

# Procurement Options Analysis and Procurement

CACQS Webinar

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# Agenda

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- Introduction
- Procurement Options Analysis
- Procurement

# Partnerships British Columbia (PBC)

- Founded: 2002
- Shareholder: Minister of Finance
- Governance: Board of Directors
- Staff: approximately 30 FTEs
- Business model: fee for service
- Delivered: 48 + infrastructure projects
  - \$17+ billion capital value



# PBC Services

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- Project planning
  - Concept Plans
  - Business Cases
- Procurement analysis
- Procurement management
- Design and construction oversight
- Contract administration
- Project communications support

# PBC Project Sectors



## Health

Hospitals  
Residential  
Care



## Transportation

Public Transit  
Bridges  
Highways  
Airports



## Energy

Hydro  
Biofuels  
Wastewater

# In British Columbia and throughout Canada



## Education

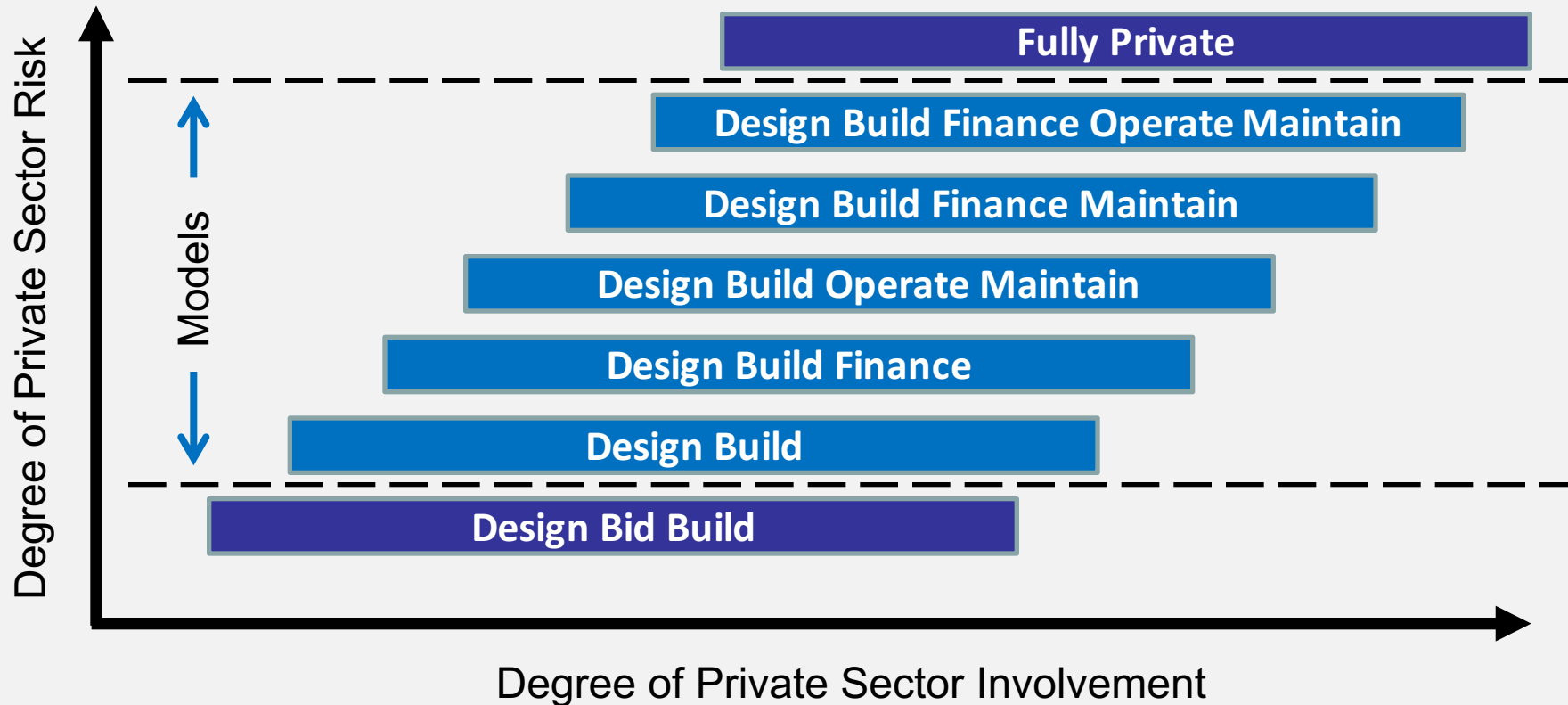
Primary  
Secondary  
Post-Secondary

## Accommodation

SRO Housing  
Correctional Centres  
Courthouses



# Capital Project Procurement Models



# Business Case

- Project Schedule Analysis
- Multiple Criteria Analysis
- Market Sounding
- Financial Modeling
- Risk Analysis
- Value for Money Analysis

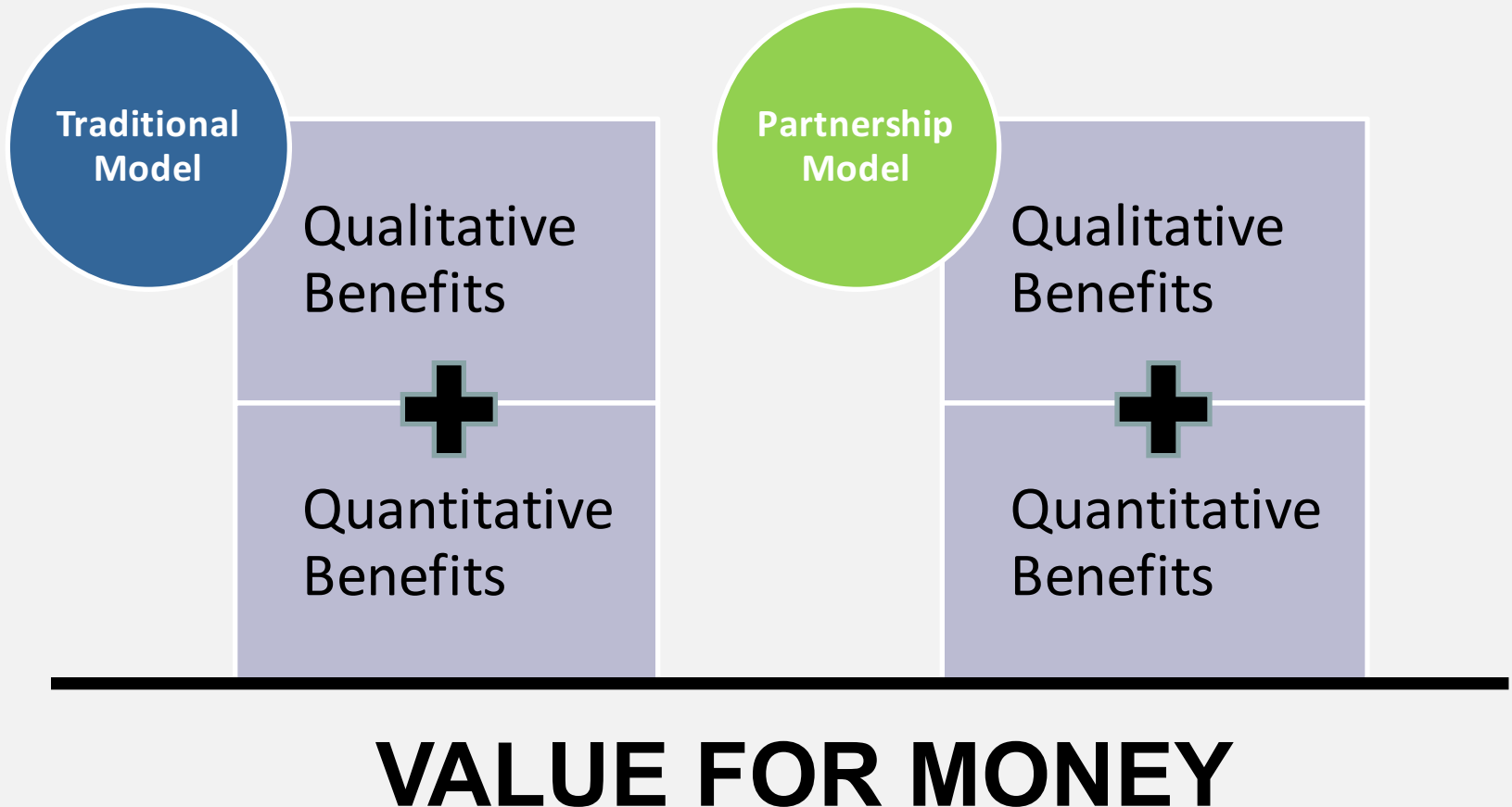
**Part A:  
Rationale**

**Part B:  
Service Delivery  
Options  
Analysis**

**Part C:  
Procurement  
Options  
Analysis**

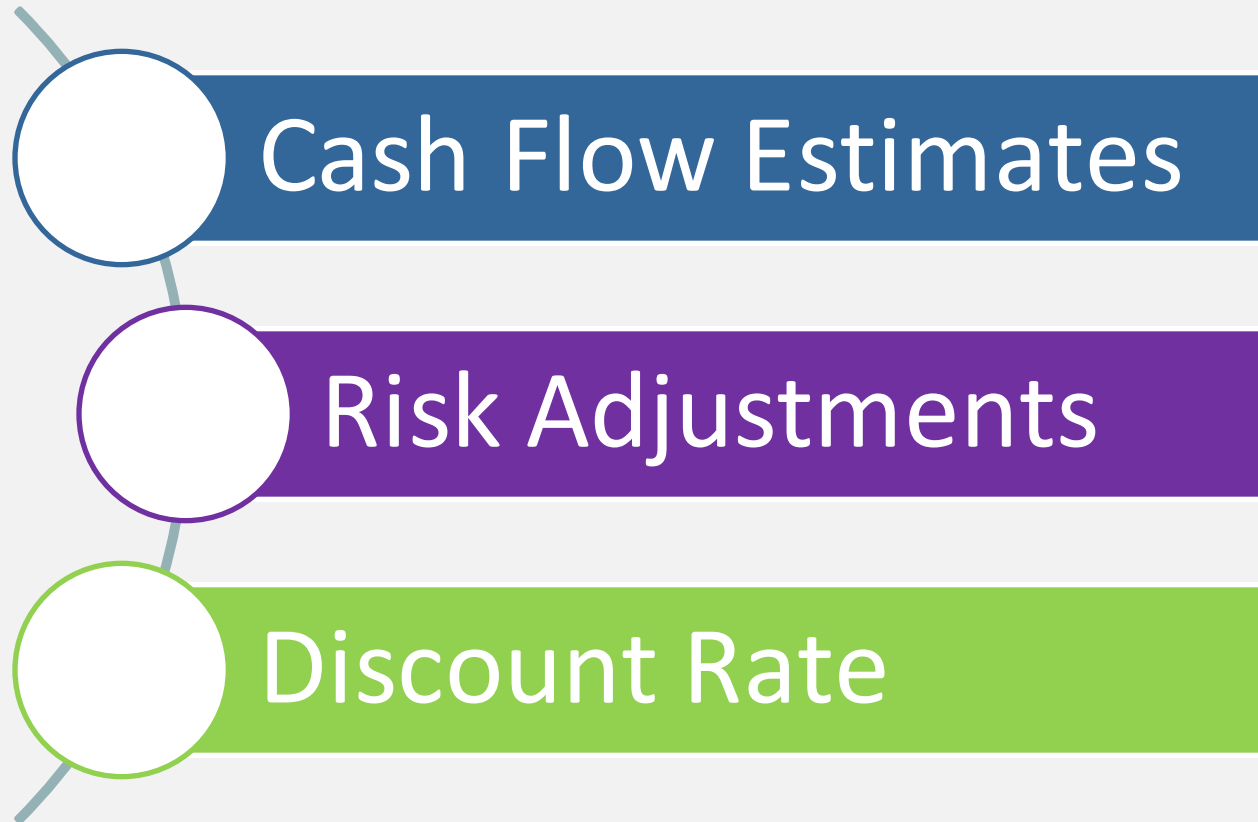
**Part D:  
Funding  
Analysis and  
Next Steps**

# Compare Procurement Models





# Quantitative Elements

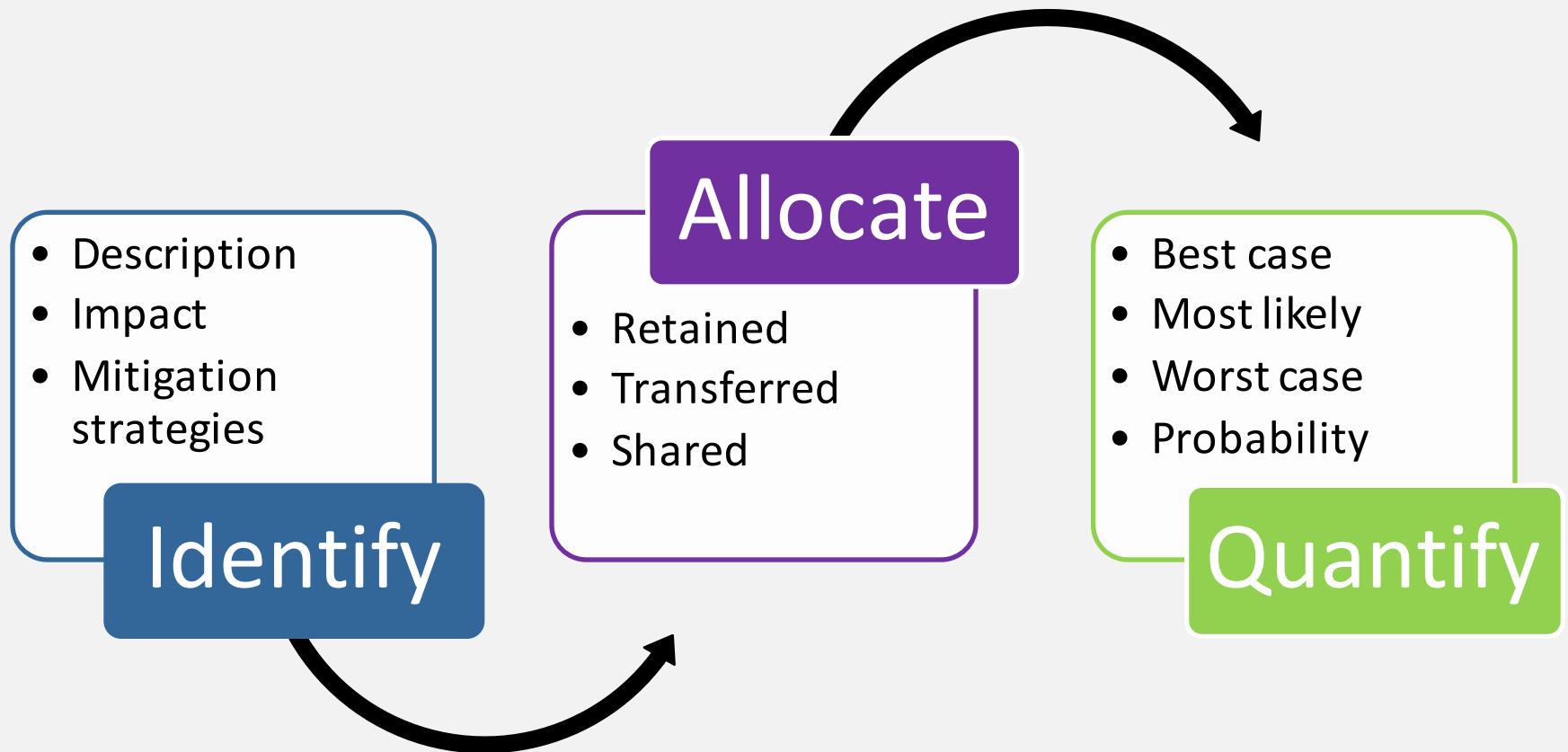


# Project Cash Flow Estimates



- Estimated by QS
- Based on:
  - Indicative design
  - Preliminary project schedule
  - Outline performance specifications
  - Efficiencies

# Risk Workshop Process



# To Quantify or Not to Quantify - Considerations

## Materiality

If the risk were to materialize, would it have a significant impact (financial, schedule, public perception, program delivery)?

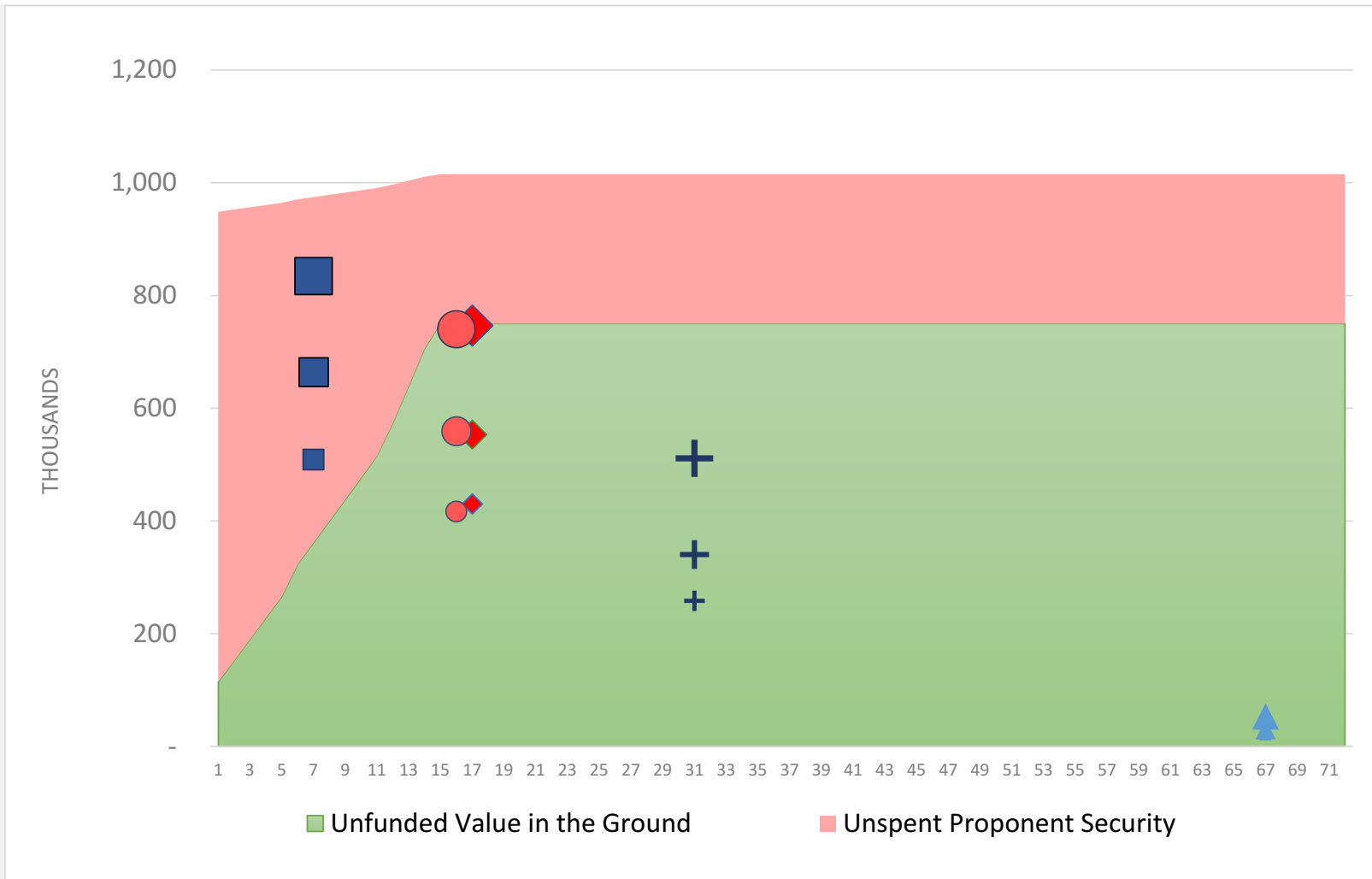
## Estimable

Can it be reasonably and accurately estimated?

## Risk Ranking

How high is the risk ranking (Low? Medium? High? Extreme?)

# Amount of Private Finance



# Procurement Phase

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- Project specifications – goal is to have performance based specifications to unlock innovation
- Challenges
  - lack of experience with performance based specifications among professionals
  - Desire for owner to control outcome via prescriptive specifications

# Thank You!

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