

Transportation Investment Corporation

2020/21 – 2022/23 SERVICE PLAN

February 2020



For more information on Transportation Investment Corporation contact:

Transportation Investment Corporation
Suite 1750 – 401 West Georgia Street
Vancouver, British Columbia
V6B 5A1

Or visit our website at

ticorp.ca

Board Chair Accountability Statement



The 2020/21 – 2022/23 Transportation Investment Corporation (TI Corp) Service Plan was prepared under the Board’s direction in accordance with the *Budget Transparency and Accountability Act*. The plan is consistent with government’s strategic priorities and fiscal plan. The Board is accountable for the contents of the plan, including what has been included in the plan and how it has been reported. The Board is responsible for the validity and reliability of the information included in the plan.

All significant assumptions, policy decisions, events and identified risks, as of January 28, 2020 have been considered in preparing the plan. The performance measures presented are consistent with the *Budget*

Transparency and Accountability Act, Transportation Investment Corporation’s mandate and goals, and focus on aspects critical to the organization’s performance. The targets in this plan have been determined based on an assessment of TI Corp’s operating environment, forecast conditions and risk assessment.

A handwritten signature in cursive script that reads "Sabine Feulgen".

Sabine Feulgen
Chair, Board of Directors

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Strategic Direction and Alignment with Government Priorities

The Government of British Columbia remains focused on its three strategic priorities: making life more affordable, delivering better services, and investing in a sustainable economy. Crowns are essential to achieving these priorities by providing quality, cost-effective services to British Columbia families and businesses.

Additionally, where appropriate, the operations of Crowns will contribute to:

- The objectives outlined in the government’s newly released A Framework for Improving British Columbians’ Standard of Living,
- Implementation of the *Declaration on the Rights of Indigenous Peoples Act* and the Truth and Reconciliation Commission Calls to Action, demonstrating support for true and lasting reconciliation, and
- Putting B.C. on the path to a cleaner, better future – with a low carbon economy that creates opportunities while protecting our clean air, land and water as described in the CleanBC plan.

By adopting the Gender-Based Analysis Plus (GBA+) lens to budgeting and policy development, Crowns will ensure that equity is reflected in their budgets, policies and programs.

TI Corp has been established pursuant to the *Transportation Investment Act* and is a wholly-owned subsidiary of the BC Transportation Financing Authority (BCTFA).

TI Corp’s strategic direction and mandate have been set by the Minister Responsible, the Minister of Transportation and Infrastructure, as per the 2020/21 Letter of Direction. The current corporate goals reflect TI Corp’s focus on the priorities set for the organization and the mandate as outlined below:

- provide cost effective and flexible delivery, including procurement and commercial oversight, of selected major projects assigned to it by the Province and be accountable and report to BCTFA as the owner of the assigned projects through the Minister Responsible;
- apply effective and consistent risk management, project and financial processes and controls to all assigned projects; and,
- build capacity within TI Corp, and by extension the public service, for delivery of major capital projects.

TI Corp’s goals are aligned with the Government’s key priorities:

Government Priorities	TI Corp Aligns with These Priorities By:
Making life more affordable	<ul style="list-style-type: none"> • Effectively deliver major transportation projects. (Goal 1) • Effective management and financial control across all assigned major projects. (Goal 2)
Delivering the services people count on	<ul style="list-style-type: none"> • Effectively deliver major transportation projects. (Goal 1) • Effective management and financial control across all assigned major projects. (Goal 2) • Build capacity within the public service for delivery of major capital projects. (Goal 3)
A strong, sustainable economy	<ul style="list-style-type: none"> • Effectively deliver major transportation projects. (Goal 1) • Effective management and financial control across all assigned major projects. (Goal 2) • Build capacity within the public service for delivery of major capital projects. (Goal 3)

Operating Environment

TI Corp’s priorities over fiscal year 2020/21 include corporate and project-specific goals.

Investing in transportation infrastructure is essential to meeting Government’s strategic priorities. Infrastructure development supports a strong sustainable economy. It improves the movement of goods and people by enhancing the ability to move around the province in a safer, faster and cleaner way. Transit, highways and the transportation network are all part of delivering the services that people and their families count on in B.C. every day.

TI Corp is currently responsible for the delivery of three major infrastructure projects. The Pattullo Bridge Replacement Project will provide important improvements for everyone using the new bridge, including people who are driving, cycling or walking, as well as the communities of Surrey and New Westminster. The Broadway Subway Project is a 5.7 km extension of the Millennium Line SkyTrain in Vancouver, saving transit time for commuters and relieving congestion along Broadway. The fourth and final phase of the Highway 1 Kicking Horse Canyon Project includes safety improvements and realigning and widening 4.8 kilometres through the canyon from West Portal to Yoho Bridge to four lanes. Refer to Appendix B for a overview of the governance structure for TI Corp’s assigned major projects.

All three projects are in procurement with construction expected to start in 2020. TI Corp is building internal capacity with expertise in various fields to deliver these projects efficiently and effectively for British Columbians. Hiring and retaining the right staff in a competitive job market is expected to be an ongoing challenge.

A significant component of these projects is working with BCIB to apply the Community Benefits Agreement (CBA). The CBA is designed to support the development of a sustainable skilled construction workforce in British Columbia, with a focus on increasing opportunities for local communities, Indigenous Peoples and equity-seeking groups. Government is committed to providing training and apprenticeship opportunities that will help address current and projected skills shortages in the workforce. TI Corp is taking an integrated approach to the planning and delivery of these projects with BC Infrastructure Benefits Inc. (BCIB) and the Ministry of Transportation and Infrastructure (MOTI) to maximize the benefits of the CBA.

At the corporate level, in the first year of its new mandate, TI Corp will continue to focus on building the organization and developing policies that provide a framework for the consistent and effective delivery of transportation projects. This is the first Service Plan for the organization with its new mandate. Goals, objectives and strategies will be refined in future years as the organization solidifies its structure and policies.

Performance Plan

Goal 1: Effectively deliver major transportation projects.

Objective 1.1: Deliver each assigned major project within the approved parameters.

The approved parameters (scope, schedule and budget) for each assigned major project are defined by the Province.

Key Strategies:

- Engaging Partnerships BC and working with the Ministry of Attorney General to ensure consistency of approach and documentation of procurement activities.
- Maintaining a strong working relationship with BCIB to support the implementation of the CBA.
- Adopting a proactive approach to risk management, which incorporates the guidelines of the Risk Management Branch, and allows for the early identification and effective management of risks through all phases of project delivery.
- Applying best practices to project management, with particular emphasis on cost and schedule management.
- Implementing a governance structure that supports informed decision making and clear delegation of authority.

Performance Measure(s)	2019/20 Forecast	2020/21 Target	2021/22 Target	2022/23 Target
1.1a Executed Project Agreement ¹	1	2	TBD ²	TBD ²
1.1b Percentage of preferred proponent proposals within affordability requirement ¹	100%	100%	TBD ²	TBD ²
1.1c Percentage of projects within budget	100%	100%	100%	100%
1.1d Percentage of projects within schedule	100%	100%	100%	100%

¹ Targets reflects the major projects currently assigned to TI Corp: Pattullo Bridge Replacement Project (PBR) (2019/20 Forecast), Broadway Subway Project (BSP) (2020/21 Target) and Kicking Horse Canyon Project – Phase 4 (KHCP4) (2020/21 Target).

² Future targets will be included as projects are assigned to TI Corp.

Linking Performance Measures to Objectives:

- 1.1a Achieving an executed Project Agreement for an assigned major project represents a significant milestone in the project life cycle. This agreement provides greater confidence in the total project cost and schedule, including the efficient allocation of risks to the parties best able to manage them.
- 1.1b Delivering projects on or under the affordability requirements contributes to Government’s ability to effectively make planned investments in other critical public infrastructure. The affordability requirements for financial proposals are set as part of the request for proposals stage of the procurement process for the primary contracts for each assigned major project.
- 1.1c/d Continuous management, monitoring, and forecasting of the total project cost and completion date for each assigned major project is required to achieve the approved parameters for each project.

Goal 2: Effective management and and financial control across all assigned major projects.

Objective 2.1: Ensure project management plans, systems, and reporting procedures are in place.

Key Strategies:

- Continue to develop and maintain a corporate organizational and governance structure that supports effective management and oversight of major capital projects.
- Work collaboratively with MOTI to develop and implement a framework for independent third-party performance management assurance that includes ongoing assessment and mitigation of risks, particularly in the areas of cost and schedule management.

- Focus on developing best practices project control processes and tools that take into consideration the applicable recommendations of the Office of the Auditor General of British Columbia (OAG) review of the Evergreen Line Rapid Transit System¹ and the Port Mann Highway 1 review².
- Regular progress reporting to TI Corp Board, Government and the public.

Performance Measure(s)	2019/20 Forecast	2020/21 Target	2021/22 Target	2022/23 Target
2.1a Percentage of project management plans and processes fully developed and operational	100%	100%	100%	100%
2.1b Number of progress reports ¹	N/A	36	36	36

¹ Targets reflects monthly reporting to the public for the the major projects currently assigned to TI Corp: PBR, BSP and KHCP4.

Linking Performance Measures to Objectives:

- 2.1a Effective project management plans and process support the application of best practices and consistency across the portfolio of assigned major projects.
- 2.1b Regular reporting supports oversight and transparency on key areas such as cost and schedule performance, and risk management.

Goal 3: Build capacity within the public service for delivery of major capital projects.

Objective 3.1: Continue developing TI Corp’s organization, its capabilities and competencies for the effective delivery of major capital projects.

Key Strategies:

- Identify and define major capital project delivery competencies and qualifications, and the associated key roles at both the corporate and project team level.
- Align project team roles to the level of project complexity.
- Establish technical and project leadership career paths for promoting the development of the key project delivery roles.
- Effective use of contract resources to support to the projects, training and development.

¹ Office of the Auditor General of British Columbia, Audit of the Evergreen Line Rapid Transit Project, Report 15, March 2013.

² Perrin, Thorau & Associates Ltd., Port Mann Bridge / Highway 1 Construction Review, February 2018.

Performance Measure(s)	2019/20 Forecast	2020/21 Target	2021/22 Target	2022/23 Target
3.1a Employee Training	N/A	TBD ¹	TBD ¹	TBD ¹
3.1b Employee Retention	N/A	TBD ¹	TBD ¹	TBD ¹

¹ Performance measures to be developed.

Linking Performance Measures to Objectives:

- 3.1a A training target recognizes the importance of investing in employee development to build organizational capacity and to allow new and existing staff the ability to excel in their roles.
- 3.1b An employee retention target reflects the value to the public sector in retaining major project delivery expertise, which provides for knowledge transfer to new employees and continuity in major project delivery practices.

Financial Plan

Summary Financial Outlook

(\$000)	2019/20 Forecast	2020/21 Budget	2021/22 Plan	2022/23 Plan
Total Revenue				
Provincial grants	9,807	9,887	10,045	10,190
Other revenues	799	50	50	50
Total Revenue	10,606	9,937	10,095	10,240
Total Expenses				
Highway and Bridge Operations	35,473	0	0	0
Salaries and benefits	4,378	8,777	8,933	9,052
Other operating costs	2,074	1,160	1,162	1,188
Total Expenses	41,925	9,937	10,095	10,240
Other items: Government Restructuring Expense¹	3,002,678	0	0	0
Net Income/Excess of Revenue over Expenses/Annual Surplus (Deficit)	(3,033,997)	0	0	0
Total Debt	0	0	0	0
Accumulated Surplus	5,000	5,000	5,000	5,000

¹ Government restructuring involving the transfer of legacy assets including the Port Mann Bridge / Highway 1 and George Massey Tunnel replacement assets from TI Corp to the parent company BCTFA is completed in fiscal 2019/20. The transaction results in a expense for TI Corp and an offsetting gain for the BCTFA.

Key Forecast Assumptions

The forecasts include the following key assumptions:

- The forecast reflects management and oversight expenses to deliver currently assigned major projects, which include the Pattullo Bridge Replacement, Broadway Subway and the Kicking Horse Canyon – Phase 4. The forecast would change if additional major projects are assigned to be delivered by TI Corp.
- Forecasts assume all management and oversight expenses are fully recovered from BCTFA.
- Forecasts include estimated wage increases and other contractual increases such as office rent.

Major Capital Projects

TI Corp is a subsidiary of [BCTFA](#), with a mandate to provide procurement, delivery and commercial oversight of three major capital transportation projects: the Pattullo Bridge Replacement Project, the Broadway Subway Project and the Kicking Horse Canyon Project – Phase 4.

These capital projects are owned and funded by the BCTFA and are reported on through MOTI's Service Plan. Refer to Appendix A for hyperlinks to additional information.

Appendix A: Hyperlinks to Additional Information

Corporate Governance

[TI Corp Board of Directors](#)

[Letter of Direction](#)

Organizational Overview

[Plans and Reports](#)

Ministry of Transportation and Infrastructure

[Service Plan](#)

Appendix B: Project Governance

