

*Alberta* 

Freedom To Create. Spirit To Achieve.

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

Presented By

Dr. Avi Habinski, Alberta Education

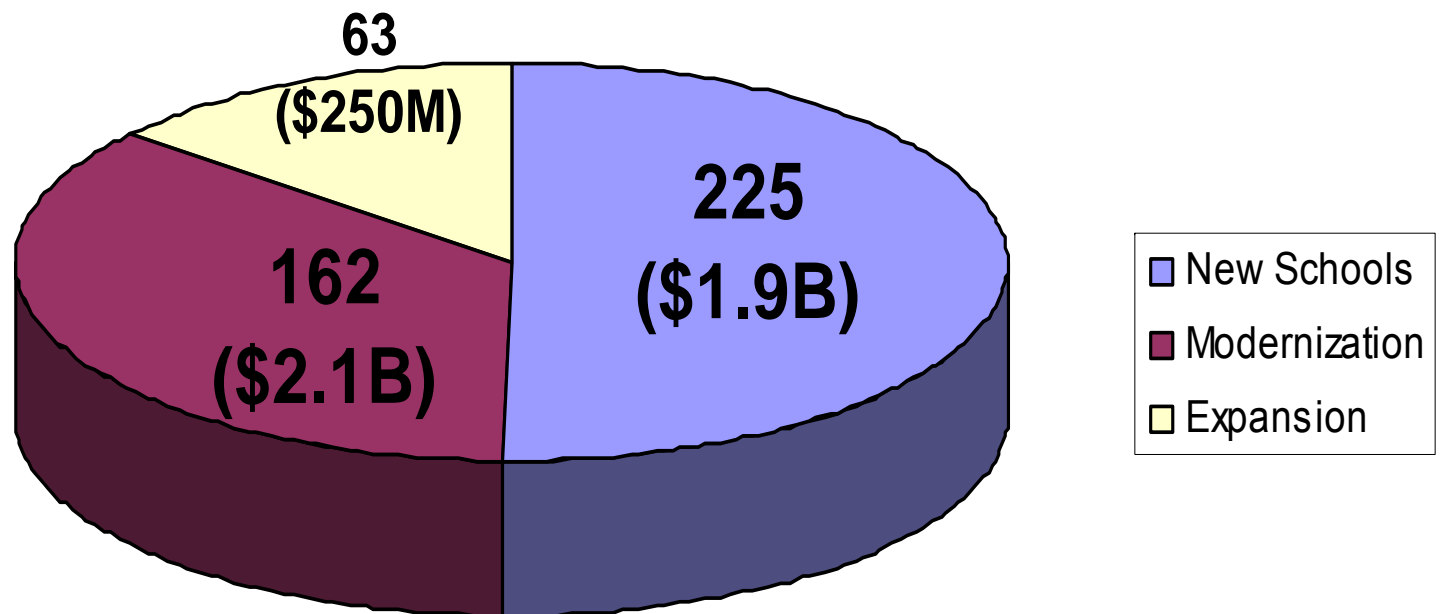
Eiryn Devereaux, Alberta Infrastructure

Government of Alberta 

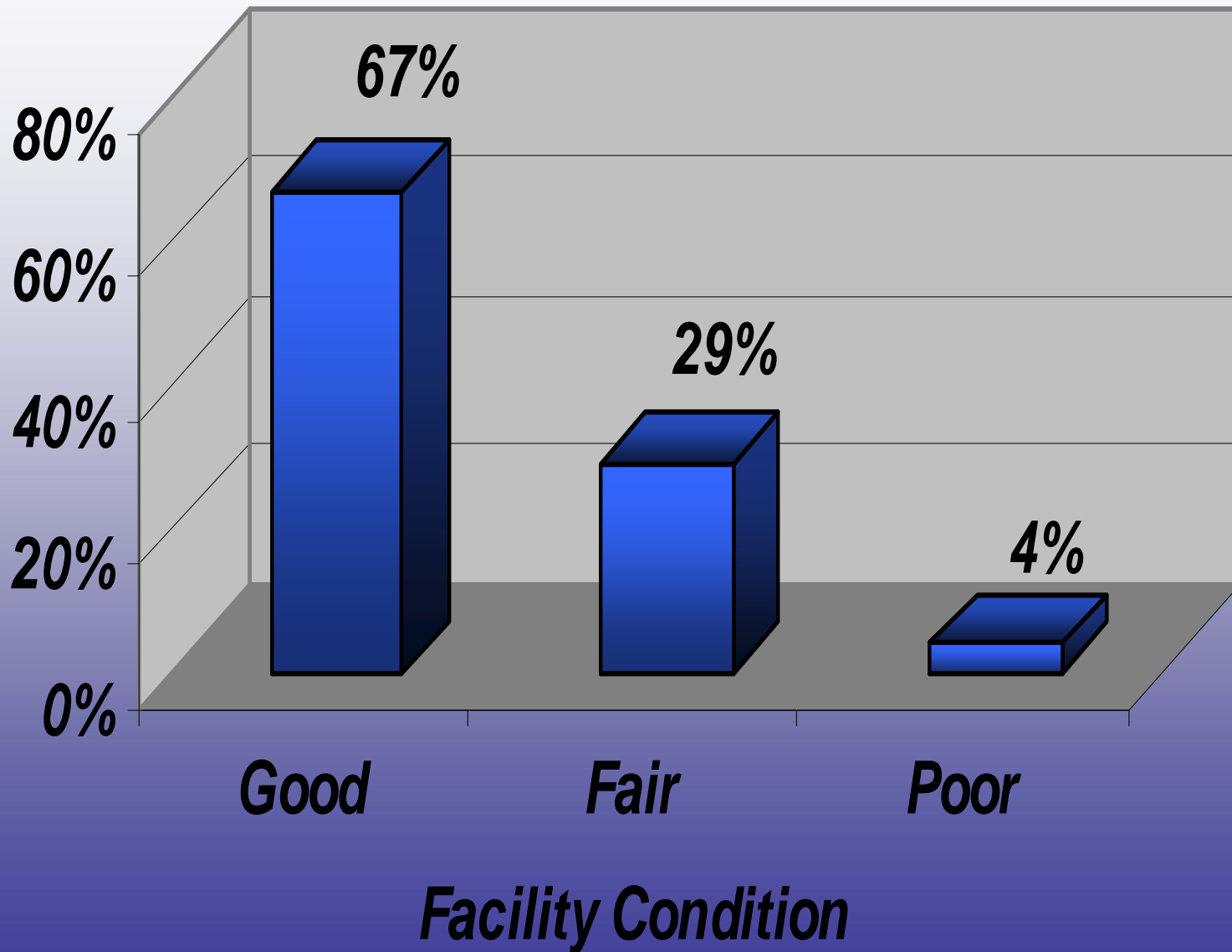
Education

# Alberta Demand for School Capital Projects 2009

**Total \$4.2B - 450 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

- ✓ 15 schools selected within Alberta
- ✓ Included Rural & Urban schools



# 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 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
- There are more flexibilities with modernizing existing facilities than building new schools

# Participants

- o School board trustees
- o Senior administration of school board
- o School administrators & staff (principal, VP, teachers, etc)
- o Municipal representation (mayor, council members, CAO, etc)
- o Parent representatives
- o Alberta Education & Alberta Infrastructure Senior Managers
- o VM Consultant Team: CVS, AVS, Architect, Cost Consultant, Engineers

## 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

# 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

# Building Consensus

- ✓ 20+ participants working together over 3-5 days to achieve consensus
- ✓ Rules of engagement
  - o everyone first starts by introducing themselves, their organization and their expectations
  - o everyone talks freely during the workshop
  - o we are respectful and listen to each other - we freely generate ideas
  - o we work towards mutual benefits and win-win strategies



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# Project Scope

The final report from the workshop includes

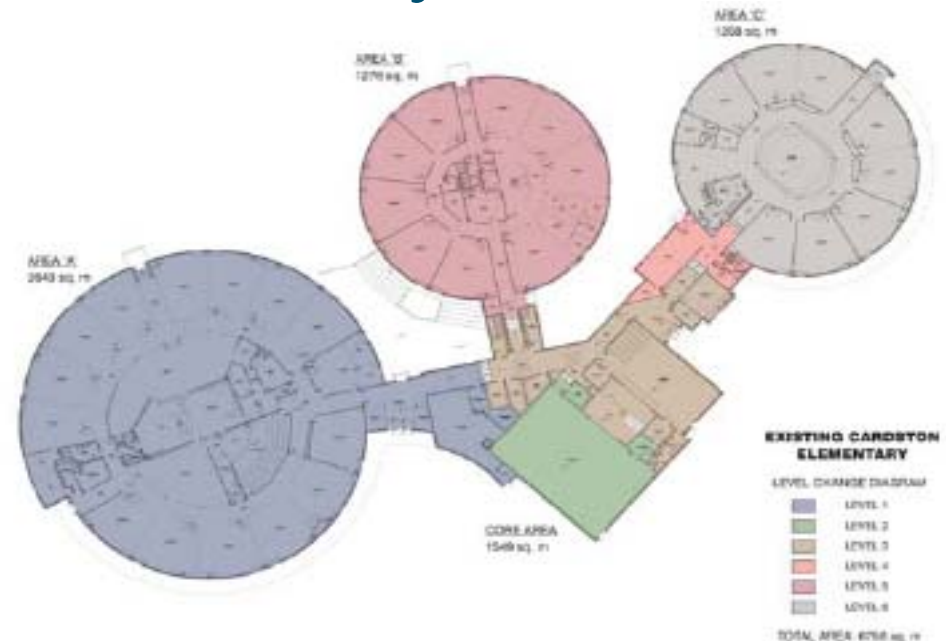
- ✓ Summary of workshop
  - ✓ Ideas generated
  - ✓ Function analysis
  - ✓ Alternatives identified
  - ✓ Recommended option
- ✓ Conceptual dwgs
- ✓ Cost estimate
- ✓ Risk registry
- ✓ Proposed schedule
- ✓ Proposed partnerships (larger gym, library, etc)



# Success Stories

## Cardston Schools

- Improved utilization of space – net reduction of 1,100m<sup>2</sup>
- 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 1,700m<sup>2</sup>  
16,300m<sup>2</sup> to 14,600m<sup>2</sup>
- 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

