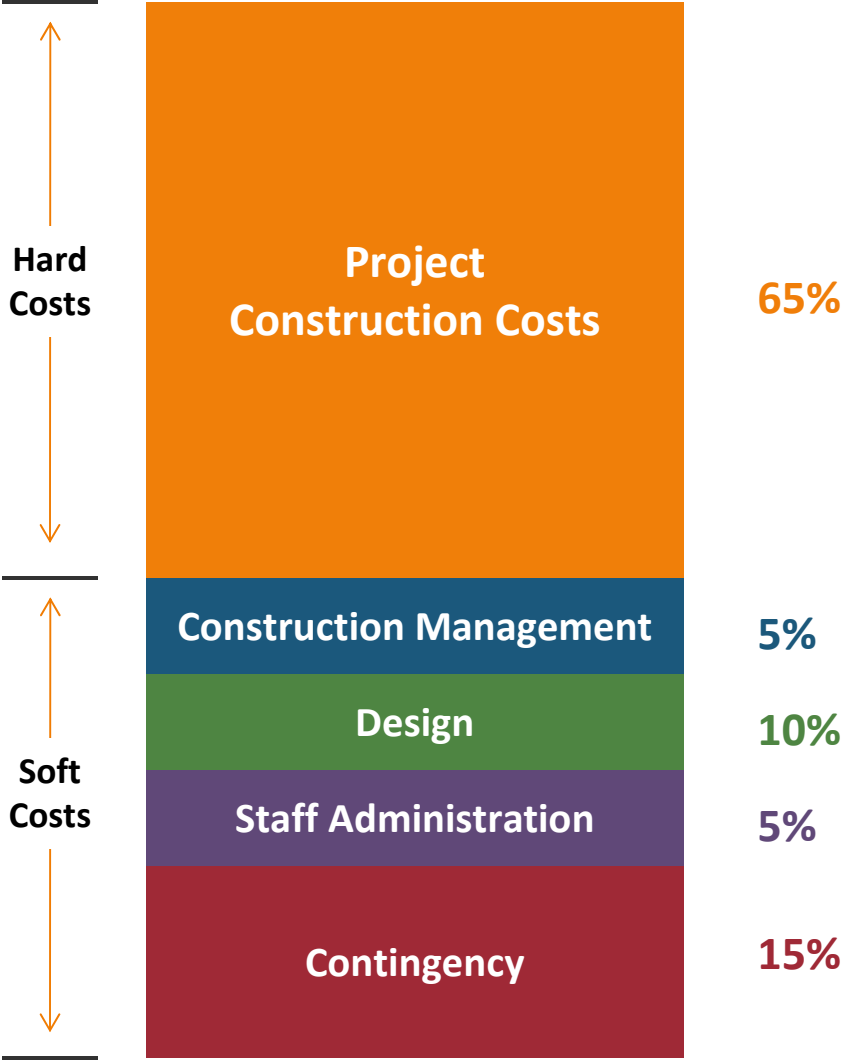


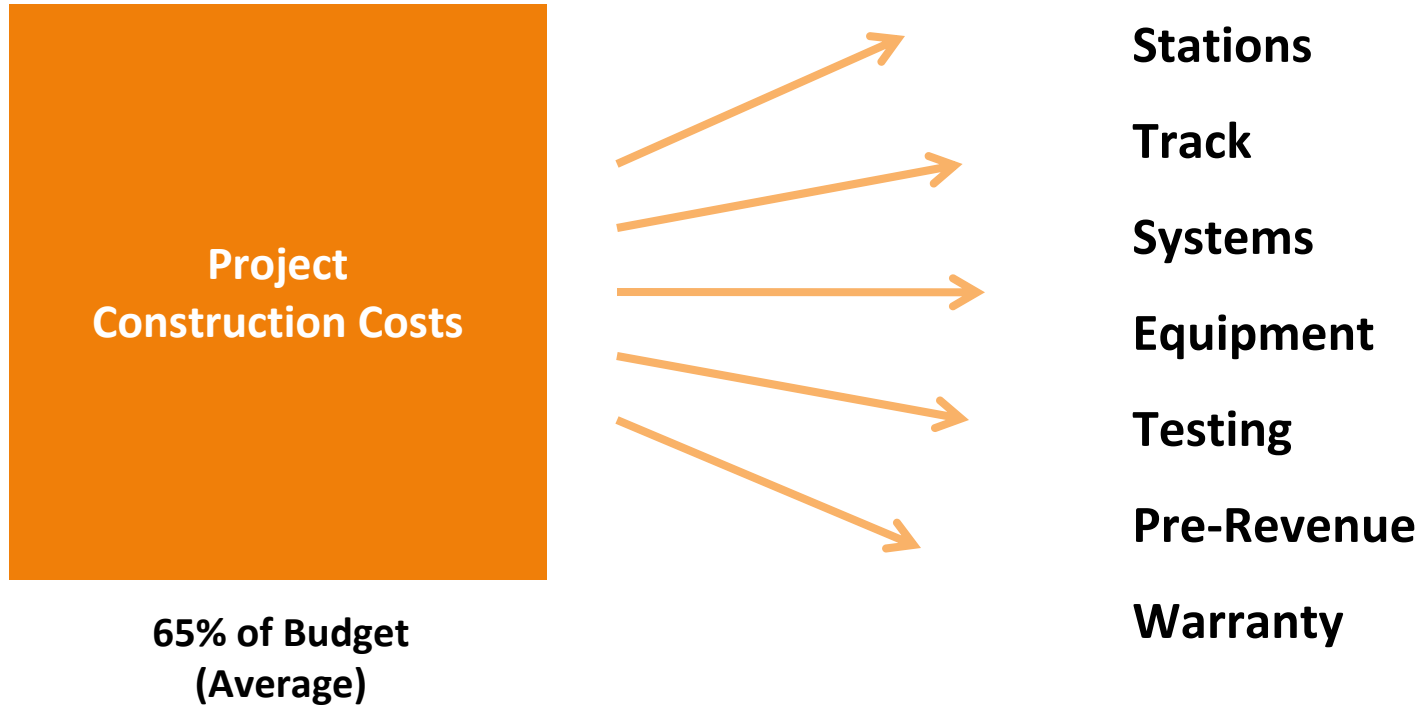
Item # 41

LIFE OF PROJECT BUDGET AND CONTINGENCY MANAGEMENT

Typical LOP Budget Averages



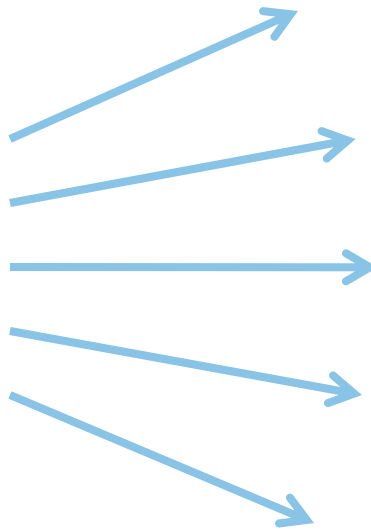
Project Construction Costs



Construction Management Costs



**5% of Budget
(Average)**



Field Oversight

Primary Contact for Contractor

Inspection/Testing

Conformance Review

Requests for Information

Requests for Changes

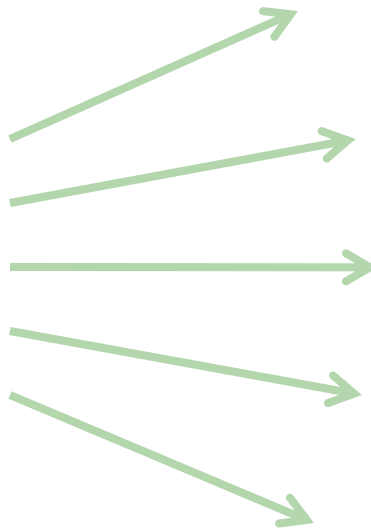
Change Negotiations

Schedule Reviews

Design Costs



**10% of Budget
(average)**



Geotechnical/Soil Testing

Environmental Review (Facilities)

Preliminary Engineering

Final Engineering and Architecture

Drawings and Specifications

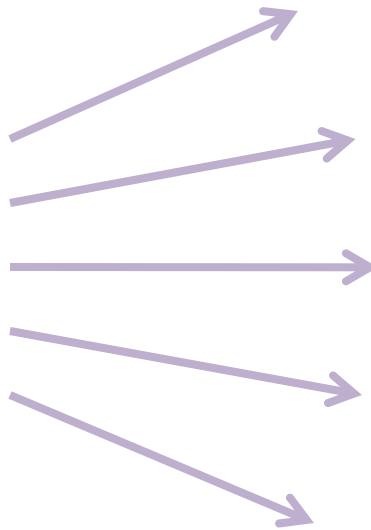
Bid and Award Support

Design Support During Construction

Administrative Costs



**5% of Budget
(Average)**



Engineering Oversight

Safety Oversight

Environmental Compliance

Procurement

Quality Control

ADA Compliance

Audit

Creative Services

Estimating

Project Controls

Contingency



Contingency

15% of Budget *
(average)

Unforeseen Conditions

Soil/Water Contamination

Commodity Prices

City/3rd Party Issues

Betterment Requests

Right-of-Way Issues

Changes (Design/Construction)

Emergency (Fire/Life Safety)

* Varies based on project-specific risk analysis and delivery method, and at what level of design completion the project is at.

Industry Contingency Standards

Contingency Levels range from 10—35% based on:

- Phase of Project
- Site-Specific Conditions
- Project Type
- Level of Design Completion
- Complexity
- Project Risk Analysis
- Delivery Method

Industry Contingency Standards

Metro

- 10-35% Range Dependent on Status and Time of LOP Approval
- Entry into PE (25-35%)
- Contract Award (10-15%)

FTA

- D/B/B Contract Award (10%)
- D/B Contract Award (8-10%)

FHWA

- Close of PE (25-30%)
- Contract Award (5-15% dependent on project risk)

USDOE

- Conceptual Planning (20-30%)
- Close of PE (15-25%)
- Contract Award (5-15%)