



Report to: General Committee

Meeting Date: May 30, 2016

SUBJECT: Project Management Coordination and Reporting
PREPARED BY: Phoebe Fu, Ext: 3010

RECOMMENDATION:

- 1) That the report entitled “Project Management Coordination and Reporting” be received;
- 2) That the “Major Project Status Tracking” Dashboard report (Attachment “A”) be received;

That Staff be authorized and directed to do all things necessary to give effect to this resolution.

EXECUTIVE SUMMARY:

n/a

PURPOSE:

The purpose of this report is to provide Council with a semi-annual status report of major projects using the dashboard report format.

BACKGROUND:

As part of the 2009 Auditor General’s audit on construction management, it was recommended that the City adopt and implement a project management methodology, and that Staff report to Council on the status of major projects on a regular basis.

As a result of the Auditor General’s recommendations, a Project Management Team consisting of Staff from Asset Management, Engineering, Operations, Environmental Services, Urban Design, Purchasing and ITS was created to share project management practices and lessons learned. The current chair is the Director of Asset Management. The team developed a project management methodology consistent with the Project Management Institute’s “Project Management Body of Knowledge” (PMBOK). PMBOK is a set of standard terminology and guidelines for the practice of project management that includes five process groups and ten knowledge areas:

- The five process groups in a project life cycle are: initiating, planning, executing, monitoring and controlling, and closing.
- The ten knowledge areas are: integration management, project scope management, project time management, cost management, quality management, human resources management, communication management, risk management, procurement management, and stakeholder management.

The project management methodology adopted by Council in December, 2013 included the following governance practices:

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- Establishing a Project Management Team to adopt standard project management practices; establish continuous improvement processes, and sharing of lessons learned / best practices.
 - Establishing project-specific Executive Steering Committees (if criteria are met), to provide an escalated level of oversight on projects where the City has significant exposure.
 - Establishing a project reporting framework with standard templates for project charter, project status report, and dashboard reporting (major project status) through Eclipse software.

The Project Management Team has adopted the above governance practices, including regular project reporting to Council on the status of major projects.

DISCUSSION:

The current Dashboard reports (Attachment “A”) provide a status as of April 30, 2016 of all Asset Management, ITS and Environmental Services projects currently open with an approved capital budget greater than \$350,000. These reports provide an overview for Commissioners, the Executive Leadership Team (ELT) and Council of summarized financial and schedule information. Colour coded Budget Concern and Schedule Concern Indexes provide an indication of project health at a glance, in accordance with established criteria (see Attachment “B”).

Two projects showed concern index “yellow” that requires attention. They are discussed below:

- Markham Pan Am Centre – Schedule concern: The project was Substantially Completed in October 2014, however, a number of deficiencies and warranty items remain and have not been completed by the contractor within the deadline stipulated under the contract. Staff has begun the process for completing the remaining works relying on retained funds and, if necessary, the Warranty Letter of Credit. At the time of this report, the schedule to complete the remaining works is tentatively September 2016 and, is therefore a concern in being so long beyond the original expectation. There are no financial concerns for the project as it is within budget.
- Southeast Community Centre and Library (SECCL) – Cost concern: The construction contract budget is \$47.77M, with a contingency of \$2.39M representing 5% of the contract award. The approved contingency budget has been almost fully committed and staff now forecast the need for an additional \$2.57M which was the subject of a separate report to General Committee for approval of additional contingency funding. Schedule concern: At the September 2015 project update to Council, it was communicated that the forecast Beneficial Use date will be delayed to 2016 Q4 from 2015 Q4. A recent schedule update by the General Contractor indicates that the best possible date for Substantial Performance is now end of March 2017 and therefore Beneficial Use will be about the end of June 2017. This cumulative delay represents an overall delay of about 17 months since commencement of the project. Staff is diligently working

with Bondfield to encourage them to mitigate the issues and maintain their schedule.

FINANCIAL CONSIDERATIONS AND TEMPLATE: (external link)

n/a

HUMAN RESOURCES CONSIDERATIONS

n/a

ALIGNMENT WITH STRATEGIC PRIORITIES:

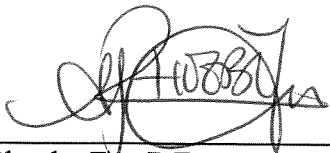
n/a

BUSINESS UNITS CONSULTED AND AFFECTED:

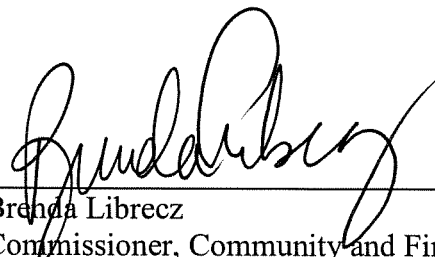
The follow up implementation plan for expanding and completing the “Major Project Status Tracking” Dashboard reporting for semi-annual submission is as follows:

- Asset Management and ITS – 2013 (complete)
- Environmental Services – Q4 2014 (complete)
- Engineering – training and implementation underway, with completion target in 2016
- Urban Design – Training and implementation starting in 2015, with completion target in 2016

RECOMMENDED BY:



Phoebe Fu. P.Eng.
Director, Asset Management



Brenda Librecz
Commissioner, Community and Fire Services

ATTACHMENTS:

Attachment “A” – Major Project Status Tracking (Asset Management, ITS and Environmental Services Dashboard)

Attachment “B” – Budget and Schedule Concern Index