

## Implementation Requirements

### Scoping Process/Cost Estimating and Cost Management Process and Policies

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#### **REQUIREMENTS FOR CHAPTER 152 BRIDGE PROGRAM**

- Scoping report for each of the 2012-2013 bridge projects in the program
- Scoping report **or** the front sheet of the scoping report with attached layouts or plan sheets for 2010-2011 bridge projects in the program
- Review and approval by district management of scoping report or front sheet of the scoping report with attached layouts or plan sheets
- Establishment of estimate file for each project
- Development a total project cost estimate (TPCE) to accompany scoping report or front sheet of scoping report with attached layouts or plan sheet (update cost estimates on 2010-2012 projects for TPCE including risk and contingency)
  - Estimates that take into account TPCE elements and/or categories, as described in attached spreadsheet
  - Estimate totals for engineering, construction, and right of way
  - Application of percent for estimate of remaining engineering costs (less than 20 percent, depending on state of completion) on projects with plans (likely 2010 or 2011 projects) **or** application of 20 percent for engineering estimate on recently started projects (likely 2012 or 2013 projects)
- Application of risk and contingency
  - Identification of risks that are associated with the project (what you know and what you don't know about the project)
  - Assessment of risks for the TPCE elements
  - Determination of contingency amount on each element
  - Application of contingency total to TPCE
- Documentation of the estimate and estimate assumptions, including documentation of risk assumptions
- Participation in CRAVE workshops for 11 of the 13 major bridges
- Review and approval of contingency use by district management
- Review and approval of total project cost estimate by district management
- Completion of one-page estimate communication summary for each project

#### **DEADLINES**

- Approved scoping report and TPCE by Dec. 1, to allow for final completion of the Chapter 152 Bridge Plan by Dec. 15
- Completion of one-page estimate communication summary for each project by Dec. 31

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#### **REQUIREMENTS FOR 2010-2011 PROJECTS IN THE STIP**

- Scoping report **or** the front sheet of the scoping report with attached layouts or plan sheets
- Review and approval by district management of scoping report or front sheet of the scoping report with attached layouts or plan sheets
- Establishment of estimate file for each project
- Development a total project cost estimate (TPCE) to accompany scoping report or front sheet of scoping report with attached layouts or plan sheet (update cost estimates on 2010-2012 projects for TPCE including risk and contingency)
  - Estimates that take into account TPCE elements and/or categories, as described in attached spreadsheet
  - Estimate totals for engineering, construction, and right of way
  - Application of percent for estimate of remaining engineering costs
- Application of risk and contingency
  - Identification of risks that are associated with the project (what you know and what you don't know about the project)
  - Assessment of risks for the TPCE elements
  - Determination of contingency amount on each element
  - Application of contingency total to TPCE
- Documentation of the estimate and estimate assumptions, including documentation of risk assumptions
- Review and approval of contingency use by district management
- Review and approval of total project cost estimate by district management
- Completion of one-page estimate communication summary for each project

#### **DEADLINES**

- Approved scoping report and TPCE by February 13, 2009, to allow districts time to review with STIP with the ATP and MOP
- Completion of one-page estimate communication summary for each project by April 15, 2009

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#### **REQUIREMENTS FOR 2012-2013 PROJECTS IN THE STIP**

- Scoping report for each of the 2012-2013 projects
- Review and approval of scoping report by district management
- Establishment of estimate file for each project
- Development a total project cost estimate (TPCE) to accompany scoping report or front sheet of scoping report with attached layouts or plan sheet (update cost estimates on 2012 projects for TPCE including risk and contingency)
  - Estimates that take into account TPCE elements and/or categories, as described in attached spreadsheet
  - Estimate totals for engineering, construction, and right of way
  - Application of 20 percent for engineering estimate
- Application of risk and contingency
  - Identification of risks that are associated with the project (what you know and what you don't know about the project)
  - Assessment of risks for the TPCE elements
  - Determination of contingency amount on each element
  - Application of contingency total to TPCE
- Documentation of the estimate and estimate assumptions, including documentation of risk assumptions
- Review and approval of contingency use by district management
- Review and approval of total project cost estimate by district management
- Completion of one-page estimate communication summary for each project

#### **DEADLINES**

- Approved scoping report and TPCE by February 13, 2009, to allow districts time to review with STIP with the ATP and MOP
- Completion of one-page estimate communication summary for each project by April 15, 2009

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#### **ONGOING REQUIREMENTS FOR 2010-2013 PROJECTS IN STIP**

- Updating of estimates once a year at a minimum
- Retirement of contingency as risks are eliminated
- Documentation of contingency retirement as risks are eliminated

#### **PLANNING PROJECT REQUIREMENTS**

- Completion of planning report before entering HIP
- Establishment of estimate file for each project
- Development a total project cost estimate (TPCE) to accompany planning report
  - Planning estimate that takes into account TPCE elements and/or categories, as described in attached spreadsheet
  - Estimate totals for engineering, construction, and right of way
  - Application of 20 percent for engineering estimate
- Application of risk and contingency
  - Identification of risks that are associated with the project (what you know and what you don't know)
  - Determination of contingency amount on each element
  - Application of contingency total to TPCE
- Documentation of the estimate and estimate assumptions, including documentation of risk assumptions
- Presentation of estimate numbers in range

#### **COST MANAGEMENT REQUIREMENTS**

- Management of costs to the TPCE that accompanies the scoping report (Baseline Cost Estimate)
- STIP review and program evaluation and modification within the district after any scope changes or scope amendments where the proposed TPCE is likely to exceed the Baseline Cost Estimate
- District adjustments to scope if new TPCE exceeds Baseline Cost Estimate or district submission of project modification/program evaluation document to Transportation Program Committee of more than \$2 million in cost escalations for review
- Monthly reports by district engineers of any projects that were removed from the STIP

#### **DEADLINE**

October, 2009 and beyond

#### **FULL APPLICATION OF STEPS IN MANUAL**

- 2014 projects and beyond
- By June 2009: 2010-2013 projects, as appropriate to phase, and application of tools as available