

Oakmont BOD Project Oversight Process

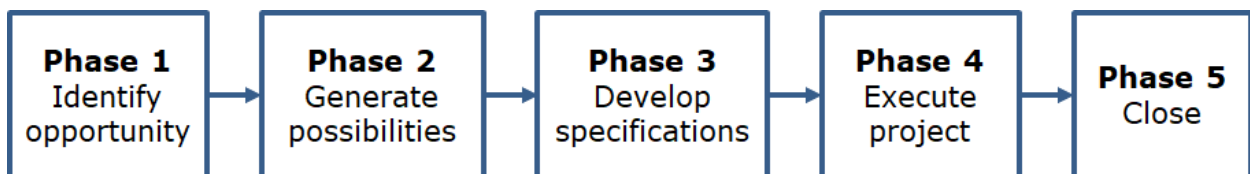
Process Overview

The Oakmont BOD Project Oversight Process was developed to ensure more orderly and controlled execution of major OVA projects. The primary goals for the process are:

- Ensure justification for all major new Oakmont projects, with the community “on the same page.”
- Establish objective criteria for BOD decisions to fund (or not fund) each project and deliver accurately defined results at predictable cost for major projects.
- Use a five-phase process for all major Oakmont projects to provide accurate information and thorough communication throughout the work.
- Involve appropriate contributors both inside and outside Oakmont in each project phase, and provide adequate continuity across future Oakmont Boards.

The Oakmont BOD Project Oversight Process has five phases:

- Phase 1 – Identify and **assess the opportunity**.
- Phase 2 – **Generate possibilities** (through divergent thinking) and **select the preferred alternative** (through convergent thinking).
- Phase 3 – **Develop detailed specifications** for the preferred alternative.
- Phase 4 – **Execute the preferred alternative** consistent with the specifications.
- Phase 5 – **Close the project** and do a “project lookback.”



The role of the OVA Board is oversight, not management of major projects. Board Directors cannot be expected to act as project managers, but must be able to ensure that major projects are organized, planned, controlled, and funded appropriately and effectively.

The BOD will participate in each phase, using the process to:

- Appropriately **initiate new projects**, with the BOD, the project team, and the community as a whole “on the same page.”
- Understand the **director’s roles** for each phase of the project.

- Establish a **good project team** for each phase.
- Promote **project continuity** and a smooth handoff to future OVA Boards.
- **Build community support for decisions to fund (or not fund) a project, phase by phase.**
- **Communicate project information** effectively to all Oakmont residents.

Before moving from each phase to the next, the OVA board will address two questions:

- Has the project team for the phase developed adequate information to support a sound decision to proceed to the next phase?
- Is there adequate funding, a compelling justification and community support, and recommendation by the project team for proceeding to the next phase?

Process Phases

Phase 1: Identify Opportunity

Phase objectives:

- Identify project **need and opportunity**.
- Select the **project team**, including the project leader and the BOD project liaison.
- Conduct a public **Project Framing Workshop**.
- Create **Phase 1 documents**.
- Based on project team presentation, BOD decides to **proceed or stop**. If proceeding, establish a **plan and budget** for Phase 2.

Identifying the need and opportunity is up to the BOD, and will generally be based on recommendations from the Long-Range Planning Committee, Reserve Study analysis, or other inputs. Major projects such as renovations for recreation centers and other OVA infrastructure projects happen infrequently, but they should be identified well in advance to avoid having to simultaneously oversee multiple complex undertakings.

Each major project requires a **Phase 1 Project Team** to assemble the information required, organize and conduct the Project Framing Workshop, and to create the foundation for a decision whether or not to proceed to Phase 2. Depending on the scale and background for the major project, the project team may be a board member liaison working with a small number of volunteers, or a larger more formal Ad-hoc committee.

The Phase 1 Project Team benefits from skills such as:

- Project leadership focused on seeing the big picture
- Facilitation and of key stakeholder input
- Data collection
- Information assessment and integration
- Financial analysis

- Risk identification
- Communications and report writing

The **Project Framing Workshop** occurs at the start of every new major project. It establishes the basis for a new major project, and initiates Phase 1 of the oversight process. The workshop has specific topics and tasks, regardless of the project, including initial summaries for:

- **Opportunity Statement** (What is the overall objective? What benefits are we seeking?)
- **Strategic Fit** (How does this project fill a long-term need?)
- **Overall Project Scope and Known Constraints**
- **Key Stakeholders** (clubs, committees, individual members) and their initial input

In addition, the workshop will provide any available information regarding the following, along with plans and due dates for completing:

- “First-pass” **selection criteria** and weights to use in evaluating alternatives
- Information and “**Lessons learned**” from earlier similar work at Oakmont, including duration and cost data, problems encountered, and potential project risks.
- **Preliminary cost range estimates** (if relevant at this early stage), based on professional input
- **Communications Plan**
- **Phase 1 report** documenting the tasks accomplished
- (If proceeding) **Project plans and budget** for Phase 2

The Opportunity Statement for a major project addresses the question, “What are we trying to do, and why?” It provides a succinct and consistent summary of project purpose. Some people call this a “30-second elevator speech.” An Opportunity Statement should capture board consensus about what the project is about, and communicate a clear, consistent purpose to the community and the project team. An effective Opportunity Statement focuses effort on exploring options without narrowing to a single alternative too soon, getting too specific, or promising more than is practical or realistic.

The overall initial **scope and constraints** for a major project includes items such as:

- Assessment of current and future needs.
- Examples of facilities in similar 55+ communities (including factors such as cost, type of facilities, size, photos, funding methods)
- Finances and funding—What are options for paying for the project? What is the potential impact on member dues?
- Rough estimated costs (where available) of some options. Include data on maintenance and repair costs if nothing is done.

The OVA Long Range Planning Committee focuses on many of these topics. For Phase 1, scoping is general. Specific details and design choices are not relevant at this stage.

At the completion of Phase 1 activities, the project team presents its findings to the BOD, along with any recommendations and requirements for Phase 2.

Based on the results and recommendations, the BOD will decide to **proceed or stop**. If proceeding, the BOD will approve a **plan and budget** for Phase 2, and identify the Phase 2 team, which will generally include OVA management and staff, members of key OVA committees, and outside contributors (as needed).

Phase 2: Generate Possibilities

Phase objectives:

- Engage **outside professionals** when needed to ensure availability of needed skills and expertise.
- Establish **weighted, objective criteria** to be used in evaluating alternatives.
- Develop several “different and doable” **alternatives** (including *not* doing the project). **Evaluate options** using objective criteria and document the results.
- Based on evaluation, select a **preferred alternative**. Use this to decide whether to **proceed or stop**.
- If proceeding, establish **plan and budget** for Phase 3.

For major projects, Phase 2 can consume significant time—multiple months at least. It has two parts:

1. Develop several “**different and doable**” alternatives, and agree on the criteria for their evaluation.
2. Evaluate the alternatives using the criteria, document the results, and make a recommendation so the BOD can work with the community to understand the options and select a **preferred alternative**.

Phase 2 requires a range of skill sets, including:

- Project management and leadership
- Specific professional subject matter expertise, such as architects, civil engineers, general contractors
- Data collection, analysis, and integration
- Meeting facilitation
- Finance
- Risk management
- Communications and report writing

For the first part of Phase 2, the project team will use divergent thinking to develop multiple realistic scenarios that could address the needs identified in the opportunity statement. For evaluating the options developed, the project team will also establish evaluation criteria, such as:

- Ability to meet current and projected needs
- Community alignment
- Impact on dues and debt
- Disruption impact
- Risk and uncertainty
- ... Additional benefits and costs

Once listed, the project team, working with the BOD will **finalize the selection criteria** by assigning a relative weight to each criteria and defining how each will be used to evaluate alternatives.

The project team will then work with outside professionals and key stakeholders to define “**Different and doable**” alternatives:

- **Do nothing**
- Minor upgrade
- Major upgrade
- Replace facility
- ... Other options

Note that the costs and relative merit of remaining with the status quo are always part of the Phase 2 analysis. In seeking options, be creative. Avoid prematurely dismissing alternatives, and use brainstorming and collaborative methods to build on ideas as they emerge. Thoroughly **document each alternative** identified and show how it aligns with the Opportunity Statement. For alternatives with significant uncertainty, seek additional data and refine them to minimize unknowns and risk.

For the first part of Phase 2:

- Ensure that data gathering is broad-based, dispassionate, and thorough.
- Avoid dismissing, “cherry picking,” or distorting data.
- Work to support good BOD decisions based on objective, comprehensive information.
- For contentious or controversial topics, employ smaller, “safe zone” focus groups of stakeholders to attract a broader cross section of input, and develop better information.
- Strive for thorough documentation to support analysis, and to provide a baseline for later reference, analysis, and to educate future OVA Board directors.

Note that some preliminary project activities (for example: seismic evaluations, soil compaction tests, ADA assessments) may be justified during Phase 2 to develop better information and reduce uncertainty.

For the second part of Phase 2, The project team evaluates the options developed using the weighted decision criteria and creates a rank-ordered list to prioritize them.

	Criterion #1	Criterion #2	Criterion #3	Criterion #4	Weighted Evaluation
Alternative #1 - Do nothing					
Alternative #2 - Minor upgrade					
Alternative #3 - Major upgrade					
Alternative #4 - Replace facility					
Other Alternatives					

The OVA BOD uses this recommendation as a foundation for debate and selects a preferred alternative based on the information.

Note that the “best” alternative that emerges from weighted criteria assessment may lack **BOD consensus**. If the result of the prioritization appears to be “off” or unrealistic, it can be useful to cycle back and **revisit the decision criteria** before making a final decision.

Typical Phase 2 deliverables include:

- A **range of alternatives** that are unique, possible, and aligned with the Opportunity Statement
- Documented **stakeholder inputs** (from clubs, committees, individual members).
- **Project risks** and risk response ideas
- **Evaluate all alternatives** against the agreed-upon criteria from Phase 1.
- A compelling case for a **preferred alternative**
- A summary of **costs, risks and consequences** for the preferred alternative

As Phase 2 work approaches completion, the project team will schedule a Town Hall or similar event to present the conclusions to the community before they are finalized by the BOD.

If continuing: Should a preferred alternative emerges that is both realistic and superior to the status quo, The BOD will develop and approve a **Phase 3 budget** and appoint a **Phase 3 project team**. Similar to the Phase 2 team, this team will generally include OVA management and staff, members of key OVA committees, and outside contributors (as needed).

Phase 3: Develop Specifications

Phase objectives:

- Engage outside professionals as necessary to create **drawings, plans, and other documents**.
- **Solicit bids** from competent contractors. Evaluate bids and **recommend contractor(s)**.
- **Assess risks** and budget for contingencies. **Determine financing** method.
- Establish budget and **decide whether to proceed**.
- If proceeding, finalize contracts with selected contractors, complete project plans, obtain needed permits, and **approve overall project funding**.

Skill sets required for Phase 3 (and for Phase 4):

- Professional project leadership
- General and other contracting to perform required work
- Facilitating
- Data analysis and integration
- Finance
- Risk management
- Communications and report writing

The Phase 3 team is responsible for gathering the information needed to approve and fund a major project. Phase 3 may require significant cost and effort (but only a fraction of the overall project cost).

Phase 3 will focus on realistic assessment of the capabilities of any vendors considered and will strive to collect proposals from multiple suppliers whenever possible. The Phase 3 team will identify and document uncertainties and risks and include an adequate contingency reserve in any requested funding.

Phase 3 will proceed using current OVA procurement policies, and provide updates as work approaches completion for the community.

If a competent reliable vendors can be identified and overall project costs are in line with expectations and funding realities, the Phase 3 team will finalize contract terms for the major project, present it for review to the OVA Finance Committee, and recommend contract approval(s) by the BOD.

If continuing: The BOD will sign the contract(s) and approve an overall **Phase 4 budget** for the project as a whole (including contingency reserves) and appoint a **Phase 4 project team** (which may have substantial overlap with the Phase 3 project team).

Phase 4: Execute Project

- **Initiate project** work.
- **Monitor progress** and communicate status to OVA membership.
- **Control changes.**
- Monitor and **manage risks.**
- Manage contracts. **Pay for work** that has been completed satisfactorily.

The Phase 4 team is responsible for controlling the execution of the project, and reporting on its progress.

When issues, problems or risks arise, they will be responsible for developing responses. If continuing execution requires a major scope change, additional funding in excess of the planned reserves, or a significant timing delay, the Phase 4 team will develop a proposed recommendation (or recommendations) similar to the documents created in Phase 3 for review and consideration by the BOD in resetting the Baseline (or in extreme cases, for terminating a project).

Phase 5: Close Project

- Verify **completion** of all project work.
- Report **final project results.**
- Perform a **project retrospective analysis** to document lessons learned.
- **Close out contracts** and issue **final payments.**
- **Celebrate success** and completion of work.

At the conclusion of the project, the Phase 4 team will close out all contracts, update documents such as the Reserve Study to reflect the work, and communicate the results.

Once project work is completed, the team will conduct a “Phase 5” lookback to capture good practices that were effective so they can be used to manage future projects. They will also consider processes that would benefit from changes, and make recommendations that will improve them, avoid future problems, and minimize risk and uncertainty.

The Oakmont BOD Project Oversight Process was developed starting in June 2018 to ensure more orderly and controlled execution of major OVA projects by this Task Force:

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