

Canadian Infrastructure Finance

From Partnerships British Columbia to Infrastructure British Columbia

*A conversation with Infrastructure BC CEO Mark
Liedemann*

They say that the best “Partnerships” institutions eventually become “Infrastructure” institutions. Or maybe they will say that going forward, now that Partnerships British Columbia has completed its transition to Infrastructure British Columbia. The name change, which the provincial agency completed at the beginning of this year, is an acknowledgment of its growing mandate as an infrastructure provider for the region. This month PWF connected with Infrastructure BC’s Mark Liedemann to discuss the transition, ‘Partnerships’ BC’s track record, and what’s ahead for infrastructure procurement in the province.

The lingo in public works procurement tends to evolve fairly rapidly as various labels fall in and out of favor. It can be a bit disorienting. Infrastructure BC’s transition is more than a name change, though. “We are expanding our mandates with our client agencies, both in terms of the range of procurement services we are providing and our involvement in project delivery beyond early planning and procurement,” said Liedemann.

The transition also marks the beginning of Infrastructure BC’s role in advertising and managing a pipeline of upcoming procurements for the province and, potentially, other local public institutions, through the publication of regular project pipelines. Infrastructure BC published its first such pipeline – in a Major Infrastructure Projects Brochure – in December 2020, and expects to publish an updated brochure every six months.

Infrastructure BC was founded as a crown corporation in 2002 to manage alternative



Mark Liedemann, CEO, Infrastructure BC

procurements for key projects within the province. The institution has assessed and delivered P3s for the province when designated by the Minister of Infrastructure. The institution was designed to be a service provider for other client agencies and local governments within the province, though, and had an early goal of becoming commercially and financially viable by providing procurement services to other clients within the province – provincial agencies and local governments.

Infrastructure BC has participated in more than 60 procurements valued at more than \$20 billion since its founding. And that portfolio is likely to grow significantly in the coming years – the province has committed more than \$22 billion in additional investment over the next three years.

Liedemann attributes the agency’s success so far to its basic value proposition. “There are obvious benefits to an institution like ours in providing a consistency of approach to develop the market and provide a degree of certainty of delivery for potential bidders.”

And any lessons for US states getting started? “Strong political champions at the outset can provide an initial pipeline of projects for a new agency,” said Liedemann. “From there you get momentum by simply delivering results and building expertise.”

The Pipeline

The latest project pipeline includes ongoing active procurements, projects in pre-procurement, and projects in earlier stages of planning. Within active procurements, several major hospital replacement or redevelopment projects make up a large portion of the portfolio. The planning portion of the pipeline includes several megaprojects which may see procurement in the coming years, including the Highway 99 George Massey Crossing project, the Surrey-Langley Skytrain project, and a Hospital and Cancer Centre project in New Surrey.

The addition of projects in the earlier stage of planning and development was a key objective, even though some of those early projects may not eventually move forward into procurement. “We need to be able to provide greater visibility to the market regarding the projects that are coming to allow time for teaming and promote competition,” said Liedemann.

Ultimately the projects brochure may also incorporate other major capital investments within the province, not just those from the provincial government. “Eventually we may be able to develop a central resource of upcoming capital investment needs across public works agencies throughout the province.”

The Mandate

Infrastructure BC is also building additional internal capability to provide clients services

regardless of the procurement model they use to deliver projects. They are investing in construction management, monitoring and oversight capabilities based on the needs of the agencies it works for. “Today we are working with a broader set of agencies and clients with varying degrees of their own internal capabilities across the project life-cycle,” said Liedemann. “This will allow us to tailor our procurement and management services to the capability of the owners we work with.”

In the end those additional services will create synergies with Infrastructure BC’s core competency – procurement. “The end goal is to build shorter feedback loops between our procurement activities and our construction monitoring activities, so we can build lessons learned into our projects in planning and procurement.”

The agency formerly known as Partnerships BC is one of the longest-running state or provincial alternative procurement institutions in the world. It has proved to be a resilient institution, weathering administration changes at the provincial and national level. There is still no procurement agency like it for any state in the US. In the past, the agency’s success has often been attributed simply to its track record of successful project delivery. The current name change and mandate expansion suggests one other component for Infrastructure BC’s success – adaptation.

Public Works FINANCING | published since 1988

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ISSN.#1068-0748

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