included in the MOA's scope were developed in consultation with the community and are valuable popular park amenities . . ."

**Audit Comment.** Apparently, the Department's own documentation belies the allegation that the eight projects are included in the MOA's scope. The Department provided a confirming e-mail on May 8, 2013, with an attached Departmental spreadsheet. According to the spreadsheet, Department personnel deemed the eligibility of four of the eight projects as "No" and the eligibility of the other four projects was deemed "Maybe."

Finally, the Department wrote, “While the Report may attempt to raise questions with respect to whether the public derived compensation from the Croton program, it is obvious that a great deal of public good has come out of this program. However, the Report suggests that ‘ . . . the City may have reduced regular capital funding for Bronx parks ’ due to Croton funding. The Report makes this misleading suggestion without presenting the Agency with any written documentation or analysis.”

**Audit Comment.** The audit found that the Department used at least \$10 million of Croton funding for projects that were not eligible for inclusion under the MOA. As noted above, Department officials themselves questioned the eligibility of these projects. In these cases, ineligible projects should have been financed by funding from other sources.

## FINDINGS AND RECOMMENDATIONS

The Department is not always carrying out and overseeing required capital improvements related to the Croton Water Filtration Plant on time and within budgeted amounts. Our review found that by April 30, 2013, although the Department had started work on 65 of the MOA's 67 capital improvement projects, only 46 projects totaling \$107.4 million were completed. Moreover, 37 of the 46 completed projects were finished late based on the Department's scheduled completion dates.

The Department contended that it increased the number of eligible projects from 67 to 81 by carrying out some of them under multiple contracts or phases. However, the Department's lack of project controls led us to conclude that there was insufficient evidence to substantiate whether 26 of the 81 projects could indeed be deemed eligible. After the exit conference, the Department provided us with additional documentation by which we were able to ascertain the eligibility of 18 of the 26 questionable projects. However, eight projects, for which the Department expended over \$10 million in funding, could not be substantiated as eligible. In addition, there was no evidence that the Department had obtained approvals for the eight projects.

Moreover, even if the Department did obtain the required approvals, the Department would have expended only \$146.6 million as of April 30, 2013 thereby falling short of expending the \$186.05 million in funding that was stipulated in the MOA by at least \$39.45 million.

Additionally, of the sampled completed projects, we found that 83 percent of projects were not completed within the Department's scheduled timeframes. In addition, 21 percent of projects were not completed within their original contract and contingency amounts. As a result, the Department expended \$7.4 million in additional project costs—\$560,791 in additional staffing costs for construction management and \$6.8 million in additional construction costs.

Finally, only 29 eligible projects totaling \$48.6 million were completed by December 31, 2009. (See Appendix V.) This is approximately the date specified in the original MOU by which the citizens of the Bronx were to have benefitted from over \$200 million of improvements to their parks.

These matters are discussed in the following sections of this report.

### Projects Not Done

According to the MOA, the Department was to be provided with \$186.05 million in funding to undertake 67 capital improvement projects in the Bronx. (See Appendix I.) As of April 30, 2013 our review indicated that the Department has undertaken 65 projects totaling \$135.9 million.<sup>4</sup> However, only 46 (71 percent) of these projects totaling \$107.4 million have been completed.<sup>5</sup> The remaining 19 projects are either in procurement, design, or construction. (See Appendix II.)

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<sup>4</sup> As shown in Appendix I, some of the 65 projects were subdivided and carried out under multiple contracts.

<sup>5</sup> The two projects that were not undertaken were CROT 15 (Macombs Dam Park Track, Soccer and Ball Fields) totaling \$5,429,580, and CROT 43 (Saturn Playground) totaling \$339,349.

Furthermore, our review found that funding totaling \$10,789,553 was spent on eight projects that we determined were ineligible. (See Appendix III for a list of the eight projects.) For example, a \$2,250,325 project that was not on the eligible list (#CROT 69, Grant Avenue Park Retaining Wall) was funded by transferring a portion of funds from a \$3,158,206 eligible project (#CROT 56, Grant Park – Reconstruction of Passive Seating Area and Construction of Hard Court Game Area). In another example, a \$2,072,000 project that was not on the eligible list (#1ORCHB, Orchard Beach Erosion Control and Beach Restoration) was funded by transferring a portion of the \$6.3 million funding that was set aside for the Orchard Beach Pavilion (#CROT20). The Department could not provide evidence that it amended the MOA (and the annexed Memorandum of Understanding) to make these revisions to the list of eligible projects as required by MOA Exhibit D, Section E- Amendments, which states, “This MOU may not be amended or modified except by written instrument signed by all of the parties hereto, and ratified by the Council.”

Even if the Department did obtain the required modifications, the Department would have expended only \$146.6 million as of April 30, 2013—an amount that falls short by \$39.45 million (i.e., \$186.05 million minus \$146.6 million) of the MOA’s requirement to expend \$186.05 million.

Moreover, ascertaining the status of eligible project work was hampered by the Department’s lack of controls by which to document revisions to work scopes and funding. This was apparent when, during the course of our audit review we could not ascertain from available documentation the eligibility of 26 projects whose work scopes and funding did not coincide with the list of projects in the MOA.<sup>6</sup> After the exit conference, the Department provided additional documents by which we were able to substantiate the eligibility of 18 of the 26 questionable projects.

Exacerbating the problem of ascertaining the status of eligible projects is the fact that the Department did not provide periodic, but at least annual, reports to the New York State Senate and Assembly on the progress of project funding and construction as required by MOA Exhibit D, Section E.

Providing Bronx residents with the capital improvements that were stipulated in the MOA was an important goal for ensuring that the public derived compensation for the displacement of City parkland that resulted from construction of the Croton water filtration plant. However, the Department’s apparent practice of using Croton funding for projects that were not explicitly in the eligible list and without obtaining approvals or providing documentation to substantiate their status leads us to consider whether non-eligible projects should have been funded by other means. The public has in fact, raised concerns that the City may have reduced regular capital funding for Bronx parks.

## Recommendations

The Department should ensure that:

1. All eligible projects are carried out expeditiously with the funding provided for in the MOA.

**Department Response:** “We will continue to ensure that all eligible projects are carried out as expeditiously as possible. Of the six projects currently in

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<sup>6</sup> The Department contended that it increased the number of eligible projects from 67 to 81 (i.e., 26 additional projects) by carrying out some of them under multiple contracts or phases as shown in Appendix I.

construction, three are scheduled for completion this year. However, if an alternative or supplemental funding source becomes available as it did in the case of the Macombs Dam Park Project, the Agency may choose to use this funding toward completion of the eligible project.”

**Auditor Comment:** According to the Department’s “Croton Projects Status Summary,” two of the six projects that are currently in construction are already substantially overdue—one has been delayed by more than two years and one by almost four years. The Macombs Dam Park Project was scheduled to be completed almost four years ago.

2. Eligible projects are modified in accordance with the terms of the MOA.

**Department Response:** “As stated above, the Croton projects, and associated contracts, were in accordance with the guidelines of the MOA.”

**Auditor Comment:** As previously discussed, there was no evidence that the Department amended the MOA to make revisions to the list of eligible projects as stipulated in the MOA Exhibit D, Section E- Amendments.

3. Required progress reports to the New York State Senate and Assembly are submitted periodically or at least annually.

**Department Response:** “We will ensure that progress reports are submitted periodically or at least annually. It is important to note that progress reports on the Parks program are presented to the Croton Monitoring Committee, which has been holding quarterly meetings since the inception of the DEP Filtration Plant project, on a regular basis. Additionally, on a number of occasions the Bronx Borough President’s office and the Parks Commissioner convened Bronx delegation meetings for the purpose of presenting Parks progress on the Croton program to state elected officials.”

## Projects Not Completed on Time and/or Within Budget

### Projects Completed Late

Completing eligible projects on time is an important goal to ensure that the public derives prompt benefit from new or renovated recreational facilities as stipulated in the MOA. Of the 46 completed projects, eight were completed on time and 37 (80 percent) were completed late based on the Department’s scheduled completion dates. The completion status of one project could not be determined. (See Appendix II.)

We reviewed the files for 37 sampled completed projects to assess the causes of schedule delays and cost overruns.<sup>7</sup> (See Appendix IV for a list of the projects.)

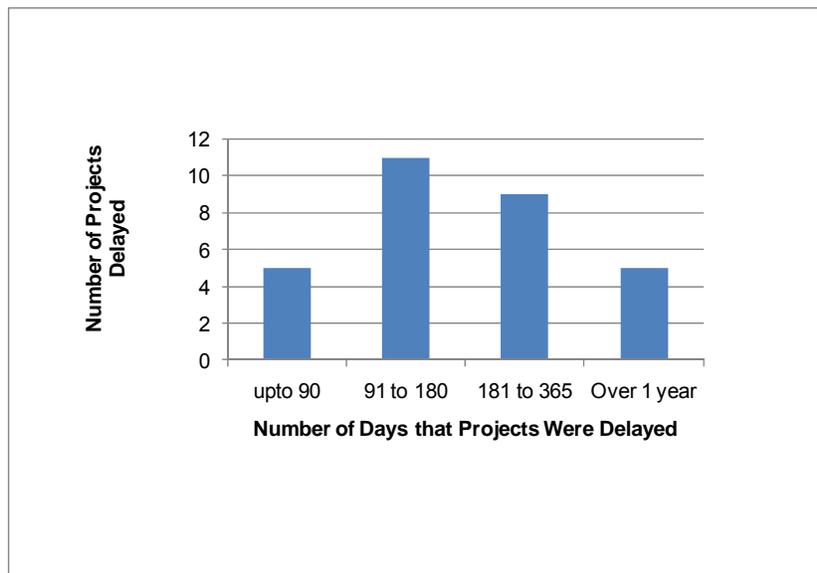
Our review indicated that 30 (83 percent) of the sampled projects were not completed within the Department’s own scheduled completion dates.<sup>8</sup> According to the “Performance Indicator

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<sup>7</sup> Our review of completed projects was based on all projects that, according to the Department, were completed as of September 17, 2012, and that were included on the list of MOA-eligible projects.

Definitions” in the Mayor’s Management Report, projects that are “completed more than 30 days after the scheduled completion date are considered late.” Using this as a standard, project delays ranged from five to 1,115 days; the average delay was 223 days. (See Chart 1.)

**Chart 1**  
**30 Sampled Projects Completed Late**



## **Problems with Controlling Project Delays**

In accordance with the Department’s January 2010 Construction Procedure Manual, the Department is required to prepare partial and final delay analyses that examine the reasons and duration of project delays. Of the 37 sampled project files (see Appendix IV ), 30 projects that were delayed 7,458 days contained final delay analyses. Table 1 on page 13 shows the causes of the delays, the number and percentage of projects that were beset by delays, and the corresponding number and percentage of delay days.

Based on the written descriptions that were provided with the delay analyses, we concluded that the Department was responsible for delays in the following four categories:

- Permit Not Obtained in a Timely Manner
- Design Problems
- Environmental Remediation Required
- Other Agency Delays

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<sup>8</sup> However, our examination of project files showed that one of the 37 projects (#CROT20 Orchard Beach: Portions of Bathhouse) was terminated, not completed. There was no information in Department files about the reason for the termination.

In total, these four categories represented 4,310 (58 percent) of the 7,458 days that these projects were delayed.

**Table 1**  
Analysis of Delays for Sampled Projects

No.	Reason for Delay	No. of Projects Impacted *	Percentage of Projects Impacted	No. of Delay Days
1	Permit Not Timely Obtained	10	33%	1129
2	Change Order Work	8	27%	1355
3	Additional Overrun Items	3	10%	193
4	Inclement Weather	5	17%	370
5	Design Problems	13	43%	1765
6	Field Conditions	4	13%	192
7	Environmental Remediation Required	2	7%	529
8	Other Agency Delays	10	33%	887
9	Other	6	20%	1038
			<b>Total</b>	<b>7458</b>

\* Number total is more than 30 because there could be multiple reasons for a delay in a given project.

As noted in a previous Comptroller’s audit (Oversight of Capital Projects #7E12-067A, issued on January 11, 2013), the Department has implemented certain measures to mitigate project delays.<sup>9</sup> However, our review indicated that although the Department can identify the causes of project delays as previously noted, it has not taken sufficient steps to deal with the problems that have beset the timely completion of eligible projects.

### **Additional Construction Management Costs**

Delays in completing projects that were managed by private construction management consultants led to the expenditure of additional costs paid for construction management personnel. Of 37 sampled completed projects, 24 projects were monitored by the Department’s in-house staff of engineers and 11 projects were monitored by engineers employed by private consultants.<sup>10</sup> Nine of the 11 projects were delayed 3,595 days. According to an analysis that

<sup>9</sup> Procedures were established with the New York State Department of Environmental Conservation and Con Edison to address problems with obtaining permits and coordinating project work.

<sup>10</sup> According to data recorded in the Department’s Q&A system as of January 2, 2013. One project was terminated and one project was not available for review.

was prepared by the Department after the exit conference and that we reviewed the additional cost for construction management services for the projects were monitored by private consultants totaled \$560,791. This cost would not have been necessary had the projects been completed on time.

## Projects With Cost Overruns

Of 34 sampled projects for which actual construction costs were available, seven (21 percent) were not completed within their original contract and contingency amounts totaling \$20,806,331.<sup>11</sup> In accordance with this criteria, the additional costs to complete the seven projects totaled \$6,876,214. The additional costs ranged up to 77 percent above the original contract and contingency amounts.

Completing projects within their originally budgeted amounts is an important goal to ensure that funding is not diverted from other project improvements. Moreover, the Department's Construction Manual advised that, if project costs do exceed the contingency factor, "Additional funding above this amount can often be secured, but the process is time-consuming and requires submission of documents and obtaining approvals from outside the Agency (OMB and ODC)."

## Missing Project Documentation

The Department's "January 2010 Construction Procedure Manual" requires that critical documents be maintained in project files. However, many of the files for sampled projects lacked documentation including letters authorizing orders-to-work, final completion, and final payment. Of particular importance, 16 files lacked approved work schedules; 13 additional files contained schedules that had not been approved. Schedules must be submitted to the Department project manager within 10 days of the order to work date. Schedules must show the start and completion dates of each phase of work and highlight any critical equipment or material purchases required. Maintaining project documentation is an important tool for effectively managing capital projects and monitoring and reporting the progress and costs of projects.

## Recommendations

The Department should ensure that:

4. Eligible projects are completed within their originally scheduled timeframes and original contract and contingency amounts.

**Department Response:** "The Report found that 83% of sampled projects were not done within scheduled timeframes. As we stated at our exit conference for the Report, it is the Agency's goal to complete each capital project in a safe, cost effective and timely manner, and we will continue to improve our procedures in order to move closer to this goal. We also note with respect to the time required to undertake and complete large scale capital projects, there was a year period

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<sup>11</sup> The Department's Construction Manual, Section 13, Project Cost Increases, stipulates the contingency amount to be the greater of 10 percent of the contract amount or \$200,000 for contingency funding, which includes both overruns and change orders. Any cost overruns above this threshold amount must be approved by the Mayor's Office of Contract Services and the Office of Management and Budget.

between execution of the Memorandum of Understanding and execution of the MOA, which had to be finalized before work could begin. Additionally, because of the amount of Croton funding and the number projects involved in the Croton program, additional time was required to receive certificates to proceed. While there are other causes of delays that are beyond our control, such as environmental remediation work, field conditions and inclement weather, there are certain causes of delays that the Agency needs to reduce. In particular, we have focused on streamlining our process for obtaining permits from regulatory agencies and eliminating any construction delays due to the lack of a permit. Parks has also implemented a process for reducing design related delays by facilitating 'constructability' reviews between designers and construction staff before project designs becomes final. It is important to note that these strategies and the strategies discussed in our response to the Comptroller's audit (Oversight of Capital Projects #7E12-067A), would not have been implemented during the period of time covered by this Report, which generally predates the period of time covered in the audit on the Oversight of Capital Projects."

"With regard to maintaining project costs within their budget and contingency amounts, while the Report calculated that the 21% of sampled projects were over their budget and contingency amounts by a total of \$6.8 million, the Report did not take into account the savings generated by the 79% of sampled projects completed at or below their budget and contingency amounts. Indeed, this group of projects cost roughly \$5 million less than projected. As a result, the net amount by which the Agency exceeded its budget and contingency amounts is approximately \$1.8 million or 2.4% of the total cost projection. Although we believe there is always room for improvement, we also believe that we have done well in managing our capital program budgets and have adequate cost controls in place."

**Auditor Comment:** The fact that there was a "year period between execution of the Memorandum of Understanding and execution of the MOA, which had to be finalized before work could begin" is irrelevant insofar as the timely commencement and completion of project work is concerned. The earliest scheduled starting date for the late projects was December 19, 2005. The MOA was executed on September 6, 2005.

Department officials disdained our finding that \$6.8 million was overspent on project budgets because this amount—in their opinion—was "only" 2.4 percent of overall construction costs. But the Department chose to overlook the fact that the \$6.8 million in overspending was on top of its spending all its contingency funding—a generous amount totaling more than \$2.1 million. The Department's Construction Manual states that contingency funding (which provides for contracts to be increased by 10 percent or \$200,000) is to cover "overruns and change orders." Additionally, the contingency funds are for unforeseen conditions, and if not used, cannot be considered as savings. Therefore, we contend that cost increases that exceeded their contingency amounts for seven of 34 sampled projects were significant enough to conclude that the Department was not always overseeing capital construction projects in a cost-effective manner.

5. It implements adequate measures to control delays that are specifically in the Department's control.

**Department Response:** “We agree. Parks is acting aggressively to minimize project delays within its control. As stated above, we have already begun implementing measures to improve our permitting process by working with regulatory agencies to expedite the processes and resolve external delays. We have implemented measures to reduce design delays by addressing potential problems in the planning process.”

6. Critical documents are submitted and maintained in project files.

**Department Response:** “Parks will continue to ensure that all contract files are appropriately maintained.”

## Other Issue

Although the MOA itself did not stipulate a timeframe for completing the improvements, only 29 (46 percent) of the 63 eligible projects totaling \$48.6 million were completed by December 31, 2009.<sup>12</sup> (See Appendix V.) This is approximately the date specified in the original MOU by which the citizens of the Bronx were to have benefitted from over \$200 million of improvements to their parks.

## Recommendations

7. The Department should ensure that the remaining projects are completed expeditiously.

**Department Response:** “Please see our response to Recommendation 1.”

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<sup>12</sup> MOA deadline does not apply to four ULURP projects. Therefore total number of eligible projects is 63.

## DETAILED SCOPE AND METHODOLOGY

We conducted this performance audit in accordance with generally accepted government auditing standards. Those standards require that we plan and perform the audit to obtain sufficient, appropriate evidence to provide a reasonable basis for our findings and conclusions based on our audit objectives. We believe that the evidence obtained provides a reasonable basis for our findings and conclusions based on our audit objectives. This audit was conducted in accordance with the audit responsibilities of the City Comptroller as set forth in Chapter 5, §93, of the New York City Charter. This audit was conducted by auditors with engineering backgrounds.

The scope of this audit covers capital projects identified in MOA Exhibit G. (The audit scope excluded improvements to Roberto Clemente State Park, which were to be undertaken by the New York State Office of Parks, Recreation, and Historic Preservation and horticultural plantings, which were to be undertaken by the New York State Energy Research and Development Authority).

We obtained background information about the Department and its Capital Projects Division from the Department's website and reviewed an audit of the Department (Oversight of Capital Projects, Audit #7E12-067A, issued January 11, 2013) conducted by the Office of the New York City Comptroller.

To understand the policies, procedures, and internal controls governing the Department's role in carrying out eligible Croton-related capital projects in a timely and cost effective manner, we interviewed Department personnel including the Capital Division's Chief of Staff, Chief Contracting Officer, Deputy Chief Contracting Officer, Bronx Team Leader, Deputy Chief of Management Services, and Director of the Budget.

To understand the policies, procedures, and regulations governing capital projects, we reviewed the Department's:

- Memorandum of Understanding (MOU) between the City of New York and the State of New York executed on September 28, 2004,
- Memorandum of Agreement (MOA) between the Department and the Department of Environmental Protection executed on September 6, 2005,
- July 21, 1999, City Council Resolution No. 933 (known as "ULURP Resolution"),
- Organization chart (Capital Projects Division dated June 25, 2012),
- Flowcharts—design process, bid and procurement process, and construction process,
- January 2010 "Construction Procedure Manual"

Based on our walk-through of the Q&A system for Audit #7E12-067A, we understood how project data is recorded in the system during the various phases of a capital project including design, procurement, construction, and close-out. Furthermore, we understood relevant Q&A data fields that are used for determining if a project was delayed and for calculating the extent of delay. For the current audit, we obtained information about the Q&A data fields and budget codes that are used for determining whether a project is funded by Croton funds.

We documented our understanding of operations in memoranda, whose accuracy we asked Department officials to review and confirm.

To determine whether the Department carried out the required capital improvements on time, we reviewed Q&A data, the Department list of expenditures, etc. obtained from the City's Financial Management System (FMS data), and hard copy documentation for scheduled and actual start and completion dates for all sampled projects. We analyzed the data, developed various spreadsheets, and derived statistics about the number of projects completed and the number and percentage of projects completed on time. We also reviewed the FMS list.

To determine whether the Department carried out the required capital improvements within budget, we analyzed registered contract costs on the Q&A data and costs recorded on the latest payment documents from the project files as a basis for determining whether a project was over-budget and for calculating the amount of any cost overruns.

We conducted a walk-through with the Bronx Team Leader and Deputy Chief of Management Services to understand the Department's procedures for planning, scheduling, managing, and allocating funds to carry out the Croton projects.

We reviewed and reconciled information about the number of eligible projects that we obtained from the following sources:

- MOU Exhibit A list of 64 "Eligible Projects for Bronx Parks"
- MOA list of 67 capital improvement projects totaling \$186.05 million (which includes four ULURP projects totaling \$6.05 million)
- Department list obtained from FMS of 90 projects entitled "Croton Project Status Summary" totaling \$157.3 million. Of the 90 projects, 78 totaling \$146.6 million were funded through Croton funds and 12 totaling \$10.7 million were funded through other sources.

To reconcile projects in the MOU and MOA lists, we reviewed a data field (i.e., "project description") that was common to both lists. To reconcile projects in the MOA and FMS lists, we reviewed a data field (i.e., "FMS ID") that was common to both lists. In certain cases, we found variances in FMS ID numbers, project descriptions, and project costs. For those discrepancies, we obtained clarifications from Department officials. Based on our review, we determined that of the 78 projects, 52 projects totaling \$104.3 million matched the eligible projects in the MOA list and 26 projects totaling \$42.3 million did not. Of the 52 eligible projects, two are ULURP projects totaling \$3.4 million. The Department subsequently advised us that three additional projects were underway, which we determined to be eligible projects. Therefore, the total number of projects was 81 (78 plus 3), of which 55 projects were eligible.

We also reconciled the list of 81 projects with the list of 67 eligible and ULURP projects listed in the MOA. After the exit conference, the Department provided us with additional documentation by which we were able to ascertain the eligibility of 18 of the 26 questionable projects. Based on our review, we determined that 73 (55 plus 18) of the 81 projects coincided with the 67 projects in the MOA.

We requested from the Department total project costs including administration, design, and construction costs. We also requested from the Department progress reports that were to be submitted to the New York State Senate and Assembly.

To assess specific causes for schedule delays and cost overruns, we examined Department files for all 37 sampled capital projects that, according to the Department, were completed as of September 17, 2012, and that were included on the list of MOA-eligible projects. The 37 projects consisted of 33 single contract projects and four Wicks Law projects. The Wicks Law projects consisted of 12 separate contracts. Accordingly, the 37 projects in total consisted of 45 contracts. All sampled projects contained work at a single location.

The Department could not provide us with the files for one project (#CROT53 Mount Hope Playground). Additionally, our file review indicated that one project (#CROT20 Orchard Beach: Portions of Bathhouse) was not completed but was terminated. Therefore, our detailed review of causes for schedule delays and cost overruns consisted of 35 projects totaling 43 contracts. We reviewed documentation including order-to-work letters, progress schedules, final completion letters, final payments, and delay analyses. We asked Department officials to provide us with any documentation that was missing from the files.

The files for one of the 35 projects (#CROT 64 Devoe Park Comfort Station) lacked information about its construction costs for all contracts. Therefore, we based our analysis of project costs on documentation that was available for 34 projects.

We analyzed the sampled projects to assess how many were delayed and to ascertain how many pertained to projects that were supervised by consultant construction managers. We determined total delay days associated with the delayed projects. We calculated the additional cost for consultant supervision using the hourly rate provided by the Department. We reduced the cost to provide construction supervision to account for weekends and the possibility that consultants did not always work all seven hours and/or all five days.

We reviewed the sampled files to determine whether the Department ensured that critical documents are submitted and maintained in project files.

**List of MOA Projects**

No.	FMS ID# (per MOU)	FMS ID# (current)	Count of Current Projects	Project Description	Projected Cost (per MOA)
1	CROT01	CROT01	1	Bronx River Greenway: River Park	\$ 904,930
2	CROT55	CROT55	2	Webster Playground	\$ 1,447,888
	CROT01 & CROT55	BCSEL1	3	Bronx - Elec Officials Bldg Req - ELEC XG-208M	
		BCSGC1		Bronx - Elec Officials Bldg Req - GC XG-108M	
		BCSHV1		Bronx - Elec Officials Bldg Req - HVAC XG-408M	
		BCSPL1		Bronx - Elec Officials Bldg Req - PLMB XG-308M	
3	CROT02	CROT02	4	Bronx River Greenway: Birchall to 180th Street Connection	\$ 3,167,255
4	CROT03	CROT03	5	Soundview to Ferry Point Greenway	\$ 2,714,790
5	CROT04	102CEME	6	Bronx River Greenway: Concrete Plant Park	\$ 4,524,650
6	CROT05	CROT05	7	Putnam Trail: acquisition of right of way	\$ 904,930
7	CROT06	CROT06	8	Bronx River Greenway: Pedestrian Bridge	\$ 4,524,650
8	CROT07	CROT07	9	Hutchinson River Greenway	\$ 2,262,325
9	CROT08		10	Soundview Park: lagoon restoration	\$ 2,231,738
		SOUARM	11	Soundview Salt Marsh Restore w/Army Corps X118-610M	
10	CROT09	CROT09	12	Pelham Bay Park: waterfront development	\$ 7,239,440
11	CROT10	CROT10	13	Regatta Park: Washington Bridge Park	\$ 316,726
12	CROT11	CROT11	14	Regatta Park: waterfront access	\$ 1,628,874
13	CROT12	CROT12	15	Pugsely Creek Park Salt Marsh & Buffer Restoration	\$ 769,191
14	CROT13	CROT13	16	Bronx Green House and Nursery	\$ 2,714,790
		CRO13A	17	Van Cortland Park Nursery X092/607M	
15	CROT14	CROT14	18	Aqueduct Lands: Comfort Station and Operations Facility	\$ 1,628,874
16	CROT15	CROT15	19	Macombs Dam Park: Track Soccer & Ballfields	\$ 5,429,580
17	CROT16	CROT16	20	Bronx River Greenway Facility / River House	\$ 4,524,650
18	CROT17	CROT17	21	Williamsbridge Oval Park	\$ 10,424,000
		CRO17B	22	Williamsbridge Oval Plgd 1 & 3 and Spray Plaza X104-107MA	
19	CROT17A	CROT17A	23	Williamsbridge Oval Park	\$ 3,150,000
20	CROT18	CROT18	24	Ferry Point Park	\$ 5,972,538
		CROT66	25	Ferry Point Park Pk - Comfort Station X126-106M	
21	CROT19	CROT19	26	Harris Park Ball field	\$ 8,922,610
22	CROT20	CROT20	27	Orchard Beach: Pavilion	\$ 6,334,510
		CRO20A	28	Orchard Beach Scaffolding X039-309M-OMBP	
23	CROT21	CROT21	29	Pelham Bay Park: Bridle Trails	\$ 904,930
24	CROT22	CROT22	30	Van Cortlandt Park: Allen Shandler Recreation Area	\$ 1,176,409
25	CROUL4 ^	CROT22	31	Van Cortlandt Park: Signage	\$ 50,000
26	CROT23	CROT23	32	Van Cortlandt Park: Comfort Station and Operations Facility	\$ 1,357,395
27	CROT24	CROT24	33	Van Cortlandt Park: Parade Grounds	\$ 14,931,345

No.	FMS ID# (per MOU)	FMS ID# (current)	Count of Current Projects	Project Description	Projected Cost (per MOA)
28	CROT25	CROTOB	34	Crotona Park: Comfort Station and Operations Facility	\$ 2,262,325
29	CROT26		35	Bronx Park Solomine Ball field	\$ 2,714,790
30	CROT29		36	Soundview Park	\$ 3,619,720
31	CROT40		37	Bronx Park Soccer Field and Skate Park	\$ 1,357,395
32	CROUL2 ^		38	Van Cortlandt Park: Allen Shandler Rec. Area	\$ 1,000,000
			39	Multi-site -Synth Turf B/Flds & Adj Sitework (Croton) XG-506M	
33	CROT27	CROT27	40	Bronx Park: 219th Street Entrance	\$ 361,972
34	CROT28	CROT28	41	Jerome Park Reservoir Pathway	\$ 4,524,650
35	CROT30	CROT30	42	Soundview Park: Amphitheater	\$ 791,814
36	CROT31	CROT31	43	Aqueduct Lands: Basketball Courts and Playground	\$ 1,809,860
37	CROT32	CROT32	44	Aqueduct Walk	\$ 6,334,510
38	CROT33	CROTOA	45	Pelham Bay Park: Middletown Road perimeter	\$ 1,357,395
39	CROT34		46	Pelham Bay Park: Picnic areas	\$ 904,930
40	CROT35		47	Pelham Bay Park: Tennis Courts	\$ 2,013,469
41	CROT59	CROT59	48	Drew Playground	\$ 1,447,888
		CROTOA	49	Croton -Pelham bay Pk & Drew Plgd (Phase I) XG-905M	
42	CROT36	CROT36	50	Pelham Parkway Malls	\$ 1,357,395
43	CROT37	CROT37	51	Crotona Park: Amphitheater	\$ 2,262,325
44	CROT38	CROT38	52	Crotona Park: Lake Restoration	\$ 4,434,157
45	CROT41	CROT41	53	Melrose Playground	\$ 1,357,395
46	CROT42	CROT42	54	Story Playground	\$ 6,605,989
		CRO42A	55	Story Plgd Comfort Station X204-105MA1/405M	
47	CROT43	CROT43	56	Saturn Playground	\$ 339,349
48	CROT44	CROT44	57	Field of Dream Park	\$ 1,990,846
49	CROT45	CROT45	58	Pugsely Creek Park	\$ 1,085,916
50	CROT46	CROT46	59	Hines Playground	\$ 633,451
51	CROT47	CROT47	60	Owen Golden Recreation Center	\$ 904,930
52	CROT48	CROT48	61	Clark Playground	\$ 1,357,395
53	CROT49	CROT49	62	Mullaly Park Playground	\$ 1,357,395
54	CROT50	CROT50	63	Manida Ball field	\$ 921,943
55	CROT51	CROT51	64	Sedgwick Playground	\$ 1,628,874
56	CROT58	CROT58	65	Campanaro Playground	\$ 1,764,614
57	CROT63	CROT63	66	Tremont Park	\$ 4,524,650
		CROTOC	67	Croton Multi-site Plgds XG-	
58	CROT52	CROT52	68	Devoe Park	\$ 2,714,790
		CROT64		Devoe Park RC Comfort Station	

No.	FMS ID# (per MOU)	FMS ID# (current)	Count of Current Projects	Project Description	Projected Cost (per MOA)
59	CROT53	CROT53	69	Mount Hope Playground	\$ 1,809,860
60	CROT54	CROT54	70	St. James Park	\$ 4,524,650
		CRO54A	71	St. James Park - Interior Section X044-106M	
		CRO54B	72	St. James Park - Perimeter Section X044-206M	
61	CROT56	CROT56	73	Grant Park	\$ 3,158,206
62	CROT57	CROT57	74	Ambrosini Playground and Ballfield	\$ 1,809,860
63	CROT60	CROT60	75	Haffen Park	\$ 1,131,163
64	CROT61	CROT61	76	Seton Falls Park	\$ 904,930
65	CROT62	CROT62	77	Edenwald Playground	\$ 1,809,860
66	CROUL1 ^	CROUL1 ^	78	Saturn Playground	\$ 2,000,000
67	CROUL3 ^	CROUL3 ^	79	Van Cortlandt Park: Old Croton Aqueduct Trail	\$ 3,000,000
		CROUL6^	80	Van Cortland Park: Old Croton Aqueduct Trail Phase II	
		CROUL7^	81	Signage from Van Cortland to Bryant Park CNYG-1008M	
				<b>Total</b>	<b>\$ 186,049,679</b>
	^ ULURP Projects				
		Total Number of Projects per MOU = 67			
		Total Number of Projects per Current Status = 81			
		Total Projects Cost per MOU for 67 Projects = \$186,049,679			

**Status of Eligible Projects**

No.	FMS ID# (per MOU)	Project Description	Projected Cost (per MOA)	Amount Expended	Amount Applicable to 46 Completed Projects	Status	Actual Start Date	Scheduled Completion Date	Actual Completion Date	Completed	Completed On Time (per Department Schedule)
1	CROT01	Bronx River Greenway: River Park	\$ 904,930	\$ 1,398,117	\$ 1,398,117	Completed	08/15/06	08/14/07	09/27/07	Yes	No
2	CROT55	Webster Playground	\$ 1,447,888	\$ 1,590,008	\$ 1,590,008	Completed	07/10/06	07/09/07	06/13/07	Yes	No
	CROT01 & CROT55	Bronx - Elec Officials Bldg Req - ELEC XG-208M	†	\$ 29,000	\$ 29,000	Completed	05/04/09	05/03/10	07/26/11		
		Bronx - Elec Officials Bldg Req - GC XG-108M	†	\$ 300,000	\$ 300,000	Completed	05/04/09	05/03/10	07/26/11		
		Bronx - Elec Officials Bldg Req - HVAC XG-408M	†	\$ 41,000	\$ 41,000	Completed	05/04/09	05/03/10	07/26/11		
		Bronx - Elec Officials Bldg Req - PLMB XG-308M	†	\$ 115,000	\$ 115,000	Completed	05/04/09	05/03/10	07/26/11		
3	CROT02	Bronx River Greenway: Birchall to 180th Street Connection	\$ 3,167,255	\$ 1,925,313		Construction	07/09/12	07/08/13	N/A	IC	
4	CROT03	Soundview to Ferry Point Greenway	\$ 2,714,790	\$ 2,637,971	\$ 2,637,971	Completed	12/10/07	12/08/08	10/20/09	Yes	No
5	CROT04	Bronx River Greenway: Concrete Plant Park	\$ 4,524,650	\$ 592,000	\$ 592,000	Completed	12/07/09	06/04/10	08/04/10	Yes	No
6	CROT05	Putnam Trail: acquisition of right of way	\$ 904,930	unknown		Procurement	N/A	N/A	N/A	IC	
7	CROT06	Bronx River Greenway: Pedestrian Bridge	\$ 4,524,650	\$ 649,943		Design	N/A	N/A	N/A	IC	
8	CROT07	Hutchinson River Greenway	\$ 2,262,325	\$ 2,473,222		Construction	09/24/12	09/23/13	N/A	IC	
9	CROT08	Soundview Park: lagoon restoration	\$ 2,231,738							Yes	No
		Soundview Salt Marsh Restore w/Army Corps X118-610M	†	\$ 2,195,000	\$ 2,195,000	Completed	10/04/11	06/06/12	12/19/12		
10	CROT09	Pelham Bay Park: waterfront development	\$ 7,239,440	\$ 4,500		Procurement	N/A	N/A	N/A	IC	
11	CROT10	Regatta Park: Washington Bridge Park	\$ 316,726	\$ 88,948		Construction	01/09/12	01/08/13	unknown	IC	
12	CROT11	Regatta Park: waterfront access	\$ 1,628,874	unknown		Design	N/A	N/A	N/A	IC	
13	CROT12	Pugsely Creek Park Salt Marsh & Buffer Restoration	\$ 769,191	\$ 574,957	\$ 574,957	Completed	09/13/10	05/10/11	06/27/12	Yes	No
14	CROT13	Bronx Green House and Nursery	\$ 2,714,790	\$ 203,745		Procurement	N/A	N/A	N/A	IC	
		Van Cortland Park Nursery X092/607M	†	\$ 730,280		Completed	04/06/09	10/02/09	01/26/11		
15	CROT14	Aqueduct Lands: Comfort Station and Operations Facility	\$ 1,628,874	\$ 1,059,767		Construction	03/04/13	03/03/14	N/A	IC	
16	CROT15	Macombs Dam Park: Track Soccer & Ball fields	\$ 5,429,580	*	*	*	*	*	*	*	*
17	CROT16	Bronx River Greenway Facility / River House	\$ 4,524,650	\$ 1,358,898		Procurement	N/A	N/A	N/A	IC	
18	CROT17	Williamsbridge Oval Park	\$ 10,424,000	\$ 3,085,146	\$ 3,085,146	Completed	09/05/07	05/31/08	11/24/08	Yes	No
		Williamsbridge Oval Plgd 1 & 3 and Spray Plaza X104-107MA	†	\$ 6,040,064	\$ 6,040,064	Completed	10/01/09	12/24/10	03/24/11		
19	CROT17A	Williamsbridge Oval Park	\$ 3,150,000	\$ 3,563,867		Construction	04/01/10	05/30/11	N/A	IC	
20	CROT18	Ferry Point Park	\$ 5,972,538	\$ 3,362,057		Completed	06/01/09	04/26/10	12/16/09	IC	
		Ferry Point Park Pk - Comfort Station X126-106M	†	\$ 2,170,005		Design	N/A	N/A	N/A		
21	CROT19	Harris Park Bellfield	\$ 8,922,610	\$ 14,279,655	\$ 14,279,655	Completed	04/14/08	04/13/09	06/01/12	Yes	No
22	CROT20	Orchard Beach: Pavilion	\$ 6,334,510	\$ 679,798	\$ 679,798	Completed **	N/A	N/A	N/A	Yes	Yes
		Orchard Beach Scaffolding X039-309M-OMBP	†	\$ 46,800	\$ 46,800	Completed	09/09/09	10/23/09	10/23/09		

# APPENDIX II

No.	FMS ID# (per MOU)	Project Description	Projected Cost (per MOA)	Amount Expended	Amount Applicable to 46 Completed Projects	Status	Actual Start Date	Scheduled Completion Date	Actual Completion Date	Completed	On Time (per Department Schedule)
23	CROT21	Pelham Bay Park: Bridle Trails	\$ 904,930	\$ 770,847	\$ 770,847	Completed	10/20/08	03/18/09	07/27/09	Yes	No
24	CROT22	Van Cortlandt Park: Allen Shandler Recreation Area	\$ 1,176,409	\$ 1,265,357	\$ 1,265,357	Completed	01/05/09	01/04/10	09/29/09	Yes	Yes
25	CROUL4 ^	Van Cortlandt Park: Signage	\$ 50,000			Completed	unknown	unknown	unknown	Yes	unknown
26	CROT23	Van Cortlandt Park: Comfort Station and Operations Facility	\$ 1,357,395	\$ 1,517,201	\$ 1,517,201	Completed	12/28/09	12/27/10	02/21/13	Yes	No
27	CROT24	Van Cortlandt Park: Parade Grounds	\$ 14,931,345	\$ 12,807,427	\$ 12,807,427	Completed	08/18/08	08/17/10	10/11/12	Yes	No
28	CROT25	Crotona Park: Comfort Station and Operations Facility	\$ 2,262,325							Yes	No
29	CROT26	Bronx Park Solomine Bellfield	\$ 2,714,790							Yes	No
30	CROT29	Soundview Park	\$ 3,619,720							Yes	No
31	CROT40	Bronx Park Soccer Field and Skate Park	\$ 1,357,395							Yes	No
32	CROUL2 ^	Van Cortlandt Park: Allen Shandler Rec. Area	\$ 1,000,000							Yes	No
		Multi-site -Synth Turf B/Flds & Adj Sitework (Croton) XG-506M	†	\$ 7,900,599	\$ 7,900,599	Completed	08/27/07	02/21/09	11/05/09		
33	CROT27	Bronx Park: 219th Street Entrance	\$ 361,972	\$ 335,527	\$ 335,527	Completed	08/04/08	01/30/09	06/25/09	Yes	No
34	CROT28	Jerome Park Reservoir Pathway	\$ 4,524,650	\$ 310,377		Procurement	N/A	N/A	N/A	IC	
35	CROT30	Soundview Park: Amphitheater	\$ 791,814	\$ 1,381,573		Procurement	N/A	N/A	N/A	IC	
36	CROT31	Aqueduct Lands: Basketball Courts and Playground	\$ 1,809,860	\$ 1,682,537	\$ 1,682,537	Completed	01/16/07	01/15/08	06/26/08	Yes	No
37	CROT32	Aqueduct Walk	\$ 6,334,510	\$ 395,141		Procurement	N/A	N/A	N/A	IC	
38	CROT33	Pelham Bay Park: Middletown Road perimeter	\$ 1,357,395							Yes	Yes
39	CROT34	Pelham Bay Park: Picnic areas	\$ 904,930							Yes	Yes
40	CROT35	Pelham Bay Park: Tennis Courts	\$ 2,013,469							Yes	Yes
41	CROT59	Drew Playground	\$ 1,447,888	\$ 955,113	\$ 955,113	Completed	08/20/07	06/14/08	06/27/08	Yes	Yes
		Croton -Pelham bay Pk & Drew Plgd (Phase I) XG-905M	†	\$ 4,700,000	\$ 4,700,000	Completed	06/13/05	12/12/06	02/22/06		
42	CROT36	Pelham Parkway Malls	\$ 1,357,395	\$ 141,446		Design	N/A	N/A	N/A	IC	
43	CROT37	Crotona Park: Amphitheater	\$ 2,262,325	\$ 1,761,596	\$ 1,761,596	Completed	08/05/08	01/31/09	06/25/09	Yes	No
44	CROT38	Crotona Park: Lake Restoration	\$ 4,434,157	\$ 4,909,417	\$ 4,909,417	Completed	09/04/07	09/02/08	06/24/09	Yes	No
45	CROT41	Melrose Playground	\$ 1,357,395	\$ 1,190,855	\$ 1,190,855	Completed	08/20/07	08/18/08	01/05/09	Yes	No
46	CROT42	Story Playground	\$ 6,605,989	\$ 5,222,296		Completed	09/18/06	01/10/08	06/26/08	IC	
		Story Plgd Comfort Station X204-105MA1/405M	†	\$ 639,650		Construction	09/10/08	09/09/09			

No.	FMS ID# (per MOU)	Project Description	Projected Cost (per MOA)	Amount Expended	Amount Applicable to 46 Completed Projects	Status	Actual Start Date	Scheduled Completion Date	Actual Completion Date	Completed	On Time (per Department Schedule)
47	CROT43	Saturn Playground	\$ 339,349	*	*	*	*	*	*	*	*
48	CROT44	Field of Dream Park	\$ 1,990,846	\$ 1,112,387	\$ 1,112,387	Completed	11/30/09	08/26/10	05/12/11	Yes	No
49	CROT45	Pugsely Creek Park	\$ 1,085,916	unknown		Design	N/A	N/A	N/A	IC	
50	CROT46	Hines Playground	\$ 633,451	\$ 427,409	\$ 427,409	Completed	11/09/09	05/07/10	06/30/10	Yes	No
51	CROT47	Owen Golden Recreation Center	\$ 904,930	\$ 1,112,761	\$ 1,112,761	Completed	04/27/09	09/23/09	06/23/10	Yes	No
52	CROT48	Clark Playground	\$ 1,357,395	\$ 1,408,920	\$ 1,408,920	Completed	08/07/06	05/03/07	06/30/08	Yes	No
53	CROT49	Mullaly Park Playground	\$ 1,357,395	\$ 1,360,478	\$ 1,360,478	Completed	10/01/07	03/28/08	05/23/08	Yes	No
54	CROT50	Manida Ballfield	\$ 921,943	\$ 1,596,196	\$ 1,596,196	Completed	09/11/06	06/07/07	05/22/08	Yes	No
55	CROT51	Sedgwick Playground	\$ 1,628,874	\$ 1,843,949	\$ 1,843,949	Completed	09/16/08	06/12/09	09/16/09	Yes	No
56	CROT58	Campanaro Playground	\$ 1,764,614	\$ 1,677,655	\$ 1,677,655	Completed	09/24/08	06/20/09	10/08/09	Yes	No
57	CROT63	Tremont Park	\$ 4,524,650	\$ 4,158,717	\$ 4,158,717	Completed	04/19/10	04/13/11	06/30/11	Yes	No
		Croton Multi-site Plgds XG-	†	\$ 419,257	\$ 419,257	Completed	unknown	unknown	unknown		
58	CROT52	Devoe Park	\$ 2,714,790	\$ 2,356,996	\$ 2,356,996	Completed	09/06/06	06/02/07	04/11/08	Yes	No
		Devoe Park RC Comfort Station	†	\$ 973,370	\$ 973,370	Completed					
59	CROT53	Mount Hope Playground	\$ 1,809,860	\$ 1,516,617	\$ 1,516,617	Completed	10/24/06	10/23/07	06/27/08	Yes	No
60	CROT54	St. James Park	\$ 4,524,650	\$ 1,180,987	\$ 1,180,987	Completed	04/25/05	04/24/06	11/20/06	Yes	No
		St. James Park - Interior Section X044-106M	†	\$ 2,525,455	\$ 2,525,455	Completed	09/10/07	09/08/08	10/07/08		
		St. James Park - Perimeter Section X044-206M	†	\$ 1,045,000	\$ 1,045,000	Completed	10/09/07	04/15/08	09/19/08		
61	CROT56	Grant Park	\$ 3,158,206	\$ 1,089,709	\$ 1,089,709	Completed	07/05/05	01/30/06	01/26/06	Yes	Yes
62	CROT57	Ambrosini Playground and Ballfield	\$ 1,809,860	\$ 1,730,978	\$ 1,730,978	Completed	12/11/06	12/10/07	11/16/07	Yes	Yes
63	CROT60	Haffen Park	\$ 1,131,163	\$ 1,036,040	\$ 1,036,040	Completed	12/19/05	06/16/06	07/21/06	Yes	No
64	CROT61	Seton Falls Park	\$ 904,930	\$ 1,129,109	\$ 1,129,109	Completed	09/05/06	03/03/07	07/10/07	Yes	No
65	CROT62	Edenwald Playground	\$ 1,809,860	\$ 1,637,903	\$ 1,637,903	Completed	05/19/08	02/12/09	09/17/09	Yes	No
66	CROUL1 ^	Saturn Playground	\$ 2,000,000	\$ 2,662,380	\$ 2,662,380	Completed	10/18/05	10/17/06	03/09/07	Yes	No
67	CROUL3 ^	Van Cortlandt Park: Old Croton Aqueduct Trail	\$ 3,000,000	\$ 746,717		Construction	1/16/2012	1/14/2013	unknown	IC	
		Van Cortlandt Park: Old Croton Aqueduct Trail Phase II	†	\$ 1,978,056		Construction	1/16/2012	1/14/2013	unknown		
		Signage from Van Cortlandt to Bryant Park CNYG-1008M	†	\$ 59,794		Procurement	N/A	N/A	N/A		
		<b>Total</b>	<b>\$ 186,049,679</b>	<b>\$ 135,868,860</b>	<b>\$ 107,403,265</b>					Yes = 46	8
										Incomplete (IC) / No = 19	37
										unknown = 1	1
										<b>Total = 65</b>	<b>46</b>
										+ Not done = 2	
										<b>67</b>	

^ ULURP Projects (MOA Deadline does not apply)  
 \* Projects not done (total 2 projects)  
 \*\* Project was terminated  
 N/A Not applicable  
 † Included in the base Project Cost

**List of Projects Deemed Ineligible**

No.	FMS ID	Description	Total	Reason
1	10PBPS	PELHAM BAY PARK - NATURE CENTER X039-106M	\$ 500,000	different scope of work
2	CROT67	MULLALY PARK - SOUTH SECTION X034-106M	\$ 4,606,660	different scope of work different project location
3	CROT68	MULLALY PARK - SKATE BUILDING X034-207M	\$ 350,633	different scope of work different project location
4	CROT69	GRANT AVE PARK - RETAINING WALLS X271-106M	\$ 2,250,325	different scope of work
5	CROT71	CROTONA BATHHOUSE - MEZZANINE INTERIOR X010-308MA	\$ 34,768	different scope of work
6	CROT72	SYNTHETIC FIELD AT CROTONA PARK X010-109M	\$ 626,230	different scope of work
7	CROUL5	CROTON - BRONX TREE PLANTING XG-1005M	\$ 348,937	New York State Energy Research and Development Authority was provided \$10 million for this project
8	ORCHB	Orchard Beach Erosion Ctrl & Beach Restoration X039-110M	\$ 2,072,000	different scope of work
		<b>Total</b>	<b>\$ 10,789,553</b>	

**List of Audit Sampled Completed Projects\***

No.	FMS ID	Description	Total	Delayed	Cost Overruns
1	CROT01	BRONX RIVER GREENWAY : RIVER PK X002-105M	\$ 1,398,117	x	x
2	CROT03	SOUNDVIEW TO FERRY POINT GREENWAY XG-1105M	\$ 2,637,971	x	
3	CROT12	PUGSLEY CREEK SALT MARSH & BUFFER RESTOR X088-506M&106M OMBP	\$ 574,957	x	
4	CROT17	WILLIAMSBRIDGE OVAL PK-SYNTHETIC TURF & TRACK X104-306M	\$ 3,085,146	x	
5	CROT18	FERRY POINT PARK - PHASE I X126-107M	\$ 3,362,057		
6	CROT19	HARRIS PARK ATHLETIC FIELDS X136-106M	\$ 14,279,655	x	x
7	CROT20	ORCHARD BEACH: PORTIONS OF BATHHOUSE X039-107M	\$ 679,798		
8	CROT21	PELHAM BAY PARK: BRIDLE TRAILS X039-607M	\$ 770,847	x	
9	CROT22	VAN CORTLANDT PK: ALLEN SHANDLER RECREATION AREA X092-707M	\$ 1,265,357		
10	CROT24	VAN CORTLANDT PK: PARADE GROUNDS X092-107M	\$ 12,807,427	x	
11	CROT27	BRONX PARK: 219TH STREET ENTRANCE X004-107M	\$ 335,527	x	
12	CROT31	AQUEDUCT LANDS: BASKETBALL CTS & PLGD X001-105M	\$ 1,682,537	x	
13	CROT37	CROTONA PARK: NATURAL AMPHITHEATER X010-107M	\$ 1,761,596	x	x
14	CROT38	CROTONA PARK: LAKE RESTORATION X010-706M	\$ 4,909,417	x	
15	CROT41	MELROSE PLAYGROUND X154-106M	\$ 1,190,855	x	
16	CROT42	STORY PLAYGROUND RC OF P. S. 100 X204-106M	\$ 5,222,296	x	x
17	CROT44	PUGSLEY CREEK - FIELD OF DREAMS BFLDS & SITEWORK X088-207M	\$ 1,112,387	x	
18	CROT46	HINES PARK - RECONST OF RETAINING WALL X026-107M	\$ 427,409	x	
19	CROT47	OWEN DOLEN GOLDEN RECREATION CENTER X016-107M, X016-307M	\$ 1,112,761	x	
20	CROT48	CLARK PLAYGROUND RC X200-105M	\$ 1,408,920	x	
21	CROT49	MULLALLY PARK - NORTH SECTION X034-107M	\$ 1,360,478	x	
22	CROT50	MANIDA PARK - PRIME BALLFIELD X260-105M	\$ 1,596,196	x	x
23	CROT51	SEDGWICK PLAYGROUND X158-106M	\$ 1,843,949	x	
24	CROT52	DEVOE PARK -PLAYGROUND & MISCELL AREAS X013-105M	\$ 2,356,996	x	
25	CROT53	MOUNT HOPE PLAYGROUND X257-105M	\$ 1,516,617	x	
26	CROT54	ST. JAMES PARK - STEPS, WALLS AND PAVEMENTS X044-106M	\$ 1,180,987	x	x
27	CROT55	WEBSTER PLAYGROUND RC X174-105M	\$ 1,590,008		
28	CROT56	GRANT PARK CONST OF NE PORTION- X271-102M	\$ 1,089,709		
29	CROT57	AMBROSINI PLAYGROUND AND BALLFIELD RC X253-105M	\$ 1,730,978		
30	CROT58	CAMPANARO PLAYGROUND X187-106M	\$ 1,677,655	x	
31	CROT59	FULTON(DREW) PLAYGROUND - PHASE II X021-107M	\$ 955,113		
32	CROT60	HAFFEN PARK RC OF ATHLETIC FIELD X196-105M	\$ 1,036,040	x	
33	CROT61	SETON FALLS PARK X046-105M	\$ 1,129,109	x	
34	CROT62	EDENWALD PLAYGROUND X165-105M	\$ 1,637,903	x	
35	CROT63	TREMONT PARK X010-806M	\$ 4,158,717	x	
36	CROT64	DEVOE PK RC OF COMFORT STATION X013-106M/406M	\$ 973,370	x	
37	CROUL1 ^	VAN CORT PLGD & COMF. STAT(SACHKERAH WOODS) X092-400MA/700MA	\$ 2,662,380	x	
		<b>Total</b>	<b>\$ 88,521,242</b>		
		^ ULURP Project		<b>30</b>	<b>6</b>
		* The audit sample was selected from the projects that the Department contended were completed as of September 17, 2012.			

**Status of Eligible Projects (Per MOU\*\*\*)**

No.	FMS ID# (per MOU)	Project Description	Projected Cost (per MOA)	Amount Expended	Amount Applicable to 29 Completed Projects within MOU Deadline	Completed	Completed Within MOU Deadline***
1	CROT01	Bronx River Greenway: River Park	\$ 904,930	\$ 1,398,117		X	No
2	CROT55	Webster Playground	\$ 1,447,888	\$ 1,590,008		X	No
	CROT01 & CROT55	Bronx - Elec Officials Bldg Req - ELEC XG-208M		\$ 29,000			
		Bronx - Elec Officials Bldg Req - GC XG-108M		\$ 300,000			
		Bronx - Elec Officials Bldg Req - HVAC XG-408M		\$ 41,000			
		Bronx - Elec Officials Bldg Req - PLMB XG-308M		\$ 115,000			
3	CROT02	Bronx River Greenway: Birchall to 180th Street Connection	\$ 3,167,255	\$ 1,925,313			
4	CROT03	Soundview to Ferry Point Greenway	\$ 2,714,790	\$ 2,637,971	\$ 2,637,971	X	Yes
5	CROT04	Bronx River Greenway: Concrete Plant Park	\$ 4,524,650	\$ 592,000		X	No
6	CROT05	Putnam Trail: acquisition of right of way	\$ 904,930	unknown			
7	CROT06	Bronx River Greenway: Pedestrian Bridge	\$ 4,524,650	\$ 649,943			
8	CROT07	Hutchinson River Greenway	\$ 2,262,325	\$ 2,473,222			
9	CROT08	Soundview Park: lagoon restoration	\$ 2,231,738			X	No
		Soundview Salt Marsh Restore w/Army Corps X118-610M		\$ 2,195,000			
10	CROT09	Pelham Bay Park: waterfront development	\$ 7,239,440	\$ 4,500			
11	CROT10	Regatta Park: Washington Bridge Park	\$ 316,726	\$ 88,948			
12	CROT11	Regatta Park: waterfront access	\$ 1,628,874	unknown			
13	CROT12	Pugsely Creek Park Salt Marsh & Buffer Restoration	\$ 769,191	\$ 574,957		X	No
14	CROT13	Bronx Green House and Nursery	\$ 2,714,790	\$ 203,745			
		Van Cortland Park Nursery X092/607M		\$ 730,280			
15	CROT14	Aqueduct Lands: Comfort Station and Operations Facility	\$ 1,628,874	\$ 1,059,767			
16	CROT15	Macombs Dam Park: Track Soccer & Ball fields	\$ 5,429,580	*			
17	CROT16	Bronx River Greenway Facility / River House	\$ 4,524,650	\$ 1,358,898			
18	CROT17	Williamsbridge Oval Park	\$ 10,424,000	\$ 3,085,146		X	No
		Williamsbridge Oval Plgd 1 & 3 and Spray Plaza X104-107MA		\$ 6,040,064			
19	CROT17A	Williamsbridge Oval Park	\$ 3,150,000	\$ 3,563,867			
20	CROT18	Ferry Point Park	\$ 5,972,538	\$ 3,362,057			
		Ferry Point Park Pk - Comfort Station X126-106M		\$ 2,170,005			
21	CROT19	Harris Park Ball field	\$ 8,922,610	\$ 14,279,655		X	No
22	CROT20	Orchard Beach: Pavilion	\$ 6,334,510	\$ 679,798	\$ 679,798	X	Yes
		Orchard Beach Scaffolding X039-309M-OMBP		\$ 46,800	\$ 46,800		
23	CROT21	Pelham Bay Park: Bridle Trails	\$ 904,930	\$ 770,847	\$ 770,847	X	Yes
24	CROT22	Van Cortlandt Park: Allen Shandler Recreation Area	\$ 1,176,409	\$ 1,265,357	\$ 1,265,357	X	Yes
25	CROUL4 ^	Van Cortlandt Park: Signage	\$ 50,000			X	N/A
26	CROT23	Van Cortlandt Park: Comfort Station and Operations Facility	\$ 1,357,395	\$ 1,517,201		X	No
27	CROT24	Van Cortlandt Park: Parade Grounds	\$ 14,931,345	\$ 12,807,427		X	No
28	CROT25	Crotona Park: Comfort Station and Operations Facility	\$ 2,262,325			X	Yes
29	CROT26	Bronx Park Solomine Ball field	\$ 2,714,790			X	Yes
30	CROT29	Soundview Park	\$ 3,619,720			X	Yes
31	CROT40	Bronx Park Soccer Field and Skate Park	\$ 1,357,395			X	Yes
32	CROUL2 ^	Van Cortlandt Park: Allen Shandler Rec. Area	\$ 1,000,000			X	N/A
		Multi-site -Synth Turf B/Flds & Adj Sitework (Croton) XG-506M		\$ 7,900,599	\$ 6,900,599		
33	CROT27	Bronx Park: 219th Street Entrance	\$ 361,972	\$ 335,527	\$ 335,527	X	Yes
34	CROT28	Jerome Park Reservoir Pathway	\$ 4,524,650	\$ 310,377			
35	CROT30	Soundview Park: Amphitheater	\$ 791,814	\$ 1,381,573			

No.	FMS ID# (per MOU)	Project Description	Projected Cost (per MOA)	Amount Expended	Amount Applicable to 29 Completed Projects within MOU Deadline	Completed	Completed Within MOU Deadline***
36	CROT31	Aqueduct Lands: Basketball Courts and Playground	\$ 1,809,860	\$ 1,682,537	\$ 1,682,537	X	Yes
37	CROT32	Aqueduct Walk	\$ 6,334,510	\$ 395,141			
38	CROT33	Pelham Bay Park: Middletown Road perimeter	\$ 1,357,395			X	Yes
39	CROT34	Pelham Bay Park: Picnic areas	\$ 904,930			X	Yes
40	CROT35	Pelham Bay Park: Tennis Courts	\$ 2,013,469			X	Yes
41	CROT59	Drew Playground	\$ 1,447,888	\$ 955,113	\$ 955,113	X	Yes
		Croton -Pelham bay Pk & Drew Plgd (Phase I) XG-905M		\$ 4,700,000	\$ 4,700,000		
42	CROT36	Pelham Parkway Malls	\$ 1,357,395	\$ 141,446			
43	CROT37	Crotona Park: Amphitheater	\$ 2,262,325	\$ 1,761,596	\$ 1,761,596	X	Yes
44	CROT38	Crotona Park: Lake Restoration	\$ 4,434,157	\$ 4,909,417	\$ 4,909,417	X	Yes
45	CROT41	Melrose Playground	\$ 1,357,395	\$ 1,190,855	\$ 1,190,855	X	Yes
46	CROT42	Story Playground	\$ 6,605,989	\$ 5,222,296			
		Story Plgd Comfort Station X204-105MA1/405M		\$ 639,650			
47	CROT43	Saturn Playground	\$ 339,349	*			
48	CROT44	Field of Dream Park	\$ 1,990,846	\$ 1,112,387		X	No
49	CROT45	Pugsely Creek Park	\$ 1,085,916	unknown			
50	CROT46	Hines Playground	\$ 633,451	\$ 427,409		X	No
51	CROT47	Owen Golden Recreation Center	\$ 904,930	\$ 1,112,761		X	No
52	CROT48	Clark Playground	\$ 1,357,395	\$ 1,408,920	\$ 1,408,920	X	Yes
53	CROT49	Mullaly Park Playground	\$ 1,357,395	\$ 1,360,478	\$ 1,360,478	X	Yes
54	CROT50	Manida Ball field	\$ 921,943	\$ 1,596,196	\$ 1,596,196	X	Yes
55	CROT51	Sedgwick Playground	\$ 1,628,874	\$ 1,843,949	\$ 1,843,949	X	Yes
56	CROT58	Campanaro Playground	\$ 1,764,614	\$ 1,677,655	\$ 1,677,655	X	Yes
57	CROT63	Tremont Park	\$ 4,524,650	\$ 4,158,717		X	No
		Croton Multi-site Plgds XG-		\$ 419,257			
58	CROT52	Devoe Park	\$ 2,714,790	\$ 2,356,996		X	No
		Devoe Park RC Comfort Station		\$ 973,370			
59	CROT53	Mount Hope Playground	\$ 1,809,860	\$ 1,516,617	\$ 1,516,617	X	Yes
60	CROT54	St. James Park	\$ 4,524,650	\$ 1,180,987	\$ 1,180,987	X	Yes
		St. James Park - Interior Section X044-106M		\$ 2,525,455	\$ 2,525,455		
		St. James Park - Perimeter Section X044-206M		\$ 1,045,000	\$ 1,045,000		
61	CROT56	Grant Park	\$ 3,158,206	\$ 1,089,709	\$ 1,089,709	X	Yes
62	CROT57	Ambrosini Playground and Ball field	\$ 1,809,860	\$ 1,730,978	\$ 1,730,978	X	Yes
63	CROT60	Haffen Park	\$ 1,131,163	\$ 1,036,040	\$ 1,036,040	X	Yes
64	CROT61	Seton Falls Park	\$ 904,930	\$ 1,129,109	\$ 1,129,109	X	Yes
65	CROT62	Edenwald Playground	\$ 1,809,860	\$ 1,637,903	\$ 1,637,903	X	Yes
66	CROUL1 ^	Saturn Playground	\$ 2,000,000	\$ 2,662,380		X	N/A
67	CROUL3 ^	Van Cortlandt Park: Old Croton Aqueduct Trail	\$ 3,000,000	\$ 746,717			
		Van Cortlandt Park: Old Croton Aqueduct Trail Phase II		\$ 1,978,056			
		Signage from Van Cortlandt to Bryant Park CNYG-1008M		\$ 59,794			
		<b>Total</b>	<b>\$ 186,049,679</b>	<b>\$ 135,868,860</b>	<b>\$ 48,615,413</b>	<b>46</b>	
Total # of Eligible Projects = 67 - 4 (ULURP Projects; #s 25, 32, 66 & 67) = 63							
						Yes =	29
		^ ULURP Projects (MOA Deadline does not apply)				No =	14
		* Projects not done (total 2 projects)				N/A =	3
		** Project was terminated					46
		*** We considered the project completed within the MOU deadline if it was completed by December 31, 2009					
		N/A Not applicable					



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June 12, 2013

H. Tina Kim  
Deputy Comptroller for Audit  
City of New York Office of the Comptroller  
One Centre Street  
New York, NY 10007-2341

**Re: Comptroller's Draft Audit Report, 7E12-140A  
Audit Report on the Implementation of Croton Water Filtration Plant Park Projects by the  
Department of Parks & Recreation**

Dear Deputy Comptroller Kim:

This letter addresses the findings and recommendations ("Recommendations") contained in the New York City Comptroller's ("Comptroller") Draft Audit Report ("Report"), dated May 29, 2013, on the Department of Parks & Recreation's ("Parks" or "the Department" or "the Agency") implementation of Croton Water Filtration Plant Park Projects.

Parks is extremely proud of its diverse portfolio of Croton-funded park improvements across the Bronx. As a result of our Croton program work, we received a "Designing the Parks" Merit Award for the construction of a new park out of a former industrial concrete plant and received a Public Design Commission Award for the design of the Starlight Park Riverhouse (a soon to be constructed boathouse and nature classroom). Additionally, we have restored natural areas, built an amphitheater, greenhouse, playgrounds, basketball courts, bridle trails, synthetic turf fields, running tracks, cricket fields, tennis courts, recreational areas, comfort stations and planted thousands of trees, all with community input. This is a substantial accomplishment, and there are more projects in design and construction phases. The Croton projects are an ambitious and complex undertaking for the Department because of the sheer size and volume of the projects, and while some of the projects took longer to complete than initially planned, the completed projects are safe, beautiful, well designed, well constructed, heavily used and have stayed largely on budget. The sum of this work represents a significant upgrade in the infrastructure of our parks that will benefit generations of Bronx residents. The Report does not mention these important achievements.

The Report determined that Parks has completed or started work on 65 of the 67 capital improvement projects listed in the Memorandum of Agreement ("MOA") between the Department of Environmental Protection and Parks for funding of the Croton Projects. Of the 65 projects, the Report found that 46 projects were completed. The Report found that nearly 80% of its sampled projects were completed within budget and contingency amounts. The Report also states that Parks has expended up to \$146.6 million of the \$186 million in MOA funding. However, this summary does not provide a full accounting of the Department's Croton program costs because it excludes improvements that have not yet been billed to the Department and it excludes the costs that will be incurred to complete additional MOA projects. Once factoring in the costs of these projects, including \$34.6m in pipeline work, contingency amounts for the remaining projects and the cost of ULURP projects omitted by the Report, we believe the total cost of the Croton work will be \$186 million.



The Report also states that auditors initially believed that 26 contracts, not eight, were ineligible due to “the Department’s lack of controls.” In fact, the cause of this confusion was due to a lack of communication, and not a lack of controls. The auditors appear to have made certain assumptions about the status of these projects. Once we discussed this matter at the exit conference, the auditors reassessed many of their initial determinations regarding the eligibility of these contracts, and the Report now cites eight contracts for improvements as “ineligible” for inclusion under the MOA. However, Parks carefully examined these projects and must strongly disagree with this mischaracterization, as all such projects are included in the MOA’s scope were developed in consultation with the community and are valuable popular park amenities, as follows:

1. Pelham Bay Park Nature Center (Comfort Station) – The description of work for this project in the MOA is stated as “Development of waterfront area near landfill, plus greenway link and seawall repair.” Developing the waterfront includes providing basic amenities such as public restrooms, which are a necessary component of a larger waterfront redevelopment in Pelham Bay Park.
2. Mullaly Park South Section / 3. Mullaly Park Skate Building – Mullaly Park is an eligible project location in the MOA. The project was split into two phases of work, including a playground in one phase and reconstruction of the skate building (which includes a comfort station) in the second phase. Both projects are supported by the community, encourage children and teenagers to be physically active, and increase park utilization. Indeed, the Agency has exceeded the requirements of the MOA by building a Skate Park and public restrooms used by thousands of Bronx residents, with facilities intended to accommodate increased public usage of this renovated park.
4. Grant Avenue Park Retaining Walls – The description of work for this project in the MOA is stated as “Reconstruction of passive seating area for seniors and construction of hard court gaming area.” It is important to note the Report acknowledges that the passive seating area is complete. The retaining wall improvements are simply a second phase of this project, which were absolutely necessary to provide a safe and stable foundation.
5. Crotona Bathhouse Mezzanine Interior / 6. Synthetic Field At Crotona Park –The description of work for this project in the MOA is stated as “Construction of a comfort station with a maintenance and operations component in the northern portion of the park.” In consultation with the community and public officials, Parks upgraded a well-situated but underutilized existing facility within the park to serve as a comfort station and operations facility, and exceeded our commitment in the MOA by including a new synthetic turf field to meet increasing recreational demand.
7. Croton Bronx Tree Planting – The description of work for this project in the MOA is stated as “Creation of Greenstreets, improvement and expansion of horticultural plantings in parks and playgrounds, and addition of street trees in underserved neighborhoods.” In this case, trees planted by Parks supplemented the greening work assigned to the NY State Energy Research and Development Authority in a manner consistent with eligibility criteria of the MOA by greening the Bronx. This is undeniably eligible work.
8. Orchard Beach Erosion Control and Beach Restoration – The Report questions the eligibility of this contract because the auditors believe it represents a “different scope of work” from the MOA. The description of work for this project in the MOA is stated as “Stabilization of the (Orchard Beach) Pavillion.” This contract assisted, as one phase, of the stabilization of the pavilion. It is an eligible project.

The fact is that we have completed nearly 50 Croton improvement projects with over a dozen additional projects in the pipeline. These projects are valuable to the communities they serve and will enhance the quality of life for generations of Bronx residents. While the Report may attempt to raise questions with respect to

whether the public derived compensation from the Croton program, it is obvious that a great deal of public good has come out of this program.” However, the Report suggests that “...the City may have reduced regular capital funding for Bronx parks” due to Croton funding. The Report, makes this misleading suggestion without presenting the Agency with any written documentation or analysis.

As a final matter before discussing the Recommendations, we note that Appendix II of the Report found that the Macombs Dam Park, Track, Soccer and Ballfields project is not done. In fact, this project was completed with an alternative funding source (connected with construction of the new Yankee Stadium), and should be counted as such.

The Report included the following Recommendations:

**Recommendation 1** – Ensure that all eligible projects are carried out expeditiously with the funding provided for in the MOA.

We will continue to ensure that all eligible projects are carried out as expeditiously as possible. Of the six projects currently in construction, three are scheduled for completion this year. However, if an alternative or supplemental funding source becomes available as it did in the case of the Macombs Dam Park Project, the Agency may choose to use this funding toward completion of the eligible project.

**Recommendation 2** – Ensure that eligible projects are modified in accordance with the terms of the MOA.

As stated above, the Croton projects, and associated contracts, were in accordance with the guidelines of the MOA.

**Recommendation 3** – Ensure that required progress report to the New York State Senate and Assembly are submitted periodically or at least annually.

We will ensure that progress reports are submitted periodically or at least annually. It is important to note that progress reports on the Parks program are presented to the Croton Monitoring Committee, which has been holding quarterly meetings since the inception of the DEP Filtration Plant project, on a regular basis. Additionally, on a number of occasions the Bronx Borough President's office and the Parks Commissioner convened Bronx delegation meetings for the purpose of presenting Parks progress on the Croton program to state elected officials.

**Recommendation 4** – Ensure that eligible projects are completed within their originally scheduled timeframes and original contract and contingency amounts.

The Report found that 83% of sampled projects were not done within scheduled timeframes. As we stated at our exit conference for the Report, it is the Agency's goal to complete each capital project in a safe, cost effective and timely manner, and we will continue to improve our procedures in order to move closer to this goal. We also note with respect to the time required to undertake and complete large scale capital projects, there was a year period between execution of the Memorandum of Understanding and execution of the MOA, which had to be finalized before work could begin. Additionally, because of the amount of Croton funding and the number projects involved in the Croton program, additional time was required to receive certificates to proceed. While there are other causes of delays that are beyond our control, such as environmental remediation work, field conditions and inclement weather, there are certain causes of delays that the Agency needs to reduce. In particular, we have focused on streamlining our process for obtaining permits from

regulatory agencies and eliminating any construction delays due to the lack of a permit. Parks has also implemented a process for reducing design related delays by facilitating "constructability" reviews between designers and construction staff before project designs becomes final. It is important to note that these strategies and the strategies discussed in our response to the Comptroller's audit (Oversight of Capital Projects #7E12-067A), would not have been implemented during the period of time covered by this Report, which generally predates the period of time covered in the audit on the Oversight of Capital Projects.

With regard to maintaining project costs within their budget and contingency amounts, while the Report calculated that the 21% of sampled projects were over their budget and contingency amounts by a total of \$6.8 million, the Report did not take into account the savings generated by the 79% of sampled projects completed at or below their budget and contingency amounts. Indeed, this group of projects cost roughly \$5 million less than projected. As a result, the net amount by which the Agency exceeded its budget and contingency amounts is approximately \$1.8 million or 2.4% of the total cost projection. Although we believe there is always room for improvement, we also believe that we have done well in managing our capital program budgets and have adequate cost controls in place.

**Recommendation 5** – Ensure that it implements adequate measures to control delays that are specifically in the Departments' control.

We agree . Parks is acting aggressively to minimize project delays within its control. As stated above, we have already begun implementing measures to improve our permitting process by working with regulatory agencies to expedite the processes and resolve external delays. We have also implemented measures to reduce design delays by addressing potential problems in the planning process.

**Recommendation 6** – Ensure that critical documents are submitted and maintained in project files.

Parks will continue to ensure that all contract files are appropriately maintained.

**Recommendation 7** – The Department should track the progress of projects that have been slated for completion in a given time period.

Please see our response to Recommendation 1.

We thank you and your audit staff for the time and effort devoted to completing this Report.

Sincerely,



Robert L. Garafola

Cc: Veronica M. White, Commissioner  
Robert L. Garafola, Deputy Commissioner  
George Davis, Mayor's Office of Operations