



Special Project Report

Project Number 7350-095

for the

Labor Enforcement Task Force
Public Works Modernization (LETF PW)
Project

Version 1.0

January 13, 2025

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ATTACHMENTS

- A) Project Approval Letter
- B) Project Organization Chart
- C) RACI Matrix
- D) Project Master Schedule
- E) Risk Register
- F) Financial Analysis Worksheet
- G) Functional Requirements Register

1.0 Executive Project Approval Transmittal

See included SPR Executive Approval Transmittal (SIMM 30A)

Note: Agency Signatures are being obtained and will follow immediately after submission.

Approval Signatures		
Project Sponsor		Date Signed
<i>Dominic Forrest</i>		
Printed Name:	Dominic Forrest	01/10/2025
Product Owner (ODR-Prevailing Wage)		Date Signed
<i>Silvestre Rojas</i>		
Printed Name:	Silvestre Rojas	01/13/2025
Product Owner (LCO-Public Works)		Date Signed
<i>Chris Kim</i>		
Printed Name:	Christopher Kim	01/13/2025
Budget Office		Date Signed
<i>Marco Avalos</i>		
Printed Name:	Courtney Monte/Marco Avalos	01/13/2025
Chief Information Officer		Date Signed
<i>Benjamin Bonte</i>		
Printed Name:	Benjamin Bonte	01/13/2025
State Entity Director		Date Signed
<i>Katrina S. Hagen</i>		
Printed Name:	Katrina S. Hagen	01/13/2025
Agency Chief Information Officer		Date Signed
Printed Name:	Brian Wong	
Agency Secretary		Date Signed
Printed Name:	Stewart Knox	

2.0 **Information Technology Project Summary Package**

Section A: Executive Summary

See included Project Summary Package.

3.0 Proposed Project Change

3.1 *Project Background/Summary*

The Labor Enforcement Task Force Public Works Modernization (LETF PW) project is upgrading Public Works data systems in the following areas:

- Public Works (eCPR, Project Registration, Contractor Registration)
- Prevailing Wage
- LETF Case Management

The application suite that DIR utilized prior to this project was manually stitched together using eight internal databases and additional external data entities. This resulted in multiple challenges and prevented DIR from effectively carrying out strategic enforcement and compliance to combat underground economy. DIR initiated this project to modernize the data and application suite to improve efficiency and to engage in targeted strategic enforcement and compliance in the Public Works sector. The to-be architecture is being enabled using ServiceNow as a primary case management tool. Data Warehousing, Data Visualization, Data Security, and API management are being enabled using cloud native applications and services on the Google Cloud Platform.

3.2 *Project Status*

- Release 1 was deployed to production on 6/22/2024. This release deployed “Public Works” to internal and external users replacing the legacy PWCR, PWC100, and eCPR systems.
- Foundational Prevailing Wage functionality was also developed in Release 1. Additional Prevailing Wage functionality will be built and implemented in Release 2, followed by deployment to internal and external users.
- Release 2 RFO #13899 was released on April 23, 2024, but did not result in successful contract award. An RFP is being prepared and will be released for vendor bids in Spring 2025. Release 2 execution start date is expected to be by September 1, 2025.
- Release 2 is expected to take approximately 12 months to complete after the systems integrator is contracted and starts work. Therefore, Release 2 completion is tentatively planned for Fall 2026.
- Release 1 is currently being supported under an M&O contract. The vendor is currently working through a list of approximately 20 high priority defects. The M&O vendor contract goes through the end of August 2025.
- Remaining Public Works, Prevailing Wage, and LETF Case Management (not started) functionality will be delivered in Release 2.

3.3 Reason for Proposed Change (Variance)

A new RFP is being developed due to the unsuccessful procurement of the Release 2 System Integrator described above. It is expected that the RFP will not be ready for posting until Spring 2025 because of other procurement priorities. Contract award is not anticipated to occur until September 1, 2025. This delays the Release 2 start by 14 months.

3.4 Proposed Project Change

Shift LETF Release 2 development and implementation start from FY24/25 to FY25/26 (see above previous section for additional information). This change in timeline also translates to an increase in the project budget such as OE&E and staff cost.

3.4.1 Accessibility

No changes, accessibility requirements will be met. LETF PW project scope/requirements have not changed since approval of the PAL Stage 4 submission.

3.4.2 Impact of Proposed Change on the Project

The start for Phase 2 of this project is shifting from FY24/25 to FY25/26. This will delay fully realizing the project benefits described above in section 3.1.

3.4.4 Feasible Alternatives Considered

Approach is not changing from what was approved in the PAL Stage 4 submission to meet LETF PW project objectives and requirements. Alternate approaches are not under consideration.

3.4.5 Implementation Plan

Other than the previously mentioned schedule change, the LETF PW Implementation Plan has not changed since the approval of the PAL Stage 4 submission.

Updated Project Management Plan

4.1 Project Manager Qualifications

LETF PW Project Manager responsibilities have not changed since the approval of the PAL Stage 4 submission. See section 6.2.1 Roles and Responsibilities in the approved Project Management Plan (PMP).

Further definition of Project Manager responsibilities/qualifications are aligned with the Project Manager role description in 4.1 Project Role Definitions of CA-PMF (California Project Management Framework).

4.2 Project Management Methodology

LETF PW Project Management Methodology has not changed since the approval of the PAL Stage 4 submission.

4.3 Project Organization

LETF PW project organization has not changed since the approval of the PAL Stage 4 submission.

4.4 Project Priorities

The table below shows the priority of the original Stage/Gate 4 approved project schedule, scope, resources, and quality (using a factor of 1 (most important) to 4 (least important) for each of the categories).

Schedule	Scope	Resources	Quality
1	2	4	3

The table below shows the revised priority of the project schedule, scope, resources, and quality (using the same factor of 1 to 4).

Schedule	Scope	Resources	Quality
3	1	4	2

Scope moves to the highest importance item as it became evident for both Public Works and Prevailing Wage that delivering critical functionality was a requirement for internal and external usage adoption, and the ability to decommission the legacy tools.

Quality moved to second most important and put more focus on ensuring positive end-user experience and the usability of the applications particularly on the public facing components of the applications.

Schedule, while still important, is being deprioritized to allow delivery of needed functionality and at required quality levels.

4.5 Project Plan

4.5.1 Project Scope

LETF PW project scope has not changed since the approval of the PAL Stage 4 submission.

4.5.2 Project Assumptions

LETF PW project assumptions have not changed since the approval of the PAL Stage 4 submission.

4.5.3 Project Phasing

LETF PW project phasing has not changed since the approval of the PAL Stage 4 submission.

Project Phases	Phase Deliverables
RELEASE 1 (MVP)	<p>Public Works – Functionality delivered allowing replacement of legacy PWCR, PWC100, and eCPR systems. New system available to internal and external users.</p> <p>Prevailing Wage – Significant portion of required functionality with full functionality balance to be delivered in Release 2.</p> <p>Data Platform – Implemented foundational infrastructure to support reporting and analytics.</p>
Release 1 Maintenance and Operations	Maintenance and operational support for Release 1.
RELEASE 2 (Final)	<p>Implement remaining functionality and continue with maintenance and operational support for Release1 including any architectural enhancements.</p> <p>Implementation of Prevailing Wage maps.</p> <p>LETF Case Management - Functionality to be delivered allowing replacement of legacy LETF Case Management system. New system available to internal and external users.</p> <p>Data Analytics and Reporting – Enhancement and Implementation of data analytics and reporting requirements to support Release 1 and Release 2.</p>
Release 2 Maintenance and Operations	Maintenance and operational support for Release 1 and Release 2.

4.5.4 Project Roles and Responsibilities

LETF PW roles and responsibilities have not changed since the approval of the PAL Stage 4 submission. See section 6.2.1 Roles and Responsibilities in the approved Project Management Plan (PMP).

4.5.5 Project Schedule

Milestone / Deliverable	Status	Actual/Planned End Date	SPR Re-planned (End) Date (if applicable)	Comments
Planning Phase	Closed	9/28/23		
Prep Phase	Closed	7/21/23		
Phase 1	Closed	10/9/23		
Phase 2	Closed	6/7/24		
Phase 3	Closed	6/28/24		
Post Release Stabilization	Closed	9/1/24		
Release 1 M&O	WIP	8/30/25		Per recommendation from CDT, M&O vendor retained for 9/1/2024 – 8/30/2025
Release 2 Implementation	Pending	6/30/25	8/30/26	Twelve months from SI start (9/1/2025)
Release 2 M&O	Pending	Not in original plan	8/30/27	Provided by SI
Closing Activities	Pending	6/30/25	2/28/27	PIER (Post Implementation Evaluation Report)

4.6 Project Management and Oversight

Organizational Entity	Responsibilities
PAO - CDT	In conformance with Statewide Information Management Manual (SIMM) 17 (the California Project Management Methodology and SIMM 45 (the Information Technology Project Oversight Framework), the Project Approvals and Oversight consultant (PAO) is responsible for formal oversight of the LETF PW project management processes and documentation. The PAO consultant is responsible for monthly submission to the California Department of Technology of the mandated Independent Project Oversight Report (IPOR) that is a structured document for reporting on the reportable project oversight categories.

IV&V - West
Advanced
Technologies, Inc.

The IV&V contractor is responsible for verifying and validating that project and contractor (particularly the prime vendors) processes and deliverables adhere to the industry IT standards, and that all delivered products meet defined technical requirements and/or specifications. IV&V contractor reports to PAO.

4.7 Project Quality

LETf PW continues to execute QA testing of the developed software. This is done at multiple levels (unit testing, integration testing, end-to-end testing/user acceptance testing, regression testing).

4.8 Change Management

Requirements Management - LETf PW project requirements and associated change management have not changed since the approval of the PAL Stage 4 submission. See section 6.10 Requirements Management Plan in the approved Project Management Plan (PMP).

Comprehensive OCM plan was developed and implemented for Release 1. This will be updated as required to support Release 2.

4.9 Authorization Required

Authorization for this SPR must be obtained from CDT.

4.10 Implementation Plan

Other than the previously mentioned schedule change, the LETf PW Implementation Plan has not changed since the approval of the PAL Stage 4 submission.

5.0 Updated Risk Management Plan

LETf PW risk management processes have not changed since the approval of the PAL Stage 4 submission. The tool utilized for tracking risks has shifted from RTC (Rational Team Concert) to ServiceNow PPM. See section 6.4 Risk Management / Issue and Action Item Management Plan in the approved Project Management Plan (PMP).

5.1 Risk Register

See attached in email.

6.0 Updated Financial Analysis

6.1 Financial Analysis Workbook (FAW) projections versus actual expenditures.

See attached FAW.

PROJECT EXPENDITURES TABLE (through December 31, 2024)

Period: (July 1, 2024 – December 31, 2024)			
	Last Approved Budget (\$)	Cumulative Actual Cost (\$)	Variance (\$)
IT Project Costs (One-Time)	33,814,768	19,319,455	14,495,313
Staff (Salaries & Benefits)	6,914,830	1,900,692	5,014,138
Staff OE&E Rollup (Gen. Exp.; Printing, Comm.; Postage; Ins.; Travel – In/Out of State; Training; Fac. Ops.; Utilities)	1,867,729	1,400,797	466,932
Consulting & Prof. Services: Interdepartmental	582,200	286,957	295,243
CDT PAL \$147 x 50hr/month	44,100	0	44,100
CDT STP \$127 x 100 hr/month	38,100	0	38,100
CDT PAL Oversight 125hr/month	500,000	286,957	213,043
Consulting & Prof. Services: External	16,027,900	10,413,175	5,614,725
System Integrator	15,985,000	9,985,000	6,000,000
ECPR Consultant 150 hrs annually at \$143/hr	42,900	32,175	10,725
Control Tower	0	358,500	-358,500

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IV&V	0	37,500	-37,500
Consolidated Data Centers	764,424	573,318	191,106
CDT Storage for 2TBS \$1.74X2000X12 MONTHS	83,520	62,640	20,880
CDT License for ECPR	42,208	31,656	10,552
Servers(Annual \$635,148.84 for ECPR,OSIP,QMEO,RTW&MPN)Only	254,060	190,545	63,515
PWC Compute Cost	39,000	29,250	9,750
PWC Storage cost	35,000	26,250	8,750
Standard Complement - Consolidated Data Centers	310,636	232,977	77,659
Information Technology	4,458,527	2,639,717	1,818,810
GCP and other tools*	1,600,000	822,858	777,142
GCP		381,500	
Sainapse		319,748	
Miro		18,200	
Figma		11,160	
AutomatePro (Selenium)		79,500	
Atlassian Jira		12,750	
DIR TMS DEVL LICENSE COST FOR ECPR	9,384	7,038	2,346
Standard Complement - Information Technology	375,143	281,357	93,786
Solution Vendor (ServiceNow Software Licenses)	2,400,000	1,528,464	871,536

Misc. OE&E Rollup (Dept. Services; Central Admin. Services; Office Equip.; Other; Unclassified/Special Adjustment; Local Assistance)	3,199,157	2,399,368	799,789
Total IT Project Costs (One-Time):	33,814,768	19,319,455	14,495,313
			0
Future Operations IT Staff and OE&E Costs (Continuing)	Last Approved Budget (\$)	Cumulative Actual Cost (\$)	Variance (\$)
Staff (Salaries & Benefits)	1,608,366	Not applicable	
Staff OE&E Rollup (Gen. Exp.; Printing, Comm.; Postage; Ins.; Travel – In/Out of State; Training; Fac. Ops.; Utilities)	366,430	Not applicable	
Consulting & Prof. Services: Interdepartmental	0	Not applicable	
CDT PAL Oversight 125hr/month			
Consultant 150 hrs annually 143/hr			
Consulting & Prof. Services: External	1,000,000	278,750	721,250
Consolidated Data Centers	60,995	Not applicable	

Information Technology	1,873,332	Not applicable	
Misc. OE&E Rollup (Dept. Services; Central Admin. Services; Office Equip.; Other; Unclassified/Special Adjustment; Local Assistance)	1,568,328	Not applicable	
Future Operations IT Staff and OE&E Costs (Continuing):	6,477,708	278,750	6,198,958
TOTAL:	40,292,475	19,598,205	20,694,270

6.2 Variances

Refer to Project Summary Package

6.3 Budget Projections

Refer to Project Summary Package

6.4 Maintenance and Operations Phase

In lieu of acquiring the Release 2 System Integrator originally planned for FY 24/25, DIR engaged a vendor to support the maintenance and operations (M&O) of the applications launched in Release 1. The M&O vendor's contract began on August 29, 2024, with a one-year term at a total cost of \$1.14 million.

Refer to Updated FAW Alternative 1 – Future Ops for the updated budget