

# Budgeting for Project Managers

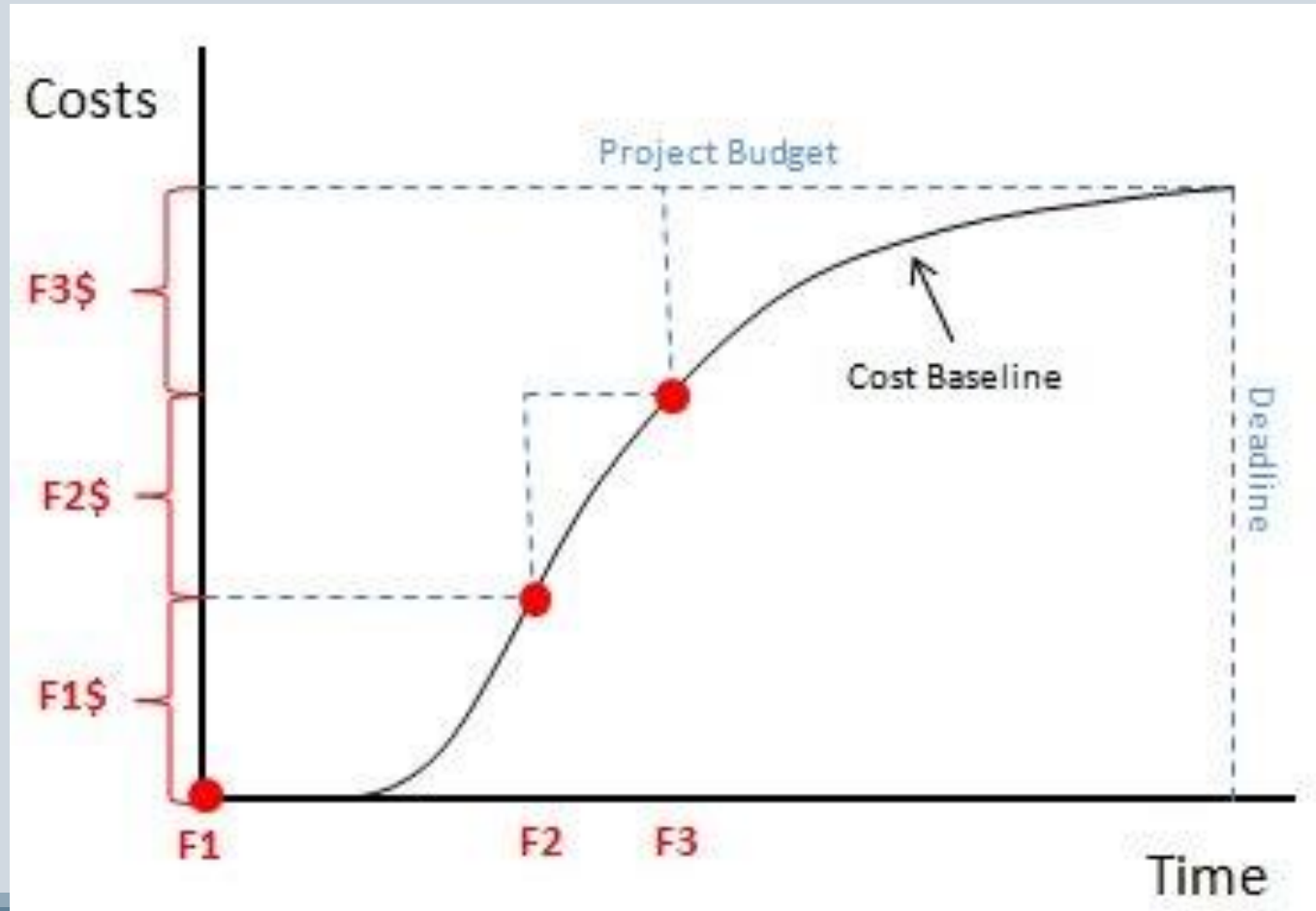
---

- Major factors of pre-planning for capital projects
- Minor factors of pre-planning for capital projects
- Common failure due to poor pre-planning
- Authority of the project manager
- Monitoring the project
- Closeout of the project

Bradley Arnold, County Administrator



# Cost Baseline





# Major factors of pre-planning for capital projects

---

## Financing

- Bond/Loan
- Capital reserves
- Grants (compliance and reimbursement plan)

## Budgeting

- Historical “market” trend/ Detailed Project Estimates (with contingency)
- Fiscal years involved
- Phased by project area / by project activity
- Fund assignment limitations based on revenue sources
- More than one Fund involved
- Projected drawdown schedule/invoicing plan

## Schedule

- Committed completion date
- Committed start date
- Stuff in between (milestones)

## Required participants

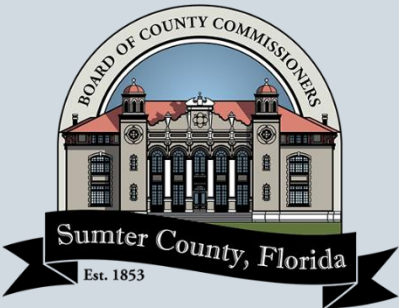
- Design stage
- Construction stage

## Procurement match for project methodology

- Design-Build
- Design – Bid – Build (w/ or w/out CM)
- Design-Build-Operate
- Other

# Webster Fire Station





# Minor factors of pre-planning for capital projects

---

## Utility services

- Roads – conflicts
- Buildings – services
- Timing and costs – including relocation

## Fixtures, furnishings, and equipment (FF&E)

- Included in the construction contract or owner provided

## Owner direct purchasing

- Timing vs. savings

## Internal IT support



# Common failures due to poor pre-planning

---

## Poorly defined scope of services

- Scope creep
- Cost overrun
- Scheduled completion time slippage
- Non-compliance with grant requirements

## Incorrect or missing stakeholders during design phase

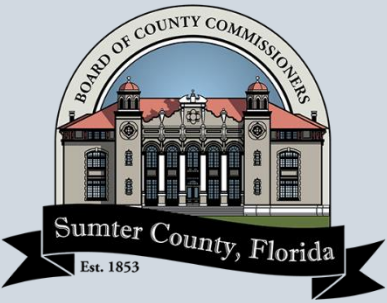
- Scope creep
- Lost efficiencies in design / construction / long-term operations
- Cost overrun
- Scheduled completion time slippage

## Gross underestimation of time for:

- Financing
- Property acquisition
- Permitting / utility relocation

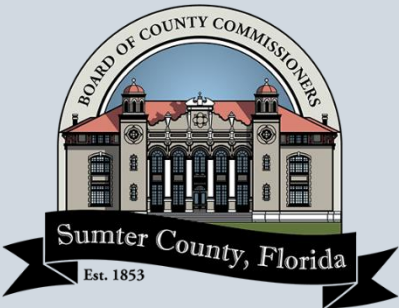
## Unprepared for closeout process

- Payment bond issues
- Final payment/retainage issues
- Warranties
- Training operation personnel on equipment before turnover
- Grant requirements



# C-673 Regional Road Resurfacing Completed 2019





# Authority of the Project Manager

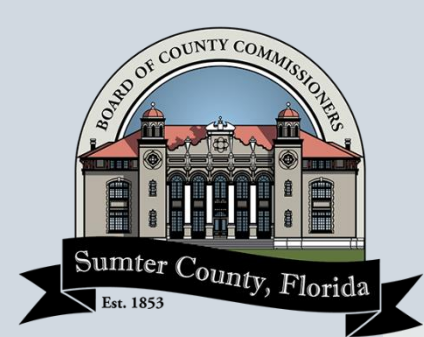
---

Recognized as equal to or more authority than stakeholder group

Authority and responsibility must match

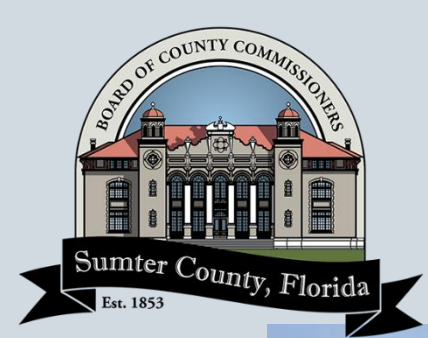
- Defined within organization
- Defined in scopes of work
- Defined in procurement contracts

Field decision authority defined



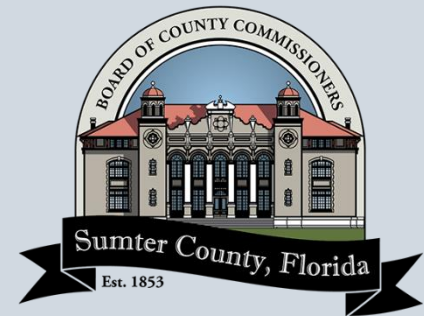
# Bushnell Sumter County Public Safety Center





# The Villages Sumter County Public Safety Center



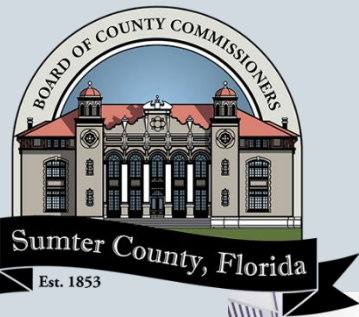


# Monitoring the Project

---

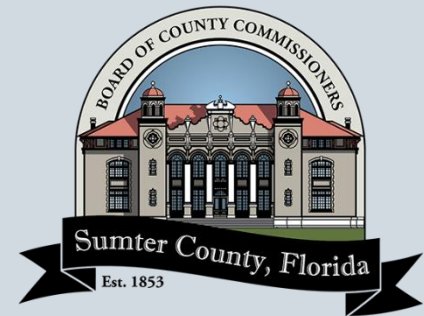
## Schedule

- Milestones for Funding
- Milestones for Design
- Milestones for Construction
- Milestones for Use/Testing/Warranty
- Operational impacts to schedule



# 911 Call Taking and Law Enforcement Dispatch





# Monitoring the Project

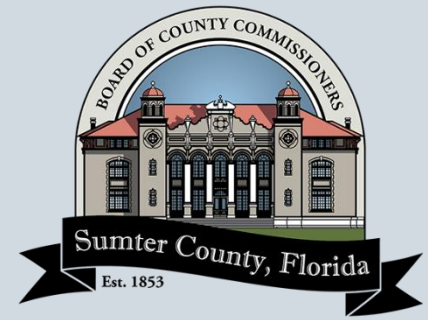
---

## Cash Flow

- Invoice submission and approval – timing
- Reimbursement to grant (if applicable) – timing
- Crossing fiscal years – timing
- Track budgeted vs. actual costs including vendor submitted schedules

## Quality

UPDATE PROJECTIONS MONTHLY (PROJECT MANAGER AND VENDOR INDEPENDENTLY)



# Closeout of the Project

---

Documentation delivery with warranties

All training of personnel completed for operation of facilities/equipment

Scheduled final review of facilities 60 days before expiration of any warranty

Releases of lien

- Remember all of the notices received? – Confirm you have all the releases

Final grant documentation submitted for review (if applicable)

Final adjusting change order

Final invoice with release of final retainage and final release of remaining encumbered funds

Archiving indexed documentation for future reference