

Capital Project Management Framework

Council Presentation
April 2019

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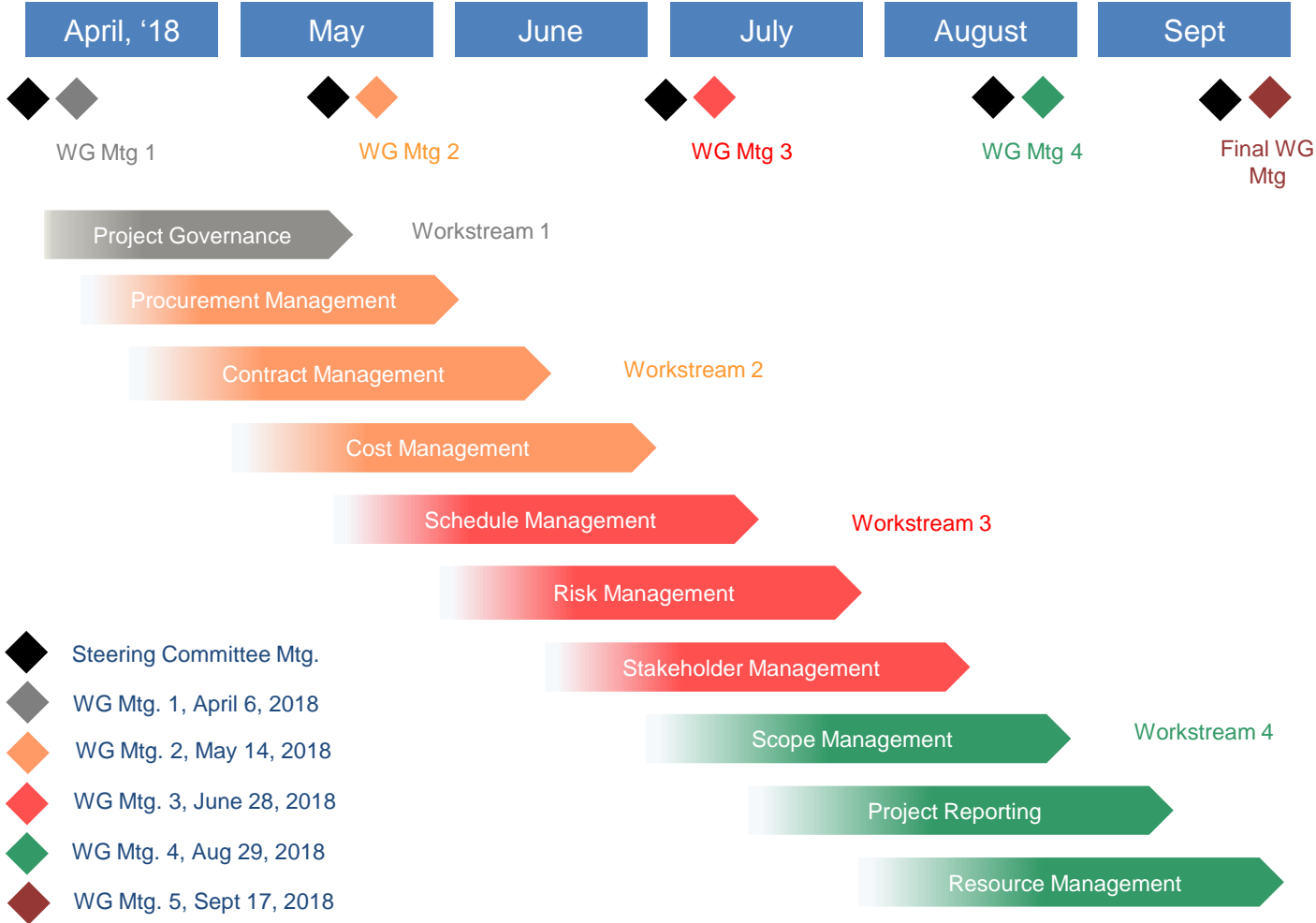
1. The Why

The City's 2018 Capital Plan allocated \$56 million to capital projects, with a total of \$220 million budgeted over the next 5 years.

To provide consistency and formalize capital project processes throughout the City.

Capex Project Advisory Services Inc. was engaged to deliver a fit-for-purpose and scalable project management framework.

2. The How



3. The Approach



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3. The Capital Project Management Framework

The City of Nanaimo’s PMF is a documented manual of procedures and templates, including -

Workstream 1

- Project Categorization Tool
- Stage Gate Process
- RACI Charts

Workstream 2

- Procurement Compliance
- Project Delivery Model Selection
- Estimating Guidelines
- Cost Management & Tracking Tool
- Cash Flow Forecasting
- Contingency Guidelines

Workstream 3

- Stakeholder Management Plan
- Schedule Management Guidelines
- Risk Management Process

Workstream 4

- Project Charter
- Project Close Out Process
- Change Management Process
- Project Reporting
- Project Management Resources

3. Governance

The Project Management Framework is designed to be scalable. Because of this, there will be now be four classes of capital construction project at the City:

Special Projects

Projects with a capital budget in excess of \$10m.

Major Projects

Projects with a capital budget between \$1m and \$10m, or otherwise considered high-risk

Standard Projects

Projects with a capital budget between \$100k and \$1m

Routine Projects

Projects with a capital budget of less than \$100k

3. Governance

A stage gate process, based on good project governance practices, is now in place to ensure key decisions are taken at the right level, and to verify that the Project Management Framework is being followed.



Projects of higher risk and/or value may be required to pass through additional stage gates, at the discretion of the Project Sponsor.

4. The Policy

Because the City is committed to improving transparency and consistency of capital construction project outcomes, the procedures set out within the Project Management Framework are proposed to be mandated by Council adoption of the Capital Project Management Policy.

The Project Management Framework doesn't replace any existing systems or processes in place, it complements and aligns with them.

It is applicable to all Capital Projects, including IT which can follow the intent of the Project Management Framework.

4. Benefits of Compliance

- 1) Support the Goals stated in the Official Community Plan by making best use of available funds for the provision and maintenance of infrastructure.
- 2) Support the City's vision, community values and priorities as stated in Council's Strategic Plans.
- 3) Establish common expectations across the City in terms of how Capital Projects are delivered based on industry good practices which in turn will improve financial performance and delivery of services that meet stakeholder expectations.

Any questions?