



# STRATEGIC CAPITAL COORDINATION

Municipal Engineers Association Annual Conference

November 2024

# AGENDA

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1. INTRODUCTION
2. WHY
3. BACKGROUND
4. WHAT & HOW
5. BENEFITS
6. NEXT STEPS



# WHY ARE WE DOING THIS WORK?

- Toronto is in a period of significant growth and development with a focus on building affordable housing, expanding transit and the necessary infrastructure updates to support this growth
- The volume of construction work—both public works and private development—is resulting in direct impacts to daily travel in the city despite current coordination efforts
- The existing process to coordinate major capital projects is not delivering desired results according to elected leadership, staff and the public



# HOW CAN WE IMPROVE?

- Internal and external study looking at coordination process
  - KPMG recommended senior-level oversight of infrastructure coordination, including long-term coordination (July 2023)
  - The Capital Delivery Improvement Project (December 2023) recommended changes to improve coordination and collaboration throughout the capital infrastructure lifecycle
- Outcome was the creation of SCCO



# SCCO BACKGROUND

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# SCCO BACKGROUND

- SCCO startup team was assigned by the DCMO (2023)
- Active implementation to launch the SCCO (2024)
  - Capital Delivery Coordination (CDC) relocated from ECS to SCCO
  - Capital Process Improvement Implementation Unit created
- Initiated collaboration with utilities (2024)
  - Balance everyone's needs to address coordination challenges
  - Protect utilities work plan as well as City's
  - Work program is more resilient

# WORKING WITH UTILITIES

- Utilities coordination beyond just permitting and construction
- Avoid last minute conflicts – proactive, not reactive
- Find better ways to navigate conflict and roadblocks
- Look to utility partners to:
  - Work together to create fully coordinated construction schedule
  - Collaborate to ensure all needs are met
  - Coordinate more opportunities to engage in joint ventures

# CONSTRUCTION IN THE CITY OF TORONTO

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- CAPITAL DELIVERY COORDINATION
- STRATEGIC COORDINATION
- CLUSTER PLANS
- ANNUAL CAPITAL PLANS





# CAPITAL DELIVERY COORDINATION



- City develops 10-year capital budgets (growth, state of good repair, policy, etc.)
- City asset owner Divisions create 5-year capital programs
- Detailed capital coordination (all stakeholders) occurs 3-4 years prior to construction
- A Coordinated Capital Program is finalized three years in advance of construction
- Thereafter, City manages changes to project schedules and sequencing



Objective: Integrate the long-term forecast with existing 5-yr capital coordination process

# CAPITAL DELIVERY COORDINATION



## Strategic (long-term) Coordination:

KPMG recommendations to:

- ✓ Provide portfolio-wide view of major capital projects
- ✓ Create governance structure of senior leadership to provide timely strategic direction and oversight
- ✓ Streamline and standardize governance, escalation, project management and other processes
- ✓ Maximize opportunities associated with growth and investment
- ✓ Integrate with Capital Delivery Coordination

## Capital Delivery Coordination:

TW, TS an ECS have recommendations to:

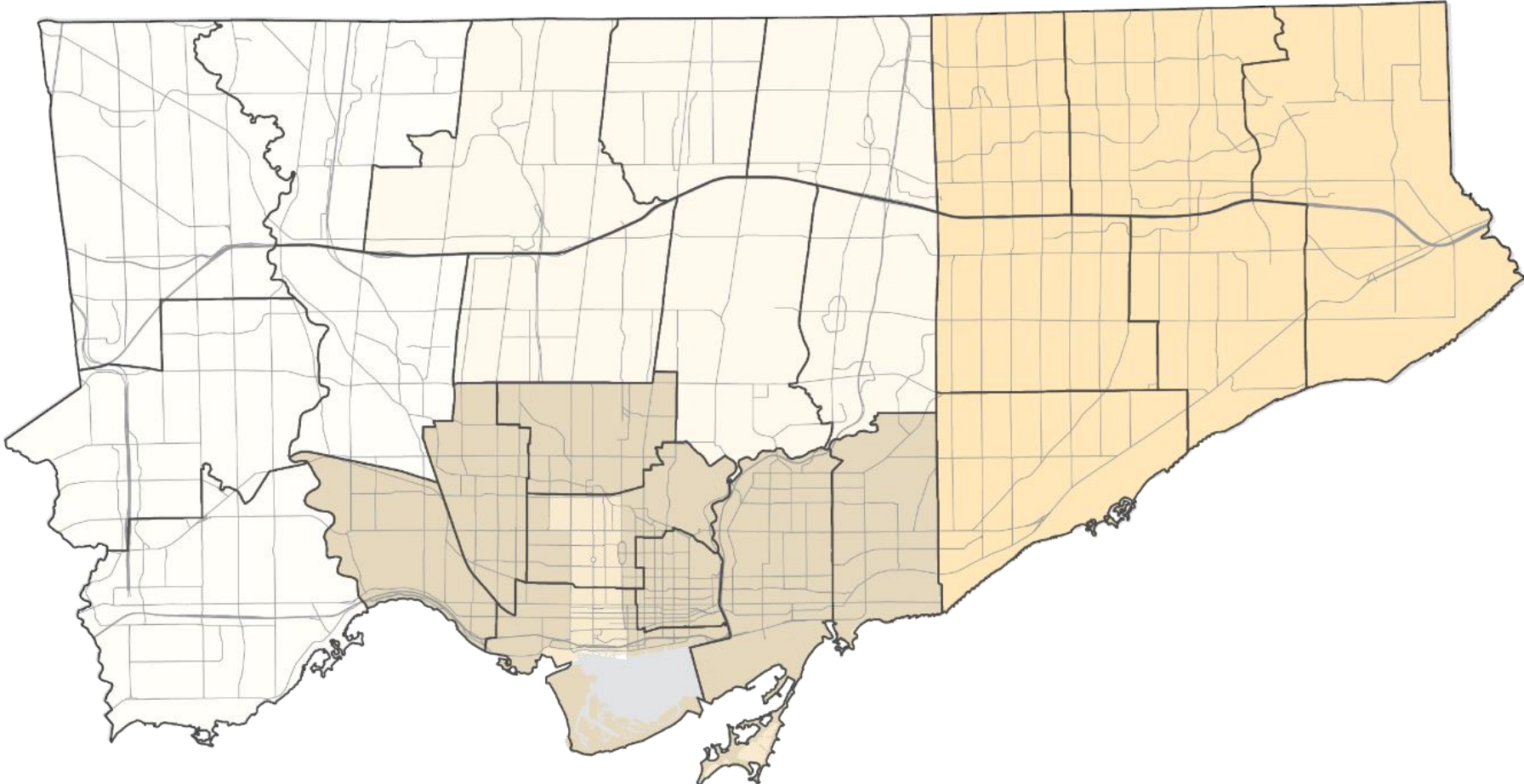
- ✓ Update of processes to reflect modern best practices
- ✓ Improve communications and collaboration between Divisions
- ✓ Improve schedule reliability
- ✓ Update how we scope, design & deliver projects
- ✓ Improve supporting technology
- ✓ Enhance public communications

# CAPITAL DELIVERY COORDINATION



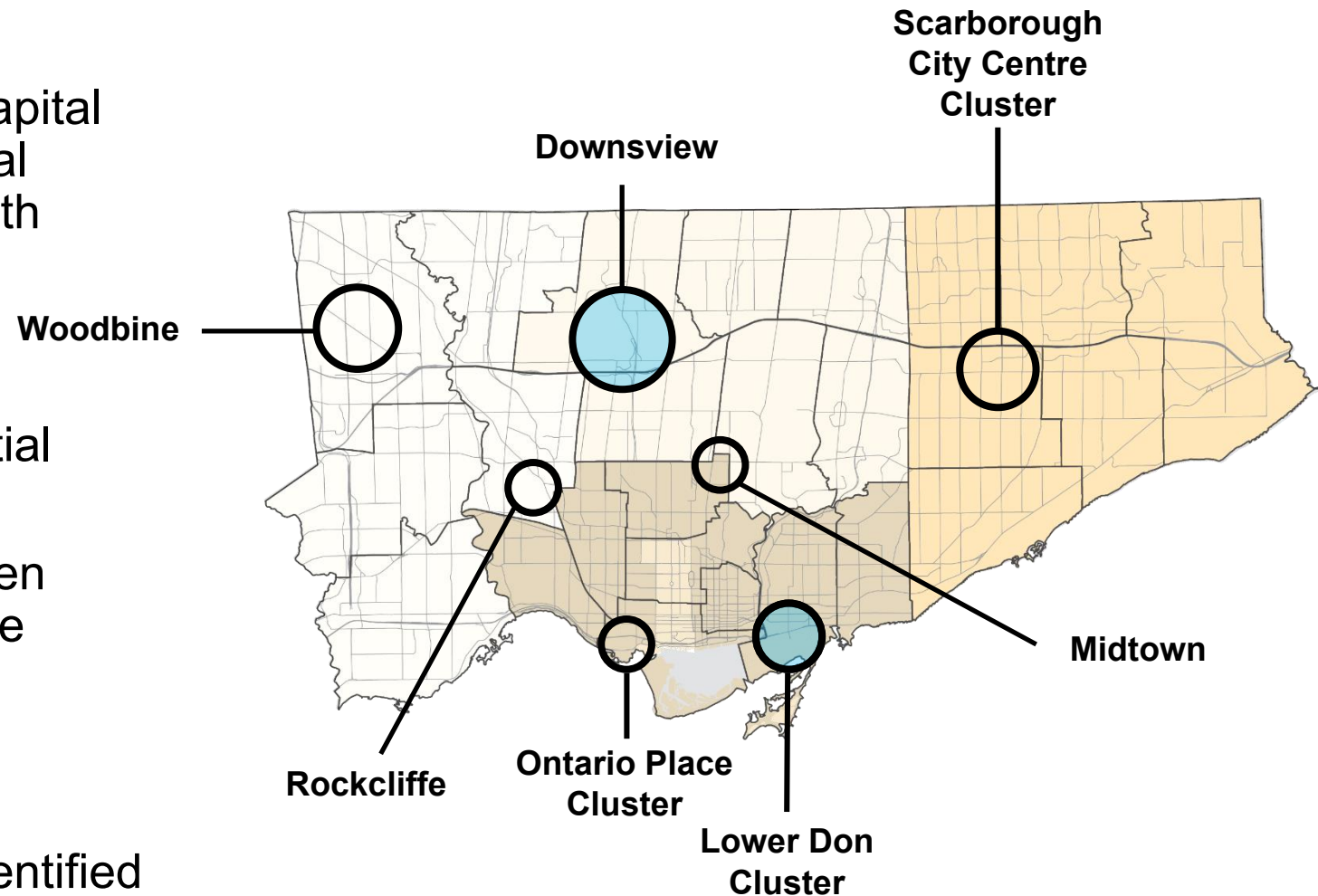
Common Oversight and Management → SCCO

# WHERE DO WE NEED STRATEGIC COORDINATION?

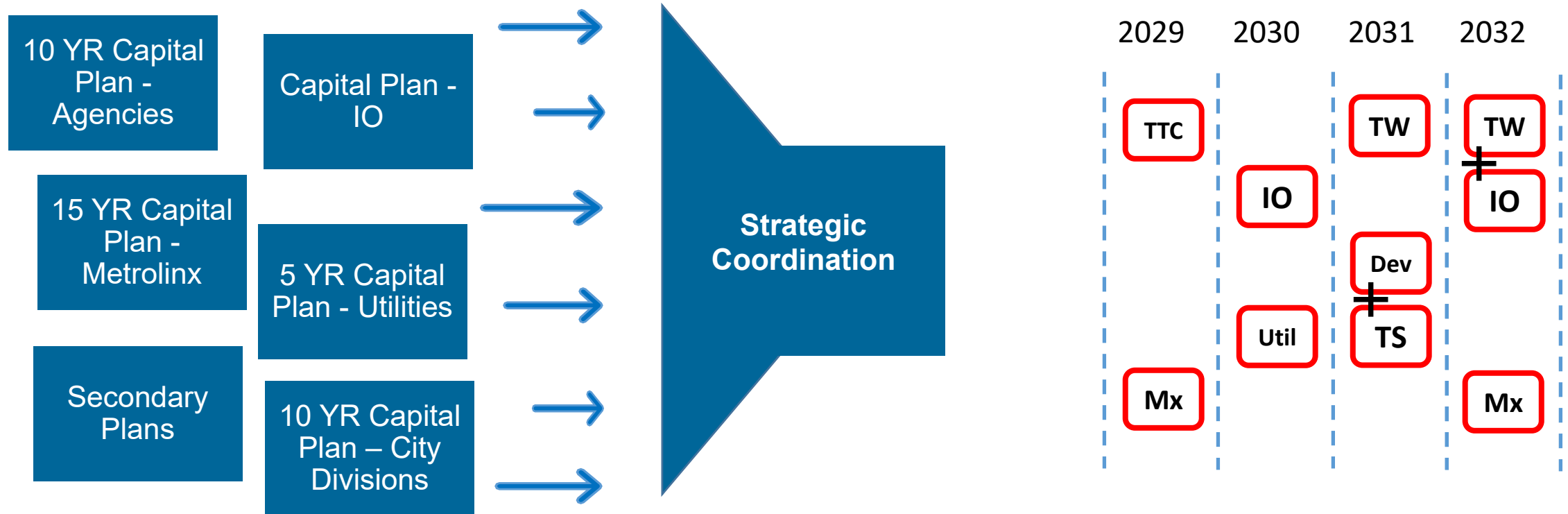


# WHERE DO WE NEED STRATEGIC COORDINATION?

- Critical need for strategic (long-term) capital coordination between internal & external stakeholders in areas of intensive growth (clusters)
- Clusters feature multiple projects of high technical complexity, high stakeholder complexity and high potential risk and impact to the community.
- Seven clusters (growth areas) have been identified. From these, the SCCO will be launching two pilot clusters:
  - Lower Don Cluster
  - Downsview Cluster
- Over time, additional clusters will be identified using various inputs (e.g. secondary plans)



# DEVELOPING A CLUSTER PLAN



## Cluster Inputs:

- Variety of projects within cluster
- Disparate / competing needs
- No current forum for discussion

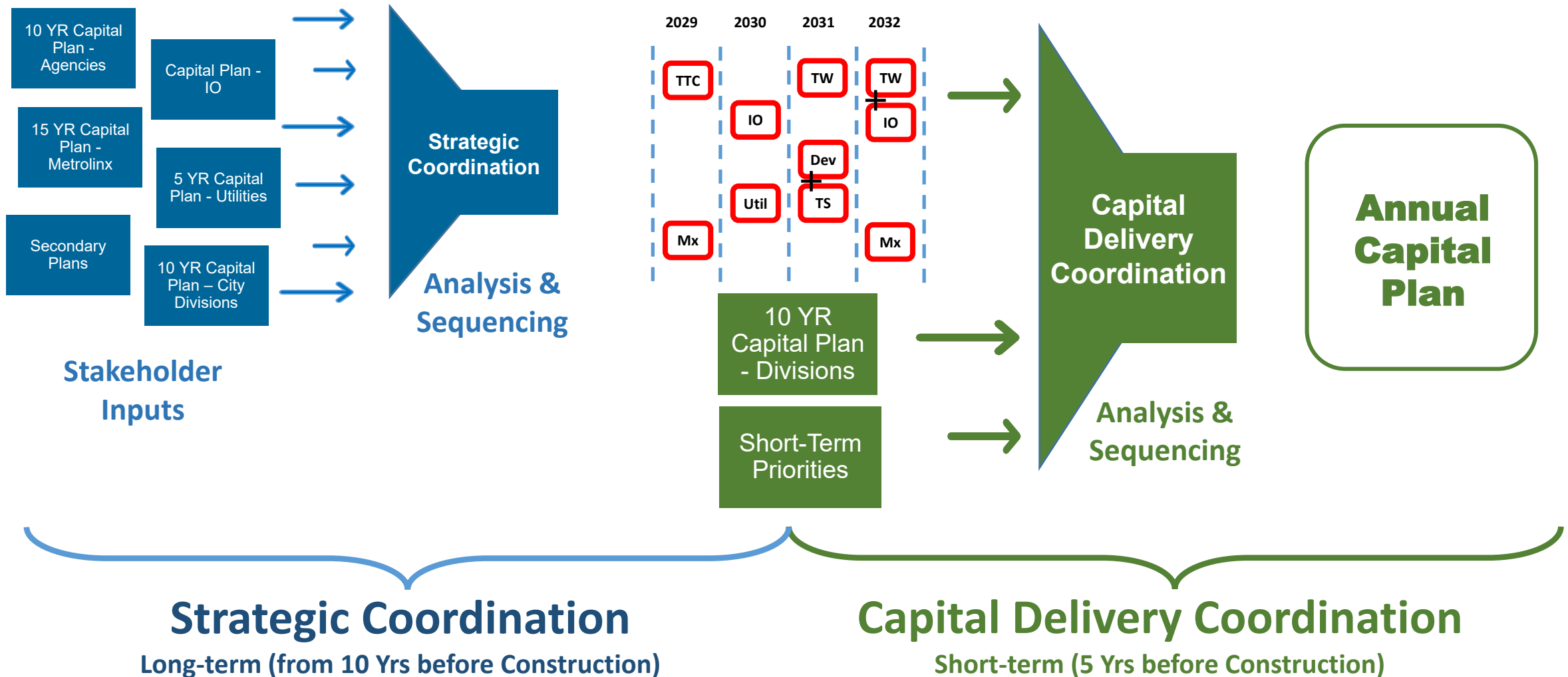
## SCCO Analysis:

- Identify cluster projects
- Establish desired project order
- Identify & resolve conflicts
- Senior-level discussion forum

## Cluster Plan:

- Cluster projects organized
- Entered into T.O.INview
- Completed 5+ years from construction

# NEW CAPITAL PROGRAM PLANNING



# BENEFITS & NEXT STEPS

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# BENEFITS FOR PUBLIC & PARTNERS

- Reduced neighborhood impacts (scale and duration)
- Improved public trust / goodwill
- Better communication and ability to stick to timelines
- Fewer political impacts / more support
- Better collaboration between stakeholders
- Reduced waste & accelerated resiliency efforts



# SCCO NEXT STEPS

- Build processes and operationalize strategic coordination pilot for clusters
- Implement “Quick Win” process improvements, including:
  - A more collaborative program development process
  - Deployment of enhanced change management tracking
- Assessment for improvements of technology/systems functionality
- Incremental rollout of performance measures for tracking/reporting
- Ongoing updates of Capital Planning and Coordination Process

# Thank You!

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