

Infrastructure and Asset Management

Business Plan - 2008/09

Mission: *To act as stewards of HRM's Infrastructure and major capital assets to support the delivery of service for the benefit of HRM's residents while promoting efficiency, cost effectiveness and, environmental sustainability.*

Business Unit Overview:

Infrastructure and Asset Management (IAM) is a new business unit that was created through a corporate re-organization in October of 2007. The business unit was composed from a consolidation of some divisions from Transportation and Public Works, Community Development, and the former Environmental Management Services. The business unit will play a key role in the delivery of infrastructure related services by providing a structured corporate focus on asset management. By working closely with Council and all business units, IAM will develop policy and long range plans focussed entirely on the financial and environmental sustainability of infrastructure and assets which support the delivery of municipal services to the residents of HRM. This will help to ensure the long term health and sustainability of the community as a whole.

IAM is organized as 6 internal divisions and two major project offices as outlined below.

Director:
Cathie O'Toole

The IAM Director's Office provides oversight and coordinated departmental management to ensure the business unit functions in accordance with HRM approved business policies and in a manner consistent with Council focus areas

**Sustainable Environment
Management Office
(SEMO)**
Stephen King - Manager
Environmental Performance-
Air and Land
Tony Blouin - Manager
Environmental Performance-
Water

This division delivers corporate strategic leadership, coordination, innovation and policy development promoting Regional Environmental Infrastructure Growth and HRM's stewardship of its natural environment (clean air, land, water and energy)

Real Property Planning
Peter Bigelow - Manager

This division delivers land use policy, creates open space master plans and assists in disposals and development of HRM's outdoor facilities. The division also coordinates the planning and development of community and regional trails throughout HRM

Strategic Transportation Planning
David McCusker - Manager

This division delivers long-term strategic planning with respect to new demands on HRM's transportation infrastructure. This program includes the development of a network of roadways, transit, and active transportation polices to integrate and manage demands on these networks

Capital Projects and Facilities Planning
Phil Townsend - Manager

This division plans, develops and delivers capital projects for all HRM's buildings, parks and parkland on behalf of client Business Units. In addition, this division provides design and construction services in support of HRM's corporate and/or program initiatives

Design and Construction
David Hubley - Manager

This division delivers a range of professional and technical services including surveying, engineering design, construction inspection, infrastructure management and record management with respect to capital roadway asset projects

Capital Cost Contribution (CCC) Project Office
Peter Duncan - Manager

This dedicated project team develops new Regional Capital Cost Contribution charges for wastewater treatment, regional collector roads, interchanges, buses, ferries, and solid waste facilities. In addition, the team administers the existing CCC policy and Regional Plan Policy relating to infrastructure in master plan areas

Asset Management Project This dedicated project team is developing a set of procedures and methodologies that will facilitate effective management of HRM owned assets. These procedures and methodologies include:
Pam Morrison - Project Manager

Regular reports that track the location, value and condition of the asset base;
Recapitalization and associated reserve standards and policies;
Performance and condition indicators

Summary of Business Unit Structure Changes: As the business unit did not exist during the previous 2007-2008 business planning cycle, there is no existing business plan upon which a summary of structural changes could be based

Core Operations and Services provided:

- Policy development and strategic planning with respect to overall management of HRM's Infrastructure and major corporate assets including but not limited to:
 - 1700 Kms of public road
 - 800 Kms of sidewalk
 - 116 Road/Pedestrian Bridges (including cost shared structures)
 - 650 Public Parks
 - 1630 parcels of Public Open Space
 - 150 Kms of maintained walking trails
 - 350 playgrounds, 206 ballfields, 86 soccer / rugby or football fields, 94 general sports fields, 11 arenas, 173 tennis / basketball courts, 7skateboard parks, 4 bike parks, 4 outdoor pools and 5 spray pools
 - 241 HRM owned buildings
 - Over 7500 acres of HRM owned property
- Promotion of sustainable infrastructure planning and asset management approaches through responsible stewardship of the natural environment (clean air, clean land, clean water and clean energy)
- Comprehensive asset management programs including oversight for the Corporate Asset Management Project and the CCC Project
- Capital planning for new infrastructure development in accordance with Council's focus areas

and the various approved community planning documents such as the Regional Plan

- Development of recapitalization strategies to maximize the benefit and minimize risks associated with the ongoing use of existing HRM infrastructure and major capital assets
- Survey, design, construction and delivery of capital projects
- Leveraging of funds from programming provided from other levels of government to ensure maximum levels of infrastructure related services with a minimum direct cost to residents
- Strategic transportation and transit planning to effectively manage the demands on HRM’s network of roadways, transit, and active transportation networks in accordance with the various approved community planning documents such as the Regional Plan and Active Transportation Plan
- Policy and planning services relative to the development and maintenance of outdoor facilities and trails systems throughout HRM
- Policy, planning, and project management services relative to the development of new and/or expanded HRM owned buildings and facilities

Permanent Full Time Equivalent (FTEs):

	2007/2008 Approved FTEs (April 1, 2007)	2008/2009 Approved FTEs (March 31, 2008)
Permanent FTEs	0	98

IAM was a new business unit created in October 2007. There were 18 FTEs Transferred from Community Development, 73 FTEs Transferred from Transportation & Public Works, 7 FTEs Transferred from Environmental Management Services.

Financial Information:

Infrastructure & Asset Management						
Summary of Budget by Business Unit Division						
	2006-2007	2007-2008	2007-2008	2008-2009	Change over	
	Actual	Budget	Actual Unaudited	Budget	Budget	%
Gross Budget	\$7,043,990	\$7,854,626	\$7,368,120	\$7,935,885	\$81,259	1.0%
Revenues	(\$194,202)	(\$163,300)	(\$141,120)	(\$69,210)	\$94,090	-57.6%
Net Budget						
IAM Admin	0	242,000	240,079	384,369	142,369	58.8%
Capital Projects	1,246,080	1,293,620	1,255,525	1,272,187	(21,433)	-1.7%
Design & Construction	3,661,631	3,963,260	3,577,855	3,992,142	28,882	0.7%
CCC Implementation Project	0	101,113	101,113	101,756	643	0.6%
Parks Planning	792,975	996,006	1,010,176	928,723	(67,283)	-6.8%
Regional Transportation Planning	507,436	510,300	506,413	513,757	3,457	0.7%
Sustainable Environment	641,666	585,027	535,840	673,741	88,714	15.2%
Net Cost	\$6,849,788	\$7,691,326	\$7,227,000	\$7,866,675	\$175,349	2.3%

Analysis of Operating Budget Changes:

Operating Budget Change Details		(\$000's)
2007/8 Budget		7,691.3
1	Revenue decrease for Capital Cost Contributions. Revenue is recognised within the CCC reserve as oppose to the operating cost center, this decrease offset with Design and Construction LIC charges.	94.1
2	Compensation and Benefits - Includes performance and collective agreement increases as well as newly staffed positions.	122.4
3	Office Costs (telephone, courier, office supplies, etc)	(48.3)
4	Consulting Fees & External Services associated with water quality monitoring, pesticide permit and public education program and sustainable community projects costed to operating as oppose to capital.	229.8
5	Other Goods and Services (travel, training, Advertising)	(34.7)
6	Increase in transfers from reserves associated with Sustainable Community Reserve's project expenses being costed to operating as oppose to capital accounts	(210.3)
7	Miscellaneous expense increases	22.4
2008/09 Budget		<u>7,866.7</u>

Business Unit Goals (2008-11):

Strategic Goals
<ol style="list-style-type: none">1. Long Range Capital Planning - Translate service delivery obligations, environmental sustainability requirements, and community needs into long range capital plans which are financially and environmentally sustainable2. Asset Management Strategy - Develop information, tools, corporate culture, and policies to effectively manage HRM's assets (Asset Management Strategy)3. Environmental Sustainability - Promote a culture of environmental sustainability within HRM and the community
Operational Goals
<ol style="list-style-type: none">1. Support Council's Objectives - Provide strategic advice, policies, and planning to support decision making, rationalization, and prioritization of Council's objectives with respect to sustainability of infrastructure and assets2. Capital Project Delivery - Deliver approved capital projects efficiently and effectively while maximizing integration opportunities, safety and environmental sustainability

Service Level Changes
Business Unit: Infrastructure and Asset Management
<u>Increases In Services / new initiatives:</u> <ul style="list-style-type: none">• Increased service delivery is expected with respect to the streetscape improvement program. It should be noted that design and planning will take place in 2008/09 and the majority of installation and construction will take place in the following fiscal year.• Positive impacts from the Asset Management Program are expected to be realized in the coming business cycle.• A service level increase is expected in the areas of Dam and Bridge inspection.
<u>Decreases In Services / Operational Pressures:</u> <ul style="list-style-type: none">• Reduction/Elimination of design and support services to the Environmental Engineering division within the former EMS Business Unit. This is a reduction in the Design Services work program but the service continues to be provided through Halifax Water. Capacity created in IAM through this service level change will be offset by increasing requirements of the HRM Capital Project program.• The Long Range Capital Planning program will be under significant operational pressure in the coming business cycle. This service will still be provided as a core component of IAM's departmental objective. However, the need for strategic alterations and service level alterations in this program will outpace the Business Unit's human resource capacity during the 2008/09 business cycle.• Delivery of Design and Construction Capital Project Planning service is expected to be under significant pressure during 2008/09 due to increases in service demand exceeding the Business Unit's human resource capacity.• Demands for Parks and Facilities Capital Project Delivery are expected to outpace IAM's human resource capacity based on current levels. This will result in the Business Unit being under significant pressure to deliver the full range of projects as outlined in the proposed Capital Budget.

Service Level Changes

Expected Services Not Being Delivered:

The following IAM services cannot be delivered within the 2008/09 business cycle based on existing human resource levels;

- **Capital Project Communication and Public Consultation** - The need for improvements in Capital Project public communication and consultation has been identified. This service is not currently available within the business unit. Based on existing human resource levels, it cannot be delivered within the 2008/09 business cycle.
- **Strategic Parks Policy Development** - This service is also not currently available in the business unit on a continuous basis under existing resource levels. Delivery of this program cannot be achieved during the 2008/09 business cycle.
- **Environmental Sustainability Reporting** - Coordination of this service is not achievable during the coming business cycle based on current staff levels.

FTEs: projected incremental FTEs / changes to FTEs (e.g. temporary to permanent).

- 2 FTEs, through the capital budget, to support the Corporate Asset Management Project (Strategic Analysts).
- 1 FTE, through the capital budget, to support the Cogswell Design & Administration (Project Manager Urban Design Implementation).