

Infrastructure

BUSINESS PLAN 2013-16

ACCOUNTABILITY STATEMENT

This business plan was prepared under my direction, taking into consideration the government's policy decisions as of February 13, 2013.

original signed by

Wayne Drysdale, Minister
February 20, 2013

THE MINISTRY

The ministry consists of the Department of Infrastructure. It works with partner ministries, boards, agencies and other stakeholders to build and upgrade government supported infrastructure, including health facilities, schools and post-secondary institutions. The ministry also leads the development of the Capital Plan, delivers major government-owned capital projects, provides accommodation services, and manages a large portfolio of owned and leased facilities while maintaining fiscal accountability and optimizing value for Albertans. In addition, the ministry manages land acquisitions and dispositions for government and the Edmonton and Calgary Transportation and Utility Corridors.

Infrastructure's mission is to lead and provide expertise in collaboration with our partners to support the provision of public infrastructure. This contributes to the province's prosperity and quality of life, thereby preparing Alberta for future growth opportunities. While ensuring the safety of public facilities is paramount, the ministry balances new construction with opportunities to renovate, repurpose and revitalize existing facilities. The ministry provides buildings that work for users, the communities they serve and future generations of Albertans.

The ministry's core businesses are:

- efficient planning and provision of quality public infrastructure;
- sustainable stewardship of Alberta's infrastructure assets; and
- responsible asset management.

Programs and services delivered by the ministry will be reviewed for relevance, effectiveness and efficiency in accordance with the Government of Alberta's *Results-based Budgeting Act*.

A more detailed description of Infrastructure and its programs and initiatives can be found at www.infrastructure.alberta.ca.

This business plan is aligned with the government's goals as set out in the *Government of Alberta Strategic Plan*.

GOALS, PRIORITY INITIATIVES AND PERFORMANCE MEASURES

As a result of a review of the ministry's goals, environment, opportunities and challenges, a number of priority initiatives have been identified.

Goal One: Safe, adaptable and cost-effective health, learning and public infrastructure to meet the needs of Albertans

Priority Initiatives:

- 1.1 Lead the development and implementation of the government's Strategic Capital Plan to build priority public infrastructure based on strategic and fiscally sound investment principles.
- 1.2 Strengthen relationships with community partners, industry stakeholders, partner ministries, school boards and post-secondary institutions to collaboratively work on capital opportunities to meet the infrastructure needs of Albertans.
- 1.3 Work with communities to plan and develop versatile multi-purpose public facilities that meet the present and future needs of the community and aging Albertans.
- 1.4 Integrate design excellence principles, value management, standard facility designs and procurement best practices, such as public-private partnerships where appropriate, to ensure that Albertans receive cost effective, innovative, sustainable and well-designed infrastructure.
- 1.5 Reduce government's carbon footprint by achieving, as a minimum, the Leadership in Energy and Environmental Design (LEED) Silver rating as an environmental standard for the design of new government-funded buildings.
- 1.6 Deliver major health capital projects to help ensure Albertans have access to health programs and services in partnership with Alberta Health and Alberta Health Services.
- 1.7 Support delivery of continuing care centres.
- 1.8 Support the delivery of family care clinics to facilitate access to primary health care for Albertans.
- 1.9 Support the delivery of new schools and the renovation of existing schools in partnership with Alberta Education, school boards and communities.

Performance Measures	Last Actual 2011-12	Target 2013-14	Target 2014-15	Target 2015-16
1.a Health facilities – physical condition				
• Percentage in good condition	77%	74%	74%	74%
• Percentage in fair condition	20%	22%	22%	22%
• Percentage in poor condition	3%	4%	4%	4%
1.b School facilities – physical condition:				
• Percentage in good condition	61%	56%	53%	50%
• Percentage in fair condition	37%	42%	44%	49%
• Percentage in poor condition	2%	2%	3%	1%
1.c Post-secondary facilities – physical condition:				
• Percentage in good condition	72%	70%	70%	68%
• Percentage in fair condition	23%	25%	25%	29%
• Percentage in poor condition	5%	5%	5%	3%

Goal Two: Safe and sustainable operation and maintenance of public facilities

Priority Initiatives:

- 2.1 Ensure that industry best practices for the operation of government owned and leased facilities are in place, implementing energy efficient technologies and achieving independent third party certification through the Building Owners and Managers Association Building Environmental Standards (BOMA BEST) program.
- 2.2 Advance the implementation of the Greening Government Strategy to reduce the environmental impact of government's operations and procurement practices.
- 2.3 Ensure appropriate physical building and site security standards are in place for high-risk government facilities.

Performance Measures	Last Actual 2011-12	Target 2013-14	Target 2014-15	Target 2015-16
2.a Government owned and operated facilities – physical condition:				
• Percentage in good condition	73%	68%	65%	67%
• Percentage in fair condition	26%	31%	33%	30%
• Percentage in poor condition	1%	1%	2%	3%
2.b Energy consumption in megajoules per square metre in government owned and operated facilities	1,629	1,640	1,635	1,630

Goal Three: Cost-effective public asset management to optimize value for Albertans

Priority Initiatives:

- 3.1 Continue to implement the Corporate Asset Management Program (CAMP) to integrate asset management strategies into all aspects of the ministry's business, including asset planning, accommodation management, asset operation, maintenance, and capital investment.
- 3.2 Facilitate the effective use of the government inventory of space and land in order to increase functionality and decrease the overall cost of accommodation, including exploration of innovative approaches to using the government inventory to optimize value for Albertans.
- 3.3 Manage the acquisition and disposal of land as required to meet community and program needs.

Performance Measure	Last Actual 2011-12	Target 2013-14	Target 2014-15	Target 2015-16
3.a Percentage difference between average operating cost per square metre of government owned and operated office space and privately operated leased space	+1.6%	±5.0%	±5.0%	±5.0%

OPERATIONAL PLAN

(thousands of dollars)	Comparable			2013-14 Estimate	2014-15 Target	2015-16 Target
	2011-12 Actual	2012-13 Budget	2012-13 Forecast			
Operational Expense						
Ministry Support Services	15,713	17,641	17,641	18,976	20,087	20,087
Health Facilities Support	8,355	11,209	11,209	12,011	15,626	25,526
Capital Construction Program	23,362	27,646	47,497	26,024	25,246	25,246
Strategic Capital Planning	1,471	2,600	2,347	2,563	2,650	2,650
Property Management	303,152	310,080	308,080	315,911	310,509	286,085
Property Development	27,198	30,355	30,815	25,267	23,233	23,233
Realty Services	196,435	246,597	238,286	285,290	263,290	261,490
Consolidation Adjustments	(2,813)	(3,060)	(3,060)	(3,060)	(2,700)	(2,700)
Total	572,873	643,068	652,815	682,982	657,941	641,617

CAPITAL PLAN

Capital Spending						
Ministry Support Services	3,906	4,161	4,166	4,161	4,161	4,161
Health Facilities Support	545,612	681,247	525,393	576,494	862,611	647,608
Capital Construction Program	230,496	342,869	216,306	164,187	135,140	72,689
Strategic Capital Planning	-	1,600	-	2,500	5,000	25,000
Property Management	13,612	14,218	20,197	24,543	28,443	25,000
Property Development	16,200	2,634	16,885	10,000	15,000	20,000
Realty Services	20,940	8,300	16,849	8,300	8,300	8,300
Capital for Emergent Projects	25,696	28,500	21,680	-	-	-
Sub-total	856,462	1,083,529	821,476	790,185	1,058,655	802,758
Debt Servicing						
Capital Construction Program	-	86	-	-	170	210
Total	856,462	1,083,615	821,476	790,185	1,058,825	802,968