

Transportation Investment Corporation

2021/22 – 2023/24 Service Plan

April 2021



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Board Chair's Accountability Statement



The 2021/22 – 2023/24 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 February 2021 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, risk assessment and past performance.

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

Sabine Feulgen
Board Chair

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Strategic Direction and Alignment with Government Priorities

In 2021/22, British Columbians continue to face significant challenges as a result of the global COVID-19 pandemic. Recovering from the pandemic will require focused direction, strong alignment and ongoing engagement between public sector organizations and the Government of British Columbia. The government has identified five foundational principles that will inform each Crown agency's policies and programs and contribute to COVID recovery: putting people first, lasting and meaningful reconciliation, equity and anti-racism, a better future through fighting climate change and meeting our greenhouse gas commitments, and a strong, sustainable economy that works for everyone.

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 [2021/22 Mandate Letter](#). 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.
- Apply effective and consistent risk management, project and financial processes and controls to all assigned projects.
- Build capacity within TI Corp, and by extension the public service, for delivery of major capital projects.

Operating Environment

TI Corp's priorities over the Service Plan period include corporate and project-specific goals.

Investing in transportation infrastructure is essential to meeting Government's strategic priorities. Infrastructure development supports a sustainable economy and contributes to the Province's COVID recovery plan.

TI Corp is responsible for the delivery of five major infrastructure projects. The Pattullo Bridge Replacement Project is in construction and 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 has begun construction including demolitions and site prep work. The Project is a 5.7 kilometre-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 has started major construction on the corridor and includes safety improvements and realigning and widening 4.8 kilometres through the canyon from West Portal to Yoho Bridge to four lanes. In addition, TI Corp will be delivering the George Massey Crossing Project and the Collections and Research Building Project for the Ministry of Tourism, Arts, Culture and Sport (TACS), subject to final Treasury Board approvals and direction. Refer to [Appendix B](#) for an overview of the governance structure for TI Corp's assigned major projects.

TI Corp is also responsible for an updated business case for the Royal BC Museum Modernization Project. Finally, the organization is developing the Surrey-Langley SkyTrain concept plan for government's consideration and approval.

To deliver these projects efficiently and effectively for British Columbians, TI Corp continues to build internal capacity with expertise in various fields. Hiring and retaining the right staff will remain a key priority for the organization.

An important facet of several of TI Corp's projects is working with BC Infrastructure Benefits Inc. (BCIB) to implement 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. A CBA on each of our three initial projects have been successfully executed, and we are working collaboratively with BCIB to deliver the projects.

At the corporate level, TI Corp has developed key processes and policies in the last year. Goals, objectives and strategies will continue to be refined over the coming year and in future as the organization evolves to ensure a framework for the consistent and effective delivery of infrastructure projects. This is the second Service Plan for the organization with its new mandate.

Performance Planning

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 projects are defined by the Province.

Key Strategies

- Engaging Infrastructure 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.

Performance Measure(s)	2019/20 Actuals	2020/21 Forecast	2021/22 Target	2022/23 Target	2023/24 Target
1.1a Executed Project Agreement ^{1, 2}	1	2	0	1	0
1.1b Percentage of preferred proponent proposals within affordability requirement ^{1, 2}	100%	100%	100%	100%	100%
1.1c Percentage of projects within budget	100%	100%	100%	100%	100%
1.1d Percentage of projects within schedule	100%	80% ³	80% ³	80% ³	80% ³

¹ Targets reflect the major projects currently assigned to TI Corp: Pattullo Bridge Replacement Project (PBR) (2019/20 Actuals), Broadway Subway Project (BSP) (2020/21 Forecast), Kicking Horse Canyon Project – Phase 4 (KHCP4) (2020/21 Forecast), as well as Collections and Research Building (CRB) (2022/23 Target) and George Massey Crossing (GMC) subject to final Treasury Board approvals and direction.

² Targets will be adjusted if new projects are assigned to TI Corp.

³ Due to change in schedule of Pattullo Bridge Replacement.

Linking Performance Measure to Objective

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.

Discussion

Relating to performance measure 1.1d, the Pattullo Bridge Replacement project has a revised construction timeline which has resulted in an adjustment of targets. On-site investigative work and permitting approvals from federal and provincial authorities have taken longer than anticipated due to the complexities of this large infrastructure project and challenges presented by the COVID-19 pandemic. As a result, the construction timeline for the project has been adjusted, moving the new bridge opening date into 2024 from fall 2023.

Goal 2: Effective management 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.
- Regular progress reporting to the TI Corp Board, Government and the public.

Performance Measure(s)	2019/20 Actuals	2020/21 Forecast	2021/22 Target	2022/23 Target	2023/24 Target
2.1a Percentage of project management plans and processes fully developed and operational	100%	100%	100%	100%	100%
2.1b Number of progress reports ¹	36	54	60	60	60

¹ Targets reflects monthly reporting to the public for the major projects currently assigned to TI Corp: PBR, BSP, KHCP4, as well as CRB and GMC, subject to final Treasury Board approvals and direction.

Linking Performance Measure to Objective

2.1a Effective project management plans and processes 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.

Discussion

In reference to 2.1b, monthly progress reports will increase to 54 as progress reports for the CRB and GMC projects (which are subject to Treasury Board approval) are expected to start in July 2021.

Targets for performance measure 2.1b are calculated based on an estimated 12 progress reports per year, per project. As there are currently five major projects in progress compared to three previously, targets have been increased from 36 to 60. The two new major projects reflected in this plan are the GMC and CRB projects, which are subject to Treasury Board approval.

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 the projects, training and development.

Performance Measure(s)	2019/20 Actuals	2020/21 Forecast	2021/22 Target	2022/23 Target	2023/24 Target
3.1a Employee Training (% of employees engaged in training) ¹	N/A	N/A	75%	75%	75%
3.1b Employee Retention (% voluntary turnover) ¹	N/A	N/A	Less than 10%	Less than 10%	Less than 10%

¹ Performance measure targets begin in 2021/22 as the organizational structure and staffing has been solidified.

Linking Performance Measure to Objective

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. Training opportunities include internal training and external training/education.

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

Financial Summary

(\$000)	2020/21 Forecast	2021/22 Budget	2022/23 Plan	2023/24 Plan
	Total Revenue			
Provincial grants	12,540	21,852	24,263	24,863
Other revenues	41	41	41	41
Total Revenue	12,581	21,893	24,304	24,904
	Total Expenses			
Salaries and benefits	10,173	17,746	20,224	20,754
Other operating costs	2,324	4,147	4,081	4,150
Highway and Bridge Operations	84			
Total Expenses	12,581	21,893	24,304	24,904
Net Income/Excess of Revenue over Expenses/Annual Surplus (Deficit)	0	0	0	0
Total Debt	0	0	0	0
Accumulated Surplus	5,017	5,017	5,017	5,017

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, Kicking Horse Canyon – Phase 4, as well as the George Massey Crossing and the Collections and Research Building projects, which are subject to final Treasury Board approvals and direction.
- The forecast also reflects management expenses to develop an updated Business Case for the Royal BC Museum (RBCM) Modernization Project and development of the Surrey-Langley SkyTrain (SLS) Concept Plan. The forecast does not currently include management expenses to deliver either of these two projects.
- Forecasts assume all management and oversight expenses relating to transportation sector projects are fully recovered from the BCTFA and expenses relating to the Collections and Research Building (CRB) and RBCM Replacement Project from the RBCM/TACS.
- Forecasts include estimated wage increases and other contractual increases such as office rent.

Major Capital Projects

- TI Corp is a subsidiary of [B.C. Transportation Finance Authority \(BCTFA\)](#), with a mandate to provide procurement, delivery and commercial oversight of major capital transportation projects: the Pattullo Bridge Replacement, Broadway Subway, Kicking Horse Canyon Project – Phase 4 as well as the George Massey Crossing Project, subject to final Treasury Board approvals and direction. TI Corp is also developing the Surrey-Langley SkyTrain (SLS) Concept Plan. These capital projects are owned and funded by the BCTFA and are reported on through the Ministry of Transportation and Infrastructure’s Service Plan.
- TI Corp is authorized under OIC 548, to engage in and conduct businesses related to the delivery of the Royal British Columbia Museum Modernization Project (which includes the Collections and Research Building). TI Corp will deliver the Collections and Research Building Project and develop an updated Business Case for the RBCM Modernization Project, subject to final Treasury Board approvals and direction. The CRB is owned by the RBCM and is funded through grants provided by the Ministry of Tourism, Arts, Culture and Sport. This capital project is reported on through the [Ministry of Tourism, Arts, Culture and Sport’s Service Plan](#) and the [Royal BC Museum’s Service Plan](#).

Appendix A: Additional Information

Corporate Governance

[TI Corp Board of Directors](#)

[Mandate Letter](#)

Organizational Overview

[Plans and Reports](#)

Ministry of Transportation and Infrastructure

[Service Plan](#)

Ministry of Tourism, Arts, Culture, and Sport

[Service Plan](#)

Appendix B: Project Governance



