



KING COUNTY AUDITOR'S OFFICE
CAPITAL PROJECTS OVERSIGHT PROGRAM

CAPITAL PROJECT RISK SCORING INSTRUMENT

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Committee of the Whole
July 28, 2010

MAJOR IMPROVEMENT IN CAPITAL PROJECT OVERSIGHT

- The risk scoring process represents a *significant milestone* in the county's oversight efforts:
 - Will promote successful project delivery and improve the transparency and accountability of the performance of county's capital improvement program
 - Will not only assess the relative risk of capital projects but also collect important project data valuable for oversight purposes

ORIGINS AND PURPOSE

- Mandated by 2010 Ordinance 16764
- Generates standardized risk scores for major capital projects
- Scores will be used to help Joint Advisory Group (JAG) make “high-risk” project determination for phased funding and greater scrutiny and controls
- Part of council’s effort to improve the accountability of the county’s capital improvement program

DEVELOPMENT EFFORT

- Included comprehensive stakeholder involvement
- Field testing was completed using 17 sample projects representing diverse capital programs
- Approved by the Joint Advisory Group (JAG) in June

SCORING INSTRUMENT

Consists of an electronic questionnaire evaluating 15 weighted factors relating to project scope, schedule, and budget risks:

Evaluation Factor	Relative Impact on Overall Project Risk Score
1. Project Phase	Average
2. Total Project Cost Estimate	High
3. Cost Estimate Class	Average
4. Schedule Constraints	High
5. Property Acquisition and Use	High
6. Permitting	Average
7. Public Impact During Implementation	Average
8. Public Interest	Average
9. Project Delivery Method	Low
10. Number of Prime Contractors Managed	Low
11. Unusual Design or Engineering Challenges	High
12. Unusual Construction Challenges	High
13. Market Conditions	Low
14. Agency Commitment to Project	High
15. Agency Experience with Project Type	Low

EXAMPLE: Q8. PUBLIC INTEREST

The project manager is asked:

Please indicate which public interest situation most closely matches this project and site:

- A) Low Public Interest: Projects which are unlikely to become of interest to community or business groups, regulatory agencies, elected officials, the news media, and/or adjacent property owners.*
- B) Routine Public Interest: Projects which may become of interest to the news media, elected officials, regulatory agencies, community and business groups, and/or adjacent property owners.*
- C) High Public Interest: Projects which are already of interest to community or business groups, the news media, elected officials, regulatory agencies, and/or adjacent property owners.*

Answer “A” equates to low risk, “B” average risk, and “C” high risk.

EXAMPLE: Q14. AGENCY COMMITMENT TO PROJECT

The agency scoring representative is asked:

Please identify your agency's level of commitment to supporting progress on schedule and completing this project:

- A) My agency's commitment is unconditional. The project is of the highest priority, offers proven benefits, and all necessary funding is in place.*
- C) My agency's commitment could change. The project offers well documented benefits and, although additional funding is needed, approval is likely.*
- E) My agency's commitment is uncertain. The potential benefits of the project have not been demonstrated and/or additional funding is required and the likelihood of full funding approval cannot be predicted.*

Answer "A" equates to low risk, "C" average risk, and "E" high risk. "B" and "D" (not shown) fall between.

SCORING RESULTS

Automatically generates:

- A risk score for each project
- A roll-up report of the annual risk score results
- A database containing information for all projects scored
- Individual project summaries

PROJECT RESULTS ROLL-UP REPORT

RISK SCORE RESULTS (Sorted by fund and project number)

Monday, July 26, 2010

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CIP Fund	Proj No	Project Title	Department - Division	Phase	Project Baseline Cost	Current Cost Est at Completion	Risk Score
3380 Airport Construction	1378	Residential Noise Remedy Improvement Program	DOT - Airport	Design	\$0	\$50,000,000	105
	2111	Taxiway Alpha Rehabilitation	DOT - Airport	Design	\$0	\$26,000,000	113
3641 Public Trans Construction	432773	West Seattle Passenger Facilities and TSP/Commun/Road Improvements	DOT - Metro Transit	Design	\$0	\$11,292,582	237
3860 County Road Construction	300197	South Park Bridge #3179	DOT - Road Services	Design	\$153,000,000	\$153,000,000	397
	300808	South Regional Maintenance Facility	DES - Facilities Management	Preliminary Design	\$0	\$43,000,000	212
	400309	SE Summit Landsburg Road	DOT - Road Services	Preliminary Design	\$0	\$10,837,000	188
3901 Solid Waste Construction	3166	North County Recycling and Transfer Station	DNRP - Solid Waste Division	Preliminary Design	\$0	\$96,000,000	387
	3143	South County Recycling and Transfer Station	DNRP - Solid Waste	Preliminary Design	\$0	\$91,000,000	383
3951 Building Repair and Replacement	200704	Integrated Security Project	DES - Facilities Management	Design	\$0	\$16,386,000	314
3951 Building Repair and ReplacementReplacement	395657	Data Center Relocation	DES - Facilities Management	Design	\$0	\$18,886,125	112
4616 Wastewater Treatment	423639	Fremont Siphon	DNRP - Wastewater Treatment Division	Preliminary Design	\$0	\$80,000,000	271
	423627	Sunset/Heathfield Pump Station Replacement and Forcemain Upgrade	DNRP - Wastewater Treatment Division	Preliminary Design	\$0	\$78,000,000	268
	423608	CSO Control & Improvements - Murray	DNRP - Wastewater Treatment Division	Preliminary Design	\$0	\$47,000,000	332
	423135	Interbay Pump Station Upgrade	DNRP - Wastewater Treatment Division	Design	\$43,072,660	\$40,496,000	233
	423630	Barton Pump Station Upgrade	DNRP - Wastewater Treatment Division	Preliminary Design	\$0	\$24,000,000	291
	423407	Kirkland Pump Station Upgrade - Pump Station and Force Main	DNRP - Wastewater Treatment Division	Design	\$19,982,774	\$19,982,774	209
	423622	West Section Control System Replacement	DNRP - Wastewater Treatment Division	Preliminary Design	\$0	\$13,650,000	186

SAMPLE TEST RESULTS - NOT FOR ACTUAL SCORING USE

INDIVIDUAL PROJECT SUMMARY

CAPITAL PROJECT RISK SCORE SUMMARY

		7/10/10	
PROJECT TITLE:	Sample Project	RISK SCORE:	147.91
PROJECT NUMBER:	111111	CIP FUND:	3380
DEPARTMENT - DIVISION OF PROJ MANAGER:		DOT - Airport	

PROJECT DESCRIPTION:

Project scope and background information.

CURRENT PHASE:	Design	DELIVERY METHOD:	Design-Build
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BUDGET SUMMARY

Appropriation Amount to Date (\$)	Year of First Appropriation	Expenditures Amount to Date (\$)	Expenditure Reference Date
\$ 20,000,000	2009	\$ 9,000,000	May-2010

CURRENT COST ESTIMATE AT COMPLETION		PROJECT BASELINE COST ESTIMATE		
Low End of Range	High End of Range	Low End of Range	High End of Range	Year Established
\$ 20,000,000	\$ 23,000,000	\$ 23,000,000	\$ 25,000,000	2010

SCHEDULE SUMMARY

Actual Start Date	Current Time Estimate at Completion (Current Completion Date)	Project Baseline Schedule (Baseline Completion Date)
Jan-2009	Jan-2016	Jan-2016

RISK EVALUATION QUESTIONNAIRE RESULTS

Question	Answer	Rating	Question	Answer	Rating
1. Project Phase	B	13.50	8. Public Interest	B	13.50
2. Total Project Cost	23,000,000	3.16	9. Delivery Method	D C	11.25
3. Cost Estimate Class	C	13.50	10. No. Prime Contractors	B	0.75
4. Schedule Constraints	B C	24.00	11. Des/Eng Challenges	C U	0.00
5. Property Acquisition	B B	18.00	12. Construction Challenges	C U	0.00
6. Permitting	C	10.13	13. Market Conditions	C	3.00
7. Public Impact	C	10.13	A3. Agency Commitment to Proj	C	18.00
			A4. Agency Exper w/ Project Type	B	9.00

NEXT STEPS

- Scoring instrument is already being used by the County Executive to generate this year's results
- Capital Projects Oversight program will provide assistance during JAG's annual high-risk project determination process
- Information gathered may be useful to help define the auditor's work program for direct project oversight
- Auditor's office will report on the effectiveness of the risk scoring program by April 15, 2012

ACKNOWLEDGMENTS

- Assistance and advice was received from:
 - Council staff
 - Council IT Manager
 - Capital program managers
 - Joint Advisory Group
 - PMA Consultants
 - Clerk of the Council
 - State Auditor's Office
 - Prosecuting Attorney's Office