

TABLE OF CONTENTS

Message from the Minister	i
Departmental Overview	1
Highlighting Our Employees	6
Key Achievements and Priorities	8
Financial Statements	16

Message from the Minister



Hon. Thomas G. Rideout,
MHA - Lewisporte District

In accordance with government's commitment to accountability, I hereby submit the 2002-03 annual performance report for the Department of Works, Services and Transportation. This report was prepared under my direction, and addresses the department's activities and outcomes from April 1, 2002 to March 31, 2003.

Thomas G. Rideout
Minister

DEPARTMENTAL OVERVIEW

Our Vision

We shall excel at fulfilling the economic and social requirements of the people of Newfoundland and Labrador and our clients for public works and transportation infrastructure.

Our Mission

The mission of the Department of Works, Services and Transportation (WST), working in consultation with the people of Newfoundland and Labrador, is to ensure a safe, efficient and sustainable transportation system, and to meet the needs of the public sector for accommodations, public building facilities and support services.

DEPARTMENTAL OVERVIEW

Mandate

WST has the mandate to provide a safe and efficient transportation system, landlord services for all government departments and support services such as printing, purchasing, mail and leasing services.

In carrying out its mandate, the department divides its operations into four main program areas:

- maintenance of roads and buildings;
- construction of roads and buildings;
- marine transportation services; and
- support services to government and its agencies

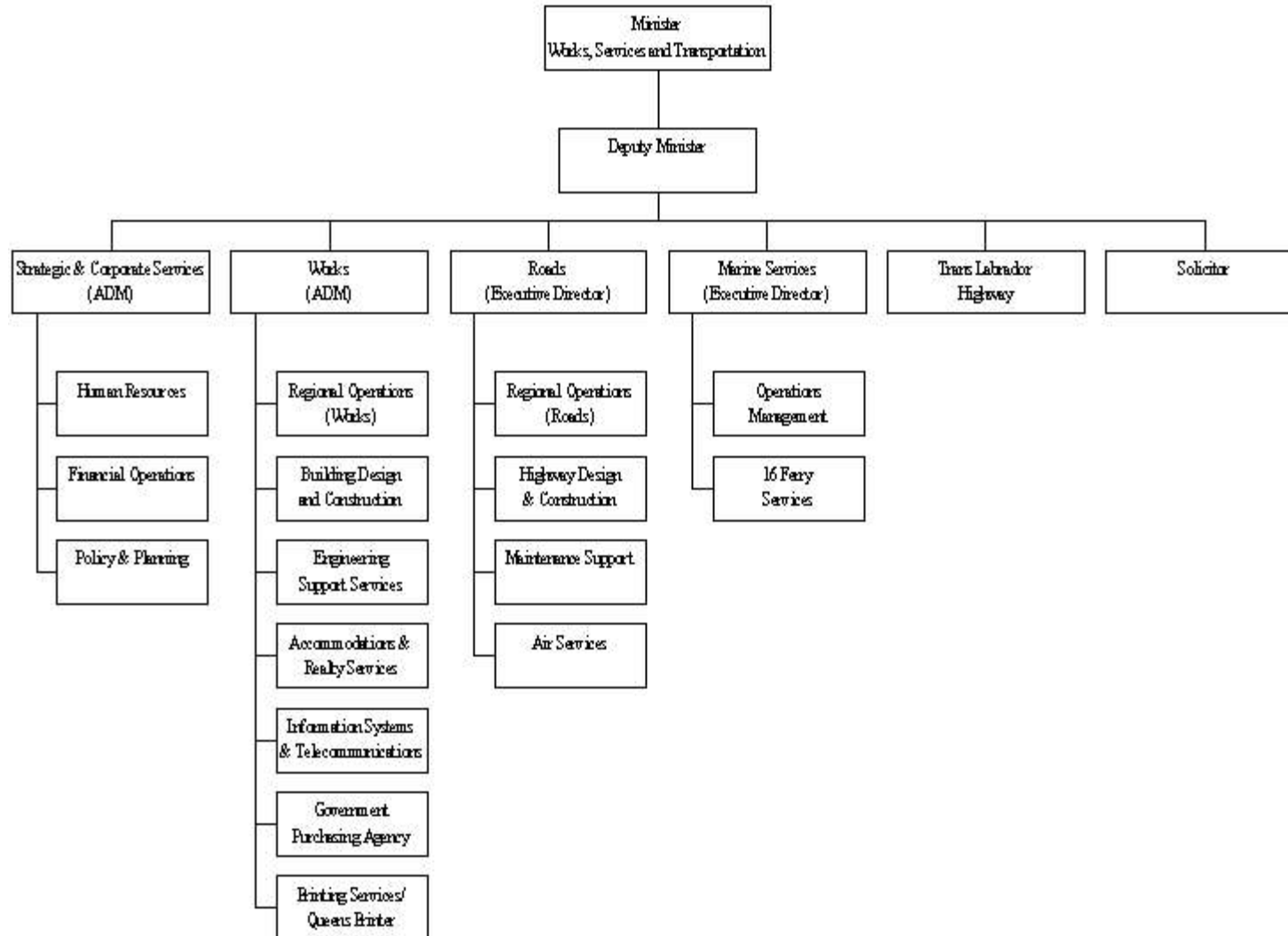
Departmental Structure

The department has four (4) branches: Works; Roads; Marine; and Strategic & Corporate Services. Being a large, multi-faceted department, the life of every person in the province is impacted in some manner each and every day through the mandate of WST. Eight (8) regional offices throughout Newfoundland and Labrador provide construction, maintenance and operational services. Corporate head office, at Confederation Building, is responsible for policy and planning, project management and design, strategic operational management and corporate administrative services.

WST has the largest number of employees within any government department. At March 31, 2003, there were 1,897 WST employees (1,151 permanent, 400 temporary and 346 seasonal employees) located throughout the province. During peak seasons of a year, this number has reached as high as 2,429 - the largest staff complement by far of any government department.

DEPARTMENTAL OVERVIEW

Organizational Structure



DEPARTMENTAL OVERVIEW

Key Responsibilities

The Department is responsible for:

- ▶ providing and maintaining a transportation system that includes: (i) summer and winter maintenance (snowclearing and ice control) on 8,990 kilometres of primary and secondary highways and community access roads; (ii) operating and maintaining eight aircraft for air ambulance and water bomber services; and; (iii) managing 21 ferries (16 routes) for marine operations;
- ▶ managing and maintaining approximately 653,000 square metres of floor space in 900 government-owned buildings and properties;
- ▶ constructing new roads and managing other capital roads projects with expenditures of \$114,607,600 during the reporting period;
- ▶ constructing new buildings (focus on education and healthcare facilities) and managing other capital projects for government departments and government-funded bodies with expenditures of \$81,686,400 during the reporting period;



Winter Maintenance - TLH



MV Flanders

DEPARTMENTAL OVERVIEW

Key Responsibilities (cont.)

- ▶ maintaining a fleet of 2,659 vehicles comprised of 871 light vehicles, 713 heavy equipment vehicles and 1075 other utility vehicles (snowmobile, all terrain vehicles, etc.);
- ▶ providing space for government departments in government-owned buildings and leased accommodations;
- ▶ providing central purchasing for all government departments;
- ▶ developing and maintaining a proactive intermodal transportation policy involving the federal government and neighbouring provinces;
- ▶ providing printing services for government including in-house and contracted services; and
- ▶ providing centralized mail and messenger services for government.



Government House

HIGHLIGHTING OUR EMPLOYEES

WST Employees awarded for Excellence in Public Service

The second annual Public Service Awards of Excellence ceremony took place April 17, 2003 and among those honoured were WST employees. The Outer Ring Road project team, along with Ms. Lily Green of the Accommodations and Realty Services Division (Works), received the Inukshuk trophies as a symbol of leadership, valuing people, innovation and service delivery excellence.

When the Department of Justice sought to open 10 new regional probation offices within a short time span, Lily Green was tasked with the responsibility of helping identify accommodations, ensuring renovations were timely and coordinating warm and inviting office schemes.

Lily's work has made her the first point of contact for individuals in the private sector working on lease deals, management issues and coordination of various tenant issues. It is not only her ability to get the job done, but to do it in a timely manner while maintaining a professional manner. Lily is praised for her persistence, focus on solutions and ability to work with clients both on a professional and personal level.



Lily Green

Private sector clients and public service colleagues pay great tribute to Lily for her attention to detail and problem-solving abilities. They commend her abilities to deal with difficult issues in a positive manner. Congratulations Lily.



Outer Ring Road Team

Similarly, the Outer Ring Road team was recognized for its considerable accomplishment on this project, which could be considered one of the most complex road building projects to take place in Newfoundland and Labrador. This group was key in designing and managing this 20-kilometre highway project through a major urban park. Throughout the project, the team demonstrated the benefits of cooperation between government and the public, enhanced the environmental health of the surrounding area, and brought road building in Newfoundland and Labrador to new levels. Congratulations to the team.

HIGHLIGHTING OUR EMPLOYEES

The department also nominated the group responsible for installing our live Internet highway cameras in locations across the province. This project was developed to provide motorists with information on road conditions, at the point of writing over 463,000 visits have been made to the site.

Wetlands Conservation Award

Charlie Horwood, Environmental Planner with the Policy and Planning Division received an award for wetlands conservation. In 2003, Ducks Unlimited Canada began an annual awards program for the Newfoundland and Labrador Region of Ducks Unlimited to give recognition to an individual and to a corporate body that demonstrated a strong commitment to wetlands conservation. The award recognized Charlie's initiatives in protecting and establishing the Fogarty's Interpretation Wetland Area in Pippy Park, his involvement in the conservation and protection of Lundrigan's Marsh off Logy Bay Road and, environmental protection and restoration work at LeManche Bottom Wetlands. Charlie was the first to receive this award in the individual category which was presented to him by the Regional Manager and a National Director for DU Canada at the annual fund raising event at the Delta Hotel in March, 2003. He was presented with a limited edition wetlands print by nature artist Julian Friers. Congratulations Charlie.

Queen's Golden Jubilee Medal

In August 2002, long time employee, Phil Heffernan received the Queen's Golden Jubilee Medal for his service to the province. The award is given to individuals who have, over the past 50 years, have helped make outstanding and exemplary contributions to the community. Mr. Heffernan was given the award in recognition for his many years of support to the Lieutenant Governors office. Congratulations Phil.



His Honour Dr. A. Maxwell House and
Mr. Phil Heffernan

KEY ACHIEVEMENTS AND PRIORITIES

WST focused on three main strategic priorities during 2002-03. These priorities were viewed as paramount to achieving WST's vision and delivering its mandate. These priorities, encompassing the operations and activities of the entire department, were as follows:

- ▶ **Service Delivery** - *While needed improvements to infrastructure and services continue to be pursued, the most appropriate level of service delivery must be determined within the context of the operating environment, particularly fiscal and demographic changes.*
- ▶ **Stewardship of Public Infrastructure** - *The department is responsible for a large and varied public infrastructure - roads, buildings, ferries, airplanes, light vehicles and highway equipment. Proper stewardship of these assets including appropriate use and maintenance is essential to ensure the greatest public value possible is derived from this substantial economic investment.*
- ▶ **Safety, Security and Environmental Concerns** - *Life safety, security and environmental sensitivities are priorities in the management of public buildings and transportation infrastructure, including vessels and ports. It remains imperative to more frequently factor these considerations into WST's approach to policy making, operations and development activities*

Achievements in Building Infrastructure - During the 2002-03 reporting period, WST managed a number of ongoing construction and renovations projects totaling \$83.28 million. This included: \$25.6 million in health care facilities; \$30.49 million in school construction and repairs and, \$27.19 million in construction and repairs of other public buildings.

KEY ACHIEVEMENTS AND PRIORITIES

Healthcare and Education Infrastructure



Connaigre Peninsula Community Health Care Facility

Healthcare - WST provides design and construction management on healthcare facilities for the province. During the reporting period, WST managed total expenditures of approximately \$25.6 Million.

Education - WST managed extension / renovation projects totaling \$30.5 M in 47 schools across the province, on behalf of the Department of Education, during the reporting period.

K - 12 Educational Facilities

Project	2002-03 Expenditures
Extension and renovation projects	5,106,934
New school construction	24,444,496
Reorganization (Avalon East School Board)	417,779
Roofing projects	529,311
Total expenditures	\$30,498,520

Other Facilities

Project	2002-03 Expenditures
The Rooms project	20,456,324
Exterior remediation - Sir Wilfred Grenfell Collage	2,528,303
Renovations to various government buildings including building envelope, life safety and accessibility projects	4,210,649
Total expenditures	\$27,195,276

KEY ACHIEVEMENTS AND PRIORITIES

Achievements in Road Infrastructure:

Most Newfoundlanders and Labradorians know first hand some of the challenges that are facing our transportation sector - aging infrastructure, changing demographics, reliance on certain modes of transportation, increased tourist traffic and challenging weather conditions, just to name a few. These were reiterated throughout a province-wide consultation process, whereby the people of Newfoundland and Labrador voiced the need for improvements to transportation infrastructure.

During the 2002-03 reporting period, to address such needs, the following expenditures were incurred:

Project	2002 -03 Expenditures
Trans Labrador Highway - Work included the building of 51 new kilometres of highway and access roads and construction of 5 bridges.	18,132,839
Trans Canada Highway - Work on 77 kilometres of road and construction/repair of 6 bridges.	17,769,271
Provincial Roads Program - Work on 128 kilometres of road, work involved the upgrading/paving of roads as well as bridge/culvert rehabilitation.	24,867,596
Regional Trunk Roads - Work on 25 new kilometres of road, including sections of the Conception Bay North and the Southern Shore Highway.	10,375,991
Total Expenditures	\$71,145,697

KEY ACHIEVEMENTS AND PRIORITIES

Achievements in Marine Infrastructure

The Marine Branch during 2002-03 ensured the 21 vessels operating on the 16 ferry routes provided safe and reliable service. The operations included vessels:

- owned and crewed by the department;
- owned by the department and operated by the private sector; and
- owned and operated by the private sector under contract to the department.

The vessels under the care of our department provided a wide variety of service levels based on public interest and the requirements of users. This was accomplished through regular preventive maintenance and use of swing vessels to ensure continuity of service throughout the operating season while vessels are out of service for scheduled refit inspections and repairs.

Achievements in Other Essential Public Services

Air Ambulance and Water Bomber Services - The Air Services Division is responsible for the operation and maintenance of government-owned aircraft as well as the acquisition and monitoring of aircraft for dedicated government use. During the reporting period, WST's air ambulance services, along with the Grenfell Regional Health Services airlifted 962 patients.

WST's water bombers are utilized for forestry protection and management programs. In the 2002-03 fire season, water bombers fought 140 fires, all of which were quickly contained. The six Air Tankers flew 105 missions and dropped 7,398,400 litres of water\foam. One water bomber spent five days out of province assisting the Province of Nova Scotia with its forest fire activities.



Bombardier CL215 Water Bomber

KEY ACHIEVEMENTS AND PRIORITIES

Achievements in Interdepartmental Services - WST assists other departments in fulfilling their mandates by providing a number of key interdepartmental services. These services include: maintaining space for government departments; tendering and procurement of goods and/or services, and printing of various government documentation such as pamphlets, brochures and reports.

Printing Services - The Office of the Queen's Printer operates a public book store selling legislation and various government publications. It is mandated, by legislation, to exercise the printing and publishing functions for the government. This includes *The Newfoundland and Labrador Gazette*, all official, departmental and other reports, forms, documents, commissions and other papers that the Queen's Printer is required to print and publish by the authority of the Lieutenant-Governor in Council. It does this through the operation of an Internal Printing and Micrographic Division. In 2002-03 Printing Services completed 2,184 print jobs at an approximate value of \$809,048. Micrographics completed 456 jobs valued at \$119,622.

Government Purchasing Agency(GPA) - GPA procures goods and services directly on behalf of all government departments in accordance with the Public Tender Act and Regulations. In addition to its procurement responsibility, other activities include the disposal of assets, administration of procurement agreements, advertising, and the administration of the government charge card. For the reporting period, GPA issued \$251 million in direct and delegated purchases, \$123 million in building, transportation and maintenance contracts, and \$35 million in consumable goods contracts.

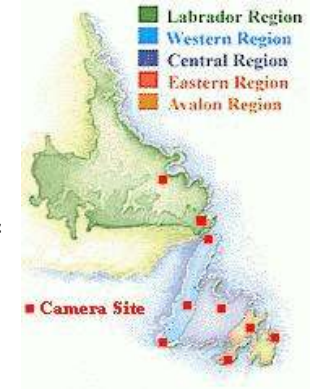
In March 2003, WST launched a new electronic tendering initiative that offered information on GPA goods and services tenders through the provincial government web site. This initiative was launched to make it easier for potential bidders to obtain information - free of charge. Information was made available on goods and services tenders valued at \$2,500 and greater.

Maintaining our Accommodations - During the 2002-03 reporting period, approximately 400 building sites in the province were maintained by WST. When additional sub-buildings are taken into account, this adds up to approximately 900 buildings. The annual cost to maintain these buildings was in excess of \$21 million. This included the cost of building utilities such as electricity and fuel, as well as operational costs for cleaning, garbage collection, snow removal and fire protection. Also included were costs for general maintenance and repairs. Approximately \$4.6 million was spent on alterations and improvements to existing facilities and \$1.3 million was spent on development of new facilities.

KEY ACHIEVEMENTS AND PRIORITIES

Achievements in Safety, Security and Environmental Issues

Safety of the road traveling public - WST has demonstrated its continued commitment of informing Newfoundlanders and Labradorians about road conditions through radio, television, print media and the Internet. The department has implemented a strategy to advocate safe winter driving. Through the use of digital camera technology and the Internet, WST is able to provide an up-to-date image of driving conditions at nine (9) camera locations throughout the province Foxtrap, Goobies, Grand Falls-Windsor, Pynn's Brook, Port-aux-Basques, Goose Bay, Flower's Cove, Salt Pond Burin and L'Anse au Loup, Labrador.



Furthering its commitment to road safety in Labrador, WST announced a pilot project for the traveling public, along the Trans Labrador Highway, by providing access to emergency services via satellite phones.

Security Improvements - Safety and security of its staff and visitors continued to be a high priority for government in 2002-03. WST acted upon the recommendations of a review of security issues for government to help achieve a security-sensitive environment within its facilities and among its employees. Implementation of the security plan for the East and West Blocks of Confederation Complex was the main focus during the reporting period. Improvements were made to security through:

- the mandatory use of photo ID cards for employees and the issuance of security passes for visitors;
- controlling access to key government buildings;
- controlling access to areas inside government buildings; and
- implementing security policies such as mail handling protocols and procedural protocols for security staff.

The recent changes to the public access policy at the Confederation Building Complex have provided a measure of improvements to the security status of the complex.

Other facilities may be added as security assessments are completed and funding becomes available.

KEY ACHIEVEMENTS AND PRIORITIES

Fire and Life Safety Inspections - During the 2002-03 reporting period, WST conducted 141 fire and life safety inspections in government-owned buildings and 80 inspections in government-leased facilities. Extra efforts were put into life safety inspections and concerns at Her Majesty's Penitentiary and the Salmonier Correctional Centre.

Road Salt Management - As a result of Environment Canada's study on road salt, the department has continued to improve on its salt management strategy that focuses on the more efficient use of salt to minimize environmental impacts along roadsides and storage facilities. This strategy included:

- Additional 31 spreader controls to the winter truck fleet - 16 on the new trucks purchased this year and 15 units to be added to the existing fleet. This now brings the number of trucks with spreader controls to 129 units;
- Two new salt storage domes with paved mixing pads at Port aux Basques and Whitbourne;
- Increased usage of new technologies such as weather forecasting, pre-wet ice control material and GIS truck location monitoring and operator training.

Improvements to Energy Efficiency - Energy Performance Contracting is a means of improving energy efficiency in public buildings by having private sector companies implementing and financing the improvements. The contractor is paid from the resulting energy and operational cost savings. The company guarantees that the savings achieved will pay off the project over a fixed time period, otherwise the company pays the balance owing.

In 2002-2003 there were three Energy Performance Contracts in place - one in the Western Region involving 19 sites and two in the Central Region involving 23 sites. In general, the work has involved improvements to building lighting, heating and ventilation systems. The estimated cost reduction to be achieved in these three projects, once completed, is \$945,000 per year.

KEY ACHIEVEMENTS AND PRIORITIES

Removal of Underground Storage Tanks - WST undertook a three year program starting in the spring of 2001 to remove from service all of the underground storage tanks at transportation depots throughout the province. A total of 90 tanks were scheduled to be removed during the first two years of the program. At a cost of \$300,000, the following achievements were made for the 2002-03 fiscal year:

- 22 underground gasoline tanks removed;
- 22 underground diesel tanks removed;
- 4 other fuel tanks decommissioned;
- 1 outside pit constructed;
- 12 new supply tanks installed; and
- 2 waste oil tanks supplied.

Forgarty's Wetland - an Interpretive Natural Area of Pippy Park

The collaborative efforts of WST, Ducks Unlimited and the C.A. Pippy Park Commission resulted in the opening of Fogarty's Interpretation Wetland on June, 2002. Fogarty's Wetland is approximately 15,600 square metres and is located in a narrow valley in the central portion of Pippy Park, between the Outer Ring Road and the Mount Scio Savoury Farm. The wetland is accessible through the Rennie's River Hiking Trail and excellent views of the area can be seen from the Old Burnt Pinch Road Trail.

This project is an excellent example of how various organizations can work together to enhance both infrastructure and the environment. Through the course of planning and constructing the Outer Ring Road, WST carried out a major clean up of the area which helped drive the restoration of the wetland. By removing rusted car wrecks and a large amount of debris, workers allowed ground water storage adjacent to the wetland to be substantially increased.

The department also worked with Newfoundland Power to arrange for the redirection of power transmission lines that otherwise would have been placed in the wetland. Furthermore, to make the wetland more accessible to the public, WST routed a section of the Rennie's River Hiking Trail through the bottom corner of the wetland and installed a pedestrian bridge over Nagle's Brook.

Wildlife such as frogs and muskrat live in Fogarty's Wetland, along with an abundance of vegetation. The area consists of juniper shrubs, yellow and white pond lilies, insect eaters such as the pitcher plant, herbaceous plants such as the scent-bottle orchid and many other wetland plants.

FINANCIAL STATEMENTS

Summary of Net Expenditure

For the year ended 31 March, 2003

	<u>Estimates</u>		
	<u>Actual</u>	<u>Amended</u>	<u>Original</u>
Executive and Support Services			
Minister's Office	287,390	288,000	265,000
General Administration	6,519,050	6,569,700	6,422,100
Maintenance of Roads and Buildings			
Road Maintenance	47,174,270	47,397,900	44,233,100
Building Maintenance Operations & Accommodations	31,163,113	32,125,950	31,260,800
Equipment Maintenance	23,223,425	23,202,900	20,847,200
Construction of Roads and Buildings			
Administration & Support	2,552,061	2,567,850	2,972,900
Road Construction	26,166,692	20,374,000	26,149,500
Building Construction	5,827,106	6,045,000	7,695,000
Transportation Services			
Air Support	1,299,330	1,476,700	1,284,900
Marine Operations	22,576,475	25,303,800	22,342,800
Air Services	9,686,534	10,156,600	9,595,500
Government Services	<u>2,129,661</u>	<u>1,929,500</u>	<u>1,864,200</u>
TOTAL	<u>\$ 178,605,107</u>	<u>\$ 177,437,900</u>	<u>\$ 174,933,000</u>

Please refer to Volume III of the Public Account which were previously tabled in the House of Assembly, for detailed financial information.