

Capital Improvement Program Delivery Updates

GLWA's Capital Planning Committee

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June 15, 2021



Agenda

- Key Take-Aways
- What is the AECOM Contract
- Where We've Been
- Where We're Going
- Task-by-Task Update



Key Take-Aways



What is the AECOM Contract

Summary of Contract

- ◆ Consulting Services
 - ◆ Executed May 17, 2019
 - ◆ Four Year Duration
 - ◆ Approximately \$55M Total
 - ◆ 10 Interrelated Tasks
- ◆ Largest Task
 - ◆ Task 7 - Staff Augmentation
 - ◆ Staff Augmentation is 57% of Contract ~ \$31M
- ◆ Purpose is to Improve Multiple Facets of CIP Execution

Contract Goals

Increase...

- ◆ annual throughput of the CIP
- ◆ accuracy of project cost estimating
- ◆ accuracy of cash flow forecasting
- ◆ competitiveness of construction bids through improved solicitation scopes

Improve...

- ◆ contract change management processes (change orders) in both construction and professional services
- ◆ performance of project scheduling
- ◆ organizational resources and structure

The goal at the end of the contract is for GLWA to have the tools and resources needed to manage a best-in-class CIP **without the need for outsourcing program management**

Where We've Been

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Where We've Been

Key Progress

Gained Understanding

- 195 team members engaged
- 80 workshops and meetings
- 21 business units engaged
- 60 business processes mapped

Recommendations Made & Under Consideration

- Line of Reporting Recommendations
- Lifecycle Project Manager Role and Responsibility Changes
- Highest Priority Business Process Changes

Completed draft of the Resource Development Plan

- Updated CIP Roles and FTE projections

Completed draft of the PMIS Request for Proposal

Completed Validation of All Projects in the CIP

Ramping up Use of Staff Augmentation Task

- Initiated more than 105 individual tasks
- Committed about 65% of the task (\$20M/\$31M)

Includes 5 Project Managers

- Increase project execution
- 1 dedicated to water projects (and 1 Assistant PM)
- 3 dedicated to wastewater projects (inclu.1 in CSO)
- Managing 12 of the CIP projects



Comparison to What We Expected

		When We Started Last Year, We Expected	ON-TRACK	UNDERWAY	COMPLETE
YEAR 1	1	Improved business processes		●	
	2	Improved reporting			●
	3	Start of staff augmentation			●
YEAR 2	1	Recommendations on resources		●	
	2	IT solution requirements	●		
	3	CIP project changes (packaging, delivery methods and sequencing)			●
	4	Increased staff augmentation	●		
	5	Standup the Program Management Office			●
YEAR 3	1	Possible organizational structure changes	●		
	2	Begin implementation of IT solutions	●		
	3	level-off of staff augmentation	●		
YEAR 4	1	Completion of IT solutions	●		
	2	Further improved reporting	●		
	3	Decreased staff augmentation	●		
	4	Phasing out of consultant	●		

Where We've Been with Organizational and Business Process Change

- AECOM presented recommendations in January and February of 2020
 - Organizational change related to governance
 - Change in roles and responsibilities of our project managers
- Many options for implementation exist. There is no “one size fits all” solution.
- Organizational change decisions are pending awaiting additional discussion and information on how such changes were experienced by other similar utilities
- Recently been focused on fast-tracking business process improvements for “quick wins”
- Working through these recommendations with the various business units
- The CIPST will be the forum where the new business process and the Program Management Plan (PMP) will be reviewed and implemented

Where We're Going

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Where We're Going

Key Milestones

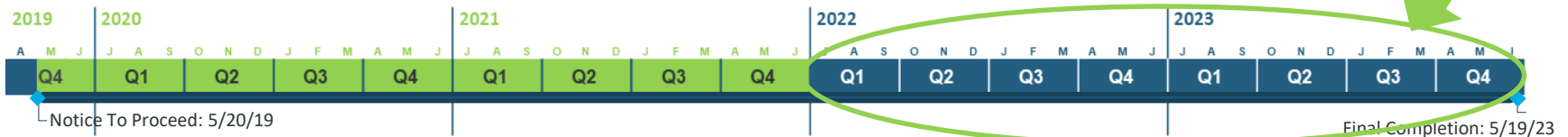
Year 3

- Possible organizational structure changes
- Begin implementation of IT solutions
- Level-off of staff augmentation
- Annual CIP project changes (packaging, delivery methods and sequencing)

Year 4

- Completion of IT solutions
- Further improved reporting
- Decreased staff augmentation
- Phasing out of consultant

GLWA FISCAL YEAR

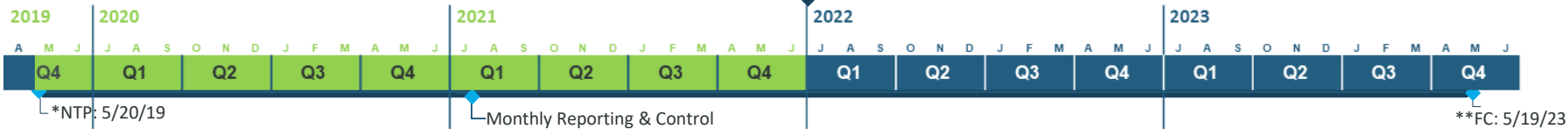


Task by Task Update

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CS-272: Capital Improvement Program Delivery

GLWA FISCAL YEAR



Key Progress

- Meeting with GLWA senior leaders to advance visioning and alignment around CIP Business process improvements
- Continued process of review and approval of PMP Chapters and accompanying SOPs
- Facilitating discussion on Resource Development Plan findings and recommendations
- Completing Year 2 CIP Validation Report
- Assigned to develop BODR for Springwell's WTP Header & Yard Piping project
- Assigned to develop Alternatives Analysis Report for NE WTP pumping Station Improvements project
- Secondary Clarifier project being explored as candidate for Task 8
- Held Town Hall Meeting to provide updates



Budget/Schedule

Contract Duration 1,461 Calendar Days
740 Calendar Days since NTP
(as of May 28, 2021)

50.7 % Time Elapsed

Total

\$54,934,034

Accrued to Date

\$20,944,765 = 38.1%

*NTP = Notice to Proceed

**FC = Final Substantial Completion

Task 1: CIP Business Process Improvements

Lump Sum Task



Key Progress

- Completed existing business improvement mapping and developed recommendations



Budget

Total

\$1,043,816

Accrued to Date

\$1,043,816 = 100%



Schedule

740 Calendar Days since NTP
(as of May 28, 2021)

Complete

Task 2: CIP Delivery Standard Operating Procedure (SOP) Development

Lump Sum Task



Key Progress

- Meeting with GLWA senior leaders to advance visioning and alignment around CIP Business process improvements
- Held Town Hall style Meeting with Managers and Directors to update on improvements
- Continued a series of meetings with the CIP Satellite Team to begin review and approval of PMP Chapters and accompanying SOPs.



Budget

Total
\$1,181,756

Accrued to Date

\$614,038 = 52%



Schedule

Estimated 577 Calendar Days
740 Calendar Days since NTP
(as of May 28, 2021)

154% Time Elapsed

Task 3: CIP Delivery Resource Evaluation

Lump Sum Task



Key Progress

- Meeting with various business units and senior leaders to discuss implementation of Resource Development Plan recommendations



Budget

Total

\$676,847

Accrued to Date

\$543,339 = 80.3%



Schedule

Estimated 1,461 Calendar Days

740 Calendar Days since NTP

(as of May 28, 2021)

50.7 % Time Elapsed

Task 4: Project Management Information System (PMIS) Selection & Implementation

Lump Sum Task



Key Progress

- Submitted Draft RFP to IT
- RFP to be released in mid-June



Budget

Total
\$1,493,744

Accrued to Date
\$471,276 = 31.6%



Schedule

Estimated 1,461 Calendar Days
740 Calendar Days since NTP
(as of May 28, 2021)

50.7 % Time Elapsed

Task 5: Project Controls & Reporting Support

Time & Materials



Key Progress

- Preparing to roll out training on the portal for the 2023 – 27 CIP plan development
- Implemented Cost Tool - PRISM
- Updating and improving CIP Dashboard
- Meet with GLWA PMs to improve efficiency of new CIP portal



Budget

Total
\$14,427,520

Accrued to Date
\$8,541,220 = 59.2%



Schedule

Estimated 1,461 Calendar Days
740 Calendar Days since NTP
(as of May 28, 2021)

50.7 % Time Elapsed

Task 6: CIP Validation

Lump Sum Task



Key Progress

- Submitted Final Year 2 Validation Report
- Have identified projects for Year 3 Validation
- Discussing the scope of year 3 validation



Budget

Total
\$2,381,024

Accrued to Date
\$1,681,518 = 70.6%



Schedule

Estimated 1,461 Calendar Days
740 Calendar Days since NTP
(as of May 28, 2021)

50.7 % Time Elapsed

Task 7 & 9: Staff Augmentation Time & Materials



Key Progress

- Aeration Decks 1 and 2 improvement project preliminary design progressing
- Tasked to prepare Basis of Design Report for Springwell WTP Header and Yard Piping Project
- Tasked to develop Alternatives Analysis for North East WTP Pumping Station Improvements
- Front end document support



Budget

Total Task 7

\$30,249,764

Accrued to Date

\$7,760,651 = 25.7%

Total Task 9

\$1,034,100

Accrued to Date

\$213,119 = 20.6%



Schedule

Estimated 1,461 Calendar Days

740 Calendar Days since NTP
(as of May 28, 2021)

50.7 % Time Elapsed

Task 8: Advanced Facilities Planning (AFP)

Lump Sum Task



Key Progress

- Developing scope for the Secondary Clarifies Rehab project



Budget

Total

\$2,006,563

Accrued to Date

\$75,787 = 3.8%



Schedule

Estimated 1,461 Calendar Days

740 Calendar Days since NTP
(as of May 28, 2021)

50.7 % Time Elapsed

Task 10: Enterprise-wide Energy Optimization and Sustainability Planning

Lump Sum Task



Key Progress

- Not started



Budget

Total

\$438,900

Accrued to Date

\$0



Schedule

Estimated 1,461 Calendar Days

740 Calendar Days since NTP
(as of May 28, 2021)

50.7 % Time Elapsed

Capital Improvement Program CIP Scoring

GLWA's Capital Planning Committee

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Donal Barron
AECOM

June 15, 2021



Current Project Scoring Methodology

- Based on ratings of weighted criteria
- Each BCE gets Two Scores:
 - Project Sponsor/Manager
 - Review Committee

$$\sum \left(\frac{\text{Criteria Score}}{5} * [\text{Criteria Weight Percent}] * 100 \right) + \text{Modifier Points} = \text{Calculated Score}$$

Table 5. Project Manager Criteria Score Breakdown: Wastewater

RANK	CIP NO.	TITLE	1	2	3	4	5	6	7	PM SCORE	2	3	4	5	6	7	8	RC SCORE
1	274001	Leib Improvements for Meldrum Diversion	4	4	3	4	3	5	4	71.0	4	4	4	3	5	4	4	78.2
2	278001	Oakwood Improvements for NWI Diversion	4	3	4	4	2	5	2	64.2	4	4	4	3	5	4	2	74.6

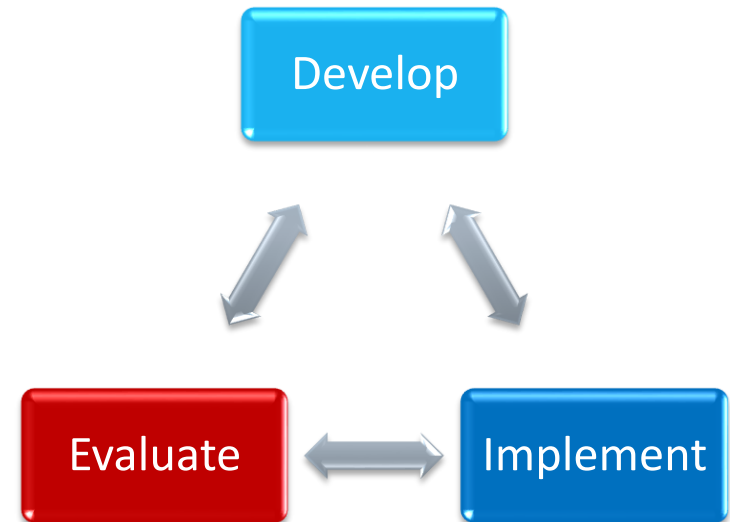
CIP Scoring Methodology Update

Why:

- Every process should be evaluated periodically to verify its effectiveness and to determine if the intent is being met.

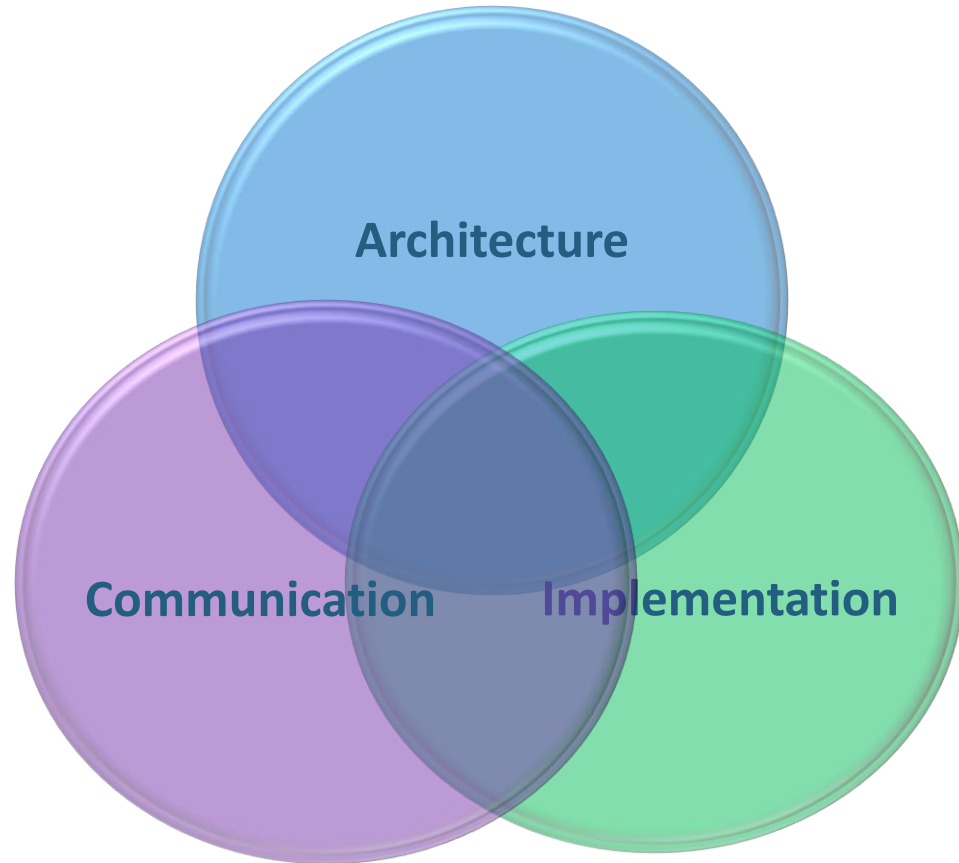
Goal:

- Consider appropriate revisions that would improve the prioritization of projects to better align project scoring with the purpose and need of the projects.



CIP Scoring Methodology Update

- **Approach:**
 - Understand the effectiveness and limitations of the current CIP Scoring Methodology
 - Evaluate the following components:
 - **Architecture:** Criteria, weighting, scoring
 - **Implementation:** Application and management of the process
 - **Communication:** Internal and external
 - Identify improvements that could be made to improve the process
 - Ensure consistency across business units
 - Test the proposed improvements with historic CIP projects.
- **Status and Next Steps:**
 - Evaluating the existing scoring methodology to identify improvements
 - Staff workshops: 1 held, 3 planned for July
 - Roll out this year



Questions

