

# STAFF REPORT TO COUNCIL

1100 Patricia Blvd. | Prince George, BC, Canada V2L 3V9 | www.princegeorge.ca

**DATE:** September 24, 2021

**TO:** MAYOR AND COUNCIL

**NAME AND TITLE:** Deanna Wasnik, Director of Planning and Development

**SUBJECT:** Organizational Capital Project Management Review & Framework (OCPMRF):  
Project Update, Roadmap and Council Policy

**ATTACHMENT(S):** OCPMRF Presentation  
OCPMRF Roadmap  
Draft Council Policy: Organizational Capital Project Management

**RECOMMENDATION(S):**

That Council APPROVES the Organizational Capital Project Management Policy attached to the report dated September 24, 2021 from the Director of Planning and Development titled “Organizational Capital Project Management Review & Framework: Project Update, Roadmap and Council Policy.”

**PURPOSE:**

The following report is to provide an Organizational Capital Project Management Review & Framework (OCPMRF) project update, roadmap and proposed Council Policy for Council’s approval.

**STRATEGIC PRIORITIES:**

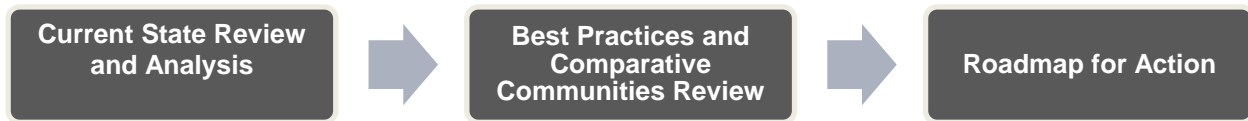
This OCPMRF project is identified within the 2021 workplan priorities to “conduct a review of the City’s capital project management process and work to incorporate improvements across the multiple City departments that are engaged in capital projects.”

This aligns with Council’s focus areas to “implement policies and support practices that contribute to the effective, affordable, and predictable delivery of capital projects”, and supports all myPG goals for City Government and Infrastructure including Sustainable Fiscal Management, Sustainable Infrastructure, Organizational Excellence, Healthy Workplace and Effective Governance.

**DISCUSSION:**

On April 26, 2021, Council approved the Organizational Capital Project Management Review (OCPMR) project and scope ([Item D5](#)) in order to collectively gain an improved 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. and is being pursued in a two-phased approach for completion by December 2021. Phase 1 is complete with Phase 2 underway.

**Phase 1 - Current State Review, Assessment, Benchmarking & Roadmap**  
**COMPLETE**



For Phase 1, the City's project management maturity was assessed in a staged approach shown in diagram above and described below.

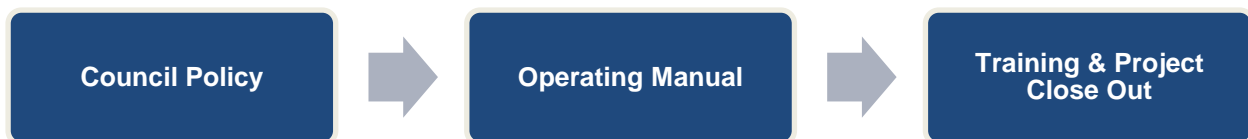
To complete a current state review and analysis, over 400 documents were provided and reviewed from various functional areas of the City including the Capital Expenditure Plan, processes (approved and draft), project plans, schedules, and design deliverables etc. Based on the review of the documents, focused group interviews were conducted with various internal organizational functions, industry representatives, and City Council to understand their issues, challenges with the existing capital project management system and limitations, and what works well. The review included contextual environmental factors and external constraints applicable to capital project management at the City, as identified in the enclosed presentation to this report.

The City's project management processes were then benchmarked against comparable peer cities to ascertain the best practices suited to the City's portfolio, organization structure and systems. These municipalities include City of Red Deer, City of Nanaimo, City of Kamloops, City of Thunder Bay, and City of Kelowna.

Solutions and actions were identified to mitigate the gaps and identify improvement opportunities. The recommendations are related to project governance, development of new processes, revision to existing processes, introduction of new templates and reports etc. Key findings of this phase are enclosed in the OCPMRF Presentation to this report. The recommendations and associated actions are identified on the Roadmap enclosed to this report in both the OCPMRF Presentation and OCPMRF Roadmap attachments.

**Phase 2 - Framework: Council Policy, Manual and Training**

**UNDERWAY**



Phase 2 is currently underway and advances a number of actions identified in the enclosed roadmap as deliverables from the 2021 OCPMRF (indicated in green). A framework describes the standard of project controls and governance arrangements applicable to various classes of capital projects.

Utilizing outcomes of Phase 1 within item# 6 on the enclosed Roadmap, a draft Council Policy for Organizational Capital Project Management has been developed for Council consideration (enclosed). This policy provides the vision of Council to establish corporate direction for effective governance and control over various classes of capital projects adopted by Council. The proposed policy indicates this would be accomplished by applying the City's Organizational Capital Project Management framework to ensure appropriate capital project management approaches are consistently used.

The framework will be applied through an administrative operating manual that will include process maps, description of processes, governance structure, a responsibility assignment matrix, tools, and templates to bring in improved controls and efficiency of project delivery.

The final stage of training will provide a broader organizational roll-out and communication of the recommendations and outcomes (e.g. policy, manual) to a wider team of internal stakeholders engaged in the delivery of capital program and projects for the City. This final stage will include a project completion update to Council.

**FINANCIAL CONSIDERATIONS:**

On April 26<sup>th</sup>, 2021 Council approved an operational budget of \$180,000 for the Organizational Capital Project Management Review project funded from the Northern Capital and Planning Grant Reserve Fund. The project budget health is on track to stay within approved budget.

**SUMMARY AND CONCLUSION:**

The initial phase of the Organizational Capital Project Management Review & Framework is complete with the final phase underway. This report is provided to Council to present a project update, roadmap for actions, and to seek Council's approval of the proposed draft Council Policy for Organizational Capital Project Management.

**RESPECTFULLY SUBMITTED:**

Deanna Wasnik, Director Planning and Development

**PREPARED BY:** Tiina Schaeffer, Manager Infrastructure Planning & Engineering

**APPROVED:**

Walter Babicz, City Manager

Meeting Date: 2021/10/04