



Better Denver Program 2008 Program Report

January 26, 2009



Introduction

This report outlines the progress and accomplishments on the Better Denver Program in 2008, which was the start-up year for the Program. Major activities for the year included building the organization and systems to run the Program for its life. Specific accomplishments and project status are discussed in the sections that follow.

Program Highlights

At the end of 2008, status of projects that comprise the Program was as shown in Table 1.

TABLE 1
2008 Project Status

Project Phase	Number of Projects
In Planning Phase	109
In Design Phase	73
In Construction Phase	22
Project Complete	11
Total Number of Projects ¹	215

¹"Projects" refers to the current total number of projects and subprojects that comprise the Program as of December 2008.

Since 2008 was the start-up year of the Program, only a few projects were completed. Most projects must go through planning, design, and construction phases that span more than one year. In addition to the status above, land was acquired for two new building projects, the Eastside Human Service Office Building and the Green Valley Ranch Library.

Translating project status into financial performance, Table 2 shows the work completed in 2008 compared to that planned. The work completed (\$ 40.0 million) fell short of the planned work to be completed (\$52.9 million). This can be largely attributed to schedule slippage and initial gaps in project manager reporting into the Program Controls System. This will be discussed further in later sections of this report.

TABLE 2
2008 Earned Value

Purpose	Planned Earned Value through 12/08	Actual Earned Value through 12/08	Variance
Public Office Facilities (Purpose 1 - Ballot Issue F)	\$5,107,000	\$3,950,000	(\$1,157,000)
Deferred Maintenance of Cultural Facilities (Purpose 2 - Ballot Issue G)	\$4,146,000	\$5,509,000	\$1,363,000
Health and Human Services Facilities (Purpose 3 - Ballot Issue B)	\$5,787,000	\$2,837,000	(\$2,950,000)
Parks System Facilities (Purpose 4 - Ballot Issue E)	\$8,379,000	\$7,112,000	(\$1,267,000)
Public Safety Facilities (Purpose 5 - Ballot Issue I)	\$2,324,000	\$519,000	(\$1,805,000)
Streets, Transportation and Public Works (Purpose 6 - Ballot Issue D)	\$16,146,000	\$12,075,000	(\$4,071,000)
Libraries (Purpose 7 - Ballot Issue C)	\$6,440,000	\$4,979,000	(\$1,461,000)
New Construction of Cultural Facilities (Purpose 8 - Ballot Issue H)	\$1,908,000	\$420,000	(\$1,488,000)
Program Management	\$2,648,000	\$2,648,000	0
Total	\$52,884,000	\$40,048,000	(\$12,836,000)

Program Organization

From the outset, it was envisioned that the Better Denver Program would be a collaborative effort between the City and County of Denver and a private sector Program Management firm. CH2M HILL was selected as that firm in January 2008. After an initial mobilization contract, CH2M HILL's long-term Program Management contract was executed in September.

The main players on the Program include the Mayor's Office, the City Council Bond Implementation Committee, the Bond Implementation Manager Don Hunt, City Departments, and CH2M HILL.

The goals of the Program, established in early 2008 were as follows:

- Stay consistent with voter intent
- Deliver on-time and on-budget
- Provide quality and value

- Uphold City policies/goals:
 - Opportunities for Disadvantaged / Small Business
 - Incorporate Sustainability and Public Art
- Leave legacy processes and approaches

In the spring of 2008, two groups were established to form the governance of the Better Denver Program. These are the Bond Leadership Team and the Executive Committee. The Bond Leadership Team is comprised of City Departments and CH2M HILL and is charged with day-to-day implementation of the Program. The Executive Committee, comprised of City cabinet-level managers, sets policy for the Program and serves as the Change Control Board to approve changes to scope, schedule and budget of Bond projects.

The membership of these two groups is shown in Figure 1.

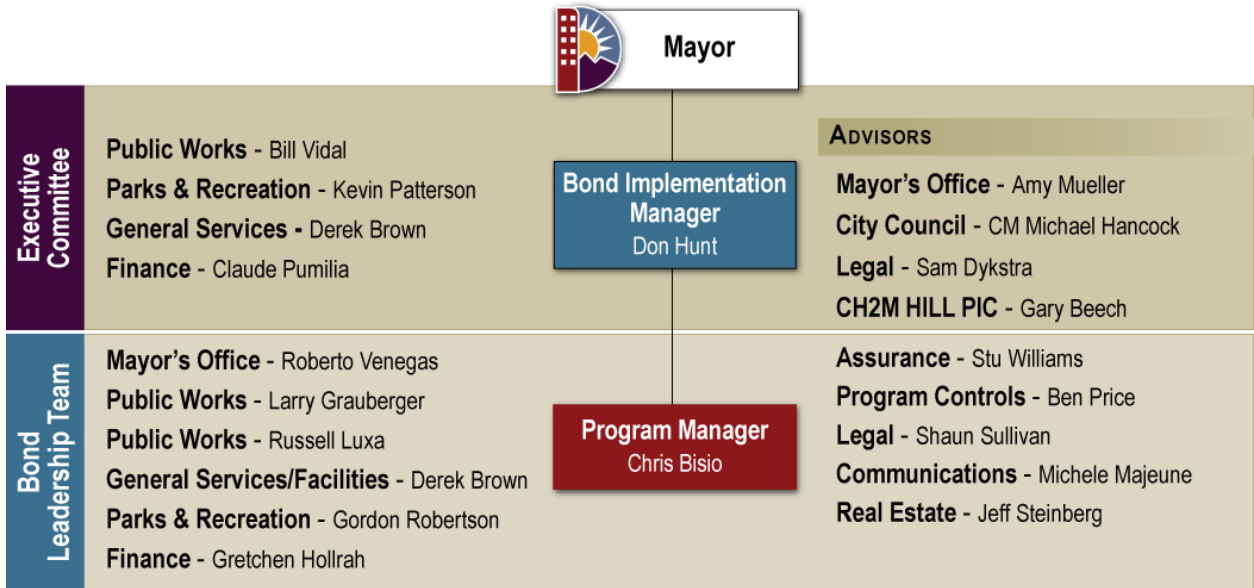


FIGURE 1
Program Implementation Structure

To be most effective and fully accessible to City staff working on the Program, CH2M HILL's Program Management Team moved into the City's Webb Building in late August of 2008.

Major Activities and Accomplishments

In addition to establishing the organization and executing CH2M HILL's program management contract, the major activities completed in 2008 can be broken into 4 main categories, which are discussed below.

- Development and Implementation of Legacy Tools and Processes
- Knowledge and Skill Building for Project Managers
- Other Tools for successful implementation of Bond projects
- Key Communication Activities

Development and Implementation of Legacy Tools and Processes

The primary management systems that were developed for the Program include a Program Controls System, Document Management System, and Change Control Process.

Using Primavera Project Planner (P6) and web access, Project Managers have a tool to track scope, schedule and budget of Bond projects (as well as funding from other sources). The system provides an early warning to Project Managers, City Departments and Program staff of schedule slippage or potential cost overruns so that corrective actions may be identified and implemented. The system also provides uniform reporting across all Bond projects so that management has timely and consistent data across the entire Program.

The Document Management System provides a uniform filing repository and retrieval system for key project and Program-level documents that is compatible with the City's Document Retention policies.

The Change Control Process is the vehicle through which changes to project scopes, schedules, or budgets are identified, documented, approved, and implemented. Changes to the 68 projects that were brought to the Denver voters in November 2007 must start with a request from the Project Manager or Department Representative justifying a change. The Change Control Board (Executive Committee) then approves or denies the more significant changes before they are incorporated into the Program Controls System. Less significant changes are approved by each Department.

These key Program Management Systems are focused on requiring a basic level of rigor in managing projects in the Better Denver Program. They are intended to be "legacy" systems that the City and County of Denver may use on other projects and programs after the Better Denver Program is complete. These systems are documented in the Program Management Plan that was drafted in 2008.

Knowledge and Skill Building for Project Managers

Between October and December 2008, approximately 60 project managers, other Department staff and several external project managers of Better Denver projects attended training sessions targeted on providing the knowledge and skills required to manage projects on the Program. Training was held weekly in 2-hour blocks, with alternate training times offered to fit project managers' schedules. The training topics were as follows:

- Introduction to Better Denver

- Role of the Project Manager
- Program Controls
- Communication and Stakeholder Outreach
- Risk Management
- Change Control
- Contracts and Procurement
- Document Management
- Assurance
- Web Based Reports

An additional training session was held in early January on City financial processes and the processes of the City's Office of Disadvantaged and Small Business Opportunity (DSBO).

Following the training sessions, a manual was prepared and distributed to the Better Denver project managers to serve as a reference on the training materials presented.

Other Tools and Strategies for Successful Implementation of Bond Projects

Several other activities were undertaken in 2008 to improve delivery of projects within the Better Denver Program. The first was the preparation of a Procurement Strategy document outlining the preferred delivery method (e.g. design-bid-build, design-build, CM/GC, use of on-call contracts) for each project in the Program. This document was developed through close collaboration between the City Departments and the Program Management Team and is a living document that will be updated as conditions change on given projects.

Also implemented were Project Reviews of selected Bond projects on a weekly basis. The reviews allow dialog between project managers, City Departments and the Program Management Team on specific project issues and result in specific actions for follow-up.

Finally, the Program Management Team gathered information on existing City processes in order to understand the way the City currently does business. In early 2009, the Team will recommend improvements to selected existing City processes to benefit both the Better Denver Program and City operations overall.

Key Communication Activities

In 2008, several key communication activities were undertaken. First, a Program website was developed to communicate status of the Program to a public audience. The website is accessible through the main City website at denvergov.org and will contain updated project status information as the Program progresses.

During 2008, a signage strategy was developed to identify projects as being a part of the Better Denver Program. The strategy was approved by City Council, a sign vendor selected, and the first 27 signs installed (plus 20 interior posters produced).

In December 2008, a highly successful Design and Construction Fair was held to heighten awareness of the Program, its projects and timeframes among local design and construction firms. The event was held at the Colorado Convention Center. City Departments with responsibility for Bond projects participated, and nearly 600 individuals from the design and construction industry attended.

In addition to these activities, an overall Communication Plan was prepared for the Program. Communications staff participated in community meetings, including those of the Inter Neighborhood Council and the Mayor’s Neighborhood Resource Center Fall Meeting. Displays and materials were prepared to summarize the Program’s projects for these and other outreach purposes.

Planned Focus Areas for 2009

Although significant progress was made in 2008, there are efforts remaining to fully realize the goals that were established at the outset of the Program. The current work forecast for the remainder of the Program is shown on Figure 2.

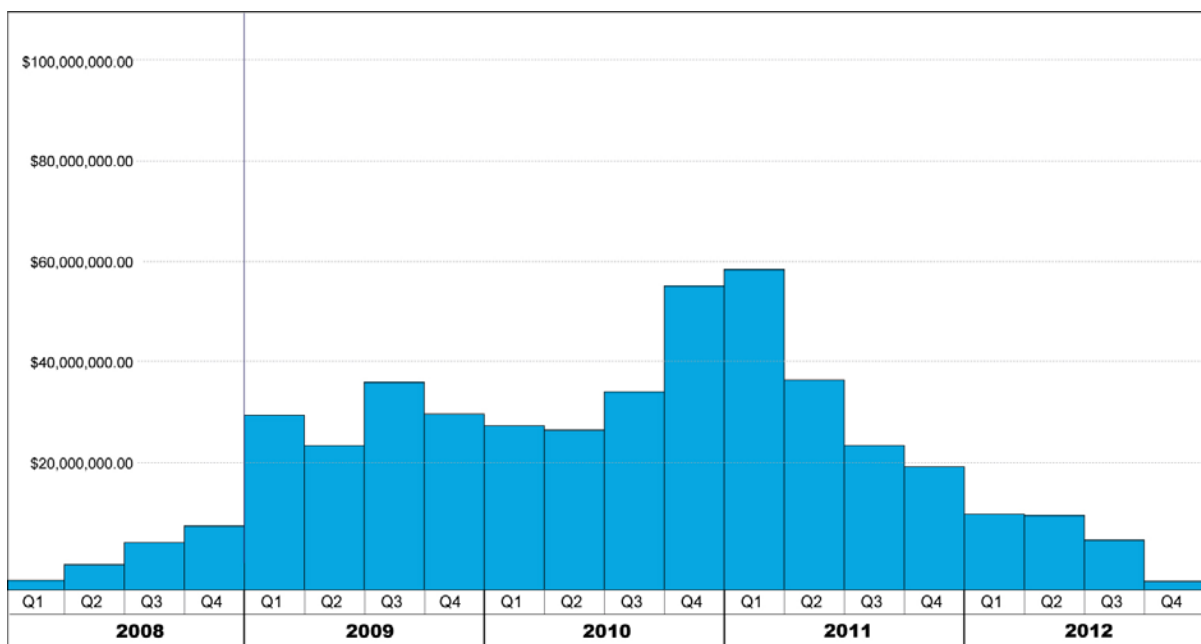


FIGURE 2
Current Work Forecast

In order to meet the goals of the Program and to perform beyond those goals, key focus areas for 2009 include:

- Accelerating projects, where possible, to achieve earlier completion of the Program
- Expediting the delivery of all projects and actively correcting schedule slippage that occurred in 2008
- Achieving regular and accurate project manager reporting through strong interface with Program Management Team
- Closely managing the project Change Control process

- Continuing to conduct Project Reviews on key projects to identify project constraints and strategies for improvement
- Assisting the delivery of the vertical building projects, which comprise a large financial portion of the Program
- Working with the Cultural facilities on their fundraising schedules, which impact overall project delivery
- Recommending improvements to existing City processes
- Improving the public website through timely updates of project status information
- Planning migration of Program Server hosting from CH2M HILL to City

Attachments:

1. December 2008 Summary Schedule
2. Project Budgets
3. Project Descriptions
4. Project Lists
 - Completed Projects
 - Active Bond Design and Construction Contracts
 - Design Solicitations by Year and Quarter
 - Construction Bids by Year and Quarter