WSDOT Scoping and Cost Estimating for Highway Construction Projects

Proposed Final Report

Joint Legislative Audit & Review Committee
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Key Question for JLARC Analysis of WSDOT Highway Construction?

- Do the Washington State Department of Transportation’s (WSDOT) scoping and cost estimating policies and procedures align with industry guidelines?

YES
JLARC Developed 5 Key Questions From Literature to Test Alignment

Does WSDOT have systematic, documented policies and procedures for:

1. Managing scope and scope change? **YES**
2. Managing the cost estimation process and changes to the cost estimate? **YES**
3. Keeping stakeholders informed? **YES**
4. Reviewing, quantifying, and mitigating risks? **YES**
5. Providing “checks and balances” to review and protect the cost estimate? **YES**

Also: In the Field, Do They Actually Follow These Policies and Procedures?
Looked at 8 Projects in the Field

✓ Practices followed in these 8 case studies


➢ Since 2003 and 2005, many new policies and procedures put in place

➢ WSDOT is now able to more accurately estimate costs than in 2003 and 2005

➢ Three issues to consider to make estimates more accurate:

1. Time
2. Resources
3. Communication
**Time, Resources, and Communication and an Easy-to-Follow Budget Trail**

- WSDOT aligns with industry guidelines
- Literature: importance of time, resources, and communication
- JLARC found it hard to track estimate to what goes into budget request
- Recommendation: *Include in project record easy-to-follow trail between cost estimate number and budget request number*
  - *WSDOT and OFM concur*
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