



Project
Leaders



City of Prince George

2021 Organizational Capital Project
Management Review & Framework
Council Update, Roadmap and Policy

October 4, 2021



Agenda

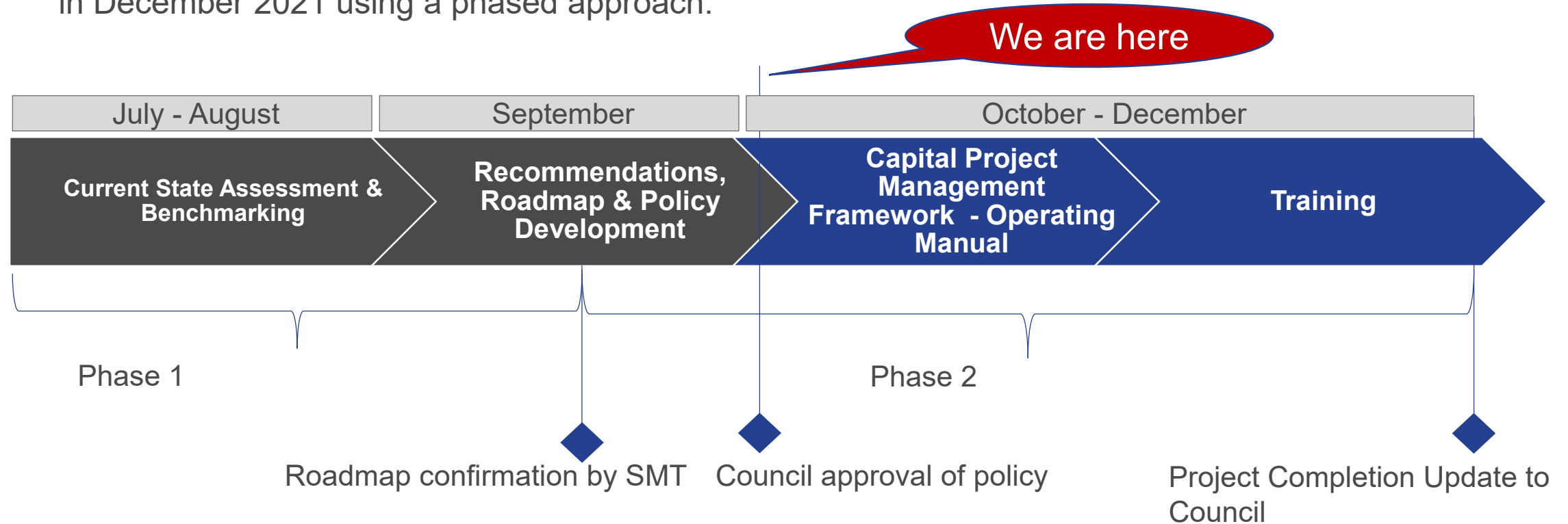
- 2021 Organizational Capital Project Management Review & Framework (OCPMRF) project update
- Key Findings/Recommendations
- Roadmap
- Proposed Organizational Capital Project Management (OCPM) Policy

2021 OCPMRF – Project Overview & Update

Organizational Capital Project Management Review & Framework

Project Overview

- On April 26, 2021, Council directed City staff to conduct the OCPMRF to improve understanding of the City's capital project lifecycle management and practices.
- The project was awarded through a competitive bid process to Colliers Project Leaders Inc. for completion in December 2021 using a phased approach.

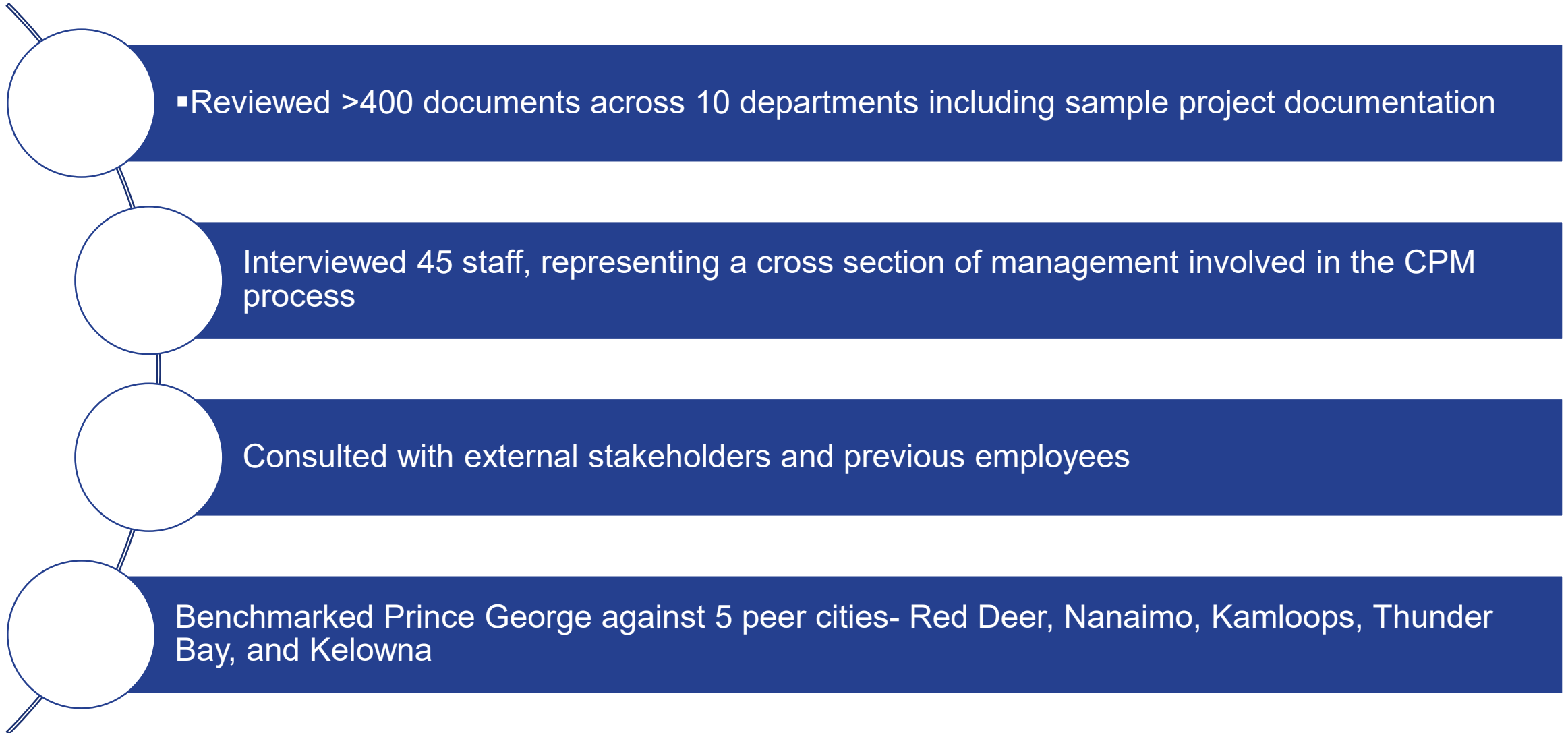


Organizational Capital Project Management Review & Framework

Objectives

- **Review and enhance** the City's project management process maturity, robustness, and efficiency.
- **Benchmark** the City's processes (and proposed processes) against other local governments of similar size and scale.
- **Create certainty** in projects (once the budget is set and communicated it doesn't change).
- **Establish clear and timely communication** with Council to appraise projects and expedite decision making.
- **Establish trust** with Council and community by developing a streamlined project management framework that allows for better governance, efficient decision making, and enhanced reporting.
- **Refine procurement** standards to align with industry best practice.
- **Set clear priorities** around scope, budget, and schedule.

Organizational Capital Project Management Review – Journey so far



Organizational Capital Project Management Review – Current Situation

Environmental factors

- Large number of external and internal stakeholders
- Heightened public sector procurement scrutiny and transparency expectations
- Need to start large, complex projects and keep up with refurbishing large, aging asset base
- Project elapsed times may be delayed and stretch out over several years
- Public sector salary caps are lower than equivalent private sector roles in some specialist areas

Organizational Capital Project Management Review – Current Situation

External constraints

- Regional labour and materials shortages
- Price escalations in some areas
- Short build season relative to other regions
- Limited availability of local consultants
- Negative project capacity impacts from Covid-19

2021 OCPMRF – Key Findings & Roadmap

Organizational Capital Project Management Review – Key Findings

What's Working Well

- City's procurement bidding portal
- Revised City Manager budget amendment authority
- Aligning reporting through the portfolio and project management software
- Improvement in gathering and using asset condition data
- Enhanced public reporting on large capital projects
- OCPMRF project sets a baseline and roadmap to improved project management maturity

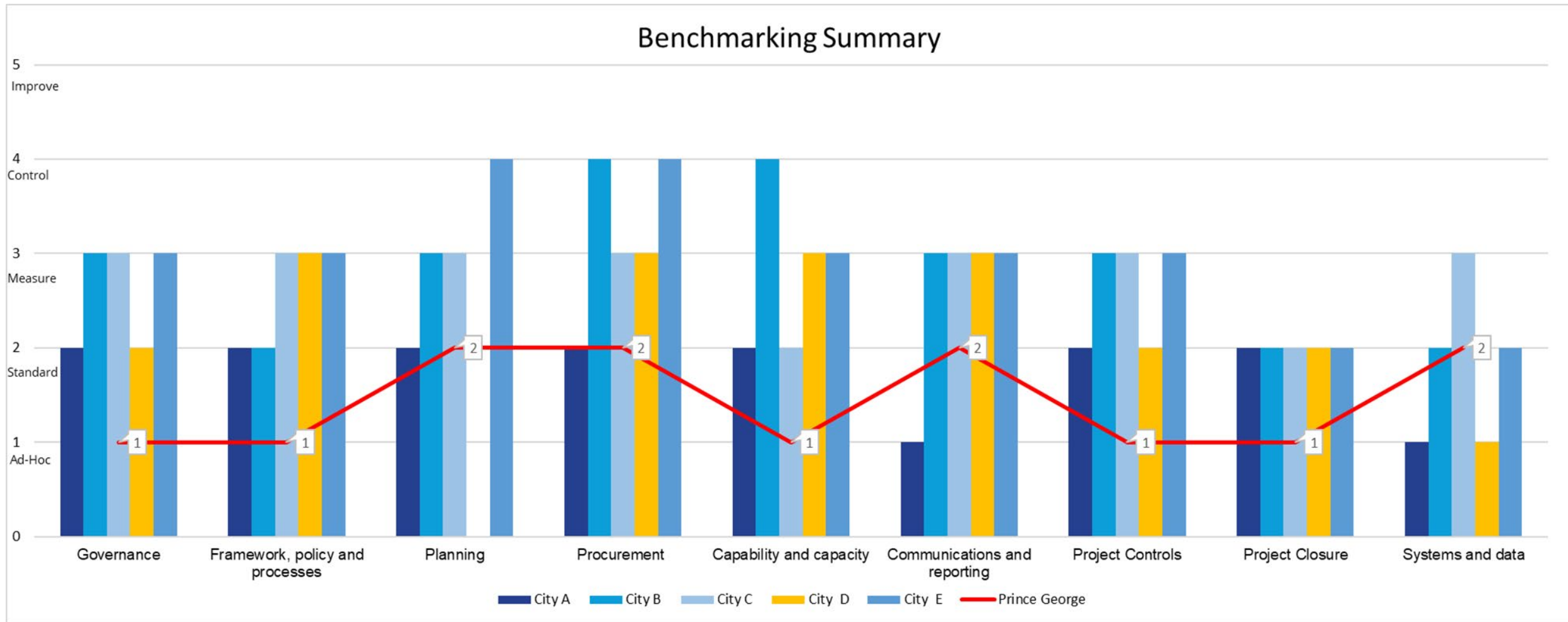
Organizational Capital Project Management Review – Key Findings

Findings and recommendations for improvement fall into nine (9) main themes.

- Governance
- Framework, Policy and Processes;
- Planning
- Procurement
- Capability and Capacity
- Communications and Reporting
- Project Controls
- Project Closure
- Systems and Data

Organizational Capital Project Management Review – Benchmarking

Selected five peer cities comparable to City of Prince George to benchmark against 9 focus areas.

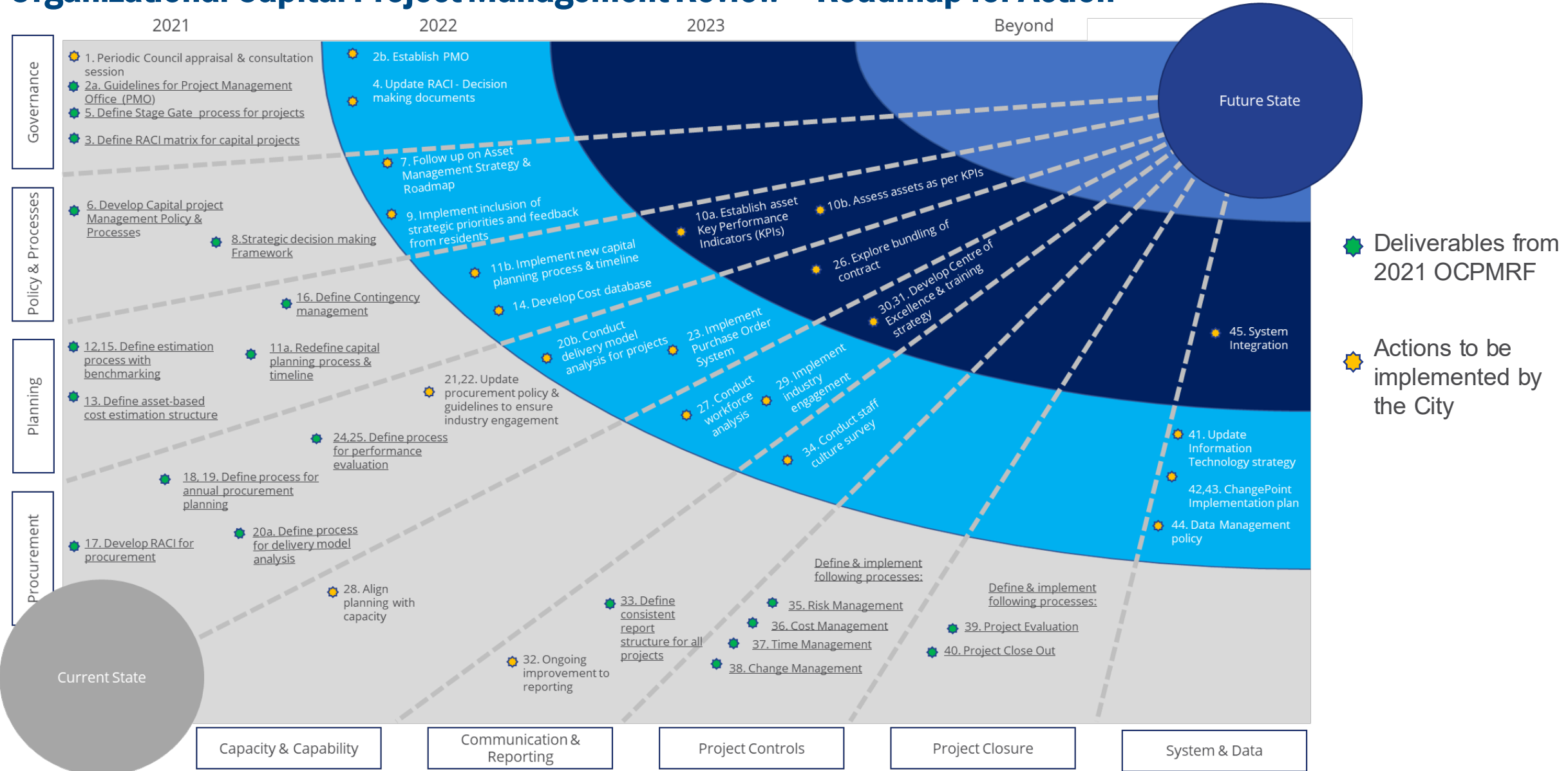


Organizational Capital Project Management Review – Key Findings & Recommendations

Finding	Recommendation
A more structured and strategic approach is required for capital planning, delivery, oversight, and communication with Council and other stakeholders.	Identify clear administrative responsibilities and ownership for capital program delivery and coordination with all stakeholders (external and internal).
A capital project management framework is needed , with policy, processes, templates, training and support.	Define a capital project management framework to guide and manage its capital program life cycle.
The capital planning cycle needs to be aligned with active project cycles and to ensure more consistent and accurate planning decisions.	Align the capital planning process with construction timelines and ensure that planning processes create quality inputs.
Better annual procurement planning and construction industry engagement is needed.	Enhance procurement processes, annual planning, and conduct project options analysis.
There are not enough experienced project managers to deliver all the capital project mandate.	Conduct an assessment of Project Manager requirements and align the capital plan with delivery capacity.
Incomplete implementation of the Portfolio and Project Management Information System(PPMIS), ChangePoint.	Create a plan to fully implement ChangePoint, and transition completely to system-based reporting.

2021 OCPMRF – Roadmap

Organizational Capital Project Management Review – Roadmap for Action



Organizational Capital Project Management (OCPM) Policy

Organizational Capital Project Management Policy

Policy Approach

- Researched available project management policies from other cities and government agencies.
- Developed the OCPM policy to direct the elements of a framework and procedures with overall direction for project management.
- OCPM Policy directs the development of a City OCPM administrative framework that will be actioned through the OCPMRF roadmap (e.g., procedures manual, templates, training, etc.).
- Revisions to the OCPM administrative framework would not require an OCPM Policy update.

Organizational Capital Project Management Policy

Policy Contents

- Objectives
- Authoritative Statements
- Principles
- Roles & Responsibilities
- Definitions

Organizational Capital Project Management Policy

Policy Objectives

- Scope, schedule, budget and quality expectations
- Proactive risk identification and management
- Stakeholder consultations and engagement
- Decision making through project phases and changes to project plans
- Improving the City's capital project management culture and practices maturity

Organizational Capital Project Management Policy

Authoritative Statements

- “The OCPM policy should apply to all capital projects that the City is responsible for in full or in part through external partnerships”.
- “All City staff, contractors and consultants working on or supporting capital projects should follow the OCPM policy, procedures, and processes when they are developed, and amended from time to time”.
- “Council decisions/direction on any existing or new capital projects must follow OCPM policy”.
- “The City Manager is responsible by Council delegation to develop and implement the OCPM framework to meet the policy objectives”.

Organizational Capital Project Management Policy

Principles

- Application to be determined by project type, risk, complexity, and project dollar value.
- Stage based decision making to be used for project phases.
- The OCPM framework aligns with best practices. Continuous refinement based on lessons learned and knowledge sharing.
- Approved annual capital plan projects to be adequately resourced – in house/external.
- Planning and procurement activities to commence upon approval of the capital plan by a designated Council Committee.

Organizational Capital Project Management Policy

Roles and Responsibilities

Council Members

- Provide policy direction, set priorities for and approve all annual capital plans, budgets, and funding sources.
- Receive periodic City staff progress updates, and provide direction, advice and support as needed on behalf of community interest.
- Decisions regarding significant proposed changes to project scope, schedules and budgets.
- Ensure Council members are sufficiently project management literate to provide oversight.

Organizational Capital Project Management Policy

Roles and Responsibilities

City Manager

- Overall accountability for:
 - Implementing the OCPM policy and framework
 - Delivering the expected annual capital plan benefits
 - Executive Sponsor for organizational/enterprise-wide program or project

Senior Management Team (SMT)

- Executive Sponsor for program or project
- Develop an annual capital plan for City Manager approval.
- Monitors progress on approved annual capital projects
- Directs changes or escalates issues to the City Manager for decision

Organizational Capital Project Management Policy

Roles and Responsibilities

Directors

- Develop project proposals for the annual capital plan and oversee approved projects within their department.
- Ensure availability of resources for project managers to complete their capital projects using the OCPMF. Communicate the benefits of adhering to the OCPMF.

Executive Sponsors

- Often the department Director and can include City Manager for an organizational-wide program or project.
- Provide a high-level of support and oversight for a program and/or project.
- Champion their projects within the City.
- Assist project managers to advance objectives. Make decisions within their authority.

Organizational Capital Project Management Policy

Roles and Responsibilities

Project Sponsor/Owner

- Organizational area that performs the project to achieve objectives and may or may not be the asset owner.
- Provide a medium-level of support and oversight and provide periodic updates to Executive Sponsors.

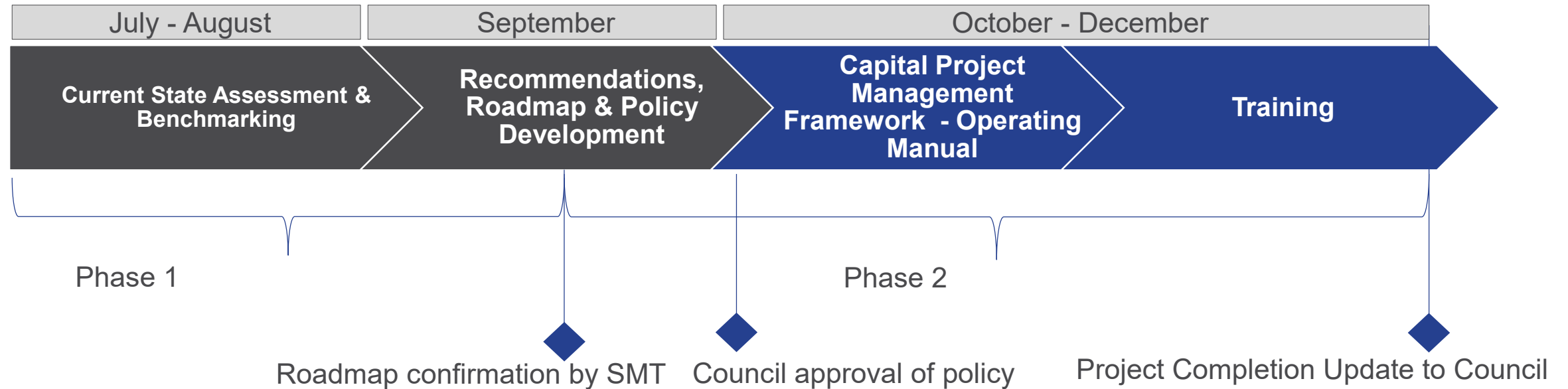
Project Managers

- Overall project leadership and are responsible for meeting project success criteria and objectives.
- Key contact point for sponsors and stakeholders.
- Apply and adhere to OCPMF.

Organizational Capital Project Management Review & Framework

Next Steps

- Council consideration of the proposed OCPM policy.
- Begin Phase 2: Development of capital project management policy and framework, and training sessions.





Project
Leaders

Thank you