

Infrastructure

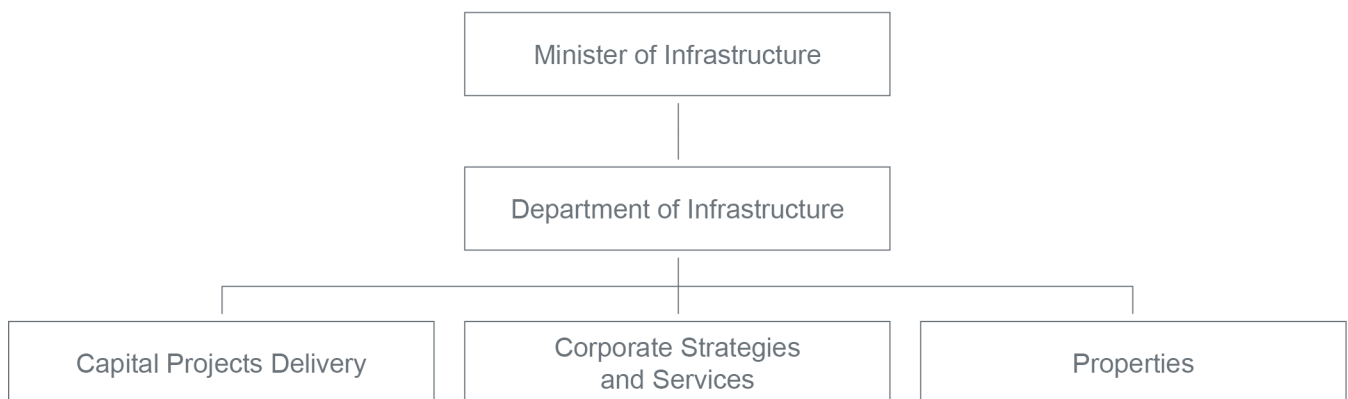
Business Plan 2019–23

Ministry Mandate and Structure

The ministry consists of the Department of Infrastructure.

Infrastructure provides innovative, high quality and well-designed public infrastructure for Albertans. Through leadership, expertise and collaboration with partners including industry, the ministry provides public infrastructure that contributes to the province’s economy and Albertans’ quality of life.

The ministry is accountable for the long-term planning of provincial public infrastructure to support key social programs and services, and economic development. Infrastructure designs, builds, manages and maintains government-owned and operated facilities and collaborates with other ministries to ensure that school and health infrastructure meets the needs of all Albertans. In addition, Infrastructure provides accommodation services and manages a large portfolio of owned and leased facilities while maintaining fiscal accountability and optimizing value for Alberta taxpayers.



A more detailed description of Infrastructure and its programs and initiatives can be found at:

www.infrastructure.alberta.ca

Ministry Outcomes

- Innovative, adaptive and responsible infrastructure solutions that meet current and future provincial needs
- Alberta’s public infrastructure is effectively managed and sustainable

Outcome 1

What We Want To Achieve

Innovative, adaptive and responsible infrastructure solutions that meet current and future provincial needs

Infrastructure ensures Alberta's long-term planning of public infrastructure supports key public services and contributes to the provincial economy. The ministry also manages the delivery of new construction and major modernization projects for health, school and government-owned facilities, and supports the maintenance of existing infrastructure.

Key Objectives

- 1.1 Introduce the Alberta Infrastructure Act to provide transparency on capital project prioritization criteria, establish predictable funding levels and ensure adequate maintenance of existing assets.
- 1.2 Publicly release an annual Government of Alberta Infrastructure Report to provide detailed information on progress made in meeting the various commitments in the annual Capital Plan.
- 1.3 Publicly release a 20-year Strategic Capital Plan to ensure Alberta has a long-term view to meeting the province's infrastructure needs.
- 1.4 Lead the process to evaluate and use other procurement methods, such as public-private partnerships, and for procurement of capital projects where value for money for taxpayers can be demonstrated.
- 1.5 Limit the use of 'cost plus contracts' (a contract that covers project costs with additional profit being made) for procurement of capital projects.
- 1.6 Continuously improve planning, project management and procurement to deliver capital projects on time, on budget and to specification.
- 1.7 Account for the evolving needs of Albertans by designing future Infrastructure-delivered projects that are inclusive and adaptable.

Initiatives Supporting Key Objectives

- The construction of health facilities, including \$232.3 million towards construction of the Calgary Cancer Centre, will cost \$499.7 million in 2019-20.
- The construction of school facilities, including \$44.9 million for the Modular Classroom Program, will cost \$519.9 million in 2019-20.
- The construction of government facilities, including \$13.7 million for the Courthouse Renewal Program, will cost \$46.2 million in 2019-20.
- The planning, design and implementation of capital infrastructure projects, including funding for procurement, cost modelling and facility evaluations, will cost \$25.3 million in 2019-20.

Performance Metrics

1.a Performance Measure: Government-owned and operated facilities – physical condition

In 2018-19, 73 per cent of government-owned and operated facilities are rated as category 1, with 26 per cent under category 2 and one per cent under category 3. *(Category 1: Adequate for intended use and expected to provide continued service life with average maintenance. Category 2: Aging components are nearing the end of their life-cycle and require additional expenditures for renewal or refurbishing. Category 3: Many major components have exceeded their useful life and significant repairs or replacement are necessary.)*

TARGETS

	Category 1	Category 2	Category 3
2019-20	75%	24%	1%
2020-21	75%	24%	1%
2021-22	77%	23%	0%
2022-23	77%	23%	0%

1.b Performance Indicator: Health facilities – physical condition *(In previous ministry business plans, the physical condition of health, school and post-secondary facilities were reported as performance measures. The physical condition of these facilities is now reported as performance indicators as there are many factors beyond the control of Infrastructure that influence the results achieved.)*

HISTORICAL RESULTS

	Category 1	Category 2	Category 3
2014-15	86%	13%	1%
2015-16	84%	15%	1%
2016-17	83%	16%	1%
2017-18	86%	13%	1%
2018-19	88%	11%	1%

1.c Performance Indicator: School facilities – physical condition *(In previous ministry business plans, the physical condition of health, school and post-secondary facilities were reported as performance measures. The physical condition of these facilities is now reported as performance indicators as there are many factors beyond the control of Infrastructure that influence the results achieved.)*

HISTORICAL RESULTS

	Category 1	Category 2	Category 3
2014-15	56%	43%	1%
2015-16	57%	42%	1%
2016-17	57%	42%	1%
2017-18	58%	41%	1%
2018-19	64%	35%	1%

1.d Performance Indicator: Post-secondary facilities – physical condition *(In previous ministry business plans, the physical condition of health, school and post-secondary facilities were reported as performance measures. The physical condition of these facilities is now reported as performance indicators as there are many factors beyond the control of Infrastructure that influence the results achieved.)*

HISTORICAL RESULTS

	Category 1	Category 2	Category 3
2014-15	73%	25%	2%
2015-16	72%	27%	1%
2016-17	72%	27%	1%
2017-18	72%	26%	2%
2018-19	72%	27%	1%

Outcome 2

What We Want To Achieve

Alberta's public infrastructure is effectively managed and sustainable

By optimizing the value of government-owned and operated facilities, Infrastructure ensures sound financial stewardship, quality and efficient use of government assets.

Key Objectives

- 2.1 Incorporate asset management principles to infrastructure projects throughout the design, construction, operation, maintenance and divestment phases to support effective decision-making related to facilities, land, leasing and accommodation services to deliver public services at lower costs.
- 2.2 Maximize the value of government-owned and operated infrastructure while minimizing overall costs by supporting effective long-term investments in core assets and the disposition of inefficient or obsolete assets.
- 2.3 Continue to implement environmental efficiencies and green technologies to help reduce the environmental footprint of provincial infrastructure.

Initiatives Supporting Key Objectives

- The management of owned and leased space, including property operations, utilities, leases, and accommodation projects that contribute to the efficient use of government space, will cost \$502.0 million in 2019-20.
- The maintenance of government-owned facilities, including the preservation work on government-owned facilities and the capital maintenance and renewal of health and school facilities, will cost \$178.8 million in 2019-20.

Performance Metrics

2.a Performance Measure: Energy consumption intensity in megajoules per gross square metre in government-owned and operated facilities

In 2018-19, the energy consumption intensity in government-owned and operated facilities is 1,608 megajoules per gross square metre.

TARGETS

2019-20	1,634
2020-21	1,626
2021-22	1,618
2022-23	1,618

STATEMENT OF OPERATIONS

(thousands of dollars)	Comparable					
	2018-19 Budget	2018-19 Actual	2019-20 Estimate	2020-21 Target	2021-22 Target	2022-23 Target
REVENUE						
Transfers from Government of Canada	19,196	17,222	8,598	6,196	6,966	3,966
Premiums, Fees and Licences	1,954	2,190	1,870	1,870	1,870	1,870
Other Revenue	43,696	53,051	23,896	23,896	23,348	13,453
Ministry Total	64,846	72,463	34,364	31,962	32,184	19,289
Inter-Ministry Consolidations	(22,811)	(2,959)	(3,866)	(3,871)	(3,876)	(3,401)
Consolidated Total	42,035	69,504	30,498	28,091	28,308	15,888
EXPENSE						
Ministry Support Services	11,758	11,111	11,634	10,970	10,970	10,876
Capital Construction	1,340,621	1,005,893	1,162,929	1,435,081	1,188,472	1,029,494
Property Management	388,953	398,411	389,887	382,411	389,098	380,388
Asset Management	7,754	5,262	6,331	6,297	6,297	6,265
Realty Services	205,558	206,577	181,685	194,451	195,668	191,539
2013 Alberta Flooding	5,966	1,523	1,651	-	-	-
Ministry Total	1,960,610	1,628,777	1,754,117	2,029,210	1,790,505	1,618,562
Inter-Ministry Consolidations	(1,300,877)	(990,083)	(1,140,707)	(1,408,595)	(1,176,885)	(1,017,998)
Consolidated Total	659,733	638,694	613,410	620,615	613,620	600,564
Net Operating Result	(617,698)	(569,190)	(582,912)	(592,524)	(585,312)	(584,676)
CAPITAL INVESTMENT						
Ministry Support Services	-	358	-	-	-	-
Capital Construction	1,388,757	988,698	1,169,021	1,505,704	1,280,931	1,042,782
Property Management	110,932	165,049	135,865	142,267	124,400	124,435
Realty Services	8,300	7,321	20,713	8,300	8,300	8,300
2013 Alberta Flooding	1,808	581	1,669	-	-	-
Ministry Total	1,509,797	1,162,007	1,327,268	1,656,271	1,413,631	1,175,517
Inter-Ministry Consolidations	(1,303,708)	(921,069)	(1,120,769)	(1,401,794)	(1,170,066)	(984,620)
Consolidated Total	206,089	240,938	206,499	254,477	243,565	190,897

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