

BUDGET 2021

GOVERNMENT OF ALBERTA | 2021-24

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# Ministry Business Plan Infrastructure

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# Infrastructure

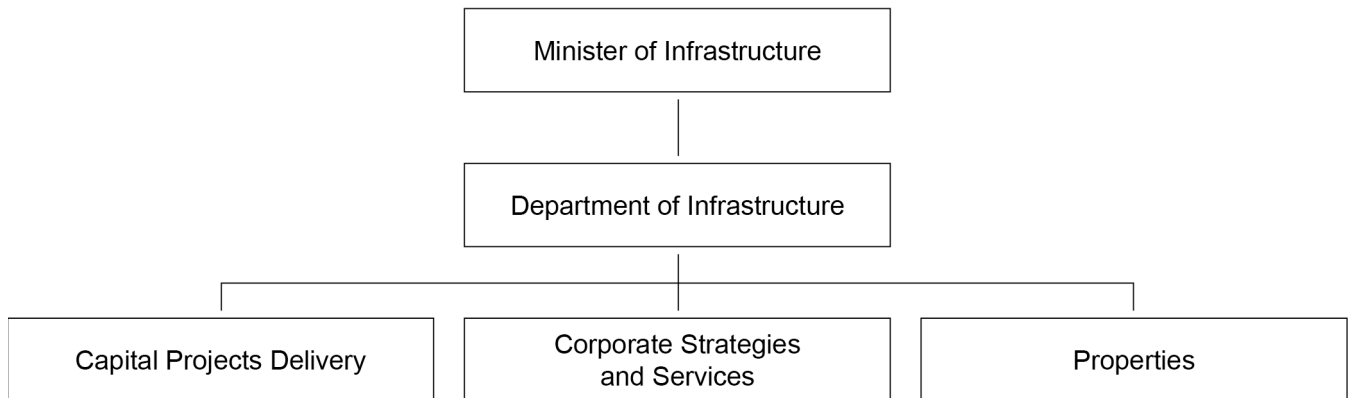
## Business Plan 2021-24

### Ministry Fact Sheet – 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, 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 now and in the future. In addition, Infrastructure provides accommodation services and manages a large portfolio of owned and leased facilities while maintaining fiscal accountability and optimizing value for taxpayers.



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

[www.infrastructure.alberta.ca](http://www.infrastructure.alberta.ca)

The Ministry of Infrastructure continues to review programs to ensure Albertans receive efficient and client-focused services from their government. As part of this ongoing review, the ministry is committed to making life easier for hard-working Albertans and job creators by reducing regulatory requirements by one-third by 2023, and eliminating administrative burden through more efficient processes. This work will improve service delivery for Albertans, foster economic growth, innovation and competitiveness, and create a strong and attractive investment climate.

Ministry business plans should be considered in conjunction with all budget documents - including the Fiscal Plan, Government Strategic Plan, and Estimates - which work together to provide a complete overview of government’s commitment to responsible fiscal management.

# Business Plan – Core

## Outcome 1

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

Infrastructure collaborates with partner ministries, boards, agencies, industry and other stakeholders, to plan, build and deliver government-owned and supported capital infrastructure that will create jobs and bolster Alberta’s economic recovery.

#### Key Objectives

- 1.1 Manage new construction and major modernization projects for health, school and government-owned facilities, including the use of public-private partnerships, to ensure Alberta’s public infrastructure continues to support key public services.
- 1.2 Deliver capital projects on time, on budget and to scope through standardized project management principles and processes.
- 1.3 Reduce red tape and regulatory burden for Albertans by reviewing and revising legislation, regulations, programs and processes, which includes meeting yearly count reduction requirements to achieve 33 per cent reduction by 2023 and responding to priority and industry panel stakeholder recommendations around procurement standardization and contract improvements.

#### Initiatives Supporting Key Objectives

- In 2021-22, \$634.9 million will be allocated to the construction of health facilities, including \$212.6 million for the Calgary Cancer Centre. \$763.2 million will be allocated to the construction of school facilities, including \$89.5 million for the Modular Classroom Program. \$123.7 million will be allocated to the construction of government facilities, including \$50.1 million for the Red Deer Justice Centre.
- In 2021-22, \$16.5 million will be allocated to the planning, design and implementation of capital infrastructure projects.

## Performance Metrics

### 1.a Performance Measure: Average number of calendar days required to complete Infrastructure-managed over threshold procurements

This performance metric evaluates how effectively the ministry is managing procurements by aiming to complete them within 26 calendar days. Targets are based on average historical performance, maintaining best practices and incorporating further efficiencies.

In 2019-20, it took an average of 23.3 calendar days to complete procurements.

<b>Targets</b>	<b>2021-22</b>	26	<b>2022-23</b>	26	<b>2023-24</b>	26
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### 1.b Performance Measure: Government-owned and operated facilities – physical condition

This performance metric measures the physical condition of government-owned and operated facilities. Targets are based on previous results, completed projects, anticipated dispositions and planned major renovations.

In 2019-20, 69 per cent of government-owned and operated facilities are rated as category 1, with 26 per cent under category 2, and five per cent under category 3.

	2021-22			2022-23			2023-24		
Category	1	2	3	1	2	3	1	2	3
Targets	68%	27%	5%	68%	27%	5%	68%	27%	5%
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.									

## Outcome 2

### Alberta's public infrastructure is effectively and responsibly 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 support effective decision-making related to facilities, land, leasing and accommodation services to deliver public services at lower costs.
- 2.2 Maximize the efficiency of government-owned and operated infrastructure to support vital public services through effective long-term investments in core assets and the disposition of inefficient or obsolete assets.

#### Initiatives Supporting Key Objectives

- In 2021-22, \$539.9 million will be allocated to the management of owned and leased space, including property operations, utilities, leases and accommodation projects that contribute to efficient use of government space.
- In 2021-22, \$338.7 million will be allocated to 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. This includes \$7.9 million for the Legislature Building stone cladding and window restoration, and \$2.3 million for the McDougall Centre sandstone and exterior cladding repairs and walkways replacement.

## Performance Metrics

### 2.a Performance Measure: Total cost per occupant in government-owned and operated office space facilities

This performance metric demonstrates the government's per occupant expenditure on office space. Targets are based on improving office space density and incorporating operational efficiencies.

In 2019-20, the total cost in government-owned and operated office space facilities is \$8,613 per occupant.

Targets	2021-22	\$8,527	2022-23	\$8,442	2023-24	\$8,357
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### 2.b Performance Measure: Energy consumption intensity in mega joules per gross square metre in government-owned and operated facilities

This performance metric measures the consumption of energy and associated costs in government-owned and operated facilities. Targets are based on consumption trends and planned energy efficiency projects.

In 2019-20, the energy consumption intensity in government-owned and operated facilities is 1,547 mega joules per gross square metre.

Targets	2021-22	1,532	2022-23	1,524	2023-24	1,516
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## STATEMENT OF OPERATIONS

(thousands of dollars)

	Comparable			2021-22 Estimate	2022-23 Target	2023-24 Target
	2019-20 Actual	2020-21 Budget	2020-21 Forecast			
<b>REVENUE</b>						
Transfers from Government of Canada	6,554	3,666	5,650	<b>3,666</b>	3,666	3,666
Premiums, Fees and Licences	2,383	2,070	2,070	<b>2,070</b>	2,070	2,070
Other Revenue	60,758	23,896	23,896	<b>23,348</b>	13,453	13,453
Ministry Total	69,695	29,632	31,616	<b>29,084</b>	19,189	19,189
Inter-Ministry Consolidations	(10,466)	(3,871)	(3,871)	<b>(3,876)</b>	(3,401)	(3,401)
Consolidated Total	59,229	25,761	27,745	<b>25,208</b>	15,788	15,788
<b>EXPENSE</b>						
Ministry Support Services	11,066	10,920	10,920	<b>10,436</b>	10,250	10,250
Capital Construction	1,105,633	1,371,569	1,293,720	<b>1,563,495</b>	1,388,669	921,029
Property Management	383,471	381,235	394,125	<b>382,312</b>	357,140	365,402
Asset Management	5,968	7,255	7,255	<b>7,062</b>	6,986	6,986
Realty Services	174,747	193,165	191,365	<b>181,187</b>	181,131	185,231
2013 Alberta Flooding	306	-	-	-	-	-
Ministry Total	1,681,191	1,964,144	1,897,385	<b>2,144,492</b>	1,944,176	1,488,898
Inter-Ministry Consolidations	(1,075,773)	(1,340,966)	(1,270,904)	<b>(1,552,847)</b>	(1,383,420)	(916,380)
Consolidated Total	605,418	623,178	626,481	<b>591,645</b>	560,756	572,518
Net Operating Result	(546,189)	(597,417)	(598,736)	<b>(566,437)</b>	(544,968)	(556,730)
<b>CAPITAL INVESTMENT</b>						
Ministry Support Services	19	-	-	-	-	-
Capital Construction	1,109,089	1,409,887	1,300,299	<b>1,669,693</b>	1,510,932	1,032,351
Property Management	70,565	173,126	153,197	<b>315,920</b>	123,159	125,566
Realty Services	7,789	8,300	13,300	<b>8,300</b>	8,300	8,300
2013 Alberta Flooding	18	-	-	-	-	-
Ministry Total	1,187,480	1,591,313	1,466,796	<b>1,993,913</b>	1,642,391	1,166,217
Inter-Ministry Consolidations	(1,075,666)	(1,334,165)	(1,264,103)	<b>(1,546,028)</b>	(1,350,042)	(910,002)
Consolidated Total	111,814	257,148	202,693	<b>447,885</b>	292,349	256,215