



Caltrans/CTC August 2024 Project Delivery Workshop

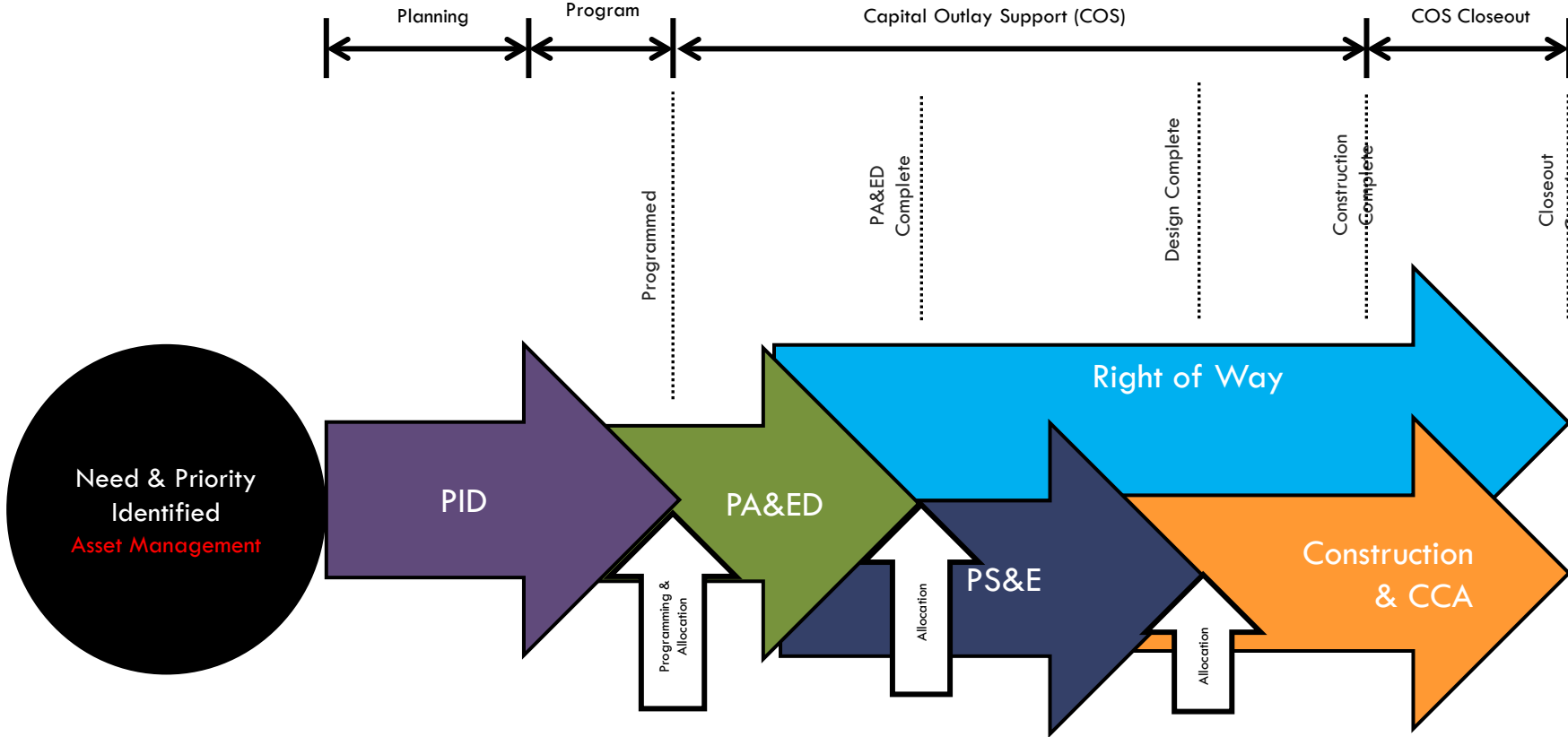
PROJECT DELIVERY OVERVIEW, CHALLENGES, NEXT STEPS

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Topics

- **Project Delivery:**
 - Project Delivery Phases
 - Project Risk
 - Cost Risk Management
 - Use of Time Extensions
 - FY 2023/24 4th Quarter Project Delivery Report
- **Challenges & Opportunities**
- **Next Steps**

Phases of Project Development



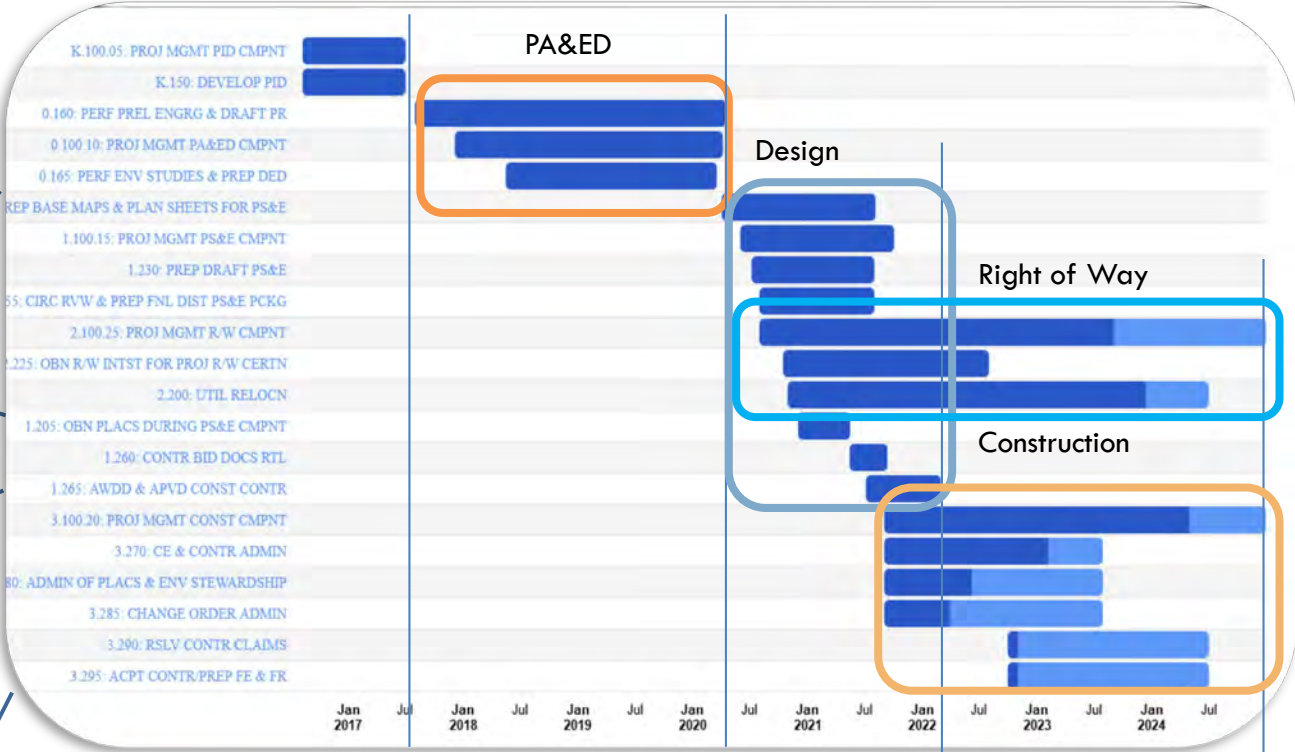
Project Delivery Tasks Drive the Schedule

Phases are broken down into project delivery tasks

Project team determines time required to complete tasks

Task durations are based on internal and external timeframes

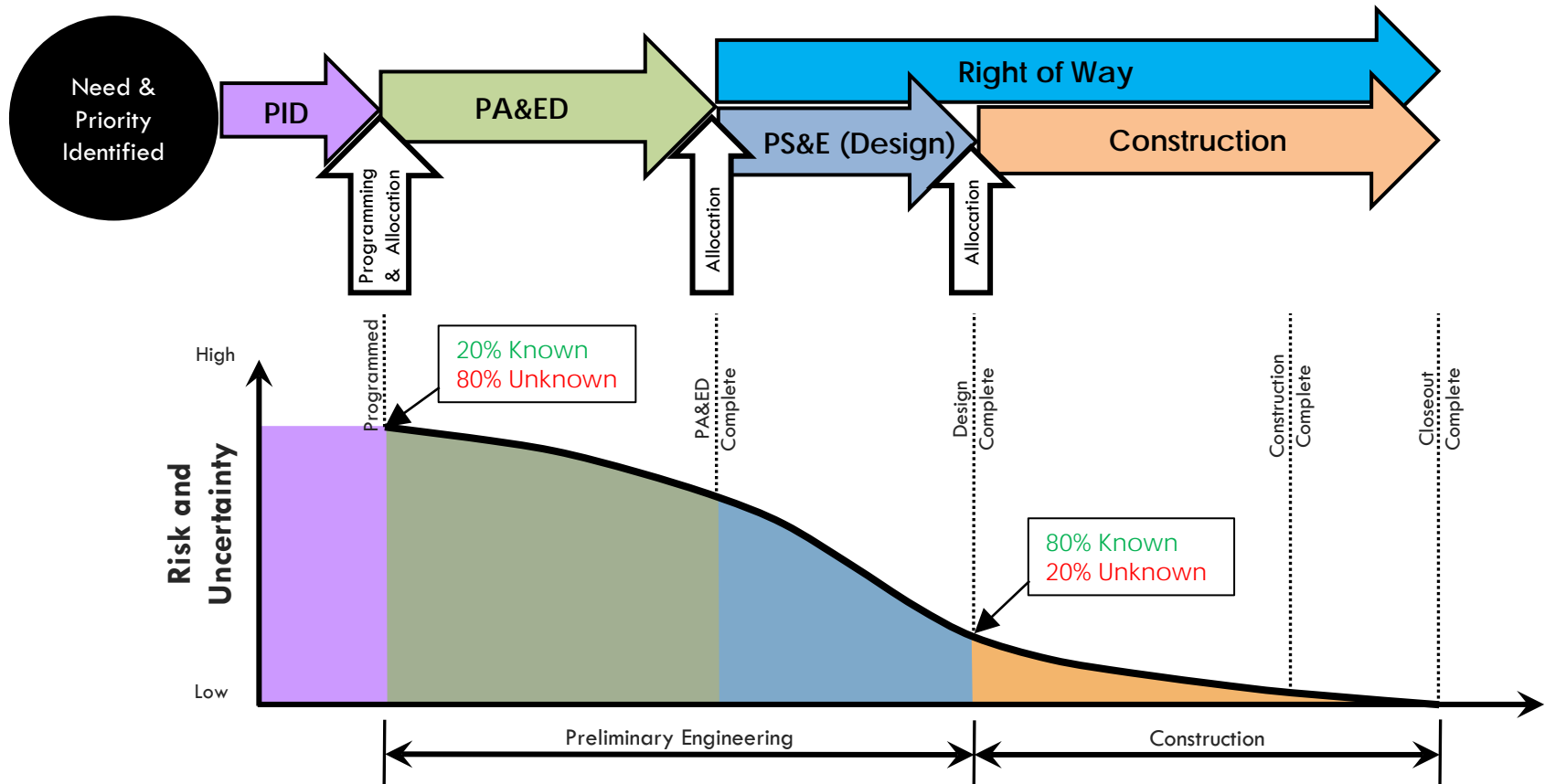
Programmed Fiscal Year for Phase allocations is determined



Caltrans Approach to Project Risk

- Acknowledge there is inherent uncertainty in projects
- Take “reasonable and intelligent” risks and put dollars to work
- Each project utilizes a Risk Register
- Risks that may impact programming are included in the Watch List
- Manage all risks to reduce negative impacts and increase positive impacts

Phases of Project Development w/Risk



Schedule Risks and Uncertainty

PROJECT APPROVAL AND ENVIRONMENTAL DOCUMENTATION

- Obtaining Engineering and Environmental Studies data
- Providing Survey Data
- Requested Scope addition
- Changes to Environmental Footprint

DESIGN

- Permit requirements require design changes.
- Unanticipated scoping changes
- Coordination with Adjacent or Overlapping Projects

RIGHT OF WAY

- Utility Reviews and Relocation
- Railroad Agreements and Approvals
- Property Negotiations (Entry or Acquisition)

CONSTRUCTION

- Site Conditions
- Weather (# of Seasons)
- Logistics of Materials
- Adjacent/Overlapping Projects

Tools for Managing Schedule Risks

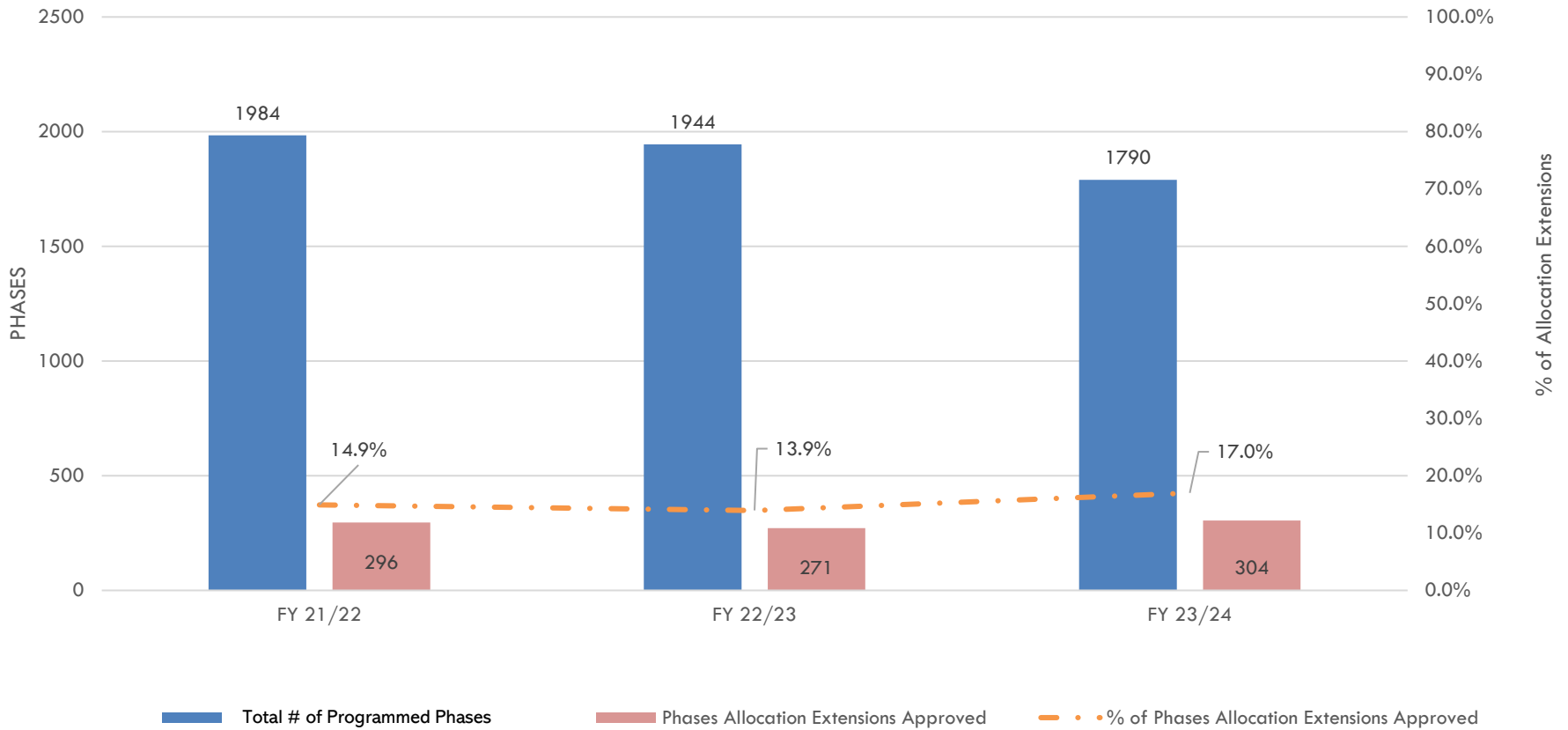
- Adjusting resources or scope.
- Adjusting the task in which the work is done.
- Programming adjustments (unallocated & outside the FY of allocation)

Tools for Managing Schedule Risks

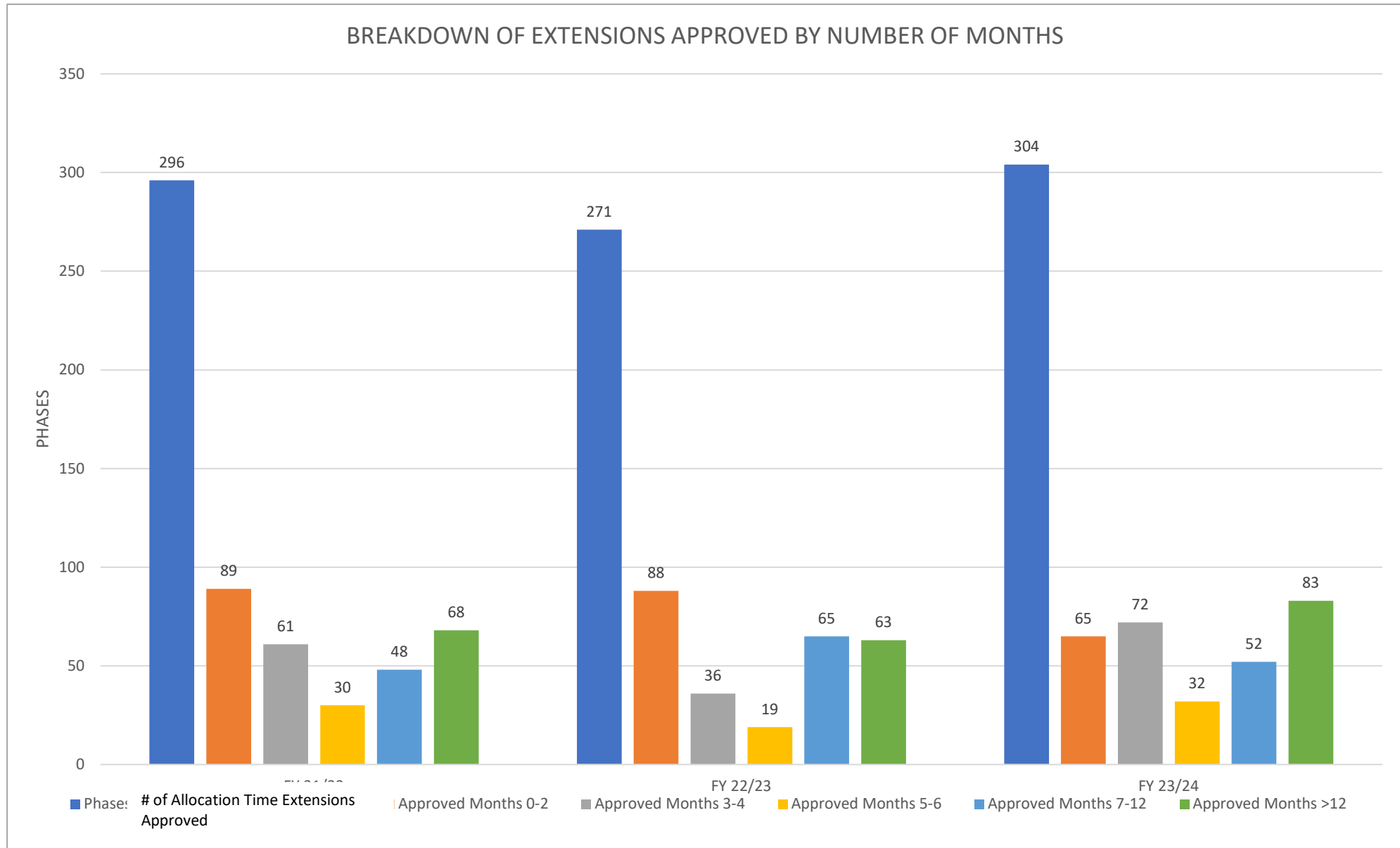
- Time Extensions (allocated or in the FY of allocation):
 - “Allocation Time Extension”
 - “Contract Award Time Extension”
 - “Project Completion Time Extension”
 - To complete construction or construction support
 - “Project Development Expenditure Time Extension”
 - To begin expenditures or complete a phase other than construction

Allocation Time Extensions

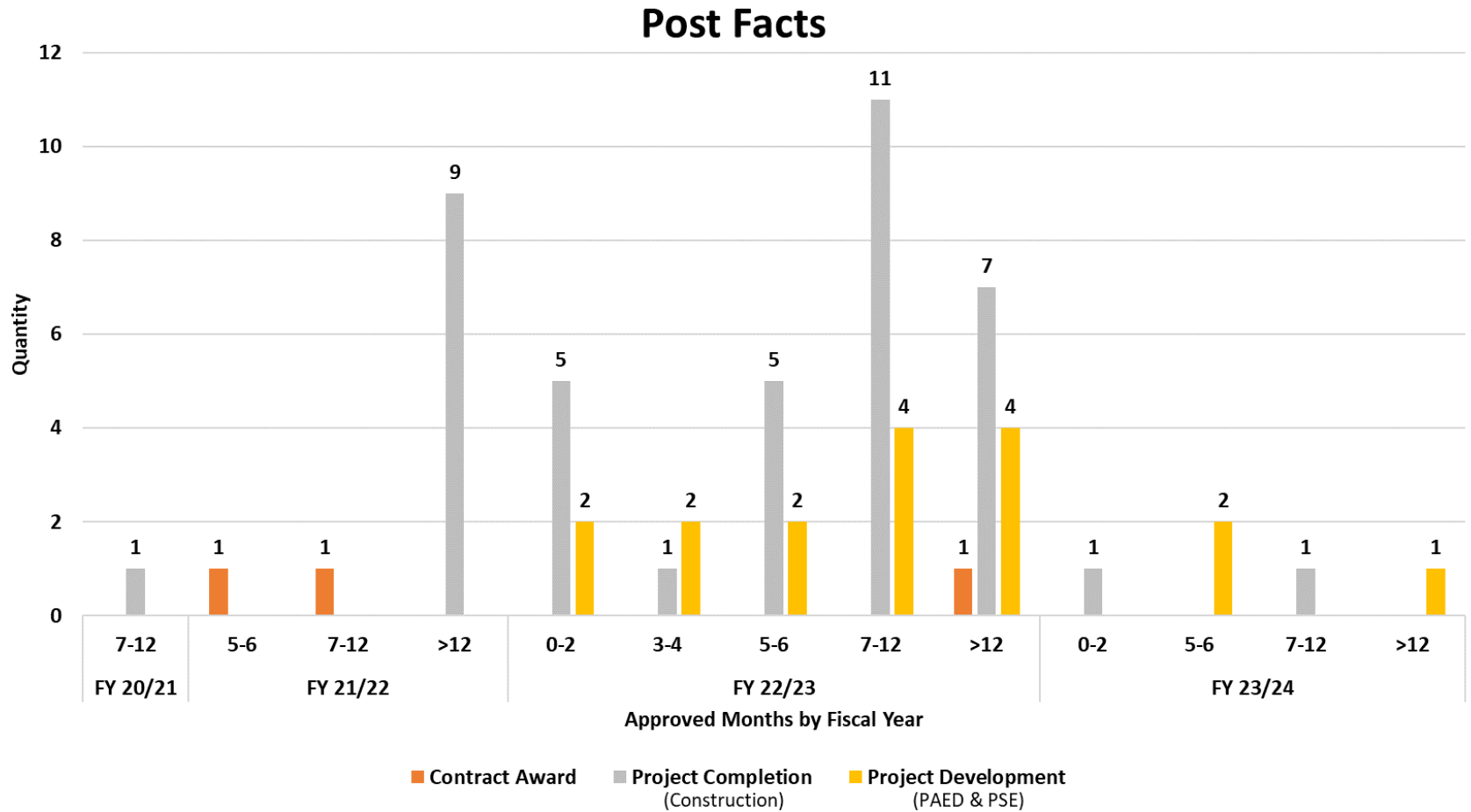
PHASES PROGRAMMED vs ALLOCATION EXTENSIONS REQUESTED



Allocation Time Extensions



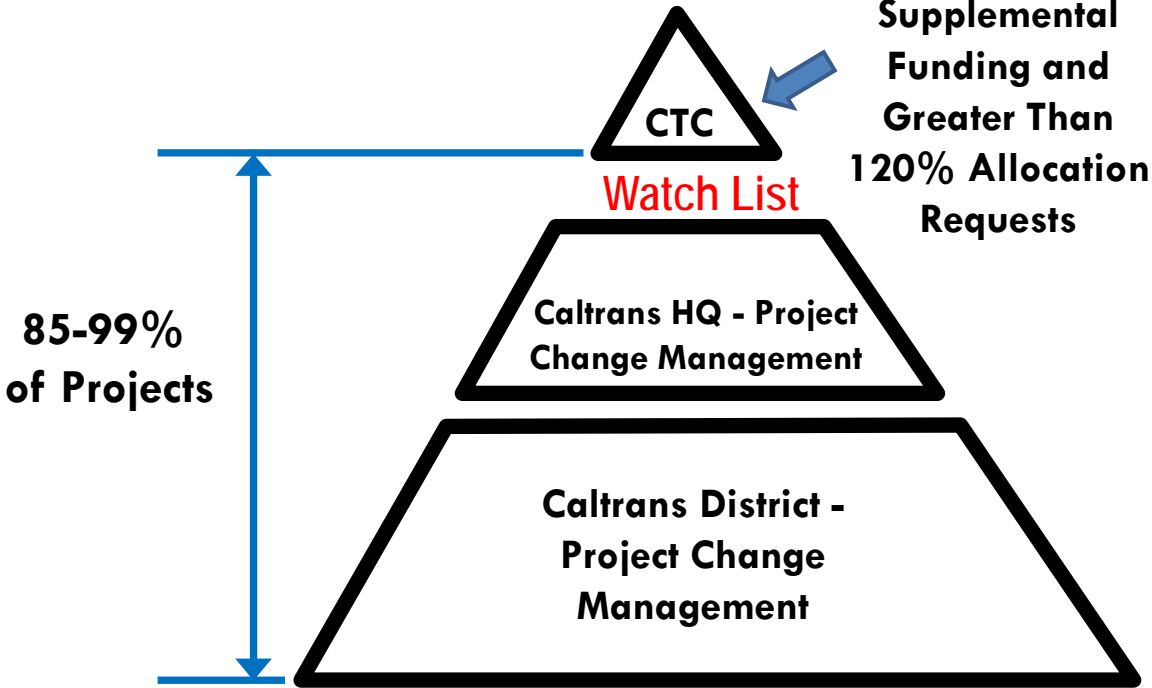
Time Extensions



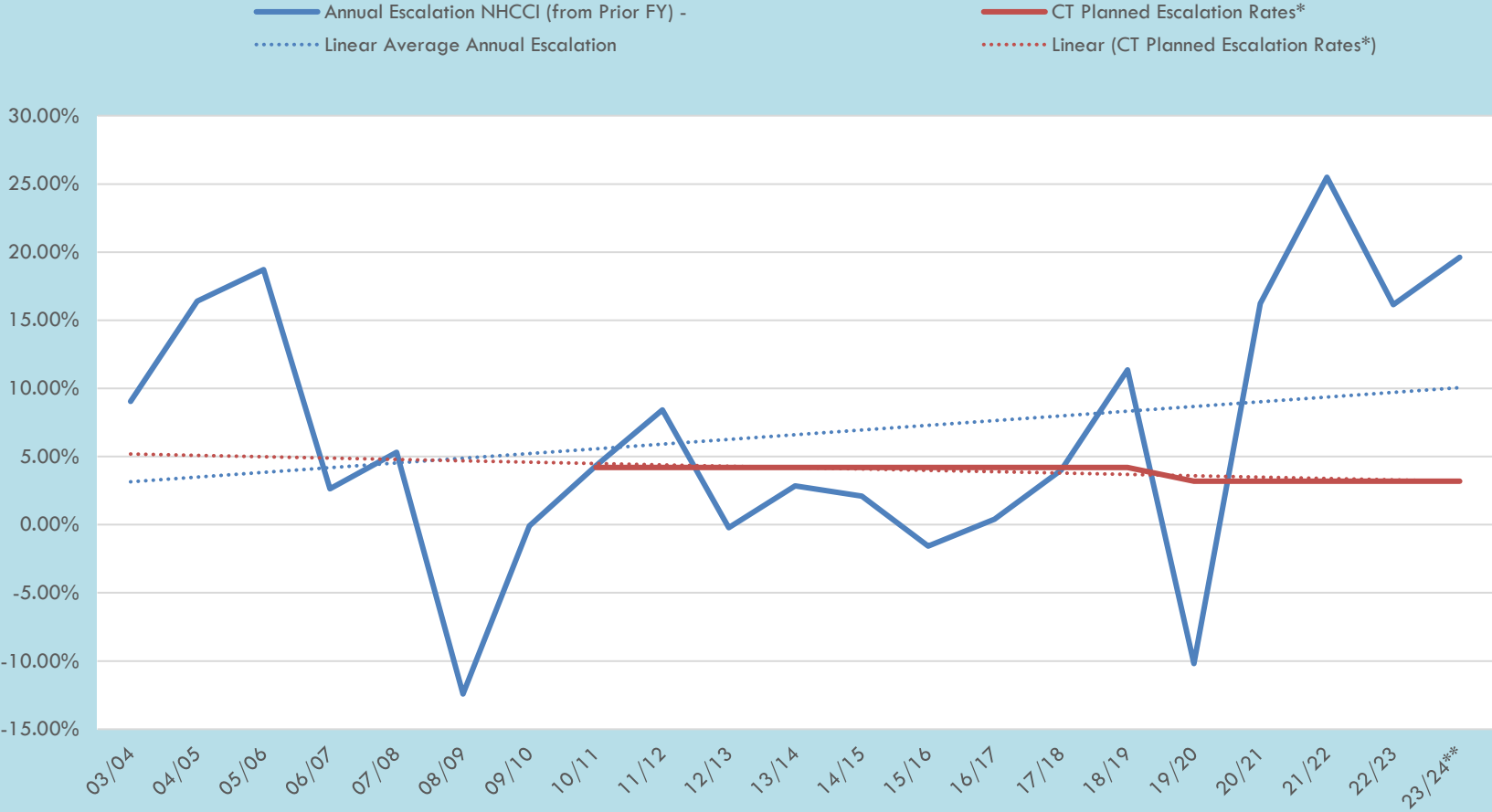
*Caltrans is the implementing agency

Project Cost Risk Management

FY	% Re-Advertise	% to Award	% to Complete Construction	% to Closeout
2020-21	1.2%	2.8%	3.2%	2.1%
2021-22	0.7%	6.0%	3.4%	1.9%
2022-23	1.2%	12.2%	7.4%	0.9%
2023-24	0.5%	14.9%	18.4%	8.4%



Annual Escalation (from Prior California FY)



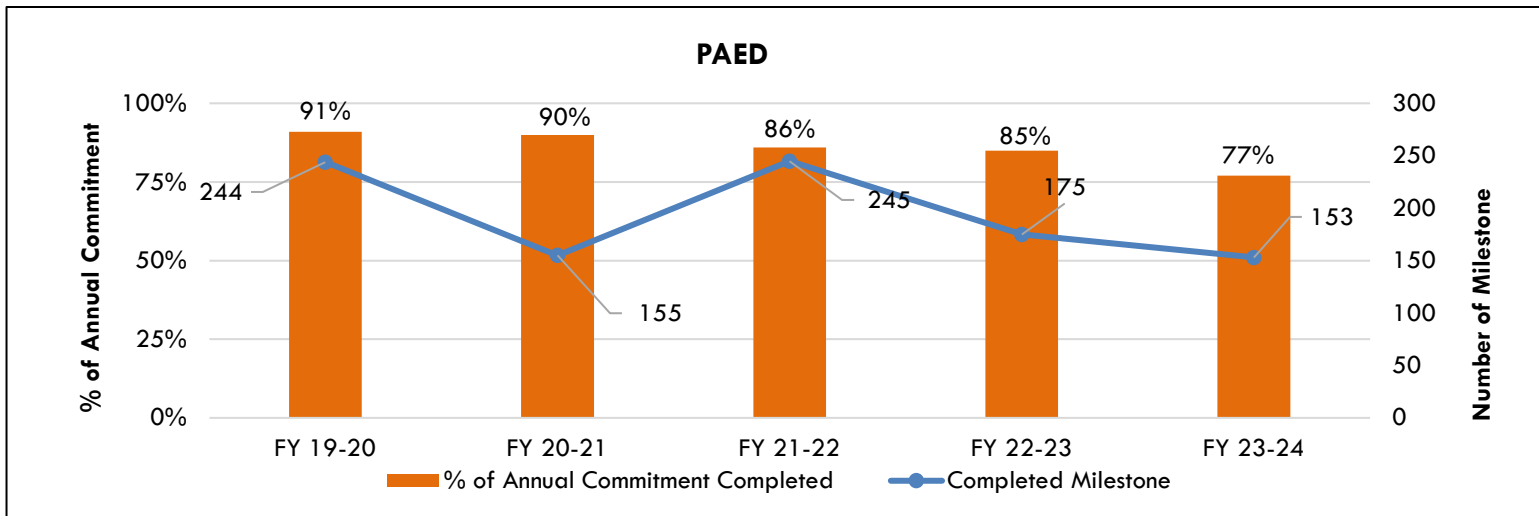
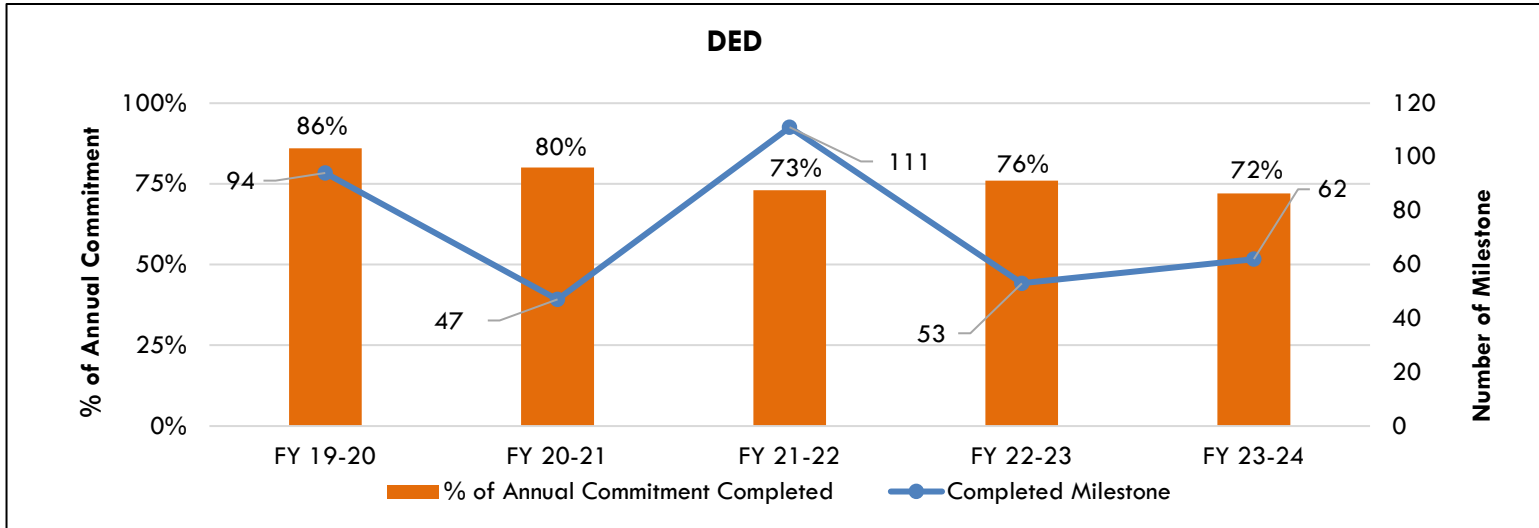
This chart shows the Annual Escalation (converted to the Caltrans Fiscal Year) reflected in the National Highway Construction Cost Index (NHCCI) versus the Caltrans Planned Annual Escalation. THE NHCCI escalation for 23/24 was estimated based on a 3-year average data is only available through September 2023. The 3-Year and 5-Year running average escalation shows the Caltrans escalation that would

Project Delivery Performance Measures

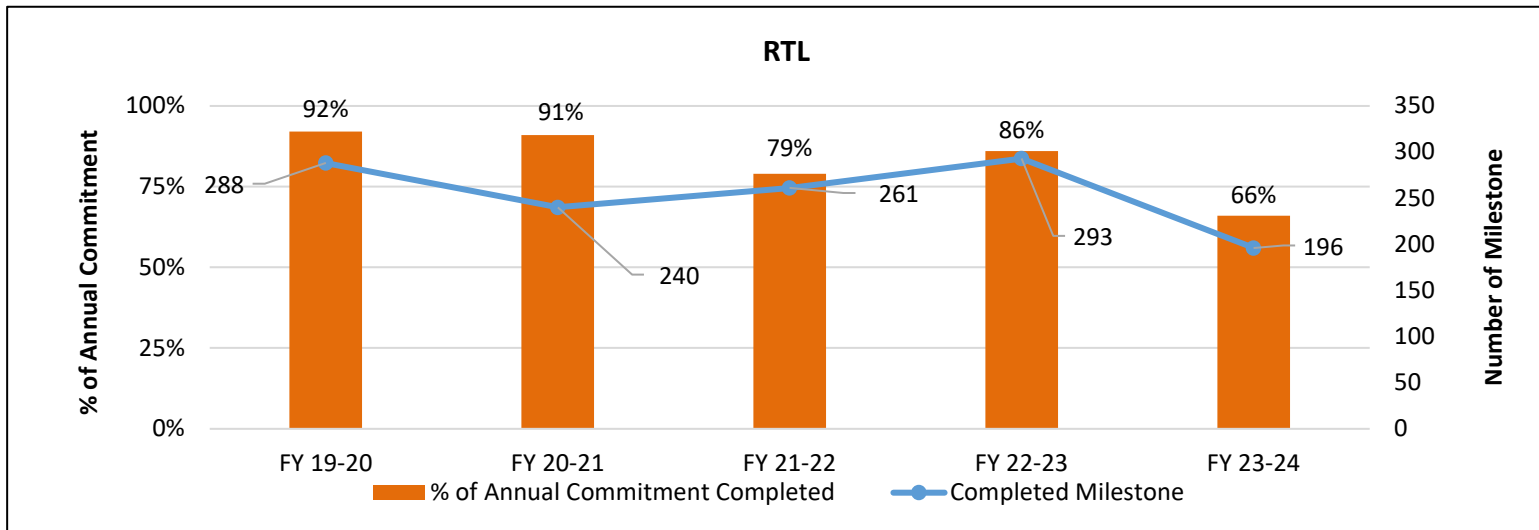
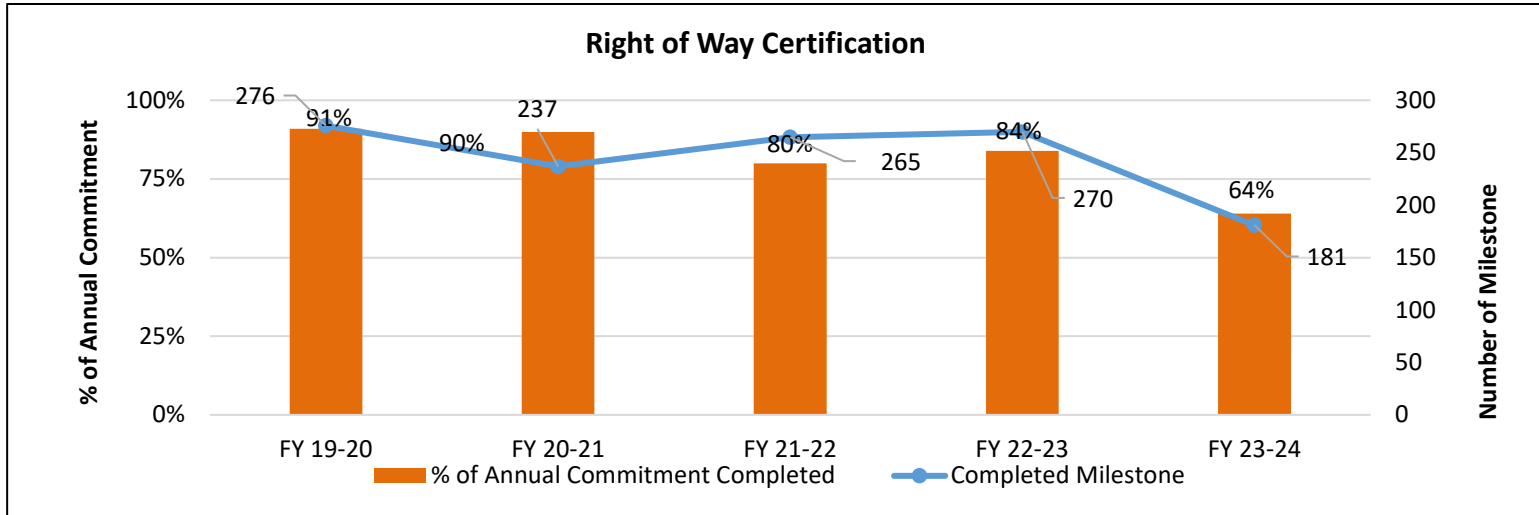
4th Quarter FY 2023-24

Measure	Annual Commitment	Completed	% Completed	Last Five Fiscal Year Average
Draft Environmental Documents	86	62	72%	80%
Project Approval, Environmental Documents	199	153	77%	90%
Projects Certified by Right of Way	282	181	64%	89%
Projects Designed and Ready for Construction	296	196	66%	89%
Capital Value Ready for Allocation	\$5,345 M	\$3,121 M	58%	85%
Projects Constructed	274	181	66%	81%

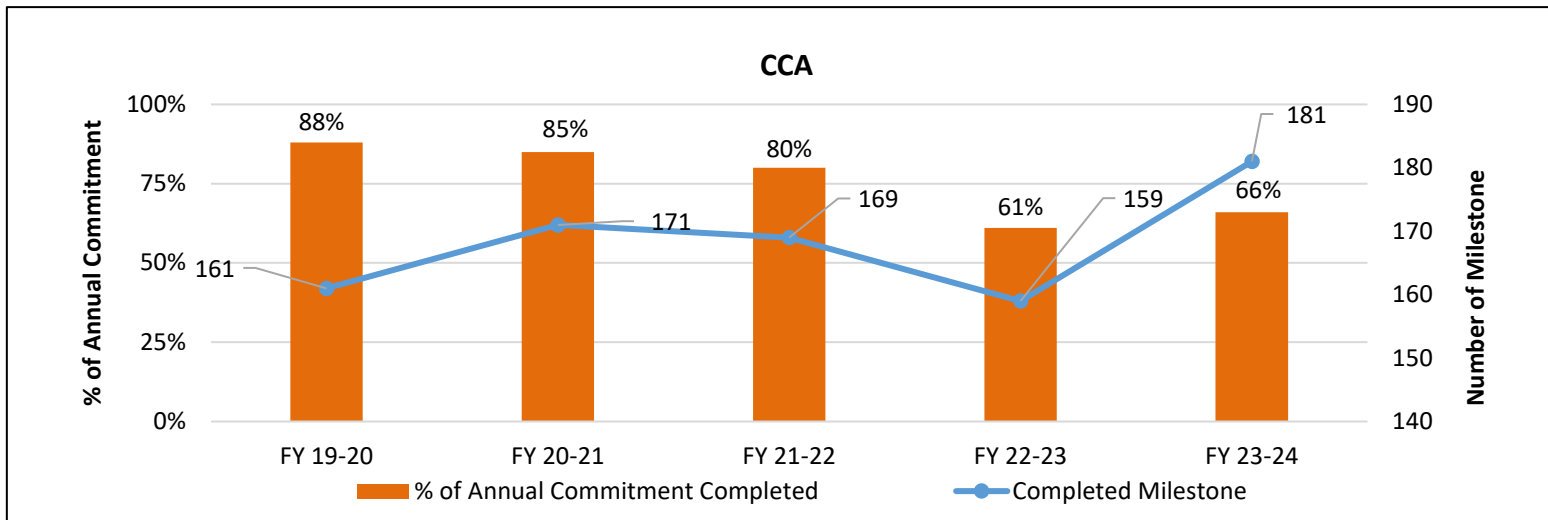
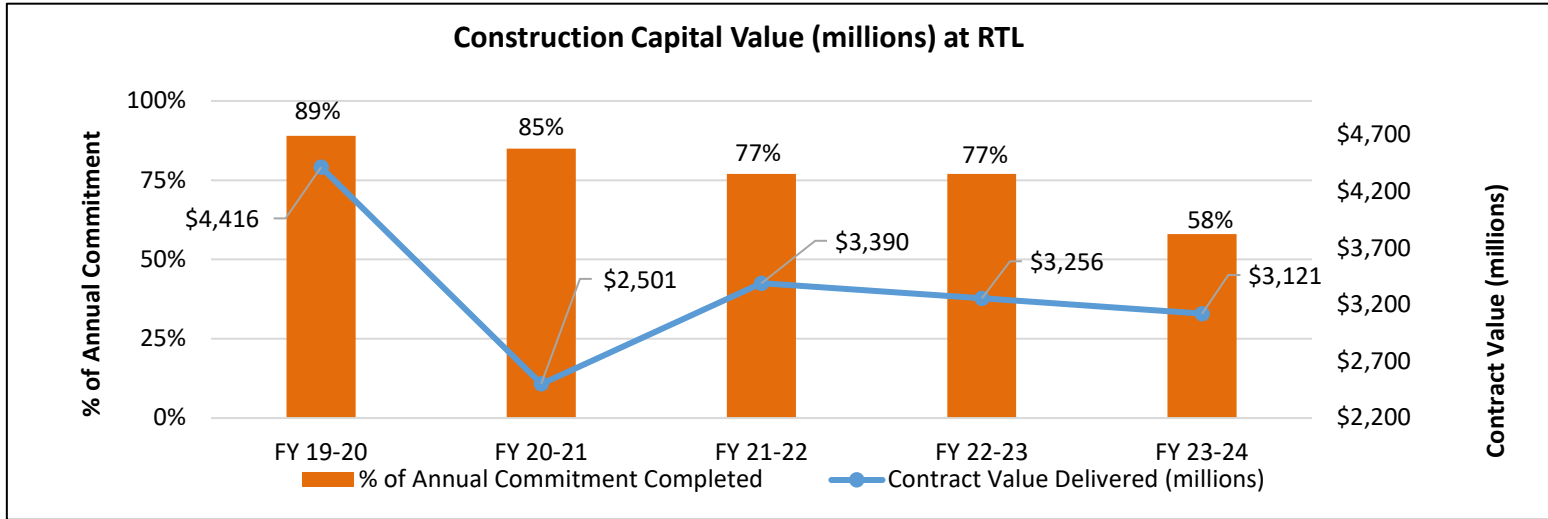
FY Delivery Trend



FY Delivery Trend



FY Delivery Trend



End of Construction-Completed STIP and SHOPP Projects, Q4

- Project Construction Costs¹

Program	Completed Projects	Expended ²	Budget ³	Savings	Percent Expended	Last Five Fiscal Year Average
STIP	15	\$1,261 M	\$1,383 M	\$122 M	91%	91%
SHOPP	253	\$2,951 M	\$3,347 M	\$396 M	88%	88%

¹ Construction costs are calculated 6 months after the end of construction.

² Total support and capital expenditures.

³ Budget is the sum of all approved Commission support and capital allocations including G-12 or the approved programmed amounts if no allocation existed.

Challenges & Opportunities

- Inflation
- Right-of-Way acquisitions
- Staffing
- Hiring . . .

Challenges & Opportunities

- Hiring

- FY 2023-24 - 1,045 new hires in Project Delivery

- 57% in the engineering field

- 50% of Districts experienced up to 20% new staff

Challenges & Opportunities

- Inflation
- Right-of-Way acquisitions
- Staffing
- Hiring
- Training
- COVID
- Increase in Emergency Director's Orders
- IIJA
- Outside Agencies and Permits
- Clean CA
- MMBN
- Increase in Engagement
- Complete Streets
- Modified/New Regulations

Continued Focus Areas

- ❑ Continued Project Delivery Focus.
- ❑ Heighten Engagement with Outside Partners.
- ❑ Re-establishing “in-person” Training.
- ❑ Adding additional On-line training models.
- ❑ Monthly CTC partnership meetings with Staff regarding High-Risk Projects

Continued Focus Areas:

- Hiring Events and Mentoring.
- Established contracts to on-board Right of Way consultants.
- Establishing working group to focus on Project Delivery Challenges and how to improve the process.

Thank You!