

CIP Proviso – Final Report

June 8, 2021

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Purpose

- Provide an overview of the capital project delivery process
 - Implementation
 - Management
 - Reporting
- Discuss the status of the CIP Proviso response and Final Report
- Next steps
 - Approval of the Proviso report tentatively scheduled for July 6



Capital Project Delivery - Overview

Implementation

- Authority
- Process

Project Management

- Guidance
- Checklist

Reporting



- Performance Management



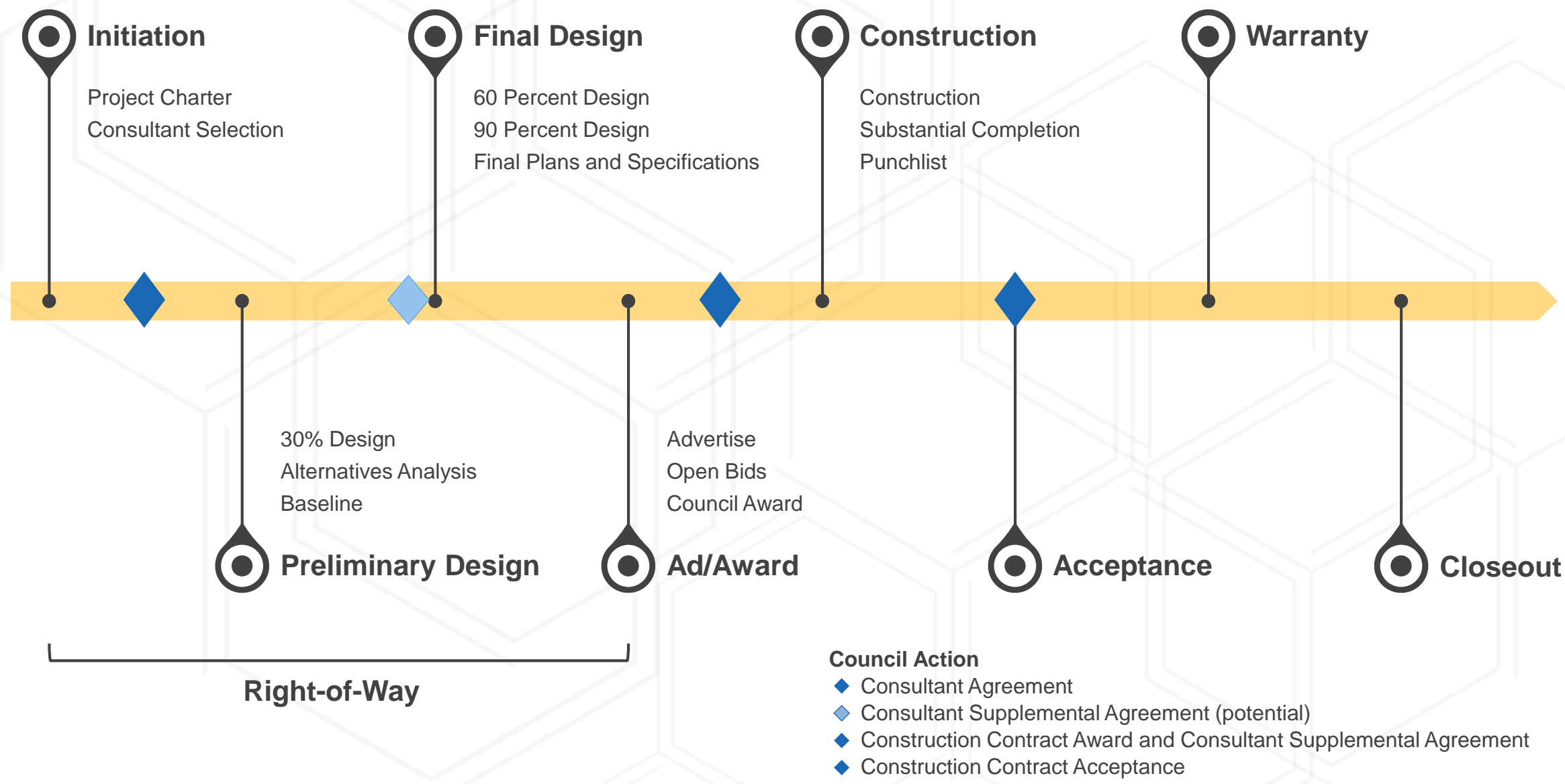
Authorization for CIP Projects

- [RCW 35.23.351](#) – Public Works Contracts
- [RCW 39](#) – Public Contracts and Indebtedness
 - [RCW 39.19](#) – Office of Minority and Women's Business Enterprises
- [WSDOT – Certification Acceptance Qualification](#)
- [City of Redmond Resolution 1503](#)
- Other statutes or governing authorities
 - WAC
 - FHWA

Certification Acceptance Qualification Agreement	
AGENCY City of Redmond	AGENCY NO. 1065
The agency agrees to comply with the following requirements when developing all Federal Highway Administration (FHWA) projects under Full CA status.	
<ol style="list-style-type: none">1. Adherence to the <i>Local Agency Guidelines</i> and all policies and procedures promulgated by the Washington State Department of Transportation (WSDOT) which accomplish the policies and objectives set forth in Title 23, U.S. Code, Highways, and the regulations issued pursuant thereto.2. The overall approval authorities and conditions will be as follows:<ol style="list-style-type: none">a. The project prospectus will be reviewed and approved by the following official. City Engineer, Construction Engineer Position Title Onlyb. The local agency agreement will be reviewed and approved by the following official or officials. City Council/Mayor Position Title Onlyc. The designs and environmental documents will be reviewed and approved by the following state of Washington registered Professional Civil Engineer. City Engineer Position Title Onlyd. The hearing's findings (if required) will be reviewed and approved by the following official or officials. Public Works Director, Planning Director Position Title or Titles Onlye. The contract plans, specifications and estimate of cost will be reviewed and approved by the following state of Washington registered Professional Engineer. City Engineer, Construction Engineer Position Title or Titles Onlyf. Agreements will be signed by the following responsible local official:<ol style="list-style-type: none">(1) Railroad City Engineer Position Title Only(2) Utility City Engineer Position Title Only(3) Consultant Mayor Position Title Only(4) Technical Services City Engineer Position Title Onlyg. The award of contract will be signed by the following responsible local official. City Engineer Position Title Onlyh. All projects will be constructed in conformance with the Washington State Department of Transportation/American Public Works Association (WSDOT/APWA) current <i>Standard Specifications for Road, Bridge, and Municipal Construction</i> and such specifications that modify these specifications as appropriate. Multimodal enhancement projects shall be constructed in conformance with applicable state and local codes.	
Local Agency Guidelines September 2002	
1 of 2	

Certification	
<ol style="list-style-type: none">i. The contract administration will be supervised Civil Engineer City Engineer, Construction Engineer Position Title Onlyj. Construction administration and material sample WSDOT Construction Manual and the Local Agency Guidelines3. The agency agrees that they have the means to prove to perform the functions being subdelegated. The agency agrees that the signature on each project with section 2 above.4. The agency agrees that the signature on each project with section 2 above.5. All projects under Certification Acceptance shall be and all project documents shall be retained and available for construction stages and for a three year period following completion of the project.6. Approval of the local agency certification by the Assistant Secretary for Highways and Local Programs, it is necessary to do so. The rescission may be applied to all or part of the programs or projects approved in the local agency certification.	
 Mayor or Chairman Rosemarie Ives, Mayor	1/31/03 Date
WASHINGTON STATE DEPARTMENT OF TRANSPORTATION	
Approved By:  Director, Highways and Local Programs	3/10/03 Date
Local Agency Guidelines September 2002	
2 of 2	

Process



Guidance for CIP Projects

- [WSDOT Local Agency Guidelines \(LAG Manual\)](#)
 - Chapter 26 Disadvantaged Business Enterprises (DBE)
- [WSDOT Construction Manual](#)
 - SS 1-07.11 Requirements for Nondiscrimination
- [WSDOT Standard Specifications](#)
- [CFR](#) – Code of Federal Regulations
 - [49 CFR Part 26](#) – Administrative Requirement for DBE Programs for Federally Assisted Contracting
- [City of Redmond Purchasing Policies and Procedures](#)

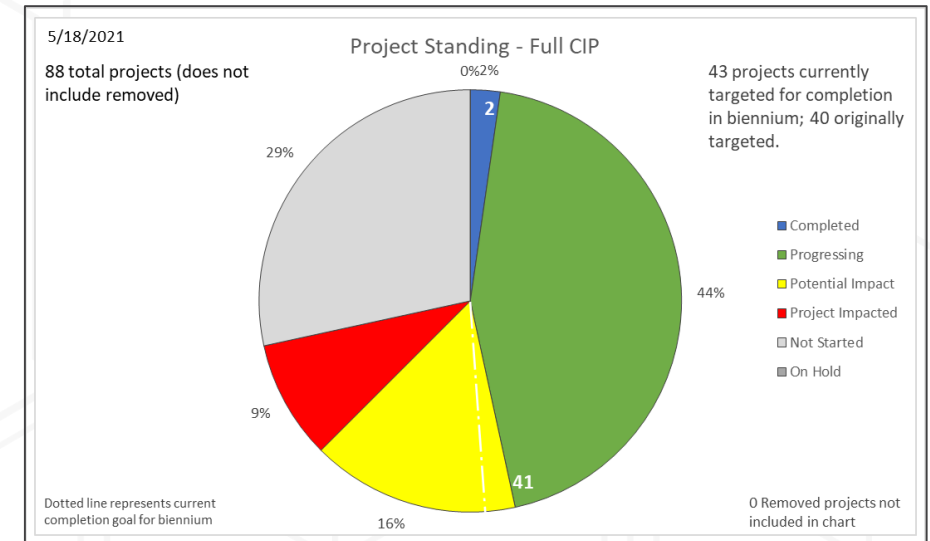
Project Management Checklists

- Project Initiation
- Design and Development
- Ad and Award
- Pre-Construction
- Construction
- Closeout

DESIGN DEVELOPMENT CHECKLIST					
Revised: 4/9/2021					
Download and save a copy of this checklist in your project files, upload a copy onto your SharePoint site. Initial and date each item as it is completed.					
Date Completed	Initials	Task	Links/Tools	Responsibility (To be filled out by team)	Comments
		Develop Risk Matrix - Risk Management Plan	Risk Management Plan Development Instructions Risk Management Matrix		Use the Risk Management Matrix to develop a Risk Management Plan for projects with significant risk. Update the Matrix as need throughout the project. The plan may not be necessary for small projects that are low risk. Contact the Construction Division Manager for further information.
		Create Detailed Cost Estimate & Schedule, for Preferred Alternative	Detailed Project Cost Estimate		If project is slipping, or there is a cost/scope change work with the Project Analyst to adjust contingencies as needed. PM may need to meeting with review team to discuss.
		Evaluate Budget and Adjust Contingency to Design Levels	Project Contingency Check-In Contingency Guidelines		Check with Func Area Mgr and Fund Analyst when making any changes to project contingency.
		30% Project Update Meeting and Project Handoff			Meet with City Project Team, City Stakeholders and Project Analyst. Update Charter as needed. If needed, check in with Committees (Tech, Public Works and Planning, Design Review Board), Commissions, or Council. Project can not be handed over to Construction/Engineering if Initiation Checklist is not complete and Design Checklist complete to this point.

Performance Management

- Continuing monthly project reporting
- Expand project report to identify (red) projects and governance actions
- Option for portfolio overview reporting presented in quarterly update to Council on 5/11 – still refining
- Reporting progress relative to baseline – in development for 2022



- 5 Preliminary Design (Initiation to 30%)
- 13 Design (30% to Award/Mayor's Signature)
- 11 Construction (Award/Mayor Signs to Substantial Completion)
- 4 Closeout (Substantial Completion to Acceptance)
- 33 Total active

Sample Project

Project #: 20021811

(R. Dane/R. Crittenden/Insp. TBD)

Scope ●

Schedule ●

Budget ●

Funding: \$1,396,004

Cost Estimate: \$1,169,751

Status	Next Milestone	Next Milestone Date	Ad Date	Sub. Completion
Design	90% Design	04/2021	06/2021	11/2021

➤ Project Progress

Final Report Contents

CIP Proviso

Final Report – June 8, 2021

- Summary description of key elements
- Changes and anticipated improvements to the capital delivery process
- Changes to CIP budget process and development
- CIP outline and schedule of how changes will be implemented

Proviso Elements – Cost Estimate and Contingencies

Cost Estimates

PRV Phase 2 Replacements			
Cost Estimate Stage:		60% Design	
20021802			
PROJECT PHASE:		Design	
Project Element		Water CIP	Total
Right of Way			
Right of Way Soft Costs			
City Staff ²	\$ 8,000		
Construction Land Services		\$ 82,500	\$ 82,500
Environmental			\$
Miscellaneous ³			\$
Subtotal: Right of Way Soft Costs		\$ 82,500	\$ 82,500
Right of Way, Property, & Easements ⁴		\$ 451,800	\$ 451,800
SUBTOTAL: Right of Way Phase		\$ 534,300	\$ 534,300
Contingency ⁵ Risk: High	30%	\$ 160,290	\$ 160,290
TOTAL: Right of Way Phase		\$ 694,590	\$ 694,590
Preliminary Design			
Consultant (BHC)		\$	\$
City Staff			\$
Miscellaneous			\$
TOTAL: Preliminary Design		\$	\$
Design			
Consultant - BHC Original Agreement		\$ 602,117	\$ 602,117
City Staff ²	\$ 168,018	\$ 252,027	\$ 252,027
Outreach			\$
Cultural Resources Monitoring ⁶			\$
Environmental			\$
Possible Supp Agree 1 - Increased Potholing cost		\$ 92,000	\$ 92,000
Miscellaneous ³			\$
Subtotal: Design Phase		\$ 946,144	\$ 946,144
Contingency ⁵ Risk: Medium	25%	\$ 236,536	\$ 236,536
TOTAL: Design Phase		\$ 1,182,680	\$ 1,182,680

Construction			
Construction Contract			
Total with all nine PRVs	\$ 4,288,947	\$	\$ 4,288,947
Escalation from 2020 to 2022		\$	
construction	\$ 300,226	\$	\$ 300,226
Sales Tax ⁷ 10.0%	\$ 458,917	\$	\$ 458,917
Subtotal: Construction Contract	\$ 5,048,090	\$	\$ 5,048,090
Other Construction Costs			
City Furnished Materials ⁸		\$	
Stormwater Fee in Lieu		\$	
Franchise Utility Construction Costs ⁹	\$	\$	
Other Utility Costs ⁹	\$ 50,481	\$	\$ 50,481
1% For the Arts ¹⁰		\$	
Subtotal: Other Construction Costs	\$ 50,481	\$	\$ 50,481
Subtotal: Construction Cost	\$ 5,098,571	\$	\$ 5,098,571
Construction Engineering			
Consultant (BHC Supplement) fill in	\$ 120,000	\$	\$ 120,000
City Staff ²	\$ 392,059	\$	\$ 392,059
Materials Testing, Special	\$ 25,000	\$	\$ 25,000
Inspections	\$ 5,000	\$	\$ 5,000
Outreach		\$	
Cultural Resources Monitoring ⁵	\$ 5,000	\$	\$ 5,000
Environmental		\$	
Miscellaneous ³	\$ 10,000	\$	\$ 10,000
Subtotal: Construction Soft Costs	\$ 557,059	\$	\$ 557,059
SUBTOTAL: Construction Phase	\$ 5,655,630	\$	\$ 5,655,630
Contingency ⁵ Risk: Medium 25%	\$ 1,413,908	\$	\$ 1,413,908
TOTAL: Construction Phase	\$ 7,069,538	\$	\$ 7,069,538
TOTAL PROJECT			
Total Funding	\$ 7,148,000	\$	\$ 7,148,000
Budget Surplus/(Shortfall)	(\$1,798,808)		(\$1,798,808)
Total			
Contingency	\$ 1,810,734	\$	\$ 1,810,734
		\$	\$ 1,822,239

Contingencies

SUBTOTAL: Right of Way Phase			
	\$ 534,300	\$	\$ 534,300
Contingency ⁵ Risk: High 30%	\$ 160,290	\$	\$ 160,290
TOTAL: Right of Way Phase	\$ 694,590	\$	\$ 694,590

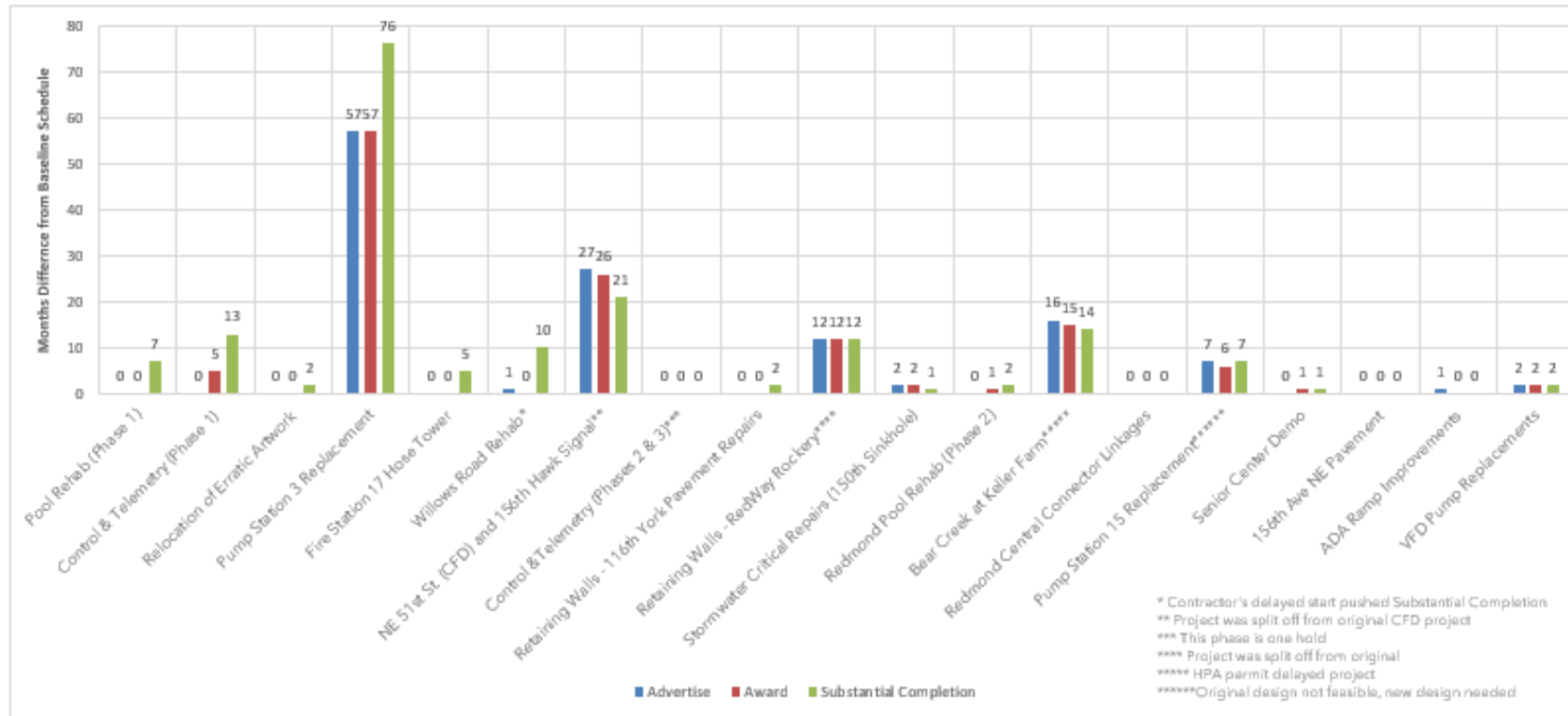
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TOTAL: Design Phase	\$ 1,182,680	\$	\$ 1,182,680

SUBTOTAL: Construction Phase			
	\$ 5,655,630	\$	\$ 5,655,630
Contingency ⁵ Risk: Medium 25%	\$ 1,413,908	\$	\$ 1,413,908
TOTAL: Construction Phase	\$ 7,069,538	\$	\$ 7,069,538

Total Contingency \$ 1,810,734 \$ 1,810,734

Proviso Elements – Baseline samples

Project Name			Project Initiation	Preliminary Design	Project Baseline (30%)	Advertise	Contract Award	Subs. Completion Letter to	Contract Acceptance	Project Closeout - Phase 1	Jan-19	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan-20	Feb	Mar	Apr	May	Jun	Jul	Aug	Sep	Oct	Nov	Dec	Jan-21
3	Relocation of Erratic Artwork - baseline		Apr-19	May-19	Sep-19	Dec-19	Feb-20	Apr-20	Jun-20	Jun-21																									
	Relocation of Erratic Artwork - actual		Apr-19	May-19	Sep-19	Dec-19	Feb-20	Jun-20	Sep-20	Sep-21																									



Project	Est Cost @ 30%	Final Costs
Relocation of Erratic Artwork	\$576,300	\$566,107
Bear Creek at Keller Farms	\$851,686	\$887,232

Proviso Elements

Budget Process Improvements

- Continuing appropriations
- Project-level appropriation
- Budgeting by project phase
- Project baseline establishment
- Portfolio-level overviews
- Consolidation of facility projects

Budget Document Improvements

- Portfolio focused versus area focused
- Portfolio-level revenue overviews
- One-Pager
- Modification & Deletion Schedule
- Budget glossary additions
- Fiscal policy improvements

Summary of Recommendations

- Baselineing
- Risk management refined
- Performance measures
- Appropriations
- Revenue sources
- Changes from last budget
- One-Pager
- State Auditor's Office

Next Steps

- Monthly Reporting
 - Project updates
 - Governance changes
- Quarterly CIP Program Updates
 - Status of current projects
 - Project changes and updates
- Annual Reporting
 - Implementation elements from Proviso
 - Completion and spending
 - Reporting on projects relative to baseline

Thank you

Any Questions?

