



Town of the City of Dawson

CAPITAL PROJECT MANAGEMENT

POLICY # 06-05

1. Capital project proposals will be brought forward to Council for consideration, usually through the normal budget process. The proponent of the project shall prepare a preliminary justification for the project that includes the goals and benefits of the project and a preliminary budget showing costs and sources of funding. Where the project complexity warrants it, the budget should include as a separate item any feasibility studies that should be conducted. Council may consider phasing the project by only approving the feasibility study portion or other parts of the project before giving approval to the whole project.
 2. Following preliminary budget approval by Council, the Mayor and CAO will determine if the project is of sufficient complexity to require the establishment of a Project Management Committee. If the project does not require a Project Management Committee then the project will be assigned to the CAO or a department manager.
 3. Where a project is assigned directly to a department manager, and following final budget approval, the manager may proceed with the project in accordance with the City of Dawson Financial Policy, ensuring the project is completed in a timely fashion, within budget, and to final expectations regarding quality and functionality.
 4. Should the project require the establishment of a Project Management Committee, then that Committee shall be appointed by the Mayor and should include where appropriate:
 - a. Council Representative - who shall function as chairperson of the Committee and provide liaison between Council and management. The Chairperson shall ensure that written progress reports are prepared on a regular basis or as specific issues arise.
 - b. Project Coordinator - who shall provide liaison between the general contractor, or where there is no general contractor, the individual contractors on the project. The Project Coordinator shall ensure that the Committee is aware of all significant project issues as they arise and ensure appropriate resources are provided for the project.
 - c. City Manager - who may or may not serve as project coordinator and who shall assist in providing necessary resources for the project.
 - d. Department Heads - who will be the ones directly affected by the project and who may or may not serve as project coordinator.
 - e. End User - responsible to ensure provision of end user input to the project.
 - f. Senior Financial Officer - responsible for financial accountability of the project. Will provide a monthly financial report for Committee and Council review, including an analysis of budget variance. May be required to provide reports more often if the level of activity justifies it and Council requests it.
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5. The purpose of the Project Management Committee is to ensure proper representation of City Council, affected departments, end users, and the management responsible for carrying out the project. The Committee shall be accountable to Council and shall meet on a regular basis and as issues arise for the purpose of ensuring that the project plans are properly carried out within the budget. Minutes should be taken of all Committee meetings. Those minutes and the financial report should be forwarded to Council on a regular basis.
 6. The Committee shall first review the goals and budget of the project to ensure that the cost-benefit ratio justifies proceeding with the project. The Committee shall ensure that funding is available, the project deadline is reasonable and that there are sufficient personnel and skill levels available, either on City staff or from other sources, to complete the project. The Committee shall then request approval from Council to proceed with more detailed planning and to conduct necessary feasibility studies and preliminary design.
 7. Following Council approval, the Committee shall establish a more detailed budget and plan for implementation of the project. Where necessary, the Committee shall ensure that approved feasibility studies and preliminary design efforts are conducted to assist in this process. A project summary report shall be submitted for Council approval which includes:
 - a. goals and benefits of the project
 - b. an updated budget (including costs and sources of funding)
 - c. how the project will be managed (e.g. internal or hired consultant)
 - d. services that will go out for tender
 - e. whether those tenders will be separate or under a general contractor
 - f. estimated duration of the project
 - g. personnel involved
 - h. recommendations regarding public input into the design.
 - i. preliminary design.
 8. The committee shall then prepare a detailed design and budget for Council approval, ensuring the necessary staff and public input has been obtained, and shall present the final design and updated project cost summary for Council approval.
 9. Prior to the project proceeding further, the Capital Budget and Five Year Capital Plan will be amended by Council as required.
 10. The Committee shall then implement the project process, including the hiring of appropriate resources, preparing Requests for Proposals, recommending to Council the approval of contracts that are within budget, and monitoring project progress. Regular progress reports will be submitted to Council and the Committee shall seek Council direction when individual component bids are over budget for the component.
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11. The Committee or its delegate shall conduct start up meetings with contractors, with a focus on roles, responsibilities, authority limits, mode of communication, and other critical issues outstanding.
12. The project manager shall ensure that the detailed budget approved by Council is used to track and compare the contractor's budget and actual costs and to resolve variances.
13. Any changes that increase the budget for the project or significantly change the design, appearance, or use of the capital project shall receive Council approval based on the recommendations of the Committee before those changes are implemented. All other changes shall receive approval of the Committee before implementation.
14. Following completion of the project, The Committee shall ensure that testing and warranty inspections are completed satisfactorily.

POLICY TITLE: Capital Project Management
POLICY #: 06-05
EFFECTIVE DATE: November 7, 2007
ADOPTED BY COUNCIL ON: November 6, 2007
RESOLUTION #: C07-33-15

Mayor, John Steins

CAO, Paul Moore
