

May 7, 2018

MEMORANDUM

To: Seattle City Council
From: Dan Eder, Central Staff Deputy Director
Tony Kilduff, Legislative Analyst
Subject: Capital Oversight & Quarterly Reporting

The City Council and the City Budget Office (CBO) have been collaborating on an approach to provide both the Executive and the Council with better and more useful information about the status of capital projects. In particular, Central Staff and CBO are proposing enhanced quarterly reporting for a selected list of capital projects. The memo provides context for the work and describes what information would be included in the enhanced reporting.

We look forward to hearing whether Councilmembers agree with the direction we are heading and any feedback about additional or different information that would be useful to policymakers. As a first cut, the Executive is proposing enhanced quarterly reporting for projects with a total project cost of \$60 million or more. More discussion at a later date would be necessary to determine additional criteria for including projects.

I. Background:

In [Resolution 31720](#), the Council – among other things – requested “[e]nhanced regular CIP reporting developed in conjunction with the City Budget Office, including but not limited to quarterly reports to the Budget Committee on project scope, schedule, or budget deviations from the Council-approved CIP and any subsequent mid-year amendments.”

By way of follow up to Resolution 31720, the Council hired Hill Consulting “to support the commitment of the City Council and Mayor for enhancing the City’s CIP oversight and for developing new approaches that improve project oversight.” Hill’s [May 2017 report](#) provided an overview of City departments’ various project management, change control, reporting, and oversight functions; the report also included recommendations for improvements. Several of the key recommendations have been enacted (including but not limited to legislative actions to implement phased appropriations for selected projects and a requirement that the Council provide prior approval ahead of the Executive applying for federal grants).

The City has hundreds of capital projects that it tracks, plans for, and appropriates annual funding to in its six-year Capital Improvement Program (CIP). The CIP is a six-year planning tool that is updated annually through the City’s annual budget process. For each capital project, the Council makes an appropriation for the first year (backed by anticipated revenues) and endorses a five-year plan for future spending (and anticipated future revenues). The most recently adopted CIP is for 2018 to 2023. This fall, the Mayor will propose and the City Council will adopt a new 2019 to 2024 CIP.

Many capital projects are discrete projects with a defined scope, a start date, and an end date. An example of such a project is the \$19.3 million pedestrian safety improvement project on Fauntleroy Ave. S.W. (TC367200). However, a roughly equal number of projects are programmatic in nature because they do not have an anticipated end. An example of such a project is the Pedestrian Master Plan - New Sidewalks (TC367600) that builds new sidewalks every year and expected to continue doing so for years and years to come.

The Executive currently provides the Council with a quarterly report showing financial and other information about every one of the hundreds of projects in the Adopted CIP. The current quarterly reports provide useful information, but broadly speaking the existing quarterly reports are focused on annual spending and progress to date rather than a look forward to the risks, opportunities, and planned actions/strategies that are upcoming for delivering each project within its lifetime budget. As the Council has never required that quarterly reports be delivered on any timeline, the current quarterly reports are sometimes delivered too late to be particularly “fresh” information; for instance, the 4th Quarter 2017 report with information about 2017 spending against the 2017 Adopted Budget was not delivered until April 26, 2018.

In addition to the existing quarterly reports, departments have a variety of tools that they regularly use to communicate the development status of capital projects. Some examples:

- The Seattle Department of Transportation (SDOT) has a [Capital Projects Dashboard](#), “an interactive site designed to offer insight into cost, spending, and timeline information on City transportation projects.” SDOT also provides regular [reports](#) to the Council, an Oversight Committee, and the public on the status of achieving milestones for projects and programs funded in whole or in part with Move Seattle Levy funds.
- Seattle IT produces a portfolio review (see Attachment 3) that it shares with the Council.
- The Metropolitan Parks District (MPD) regularly updates the Council, an Oversight Committee, and the public on its [progress](#) developing capital projects funded in whole or in part with MPD levy funds.

II. Council’s Role and Executive’s Role

Broadly speaking, the Council establishes the annual and lifetime spending limits for each capital project through adoption of the CIP. As described above, the Council adopts a new multi-year CIP annually. The Council is responsible for broad oversight and ensuring accountability, and project management and project execution happens within Executive Departments.

The Executive departments have responsibility for day-to-day implementation, and Executive staff periodically report to Council about progress, issues, and risks to ensure that Council has enough timely information to make decisions about whether and how to make course corrections when necessary.

III. Progress to Date:

As part of its efforts to improve the oversight of the implementation of capital projects, the Executive reconvened a Capital Cabinet made up of representatives from the Mayor's Office, capital intensive departments, and project leads on major capital projects currently underway. The Cabinet is charged with determining new procedures for capital project management and with coordinating the management of projects across the City.

CBO indicates that one of the key achievements of the Cabinet was to establish standard definitions for the various stages through which a capital project moves: pre-project development (PPD), design and planning, Initiation, project definition & planning (IPDP), design, construction, procurement/bid, and closeout. This facilitates enhanced budget control for a project, allowing all parties to determine the conditions under which funding for each stage in the project's evolution will be provided. This approach to funding capital projects is called "stage gating." In the Adopted 2018-2023 CIP, the Council implemented the first stage-gate provisions on two projects: Delridge Multimodal Corridor (TC367810) and Ship Canal Water Quality Project Storage Tunnel (C315503).

The formalization of project stages also allows the Executive to define a stage in the project's development at which its scope, schedule, and budget should be sufficiently well established to determine a baseline against which to measure future performance on cost and schedule. Through agreement with the capital-intensive departments (City Light, Department of Finance and Administrative Services, Seattle Public Utilities, Seattle Department of Transportation (SDOT), Seattle Department of Parks and Recreation, and the Seattle Department of Information Technology), a project is deemed to be at baseline when it reaches 30% design.

IV. Proposed Quarterly Reports:

As noted earlier, the Executive provides the Council with several reports on the status of capital projects. Key among them is the Quarterly CIP Monitoring Reports. These reports on the use of current-year appropriation authority for projects and, if there is a significant variance in spending relative to the annual budget, include an explanation of the variance. Although often useful for programmatic capital projects, these reports are less useful for discrete capital projects since those projects typically span more than one year.

Working with staff in CBO, Central Staff have developed a new set of reports focused on discrete projects. The first report (see Attachment 1) provides a quick overview of all discrete projects over \$5 million in a convenient table that includes both the baseline total project cost¹ and the current projections of the total project cost. This will allow easy identification of projects that are trending significantly above or below their baseline budgets. We will briefly review the report as part of this presentation.

¹ For many of the projects currently underway, we do not have a true baseline total project cost and CBO will make the best estimate of it that it can for the purposes of reporting.

The second report provides a detailed explanation of the project risks, costs, schedule, and funding sources. The intent is that this report would be generated each quarter for a subset of the discrete projects. Determining how that subset will be chosen is part of the on-going discussions with CBO.

For illustrative purposes, we have attached a sample report (see Attachment 2) for the SDOT's South Lander St. Grade Separation Project (TC366150). The proposed enhanced quarterly report includes a brief description of the project and an indicator of the current risk assessment for the project. A narrative provides context for the risk assessment. This is followed by a detailed description of the baseline spending plan and the current spending plan, including a narrative of the difference (if any) between them. The narrative also explains what has changed since the previous quarterly report. The report then discusses the schedule and any changes relative to the baseline schedule. Finally, the report looks at any changes in the funding sources for the project.

V. Conclusion and Next Steps

Central Staff and CBO recognize that sometimes unforeseen or unplanned-for events occur on complex, potentially controversial capital projects. The goal of the enhanced quarterly reports is to provide policymakers with timely and helpful information about risks and challenges as early as possible, to evaluate those problems in the context of projects' lifetime budgets and schedules, and to identify strategies for addressing or mitigating such challenges.

Central Staff and CBO will continue to work on refining the enhanced quarterly reports, including incorporating feedback from Councilmembers. We will propose an approach for Council to identify additional projects for which the Executive will provide enhanced quarterly reports. We will also continue to work with Councilmembers on expanding the suite of strategies and management tools that are available to policymakers.

Attachments:

1. 2018 Quarterly CIP Monitoring Report
2. South Lander Project
3. Citywide IT Portfolio Review – January 2018

cc: Kirstan Arestad, Central Staff Director

Attachment 1 - 2018 CIP Quarterly Monitoring Report - Discrete Projects (For Display Purpose)

Table with columns: Dept, 9.2 Master Project ID, Project Title, Current Project Stage, Start, End, Total Project Cost - Baseline, Projected Total Project Cost, Total Project Cost Variance, Comments. Rows include various projects like Ship Canal Water Quality Project, Alaskan Way Main Corridor, Denny Substation Development, etc.

Attachment 1 - 2018 CIP Quarterly Monitoring Report - Discrete Projects (For Display Purpose)

Dept	9.2 Master		Current Project Stage	Start	End	Total Project Cost - Baseline	Projected		Comments
	Project ID	Project Title					Total Project Cost	Total Project Cost Variance	
DPR	MC-PR-41048	Loyal Heights Playfield Turf Replacement	Pre-Project Development	2018	2018	\$ 2,385			
FAS	MC-FA-DRVCLNFLT	Drive Clean Seattle Fleet Electric Vehicle Infrastructure	Construction	2016	2018	\$ 2,350			
SPU	MC-SU-C1606	Ballard Locks Improvements	Construction	2000	2023	\$ 2,283			
SCL	MC-CL-ZT8450	Sound Transit Light Rail East Link - City Light	Design	2011	2018	\$ 2,258			
DPR	MC-PR-41067	Magnuson Community Center Improvements	Pre-Project Development	2018	2020	\$ 2,150			
DPR	MC-PR-41014	Seattle Asian Art Museum Restoration	Closeout	2007	2018	\$ 2,100			
DPR	MC-PR-41049	Georgetown Playfield Turf Replacement	Pre-Project Development	2019	2019	\$ 2,035			
SCL	MC-CL-YD9967	Outage Management System Phase II Implementation	Initiation, Project Definition, & Planning	2017	2018	\$ 2,006			
SEAIT	MC-IT-C6303	Human Resources Information System Replacement Project	Initiation, Project Definition, & Planning	2016	TBD	\$ 2,000			
SCL	MC-CL-XS6639	Gorge Crane Rehabilitation	Pre-Project Development	2021	2021	\$ 1,982			
DPR	MC-PR-41052	Lower Woodland Park Playfield #2 Synthetic Turf Replacement	Pre-Project Development	2019	2019	\$ 1,977			
DPR	MC-PR-41051	Miller Playfield Synthetic Turf Replacement	Pre-Project Development	2019	2019	\$ 1,966			
SDOT	MC-TR-C065	Canton and Nord Alleys	Construction	2014	2018	\$ 1,955			
SDOT	MC-TR-C091	Bike Share Expansion	Closeout	2016	2018	\$ 1,950			
DPR	MC-PR-41042	Joint Preschool Site and Tenant Improvements	Construction	2016	2018	\$ 1,900			
DPR	MC-PR-41038	Loyal Heights Community Center Renovation	Initiation, Project Definition, & Planning	2017	2019	\$ 1,868			
FAS	MC-FA-FS31IMP	Fire Station 31 Improvements	Construction	2014	2018	\$ 1,850			
SCL	MC-CL-ZT8475	Sound Transit - City Light System Upgrades	Pre-Project Development	2017	2021	\$ 1,828			
SCL	MC-CL-XB6636	Boundary U55/56 Fire Suppression	Pre-Project Development	2020	2022	\$ 1,760			
SCL	MC-CL-XB6565	Landis and Gyr RTU Modernization Boundary, CF, Skagit	Pre-Project Development	2019	2021	\$ 1,755			
SCL	MC-CL-XC6531	Cedar Falls - New Generator 5/6 Exciters	Design	2017	2019	\$ 1,745			
SCL	MC-CL-XF9233	Georgetown Steamplant Access Road	Construction	2015	2018	\$ 1,745			
SPU	MC-SU-C4135	Sound Transit - North Link - DWF	Construction	2012	2021	\$ 1,741			
SCL	MC-CL-XC6450	Cedar Falls Powerhouse - Unit 5/6 Generator Protective Relay	Pre-Project Development	2007	2021	\$ 1,719			
DPR	MC-PR-41060	Walt Hundley PF Synthetic Turf Replacement	Pre-Project Development	2021	2021	\$ 1,713			
DPR	MC-PR-41034	Green Lake CC - Evans Pool Roof Replacement & Solar Hot Water	Design	2013	2018	\$ 1,672			
SPU	MC-SU-C4125	Sound Transit - Water Betterment	Construction	2005	2018	\$ 1,622			
DPR	MC-PR-41055	Genesee Playfield #2 Synthetic Turf Resurfacing	Pre-Project Development	2020	2020	\$ 1,613			
DPR	MC-PR-16005	Victor Steinbrueck Park Renovation	Design	2013	2019	\$ 1,600			
SCL	MC-CL-XC6625	Cedar Falls Rehabilitation	Initiation, Project Definition, & Planning	2017	2022	\$ 1,595			
DPR	MC-PR-41058	Genesee Playfield #1 Synthetic Turf Resurfacing	Pre-Project Development	2020	2020	\$ 1,521			
FAS	MC-FA-SMTUPG	Seattle Municipal Tower Facility Upgrades	Pre-Project Development	2018	2018	\$ 1,500			
FAS	MC-FA-BENSNDDBG	Benaroya Hall Transforming Soundbridge	Initiation, Project Definition, & Planning	2017	2019	\$ 1,500			
SDOT	MC-TR-C055	Northgate Bike and Pedestrian Improvements	Design	2017	2019	\$ 1,500			
DPR	MC-PR-41053	Lower Woodland Park Playfield #7 Synthetic Turf Replacement	Pre-Project Development	2019	2019	\$ 1,483			
SCL	MC-CL-XB6638	Boundary Sluice Gate Automation	Pre-Project Development	2022	2022	\$ 1,466			
DPR	MC-PR-15003	Jimi Hendrix Park Improvements	Closeout	2011	2018	\$ 1,453			
SCL	MC-CL-WF9975	Data Warehouse Implementation	Execution	2017	2023	\$ 1,451			
FAS	MC-FA-MUNICOUR	Seattle Municipal Courts	Design	2015	2020	\$ 1,443			
DPR	MC-PR-41062	Montlake PF Synthetic Turf Replacement	Pre-Project Development	2022	2022	\$ 1,431			
SCL	MC-CL-XS6514	Skagit - Babcock Creek Crossing	Design	2015	2020	\$ 1,409			
DPR	MC-PR-16002	Gas Works Park Play Area Renovation	Construction	2013	2018	\$ 1,400			
SCL	MC-CL-XB6603	Boundary - Unit 56 Exciter Replacement	Design	2017	2018	\$ 1,355			
DPR	MC-PR-16012	Magnuson Park Building #406 Roof Replacement-2008 Levy	Design	2014	2017	\$ 1,352			
DPR	MC-PR-16009	Green Lake Community Center Electrical and Mechanical Renovation-2008 Levy	Design	2014	2018	\$ 1,216			
DPR	MC-PR-16010	Hiawatha Community Center Renovation-2008 Levy	Initiation, Project Definition, & Planning	2014	2019	\$ 1,193			
DPR	MC-PR-41013	Seward Park Forest Restoration	Construction	2008	2018	\$ 1,144			
DPR	MC-PR-41050	Queen Anne Bowl Playfield Turf Replacement	Pre-Project Development	2019	2019	\$ 1,120			
SCL	MC-CL-XB6633	Boundary Sump Pump Drive Replacement	Pre-Project Development	2019	2023	\$ 1,102			
DPR	MC-PR-16004	Marra-Desimone Park Development	Construction	2013	2018	\$ 1,100			
SCL	MC-CL-XS6581	Gorge - 240V AC Station Service Switchgear Replacement	Design	2017	2018	\$ 1,081			
DPR	MC-PR-16014	Bobby Morris Playfield Turf Replacement-2008 Levy	Closeout	2014	2018	\$ 1,069			
SPU	MC-SU-C4135	Sound Transit - North Link - DWF	Construction	2012	2030	\$ 1,067			
SCL	MC-CL-XP6600	SMT AutoLab	Pre-Project Development	2017	2020	\$ 1,031			
SCL	MC-CL-XS6326	Gorge Powerhouse - Fire Protection Improvements	Initiation, Project Definition, & Planning	2017	2024	\$ 1,025			
SDOT	MC-TR-C092	Adaptive Signal Control Implementation	Closeout	2015	2017	\$ 1,020			
DPR	MC-PR-41046	Woodland Park Zoo Night Exhibit Renovation	Initiation, Project Definition, & Planning	2017	2018	\$ 1,000			
SPU	MC-SU-C1510	Water System Plan - 2019	Initiation, Project Definition, & Planning	2010	2019	\$ 931			
DPR	MC-PR-15008	Lewis Park Natural Area Improvements	Closeout	2014	2018	\$ 930			
SCL	MC-CL-XB6634	Boundary Powerhouse Exhaust system	Pre-Project Development	2022	2023	\$ 915			
DPR	MC-PR-15012	Woodland Park Zoo Seattle Sensory Garden Development	Closeout	2014	2018	\$ 903			
SCL	MC-CL-ZT8435	State Route 520 Bridge Relocations	Design	2017	2021	\$ 894			
DPR	MC-PR-16015	Play Area Renovations-2008 Levy	Closeout	2014	2018	\$ 893			
SDOT	MC-TR-C004	Sound Transit - East Link	Initiation, Project Definition, & Planning	2013	2023	\$ 873			
DPR	MC-PR-41030	Municipal Energy Efficiency Program - Parks	Closeout	2011	2019	\$ 863			
SCL	MC-CL-XB6637	Boundary Control Room Alarm system replacement	Pre-Project Development	2017	2021	\$ 850			
DPR	MC-PR-16007	Comfort Station Renovations-2008 Levy Phase 2	Closeout	2014	2018	\$ 846			
DPR	MC-PR-15007	Virgil Flain Park Skatespot Development	Closeout	2014	2018	\$ 825			
SDOT	MC-TR-C080	Ballard to Downtown High Capacity Transit and Ship Canal Crossing Project	Initiation, Project Definition, & Planning	2013	2017	\$ 800			
SCL	MC-CL-XB6635	Boundary Fiber Ring Upgrade	Pre-Project Development	2020	2021	\$ 766			
DPR	MC-PR-15010	Northwest Native Canoe Center Development	Initiation, Project Definition, & Planning	2014	2017	\$ 750			
SDOT	MC-TR-C088	Sound Transit 3	Initiation, Project Definition, & Planning	2017	2036	\$ 750			
SDOT	MC-TR-C086	Burke Gilman Trail Improvements - UW Campus	Initiation, Project Definition, & Planning	2017	TBD	\$ 750			
SCL	MC-CL-XS6376	Ross Powerhouse - Programmable Language Controller Upgrade	Initiation, Project Definition, & Planning	2008	2019	\$ 717			
SDOT	MC-TR-C069	ADA Improvements @ "SDOT"	Design	2014	2019	\$ 665			
SCL	MC-CL-XS6457	Diablo Facility - Incline Lift Rehabilitation	Pre-Project Development	2020	2022	\$ 664			
DPR	MC-PR-16008	Emma Schmitz Sea Wall Replacement-2008 Levy	Design	2014	2019	\$ 650			
DPR	MC-PR-41059	Garfield Playfield Infield Synthetic Turf Resurfacing	Pre-Project Development	2020	2020	\$ 618			
DPR	MC-PR-41033	Fountain Discharge Retrofit	Closeout	2012	2018	\$ 606			
SCL	MC-CL-XB6631	Boundary Sluice Gate Walkway Replacement	Pre-Project Development	2021	2021	\$ 573			
SCL	MC-CL-XB6629	Boundary Tailrace East Access Road Improvements	Pre-Project Development	2020	2020	\$ 559			
SCL	MC-CL-XB6630	Boundary Tailrace Boat Ramp improvements	Pre-Project Development	2019	2020	\$ 556			
DPR	MC-PR-15011	Othello Park Improvements	Closeout	2014	2018	\$ 547			
DPR	MC-PR-31001	Puget Park - Environmental Remediation	Construction	1997	2023	\$ 530			
SPU	MC-SU-C2305	South Recycling Disposal Station Household Hazardous Waste Relocation	Initiation, Project Definition, & Planning	2015	2020	\$ 530			
DPR	MC-PR-16013	Pratt Park Water Feature Renovation-2008 Levy	Construction	2014	2018	\$ 514			
SCL	MC-CL-XB6628	Boundary DC Panel Upgrade	Initiation, Project Definition, & Planning	2017	2018	\$ 513			
SDOT	MC-TR-C095	Market to MOHAI	Pre-Project Development	2018	2018	\$ 500			
SPU	MC-SU-C2407	SW Comp Plan Update	Initiation, Project Definition, & Planning	2017	2021	\$ 500			
DPR	MC-PR-61003	Arboretum Waterfront Trail Renovation	Design	2014	2018	\$ 475			
SCL	MC-CL-XB6566	Boundary - DC Battery System & Charge Modernization	Initiation, Project Definition, & Planning	2017	2018	\$ 442			
DPR	MC-PR-15009	Magnolia Manor Park Improvements	Closeout	2014	2018	\$ 402			
DPR	MC-PR-15006	Highland Park Playground Renovation	Closeout	2014	2018	\$ 374			
DPR	MC-PR-15013	Washington Park Playfield Play Area Development	Closeout	2014	2018	\$ 365			
DPR	MC-PR-16011	Lake Union Park Walkway Renovations-2008 Levy	Construction	2014	2018	\$ 350			
DPR	MC-PR-41037	Emma Schmitz Sea Wall Replacement	Design	2014	2019	\$ 350			
SCL	MC-CL-XB6632	Boundary Service Area Paving	Pre-Project Development	2023	2024	\$ 346			
SPU	MC-SU-C4122	Sound Transit-East Link	Construction	2013	2019	\$ 333			
DPR	MC-PR-41035	Interbay Stadium Synthetic Turf Replacement	Closeout	2014	2018	\$ 305			
DPR	MC-PR-41045	Danny Woo Improvements	Design	2017	2018	\$ 300			
DPR	MC-PR-15004	East John Street Open Space Development	Construction	2012	2018	\$ 260			
SPU	MC-SU-C4122	Sound Transit-East Link	Construction	2013	2019	\$ 245			
DPR	MC-PR-41047	Cal Anderson Park Landscape Improvement	Pre-Project Development	2018	2019	\$ 200			
SDOT	MC-TR-C089	Lynnwood Link Extension	Initiation, Project Definition, & Planning	2017	2023	\$ 200			
FAS	MC-FA-CHASDEV	Charles Street Campus Development	Initiation, Project Definition, & Planning	2017	2018	\$ 175			
SPU	MC-SU-C1308	Tolt Bridges	Construction	2004	2020	\$ 3			
DPR	MC-PR-21006	Aquarium Expansion	Initiation, Project Definition, & Planning	2015	TBD	\$ -			

CIP Quarterly Monitoring Report: S Lander St. Grade Separation Q1 2018
DRAFT REPORT

Project Overview

Department:	SDOT
Project ID:	TC366150
Project Name:	S Lander St. Grade Separation
Current Project Stage:	Stage 5: Construction

Project Summary

The S Lander St Bridge project will construct a bridge over the railroad tracks on S Lander St between 1st Ave S and 4th Ave S. This crossing will provide a roadway unimpeded by rail operations, improve safety, and relieve congestion in Seattle's SODO neighborhood. In Q1 2018, the construction contract was executed. Notice To Proceed (NTP) was given in April. Construction activities for the remainder of the year include installing temporary signal and channelization revisions, close Lander from 1st Ave S to 3rd Ave S, utility relocates, install 12" waterline from 1st Ave S to 4th Ave S, and install 10' diameter shafts.



2018

Q1 Q2 Q3 Q4

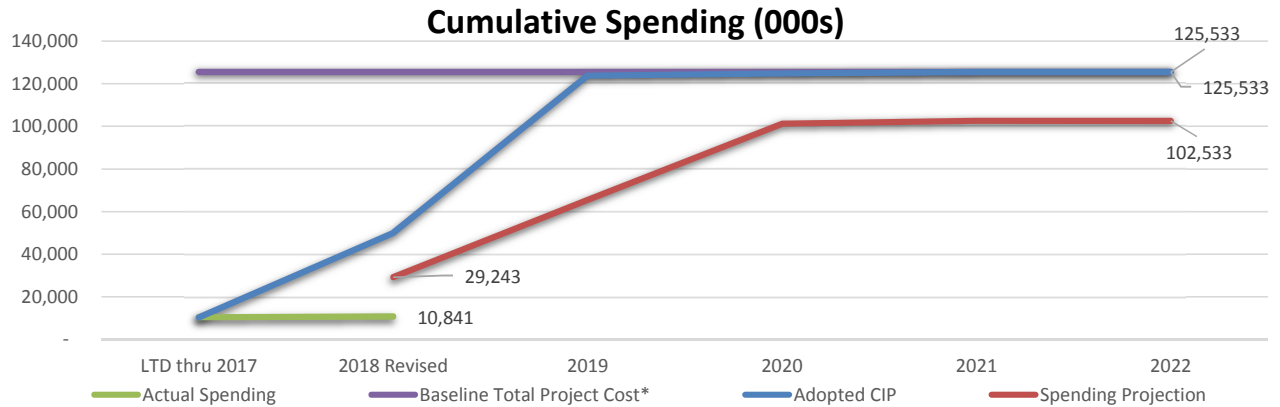
Project Risk Profile and Mitigation Plan Risk Status: ● #N/A #N/A

Q1: The project's overall risk indicator is green as the risk assessment falls within current contingency amounts, however there are a few risk items worth noting: 1) Steel tariffs may cause the price of steel materials to increase. This could be up to a \$2M impact. 2) FRA has informed us that we should not consider the \$9.5M PSRC grant as secured. 3) Unknown underground utilities could affect shaft installation schedule and result in delay claims.

We are working closely with the FRA on the grant. We checked steel prices and while there has been some escalation, it is not enough to trigger escalation clauses. For schedule delays, the plan is to utilize contract potholing prior to shaft construction to locate utilities.

CIP Quarterly Monitoring Report: S Lander St. Grade Separation Q1 2018
DRAFT REPORT

Budget Summary (000s):	LTD thru 2017	2018 Revised	2019	2020	2021	2022	Total
Baseline Total Project Cost*							125,533
Adopted CIP	10,445	39,589	73,750	1,000	750	-	125,533
Actual Spending	10,445	#N/A					#N/A
Spending Projection	10,445	18,798	36,261	35,781	1,230	19	102,533
Adopted CIP to Projection Variance		20,791			(480)	(19)	23,000



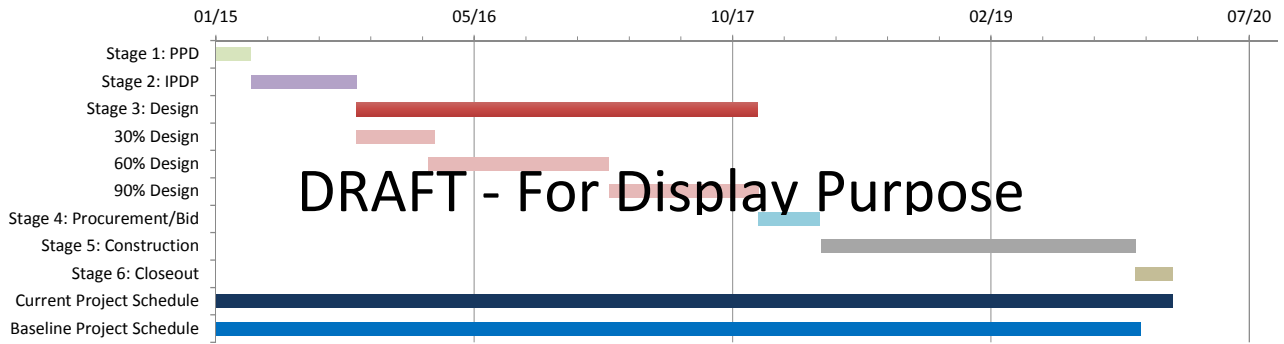
Explanation for Adopted CIP Budget to Projection Variance (if applicable)

Add explanation for the variance between the adopted budget and the current total project cost estimate, including and explanation for changes from the previous quarter. (See Project by Funding Source page for funding strategy).

*For this Draft version of the S. Lander Street Q1 CIP Quarterly Monitoring report the Baseline Total Project Cost is displayed as the same as the Current Adopted CIP Total Project Cost. SDOT has recently updated their approach to baselining projects and the original 30% baseline amount was not available for this project. In future Monitoring Reports, projects in the CIP at the Design stage (or later) we will assess variance from the 30% Design Baseline.

CIP Quarterly Monitoring Report: S Lander St. Grade Separation Q1 2018
DRAFT REPORT

Project Schedule v Original Baseline Schedule



Explain Schedule Variance**

The Substantial Completion date changed from 10/2019 to 7/2020 due to:

- Bid opening was extended one-week, multiple bidders requested the extension
- Bid Award took longer than normal as CPCS requested an unbalanced bid analysis
- Bid Execution was delayed due to the contractor's bond and insurance not initially meeting the City's requirements

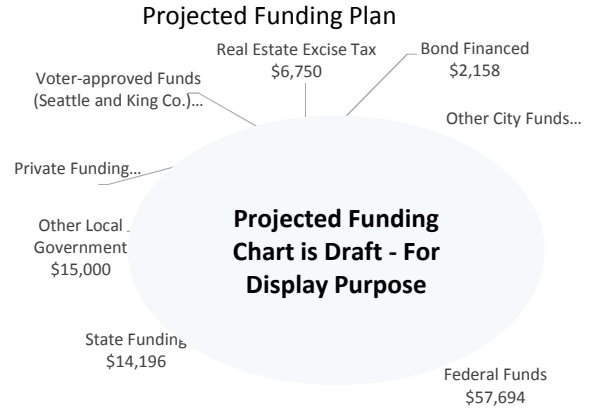
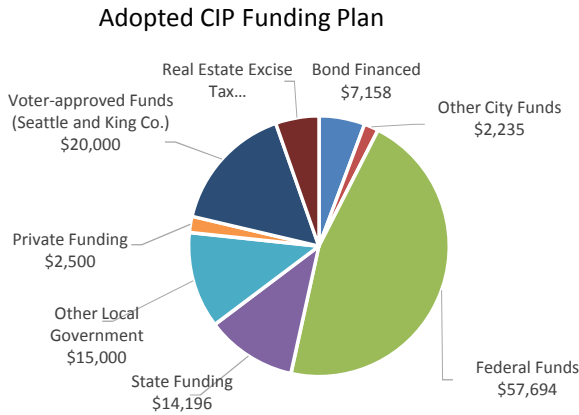
**CBO is working with Departments to define schedule variance in the context of "re-baselining" effects. The Current v. Baseline will most likely be the current quarter projection for schedule versus the original 30% design baseline. The Risk Profile section on Page 1 will contain "schedule risk" information as it compares to previous adopted budget schedule estimate.

CIP Quarterly Monitoring Report: S Lander St. Grade Separation Q1 2018
DRAFT REPORT

Project Funding by Source (000s)

Adopted CIP Funding: \$ 125,533

Projected Funding: \$ 102,533



Funding Variance***	Adopted	Projection	Δ
Bond Financed	\$7,158	\$2,158	\$5,000
Other City Funds	\$2,235	\$2,235	\$0
Federal Fu			
State Func			
Other Loca			
Private Fu			
Voter-appr			
Real Estate Excise Tax	\$6,750	\$6,750	\$0
Total	\$125,533	\$102,533	\$23,000

Funding Variance Table is Draft - For Display Purpose

Action Plan to Address Funding Gap (if applicable)

Currently the project is fully funded. We do not anticipate a funding gap for this project.

***Q1 "Funding Variance Strategy" data for the S. Lander St Grade Separation project was unavailable as of creation of this report. Information in the table is fictional, for display purpose only. Council Central Staff and CBO are also exploring alternative information to show in this section for projects that are funded with one primary revenue source, such as the utility projects.

CITYWIDE IT PORTFOLIO REVIEW

January 2018



POWERFUL TECHNOLOGY SOLUTIONS
FOR THE CITY AND PUBLIC WE SERVE



Seattle
Information Technology

CITYWIDE IT PORTFOLIO REVIEW

Time Period Covered: December 22 – January 19, 2018

Data Pulled: January 19, 2018

Report Finalized: March 2, 2018

POWERFUL TECHNOLOGY SOLUTIONS
FOR THE CITY AND PUBLIC WE SERVE






Seattle
Information Technology

AGENDA

- Project Status Criteria
- Methodology
- Terminology
- Executive Summary
- Red and Yellow Project Summary
- Project Change Orders
- Project Risk and Issues Summary
- On Hold Projects
- Upcoming Portfolio Activities
- Appendix – Changes Since Last Reporting Period

PROJECT STATUS CRITERIA

Indicator	 Green	 Yellow	 Red
Overall Project	No more than one of Project scope, cost or schedule is yellow and none are red.	Two or more of Project scope, cost and schedule are yellow or one is red.	Two or more of Project scope, cost and schedule are red.
Project Scope	Project is expected to deliver the approved scope.	Project is at risk to not deliver approved scope.	Project will not deliver approved scope as currently specified.
Project Cost	Project Actual Cost is less than or equal to the baseline cost.	Project Actual Cost is less than or equal to 15% over the baseline cost.	Project Actual Cost is greater than 15% over the baseline cost.
Project Schedule	Project is expected to meet approved schedule and major milestones.	Project is at risk of missing one or more approved major project milestones.	Project is at risk of missing the approved go-live date.
REQUIRED ACTIONS	None	Project manager and project sponsor develops and obtains approval for corrective action plan.	Project sponsor develops and obtains approval for corrective action plan.

NOTE: All scope, cost, and schedule should be measured as baseline established at the end of the planning stage gate plus approved change orders.

METHODOLOGY

All IT projects in the city meeting certain criteria, are expected to be on the Citywide IT Portfolio in SharePoint and follow the established processes and procedures.

All projects that are in the Project Management Lifecycle (PMLC) execution and closeout stages are required to submit monthly status reports. Projects determined to be high risk may be required to have external project quality assurance (PQA) and submit additional PQA reports.

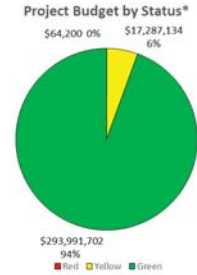
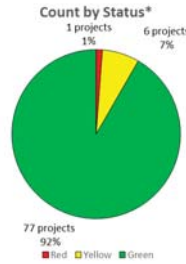
Any project with red or yellow status as outlined in the previous Project Status Criteria, are required to report their top 3 risks or issues, mitigation or resolution strategies and target resolution dates on the Risks and Issues List. Risks and issues status is updated monthly.

TERMINOLOGY

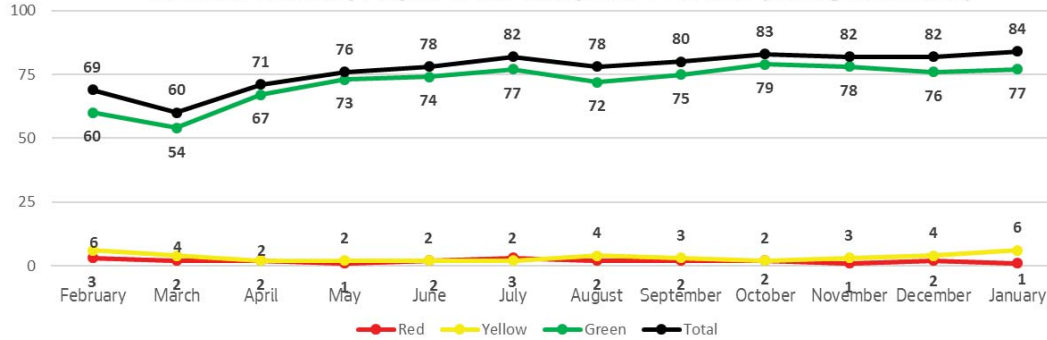
- Estimate at Completion – Actual costs plus remaining forecasted costs to complete.
- On Hold – Project work has paused.
- Project Budget – Approved cost estimate for project.
- Project Status Criteria – Health indicators for the project (red, yellow, and green) as it relates to scope, cost, schedule, and overall project.
- Risks and Issues List – Top three risks and/or issues reported by the project for resolution or mitigation.
- Spend to Date – Actual costs to date on the project.

EXECUTIVE SUMMARY

Stage	Count	Project Budget	Percentage
Concept	183	\$45,157,554	54.3%
Initiation	37	\$24,527,966	11.0%
Planning	33	\$94,664,171	9.8%
Execution	67	\$193,695,250	19.9%
Closeout	17	\$120,248,186	5.0%
Total	337	\$478,293,127	100.0%



Executive Summary Project Count*: Snapshot Over Time (Rolling 12 Months)



* Execution & Closeout projects

RED AND YELLOW PROJECT SUMMARY

#	Status	Stage	Project Name	Sponsoring Dept	Project Budget	Spend to Date	Estimate at Completion
666	Red	Execution	Adobe Sign Operationalization	ITD	\$64,200	\$64,200	\$102,200
9	Yellow	Execution	ITSM - Phoenix Phase 1	ITD	\$2,600,000	\$1,663,000	\$2,600,000
173	Yellow	Execution	Permitting Regulation Enforcement and Property (PREP) Information System	SDCI	\$11,654,000	\$11,140,489	\$11,700,000
293	Yellow	Execution	Body Worn Video	SPD	\$4,770,386	\$687,212	\$4,770,386
436	Yellow	Execution	Locution Software Upgrade	SFD	\$95,076	\$49,036	\$95,076
466	Yellow	Execution	Citywide Grants Management Project	DON	\$636,672	\$0	\$636,672
476	Yellow	Execution	CRM - Correspondence Management II	DON	\$131,000	\$0	\$131,000
			Total		\$19,951,334	\$13,603,937	\$20,035,334

PROJECT CHANGE ORDERS

No change orders for this reporting period.

PROJECT RISK & ISSUES - RED

Project Name	Risk or Issue Statement	Mitigation or Recovery Plan
Adobe Sign Operationalization	Decision paper will be needed and approved for 2018 implementation to cover IT labor so this project can be completed as planned.	IT leadership met to resolve the funding of IT labor to enable the project to be completed as planned. With this remedy a decision paper to document and approve options was no longer required. Project codes and funding completed. Closed Date 02/09/2018.
	If the digital signature capabilities are not operationalized, the value of digital signatures could be impacted.	Mitigation plan is to develop and approve communication and adoption plan, conduct onsite training by Adobe and is planned to retire this risk by 02/16/2018. Adoption plan and training completed. Closed Date 2/09/2018.
	If only early adopters are asked to pay to cover the remaining cost, we may lose participation in future operationalization projects.	Mitigation plan is to meet with the Client Service Directors to ensure cost is clearly communicated when decision paper has been approved on cost sharing and is planned to retire this risk by 02/16/2018. Early adopters will not be paying for the 2018 budget. Closed Date 02/09/2018.

PROJECT RISK & ISSUES - YELLOW

Project Name	Risk or Issue Statement	Mitigation or Recovery Plan
ITSM – Phoenix Phase 1	Lack of a defined scope for the ITSM project has impacted the ability to build a definitive schedule for project delivery.	The recovery plan is to confirm scope/finalize release plan - completed 12/18/2017 and update project charter – completed 02/14/2018. Incremental delivery of functionality is now planned, Closed Date 02/14/2018.
	If the environments release procedures are not in place prior to UAT, the schedule for the 2.0 release could be delayed.	Mitigation is to document the process and release procedures with the Ivanti vendor and is planned to retire the risk by 03/07/2018.
	If the QA resource for testing is not secured, the schedule for the 2.0 release could be delayed.	Mitigation is to work with Applications area to secure a QA resource and is planned to retire the risk by 03/07/2018.
	The O365 license limit has caused an impact to the schedule to test email communications to and from the development and training environments.	The recovery plan is to acquire 6 licenses, 3 for development and 3 for training. Licenses have been provided, Closed Date 02/15/2018.

PROJECT RISK & ISSUES - YELLOW

Project Name	Risk or Issue Statement	Mitigation or Recovery Plan
Permitting Enforcement Regulation and Property (PREP) Information System	If data conversion is not completed by SRI launch date, financial reporting from SDCI permitting revenues to SRI could be inaccurate.	Mitigation plan is to ensure reporting from current SDCI Permitting System has been updated for SRI and prioritize completion of conversion by critical area, with fee data as highest priority. Data conversion acceptance criteria completed and approved by Steering Committee. Closed Date 01/19/2018.
	Previous vendor did not use standard conversion tools for large pieces of conversion. Rework to the conversion code resulted in a 3 week slide in testing start date.	The recovery plan is to rebaseline schedule. Closed Date 01/19/2018.
	If additional staff training readiness is not completed by go live, user acceptance could be impacted.	Mitigation plan is for additional system walkthroughs and formal refresher training and is planned to retire risk by 03/02/2018.

PROJECT RISK & ISSUES - YELLOW

Project Name	Risk or Issue Statement	Mitigation or Recovery Plan
Body Worn Video	The Internal Network Upgrade project is delayed and Phase 2 is slated to start 03/01/2018, project value could be negatively affected due to excessive cycle time required to download video from cameras.	The recovery plan is to work with network team to implement short term fixes, if needed, to decrease video upload and download times.
	If the Washington State Public Employee Relations Committee (PERC) rules in the Seattle Police Officers Guild (SPOG) favor that the body-worn video executive order is an unfair labor process, the schedule could be greatly affected if SPOG files a cease and desist order.	Mitigation is for project staff to work with department managers and lawyers to determine mitigation strategies. The PERC ruling expected by 02/28/2018.
	If the vendor product and related processes do not adequately address needs of criminal justice system and staffing is not adjusted appropriately, the prosecution, defense, and courts could become overwhelmed with evidence, creating delays in justice being served, impacting project value.	Mitigation is for project staff to meet with justice partners (community stakeholders) to make them aware of project, determine impacts, and fine tune processes. Full impact of project is expected by 03/31/2018.

PROJECT RISK & ISSUES - YELLOW

Project Name	Risk or Issue Statement	Mitigation or Recovery Plan
Locution Software Upgrade	The resource constraints has caused an impact to the schedule which will cause the project to be delayed.	The recovery plan is to submit a change order with a revised schedule.
	The increased installation times has caused an impact to the schedule which has caused the project to be delayed.	The recovery plan is to submit a change order with a revised schedule. This will allow the appropriate time for testing.

PROJECT RISK & ISSUES - YELLOW

Project Name	Risk or Issue Statement	Mitigation or Recovery Plan
Citywide Grants Management Project	If the design enhancements are prioritized as critical to the business, the schedule could be delayed by 4 weeks.	Mitigation is to prioritize the enhancements and if needed, submit a change order and is planned to retire the risk by 03/19/2018.
	The training gaps in our collaborative tools has caused schedule delays to complete the review of the open items from the workshop.	The recovery plan is to provide training across our team to ensure effective collaboration.

PROJECT RISK & ISSUES - YELLOW

Project Name	Risk or Issue Statement	Mitigation or Recovery Plan
CRM – Correspondence Management II	If system performance does not improve, the system will not be reasonably usable and go-live could be delayed.	Mitigation plan is to test and provide feedback to the vendor for improvement. Performance fixes provided by the vendor have improved response times. Closed Date 01/26/2018.
	If development changes and delays do not improve, go-live could be delayed.	Mitigation plan is for any changes to schedule, scope, or budget must be documented in a Change Request, to be presented to the Steering Committee for review and decision. It is planned to retire this risk by 03/05/2018.
	The lack of detail in the Solution Design Document has caused an impact on a “Go” decision for delivery.	The recovery plan is to provide regular updates for Enterprise Architecture review and feedback and conduct solution demonstration for SMEs.
	If SurveyMonkey accounts cannot be administered in a cost effective manner for the City, departments beyond those participating in Correspondence Management II may not be covered/included within the new Enterprise Agreement.	Mitigation plan is to identify a short-term plan within the 1 year Enterprise Agreement period while working with SurveyMonkey to develop a longer term plan and is planned to retire by 04/05/2018.

ON HOLD PROJECTS

Stage	Count	Project Budget	Percentage
Execution	3	\$622,633	100.0%
Closeout	0	\$0	0.0%
Total	3	\$622,633	100.0%

#	Status	Stage	Project Name	Path Forward
6	On Hold	Execution	Online Monthly Parking Sales	Project on hold pending vendor providing attestation of compliance expected March 2018.
206	On Hold	Execution	Legal Document Management Software System	Project on hold pending operating model decisions.
555	On Hold	Execution	CIP Database Update	CBO resources are constrained with budget process and needs to delay the added work by three months.

APPENDIX STATUS CHANGES SINCE LAST REPORTING PERIOD

#	Sponsoring Dept	Project Name	Stage	Previous Overall Status	Current Overall Status	Previous Project Budget	Current Project Budget	Adjustments To Portfolio
173	SDCI	Permitting Regulation Enforcement and Property (PREP) Information System	Execution	Red	Yellow	\$11,654,000	\$11,654,000	\$0
187	FAS	Summit Re-Implementation Project	Execution	Yellow	Green	\$83,904,415	\$83,904,415	\$0
436	SFD	Location Software Upgrade	Execution	Green	Yellow	\$95,076	\$95,076	\$0
466	DON	Citywide Grants Management Project	Execution	Red	Yellow	\$636,672	\$636,672	\$0
670	SPD	Quartermaster Automation	Execution	Grey	Green	\$0	\$88,451	\$88,451
774	SDHR	SDHR - Seattle Shares	Concept		Grey		\$0	\$0
775	HSD	Data Warehouse Solution	Concept		Grey		\$0	\$0
776	FAS	CRM Assessment	Initiation		Grey		\$250,000	\$250,000
777	FAS	FAS SLIM/TAPS Replacement	Concept		Grey		\$0	\$0
778	FAS	FAS Payroll System Replacement	Concept		Grey		\$0	\$0
779	FAS	FAS WASAU Upgrade	Concept		Grey		\$0	\$0
780	FAS	FAS Online Credit Card Payment Processing	Concept		Grey		\$0	\$0
781	FAS	FAS HRIS Retro Pay Calculations	Concept		Grey		\$0	\$0
782	HXM	Replacement of FRITS	Concept		Grey		\$0	\$0
783	SFD	SFD Permitting	Concept		Grey		\$0	\$0
784	SFD	Integration and Automation of SFD's Payroll Systems	Concept		Grey		\$0	\$0
785	SFD	SFD Forms Automation	Concept		Grey		\$0	\$0
786	SFD	Fire Safety and Training System	Concept		Grey		\$0	\$0
787	SFD	Fire Boat Maintenance System	Concept		Grey		\$0	\$0
788	SFD	RMS Upgrade (SFD Records Management)	Concept		Grey		\$0	\$0
789	SFD	Complaint System – SFD CRM	Concept		Grey		\$0	\$0
790	SPU	Fire Hydrant Application	Concept		Grey		\$0	\$0
791	SPU	Real Property App Upgrade	Concept		Grey		\$0	\$0
792	SFD	Hazmat Team Software System	Concept		Grey		\$0	\$0
793	SFD	Wisetrack System Upgrade – SFD Equipment Inventory	Concept		Grey		\$0	\$0
794	SPU	Enterprise Search Strategy for DWW (Metadata Management)	Concept		Grey		\$0	\$0
795	SPU	Regulatory Management System	Concept		Grey		\$0	\$0
796	SPU	Land Survey Equipment Replacement	Concept		Grey		\$0	\$0
797	SFD	Scott Safety Mask Radio Interface	Concept		Grey		\$0	\$0
798	SFD	New Construction Inspections	Concept		Grey		\$0	\$0
799	ITD	Accela Program	Execution		Grey		\$0	\$0
		Total				\$96,290,163	\$96,628,615	\$338,451

Project budgets will be refined as they progress through the stage gates prior to execution where the budget will then be finalized.

THANK YOU

POWERFUL TECHNOLOGY SOLUTIONS
FOR THE CITY AND PUBLIC WE SERVE



Seattle
Information Technology