

Calgary



Green Line Committee

Green Line Governance

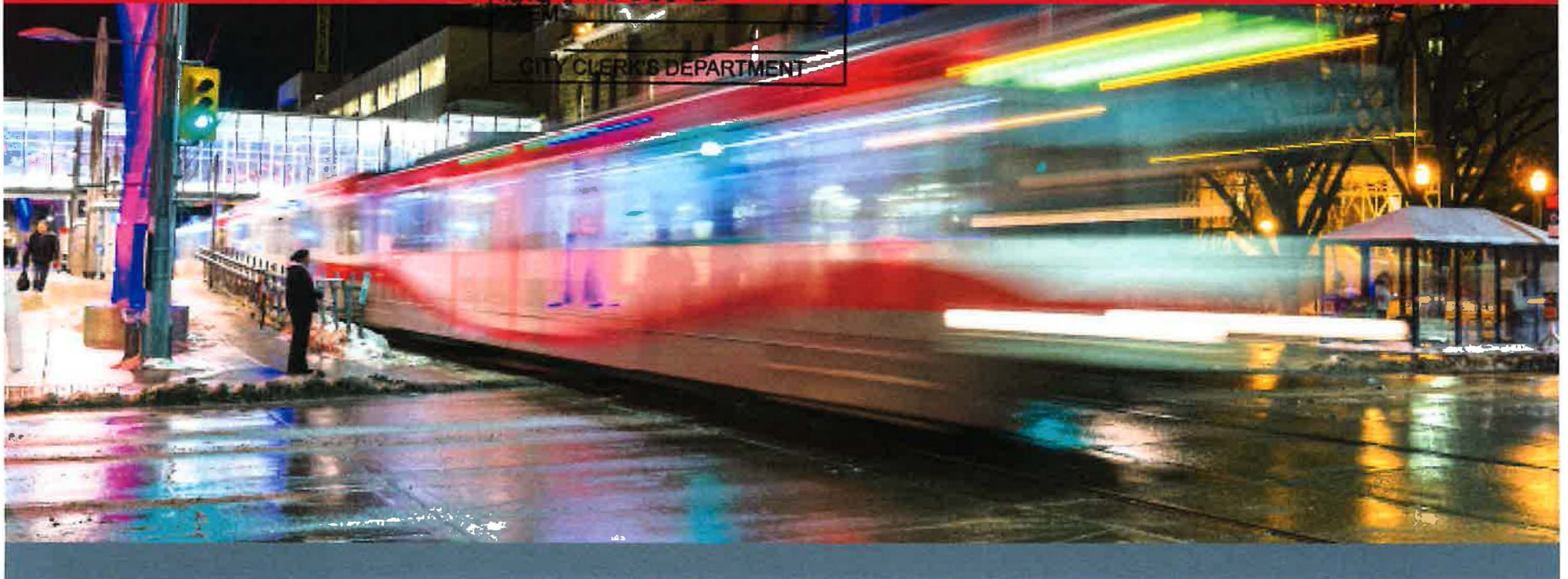
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- I. Why now is the time to enhance governance
- II. Overview of the Technical and Risk Committee Governance Assessment
- III. Overview of the Program Governance Board Bylaw





Why now is the time to enhance governance

- Council, the City Auditor and the Green Line Technical and Risk Committee have all identified the need to strengthen governance for the Green Line Program.
- The size and complexity of this Program demands experienced and dedicated leadership.
- The current transition into the Delivery Phase is the right time to initiate enhanced governance.
- To be successful in the delivery of the Green Line Program, this is the time to ensure that we have:
 - The best possible governance framework
 - The best possible leadership
 - Full alignment and collaboration between all parties



The Right Approach for Governance

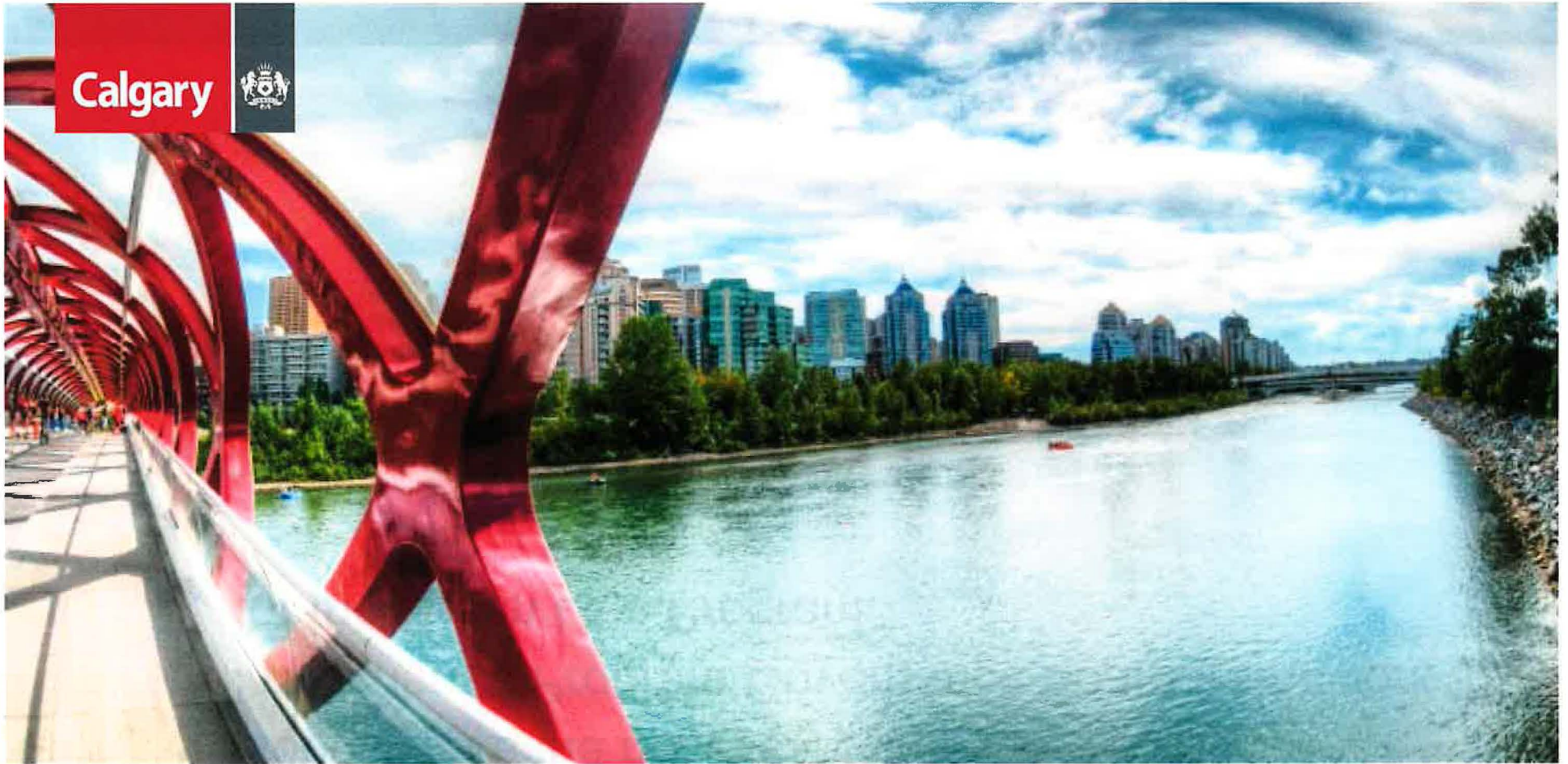
Through implementation of enhanced governance, the Green Line Program would benefit from:

- Enhanced focus at a Board level,
- Strong implementation of a clear organizational transition from planning to the delivery phase,
- Addition of leaders throughout the team with complex Program experience,
- Enhanced transparency through additional Program reporting, and
- Reinforcing a Program culture that is dedicated to the timely and focused execution of a delivery plan.

Administration Recommendation

Administration recommends that:

- Council take the necessary steps to implement a Program Governance Board framework for the Green Line Program.



Technical and Risk Committee Governance Assessment

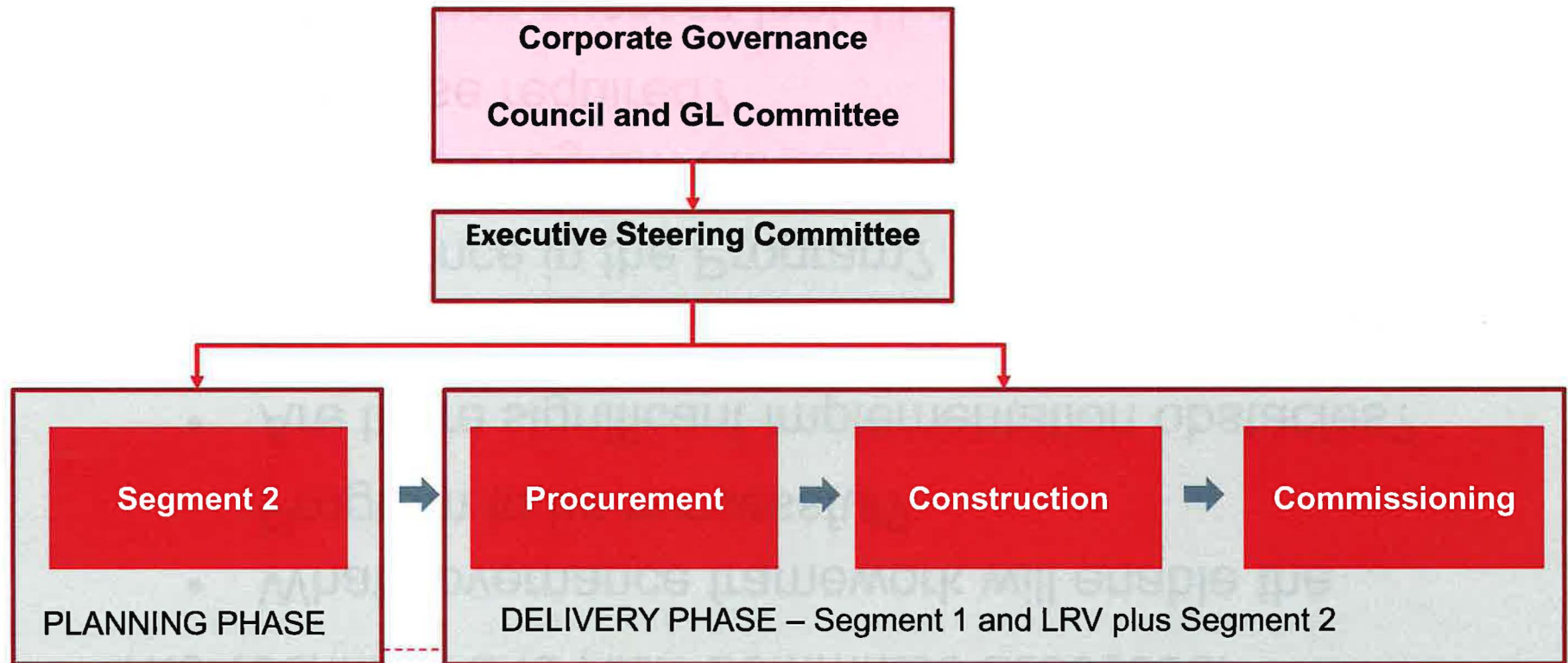


The Technical and Risk Committee assessed:

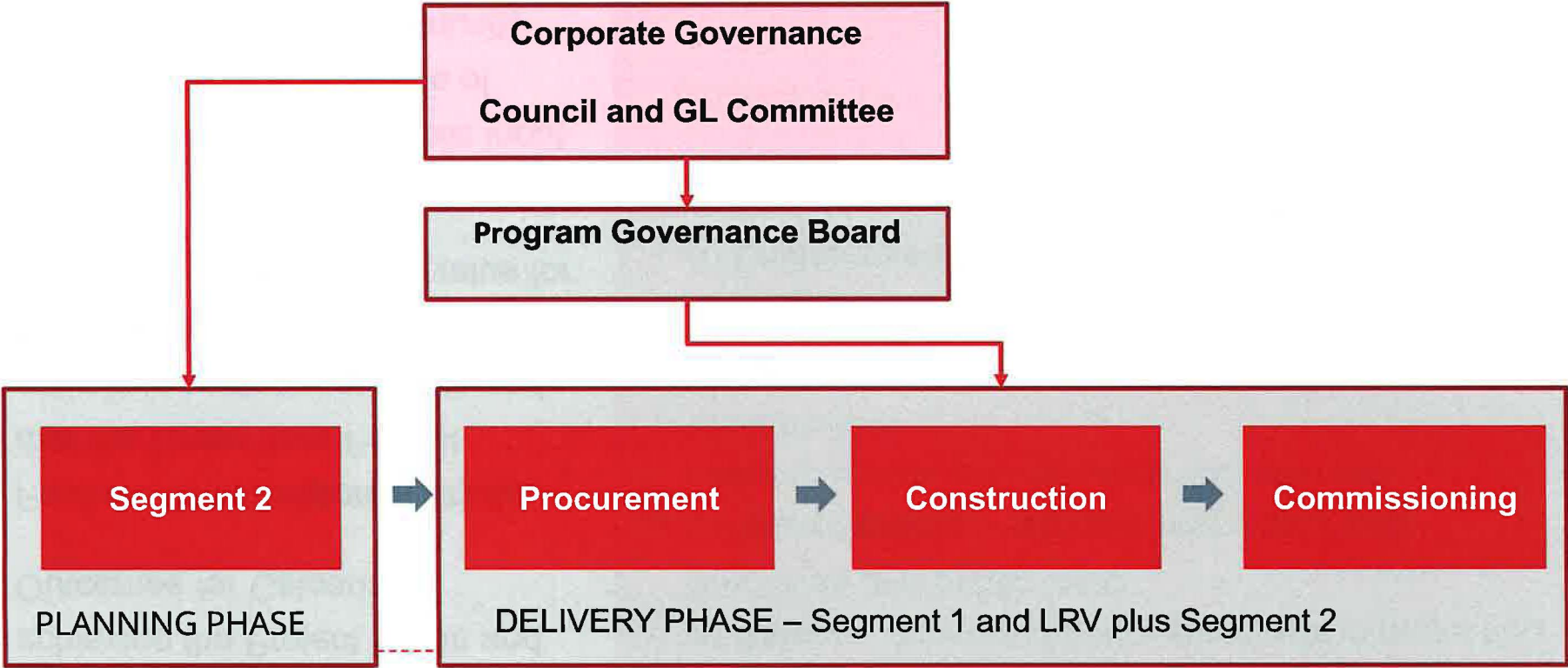
- What governance framework will enable the Program to be successful?
- Are there significant implementation obstacles?
- Will a change in governance result in increased confidence in the Program?
- Can the Program attract and retain the leadership expertise required?
- What does success look like?



Current Governance Framework



Proposed Governance Framework





Council Approved Program Objectives & Goals

1 Guide the Green Line Project in achieving the Project Vision and Outcomes for Calgarians.

2 Promote fiscal responsibility so that the Green Line Project optimizes costs to residents and businesses, considers life cycle costs, and demonstrates value for money.

3 Consider and respect public input received with the objective of being responsive to community values and concerns

4 Maintain accountability by following project management best practices.

Focus governance and oversight on the following project goals:

a) **Safety** – achieve industry standards in protecting employee and public safety

5 b) **Stakeholders** – effective and responsive communication and outreach with affected stakeholders

c) **Regulatory** – compliance with all permits, laws and regulations

d) **Environment** – minimize environmental impacts arising from construction and operation of the system

e) **Schedule** – deliver project on target to meet in-service date expected by public, stakeholders & funding partners

f) **Cost** – deliver within the approved control budget

g) **Risk** – support creation of a risk aware, commercially and technically competent delivery team



Attributes of Good Governance Delivery Phase

**Accountability
(Focus)**

**Authority
(Autonomy)**

**Alignment
(Culture & Policies)**

**Disclosure
(Transparent)**



Program Governance Board Risks

Transition Risks	Mitigation
<ul style="list-style-type: none"> • Council does not approve the Board 	<ul style="list-style-type: none"> • Seek input and identify the risk of continuing to proceed with the existing governance framework
<ul style="list-style-type: none"> • External and internal stakeholders lose confidence due to lack of understanding of the Board framework 	<ul style="list-style-type: none"> • Ensure merits of the Board framework are clearly communicated including in the Bylaw
<ul style="list-style-type: none"> • The transition to the Board delays Segment 1 RFP issuance 	<ul style="list-style-type: none"> • Keep Program Delivery Team focused on RFP issuance deadline
Implementation Risks	Mitigation
<ul style="list-style-type: none"> • The Board is unable to attract qualified individuals 	<ul style="list-style-type: none"> • Engage a search firm
<ul style="list-style-type: none"> • Program performance is inadequate under the Board 	<ul style="list-style-type: none"> • Accountability and authority must be clear and focused and Program team must be motivated
<ul style="list-style-type: none"> • Risk of non-compliance with procurement law and trade agreements 	<ul style="list-style-type: none"> • The Board and Program Team are subject to the same law and trade agreements
<ul style="list-style-type: none"> • The Board and City Administration required to coordinate interfaces: design, Transit Oriented Design, utilities relocation, commissioning 	<ul style="list-style-type: none"> • Set up ALT to coordinate and manage the work between Program Team and The City



Technical and Risk Committee Recommendation

The Technical and Risk Committee have recommended that Administration:

Seek Council direction to implement a Program Governance Board framework



Program Governance Board Bylaw

Bylaw – Creates Committee of Council

- **Allocation of Responsibilities:** Council, Green Line Committee, Board, City Manager/ALT

Council (No Change)

- **Scope** (alignment, station locations, guiding principles)
- **Budget** (capital and operating budgets for the Program and financing)
- **Schedule**
- **Receipt of Audit Reports / Receive Green Line Committee Recommendations**



Program Governance Board Bylaw

Green Line Committee

- Receive Quarterly Reports from Board
- Consider Segment 2 Planning Matters
- Provide Recommendations to Council

Program Governance Board

- Expertise – governance, procurement, engineering design, construction, project management, P3 transactions
- City Manager – Permanent Member



Program Governance Board Bylaw

Program Governance Board - Cont'd

- **Mandate** – Achieve Green Line Program vision and objectives
- **Authority** – Oversight of matters regarding implementation
- **Duties** – Award contract and utilize best practices during implementation
- **Report to Council** – If material changes to scope, schedule, or budget
- **Technical and Risk Committee Reports** – Technical and Risk Committee reports to Board

Program Governance Board Bylaw

Administration

- **City Manager** – Member of Board and liaison between Board and ALT
- **ALT** – Cross-corporate matters and collaboration



Administration Recommendations

That the Green Line Committee recommend that Council:

1. Give three readings to the proposed Bylaw, the Green Line Program Governance Board Bylaw (Attachment 3), to establish the Green Line Program Governance Board (the “Board”) as a Committee of Council responsible for governing and overseeing the successful delivery of the Green Line Program;
2. Appoint the City Manager to serve as a member of the Board; and
3. Amend Section 2, the Mandate of the Green Line Committee, in the Green Line Committee Terms of Reference by:
 - replacing “Receive quarterly reports from the Green Line Project Team” with “Receive quarterly reports from the Green Line Program Governance Board” and
 - deleting “Receive quarterly reports from the Green Line Technical and Risk Committee.”



Questions