



Freedom To Create. Spirit To Achieve.

Alberta's Use of VM to Build Consensus on Project Scope

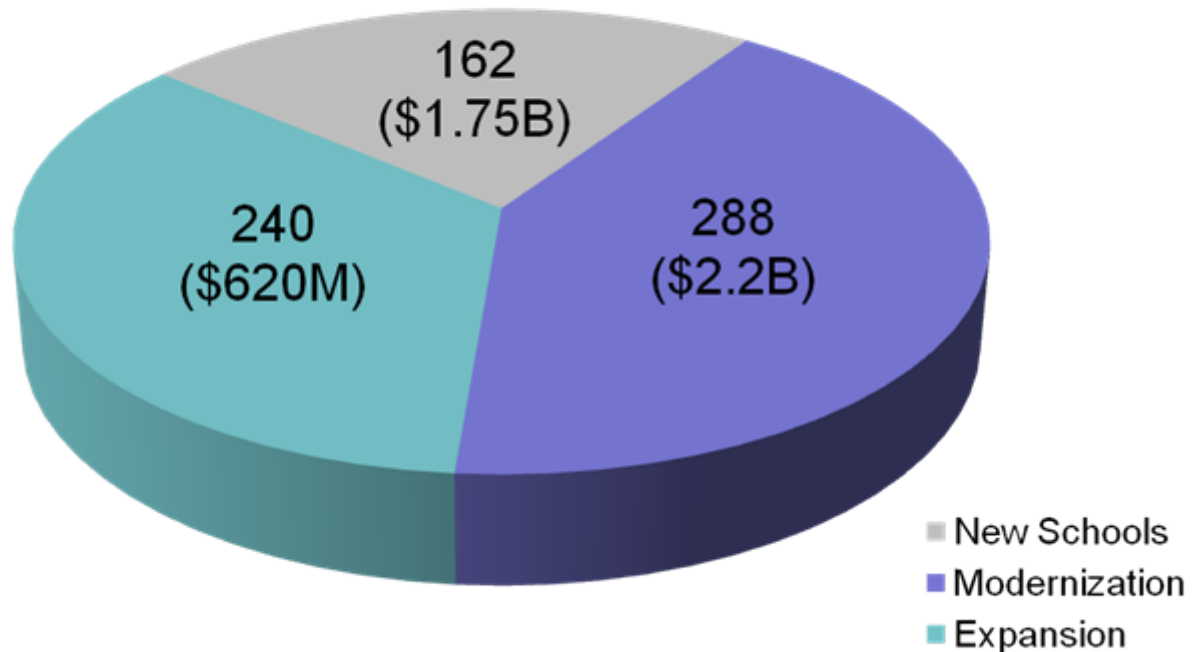
Presented By

Dr. Avi Habinski, Alberta Education

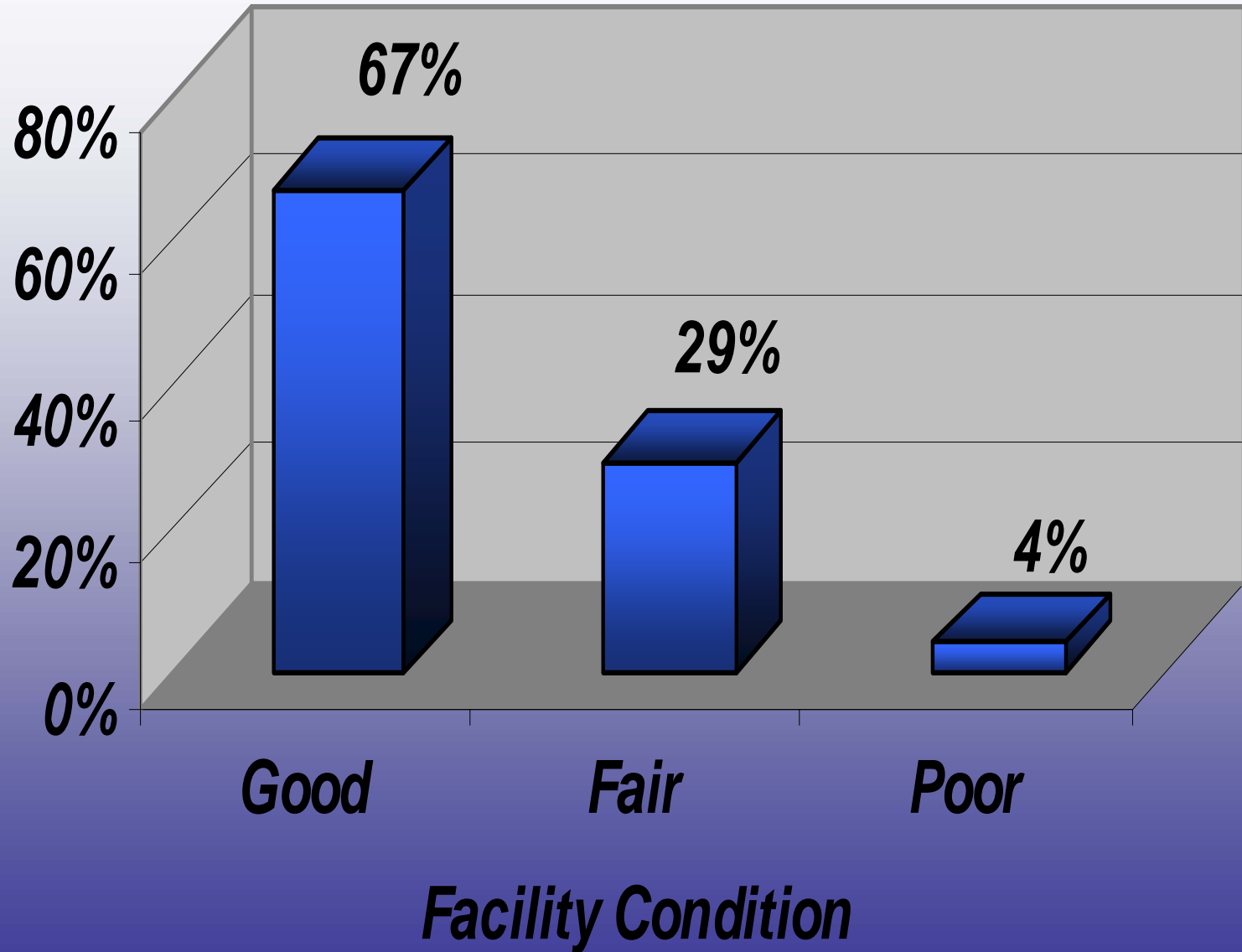
Eiryn Devereaux, Alberta Infrastructure

Alberta Demand for School Capital Projects 2009

Total \$4.5B - 690 Requests



Alberta Schools 2008-09 (1500 Schools)



Why Use Value Management?

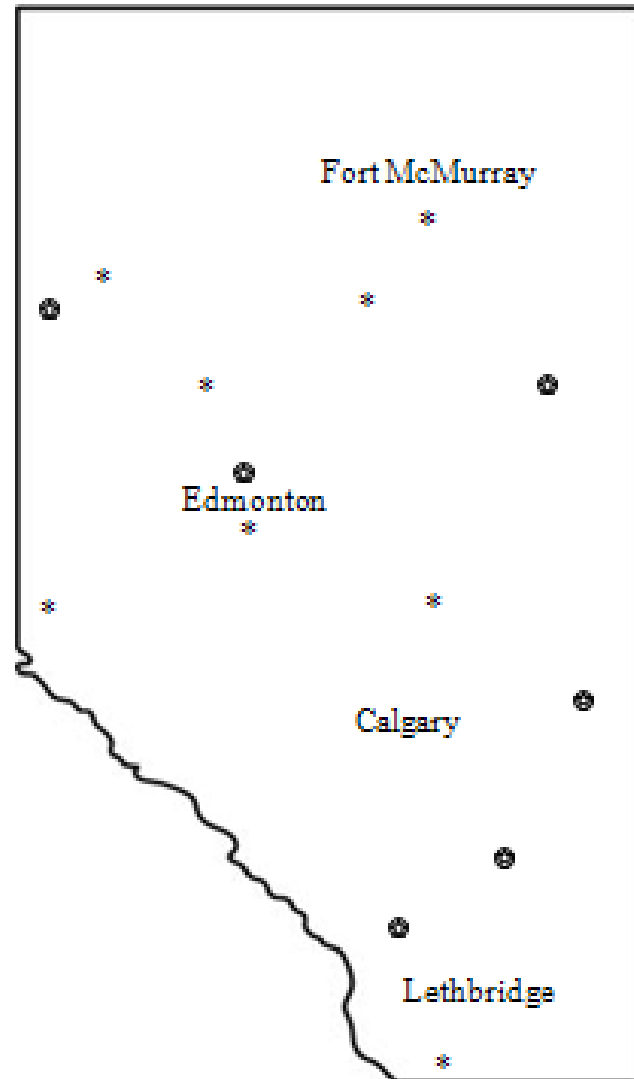
- Subsequent to project approvals it was necessary to adjust project scope and budget.
- The required changes were not limited to cost escalation.
- Boards were not always clear about the best approach - modernization or a replacement school (preferred new replacement schools but needed confirmation that it is the best solution).

Why Use Value Management?

(continued)

- Alberta Treasury Board (ATB) requires accuracy in board's funding requests.
- ATB funded a planning process to achieve the required accuracy.
- School jurisdictions requested Value Management process (achieve consensus and likelihood of funding).

Selection of Capital Projects



Selection of Capital Projects

- 15 schools selected within Alberta.
- Included Rural & Urban schools.
- Projects were complex in nature and usually included consideration of more than one facility.
- Boards were typically interested in enhanced learning environments for students and reduced capacity.

Other Considerations

- Plant operation and maintenance (PO&M) funding in Alberta is based on enrolment, which encourages efficient use of space.
- Government officials emphasize cost efficiency & effective use of surplus space for community services.
- More flexibility may exist with modernizing existing facilities than building new schools.

VM Process

- Identify high priority projects for VM, issue a Request For Proposals and then engage consultant.
- Meet with VM consultant team to share information (reports on facility evaluation, capacity, enrolment, and utilization).
- Undertake a 3 to 5 day VM workshop to reach consensus regarding project scoping.

Participants (20+)

- School board trustees
- Senior administration of school board
- School administrators and staff
- Municipal representation
- Parent representatives
- Alberta Education & Alberta Infrastructure Senior Managers
- VM Consultant Team: CVS, AVS, Architect, Cost Consultant, Engineers

Building Consensus

- Rules of engagement
 - ✓ Everyone first starts by introducing themselves, their organization and their expectations.
 - ✓ Everyone talks freely during the workshop.
 - ✓ We are respectful and listen to each other - we freely generate ideas.
 - ✓ We work towards mutual benefits and win-win strategies.
 - ✓ Break up into groups.
 - ✓ Review of cost estimates of options.

VM Process

(continued)

- Draft report sent to participants within six weeks to receive input.
- Final report, including conceptual design and cost estimates, completed within 12 weeks.
- Consider the proposed project in provincial school capital plan.

Project Scope

The final report from the workshop includes:

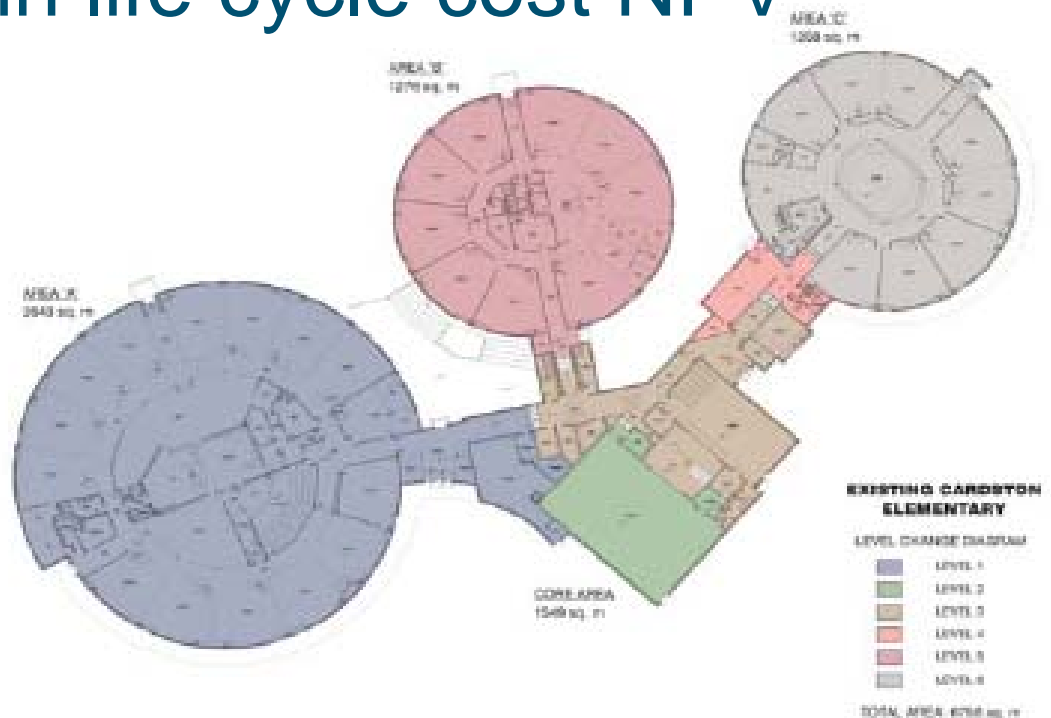
- Summary of workshop
 - ✓ Ideas generated
 - ✓ Function analysis
 - ✓ Alternatives identified
 - ✓ Recommended option
- Conceptual drawings
- Cost estimate
- Risk registry
- Proposed schedule
- Proposed partnerships (larger gym, library, etc)



Success Stories

Cardston Schools

- Improved utilization of space - net reduction of 1,100m²
- Net savings of \$1m in capital cost - \$4m in life cycle cost NPV



Success Stories

Cardston Schools

- Grade reconfiguration – 9-12 HS, 6-8 JR, and K-5 Elementary.
- Demolition of space at elementary school and addition of new gym.
- Reduced PO&M costs.
- Hybrid solution came at last day by the shop teacher.

Success Stories

Ponoka Schools

- Grade Reconfiguration (K-7 & 8-12)
- Improved utilization of space – 4 schools down to 2 schools.
- Net reduction of 1,700m² - 16,300m² to 14,600m²
- We were able to maintain CTS programs and reduce PO&M costs.
- Net savings of \$4m in capital cost and \$8m in life cycle cost NPV.

Lessons Learned

- ✓ Early involvement of stakeholders & experts results in more creative solutions.
- ✓ Open process and consensus building results in “buy in” from stakeholders.
- ✓ Focus on ‘need’ and ‘function’ rather than starting with available resources.
- ✓ Value management enables planners to be proactive.

