

From: [Zoeller, Sonja GCPE:EX](#)
To: [Tina Lovgreen](#)
Subject: Following up - Port Mann Bridge report
Date: Wednesday, August 1, 2018 10:05:00 AM
Attachments: [Summary Report - Port Mann - Feb 2018.pdf](#)
[2 Technical Report - PMH1 review.pdf](#)
[PMH1 Management Response.pdf](#)

Good morning Tina,

As you expressed an interest in obtaining the Port Mann Bridge project review earlier this year, I am sending you the following three documents:

1. The Technical Report
2. A Summary Report
3. Response to the report

If you have any questions, please call me.

Please also be advised that we will be releasing the report to other media who have asked for it later today. Since CBC initially expressed an interest in this topic, we are sending this to you first.

Best,

Sonja Zoeller

Communications Manager

Ministry of Finance

desk: 250-387-1248

Cell: 250-812-6844

From: [Zoeller, Sonja GCPE:EX](#)
To: [Plan, Jakelene GCPE:EX](#)
Subject: FW: Media request: Port Mann bridge report
Date: Thursday, August 2, 2018 9:49:00 AM
Attachments: [image001.jpg](#)

Hub please.

From: Pope, Danielle GCPE:EX
Sent: August 2, 2018 9:47 AM
To: Zoeller, Sonja GCPE:EX <Sonja.Zoeller@gov.bc.ca>
Cc: Robb, Katie GCPE:EX <Katie.Robb@gov.bc.ca>; Bowness, Lianne GCPE:EX <Lianne.Bowness@gov.bc.ca>; Flood, Leanne GCPE:EX <Leanne.Flood@gov.bc.ca>
Subject: Media request: Port Mann bridge report

Hi Sonja – please see the below request from BlackPress. I understand you will be responding to these.

Thanks,
Danielle

Danielle Pope | Media Relations
Government Communications and Public Engagement
Ministry of Transportation and Infrastructure
Telephone: 250-356-8241 | Mobile: 778-679-0133
Danielle.Pope@gov.bc.ca

From: Katya Slepian - BlackPress Digital [<mailto:katya.slepian@bpdigital.ca>]
Sent: Thursday, August 2, 2018 9:32 AM
To: Pope, Danielle GCPE:EX
Subject: media request: Port Mann bridge report

Hi Danielle – we hear that a report from Perrin, Thorau and Associate about Port Mann oversight was recently released. Can I please get a copy?

Thanks

Kat

Katya Slepian
Provincial Reporter
Digital division
Black Press B.C.
Cell: 604-831-5576
katya.slepian@bpdigital.ca
@katslepian



BACKGROUNDER

Issue: Review of Port Mann Bridge Project (PMH1)

Meeting: July 10, 2018

Date: July 09, 2018

MEETING –

Preparation for meeting amongst:

- **Minister of Finance**
—DM L. Wanamaker/ADM D. Foster
- **Minister of Transportation and Infrastructure**
—DM G. Main

KEY FACTS REGARDING THE ISSUE:

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Independent Review Findings

- The Consultant noted that development, management and oversight of the Project generally followed industry practices and met industry standards.
 - a. Design-build was the best choice of delivery method for this project.
 - b. The Design-Build Agreement (Agreement), except for some noted deficiencies, was a comprehensive and effective document.
 - c. There were proper separations of authority in the Province's management of the Project, and the organization of the management team followed good practices.
 - d. Changes in the committees of TI Corp's Board of Directors properly anticipated TI Corp's change from a project management organization into a full-fledged business with responsibilities for collecting revenues and storing personal information.
 - e. The Project budget was set at \$3.319B. When stated on the same accounting basis, that figure rose to \$3.367B by the end of the Project construction term.
 - f. The Agreement with Kiewit/Flatiron was the largest item in the budget. TI Corp paid Kiewit/Flatiron \$2.691B against contract authorities totaling to \$2.700B for all authorized expenditures, including both capitalized and operating expenditures.

However, the \$64M contingency in the Project's budget was insufficient.

- The decision to accelerate construction of the Project arose from delays imposed by utility projects beyond the control of the contractor Kiewit/Flatiron. The Consultant concurs that the decision was made by the TI Corp Board of Directors as was appropriate, based on information and analysis provided by the Project Director and was consistent with the objectives of the Project, which included the reduction of travel times and congestion.
- The Consultant noted that the flow of funds to the contractor for the specific purpose of the acceleration was managed and carefully checked against authorizations existing within the TI Corp's contractor Agreement.
- During the Project review, the Consultant did identify a number of opportunities to improve Project development, monitoring and control. A summarized (26 page) version of the Consultant's report is shown in Appendix 3. A much larger detailed report (nearly 180 pages) is also available. Key report recommendations:

1. **Project and construction management capacity** – If the Province believes that it will directly manage the design and construction of major transportation infrastructure projects in the future then it should maintain the people, business processes and information systems that enable it to do so. At a minimum, these capabilities should include:

- **Independent cost and schedule estimation** – The ability to estimate the cost and schedule of a large transportation infrastructure project using best practices and using project management information systems that are compatible with those used by the contractors for the duration of the project.
- **Project, design and construction management records** – The management of records created during project development, design and construction in a records management system that is designed for project management.
- **Risk management** – The Province should, as a major project proceeds through design and construction, revise the risk register and use risk-based schedule and cost management tools to revise contingency funding and manage cost and schedule risks throughout the life of the project.

2. **Contingencies** – The Province should publish a policy for the contingency funding of cost increases in surface transportation projects that defines the source of funds available for such contingencies and the optimal distribution of contingency funding within projects and across projects in the Province’s surface transportation programs.
3. **Pricing of public inputs** – The Province should consider the question of how best to value Crown assets when they are consumed as inputs into its maintenance and construction programs, keeping in mind the opportunity costs of those assets, and establish guidelines for the costing of these assets as they are consumed.
4. **Overhead and profit margins in change orders** – In future contracts, the Province should revise its mechanisms for estimating markups in change orders. The mechanism for overhead costs should not necessarily assume that overhead costs are a linear geometric function of direct and indirect costs, and the rate of profit should be commensurate with the risks and the commitment of capital that the change order requires of the contractor.
5. **Schedule specifications in the contract** – The Province should specify scheduling and schedule reporting requirements in its contracts for major projects with submission deadlines, submission frequency requirements and requirements to resource-load schedules and thus produce a schedule of values.
6. **Schedule performance measures** – The Province should measure and analyze schedule performance measures as projects are designed and constructed. Those measures should include variances from the planned value curve and earned value.
7. **Schedule of values for progress payments** – The Province should use, as much as possible, a project’s schedule of values and estimates of earned value to determine the amounts of progress payments.

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Page 08

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Page 10

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Appendix 3 – Port Mann/Highway 1 (PMH1) Construction Review – Consultant’s Report of Findings and Recommendations

From: [Zoeller, Sonja GCPE:EX](#)
To: [Gillezeau, Rob FIN:EX](#); [Spilker, Robyn FIN:EX](#)
Cc: [Henry, Molly FIN:EX](#); [Youngs, Kirsten R GCPE:EX](#)
Subject: Media: 1 New (BP, PM bridge)
Date: Thursday, August 2, 2018 9:53:00 AM

FYI, sending report.

Reporter

Katya Slepian, Reporter
Black Press Digital
katya.slepian@bpdigital.ca
604-831-5576

Deadline ASAP

Request

Reporter is looking for a copy of the Perrin, Thorau and Associate report about Port Mann oversight that was recently released.

Recommendation – sending documents.

From: [Zoeller, Sonja GCPE:EX](#)
To: [Robb, Katie GCPE:EX](#); [Foster, Doug FIN:EX](#)
Cc: [Justesen, Josh T FIN:EX](#)
Subject: PM Bridge Review release
Date: Wednesday, August 1, 2018 9:37:00 AM
Attachments: [2 Technical Report - PMH1 review.pdf](#)
[PMH1 Management Response - Memo to FIN - SIGNED w Appendix.pdf](#)
[Summary Report - Port Mann - Feb 2018.pdf](#)
Importance: High

FYI I will be sending the attached documents with the message below to CBC reporter Tina Lovgreen by 10:15am. Please call if you have any questions.

Good morning Tina,

As you expressed an interest in obtaining the Port Mann Bridge project review in the spring, I am sending you the following three documents:

1. The Technical Report
2. A Summary Report
3. Response to the report

If you have any questions, please call me.

Please also be advised that we will be releasing the report to other media who have asked for it later today. Since CBC initially expressed an interest in this topic, we are sending this to you first.

Best,

Sonja Zoeller

Communications Manager

Ministry of Finance

desk: 250-387-1248

Cell: 250-812-6844

From: [Zoeller, Sonja GCPE:EX](#)
To: [Pope, Danielle GCPE:EX](#)
Cc: [Robb, Katie GCPE:EX](#); [Bowness, Lianne GCPE:EX](#); [Flood, Leanne GCPE:EX](#)
Subject: RE: Media request: Port Mann bridge report
Date: Thursday, August 2, 2018 9:50:00 AM
Attachments: [image001.jpg](#)

Yes, I'll send the docs.

From: Pope, Danielle GCPE:EX
Sent: August 2, 2018 9:47 AM
To: Zoeller, Sonja GCPE:EX <Sonja.Zoeller@gov.bc.ca>
Cc: Robb, Katie GCPE:EX <Katie.Robb@gov.bc.ca>; Bowness, Lianne GCPE:EX <Lianne.Bowness@gov.bc.ca>; Flood, Leanne GCPE:EX <Leanne.Flood@gov.bc.ca>
Subject: Media request: Port Mann bridge report

Hi Sonja – please see the below request from BlackPress. I understand you will be responding to these.

Thanks,
Danielle

Danielle Pope | Media Relations
Government Communications and Public Engagement
Ministry of Transportation and Infrastructure
Telephone: 250-356-8241 | Mobile: 778-679-0133
Danielle.Pope@gov.bc.ca

From: Katya Slepian - BlackPress Digital [<mailto:katya.slepian@bpdigital.ca>]
Sent: Thursday, August 2, 2018 9:32 AM
To: Pope, Danielle GCPE:EX
Subject: media request: Port Mann bridge report

Hi Danielle – we hear that a report from Perrin, Thorau and Associate about Port Mann oversight was recently released. Can I please get a copy?

Thanks

Kat

Katya Slepian
Provincial Reporter
Digital division
Black Press B.C.
Cell: 604-831-5576
katya.slepian@bpdigital.ca
@katslepian



From: [Zoeller, Sonja GCPE:EX](#)
To: [Marcella Bernardo](#)
Subject: Re: Request - Port Mann review
Date: Wednesday, August 1, 2018 6:32:01 PM

In the interest of full disclosure, I have shared it with CBC as they were the first outlet to be interested in this topic.

Minister James isn't available tomorrow but give me a call tomorrow and a sense of your questions and I can see what's possible.

Sonja Zoeller
Communications Manager
Ministry of Finance

Sent from my iPhone

On Aug 1, 2018, at 5:44 PM, Marcella Bernardo
<Marcella.Bernardo@vancouerradio.rogers.com> wrote:

Hi Sonja,

I'm finally looking at this now, but won't have time to process anything tonight and I'm hoping this information hasn't been shared with any other reporters yet.

Would Finance Minister Carole James be available for a phone interview after 11am tomorrow?

The best number to call is 604-877-4400.

Fingers crossed,
Marcella

From: Zoeller, Sonja GCPE:EX <Sonja.Zoeller@gov.bc.ca>
Sent: August 1, 2018 2:10 PM
To: Marcella Bernardo <Marcella.Bernardo@vancouerradio.rogers.com>
Subject: RE: Request - Port Mann review

Hi Marcella,

I'm now in a position to release the report to you. I have attached for you the following three documents:

1. The Technical Report
2. A Summary Report
3. Response to the report

If you have any questions, please call me.

Thanks,

Sonja Zoeller

Communications Manager
Ministry of Finance
desk: 250-387-1248
Cell: 250-812-6844

From: Marcella Bernardo [<mailto:Marcella.Bernardo@vancouverradio.rogers.com>]

Sent: July 31, 2018 11:22 AM

To: Zoeller, Sonja GCPE:EX <Sonja.Zoeller@gov.bc.ca>

Subject: RE: Request - Port Mann review

Hi,

Any update on when this review will be complete?

From: Zoeller, Sonja GCPE:EX <Sonja.Zoeller@gov.bc.ca>

Sent: July 27, 2018 3:32 PM

To: Marcella Bernardo <Marcella.Bernardo@vancouverradio.rogers.com>

Subject: Request - Port Mann review

Hi Marcella,

I understand you inquired with TRAN about the status of the Port Mann bridge review. Since Ministry of Finance is leading that, your request came to me for response.

Please treat this as background info:

- The provincial government's review of the Port Mann bridge project is ongoing. Next steps will be determined after the review is complete.

Have a great weekend!

Sonja Zoeller

Communications Manager
Ministry of Finance
desk: 250-387-1248
Cell: 250-812-6844

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From: [Zoeller, Sonja GCPE:EX](#)
To: [Katya Slepian - BlackPress Digital](#)
Subject: Request - Port Mann review
Date: Thursday, August 2, 2018 10:43:00 AM
Attachments: [PMH1 Management Response.pdf](#)
[2 Technical Report - PMH1 review.pdf](#)
[Summary Report - Port Mann - Feb 2018.pdf](#)

Hi Katya,

I have attached for you the following three documents:

1. The Technical Report
2. A Summary Report
3. Response to the report

If you have any questions, please call me.

Thanks,

Sonja Zoeller

Communications Manager

Ministry of Finance

desk: 250-387-1248

Cell: 250-812-6844

From: [Livolsi, Patrick C TRAN:EX](#)
To: [Robb, Katie GCPE:EX](#)
Subject: Fwd: Planning
Date: Thursday, July 19, 2018 1:51:22 PM

Fyi

Patrick C. Livolsi, P. Eng.
Assistant Deputy Minister - Infrastructure and Major Projects
B. C. Ministry of Transportation and Infrastructure
Phone: [250-387-6742](tel:250-387-6742)
Email: Patrick.Livolsi@gov.bc.ca

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----- Original message -----

From: Irene Kerr
Date: 2018-07-19 12:36 PM (GMT-08:00)
To: "Foster, Doug FIN:EX"
Cc: "Livolsi, Patrick C TRAN:EX"
Subject: Planning

Hello,

Touching base on where we are with crafting the communications brief/strategy? **s.13**

s.13

In my shop, Greg J has liaised with Sonja this week, and she intends to link with Katie at TRAN to discuss next steps. We remain willing and available to assist the leads on this effort. Greg provided Sonja with a draft issues note and a Q&A draft document but I'm sure these materials will require rework and input from the leads. Should we anticipate that the reviewers may be asked for comment and how will this be handled?

Appreciate your direction on communications planning and protocol and happy to discuss.

Best,

Irene

Irene Kerr

President & Chief Executive Officer

Transportation Investment Corporation

210-1500 Woolridge Street, Coquitlam BC V3K0B5

Direct: 778-783-1209 Cell: 604-833-4100

E: ikerr@ticorp.ca

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From: [Johnson, Greg TIC:EX](#)
To: [Robb, Katie GCPE:EX](#)
Cc: [Flood, Leanne GCPE:EX](#); [Zoeller, Sonja GCPE:EX](#); [Kozak, Madeline TIC:EX](#)
Subject: RE: PMG1
Date: Thursday, July 19, 2018 1:52:44 PM

OK for 1PM Monday.

Here are some questions I'm being asked:

- When and how will the material go out?
- Just to the applicant, or more widely?
- We expect broader media follow-up. Will MoF provide a spokesperson if requested?
- Will the reviewers be made available to media?

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We plan to liaise with MoF and TRAN

and can respond with these points:

s.13

Thanks,
Greg

From: Robb, Katie GCPE:EX
Sent: July 19, 2018 1:36 PM
To: Greg Johnson
Cc: Flood, Leanne GCPE:EX ; Zoeller, Sonja GCPE:EX
Subject: Re: PMG1
Greg it's not my understanding this is going out Monday.

Katie Robb

Communications Director | Ministry of Transportation and Infrastructure
Government Communications & Public Engagement
M: [250.920.8371](tel:250.920.8371)

On Jul 19, 2018, at 1:35 PM, Greg Johnson <gjohnson@ticorp.ca> wrote:

Hi Katie,
My concern is the material is due to go out next week. My CEO understands it could go out Monday.
I agree we all need to connect and be on the same page, but could we do a 10 min call this afternoon?
Thanks,
Greg

From: Flood, Leanne GCPE:EX <Leanne.Flood@gov.bc.ca>
Sent: July 19, 2018 1:31 PM
To: Robb, Katie GCPE:EX <Katie.Robb@gov.bc.ca>; Greg Johnson <gjohnson@ticorp.ca>
Cc: Zoeller, Sonja GCPE:EX <Sonja.Zoeller@gov.bc.ca>
Subject: RE: PMG1
How does 1pm on Monday sound?
~Leanne

From: Robb, Katie GCPE:EX
Sent: Thursday, July 19, 2018 1:22 PM
To: Flood, Leanne GCPE:EX; Johnson, Greg TIC:EX

Cc: Zoeller, Sonja GCPE:EX

Subject: PMG1

Hi Greg, Leanne,

I know you are due to connect today but is it possible to postpone until Monday so I can join the conversation? There have been many sideline conversations and I think it wise to all be on the same page.

Many thanks,

Katie Robb

Communications Director | Ministry of Transportation and Infrastructure

Government Communications & Public Engagement

M: 250.920.8371