Edmonton Construction Association
Capital Region Partners 2020

January 23, 2020

Capital $24.2 billion over four years

www.alberta.ca/capital-plan.aspx
Budget 2019 Announced Projects

• More than 30 new and ongoing school projects in Edmonton and Area.
• Health facilities: Stollery Children’s Hospital Critical Care Program, the CapitalCare Norwood Redevelopment, the Misericordia Hospital, new south Edmonton hospital.
• Yellowhead Youth Centre Redevelopment project in Edmonton.
• Cultural and recreation projects: the Winspear Centre, Telus World of Science and the Northern Jubilee Auditorium
• Other multi-year projects, the Edmonton Law Courts, Leduc’s Agrivalue Processing Business Incubator.
Budget 2020 Consultation

- Members of the public will have opportunities to make their voices heard and provide input informing Budget 2020.
- An online survey is open until Feb. 7.
- Government will host two telephone town hall meetings on Jan. 27 and Jan. 28.
- www.alberta.ca/index.aspx
Later this year, the government plans to introduce an Infrastructure Act, and a 20-Year Strategic Capital Plan.

The Act will outline how government will prioritize and report on capital spending.

This will include the commitment to publish the 20-Year Strategic Capital Plan.

Stakeholder and public engagement will be collected in person and via survey.

The goal of this engagement is to seek input on the Act and test capital planning prioritization criteria.
Vendor Performance Management Program

- Applies to procurements posted after January 6, 2020 with an estimated contract value of $100,000.
- Five Key Performance Indicators (KPIs) evaluated: Quality, Management, Schedule, Cost and Safety. A five-point scale is used to score KPIs.
- Performance evaluations generally occur every 6 months.
- A Corrective Measures and Suspension component outlines specific performance conditions that may result in a suspension of a vendor’s bidding privileges.
- A vendor has an opportunity to request a review of performance evaluation results, or a suspension.
VPMP Program Objectives and Outcomes

• To support good performance by Vendors on Infrastructure contracts, while using Vendor past performance information to acquire goods, services or construction; improve transparency; promote innovation; and ensure best value.

• Supports the delivery of quality infrastructure projects on time, on budget, within scope and utilizing resources more efficiently.

- Facilitate ongoing, regular communication with vendors, ensuring clarity of expectations and quality performance
- Minimize the need for corrective measures due to poor performance
- Provide incentives to vendors to improve their performance
- Hold vendors accountable for poor performance or unacceptable behavior
- Enable Alberta Infrastructure to provide objective vendor references
- Enable better decision making on bidder selection through a centralized repository containing vendor past performance information
VPMP Procurement Impact

• VPM Program is built into the procurement solicitation documents and Key KPIs will be outlined in Appendix to Supplementary Conditions.

• The vendor’s Overall Vendor Performance Rating (OVPR) is a rolling three year average of all performance evaluation results from all of a vendor’s contracts in which VPM is included.

• Procurement evaluation criteria includes a new VPM Adjustment based on the vendor’s Overall Vendor Performance Rating.
VPMP Information

- Industry Information Sessions have been coordinated through the ACA, and available through December and January.
  - The next session is a webinar, scheduled on January 27, 2020 from 2:00 - 3:30.
  - The link to join the webinar is https://zoom.us/j/285185431
- (no registration required).

- Additional program details and information can be found at:

- Contact the VPM Program team at:
  - Infras.vendorperformance@gov.ab.ca
MacKinnon Panel Recommendations

• Recommendation 17: Procurement Council

• The GOA should form a procurement council which would be a joint effort of government and business/industry to examine innovation and efficiency in the government’s procurement methods. The intent would be to make it easier to do business with government, enable better access to procurement opportunities for small, medium, and large Alberta businesses, and enhance the procurement capacity with government.
3. Procurement Council

- Government has developed a draft Terms of Reference for the committee.
- Finalizing Council Structure, governance and Industry representation.
- Council deliverables include:
  - industry input on further reducing red tape.
  - identifying potential methods to create procurement efficiency.
  - leveraging GoA purchasing power.
  - how to best leverage existing industry-Government forums.
Red Tape Reduction

- To make Alberta the freest and fastest-moving economy.
- One-third reduction in regulatory requirements by 2023.
- What is a “regulatory requirements”?
- Red Tape Reduction Act.
Red Tape Reduction

• Albertans are invited to share their ideas on cutting red tape in government.
  – CutRedTape.alberta.ca

• Establishment of Industry-Specific Panels
  – For more information, contact Minister Hunter’s office at:
    – Ph: 780 427 0240
    – Email: grant.hunter@gov.ab.ca

• Infrastructure’s Stakeholder Initiative
  – Sheila Harrison, Executive Director
    – Ph: 780 638 2936
    – Email: sheila.harrison@gov.ab.ca
What is a P3 in Alberta

- An infrastructure project in which a private contractor:
  - Provides some or all of the financing for the project;
  - Designs and builds the project, often providing operations and maintenance for the project, and often backed by an “extended warranty”; and
  - Receives payments from government over an extended period of time, subject to deductions for failing to meet contractually defined performance standards.
P3’s Moving Forward

• Continue to meet with program ministries and supported infrastructure organizations to determine upcoming and future capital projects
• Explore types of projects that have not yet been done in Alberta but have been done in other jurisdictions
• Continue analyzing projects coming up for potential procurement options
• Update GOA templates for opportunity paper and business case
• Provide oversight function on all significant capital projects
Procurement Contacts

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