

*/s/ Lynn Peterson*

*2/18/2014*

**Lynn Peterson**  
Secretary of Transportation

Date

## **Project Management**

### **I. Introduction**

The Washington State Department of Transportation (WSDOT) utilizes the best of current practices to successfully deliver capital construction projects as promised, on schedule, and on or under budget. WSDOT's project management process includes methods, tools, templates, and examples to enhance both pre-construction and construction project management. Access to the process, tools, and templates can be found at: [www.wsdot.wa.gov/projects/projectmgmt/pmog.htm](http://www.wsdot.wa.gov/projects/projectmgmt/pmog.htm)

As part of ongoing improvements in project management, WSDOT implemented the Project Management and Reporting System (PMRS) to assist with managing and reporting the status of capital transportation project delivery. The PMRS integrates applications for scheduling, contract management, electronic content management, and cost control with existing WSDOT legacy systems to better support management and delivery of capital projects. The PMRS also produces reports and information for both internal and external use, and provides uniform formats and content for those reports.

Information, training, and resources regarding the PMRS are available at: [wwwi.wsdot.wa.gov/planning/cpdmo/pmrs.htm](http://wwwi.wsdot.wa.gov/planning/cpdmo/pmrs.htm)

#### **A. Purpose**

The purpose of this executive order is to define the requirements for using the WSDOT project management process, including the PMRS, to effectively and efficiently manage and report on WSDOT capital transportation projects and programs. This is done in order to meet the following WSDOT Management Principle on Project Delivery:

*We will improve our effectiveness by delivering projects and programs of the highest quality and in a timely and fiscally responsible manner. We will manage the resources taxpayers and the Legislature entrust to us for the highest possible return of value.*

This and other WSDOT management principles can be found at: [www.wsdot.wa.gov/accountability/mgmtprinciples.htm](http://www.wsdot.wa.gov/accountability/mgmtprinciples.htm)

#### **B. Supersession**

This Secretary's Executive Order supersedes and replaces *Project Management* Executive Order 1032.01 dated July 1, 2008 and *Project Management and Reporting System (PMRS)* Executive Order 1042.00 dated July 1, 2008. All references to the superseded E 1032.01 and E 1042.00 now reference E 1032.02.

### **C. What Has Changed**

- The formatting has been updated to meet current department document standards, including revised section numbering, revised section headings, and the addition of new sections IV. and V.
- Subsection III.A. has been added.
- Each existing section has been thoroughly revised.

## **II. Secretary's Executive Order**

This Secretary's Executive Order directs WSDOT employees to deliver capital transportation projects consistent with the principles and practices of the department's project management process, and to utilize the PMRS as the agency-wide suite of project management and reporting tools supporting delivery of capital transportation projects.

All projects are required to be included in the PMRS at a minimum of the control account level, and to utilize the structure and taxonomy developed for PMRS.

## **III. Information to Carry Out This Secretary's Executive Order**

### **A. Specific Functional Requirements**

#### **1. Master Deliverables List (MDL) and Work Breakdown Structure (WBS)**

Early in project development, use the WSDOT Master Deliverables List (MDL) to develop a Work Breakdown Structure (WBS) containing a detailed description, based on what is known at the time, of all of the project's deliverables.

#### **2. Schedule Development and Management**

##### **a. Schedule Development**

Build critical path schedules for all new capital projects in the PMRS. Include activities for the preconstruction and construction phases and at a minimum the following milestones (if applicable to the project type):

- Project Definition Complete
- Begin Preliminary Engineering
- Right of Way (RW) Plan Approved
- Environmental Review Documentation Complete
- RW Phase Start
- RW Certification
- Environmental Permits Received
- Advertisement (Ad Date)
- Award
- Preliminary Engineering (PE) Phase End
- Construction Work Start
- Operationally Complete
- Construction (CN) Phase End

The level of detail required for a project schedule depends on the project's complexity, and may be scaled to meet the project management needs.

b. **Cost Loading**

Load the schedule with costs in accordance with the approved project budget to enable cost tracking and reporting. Schedules for all capital projects should be cost loaded as indicated below, then maintained with up to date cost information monthly, at a minimum:

<b>Description</b>	<b>Complete by:</b>
Costs by phase (PE, RW, CN) aged as per current plan	6/30/14
Costs by major deliverable, if project complexity warrants, aged as per current plan	As needed

Set the software to automatically download actual costs from the financial accounting system in accordance with the WBS developed for each project.

c. **Contractor's Construction Schedule Review and Update**

Incorporate a summary level rollup of the construction contractor's schedule into the PMRS master schedule for the construction phase of all capital projects, immediately following acceptance of the contractor's schedule. Follow guidance in the *Construction Manual* M 41-01.

3. **Cost Estimating and Cost Management**

a. **Cost Estimating**

Use the *Cost Estimating Manual for WSDOT Projects* M 3034 issued by the Strategic Analysis and Estimating Office at WSDOT Headquarters, Olympia.

b. **Estimated Outstanding Costs**

For projects utilizing consultants, use the estimated outstanding costs guideline on the *Project Management Website* at [www.wsdot.wa.gov/publications/fulltext/pmrs/guidance\\_desktop\\_procedures/estimatedoutstandingcostguidelines.pdf](http://www.wsdot.wa.gov/publications/fulltext/pmrs/guidance_desktop_procedures/estimatedoutstandingcostguidelines.pdf) to develop estimated outstanding costs and enter them into the PMRS for management and reporting purposes.

c. **Estimate at Completion**

Develop an Estimate at Completion for all phases of all capital projects and enter into the PMRS (P6, PRI, or Contract Manager, as appropriate) for management and reporting purposes.

4. **Agreement Administration**

- a. Create internal agreements with WSDOT disciplines/specialty groups that identify the scope, schedule, risks, and estimated costs for the deliverables needed for a specific capital project.
- b. Enter information needed to track progress of all internal agreements and consultant agreements into the PMRS.
- c. Enter pertinent construction contracts information into the Contracts tool of the PMRS.

## 5. **Change Management**

- a. At the project level use the PMRS to track all project changes including internal and external agreements and follow the change management process specified in the Project Management Online Guide.
- b. Submit all proposed project changes that affect scope, schedule, or budget through Region or Modal Program Management, for processing through appropriate approval levels.
- c. Project offices will continue to process construction contract changes through Construction Contracts Information System (CCIS). The effects of cost and schedule will be tracked through the PMRS. More information about CCIS can be found at [www.wsdot.wa.gov/business/construction/default.html](http://www.wsdot.wa.gov/business/construction/default.html).

## 6. **Status Reporting**

Use the PMRS reports as the standard agency reporting tools for programmed capital projects.

## 7. **Record Keeping**

Accurate and organized record keeping and retention are required for all projects. Electronic Content Management (ECM) systems are available and their use is encouraged for this purpose.

## **B. Specific Job Level Requirements**

The following specifies the requirements for executives, senior managers, project managers, project team members, and others in the department who participate in project management and/or reporting:

### 1. **Executives and Senior Managers**

The following responsibilities are assigned to executives and senior managers:

- a. Appoint project managers who possess the project management knowledge, skills, and abilities required to deliver capital transportation projects.
- b. Plan for and provide appropriate resources to implement effective project management.
- c. Become familiar with and utilize oversight and reporting capabilities of the PMRS, as appropriate to position and duties.
- d. Review and endorse project management plans for each project (Regional Administrator or as delegated).

### 2. **Project Managers**

The following responsibilities are assigned to project managers:

- a. Plan for and provide appropriate resources to implement effective project management.
- b. Know the status of all projects assigned to them.
- c. Lead the project management process consistent with the principles and practices defined at [www.wsdot.wa.gov/projects/projectmgmt](http://www.wsdot.wa.gov/projects/projectmgmt).

- d. Develop, document, use, and maintain a project management plan for each project assigned.
  - 1) Perform the roles and responsibilities as defined in the project management plan.
  - 2) Develop and execute internal agreements with all parties contributing to project scope, risk analysis, schedule, and cost, including the design team(s) and specialty groups.
- e. Use the PMRS to manage and report on schedule, cost control, agreement and contract management as outlined in subsection III.A. of this Executive Order. Schedule progress and key milestones will be kept up-to-date and reported compared to the planned baseline schedule.

### 3. **Project Team Members**

The following responsibilities are assigned to project team members:

- a. Follow the project management process consistent with the principles and practices at [www.wsdot.wa.gov/projects/projectmgmt](http://www.wsdot.wa.gov/projects/projectmgmt).
- b. Perform the roles and responsibilities as defined in the project-specific project management plan.
- c. Endorse the project management plan.
- d. Use the PMRS to manage and report on schedule, cost control, agreement and contract management as outlined in subsection III.A. of this Executive Order. Schedule progress and key milestones will be kept up-to-date and reported compared to the planned baseline schedule.

### 4. **Specialty Groups (Region and Headquarters)**

Project staff work with a variety of specialty groups at region and Olympia headquarters. Some examples include Environmental, Bridge and Structures, Materials, Geotechnical Services, and Information Technology.

The following responsibilities are assigned to specialty group managers:

- a. Follow the project management process consistent with the principles and practices defined at [www.wsdot.wa.gov/projects/projectmgmt](http://www.wsdot.wa.gov/projects/projectmgmt).
- b. Develop and execute an internal agreement to provide scope, schedule, risk analysis, and cost to the project manager.
- c. Provide the project manager with a scope, schedule, and estimate for the tasks assigned. Update project managers monthly with progress and estimate at completion status.
- d. Endorse the project management plan.
- e. Perform the roles and responsibilities as defined in the project management plan.
- f. Use the PMRS to manage and report business decisions related to project scope, schedule, and budget.

- g. Whenever fund types or partnerships change on a project, the initiating office shall make the project manager aware of the change. The project manager shall then adjust project deliverables accordingly. Examples of this include when project funding has changed from “State” to “Federal,” when environmental deliverables/tasks are modified to address the National Environmental Policy Act (NEPA), and when the project deliverables list is modified to add the project to the Statewide Transportation Improvement Program (STIP).

#### **IV. Contact for More Information**

For questions or concerns about this Secretary’s Executive Order, contact the Capital Program Development and Management Office, 360-705-7121.

#### **V. References**

- *Construction Manual M 41-01*  
[www.wsdot.wa.gov/publications/manuals/m41-01.htm](http://www.wsdot.wa.gov/publications/manuals/m41-01.htm)
- *Cost Estimating Manual for WSDOT Projects M 3034*  
[www.wsdot.wa.gov/publications/manuals/m3034.htm](http://www.wsdot.wa.gov/publications/manuals/m3034.htm)
- *Estimated Outstanding Cost Guidelines*  
[www.wsdot.wa.gov/publications/fulltext/pmrs/guidance\\_desktop\\_procedures/estimatedoutstandingcostguidelines.pdf](http://www.wsdot.wa.gov/publications/fulltext/pmrs/guidance_desktop_procedures/estimatedoutstandingcostguidelines.pdf)
- Project Management - Delivering the Capital Construction Programs at the Project Level web page  
[www.wsdot.wa.gov/projects/projectmgmt](http://www.wsdot.wa.gov/projects/projectmgmt)
- Project Management & Reporting System intranet page  
[wwwi.wsdot.wa.gov/planning/cpdmo/pmrs.htm](http://wwwi.wsdot.wa.gov/planning/cpdmo/pmrs.htm)
- Project Management Online Guide web page  
[www.wsdot.wa.gov/projects/projectmgmt/pmog.htm](http://www.wsdot.wa.gov/projects/projectmgmt/pmog.htm)
- State Construction Office web page  
[www.wsdot.wa.gov/business/construction/default.html](http://www.wsdot.wa.gov/business/construction/default.html)
- Washington State Department of Transportation Management Principles web page  
[www.wsdot.wa.gov/accountability/mgmtprinciples.htm](http://www.wsdot.wa.gov/accountability/mgmtprinciples.htm)

#### **VI. Review and Update Requirements**

When changes are necessary to update this document, inform the Assistant Secretary of Engineering and Regional Operations. The Assistant Secretary reviews this document periodically and proposes updates to the Secretary of Transportation for approval.

#### **Americans with Disabilities Act (ADA) Information**

This material can be made available in an alternate format by emailing the WSDOT Diversity/ADA Compliance Team at [wsdotada@wsdot.wa.gov](mailto:wsdotada@wsdot.wa.gov) or by calling toll free, 855-362-4ADA (4232). Persons who are deaf or hard of hearing may make a request by calling the Washington State Relay at 711.