

**EFCOG Project Management Working Group
Summer Meeting
July 22-23
LLNS Corporate Office
Livermore, CA**

Meeting Minutes

Attendees:

Clay Jones	Bob McKay
Pete Offringa	Scott Hood
Thad Konopnicki*	Brian Stubbs
Bob Raines*	Tom Gioconda
Bob Miklos	Vince Tonc
Lisa Harvego	Steve Wuthrich
Dan Armstrong	Michael Kantz
Ricky Bell	Michael Nosbisch
Rick Millikin	Stan Tuholski
Jennifer Bates	Erik Brown
Melissa Portwood	Rex Beach
Valerie Carter	Pam Horning
George Jackson	

* DOE Participants

Agenda:

July 22

- Welcome and Introductions, Safety Topic
- EFCOG Comments Pam Horning
- DOE Comments Thad Konopnicki / Bob Raines
- Meeting Agenda and Desired Outcomes Clay Jones
- Lessons Learned / Case Studies Guest Project Managers
 1. Criticality Experiments Facility Scott Hood
 2. Y-12 Projects Lessons Learned Melissa Portwood
 3. LLNL Lean Construction Stan Tuholski
- Lunch Break
- 4. INL Projects Lessons Learned Lisa Harvego
- DOE Root Cause Overview Bob Raines
- Key Project Execution Barriers Breakout Sessions
- Adjourn

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July 23

- Safety Topic
- Breakout Team Report Back All
- 2008 PMWG Initiative Status
 - 1. Estimating Sub Group Report Clay Jones
 - 2. Front End Planning/ Risk Management Clay Jones
 - 3. Human Capital Initiatives Jennifer Bates
 - 4. 413.3 Guide Support Clay Jones
 - 5. Applying the PM Process in the R&D Environment Mark Sueksdorf
 - 6. EVMS Surveillance Recommendation Rick Millikin
 - 7. PM/PC Tool Inventory Steve Wuthrich
- Proposed PMWG Organizational Changes Clay Jones
- Logistics for Next Meeting All
- Action Item Summary All
- Adjourn by Noon Pete's Legacy!
- NIF Tour Mark Sueksdorf

Special Presentations:

Lessons Learned / Case Studies

The presentations by Scott Hood, Melissa Portwood, Stan Tuholski and Lisa Harvego were very informative and related to the lessons learned and opportunities that were outlined in DOE's Root Cause Analysis on Contract and Project Management, dated April 2008. Special thanks to Scott, Melissa, Stan and Lisa for sharing their field project management knowledge and valuable time with the team. Their presentations have been released for posting on the EFCOG website under the Project Management Working Group portal.

Root Cause Analysis and Corrective Action Plan

Bob Raines, OEMC, presented an overview of DOE's Root Cause Analysis (RCA) on Contract and Project Management. He provided the context leading to the preparation of the RCA and the next steps that will be included in the Corrective Action Plan (CAP).

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There were 8 Corrective Measures in the CAP that were discussed at a high level.

1. Improve Project Front-end Planning
2. Enhance Federal Project and Contract Management Workforce
3. Improve Project Risk Assessment, Communication and Management
4. Align and Integrate Budget Profiles and Project Cost Baselines
5. Improve Independent Gov't Cost Estimates
6. Improve Acquisition Strategies and Plans
7. Improve Project Oversight and Management
8. Improve Adherence to Project Management Requirements

Following Bob's presentation, the attendees divided into four breakout teams to review the proposed corrective actions and provide feedback and recommendations on anything that could be added. The teams would report back the top 3 unique ideas for discussion with the group. Insight into what had been tried previously, if it had failed and how it could be improved was encouraged. Special thanks to Bob for his presentation and his insight into the CAP path forward.

Discussion:

Team 1 Report out:

- As a part of corrective measure 1, consider requiring the use of a Program Requirements Document (PRD). The PRD should be placed under configuration management for the life of the project
- As part of corrective measure 6, consider assigning fee/incentives to project performance
- As part of corrective measure 7, consider establishing consistency of oversight between DOE Site Offices and Service Centers

Team 2 Report out:

- As a part of corrective measure 4, consider providing additional clarity when funding changes necessitate a baseline change / reprogramming of funds.
- As part of corrective measure 7, consider establishing clear lines of separation between policy development and policy execution.
- As part of corrective measure 8, adherence guidance should allow for value added criteria and tailoring.

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Team 3 Report out:

- As a part of corrective measure 2, consider real world compensation issues for recruiting and retaining federal project workforce commensurate with level of project risk.
- As part of corrective measure 3, consider establishing a strong functional organization to support Federal Project Directors. The higher the risk, the stronger the support.

Team 4 Report out:

- As a part of corrective measure 1, consider establishing stakeholder alignment tools, ranking of tradeoffs, customer expectations document, and peer reviews of front end planning.
- As part of corrective measure 5, consider establishing regional component of cost escalation factors. Encourage methods go reduce construction contractor premiums for work at DOE sites.
- As part of corrective measure 6, consider delivery of huge projects utilizing a DOE Direct acquisition method.

PMWG 2008 Initiatives Status

Estimating Sub Group

There is currently a draft of DOE Order 415.x addressing Cost Estimating. Bennie Reyes has organized a workshop in North Carolina on August 27 – 28. For more information, link to EFCOG website Estimators portal.

Front End Planning / Risk Management

Bruce Palmer is leading this effort and was unable to attend the meeting.

Human Capital Initiatives

Jennifer Bates provided an update on the initiatives being undertaken by the Human Capital Working Group. The energy industry has 5-10 year older workforce than general industry. Retention rates are less than 50% in the 1st 3 years at the DOE sites. Need marketing and recruiting to highlight the good qualities of the Energy Industry. Order 412 is being rewritten and the portability and consistency needs will be addressed. Best Practices will be posted on the web site.

413.3 Guide Support

Clay reported out on this initiative that the effort was going well. There will be few stragglers that will cross the Fiscal Year. Generally the EFCOG participation was well received and contributions were meaningful.

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Applying the PM process in the R&D Environment

Mark Sueksdorf reported out that the group met with PMI and NASA to conduct some benchmarking and identification of similar efforts in the federal government. NASA's Principal Investigator training and curriculum were identified as noteworthy practices. The application needs and best practices will be assembled into a white paper and sent out for group review.

EVMS Surveillance Recommendation

Rick Millikin provided an update on the status of this effort. There was discussion on the use of the NDIA surveillance process and the notion of contractors preparing their assessment plan. There remains uncertainty on the logic and criteria for a EVMS recertification process. Rick plans to prepare a point paper in September.

PM/PC Tool Inventory

Steve Wuthrich presented a model of the key components of Project Controls Systems and discussed the benefit of developing an inventory of who is using what product for their Project Controls Systems. It was agreed that having that list as well as point contacts for the system experts would be very helpful as problems are encountered at the various sites. Steve will be soliciting that information from the working group members next month.

Potential Focus Areas for 2009

The group discussed the idea of collaboration on the implementation of the CAP. Due to resource limitations, there will be a phased approach to implementing the corrective measures with 3 targeted for the first year, 3 the second year and the remaining 2 the third year. The measures will be implemented with cross program teams and OECM, NNSA, EM, CFO and Procurement will take the lead on various measures. The group thought there was value in providing contractor input to facilitate support and maintain achievability. In order to be most effective in this process it was deemed important to determine if the CAP Sponsorship (Ingrid Kolb) and Executive Steering Committee (ESC) the idea of EFCOG participation. Bob Raines agreed to check with the Sponsor and ESC.

Proposed PMWG Organizational Changes

Sue Stiger took a new assignment and will be unable to complete her role as the PMWG incoming Vice Chair. Mark Sueksdorf will fill the incoming Vice Chair role. In January 2009, the leadership will rotate as Clay has completed his two year term, he will move to the outgoing Vice Chair position replacing Pete Offringa. Mark Sueksdorf will be taking the Chair in January and Bob Miklos will be the incoming Vice Chair. Special thanks to Pete for his enduring leadership and support of the working group from inception in 2003.

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Next Meeting (Winter 2009)

The tentative dates set for the Winter 2009 meeting are January 27-28 in the Washington D.C. area. Bob McKay indicated that NSTec has tentatively agreed to provide a location for the meeting at their Northrup Grumman office located between Dulles International Airport and DC. Thank you to Bob and NSTec for volunteering.

Action Items:

1. Develop minutes and distribute, including copies of presentation materials (Mark Sueksdorf)
2. Authorize release of presentations. (Scott Hood, Melissa Portwood, Stan Tuholski, Lisa Harvego, Bob Raines)
3. Check with CAP sponsor and ESC to make sure they want EFCOG collaboration in the corrective action process. (Bob Raines)
4. Identify Team Leads and Support volunteers for the CAP process. (All)
5. Provide feedback on DOE Draft Order 415.x on Cost Estimating to Bennie Reyes.(All)
6. Send out copy of Strategic Plan from meeting last July (Mark Sueksdorf)
7. Contact EFCOG Chair of Facilities & Infrastructure Working Group regarding collaboration / establishing a Construction Management Subgroup (Mark Sueksdorf)
8. Send updated list of EFCOG Leads/Experts on 413.3 Guides (Clay Jones)
9. Confirm Location / Logistics for 2009 Winter Meeting (Bob McKay)