PUBLIC WORKS AND SERVICES

1. OVERVIEW

MISSION

The Department of Public Works and Services mission is to deliver quality services to satisfy the needs of its clients, while achieving the best value for government, communities, business and residents.

GOALS

1. Suitable facilities are available to support delivery of government programs.
2. Protection of life and property is achieved through the enforcement of the provisions of electrical, gas, boiler and pressure vessel legislation.
3. Suitable information technology infrastructure and services are available to support the delivery of government programs and services.
4. Basic community needs for heating, transportation and power generation fuels are met through the safe and reliable provision of fuel services.
5. Effective management of government records.

PROPOSED BUDGET ($000)

Total Operating Expenses	$59,571
Compensation & Benefits	$21,591
Grants & Contributions	-
Other O&M	$33,553
Amortization	$4,427
Infrastructure Investment	$25,328

SCOPE OF OPERATIONS

Public Works and Services (PWS) has a proposed budget of $59,571,000 for 2010/11. However, this figure does not accurately represent the scope of work that PWS is responsible for providing. PWS provides services through revolving funds, chargeback accounts, agreements with other government departments, boards and agencies, and is responsible to deliver capital programs on behalf of other departments. The following provides a picture of the actual magnitude of the operations undertaken in PWS based on 2009/10 funding:

Activity	**Funding ($000's)**
Operations and Maintenance Base	$56,136
PWS Capital Acquisition Plan (Includes 2008/09 carryovers and Supplementary Appropriations)	$40,724
TSC Chargeback	$14,834
Petroleum Products Revolving Fund	$36,335

Public Stores Revolving Fund	$325
Vote 4/5: Work performed on behalf of others	$2,403
Vote 1 Recoveries: Work performed for other departments (Maintenance for Justice, ENR and ITI)	$2,000
Projects Using Client Funding	$140,000
Total Scope for 2009/10	**$292,757**

PROPOSED POSITIONS

Headquarters (HQ)	113 positions
Regional/Other Communities	153 positions

KEY ACTIVITIES

- *Corporate Management*
- *Asset Management*
- *Technology Service Centre*
- *Petroleum Products*

STRATEGIC ACTIONS

Refocusing Government

- Change the GNWT's Approach to Infrastructure
  - Risk Management and Safety Program (Deferred Maintenance and Wood Pile Remediation Program)
  - New Capital Planning, Process
  - Corporate Capital Planner
  - New Indeterminate Trades
  - Consolidation of Utilities Tracking
  - O&M of GNWT Buildings

- Manage the Cost of Government
  - Financial Shared Services & Procurement

Maximizing Opportunities

- Improve Skills for Living and Working
  - New Apprentices in Designated Trades and Occupations

Managing This Land

- Protect Territorial Water
  - Water Supply System Upgrades, Training and Support

- Mitigate and Adapt to Climate Change Impacts
  - Reducing GNWT Energy Use

2. EMERGING ISSUES

Improving the Management of GNWT Infrastructure

In response to the infrastructure challenges faced in the NWT, the Premier established the Ministerial Sub-Committee for Infrastructure to review, advise and provide recommendations on how best to plan for, acquire and deliver infrastructure projects in the territory.

Under the guidance and direction of the Ministerial Sub-Committee for Infrastructure, the Departments of Public Works and Services, Transportation, and the Northwest Territories Housing Corporation are working collaboratively to support Cabinet's direction that an examination of options be undertaken, including the organizational design of an infrastructure department, to improve the management of GNWT infrastructure, particularly at the regional and community level.

Economic Environment

Until mid 2008, the NWT had experienced unprecedented economic growth over the past few years. The establishment of new mining ventures, as well as exploration and development activities related to oil and gas all contributed to a construction boom.

Construction activity in the North consumed most available Northern trades, general labour and architectural and engineering resources. Companies had been forced to recruit from the south to deliver construction projects. This resulted in a significant increase or spike in the cost of construction and a decreased ability to hire contractors to undertake routine maintenance activities. The lack of competition had the greatest impact on construction costs with some projects coming in well over the project estimate.

The NWT economy and the NWT mining and oil and gas sector in particular, experienced a slowdown in late 2008, freeing up some NWT capacity to bid on the GNWT capital and maintenance projects. The reduced activity in the mining sector has provided additional contractor competition that has yielded better pricing and a more sustained/focused effort to complete projects on time.

The general contractor pool capable of bidding on large capital projects (facilities) has improved marginally with more competition on Yellowknife construction projects but to a lesser extent elsewhere. With increased competition, construction cost escalation has stabilized from 20% in 2008 to about 5% in 2009. However, there continues to be limited mechanical and electrical sub-contractors bidding on large capital projects and limited contractor resources for regional contracted maintenance work.

Tender results indicate that we are well within the estimated 5% inflation estimated for 2009/10. With the volume of work being delivered by the GNWT and the number of available contractors, it can be assumed the 5% inflation allowance will hold for the upcoming fiscal year.

Devolution

The devolution process also has the potential to present challenges for Public Works and Services. As responsibilities and the associated positions are transferred from the federal government to the territorial government, PWS will be required to lease or build additional office accommodations to house the additional employees, and there will also be impacts on the TSC, records storage and other areas of PWS. This will present a significant challenge as suitable office space is currently at a premium in the NWT.

Consolidation of Boards and Agencies

A potential consolidation and amalgamation of boards and agencies in the NWT may have impacts on the services delivered by Public Works and Services. This type of reorganization may result in an increase in the level of services delivered to boards and agencies by the Technology Service Centre, and could also impact the current inventory of leased and owned office space.

Cost of Fuel

In response to the challenge of fluctuating oil prices and increased volatility in the market, the Petroleum Products Division (PPD) is focused on exploring strategic partnerships and ways to stabilize the cost of fuel products for people in communities served by the program.

Climate Change

Climate change is a global issue and is expected to affect all of Northern Canada, the Western Arctic, and particularly the Mackenzie Delta, is anticipating severe impacts. Warming air and soil temperatures and increased precipitation will affect the performance of existing infrastructure. Design and maintenance of future infrastructure must take into account the conditions which may be expected during the life of the facility.

Increased Consumption of Internet Bandwidth

Departments are increasingly reliant on the internet to provide services to residents of the NWT. Network usage reports indicate that GNWT departments are requiring 50% more internet bandwidth per year. Examples of the type of internet traffic that is being generated between NWT and the south include medical information transfer, DOT permitting information, access to GNWT applications from third party contractors/suppliers, general GNWT business internet traffic (e.g. e-mail, hiring, departmental research), NWT resident access to government services, schools and colleges distance education, research and curriculum information.

In May of 2009, a surge in internet usage resulted in the purchase of additional internet bandwidth to meet 2009/10 in-year needs, and departments funded this additional requirement from within existing appropriations. However, based on the growing demand, notably from Education, Culture and Employment and Health and Social Services, it is anticipated that there will be increased chargeback costs to departments in 2010/11.

In addition to the growing network usage costs, increased demand for technical solutions requires more rigorous network performance and security standards as well as increased TSC resource time to design, implement, test and support more complex projects.

3. 2010-11 PLANNING INFORMATION

The detailed description of planned activities for the department includes the following sections:

a) Fiscal Position and Budget
b) Update on Key Activities and Results Reporting
c) Update on Strategic Activities
d) Overview of Infrastructure Investments
e) Legislative Initiatives
f) Human Resource Overview
g) Information System and Management Overview

a) Fiscal Position and Budget

DEPARTMENTAL SUMMARY

	(000's)			
	Proposed Main Estimates 2010-11	**Revised Estimates 2009-10**	**Main Estimates 2009-10**	**Main Estimates 2008-09**
OPERATIONS EXPENSE				
Directorate	6,929	6,673	6,363	6,589
Asset Management	49,596	47,378	46,727	49,229
Technology Service Centre	1,267	1,267	1,267	953
Petroleum Producs	1,779	1,779	1,779	1,029
TOTAL OPERATIONS EXPENSE	**59,571**	**57,097**	**56,136**	**57,800**
REVENUES	**1,884**	**1,884**	**1,665**	**1,665**

Note: Revised Estimates for 2009-10 includes the 2009-10 allocation of the funding associated with the recently concluded Collective Agreement between the Government of the Northwest Territories and the Union of Northern Worker, in the amount of $961,000

OPERATION EXPENSE SUMMARY

	Main Estimates 2009-2010	Revised Estimates 2009-2010	Proposed Adjustments: Forced Growth	Strategic Initiatives	Sunsets and Other Adjustments	Internal Reallocations	Proposed Budget 2010-2011
DIRECTORATE							
Department Management	**542**	**560**	22	0	0	0	**582**
Finance	**886**	**990**	16	0	0	0	**1,006**
Policy and Planning	**429**	**444**	17	0	0	0	**461**
Information Services	**1,575**	**1,612**	38	0	0	0	**1,650**
Regional Program Delivery	**2,931**	**3,067**	105	0	58	0	**3,230**
Amortization	**0**	**0**	0	0	0	0	**0**
TOTAL DIRECTORATE	**6,363**	**6,673**	**198**	**0**	**58**	**0**	**6,929**
ASSET MANAGEMENT							
Division Management	**815**	**829**	12	0	0	0	**841**
Contract and Procurement Services	**576**	**600**	28	125	0	0	**753**
Facility Planning	**1,137**	**1,181**	45	134	0	0	**1,360**
Technical Support	**1,733**	**1,794**	63	0	(5)	0	**1,852**
Water and Sanitation		**0**	0	0	0	0	**0**
Inspection Services	**1,179**	**1,230**	47	0	(2)	0	**1,275**
Property Management	**869**	**879**	7	0	0	0	**886**
Leases	**17,632**	**17,632**	951	0	0	0	**18,583**
Building and Works	**12,409**	**12,711**	515	0	0	0	**13,226**
Vehicles and Equipment	**445**	**448**	5	0	0	0	**453**
Utilities	**2,038**	**2,038**	738	0	0	0	**2,776**
Regional Projects	**2,738**	**2,870**	96	0	0	0	**2,966**
Facility Risk Management & Safety	**3,775**	**3,785**	9	0	(550)	0	**3,244**
Amortization	**1,381**	**1,381**	0	0			**1,381**
							0
TOTAL ASSET MANAGEMENT	**46,727**	**47,378**	**2,516**	**259**	**(557)**	**0**	**49,596**
TECHNOLOGY SERVICE CENTRE							
Amortization	**1,267**	**1,267**	**0**	**0**	**0**	**0**	**1,267**
TOTAL TECHNOLOGY SERVICE CENTRE	**1,267**	**1,267**	**0**	**0**	**0**	**0**	**1,267**
PETROLEUM PRODUCTS							
Amortization	**1,779**	**1,779**	**0**	**0**	**0**	**0**	**1,779**
TOTAL PETROLEUM PRODUCTS	**1,779**	**1,779**	**0**	**0**	**0**	**0**	**1,779**
TOTAL DEPARTMENT	**56,136**	**57,097**	**2,714**	**259**	**(499)**	**0**	**59,571**

Note: Revised Estimates for 2009-10 includes the 2009-10 allocation of the funding associated with the recently concluded Collective Agreement between the Government of the Northwest Territories and the Union of Northern Worker, in the amount of $961,000.

Forced Growth under Proposed Adjustments includes funding associated with the increased cost of delivering services and also the 2010-11 allocation of the funding associated with the recently concluded Collective Agreement between the Government of the Northwest Territories and the Union of Northern Worker, in the amount of $735,000.

REVENUE SUMMARY

	(000's)			
	Proposed Main Estimates 2010-11	**Main Estimates 2009-10**	**Revised Estimates 2008-09**	**Main Estimates 2008-09**
TRANSFER PAYMENTS				
Labour Canada Agreement	42	42	35	35
`				
GENERAL REVENUES				
Electrical Permits Fees	475	475	370	370
Boiler Registration Fees	370	370	320	320
Gas Permit Fees	65	65	65	65
Elevator Permit Fees	75	75	40	40
Tender Document Fees	10	10	10	10
Administration Fees		-	-	-
	995	**995**	**805**	**805**
OTHER RECOVERIES				
Water/Sewer Maintenance Servic	380	374	391	391
Rental to Others	234	200	201	201
Parking Stall Rentals	13	13	13	13
Sale of Heat Supply	50	50	50	50
Sale of Surplus Assets	100	100	100	100
Amortization recoveries	70	70	70	70
	847	**807**	**825**	**825**
GRANTS IN KIND	-	-	-	-
CAPITAL	-	-	-	-
REVENUES	**1,884**	**1,844**	**1,665**	**1,665**

Public Works and Services

2010-11 Business Plan

Technology Serrvice Centre - Chargeback Information Item

The Technology Service Centre is responsible for providing centralized computer services to departments. The services include centralized computer processing, service desk, and desktop and network support. The division manages the GNWT's corporate electronic mail system and Internet web site. The Technology Service Centre also maintains and supports a Wide Area Network that provides connectivity to GNWT offices, schools and health centres in all communities, enabling access to remote servers and centralized systems within the government and to the Internet.

	(000's)			
	Proposed Main Estimates 2010-11	Revised Main Estimates 2009-10	Main Estimates 2009-10	Actuals 2008-09
Income				
Executive	306	281	278	265
Human Resources	900	806	798	773
Legislative Assembly	329	259	256	246
Finance	746	729	719	700
Municipal & Community Affairs	758	728	720	699
Transportation	1,192	1,096	1,085	1,052
Public Works & Services	942	858	849	829
Health & Social Services	3,505	3,019	2,987	2,903
Industry, Tourism & Investment	1,144	1,122	1,110	688
Environment & Natural Resources	1,666	1,541	1,525	1,901
Education, Culture & Employment	3,849	2,683	2,655	2,591
Justice	1,520	1,473	1,458	1,418
NWT Housing Corporation	297	224	224	221
Aboriginal Affairs & Intergovernmental Relations	165	172	170	159
	17,319	**14,991**	**14,834**	**14,445**
Expenditures				
Salaries	6,275	6,141	5,984	5,559
Other Operations	11,044	8,850	8,850	8,886
	-			
	17,319	**14,991**	**14,834**	**14,445**
Surplus	-	-	-	-

Notes:

1. As TSC clients continue to implement new network delivered solutions to meet changing program requirements the corresponding demand for increased network services is driving up bandwidth (Network and Internet) requirements and costs.
2. The 2010-11 Chargeback budget is still under review pending a decision on the increased network costs and the amount clients can absorb in 2010-11 to reduce the requirement for additional new funding.
3. Any deficit is funded through the Department of Public Works and Services appropriations, and any surplus earnings are lapsed.

Public Works & Services

2010 - 2011 Business Plans

Petroleum Products Revolving Fund

The Petroleum Products Revolving Fund was established January 19, 1973. The fund provides working capital to finance inventory, accounts receivable and operating expenses, such as salaries, commissions, taxes and quality control, required for the distribution of petroleum products. Operating expenses are recovered through the price structure to achieve a break-even operation.

	(thousands of dollars)			
	Projected Main Estimates 2010-2011	**Revised Main Estimates 2009-2010**	**Main Estimates 2009-2010**	**Actuals 2008-2009**
Authorized Limit	55,000	55,000	55,000	55,000
Income				
Sales Income After Taxes	36,937	36,213	36,213	34,209
Other Revenue	20	20	20	1,122
	36,957	**36,233**	**36,233**	**35,331**
Expenditures				
Salaries	1,923	1,876	1,831	1,714
Other Operations and Maintenance	1,525	1,505	1,452	2,470
Commissions	2,320	2,109	2,109	2,063
Cost of Goods Sold	31,389	30,943	30,943	29,000
	37,157	**36,433**	**36,335**	**35,247**
Surplus (Deficit)	**(200)**	**(200)**	**(102)**	**84**
Petroleum Products Stabilization Fund				
Opening Balance	424	624	552	540
Surplus / (Deficit)	(200)	(200)	(102)	84
Closing Balance	**224**	**424**	**450**	**624**

b) Update on Key Activities and Results Reporting

CORPORATE MANAGEMENT

Description

The Directorate includes the Deputy Minister’s office and Corporate Services Division at Headquarters. In the regions, the Directorate includes the Superintendent and the Finance and Administrative services. The Directorate is responsible for the overall management of the department, managing human and financial resources and providing overall direction and planning. Activities in the Directorate include financial administration, policy and planning, information systems and records management, and regional program delivery.

Records Management is responsible for the delivery of services to GNWT departments, boards, and agencies. Responsibilities include developing government-wide policies, standards and guidelines, support and training, records storage and retrievals and maintaining systems such as the Administrative Records Classification System (ARCS) and the Integrated Recorded Information Management System (iRIMS). It also coordinates the operation of four GNWT records centres, located in Yellowknife, Inuvik, Fort Smith and Fort Simpson. Establishment of a fifth records centre in Hay River will be completed in the summer of 2009-10, and become fully operational by October 2009.

The Directorate co-ordinates activities in support of GNWT priorities and departmental goals, and maintains effective communication within the department, and with other departments, governments including aboriginal self-governments, the private sector, and other interest groups.

Major Program and Service Initiatives 2010/11

Multi-Media Vital Records Storage Facility
Vital records are those records that are critical to sustaining an organization's business during or after a period of crisis. Typically, one to five percent of an organization's records can be considered vital. In the GNWT, many of these records document current and future contractual obligations, and should be protected to safeguard both the GNWT’s interests and its obligations to the public. Secure facilities are needed to protect vital records or preserve backup copies of vital records. The majority of documents currently in storage are paper.

Desktop applications are increasingly being used to support the creation, circulation, editing, and storage of government documents. In addition, large-scale electronic database systems are increasingly being used to manage and maintain critical government information resources such as human resource information and financial information. Reliance of the GNWT on paper-based documentation is being replaced by a reliance on records available and accessible only in electronic format.

Construction of the Multi-Media and Vital Records facility will be completed during the 2009/10 fiscal year. Once complete, PWS will develop a government-wide communication outlining the benefits of the facility and encouraging departments to begin using it to digitize paper records as part of their vital records programs. In addition, departments will be able to transfer their long term and permanent paper records to a digital format. This will reduce the amount of physical space that departments will need to house their long term or permanent records.

The storage portion of the facility has been setup to store records in mediums other than paper e.g. electronic tapes, compact disks, optical disks, voice and video recording. This will facilitate a longer-term transition from paper records to electronic records.

Four Year Business Plan Update

Results to Date

The responsibility for effectively representing territorial interests at CRTC regulatory hearings was in PWS many years as the department was responsible for acquiring telephones and telephone service for GNWT departments (since transferred to departments under User Say/ User Pay initiative in 1996). Up until the amalgamation of the System and Computer Services division (S&CS) with the Technology Service Centre (TSC) to form the new TSC in 2005, PWS, through S&CS had the human resource capacity to effectively fulfill this role.

Since amalgamation in 2005, the TSC has not had the human resource capacity to fulfill this role and the Deputy Minister, PWS with the assistance of staff resources from the Office of the Chief Information Officer (OCIO) in FMBS have been fulfilling the role along with assistance from an experienced consultant.

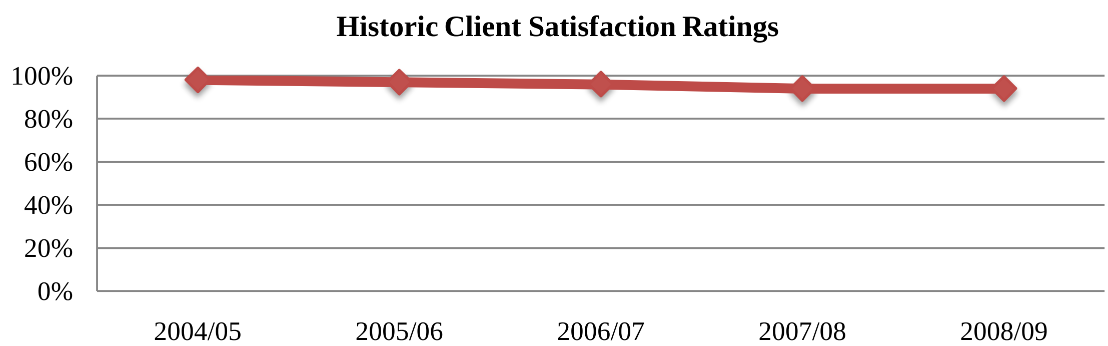
Given that the role and utilization of telephony technology to transfer voice and data traffic, while still important, is diminishing in favour of other emerging technologies (e.g. wireless, VOiP, internet, satellite etc) that are not only becoming the dominant way to transport voice and data traffic, these technologies are converging and there is a requirement for the GNWT to take a more holistic approach to these technologies. The GNWT's goal is to ensure that the interests of the GNWT and NWT residents are fully considered with respect to any future decisions the CRTC and/or the Government of Canada may take with respect to market regulation of these required services.

The OCIO is in the best position to take on this activity as they are already dealing with Canada with respect to broadband issues and deal with the private sector, on behalf of the GNWT, for cell phone services.

As of 2009/10 PWS transferred responsibility for representing territorial interest at CRTC regulatory hearings and $60,000 in O&M funding (to retain consulting services) to the OCIO in the department of Finance.

Changes to the Four Year Business Plan
None

Records Management
Overall Client Satisfaction
Target: 80% satisfaction



PWS carries out client satisfaction surveys in February and March for the current fiscal year. As a result, data is not yet available for 2009/10. This information will be available in the 2011/12 Annual Business Plan.

Training requests are satisfied
Target: 100% of total

- In 2008/09, 100% of training requests were met. So far, 100% of training requests in 2009/10 have been met. The following table illustrates the actual training results for the past nine years with the total number of GNWT employees trained.

Year	No. of Staff Trained
2004-05	412
2005-06	283
2006-07	252
2007-08	217
2008-09	242
Total	**2,299**

Response to routine records retrievals
Target: 100% are completed within 24 hours

- In 2008/09, 100% of routine records retrievals have been completed within 24 hours.

Response to urgent records retrievals requests
Target: 100% are completed within 2 hours

- In 2008/09, 100% of urgent records retrievals have been completed within 2 hours.

The following table illustrates the number of files/boxes retrieved and returned to GNWT Records Centres over the past nine years.

Fiscal Year	Files/boxes retrieved from Records Centres	Files/boxes returned to Records Centres
2004-05	4,883	3,501
2005-06	4,501	3,629
2006-07	3,128	2,135
2007-08	3,206	2,554
2008-09	3,405	2,740
2009-10 ①	487	242
Total	**25,873**	**19,669**

Note 1: 2009/10 totals are to July 2009

KEY ACTIVITY 1: ASSET MANAGEMENT

Description

The Asset Management Division is responsible, on behalf of government departments, for the planning, design, construction, operation and maintenance of buildings and works throughout the NWT. Regional offices manage the delivery of maintenance and project management services, ensuring that client needs are met and facility life cycle costs are minimized. Headquarters supports the regions by providing facility planning , technical expertise for program and design standards, facility evaluations, troubleshooting, facility commissioning, granular materials planning and coordination, procurement and project management support, and technical support for safe drinking water initiatives.

PWS assumes responsibility for energy management within the government facilities it maintains. For existing buildings, this includes energy consumption analysis and benchmarking, detailed energy audits, infrared thermal scanning, and the inspection of electrical and mechanical systems. For new buildings, the EcoEnergy Validation Program Protocol is used, which includes computer modeling of energy use. As part of the modeling, an energy workshop with designers, clients, and operators allows various equipment options to be discussed and simultaneously modeled for energy consumption and savings.

Asset Management also coordinates the GNWT's Capital Planning process as well as the planning, acquisition and management of general office space for the GNWT, including leases, and the disposal of the GNWT's surplus real property assets.

Inspection Services is responsible for the administration and regulation of electrical, elevator, boiler, pressure vessel and gas safety. These tasks protect the public by ensuring that all installations are constructed, all equipment is approved, and all workers are certified in accordance with the various codes and NWT Acts.

Major Program and Service Initiatives 2010/11

Risk Management and Safety Program – Deferred Maintenance Initiative
The Deferred Maintenance initiative provides increased levels of funding for maintenance of aging territorial infrastructure. This funding will address the backlog of maintenance issues identified through building condition assessments completed as part of the Risk Management Program. The benefits of this increased maintenance include:

- Safer, code updated buildings
- Reduction in unplanned building closures
- Continued availability of building space for program delivery
- Improved building energy efficiency
- Longer building lifespan

Improving Infrastructure Management
Under the guidance and direction of the Ministerial Sub-Committee for Infrastructure, the Department of Public Works and Services, Transportation, and the NWT Housing Corporation have worked collaboratively to support Cabinet's direction by undertaking an examination of options, including the organizational design of an infrastructure department, to improve the management of GNWT infrastructure, particularly at the regional and community level.

Energy Management Initiatives
Retrofits identified thorough energy audits completed by the energy management specialist will be undertaken to improve the energy efficiency of GNWT infrastructure that is maintained by PWS. Other energy management initiatives include biomass fuelled boiler conversions, Fort Smith electrical heating system conversions, and the application of improved energy standards to new infrastructure construction undertaken by PWS. The benefits of undertaking these initiatives include:

- Reductions in Greenhouse Gas emissions
- Reduction in consumption of non-renewable energy supplies
- Mitigation of building operating cost increases due to energy cost increases

Capital Asset Retrofit Program
Using the data gained through energy audits and mechanical/electrical system analysis of GNWT buildings and information collected by other on-site or background research, the best buildings for reinvestment (via renovation or retrofit) will be selected. Each year, this overall energy retrofit plan will be re-used to address several of the worst energy-consuming assets. This program supports the Government's objective to reduce energy costs and greenhouse gas emissions in the Northwest Territories. The department has funding approved for 2009/10 and approved in principle for 2010/11 and 2011/12 pending further substantiation.

This program will proceed in conjunction with the ongoing Capital Plan and the Deferred Maintenance Program, with both programs coordinated to ensure the realization of maximum energy savings with the best payback period without wasted expenditure by either program.

With the consolidation of utility payment and tracking in PWS, the department is proposing to capture the savings identified through its energy conservation initiatives and establish funding that would be used to offset the cost of delivering future energy conservation projects.

New Capital Planning Process
The Ministerial Sub-Committee for Infrastructure made a series of recommendations to better define the scope of project planning, and change the way that projects are approved in the capital planning process. These changes were approved by Cabinet and the Financial Management Board on May 15 2008.

The changes to the capital planning process will establish a process for selection and advancement of projects with the greatest public benefit and will maximize the value of the GNWT's scarce capital funding. The process has been changed to increase efficiency for the GNWT when planning, designing, contracting, and building public infrastructure.

Some of the more important changes being implemented are:

- Planning Studies
- Senior Management Review Committee (peer reviews)
- Projects must advance to a Class "C" Estimate and be reviewed by the Senior Management Committee before being recommended for inclusion in the Infrastructure Acquisition Plan
- Companion List of Projects at Planning Study Stage
- Value Analysis of Major Projects
- Design Standards and Criteria, including the development of standardized designs
- Class "C" Estimates Prior to Consultation Phase
- Condition Assessments
- Major Deferred Maintenance Projects

Four Year Business Plan Update

Results to Date

Risk Management and Safety Program – Deferred Maintenance Initiative

- PWS has completed facility condition inspections reports on 630 GNWT facilities.
- All facilities have been entered into the building condition database.
- As of May 11, 2009, PWS has identified approximately $470 million in deferred maintenance.
- Identified work has been prioritized into 5 levels of risk.
- It is anticipated that 75% of original identified $29 million Priority 1 (currently critical) work will be completed by March 31, 2010.

Improving Infrastructure Management

The Ministerial Sub-Committee for Infrastructure has approved the following options and recommendations:

- A shared services procurement model should be considered for implementation;
- All utility payments for Government operated and maintained buildings should be consolidated within PWS;
- Preventative maintenance of Government owned building infrastructure should be consolidated within PWS; and
- Fleet vehicle management and maintenance should be consolidated within DOT

The Department's of Transportation and Public Works and Services along with the NWT Housing Corporation will work together to implement the improvements approved by Cabinet.

Asset Management Reorganization
The Asset Management Division has been reorganized to be better positioned to respond to changes in the departmental operating environment as a result of:

- Changes to the GNWT infrastructure planning and acquisition processes
- Increased responsibilities in coordinating the GNWT capital plan
- Increased funding and focus on deferred maintenance
- Increased emphasis on energy management and funding for energy retrofits
- Increase activity in leasing and property management and a focus on strategic planning to address the renewal of large long term leases that are scheduled to mature in this planning period
- Strategic initiatives consolidating maintenance funding for preventative maintenance and utilities

Highlights of the reorganization include grouping the facility planning and technical services staff in a separate Design and Technical Services division, and grouping property management, quantity surveying, maintenance advisers, risk management, and capital planning staff in a separate Infrastructure, Operations and Accommodations' division.

Energy Management Initiatives

- In June, 2009 Public Works published and distributed the *Good Building Practices for Northern Facilities* guidebook. This new version of the guidebook has been updated to reflect technology advances and energy saving strategies, including application of the NRCan Eco Energy Validation Program protocol standards.
- PWS undertook numerous energy efficiency activities in planning, designing, building, maintaining and operating government-funded buildings and facilities. The initiatives included:
    - Installing biomass wood pellet boilers in Hay River and Fort Smith in the following facilities:
        - Harry Camsell, Princess Alexandra, École Boréale and Diamond Jenness Schools, and the Highways Maintenance Garage in Hay River; and
        - Thebacha College Complex, PWK School/Recreation Centre Complex, and the Health Centre in Fort Smith.
- In 2009/10, PWS has funding to purchase and install a biomass (wood pellet) heating system at the Legislative Assembly building to reduce annual operating costs and GHG emissions. It is anticipated that this project will reduce fuel consumption by 90,000 litres per year.

Federal Eco-Trust Funding
PWS projects in 2008/09 funded through the Federal Eco Trust Fund included:

- Electric Heat Conversion Project in the DOT Garage in Fort Smith;
- Installation of Wood Pellet Boilers in Chief Jimmy Bruneau School in Behchoko;
- The completion of energy audits on facilities across the NWT; and

- The investigation of alternative energy sources including options for geothermal heating systems.

Capital Asset Retrofit Program

- As of April 28, 2009:
    - 304 GNWT and municipal buildings have been reviewed through the Infrared Thermal Scanning Program; and
    - 38 detailed energy audits were completed to determine buildings most suitable for energy savings retrofits and greenhouse gas reduction.
- Energy data from all 35 schools in the NWT with floor areas greater than 1,000 square meters was compiled and compared to identify which buildings are consuming abnormal amounts of energy.
- All major GNWT facilities were reviewed to establish a list of potential opportunities for the use of biomass heating.

New Capital Planning Process

During the 2009/10 Main Estimates process, PWS established a Corporate Capital Planner position to fulfil a government-wide role in supporting the changes made in the capital planning and acquisition process for GNWT infrastructure.

The Corporate Capital Planner will manage the GNWT corporate capital planning process and oversee the Interdepartmental Working Group (IWG), and provide overall direction in the development of the GNWT's five-year capital plan for consideration by the Financial Management Board (FMB). Through the Corporate Capital Planner, PWS is responsible for:

- Managing the GNWT corporate capital planning process and overseeing the Interdepartmental Working Group (IWG), and providing overall direction in the development of the GNWT's five-year capital plan for consideration by the Financial Management Board (FMB).

- Coordinating GNWT departments in the review of their 20 year Capital Needs Assessment (CNA) and the priorities identified in the first 5 years. The position reviews the CNA and verifies the highest priority projects have been identified.

- Reviewing Project Substantiations to ensure adherence with objectives and requirements and collaborating with departments and specialized technical experts to address design and construction issues to ensure that the proposed projects incorporate good building practices.

- Ensuring departments are familiar with the GNWT's infrastructure planning and acquisition process, historic funding levels and the development of new capital initiatives.

- Preparing regular progress reports on the delivery of the Capital Plan.

Changes to Four Year Plan

General Purpose Office Space Review
The GNWT needs a wide variety of building types and space across the NWT to operate its programs. GNWT space needs represent a significant amount of the total office space need in every NWT community, and constitutes the majority in several. The general purpose office space occupied by the GNWT in Yellowknife comprises over 70% of the total general purpose office space used by the GNWT. Because of this concentration, the review will first address the Yellowknife market. The purpose of the Program Review, to be started in 2009/10, is to:

- Assess the relative costs of owning or renting general purpose office space in Yellowknife;
- Assess the impact that the GNWT practice in this area has or could have on markets and costs; and
- Recommend policy or procedure changes that will reduce long term costs.

Code Mandated Preventative Maintenance
Code mandated preventative maintenance is legislated by a number of codes and/or statutes in order to ensure that all buildings are operated and maintained in a safe condition. All GNWT owned and leased assets should be operated and maintained to consistent and cost-effective standards, and in accordance with NWT acts, codes and regulations. It is proposed as part of a strategic initiative that maintenance of the all GNWT assets, presently maintained by Justice, DOT Airports, ENR, and ITI (a total of 146 assets) will be transferred to PWS.

Building preventative maintenance, including code mandated maintenance are listed in the PWS Maintenance Standards Manual. The new PWS Computer Maintenance Management System (CMMS) generates the work orders for facility maintenance staff to either conduct the work themselves or retain contractors to perform the work. Reviews are conducted by PWS to determine the quantity of preventative maintenance work orders that are scheduled. The reviews are comprised of two sections; Planned Preventative Maintenance and Code Mandated Preventative Maintenance. The results are reviewed to determine how many work orders were completed and the rational for incomplete work orders.

Environmental Remediation for Assets at the End of their Useful Life
Currently, PWS is responsible for maintenance of:

- 157 assets over 40 years of age;
- 282 assets between 30-39 years of age; and
- 379 assets between 20-29 years of age.

The increasing age of its infrastructure is creating additional safety risks for the GNWT. As these GNWT assets come to the end of their useful life, PWS will surplus these assets in accordance with the Disposal of Improved Real Property, Policy 32.05.

An Environmental Site Assessment (ESA) will be completed on each building and its site in order to determine the level of environmental risk to the GNWT and to establish a cost for the environmental clean-up.

In some cases communities, bands, and nonprofit organizations are expressing interest in assets surplus to the needs of the GNWT. It becomes imperative that all known liabilities are identified, prior to agreeing to transfer the asset, rather than demolishing it.

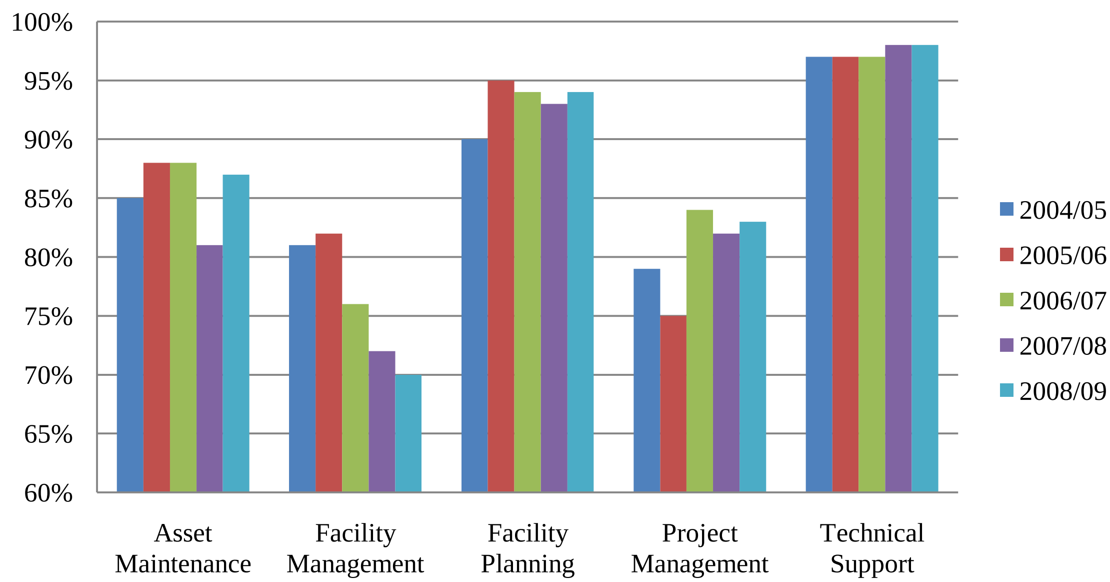
Cost of demolition, complete with environmental cleanup can vary from a nominal fee to well over two million dollars. Examples of facilities with demolition and environmental clean-up requirements are the old Chief Albert Wright School in Tulita and the Deh Cho Hall Building in Fort Simpson.

The department is not funded for the cost of demolition of assets and will be requesting funding prior to finalizing the 2010/11 Main Estimates to clean up hazardous materials and demolish the Chief Albert Wright School and Deh Cho Hall in 2010/11.

Measures Reporting

Client Satisfaction Surveys in the areas of project management, asset maintenance, facility planning and management and technical support services.
Target: 80% satisfaction

Historic Client Satisfaction Ratings by Program



PWS carries out client satisfaction surveys in February and March for the current fiscal year. As a result, data is not yet available for 2009/10. This information will be available in the 2011/12 Annual Business Plan.

Deferred Maintenance:
Target: 100% of identified life safety deferred maintenance issues addresses through deferred maintenance funding

In 2008/09, 90% of life safety deferred maintenance issues were addressed through deferred maintenance funding.

Asset Maintenance:

Target: 100% of code mandated Preventative Maintenance work completed

In 2008/09, 83% of code mandated Preventative Maintenance Work was completed.

Property Management:

Target: 90% of accommodations meet GNWT standards and criteria

In 2008/09, 96% of office space utilized meets the standard.

Energy Management:

The department continues to work in support of the GNWT's overall goal to reduce greenhouse gas emissions by 10% of the 2001 emission levels by the year 2011.

In 2008/09, PWS was able to reduce greenhouse gas emissions in GNWT facilities by 2,804 tonnes and anticipates reducing emissions by a further 3,896 tonnes by the end of 2009/10, which is an improvement of 38% over the 2008/09 results.

KEY ACTIVITY 2: TECHNOLOGY SERVICE CENTRE

Description

The Technology Service Centre (TSC) provides Information Technology (IT) services and support to GNWT departments and the Deh Cho and Sahtu Health Authorities. The TSC is responsible for the network that interconnects over 120 departmental local area networks in government offices, schools and health care facilities in all 33 communities. The TSC maintains the government's e-mail, servers and data storage infrastructure as well as provides desktop/laptop support and application hosting.

The TSC manages the government's primary data centre in the Stuart M. Hodgson Building. The TSC is also responsible for two smaller data centres in Fort Smith and Inuvik.

All calls for TSC assistance are handled through the TSC's Service Desk. The TSC continues to focus on becoming increasingly client-focused. It is also committed to enhancing the TSC services and support through ongoing quality and process improvement.

Major Program and Service Initiatives 2010/11

Network Management Enhancement
The TSC will continue with the initiatives outlined in the five year Enterprise Network Strategy plan developed by the TSC. The focus in the third year will be on network security, segmentation, monitoring and upgrading. With the growing volume of confidential information traveling across the Digital Communications Network (DCN), it is critical that data travels on a secure network. Network segmentation will be implemented to improve security and protect the integrity of GNWT data.

In developing the rates for the 2010/11 TSC chargeback, departments are facing cost increases in the area of network bandwidth consumption, and the TSC, on behalf of departments, will be requesting additional funding to offset these rising costs. However, the budget is still under review pending a decision on the increased network costs and the amount clients can absorb in 2010-11 to reduce the requirement for additional new funding.

Another initiative is the negotiation of the DCN contract that expires in 2010 - results of network monitoring tools and the new Network Strategy will be used in the negotiation of this new contract. To control consumption and cost of the network, new usage and billing models may need to be created.

A new initiative designed to improve network speed for all of government will see internet traffic for Education (i.e. schools and colleges) removed from the DCN.

In addition to the network strategy work, TSC will continue to upgrade hardware and software for community access, performance and routing throughout the NT network.

Continual Service Improvements

- In 2010-11, the TSC will continue its commitment to the Information Technology Information Library (ITIL) best practices by developing service level agreements with Client departments.

- The TSC will continue with subsequent phases of the Configuration Management process and begin work on a Problem Management process.
- The TSC will replace the TSC help desk tool which will no longer be supported by the vendor in 2011. An Enterprise Help Desk tool is expected to generate much interest from departments such as Finance/SAM as well as Education and Health who may be able to use the tool for their departmental needs.
- The TSC will release its 2010-11 Service Improvement Plan (SIP) in early fiscal 2010-11. Other areas for improvement include the expansion of SharePoint capabilities, Wireless Internet and external network access to IT business partners.

Data Storage Enhancements
The focus for data storage in 2010-11 will be the testing and migration of departmental data into the various storage tiers and classifications as identified in the 2009-10 requirements and design activities. This will require extensive planning and coordination with additional storage equipment purchases and the move into the new Data Centre in Q4 2010-11 and through 2011-12.

Disaster Recovery Planning (New GNWT Data Centre)
Construction of the GNWT's new Data Centre began in August 2009. This data centre will accommodate for a 20 year growth projection for GNWT departmental IT requirements. In keeping with industry best practices, the Stewart M. Hodgson building will provide and alternate or back-up data centre should the new or prime data centre be forced to shut down. The implementation of network infrastructure to connect the new data centre to the DCN, as well as planning the equipment and staff migration to the new location will be major activities in 2010-11.

Software Licensing
The GNWT has a legal and financial obligation to be compliant in its use of software licenses. License costs are very complex, due to the rapid change in technology hardware and software, the complexity of licensing and compliancy requirements, and the tracking of accurate departmental desktop/laptop volumes. The TSC is committed to working with departments to ensure TSC-supported PCs and servers are licence-compliant.

Four Year Business Plan Update

Results to Date

Network Management Enhancements
The TSC continued to deliver on the GNWT's Enterprise Network Strategy (ENS) with the objective of building an increasingly secure and high performance network over a period of five years. In 2008-9 the first four key projects were completed:

- a network test environment was put in place to support network testing without the risk of impacting GNWT operations;
- network management and monitoring software has been tested and was implemented Q4 2008/09;
- new functionality was installed on the network that enables PCs to be powered on remotely, have new software deployed to them, and then powered off again; this saves on TSC resource time and saves on energy costs to GNWT; and

- a pilot project was completed which removed the internet traffic at Inuvik Library off of the Government network and onto a third party internet supplier to help alleviate congestion.

To date for 2009-10, the first phase of the telespeech initiative equipped 18 H&SS sites with telehealth units which connected remote speech pathology patients with medical practitioners. Through this project, the TSC was able to prioritize telespeech traffic over other regular network traffic. In future, this prioritization technology can be used by other departments with minimal investment. A further initiative will explore the technical and financial feasibility of providing in-house video bridging services.

A second major healthcare technology project was the transmission of digital X-rays from remote locations to a regional hospital for diagnosis. Phase 1 was successfully completed in four territorial hospitals and phase 2 will see this technology deployed to an additional 18 communities.

Continued investment in regional network equipment will be made in 2009-10 to increase the speed of traffic in regional communities. Additional network hardware and software was deployed to expand the visibility to network traffic so that it can be monitored and reported on. Network reports can now provide departments with their specific network traffic and the feasibility of usage-based network billing options is being assessed.

A surge in network usage in May 2009 resulted in a substantial purchase of additional internet bandwidth. Network reports indicated that GNWT internet usage is growing by 50% every 12-15 months, most notably from Education and Health requirements. This led to an in-depth analysis of internet usage. The TSC and Education have begun a project to offload internet traffic from the DCN. This activity will be used by other large consumers of internet to identify their combined network traffic requirements. A third-party internet provider may be introduced to meet these requirements.

Continual Service Improvements

The TSC continued to work toward IT best practices. Processes have been implemented to ensure all changes to the network follow a strict request/approval/communication process. Equipment maintenance windows and departmental change requests follow scheduled times and criteria. The TSC continues to work with NorthwesTel to improve communications around network outages and has worked to improve the length of time it takes to resolve service requests.

Data Storage Enhancements

Work has begun on securing an e-mail archiving solution which will provide cost effective e-mail storage options and easier management of archived e-mails by GNWT employees. For the broader storage requirements of the GNWT, initial storage equipment purchases were made in late 2008; in-depth requirements sessions and data storage classification activities are planned for Q4 2009-10 and will determine remaining storage equipment purchases. These activities will result in tiered storage offerings for departments that will benefit the GNWT in terms of cost savings for less critical data storage and the ability to meet high performance requirements associated with more critical data.

Disaster Recovery Planning (New GNWT Data Centre)

The GNWT is increasingly relying on applications that the TSC hosts on its IT infrastructure. With most major application systems and networks being hosted in a single data centre, if the data centre is damaged or destroyed, the impact on GNWT operations would be severe. While a GNWT-wide business continuity planning exercise is required to fully assess the risk of various failures, the TSC has completed an internal review of the impact of a disaster occurring within the primary GNWT data centre as well as options for addressing such an impact.

The TSC is building a new GNWT Data Centre adjacent to the Government Warehouse on Byrne Road. This data centre project was driven by floor load capacity limits reached at the current data centre located on the second floor in the Stuart M. Hodgson building. Construction began in August 2009 and is expected to last for a year.

Software Licensing
The TSC worked with the Office of the Chief Information Officer (OCIO) and all departments to bring GNWT software into legal compliance with Microsoft for SQL Licensing. The TSC purchased a Virtual Management solution to consolidate server hardware, which reduced licensing costs to departments. A pro-rated structure of software licensing costs between departments was completed.

Other 2009-10 Initiatives and Results
Blackberry service was successfully deployed to 130 GNWT employees in November 2008.

In 2008, the TSC started a project to replace the end-of –life telephone electronic billing system. In September 2009 the new billing system will be used, which will improve end-user reporting as well as reduce administrative overhead.

Changes to Four Year Plan

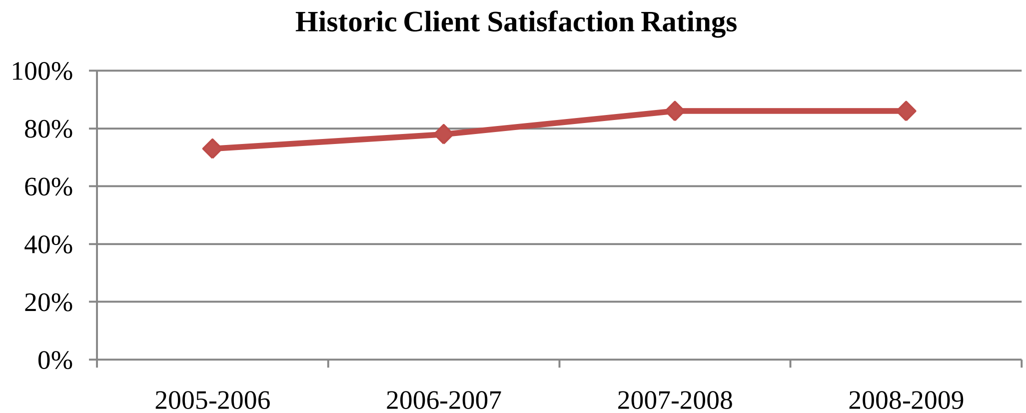
The four-year plan continues to reflect the key initiatives of the TSC. One issue that will continue to require attention is managing need for additional internet bandwidth. It is important to remember that efforts to address this by internet offloading will not result in cost savings, but may result in improved network performance. The challenge will be to manage those costs and will require strict adherence to IT policies and management oversight by all departments through careful review of network usage reports. It is also important to recognize that increased use of IT will drive TSC costs but should also improve services to residents of the NWT.

Departmental Business Requirements
In 2009-10 there was a substantial increase in the volume and complexity of project requests requiring TSC IT consultation and support. The extensive business requirements identified in 2009-10 will be critical to the ongoing capacity planning of the network and meeting performance expectations of departments. The TSC will be assisting with the design, build and ongoing support of the following major initiatives:

- H&SS - diagnostic imaging, additional video conferencing and laboratory information transmission;
- ECE - Case Management Administrative System (CMAS) enhancements,
- Introduction of a government Electronic Records and Document Management System,
- HR - E-recruitment project.

Measures Reporting

Computing & Data Communications
Overall Client Satisfaction
Target: 80% satisfaction



The TSC carries out client satisfaction surveys in February and March for the previous fiscal year. As a result, data is not yet available for 2009/10. This information will be available in the 2011/12 Annual Business Plan.

Desktop Support Services
Number of Service Desk Calls answered within 30 seconds
Target: 90% of total

- In 2008/09, 92% of calls were answered within 30 seconds.

Number of Service Desk Calls resolved without sending a TSC technician
Target: 65% of total

- In 2008/09, 63% of calls were resolved without sending a TSC technician.

Number of Service Desk Calls followed up for quality control
Target: 10% calls followed up

- In 2008/09, 7.5% of calls were followed up for quality control.

Prime time availability of file and printer servers
Target: 99.9% during prime time

- In 2008/09, file and printer servers had an availability in excess of 99.9 % were available during prime time.

Computing & Data Communications
Number of Major Security Incidents
Target: less than 2/year

- In 2008/09 there were no major security incidents.

KEY ACTIVITY 3: PETROLEUM PRODUCTS

Description

The Petroleum Products Division (PPD) manages the purchase, transport, and storage of petroleum products in NWT communities not served by the private sector. The products are sold to residents of the communities through local contractors, who are paid a commission. PPD also provides fuel delivery and maintenance services to NWT Power Corporation tank farm facilities in 20 communities.

PPD financial and administrative headquarters, with responsibilities for credit, invoicing, collections and financial planning, are located in Fort Simpson. The Fuel Services group oversees operations in the communities and manages local delivery contractors. In addition, Fuel Services staff determines re-supply quantities and provides quality control, capital standards and planning, and environmental management.

The PWS Asset Maintenance group within PPD manages the operations, maintenance and disposal of GNWT goods and buildings, and when requested supports community governments in the management of their infrastructure responsibilities throughout the Nahendeh Region.

Major Program and Service Initiatives 2010/11

New Petroleum Products Management Information System
To reduce administrative costs and increase inventory accuracy and control, PPD will continue to enhance the newly installed fuel management information system. The installation of "point-of-sale" devices for sales data collection in additional communities and liquid level monitoring devices will complement the Energy system to provide improved loss control and enhanced security of government assets and protection of the environment. A self serve web portal will be implemented to allow select customers to view their statements of account on line.

Alternative Supply and Transportation Model
To effectively reduce the cost of transportation, PPD will maximize the volume of fuel transported to the GNWT by bulk tanker via the Alaskan "over the top" route, and limit the volume of fuel transported via the traditional Mackenzie River route.

Fuel Swap Program
To manage fuel cost risk, where appropriate, PPD will implement a hedging program that will allow PPD to obtain futures contracts to reduce exposure to fluctuations of the spot market cost of fuel. Fuel Swap contracts would be executed in accordance with FAM Policies and PPD strategy, when market conditions and future prices are determined to be favorable for such transactions.

Fuel Facilities Design, Specifications and Drawings Revision Project
The project to review and amend the Northern Fuel Storage and Distribution Facilities Design Rationale, the Specifications, and the Detailed Drawings documents to incorporate the most recent code requirements and best building practices is expected to be completed in 2009/10.

Fuel Delivery and Maintenance Services - NTPC
PPD has entered into a ten-year agreement (2005-2015) to provide fuel supply and maintenance

services to the Northwest Territories Power Corporation for 20 of their fuel storage facilities. This increase in sales volume has had a direct and positive impact on PPD's operating levies charged to customers.

Four Year Business Plan Update

Results to Date

New Petroleum Products Management Information System
The new PPD ("Energy") fuel management information system is fully operational, with the modern inventory control and accounting software put in place of the discontinued PPProd fuel management information system, and complementary "point-of-sale" devices for electronic sales data collection now installed and operating in five PPD communities.

Alternative Supply and Transportation Model
PPD engaged marine carrier NTCL to purchase more than eleven million liters of fuel in each of years 2008 and 2009, and transport that fuel by tanker via the Alaskan "over the top" route. During the past two shipping seasons, this action has resulted in more than three million dollars in freight cost avoidance versus use of the traditional Mackenzie River route.

Fuel Swap Program
PPD has drafted procedures and strategy to support the execution of fuel swaps, and is in the process of establishing a Risk Management Committee and a Master Agreement with a financial institution to facilitate the GNWT's hedging program. Progress has been delayed due to resource limitations, but the capability to execute fuel swap contracts will be fully established in 2009/10.

Fuel Facilities Design, Specifications and Drawings Revision Project
The project to review and amend the Northern Fuel Storage and Distribution Facilities Design Rationale, Specifications, and Detailed Drawings documents is now at 90% completion and scheduled to be published in 2009/10. This project was to be concluded in 2008/09, but resource limitations and competing priorities delayed its completion.

Fuel Delivery and Maintenance Services - NTPC
The agreement to provide fuel supply and maintenance services to NTPC has allowed PPD to reduce the operating levy charged to customers from 22 cents per litre to 18 cents per litre. PPD teamed with NTPC to perform major repairs and renovations to NTPC bulk fuel facilities at Inuvik, Tuktoyaktuk and Yellowknife (Jackfish Lake). Reductions in fuel supply and transportation costs will allow significant reductions in fuel costs to NTPC in 2009/10.

Changes to Four Year Plan

NTPC Project Activities
In cooperation with the Northwest Territories Power Corporation (NTPC), PPD is exploring the establishment of a long term lease for the Nalluk Bulk Fuel Facility in Tuktoyaktuk, for the purpose of pursuing business opportunities and to mitigate fuel cost and supply risk to the GNWT. To that end, PPD will review engineering assessments, as well as the results of an expanded NTPC environmental site assessment that is currently underway.

NTPC renovations planned for the Inuvik Bulk Fuel Facility in 2010 will be supported by PPD and coordinated by both parties. Improvements include the movement of the primary fuel storage tank, the modification of piping and the installation of a code compliant truck loading facility.

Environmental Remediation
As may be determined by the findings of the Environmental Site Assessment (ESA) performed in summer 2009 at the Lutsel K'e old tank farm property, remediation at this location is to be performed in the summer of 2010. PPD has partnered with the Mine Training Society and the Lutsel K'e Dene First Nation to involve community members as active participants in these remediation activities and provide local employment and environmental remediation training.

Spill Response Training Exercises
As an associate member of Mackenzie Delta Spill Response Corp. (MDSRC), PPD now has emergency access to their large spill response equipment inventory in Inuvik. PPD operational staff will participate in recurring practical spill response training starting in March and September of 2010. It is intended that selected spill response training will also be made available to PPD community contractors.

Measures Reporting

Number of incidents of fuel rationing
Target: Zero Incidents

- There were no incidents in 2008/09. No incidents to date in 2009/10.

Number of incidents of fuel run-out
Target: Zero Incidents

- There were no incidents in 2008/09. No incidents to date in 2009/10.

Administration and overhead costs as a percentage of gross expenditures
Target: Less than 15% of gross expenditures

- Administration and overhead costs were 10% in 2008/09. Administration and overhead costs are less than 15% to date in 2009/10.

Number of litres of fuel spilled as a percentage of annual sales volume
Target: All spills combined total less than 0.01% of annual sales volume

- No reported spills in 2009/10 to-date.

c) Update on Strategic Activities

STRATEGIC INITIATIVE: REFOCUSING GOVERNMENT

Action: Change the GNWT's Approach to Infrastructure

Description

Risk Management and Safety Program – Deferred Maintenance Initiative
Building on Public Works and Services' Risk Management and Safety Program, there is a confirmed requirement for increased levels of maintenance on territorial infrastructure. This program has led to increased regular facilities condition assessments, and has quantified critical maintenance deficiencies in the Government of the Northwest Territories' current infrastructure stock.

With the increased information now available, the GNWT is now able to recognize the need for both deferred maintenance initiatives and large-scale reconstruction projects. There may be a need to shift from construction of new buildings to improving and maintaining current assets.

Between FY 2008/09 and 2011/12, a total of $35.7 million of incremental capital and O&M funding has been targeted for deferred maintenance. In addition, PWS has approved funding ($550,000) in 2009/10 to extend the Wood Pile Remediation program by one year to complete the outstanding pile repairs.

	2008/09	2009/10	2010/11	2011/12
Capital Funding	5,000	5,000	5,000	5,000
O&M	5,150	3,550	3,000	3,000

The GNWT will see many benefits through the implementation of this program, including safer buildings, a reduction in the number of unplanned building closures, a reduction in the use of substandard facilities, a reduction in unplanned expenditures and the deferral of major capital expenditures.

New Capital Planning Process
The Ministerial Sub-Committee for Infrastructure made a series of recommendations to better define the scope of project planning, and change the way that projects are approved in the capital planning process. These changes were approved by Cabinet and the Financial Management Board on May 15 2008.

The changes to the capital planning process establish a process for selection and advancement of projects with the greatest public benefit and will maximize the value of the GNWT's scarce capital funding. The process has been changed to increase efficiency for the GNWT when planning, designing, contracting, and building public infrastructure.

Some of the more important changes being implemented are:

- Planning Studies

- Senior Management Review Committee (peer reviews)
- Projects must advance to a Class "C" Estimate and be reviewed by the Senior Management Committee before being recommended for inclusion in the Infrastructure Acquisition Plan
- Companion List of Projects at Planning Study Stage
- Value Analysis of Major Projects
- Design Standards and Criteria, including the development of standardized designs
- Class "C" Estimates Prior to Consultation Phase
- Condition Assessments
- Major Deferred Maintenance Projects

General Purpose Office Space Review
The GNWT needs a wide variety of building types and space across the NWT to operate its programs. GNWT space needs represent a significant amount of the total office space need in every NWT community, and constitutes the majority in several. The general purpose office space occupied by the GNWT in Yellowknife comprises over 70% of the total general purpose office space used by the GNWT. Because of this concentration, the review will first address the Yellowknife market. The purpose of the Program Review, to be started in 2009/10, is to:

- Assess the relative costs of owning or renting general purpose office space in Yellowknife;
- Assess the impact that the GNWT practice in this area has or could have on markets and costs; and
- Recommend policy or procedure changes that will reduce long term costs.

Corporate Capital Planner
The Department of Public Works and Services has established a Corporate Capital Planner position to fulfill a government-wide role in supporting the changes made in the capital planning and acquisition process for GNWT infrastructure. Activities specific to corporate capital planning and acquisition of GNWT infrastructure include:

- Management of the GNWT corporate capital planning process and overseeing the Interdepartmental Working Group (IWG).
- Providing overall direction in the development of the GNWT's five-year capital plan for consideration by the Financial Management Board (FMB).
- Coordinating GNWT departments in the review of their 20 year Capital Needs Assessment (CNA) and the priorities identified in the first 5 years and verification of the highest priority projects.
- Reviewing Project Substantiations to ensure adherence with objectives and requirements and collaborating with departments and specialized technical experts to address design and construction issues to ensure that the proposed projects incorporate good building practices.

- Ensuring departments are familiar with the GNWT's infrastructure planning and acquisition process, historic funding levels and the development of new capital initiatives.
- Preparing regular progress reports on the delivery of the Capital Plan.

New Indeterminate Trades
PWS is responsible for operating and maintaining government infrastructure where this mandate has not been assumed by other departments under the User Say/ User Pay initiative.

PWS received approval from FMB in June 2009 to establish indeterminate Settlement Maintainer positions in the communities of Ulukhaktok, Sachs Harbour and Tulita, and one new Electrician position in the community of Inuvik. These new permanent positions will allow PWS to recruit qualified individuals and better manage the maintenance activities and availability of resources at the community level, while having more control over the cost and quality of the services provided.

This change in mode of operation will allow PWS to be more pro-active in completing its mandate of building maintenance, and better support the department in complying with code mandated checks and repairs and completing deferred maintenance requirements.

Consolidation of Utilities Tracking
In 1997, as part of the User Pay/User Say initiative, the responsibility for management, tracking and utility payment for GNWT building assets was transferred from PWS to program departments along with the associated funding. Although PWS operates and maintains the majority of GNWT owned building assets, PWS is only responsible for paying utilities on the PWS owned and operated assets. The majority of utilities for GNWT owned buildings are paid by other departments, boards and agencies who occupy the facilities.

Under this new initiative that responsibility and current funding for utility expenditures against building assets would be transferred from program departments and consolidated in PWS. This will result in:

- improved tracking and monitoring of utility expenditures across government;
- improved management of building energy efficiency by linking building operation to utility payments;
- additional opportunities for energy efficiency upgrades – including the tracking and identification of savings from specific energy conservation initiatives; and
- a reduction in administrative duplication.

A consolidation of utilities will allow for accurate tracking of utility expenses government-wide and feed into current energy conservation projects. PWS is proposing to capture the savings identified through its energy conservation initiatives and establish funding that would be used to offset the cost of delivering future energy conservation projects.

Operation & Maintenance of GNWT Building Infrastructure
This initiative presents the opportunity to improve the efficiency and cost effectiveness of delivering facility maintenance services through consolidation of responsibilities and resources in PWS. This will result in a standardized approach to the operation and maintenance of government infrastructure.

In 1997 the User Say/ User Pay (US/UP) initiative transferred responsibility for GNWT assets to a number of departments. The objective was to give financial control of facility maintenance to the occupying program departments which also included responsibility for the building utility payments. Aurora College, Justice and ENR assumed responsibility for the operations and maintenance of their dedicated program facilities, while H&SS (through the BDHSSA) assumed responsibility for the hospital in Inuvik. With the exception of ENR/ITI facilities in the South Slave, Sahtu and Beaufort Delta (ENR only), all of these departments chose to contract the maintenance of their facilities back to PWS.

US/UP has resulted in an overlap of functions at the HQ and regional levels, where client departments have created asset management positions to carry out planning and management functions previously performed by PWS. Where PWS continues to carry out maintenance on behalf of these departments, it has resulted in duplication of maintenance planning activities and increased the bureaucratic process of estimating, planning and scheduling work, recording costs, verifying charges and processing payments. This has resulted in a disjointed/inconsistent approach to the delivery of facility maintenance.

The benefits of a consolidation include:

- All GNWT owned assets would be operated and maintained to consistent and cost-effective standards, and in accordance with NWT acts, codes and regulations and PWS standards;
- Administrative savings will be achieved through reduced client chargeback requirements;
- A larger funding base would allow a more-timely and effective response to emerging maintenance issues without a significant impact to the maintenance services provided to its base of assets; and
- Improved monitoring and tracking of GNWT building maintenance expenditures.

Activity to Date

Risk Management and Safety Program - Deferred Maintenance Initiative
As of May 11, 2009, PWS has identified approximately $470 million in deferred maintenance costs within GNWT facilities as follows:

Priority 1 – Currently Critical	$33.3 million
Priority 2 – Potentially Critical	$130 million
Priority 3 – Not Yet Critical	$249.3 million
Priority 4 – Recommended	$21 million
Priority 5 – New Code Requirements	$36.5 million

In addition to the $ 8 million ($5 million capital and $3 million O&M) approved for PWS in 2009/10, the department has approved funding ($550,000) to extend the Wood Pile Remediation program by one year to complete the outstanding pile repairs.

New Capital Planning Process
The changes to the capital planning process establish a process for selection and advancement of projects with the greatest public benefit and will maximize the value of the GNWT's scarce capital funding.

Planning Studies

The Infrastructure Planning and Acquisition Process includes a Planning Study phase to take place prior to a major project being considered for inclusion in the Infrastructure Acquisition Plan. At a minimum, the Planning Study will include:

- A clearly defined needs analysis (population projections, demographics, service standards).
- An operational plan (staffing, hours of operation, service delivery).
- A functional program (building size, rooms and areas).
- Technical and functional evaluations of existing facilities.
- A site analysis (alternative locations, preferred site).
- An examination/evaluation of development options (renovation, addition, new building, lease, more efficient use of existing facilities).
- Development of a Schematic design for the preferred development option.
- A project schedule (including milestones for design, mobilization and construction);

For 2009/10, PWS is funded to conduct capital planning studies on infrastructure projects to be considered for inclusion in a future Capital Acquisition Plan. Possible planning studies will include health care facilities being proposed in Bechoko, Aklavik, Hay River, Norman Wells, Tulita and Yellowknife.

Senior Management Review Committee

A Senior Management Review Committee, comprised of Assistant Deputy Ministers/Directors from Departments who are knowledgeable with respect to capital planning was established.

This committee will review the Planning Studies, in the Initiation Year, to ensure there is a higher-level strategy discussion where departments can raise implementation issues, ideas for new investment opportunities and review infrastructure investment needs beyond the short-term planning horizon and confirm scope, budgets and design solutions. More importantly, this committee would test projects to ensure the design solution is an appropriate match for the defined program/service need. This is otherwise known as "peer review".

Large Project Class "C" Estimate

Only those large capital projects that have advanced to the Class "C" estimate will be considered for inclusion in the Infrastructure Acquisition Plan.

Companion List of Projects at Planning Study Stage

In addition to the Infrastructure Acquisition Plan, a companion document listing all infrastructure projects at the Planning Study stage will be developed.

Value Analysis of Major Projects

For major buildings/institutional projects, the Department of Public Works and Services in consultation with Departments, will perform a value analysis.

Class "C" Estimates Prior to Consultation Phase

To better manage project consultation and establish appropriate levels of expectation with respect to the Government of the Northwest Territories ability to fund infrastructure, projects will be developed to the schematic design stage with class C estimates prior to proceeding to the consultation phase.

Corporate Capital Planner
This position was established in 2009/10.

Consolidation of Utilities Tracking
The FMB has directed PWS, in consultation with the Office of the Comptroller General, to undertake with departments, an analysis of utilities and expenditure tracking of all Government assets and any leased space where any utilities are excluded from base/O&M rents. The analysis will be completed during 2009/10 and will include a review of base funding and expenditure levels and administrative resources associated with the payment and tracking of utilities.

PWS will return to the FMB with recommendations for transfer of responsibility and resources (position and O&M), and resource savings if applicable, prior to finalization of the 2010-11 Main Estimates

The analysis will include consultation with the Office of the Comptroller General regarding the proposed centralization of utility payments under the shared services model for Finance.

Operation & Maintenance of GNWT Building Infrastructure
The inventory of buildings originally transferred during US/UP in 1997 is not the same inventory that would be transferred back to PWS. It will be necessary to review the current assets of the clients where maintenance responsibility and funding will be transferred to PWS and calculate the funding required.

A review of existing expenditures, budgets and resources will be completed during 2009-10 to allow for the appropriate funding and resource requirements to be identified for transfer during development of the 2010/11 main estimates.

General Purpose Office Space Review
The GNWT spends nearly $12 million annually on the leasing of office accommodation in Yellowknife, and takes up over half of all rentable space. Two major southern-based property REITs own the majority of rental market space. Base rents and utility costs have risen in the recent past, and current market conditions mean that they will likely continue to rise.

The GNWT needs a wide variety of building types and space to operate its programs. The General Purpose Office Space Review will:

- Assess the relative costs of owning or renting general purpose office space;
- Assess the impact that the GNWT practice in this area has or could have on markets and costs; and
- Make recommendations that will provide long term savings and provide the GNWT with the flexibility to meet short term demands and support the private sector.

Planned Activities – 2010/11

Risk Management and Safety Program - Deferred Maintenance Initiative
The Department of Public Works and Services will continue to assess the condition of GNWT building infrastructure and identify remedial work to ensure that critical deferred maintenance items are addressed to maximize the useful life of these assets.

Major deferred maintenance projects within a program department, will be addressed in the Infrastructure Acquisition Plan as a priority over new or incremental infrastructure projects.

New Capital Planning Process
Activities specific to corporate capital planning and acquisition of GNWT infrastructure include:

- Management of the GNWT corporate capital planning process and overseeing the Interdepartmental Working Group (IWG).
- Providing overall direction in the development of the GNWT's five-year capital plan for consideration by the Financial Management Board (FMB).
- Coordinating GNWT departments in the review of their 20 year Capital Needs Assessment (CNA) and the priorities identified in the first 5 years and verification of the highest priority projects.
- Reviewing Project Substantiations to ensure adherence with objectives and requirements and collaborating with departments and specialized technical experts to address design and construction issues to ensure that the proposed projects incorporate good building practices.
- Ensuring departments are familiar with the GNWT's infrastructure planning and acquisition process, historic funding levels and the development of new capital initiatives.
- Preparing regular progress reports for Standing Committee on the delivery of the Capital Plan.

Consolidation of Utilities Tracking
Activities in 2010-11 will be the transfer of responsibility and resources (position and O&M funding) prior to finalization of the 2010-11 Main Estimates. PWS will be:

- Tracking utility budgets, expenditures and consumption date in the department's Maintenance Management System (MMS) or the GMWT's Financial Information System (SAM) or using a combination of both.
- Identifying realized utility savings created through its energy conservation initiatives to establish funding that will be used to offset the cost of delivering future energy conservation projects.

Operation & Maintenance of GNWT Building Infrastructure
Activities in 2010-11 will be the consolidation of facility maintenance services and resources (positions and O&M funding) prior to finalization of the 2010-11 Main Estimates. PWS will be:

- Monitoring and tracking all mandated preventative maintenance activities and expenditures using the department's Maintenance Management System (MMS) to ensure all facilities are maintained to standard and in accordance with NWT acts, codes and regulations.
- Coordinating maintenance activities in conjunction with the Deferred Maintenance Program and retrofits identified under the Capital Asset Retrofit Program.

General Purpose Office Space Review
Determine whether or not there are the long term savings made from acquiring new, owned space to meet current general purpose office accommodation needs in Yellowknife and:

- Update the lease/own analysis model to reflect lifecycle costs, O&M costs, actual tenures and current market conditions, including possible rent rises and actual residual values;
- Make a determination on whether acquiring a new building now is appropriate, and the best method to do so; and
- Implement policy and procedure changes to ensure appropriate lease/own analyses is done sufficiently in advance of up-coming lease expiries so as to make the best business decision for acquiring office space for clients.

Planned Activities – 2011/12 and Future Years

New Capital Planning Process
Activities specific to corporate capital planning and acquisition of GNWT infrastructure include:

- Management of the GNWT corporate capital planning process and overseeing the Interdepartmental Working Group (IWG).
- Providing overall direction in the development of the GNWT's five-year capital plan for consideration by the Financial Management Board (FMB).
- Coordinating GNWT departments in the review of their 20 year Capital Needs Assessment (CNA) and the priorities identified in the first 5 years and verification of the highest priority projects.
- Reviewing Project Substantiations to ensure adherence with objectives and requirements and collaborating with departments and specialized technical experts to address design and construction issues to ensure that the proposed projects incorporate good building practices.
- Ensuring departments are familiar with the GNWT's infrastructure planning and acquisition process, historic funding levels and the development of new capital initiatives.
- Preparing regular progress reports on the delivery of the Capital Plan.

Action: Manage the Cost of Government

Description

Financial Shared Services and Procurement
The proposed activity is to complete the planning, design and transition activities required to implement a Financial Shared Services Centre (FSSC) and a Shared Services Procurement Model (SSPM) for the GNWT at the beginning of 2011-12.

The intent of this activity is to consolidate financial processing (Department of Finance) and consider the consolidation of procurement process activities (PWS) in order to eliminate duplication and unnecessary processes, and to standardize services in a way that is compliant with GNWT policies. The establishment of the shared services units will allow departments to focus on their core business rather than on these administrative/support service functions. Departments will continue to be responsible for determining what goods and services they require to meet their program needs and what expenditures need to be incurred. Departments will retain the resources and the responsibility to do their own financial planning and analysis.

Activity to Date

The establishment of a FSSC/SSPM has been approved by the FMB, but implementation has been deferred until the new financial information system (SAM) is in place.

Planned Activities – 2010/11

For PWS, one time funding has been approved to contract a Purchasing Consultant to identify the planning, design and transition activities required to implement a Shared Services Procurement Model (SSPM) for the GNWT. Other activities will include:

- Approval of FSSC/SSPM governance structure;
- Finalize definition of the scope of FSSC/SSPM;
- Review best practices from other jurisdictions;
- Develop service model for FSSC/SSPM;
- Develop organization and staffing requirements;
- Decision and approval of the location of the FSSC/SSPM;
- Develop job descriptions and training plan;
- Develop performance measures and evaluation criteria; and
- Develop Service Level Agreements with all departments.

Planned Activities – 2011/12 and Future Years

2011/12 will see implementation of the new FSSC/SSPM, including:

- the identification of staff to be assigned to FSSC/SSPM functions; and
- the implementation of the training plan for new staff.

STRATEGIC INITIATIVE: MAXIMIZING OPPORTUNITIES

Action: Improve Skills for Living and Working

Description

New Apprentices in Designated Trades and Occupations
This initiative is in response to the current shortage of skilled tradespersons in the NWT. The shortage is particularly problematic in light of the current and anticipated growth in resource development and activity in the construction, oil and gas, and mining sectors. Department's and NWT community governments have always experienced difficulty staffing trades positions, especially in the smaller communities.Furthermore, the shortage of skilled tradespersons contributes in part to rising costs and delays in the delivery of projects and maintenance services.

The GNWT's Apprenticeship program is one method to help develop a stronger and more skilled northern workforce and in time should help lesson the cost impact experienced now with the shortage of tradespersons.

In 2007-08, the department was approved for eight apprentice positions for the purposes of building our northern trades workforce. These include carpenters in Fort Simpson, Fort Smith and Norman Wells; an electrician in Inuvik; plumber/gas fitters in Fort Simpson, Hay River and Inuvik; and a stationary engineer in Hay River.

Activity to Date

In 2009-10, the department added a new apprentice electrician in Fort Smith, and converted a Trades Helper position in Hay River to an apprentice Electrician.

	Carpenter	Electrician	Stationary Engineer	Plumber/Gas Fitter/Oil Burner Mechanic
Fort Simpson	1			1
Fort Smith	1	1		
Hay River		1	1	1
Inuvik		1		1
Norman Wells	1			

Status of Apprentice Positions
At the present time, eight of the ten established positions are filled and based on recent history the department is having greater success in retaining these employees as compared to 2007-08 and early in 2008-09 when a number of the apprentices left the program to accept positions in the private sector. A primary reason cited for leaving by departing employees was inadequate compensation offered by the GNWT to apprentice positions.

Planned Activities – 2010/11

For 2010-11, the department is planning to add a new Plumber apprentice in Fort Smith and with the addition of this position the total number of apprentice positions in the department will be eleven.

Planned Activities – 2011/12 and Future Years

The apprentice positions added in 2007/08 and 2009/10 and the one planned for 2010/11 are contributing to the development of the northern trades workforce although the long term benefit can not be confirmed until they become trade certified and permanent members of the NWT workforce.

The apprentice positions also represent valuable resources contributing to the on-going success of the Deferred Maintenance program specifically in communities where there has been a reduction in the contracted resources available to the department. The department will evaluate the effectiveness of the program during 2010/11 for consideration of requesting approval to extend program funding for a further four years.

STRATEGIC INITIATIVE: MANAGING THIS LAND

Action: Protect Territorial Water

Description

Water Supply System Upgrades, Training and Support
As part of the implementation of the NWT Drinking Water Strategy, PWS has undertaken two pilot programs in the NWT. The first pilot program was initiated in 2008/09 to study the viability of using a remote monitoring device to monitor water quality parameters in the communities of Fort Resolution and Fort Providence. The remote systems monitor two health based parameters, turbidity and chlorine as per Health & Social Services requirements. Full scale implementation of remote water quality monitoring in water treatment plants will continue until 2011/2012.

Remote monitoring systems have the potential to strengthen the multi-barrier approach; reduce human health risks; facilitate more cost effective technical support to community operators; and address short- term gaps in operator certification.

The communities of Whati, Tulita, Colville Lake, Sachs Harbour, Hay River Reserve and Fort Liard have been selected for consideration for full implementation of remote monitoring in addition to Fort Providence and Fort Resolution. The minimum requirement for implementation of remote monitoring is the presence of a phone line in the water treatment plant to allow communication via phone modem.

The second pilot program will carry out a site specific pilot study to evaluate the effectiveness of using innovative water treatment technologies that are appropriate to treat water in small northern communities to meet current Guidelines for Canadian Drinking Water Quality. This program starts in 2009/10 and will continue to 2011/12.

Activity to Date

In 2008/09, as part of the remote monitoring pilot program, PWS installed an on-line turbidimeter and a remote sensing system in Fort Providence and an on-line turbidimeter in Fort Resolution.

In addition, as part of the safe drinking water initiative, PWS has completed the following tasks:

- Infrastructure reviews for Fort Providence, Fort Resolution and Fort McPherson
- Operator training in Whati, Pine Lake, Colville Lake, Fort Providence and Sachs Harbour
- Commissioning of water treatment plants in Sachs Harbour and Nahanni Butte

In 2009/10, further community consultation and implementation of remote monitoring in water treatment plants will occur. Implementation will involve the purchase and installation of remote monitoring equipment in communities with water treatment systems that have the required capabilities. Installation will be done by PWS in consultation with MACA, H&SS and communities. PWS will complete the installation of a remote monitoring system in Fort Resolution and Fort Providence. Fort Providence will receive an on-line chlorine analyzer while Fort Resolution will receive another on-line turbidimeter and a remote sensing unit. Whati is also under consideration for implementation of a remote monitoring system in 2009/10, with a final decision based on time and budget.

As part of the safe drinking water initiative, PWS will also complete the following tasks in 2009/10:

- Two pilot studies have been established for Jean Marie River and Trout Lake to examine the possibility of using innovative water treatment technologies for the removal of color from community water supply systems. The pilot studies are designed to evaluate alternative options for upgrades to improve treated water quality to meet drinking water guidelines. PWS, is working with MACA, H&SS and the communities on the successful completion the pilot studies.
- Commissioning of water treatment plants in Ulukhaktok and Edzo.
- Operator training in Fort Providence, Pine Lake, and Sachs Harbour.
- Infrastructure review for Tsiigehtchic.

Planned Activities – 2010/11

Colville Lake, Sachs Harbour and Tulita will be considered for remote monitoring.

There are also budgets established for pilot studies in 2010/2011 and 2011/2012. The main objective is to continue researching for new water treatment technologies that are appropriate for small northern communities to meet Guidelines for Canadian Drinking Water Quality.

Planned Activities – 2011/12 and Future Years

Hay River Reserve and Fort Liard will be considered for remote monitoring.

Pilot study to search for appropriate water treatment technologies to treat water in small northern communities will continue for future upgrades and modifications to meet Guidelines for Canadian Drinking Water Quality.

Action: Mitigate and Adapt to Climate Change Impacts

Description

Reducing GNWT Energy Use
In PWS, the Capital Asset Retrofit Fund Program provides funding to upgrade existing GNWT buildings which are not energy-efficient. The program will assist in reducing building operating costs and greenhouse gas emissions in the Northwest Territories.

The GNWT owns more than 100 buildings built before 1980. As building operational (fuel, electricity, etc) costs continue to escalate many building retrofits previously deemed uneconomical are now worthwhile, and capable of providing a quicker payback along with a reduction in annual operating costs and greenhouse gas emissions. Without retrofits, the buildings will deteriorate, and operation and maintenance costs will continue to rise.

The cost of energy has risen significantly in recent years. For example, schools in the NWT used $8.6 million in heating oil, natural gas, propane, and electricity in 2006/07, which represents a cost increase of 17% from 2004/05.

Activity to Date

In 2008-09, PWS used Eco Trust funding to acquire and install a wood pellet boiler in the Chief Jimmy Bruneau (CJB) School in Behchoko, and fund a geothermal ground source heat pump for the Aurora College Thebacha Campus in Fort Smith.

The CJB School project was delayed due to the extra time required for delivery of the wood pellet boiler from Austria. The remaining project funding was lapsed in 2008/09 and equivalent funding was re-profiled and approved as capital in the 2009/10 Supplementary Appropriation No 2 to complete the project.

The Aurora College Thebacha Campus was considered a potential site for a heat pump installation based on the cost to provide conventional air conditioning to the selected priority areas of the facility. However, payback for a heat pump system was calculated at 87 years so the project was terminated.

Funding was re-profiled in the 2009/10 Supplementary Appropriation No 2. and was added to the funding approved in GNWT Energy Priorities Investment Plan for the purchase and installation biomass (wood pellet) heating systems in facilities in Hay River and Fort Smith. The facilities in Hay River include Harry Camsell, Princess Alexandra, Ecole Boreale and Diamond Jenness Schools, and the Highways Maintenance Garage. In Fort Smith facilities include Thebacha College Complex, PWK School/Recreation Centre Complex, and the Health Centre.

This initiative is expected to reduce fuel consumption by more than one million litres per year with savings in the range of $700,000 per year.

In 2009/10, PWS has funding for the purchase and installation of biomass (wood pellet) heating system at the Legislative Assembly building to reduce annual operating costs and GHG emissions. The building has used an average of 92,000 litres of fuel oil annually during the last five years, and therefore produces 245 tonnes of greenhouse gas emissions per year.

The purchase and installation of a 300 kW wood pellet boiler would reduce fuel consumption by 90,000 litres per year, saving an estimated $63,000 per year (fuel price $1.20/litre) or $45,000/year with fuel cost at $1.00/litre, for a simple payback of 5.6 years.

Planned Activities – 2010/11

Funding has been approved in principle for 2010/11 and is targeted to undertake 40 different retrofit projects, with projected annual savings of $380,000 in the following locations:

- Aklavik, Buffalo River, Délîne, Enterprise, Fort Good Hope, Fort McPherson, Fort Providence, Fort Simpson, Hay River, Hay River Reserve, Inuvik, James Creek, Jean Marie River, Łutselk'e, Norman Wells, Paulatuk, Sachs Harbour, Tsiigehtchic, Tuktoyaktuk, and Uluhaktuk.

Detailed plans are under development to supplement future year funding through recovery of substantive savings as a result of past and planned projects.

Planned Activities – 2011/12 and Future Years

Funding has been approved in principle for 2011/12 subject to further substantiation. Upon funding approval, the program will continue to complete assess GNWT facilities with the completion of detailed energy audits on those facilities determined to be best suited for energy saving retrofits, with completion of the selected retrofit projects.

This initiative will be coordinated with the ongoing Deferred Maintenance Program to maximize energy savings and minimize payback period.

d) Overview of Infrastructure Investments

Activity to Date

Further to approval of the GNWT's Capital Acquisition Plan in October 2008, the GNWT released the Energy Priorities Framework that built upon the 2007 Energy Plan and identified the priorities of the GNWT based upon priorities established by the 16th Legislative Assembly. The GNWT Energy Priorities Investment Plan was approved by the FMB in December 2008 and included funding to purchase and install biomass (wood pellet) heating systems for facilities in Hay River and Fort Smith. The required capital funding was subsequently approved for PWS in Supplementary Appropriation No 1 in February 2009.

In May 2009, additional funding was approved in Supplementary Appropriation No 2 for PWS to complete the acquisition and installation of a wood pellet heating systems in Behchoko Fort Smith and Hay River, along with funding to conduct capital planning studies on infrastructure projects to be considered for inclusion in a future Capital Acquisition Plan. For 2009/10, planning studies will include health care facilities being proposed in Bechoko, Aklavik, Hay River, Norman Wells, Tulita and Yellowknife.

In support the Deferred Maintenance program and the changes made in the capital planning process, PWS is supporting the Department of Health and Social Services by providing an in-house resource on short-term basis to assist them in developing their capital planning requirements. This will help ensure aged infrastructure is properly identified and supported by planning studies for consideration in future capital planning exercises.

Planned Activities – 2010/11

The Department's plans for infrastructure investments focus on three key activity areas: Asset Management and addressing deferred maintenance, the Technology Service Centre and the Petroleum Products Division.

Inuvik– GNWT Multi-use Facility and Records Storage Facility
Due to a shortage of suitable office facilities in the community, the FMB approved inclusion of a design-build-own capital project for a 3,575 m^2 multi-use facility and a 793 m^2 records storage facility to be constructed on the old Aurora College site in Inuvik.

The new facilities are to accommodate the Departments of PWS, EC&E, Finance, MACA, and the new Beaufort-Delta Health and Social Services Authority health clinic. Additionally, NTPC has agreed to partner with PWS in construction of the facility and PWS and NTPC will work together to incorporate a waste heat recovery system to supply waste heat to the multi-use facility from the NTPC power generation plant.

PWS was advanced funding in 2008/09 to accelerate the project and issued a design-build RFP for the design and construction of a multiuse facility and records storage facility. Demolition of the former Aurora College facilities has been completed and construction of the new building is underway.

Yellowknife – New Computer Data Centre
The GNWT computer infrastructure is presently located on the 2nd floor of the Stuart Hodgson Building. The existing data centre is approximately twenty-five years old and is nearing the end of its lifespan. As the use of technology grows and new equipment is added, limitations with floor loading, power systems, and ventilation mean this facility cannot continue to support ongoing growth with its existing limitations. PWS Risk Management has determined that at the present rate of GNWT IT infrastructure service expansion, the existing floor loading will reach capacity within 2 years.

The internal Risk Assessment/ Impact Analysis of the Data Centre on Stuart Hodgson Building's 2nd floor has determined that an alternate data centre is required in order for the TSC to ensure GNWT data and applications are protected and available for government operations.

In 2008/09, PWS issued design-build RFP and awarded a contract for the design and construction of a new 1,250 m^2 Data Center. Approximately 600 m^2 will include the new data centre and related IT equipment, and 650 m^2 include new general purpose office space. PWS will study the feasibility of incorporating a waste heat recovery system that could supply waste heat from the IT equipment to the buildings general purpose office space. Construction will commence in August, 2009.

The existing data centre in the Stuart Hodgson Building will be utilized for back-up, testing, and development of GNWT applications. This project will be completed in 2010/11.

Various Communities - Capital Asset Retrofit Program
The capital funding approved in principle for 2010/11 is targeted to undertake 40 different retrofit projects, with projected annual savings of $380,000 in the following locations:

- Aklavik, Buffalo River, Délîne, Enterprise, Fort Good Hope, Fort McPherson, Fort Providence, Fort Simpson, Hay River, Hay River Reserve, Inuvik, James Creek, Jean Marie River, Łutselk'e, Norman Wells, Paulatuk, Sachs Harbour, Tsiigehtchic, Tuktoyaktuk, and Uluhaktuk.

Fort Simpson - Milton Building - Upgrade Fire Protection system
VFA Canada assessed this GNWT asset and its building systems in November of 2006 and recommended the removal and replacement of CPVC plastic fire sprinkler piping and installation of a missing backflow preventer to meet the National Plumbing Code, Article 6.2.4.

The Milton Building has a fire sprinkler system installed, but does not have a fire alarm system as mandated by code. National Building Code of Canada, under Article 3.2.4.1 (1), requires that all buildings that have sprinkler systems must have a fire alarm system. The identified life safety items under the Deferred Maintenance program dictate this should be installed as soon as possible to reduce the risk of loss of life and property

Hay River – Courthouse – Barrier Free Washrooms and Power Door Openers
VFA Canada assessed this GNWT asset and its building systems in December 2006 and recommended the installation of power door openers in the main entrance and upgrading the washroom facilities to meet barrier-free code requirements. PWS has identified the building code requirements under its Deferred Maintenance Program as requirement to improve public access and address quality of life issues within public buildings.

Paulatuk - Fuel Delivery Vehicle
The primary fuel delivery truck now in use was acquired in 2003 and requires replacement in 2010 due to general wear and tear, but will remain in the community as a standby spare unit. The current standby vehicle was acquired in 1988 and is no longer operable, and will be removed from the community by barge and declared surplus.

Various Communities – Tank Level Monitoring and Safety Valves
New regulations have been implemented by Environment Canada under the *Environmental Protection Act* that directs the installation of tank level monitoring devices at each fuel storage tank in operation. National Fire Code (NFC) 2005 Section 4.4 requires leak detection monitoring for aboveground storage tanks, as well as underground and exposed piping systems. Continuous automatic tank level monitoring and leak detection will be installed to provide enhanced security of government assets and protection of the environment.

Point of Sale (POS) equipment will be installed in the communities of Wrigley, Trout Lake, Nahanni Butte, Jean Marie River, Colville Lake, and Wekweeti to support enhanced fuel inventory control and to complement the accuracy of automated tank level monitoring equipment.

The NFC Section 4.7.3.2.2 requires that at fuel dispensing facilities an automatically-operated valve that is designed to open only when the dispenser is being operated shall be provided at each tank outlet, and as well, an emergency valve shall be provided for the dispenser.

The tank level monitoring and automatic/emergency valve upgrade projects for 2010/11 are identified for the following communities.

- Lutsel K'e
- Ft. Good Hope
- Jean Marie River
- Nahanni Butte
- Trout Lake
- Wrigley
- Whati
- Gameti
- Wekweeti

IT Infrastructure Upgrades and Network Enhancements
This project supports critical infrastructure acquisitions, based upon evergreening requirements (20% of equipment over five year life span) and growth driven by departmental initiatives. These are needed to maintain and enhance the core IT infrastructure.

Network enhancements will focus on rescaling the network to better manage traffic (Internet offloading) and increase performance and reliability. Improvements to network security will include redesigning network perimeter security and creating a second firewall. Ongoing infrastructure investment has been deemed a critical capital expenditure in order to provide the stability and performance for the GNWT network.

Storage Sub-System Upgrades
This Storage Subsystem Replacement project is focused on replacing a major data storage sub-system that is reaching the end of its five-year lifespan, and introducing storage tiers into the GNWT infrastructure, so that data is stored on a device appropriate to its performance and availability requirements. This project will be completed in 2010/11.

Planned Activities – 2011/12

Capital Asset Retrofit funding has been approved in principle for 2011/12 subject to further substantiation. Upon funding approval, the program will continue to assess GNWT facilities with the completion of detailed energy audits on those facilities determined to be best suited for energy saving retrofits, with completion of the selected retrofit projects.

This initiative will be coordinated with the ongoing Deferred Maintenance Program and the 20 year capital needs assessment to maximize energy savings and minimize payback periods and form the basis of future capital plans.

e) Legislative Initiatives

Activity to Date

There are no legislative activities underway in Public Works and Services.

Planned Activities – 2010/11

There are no planned activities for Public Works and Services

Planned Activities – 2011/12

There are no planned activities for Public Work and Services

f) Human Resource Overview

Overall Human Resource Statistics

All Employees

	2009	%	2008	%	2007	%	2006	%
Total	**240**	**100**	**249**	**100**	**237**	**100**	**232**	**100**
Indigenous Employees	112	47	114	46	109	46	111	48
Aboriginal	79	33	77	31	74	31	76	33
Non-Aboriginal	33	14	37	15	35	15	35	15
Non-Indigenous Employees	128	53	135	54	128	54	121	52

Note: Information as of March 31 each year.

Senior Management Employees

	2009	%	2008	%	2007	%	2006	%
Total	**8**	**100**	**10**	**100**	**11**	**100**	**9**	**100**
Indigenous Employees	3	38	5	50	5	45	4	44
Aboriginal	0	0	2	20	1	9	1	11
Non-Aboriginal	3	38	3	30	4	36	3	33
Non-Indigenous Employees	5	62	5	50	6	55	5	56
Male	7	87	10	100	10	91	8	90
Female	1	13	0	0	1	9	1	10

Note: Information as of March 31 each year.

Non-Traditional Occupations

	2009	%	2008	%	2007	%	2006	%
Total	**119**	**100**	**116**	**100**	**107**	**100**	**89**	**100**
Female	14	12	11	10	11	10	9	10
Male	105	88	105	90	96	90	80	90

Note: Information as of March 31 each year.

Employees with Disabilities

	2009	%	2008	%	2007	%	2006	%
Total	**240**	**100**	**249**	**100**	**237**	**100**	**232**	**100**
Employees with disabilities	4	2	4	2	5	2	5	2
Other	236	98	245	98	232	98	227	98

Note: Information as of March 31 each year.

Position Reconciliation

This information differs from the employee information on the preceding page. Employee information reflects actual employees on March 31 of each year, and the information presented below reflects position expenditures approved through the budget process for each fiscal year.

Active Positions

Summary:

	2009-10 Main Estimates	Change	2010-11 Business Plan
Total Appropriated	187	4	191
Total	**187**	**4**	**191**
Total Chargeback (TSC)	55	1	56
Total Revolving Fund (PPD)	14		14
Indeterminate full-time	**256**	**5**	**261**
Indeterminate part-time	0	0	0
Seasonal	0	0	0

Adjustments During the Year:

Adjustments approved through Business Planning Process

Position	Community	Region	Add/Deleted	Explanation
Settlement Maintainer	Sachs Harbour	Inuvik	Added	2010-11 Strategic Initiative – New Trade Positions
Settlement Maintainer	Tulita	Inuvik	Added	2010-11 Strategic Initiative – New Trade Positions
Settlement Maintainer	Ulukhatok	Inuvik	Added	2010-11 Strategic Initiative – New Trade Positions
Electrician	Inuvik	Inuvik	Added	2010-11 Strategic Initiative – New Trade Positions
Infrastructure Analyst (TSC)	Yellowknife	HQ	Added	2010-11 Forced Growth – Security Strategy Implementation
Total Approved			**5**	

Other Positions

Summary:

	2009-10 Main Estimates	Change	2010-11 Business Plan
Total Appropriated	0	5	5
Total	**0**	**5**	**5**
Total Chargeback (TSC)	0	0	0
Total Revolving Fund (PPD)	0	0	0
Indeterminate full-time	**0**	**5**	**5**

Indeterminate part-time	0	0	0
Seasonal	0	0	0

Adjustments During the Year:

The following positions have been established by the department and funded through internal reallocation of existing appropriations.

Position	Community	Region	Added/Deleted	Explanation
Manager, Accommodation Services	Yellowknife	Headquarters	Added	Position established as part of the Asset Management re-organization and the resource requirements generated from within the Asset Management activity
Manager, Technical Services	Yellowknife	Headquarters	Added	Position established as part of the Asset Management re-organization and the resource requirements generated from within the Asset Management activity.
Manager, Facility Planning	Yellowknife	Headquarters	Added	Position established as part of the Asset Management re-organization and the resource requirements generated from within the Asset Management activity
Junior Projects Officer (32-13187)	Hay River	Fort Smith	Added	Added to support increasing workload associated with Risk Management and Safety initiative (Deferred Maintenance) Initiative
Apprentice Plumber	Fort Smith	Fort Smith	Added	Added to support increasing workload associated with the Deferred Maintenance Initiative
Total Internal Reallocations			**5**	

<u>Total Active and Other Positions</u>

Summary:

	2009-10 Main Estimates	Change	2010-11 Business Plan
Total Appropriated	187	9	196
Total	**187**	**9**	**196**
Total Chargeback (TSC)	55	1	56
Total Revolving Fund (PPD)	14		14
Indeterminate full-time	**256**	**10**	**266**
Indeterminate part-time	0	0	0
Seasonal	0	0	0

One of the stated priorities of the Legislative Assembly is to "improve human resource management within the GNWT". To address this priority, a ten-year NWT Public Service Strategic Plan, *20/20: A Brilliant North* and accompanying three-year Action Plan were developed and tabled in the Legislative Assembly on June 4, 2009. The Strategic Plan outlines specific actions to address the goal to both promote Affirmative Action throughout the GNWT and to develop Human Resource Plans for each department.

The three-year Action Plan includes the development of a framework for departmental plans to be developed by August 31, 2010. It would be expected that departments could complete their HR Plans by the end of 2010-11 and these would be incorporated into subsequent business plans. The creation of these plans will ensure a consistent and coordinated approach across government, providing equitable opportunities for all staff.

Other Human Resource Information

The tables below indicate the statistics on the departments' human resource activities with respect to summer students, interns and transfer assignments for 2009.

Summer Students				
Total Students	Indigenous Employees (Aboriginal + Non Aboriginal	Indigenous Aboriginal	Indigenous Non-Aboriginal	Non-Indigenous
25	20	10	10	5

Interns				
Total Interns	Indigenous Employees (Aboriginal + Non Aboriginal	Indigenous Aboriginal	Indigenous Non-Aboriginal	Non-Indigenous
0	0	0	0	0

Transfer Assignments				
Total Transfer Assignments	Indigenous Employees (Aboriginal + Non Aboriginal	Indigenous Aboriginal	Indigenous Non-Aboriginal	Non-Indigenous
11	3	1	2	8

Activities Associated with Staff Training & Development

Recruitment and Retention

The department ensures that its job descriptions do not contain systemic barriers for affirmative action candidates and equivalencies are established for all positions. Selection criteria and questions fairly reflect the job requirements and are not structured to exclude any affirmative action groups. As much as possible, PWS has standard job descriptions

The department continues to experience difficulty recruiting affirmative action candidates for its professional and technical positions due to the level of education required for these positions. The department has continued to establish intern positions to assist in meeting its requirements, but there are not enough students graduating with a post-secondary education in these disciplines to fill positions. The department is a sponsor of math and science awards for junior high schools throughout the NWT to encourage students to continue with these subjects, which are a requirement for engineering, architecture and computer science post-secondary programs. The department continues to experience difficulty in recruiting trades staff with the tight competition from northern mines and the private sector.

Employees are recognized for their long service during departmental staff events held annually in each regional office and Headquarters.

The department publishes a newsletter every second month to celebrate our success stories, recognize the accomplishments of staff and acknowledge those employees new to the department and those leaving.

The Department has developed an internal orientation program for new PWS employees. It will be unique from the GNWT employee orientation program in that it will focus on the "'department specific" information needs of new employees and will also serve as a single point of access for all department employees to search for published information (policies, procedures and guidelines) across government.

The Department actively supports on-going professional development of staff. This includes support for participation in professional conferences, courses, training workshops and college courses.

The following are department employee demographics and HR metrics for the calendar year ending December 31, 2008

Employee Demographics	
Average Age	46.5
Average Years of Service	10.5
Percentage Employees 18-29 years old	9.3%
Percentage Employees 30-39 years old	17.3%
Percentage Employees 40-49 years old	30.0%
Percentage Employees 50 years old and over	43.5%
Percentage Employees eligible to retire within 5 years	29.5%
Percentage Employees eligible to retire within 10 years	33.8%

Percentage Senior Management eligible to retire within 5 years	37.5%
Percentage Senior Management eligible to retire within 10 years	50.0%
	Human Resource Metrics
Employee - New/Rehires	22
Employee - Promotions	4
Employee - Transfers	13
Employee - Transfer Assignments	17
Employee - Terminations	22
Accession Rate	9.2%
Turnover Rate	9.2%

Interns

The department was approved for two Intern positions in 2009-10 but has had limited success in identifying suitable graduate candidates for the positions. Historically, the department has been approved for more positions than it can successfully staff, and that is a reflection of the technical requirements characteristics of its positions and the lack of available northern graduates in technical programs applying for the GNWT's Intern program.

Northern Trades Apprenticeship Program

The shortage of skilled trades people in the NWT and in other areas of Canada continues to be a problem, and remains a contributing factor in the rising construction costs and delays in project delivery. In addition, departments and NWT community governments have always experienced difficulty staffing trades positions, especially in the smaller communities.

In 2007-08, the department was approved for eight apprentice positions for the purposes of building our northern trades workforce. In 2009-10, the department added a new apprentice electrician in Fort Smith, and converted a Trades Helper position in Hay River to an apprentice Electrician. For 2010-11, the department is planning to add a new Plumber apprentice in Fort Smith. With these additions the total number of apprentice positions in the department now stands at eleven.

	Carpenter	Electrician	Stationary Engineer	Plumber/Gas Fitter/Oil Burner Mechanic
Fort Simpson	1			1
Fort Smith	1	1		1
Hay River		1	1	1
Inuvik		1		1
Norman Wells	1			

Status of Apprentice Positions

At the present time, eight of the ten established positions are filled and based on recent history the department is having greater success in retaining these employees as compared to 2007-08 and early in 2008-09 when a number of the apprentices left the program to accept positions in the private sector. A primary reason cited for leaving by departing employees was inadequate compensation offered by the GNWT to apprentice positions.

Succession Planning

There are eleven employees participating in transfer assignments to broaden their experience, of which one is an indigenous aboriginal and two others are indigenous non-aboriginal. One assignment is an internal development opportunity for an existing manager to the senior management position of Director, Technology Service Centre.

GNWT Leadership Program

In 2008-09 the department enrolled four employees in the Leadership programs (Emerging and Middle Manager) offered by the GNWT. Of the four participants, two are indigenous aboriginals and one is an indigenous non-aboriginal. Since being enrolled, one employee has completed the Emerging Managers program while the other three are continuing with the program modules. The department has been an active supporter of the program with at least two participants over the past several years.

g) Information System & Management Overview

Overview

The department's approach to Information Systems/Information Management (IS/IM) is moderate, based on a mix of application technology deployed. Growth continues in the development and use of web-based and other network friendly technologies that support mandated programs and services, and those IS resources available to government in support of services provided by the department. The last corporate application running on the HP3000 platform (PPPROD) will be decommissioned during 2009/10.

Public Works and Services maintains the following major information systems:

1. **Computerized Maintenance Management System (CMMS)**

   The application used to administer the preventative and on-demand maintenance activities managed by PWS on government owned buildings, works, vehicles and equipment.

2. **AMANDA**

   The application is used to administer permit applications and inspections for all electrical, elevator, boiler and pressure vessel, and gas installations in the NWT. It is also used to administer all new design registrations (boilers and pressure vessels) submitted by manufacturers wanting their products registered for use in the NWT. Administration of all workers certified (registration and renewal) to work in the NWT is another component of the system.

3. **iRIMS**

   Records management software used government-wide to manage the information life-cycle and manage storage within the four GNWT Records Centres.

4. **ENERGY**

   The application was implemented in 2008-09 to replace the outdated PPPROD system, and is used by the Petroleum Products Division (PPD) to capture and administer the information related to the sale of fuel products, contractor payments, fuel inventories and financial reporting purposes.

   To reduce operational and administrative costs and increase inventory accuracy and control, PPD will complete the installation of a modern management information system. In 2009/10, this included installation and implementation of fuel inventory control and accounting software, "Point of Sale" devices and "Card-Lock" self-serve dispensing equipment, as well as electronic inventory monitoring and metering equipment.

5. **VFA Facility**

   This is an application used to manage information about the condition of facilities and building systems maintained by the department. It is a centralized application first used in conjunction with the Wood Pile Remediation Program to collect data used in generating Building Condition Assessment reports, and it continues to be used with the Deferred Maintenance Program.

It supports the collection and management of a wide range of asset information, such as location, structure, type, uses, conditions, requirements and their associated costs, and related projects and plans. It integrates cost data from RSMeans and lifecycle data from Building Owners and Managers Association (BOMA) to ensure reliable cost projections for deferred maintenance and systems renewal.

Planned Activities – 2010-11

Document Management
As part of its efforts to identify and implement improved methods for managing electronic documents, PWS initiated a pilot project using document management software during 2007/08. Results of the pilot were successful and the software began to be implemented in 2008/09. The implementation will be a mult-year initiative being completed during 2010/11.

Internal Services Integration with System for Accountability and Management (SAM)
As part of the 2009/10 implementation of SAM, the department's Internal Services application (Procurement and Contract documents) was interfaced for the purposes of migrating Requisition data and generating a Purchase Orders (PO) in SAM. With implementation of SAM, Internal S ervices is the official standard for creating requisitions. Additional interface requirements with Internal Services may evolve in time.

Planned Activities - 2011-12

PWS has a number of smaller applications. The future of these applications is hinged on the functionality, capabilities, etc., of the new financial information system. Examples of applications that could require modification or become obsolete are the Contract Information System and the Contracting & Procurement System.

The AMANDA application has the capability to interface with newer Financial Information Systems having a standardized general ledger (G/L) component. This opportunity has never been explored due to the dated Financial Information System (FIS) deployed in the GNWT. With implementation of SAM (new FIS) scheduled for 2009-10, there may be an opportunity to interface and implement on-line transactional processing (permit applications, registrations, etc). This option will be explored after implementation of the new corporate financial information system is finalized and any/all post implementation issues have been resolved.

4. FUTURE STRATEGIC DIRECTION FOR THE DEPARTMENT

Effective and Efficient Management of Government Infrastructure

With the new initiatives undertaken by the department in the past two years combined with those planned for 2010-11, the direction of the department is well defined for the foreseeable future. The deferred maintenance program will ensure the building infrastructure required to deliver government programs remain safe and reliable, and changes in the capital planning process are placing more rigor around the selection process to ensure the greatest benefit to the public and the best value to government is achieved. Energy Management initiatives like the Capital Asset Retrofit Fund will be used to improve the energy efficiency of government infrastructure and will be coordinated with the Deferred Maintenance and Capital Planning process to maximize the effectiveness of available funding.

The consolidation of Maintenance and Utilities will bring the remaining building infrastructure under the management of PWS and presents an opportunity to improve the overall efficiency and cost effectiveness of facility maintenance services and operations. This initiative also supports the code mandated preventative maintenance requirement that dictates all government owned buildings are operated and maintained in a safe condition, consistent to standards and in accordance with NWT acts, codes and regulations.

Longer term, PWS will utilize the new System for Accountability and Management (SAM) along with the department's Computerized Maintenance Management System (CMMS) to improve the tracking of expenditures and provide better management information. Both systems will provide feedback into the effectiveness of facility maintenance and operations, and ensure code mandated activities are accounted for, aging assets are properly acknowledged and queued in the capital planning process, and realized energy savings are captured and redirected into future energy management initiatives.

PWS is a client service organization designed to support government operations. The change drivers impacting the department in future will result from new and evolving program requirements identified by clients and the demand for enhanced services. Current department initiatives (Deferred Maintenance and Capital Planning) will influence some client activities but ultimately the department must respond to new program and service delivery requirements.

Devolution would create a substantial demand for services and draw on existing resources should it proceed at some future date. While there continues to be uncertainty around devolution the department recognizes where organizational impacts would be significant in anticipation of a future decision.

PWS Trades Shops

A review of the PWS trades shops confirmed the last new trade shop was constructed in 1977. Many of the shops occupied by PWS are old buildings dating back to the 1960's that were transferred from other governments or agencies and were adapted for use as trades facilities. To rectify this situation, PWS will develop design standards and criteria for its trades shops. Over the next number of years, the department will be upgrading and/or replacing trades shops in several communities. These new purpose built facilities will increase efficiency, safety and staff morale. Reliable and efficient trades shops are essential to the effective delivery of preventative and deferred maintenance initiatives.

Community Fuel Resupply

Over the past several years fuel prices have continually fluctuated leaving little stability in managing community fuel pricing and resupply costs. Reducing transportation costs is one area the department has focused on to help mitigate the impact of rising fuel costs on communities. To that end, the department will continue to explore opportunities to reduce transportation costs through strategic partnerships and alternative delivery methods.