

# Project Cost Estimating Improvement Actions, Results and Trends

CTC Briefing  
March 16, 2006



# Overview

- Improvement Actions Completed
- Improvements Observed
- Continuous Improvement Actions
- FY 05/06 Project Award Status



# Improvement Actions Completed

- Performance Objective Established (Low Bid +/- 10% of Engineer's Estimate)
- Cost Estimating Engineer established in HQ Office Engineer
- Independent consultant analysis on sampling of projects
- District Director's certification of estimates for projects over \$5 million as a constraint to Ready to List.
- HQ Office Engineer performs independent assurance estimate via consultant w/ feedback to District Directors



# Improvement Actions Completed

- Initial review of cost estimating guidance completed. Working toward improvement of accountability, QC/QA process, and tools
- Outreach to Districts via Project Delivery Management Boards, Project Delivery Advisory Council, District Traffic Managers, sending the message
- Cost Estimating Warehouse established on Division of Design's web page (policy, guidance, training, tools, best practices, data...)



# Improvements Observed

- Districts establishing cost estimating centers of expertise
- Districts developing and implementing Quality Control, Quality Assurance processes
- Districts utilizing consultant contracts for independent analysis of cost estimates
- District Directors accountable for accuracy of cost estimates

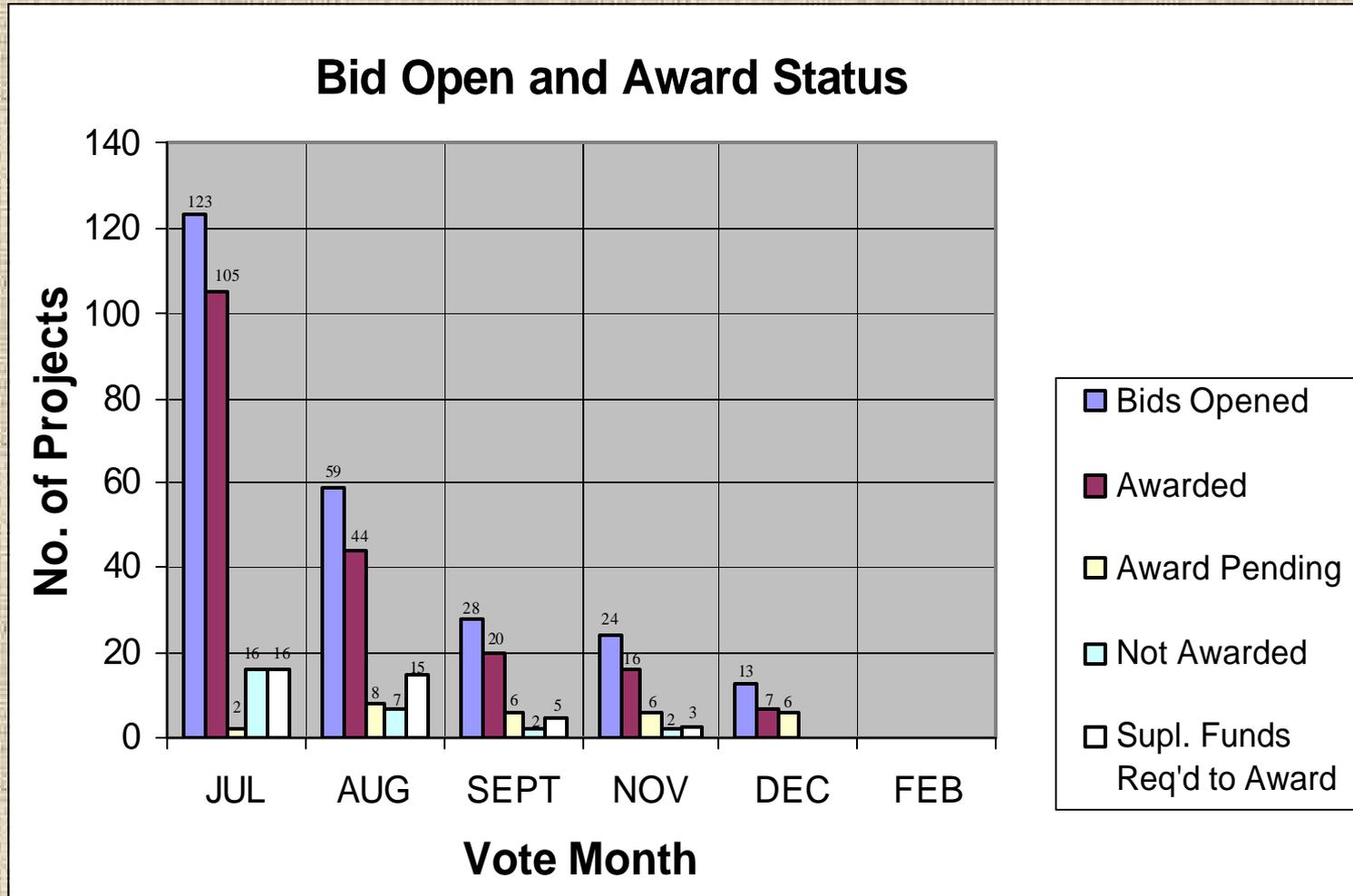


# Continuous Improvement Actions

- Develop/Implement Industry Capacity Expansion Initiatives
- Engage Infrastructure Delivery Council Task Force
- Establish peer exchange with construction industry
- Enhance cost estimating tools, guidance, training and best practices through industry peer review
- Revise Deputy Directive 60 (Transportation Management Plans) >>> balance between congestion mitigation and cost
- Improve Constructability Review process to better ensure consideration of construction work schedules and TMPs in development of cost estimates



# 05/06 FY Project Award Status



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## Reasons Project Not Yet Awarded

