

BUDGET 2020

FLEET, FACILITIES and ENGINEERING

Innovative and sustainable assets contribute to the safety, health, and enjoyment of our citizens. Fleet, Facilities and Engineering oversees the engineering and construction of critical new infrastructure, such as roads, trails, and civic amenities, and provides the ongoing maintenance and management of City facilities. Fleet, Facilities and Engineering are responsible for maintaining fleet and equipment that ensure the delivery of valued City services such as fire protection, snow removal, park maintenance, and municipal enforcement. Through long-range planning, the cost and timing of new construction projects are managed to reduce the impact to taxpayers.



The subsequent pages provide information on the department's budget and 2020 operating budget requests



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Programs We Manage

Fleet, Facilities and Engineering

Notes	Programs	2019 Approved Budget	2020 Proposed Budget	Variance
1	Capital Construction, Project Management, Planning, and Engineering Support	\$ 556,037	\$ 436,054	\$ (119,983)
	Traffic Safety	46,833	48,306	1,473
2	Capital Procurement	216,153	229,502	13,349
3	Development Engineering	158,618	162,214	3,596
	Interdepartmental Engineering Support	52,952	54,425	1,473
	Lot Grading Program	(59,270)	(58,885)	385
	Service Inspections	(37,723)	(38,093)	(369)
4	Building Maintenance and Operation- Facilities	2,040,252	1,976,451	(63,801)
	Custodial Services-Facilities	990,720	989,785	(935)
5	Facility Life Cycle	989,312	1,148,164	158,851
	Indoor Ice Rental-JRC & Sportsplex	177,394	182,731	5,336
	Indoor Ice Spontaneous Use-JRC & Sportsplex	21,339	21,329	(10)
	Indoor Ice Dry Surface Rental-JRC & Sportsplex	32,432	37,992	5,560
6	Fleet and Equipment Planned/Preventative Maintenance	695,048	785,167	90,119
7	Fleet and Equipment Repairs	\$ 332,133	\$ 370,412	\$ 38,279

Program costs include both revenue and expenses.

Significant Adjustment Notes

1	Capital Construction, Project Management, Planning, and Engineering Support			
	Remove 2019 one-time project 72-0172 Future Capital Budget Planning			\$ (300,000)
	Demolition of Secondary Building at Gymnastics Site (request 72-0182 on pg. 06-9)			\$ 150,000
	Annexation one-time cost for moving the Highway 21 entrance sign (request 61-0045 on pg 05-13)			\$ 25,000
	Engineering Manager position reallocation (pg. 04-5 in Personnel Requests)			\$ 5,200
2	Capital Procurement			
	Engineering Manager position reallocation (pg. 04-5 in Personnel Requests)			\$ 2,200
	Fleet & Facilities Coordinator position reallocation (pg 04-5 in Personnel Requests)			\$ 11,200
3	Development Engineering			
	Engineering Manager position reallocation (pg. 04-5 in Personnel Requests)			\$ 3,600
4	Building Maintenance and Operation- Facilities			
	Reallocation of electricity costs to Traffic Control and Lighting and Playgrounds and Outdoor Venue Maintenance			\$ (43,600)
	Operating impact of capital project 18043 Gymnastics Facility			\$ (31,740)
	Engineering Manager position reallocation (pg. 04-5 in Personnel Requests)			\$ (14,400)
	Fleet & Facilities Coordinator position reallocation (pg 04-5 in Personnel Requests)			\$ (5,000)
	Operating impact of capital project 20042 Fire Station Direct Capture Exhaust System			\$ 5,000
	Minor reallocations of natural gas and water/sewer/solid waste costs from other facilities			\$ 8,000
	Waste Sorting Stations in Facilities & Parks (request 43-0017 on pg. 05-11)			\$ 14,900
5	Facility Life Cycle			
	Fire Hall Generator Replacement (request 72-0190 on page 06-11)			\$ 190,000
	Fleet & Facilities Coordinator position reallocation (pg 04-5 in Personnel Requests)			\$ (31,200)
6	Fleet and Equipment Planned/Preventative Maintenance			
	Fleet Services Increase to Repairs and Maintenance (request 32-0059 on pg 06-7)			\$ 56,000
	Increase in fuel costs			\$ 16,000
	Fleet & Facilities Coordinator position reallocation (pg 04-5 in Personnel Requests)			\$ 11,200

	Operating impact of capital project 20048 Municipal Enforcement Patrol Vehicle	\$	6,625
	Operating impact of capital project 19030 Mobile Message Board	\$	400
	Operating impact of capital project 19004 Highway Safety Equipment	\$	400
7	Fleet and Equipment Repairs		
	Fleet Services Increase to Repairs and Maintenance (request 32-0059 on pg 06-7)	\$	24,000
	Fleet & Facilities Coordinator position reallocation (pg 04-5 in Personnel Requests)	\$	11,200
	Operating impact of capital project 20048 Municipal Enforcement Patrol Vehicle	\$	2,625

Fleet, Facilities and Engineering

2020 Proposed Operating Budget

	2020 Base Budget	2020 Proposed Budget	\$ Change	Notes
Operating Revenue				
User Fees & Charges	\$ 1,108,190	\$ 1,168,894	\$ 60,704	1
Government Operating Grants	2,500	2,500	-	
Total Operating Revenue	1,110,690	1,171,394	60,704	
Operating Expenses				
Salaries, Wages, and Benefits	3,095,600	3,157,400	61,800	2
Contracted Services	1,608,146	1,947,546	339,400	3
Utilities	1,165,728	1,153,128	(12,600)	4
Materials and Supplies	885,614	992,464	106,850	5
Service Maintenance Contracts	8,000	8,000	-	
Training and Development	25,335	25,335	-	
General Administration	35,550	35,550	-	
Other Expenses	17,500	17,500	-	
Total Operating Expenses	6,841,473	7,336,923	495,450	
Other Items				
Transfers to Reserves	621,500	707,750	86,250	6
Transfers from Reserves		(377,200)	(377,200)	7
Internal Allocations Between Funds	(123,100)	(123,100)	-	
Total Other Items	498,400	207,450	(290,950)	
Net (Surplus)/Deficit	\$ 6,229,183	\$ 6,372,979	\$ 143,796	

Notes For Changes

- Note 1: User Fees & Charges increased due to inflation and \$60k in rental revenue from the City owned Gymnastics facility.*
- Note 2: Salaries, Wages & Benefits increased due to the reclassification of an Engineering Coordinator position to a manager position (\$14.4k, refer to the Personnel Summary, pg. 04-5), salary grid adjustment as per policy FIN-024-C (\$11k), bi-annual cleaning at Fort Heritage Precinct (\$7.6k) and Fleet and Facilities coordinator position (\$29k, refer to Personnel Summary, pg. 04-5).*
- Note 3: Contracted Services increased due to \$150k for the Demolition of Secondary Building at Gymnastics Site (72-0182, pg. 06-9), \$190k for the Fire Hall Generator Lifecycle Replacement (72-0190, pg. 06-11) and cost (\$25k) associated with Annexation - Municipal Services (61-0054, pg. 05-13.) These are partially offset by a reallocation to Salaries and Wages for the Fleet and Facilities Coordinator (\$29k, refer to Personnel Summary, pg. 04-5).*
- Note 4: Changed due to a reallocation in electricity cost based on current trends (\$36.3k). This is offset by capital impact cost for Gymnastics Facility (\$3.5k), reallocation for waste collection fees from commercial waste contract (\$10k), adjustment in natural gas based on current trends (\$7.5k) and \$2.7k for Waste Sorting Station in Facilities and Parks (43-0017, pg. 05-11).*
- Note 5: Decrease due to a reallocation of \$14.4k to Salary, Wages and Benefits for the reclassification of an Engineering Coordinator position to a manager (refer to the Personnel summary, pg. 04-5). This is offset by a increase of \$9k due to Municipal Enforcement Patrol Vehicle project (20048), \$80k due to Fleet Services increase to Repairs and Maintenance (32-0059, pg.06-7), fuel adjustment of \$16k due to a potential Federal Fuel Tax in 2020 and \$12k for Waste Sorting Station in Facilities and Parks (43-0017, pg. 05-11).*
- Note 6: Transfers to Reserves increased due to the operating impact from 2019 approved capital projects (\$10k) and \$76k for the Infrastructure Lifecycle Reserves Contribution increase (12-0161, pg. 24-9).*
- Note 7: Transfers from Reserves increased due to \$150k for the Demolition of a Secondary Building at Gymnastics Site (72-0182, pg. 06-9), \$190k for Fire Hall Generator Lifecycle Replacement (72-0190, pg. 06-11), \$12k the Waste Sorting Stations in Facilities and Parks (43-0017, pg. 05-11) and \$25k for Annexation-Municipal Services (61-0054, pg. 05-13).*

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2020 OPERATIONS BUDGET REQUEST

32-0059 - Fleet Services Increase to Repairs and Maintenance Fleet, Facilities & Engineering

Type of request: Maintain existing service level; ongoing request

Challenge/community need:

The Fleet, Facilities and Engineering department has evaluated the status and base costs of fleet preventative maintenance and repairs. The department has experienced overage costs for the past two years due to major repairs and proactive maintenance of equipment, including plow trucks, graders, mowers and sweepers. By performing more proactive maintenance, Fleet Services is able to provide reliable equipment that is ready for use when it is needed. This equipment supports many City services, such as snow clearing, street sweeping, road work, parks maintenance, fire response and municipal enforcement.

The current budget is not adequate to support the major repairs that are arising and there is no money remaining in the existing budget to reallocate to the maintenance program.

Initiative description:

Fleet, Facility and Engineering's base budget must be adjusted to match actuals to allow the department to become more proactive and catch up on the backlog of maintenance. This will reduce unnecessary repair costs in the future and provide a more reliable fleet to user departments that require equipment for essential service delivery.

The budget is split 70/30—70% is allotted for preventative maintenance and 30% for unplanned repairs. The department's analysis shows this structure will help to prevent a shortfall in repair and maintenance budget dollars in the future.

Alignment

Department Business Plan:

Goal 2—Continue to review and implement best practices.

Goal 4—Develop and implement asset management programs for City infrastructure.

2018 – 2022 City of Fort Saskatchewan Strategic Plan:

Positioned for Growth—Strategically plan, prepare and manage responsible and sustainable growth for our residents and businesses.

Excellence in Government—Continuous improvement, constantly looking for ways to improve our services through planning, innovation, collaboration and consultation.

Well Planned and Maintained Municipal Infrastructure—Strategically manage, invest, and plan for sustainable municipal infrastructure.

Program costing:

Fleet and Equipment Repairs

Fleet and Equipment Planned/Preventative Maintenance

Other City reports, plans or studies: N/A

Financial Information

Cost: \$80,000

Funding source: Property Tax Revenue

Future operating impacts:

Operating budgets will support future maintenance of equipment at this level.

Budget analysis:

No reoccurring surpluses exist to support this initiative, and there are no other services or activities that can be eliminated to provide a source of funding.

Service Level Impacts

Other City departments impacted by the initiative:

Public Works (Roads Services and Parks Services), Recreation Services, Fire Services, and Municipal Enforcement.

Service level comparison:

Most municipalities have preventative maintenance programs for their vehicle and equipment fleet.

2020 OPERATIONS BUDGET REQUEST

72-0182 - Demolition of Secondary Building at Gymnastics Site Fleet, Facilities & Engineering

Type of request: New initiative; one-time request

Challenge/community need:

In 2018, the City purchased a building for gymnastic programming. On the site is an office building that is at the end of its lifecycle and in poor condition. The building assessment report that was completed at the time of purchase recommended demolishing the building, as it is beyond cost-effective to repair. The current tenant signed a one-year agreement that expires at the end of 2019, at which point he will be vacating the space. Once vacated, the building will deteriorate at an accelerated rate, creating a safety hazard and liability.

Initiative description:

Demolishing the office building on the gymnastics facility site will ensure the site is safe for community use, remove liability and allow the City to better plan for site development in the future.

Based on historical demolition projects and the needs identified within the building assessment report, \$50,000 has been allocated for hazardous materials abatement and \$100,000 for demolition.

Alignment

Department Business Plan:

Goal 1—Help ensure the City is prepared for future growth.

Goal 4—Develop and implement asset management programs for City infrastructure.

2018 – 2022 City of Fort Saskatchewan Strategic Plan:

Positioned for Growth—Strategically plan, prepare and manage responsible and sustainable growth for our residents and businesses.

Well Planned and Maintained Municipal Infrastructure—Strategically manage, invest, and plan for sustainable municipal infrastructure.

Program costing:

Capital Construction, Project Management, Planning and Engineering Support

Other City reports, plans or studies: Building Assessment Report

Financial Information

Cost: \$150,000

Funding source: Land Purchases Reserve

Future operating impacts:

Operating budgets will support the maintenance of the parking lot and grass areas as part of the base budget.

Budget analysis:

No reoccurring surpluses exist to support this initiative, and there are no other services or activities that can be eliminated to provide a source of funding.

Service Level Impacts

Other City departments impacted by the initiative: N/A

Service level comparison:

Demolition of end of lifecycle facilities is a common and necessary function.

2020 OPERATIONS BUDGET REQUEST

72-0190 – Fire Hall Generator Replacement Fleet, Facilities & Engineering

Type of request: Maintain existing service level
<p>Challenge/community need:</p> <p>The generator at the Fire Hall undergoes a load test every two years to ensure it is operating properly. The test completed in 2019 showed that the generator is only running at 65% capacity and will be unable to support the Fire Hall with adequate power during a power outage. The generator is over 25 years old and parts for repair are unavailable.</p>
<p>Initiative description:</p> <p>The purchase of a new generator to replace the existing Fire Hall generator will ensure that the facility runs efficiently and receives adequate power in the event of a power outage. The generator will allow Fire Services to maintain operations at all times and provide the community with critical emergency response.</p>

Alignment

Department Business Plan: N/A
<p>2018 – 2022 City of Fort Saskatchewan Strategic Plan:</p> <p>Well Planned and Maintained Municipal Infrastructure—Strategically manage, invest, and plan for sustainable municipal infrastructure.</p>
<p>Program costing:</p> <p>Facility Life Cycle</p>
Other City reports, plans or studies: N/A

Financial Information

Cost: \$190,000
Funding source: Facility Lifecycle Replacement Reserve
<p>Future operating impacts:</p> <p>There is no operating impact, as the current base budget already provides for maintenance of a generator at the Fire Hall.</p>

Budget analysis:

No reoccurring surpluses exist to support this initiative, and there are no other services or activities that can be eliminated to provide a source of funding.

Service Level Impacts

Other City departments impacted by the initiative:

Fire Services

Service level comparison:

It is a best practice to have back-up generators for critical municipal buildings.