



2026 Department and Branch Budget Presentations

The logo for the City of Edmonton, featuring a stylized 'E' followed by the word 'Edmonton' in a white sans-serif font, all contained within a dark blue square.

City Operations

Craig McKeown, Deputy City Manager
March 5, 2026 - Special City Council

City Operations Department Overview

City Operations Outputs


\$ 716 Million
2026 Net Expenditures & Transfers


5,346 FTEs
(as of December 31, 2025)

\$ 808 Million
4 Year Department Capital Budget


61.8 Million
Total Bus & LRT ridership



5,266
Bus Stops in service



98%
DATS accommodation rate


118 Regular routes
65 school bus routes


12,333
Lane km
Of paved roads


2,693 km
Of paths, bike lanes & trails


400,000+
Open space and boulevard trees


863
Parks


900+
City-owned buildings maintained

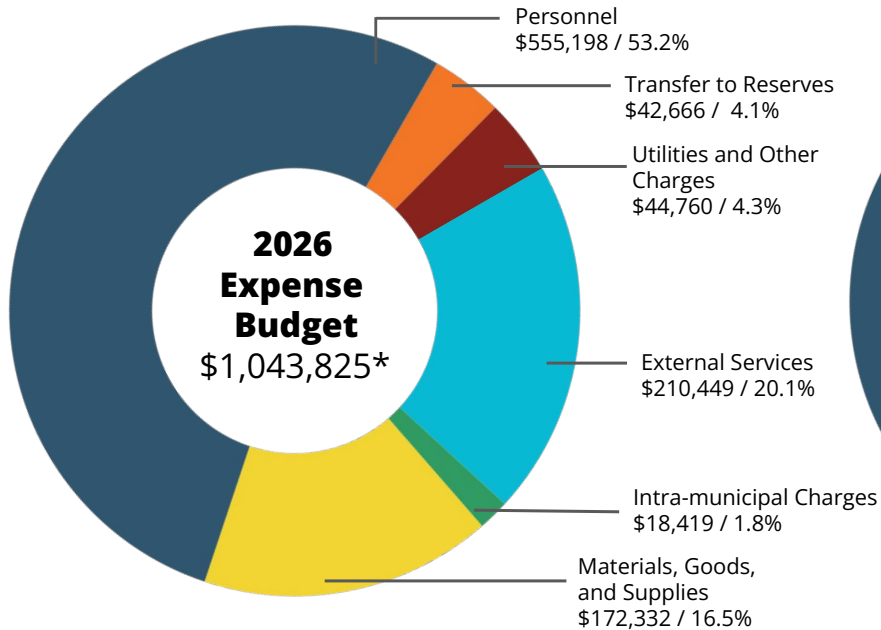

5,000+
Vehicles & pieces of equipment


100,000
Fleet work orders


72,000+
Facility work orders

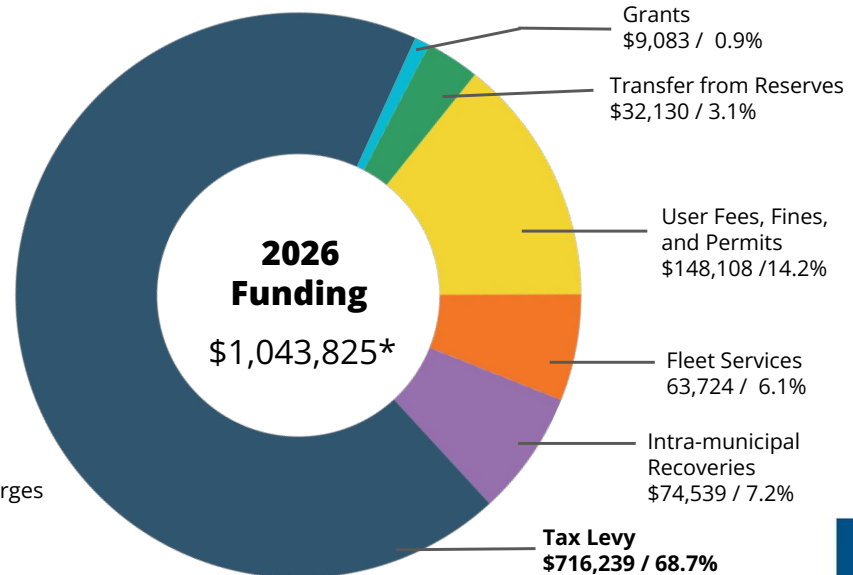
City Operations (000's)

2026 Expense Budget



*Total department expenses, excludes fleet & intra-municipal recoveries, grants and revenues

Funding Model Summary



*Fleet services and intra-municipal recoveries are included in funding totals

Understanding Subsidies

Targeted Social Subsidy (Reduced Fees)



Transit Fare Policy C451H outlines % discount for:

- Seniors
- People experiencing low-income
- Youth
- Children 12 & under

Council's Role: Deciding **who** gets the break.

Shared Value Subsidy (Partial Cost Recovery)



Even though the City charges a fee, the fee only covers a portion of the cost because the service provides a "public good" (e.g., transit or recreation).

Council's Role: Deciding **how much** the general public should pay for the benefit of all.

Enhanced Service Levels

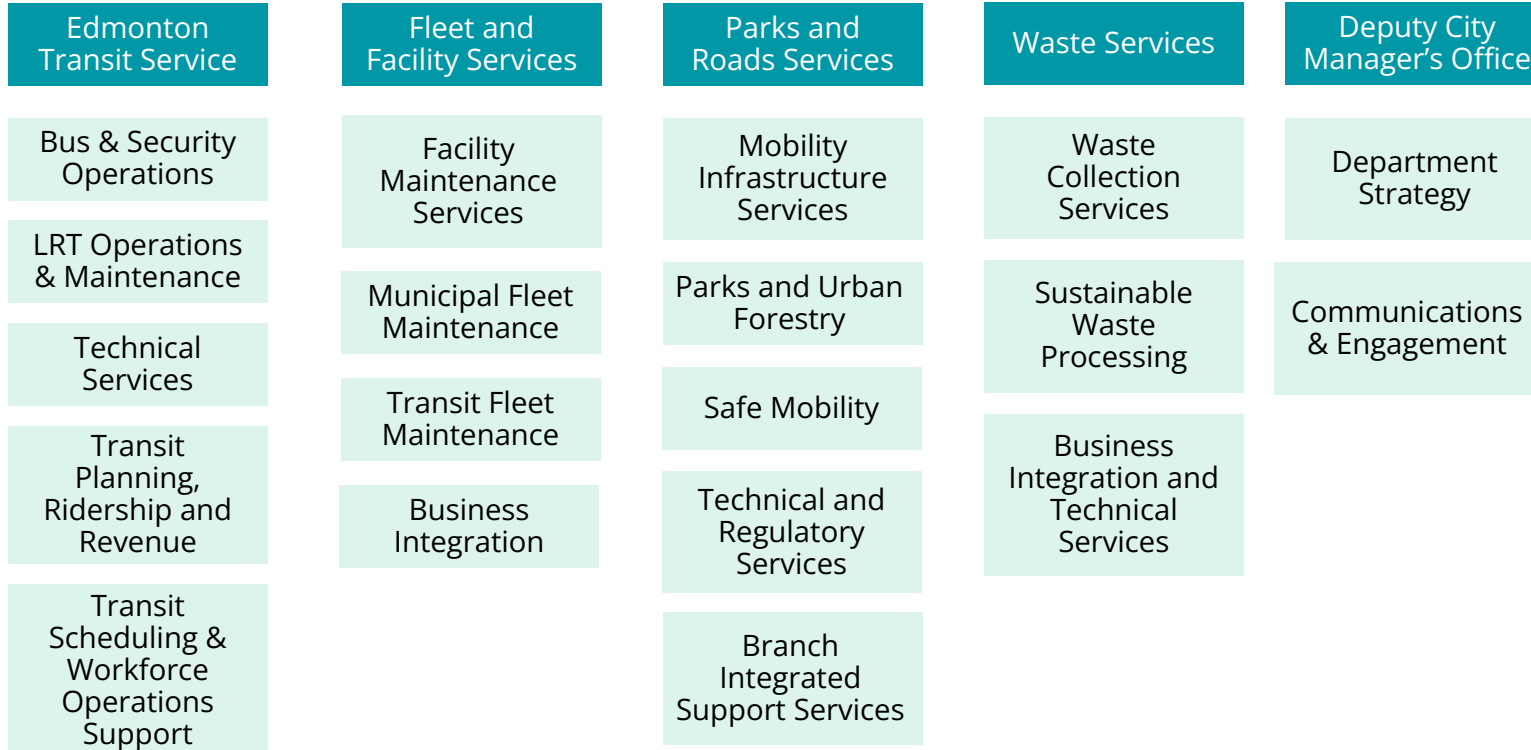


Enhanced levels of service to achieve strategic outcomes (e.g., BIA enhanced cleaning)

Council's Role: To set the **strategic priorities** which guide decisions on where operational funding is allocated.

Organizational Structure

City Operations





2026 Department and Branch Budget Presentations



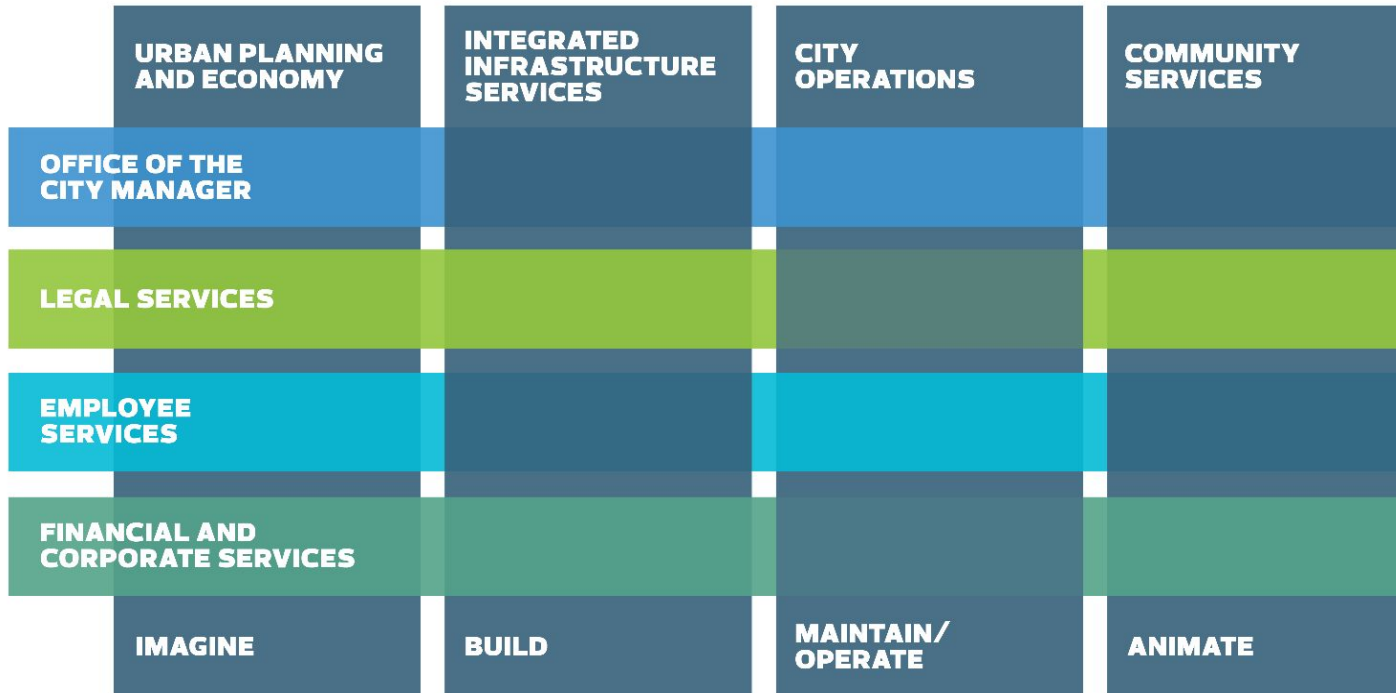
City Operations Fleet and Facility Services

Arjan Sharma, Branch Manager

Friday, March 13, 2026

Functional Structure

Fleet and Facility Services



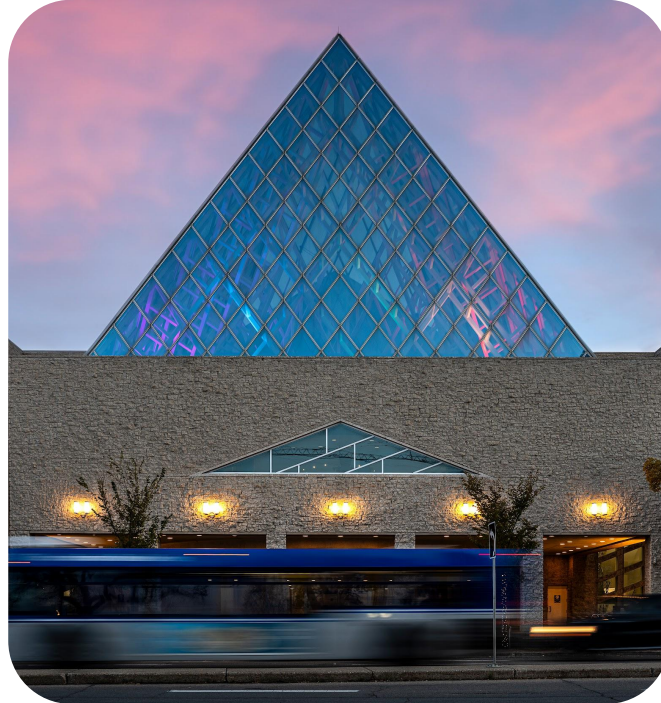
Services

Fleet and Facility Services

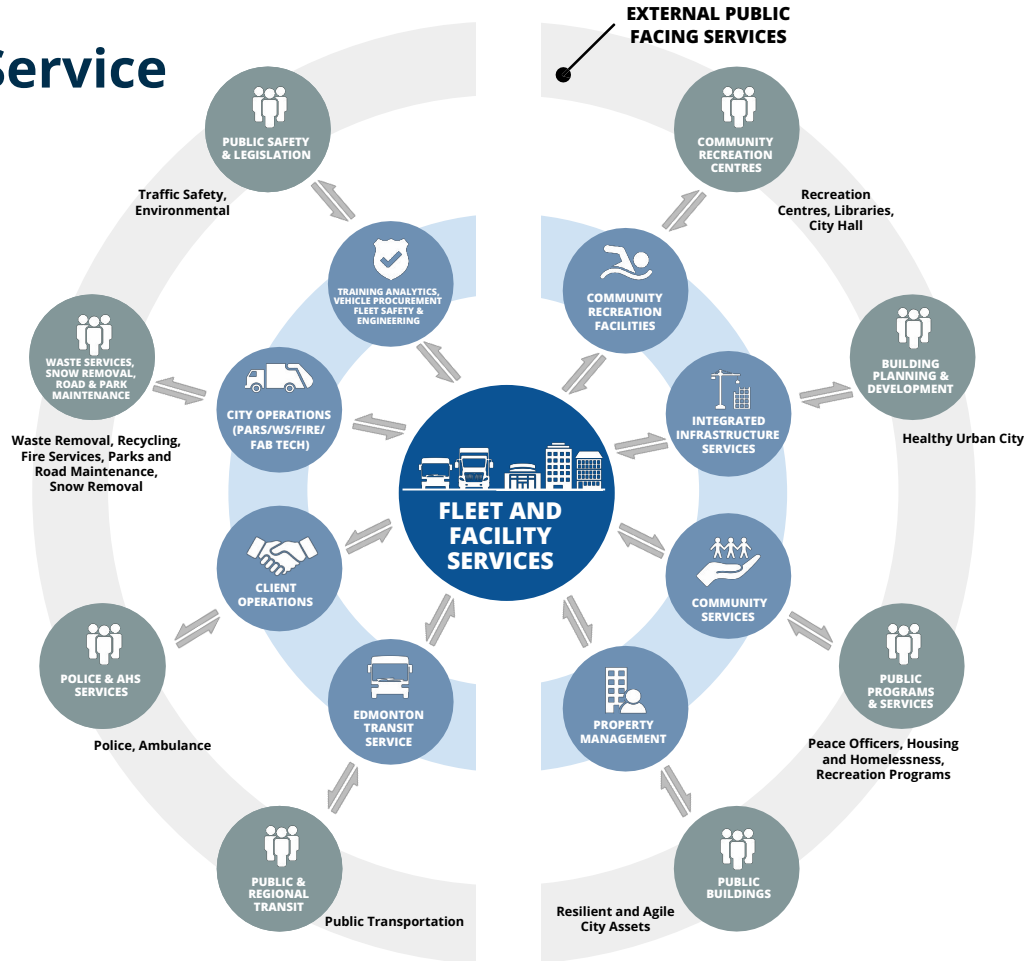


Project and Asset Management

- Facility Management and Maintenance Service
- Fleet Management and Maintenance Services



Wheel of Service



FLEET MAINTENANCE SERVICES

FACILITY MAINTENANCE SERVICES



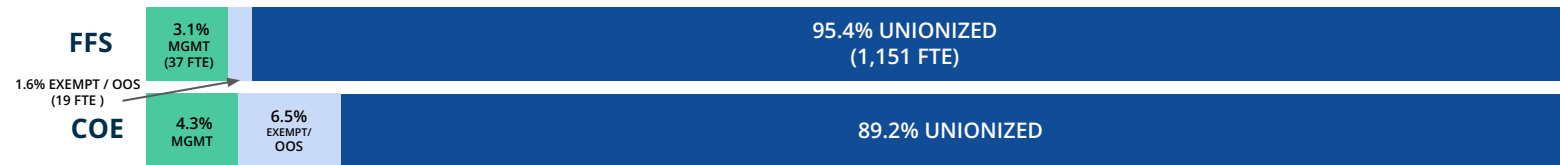
Fleet and Facility Services (1,207 FTE)

Management Roles: Director, Facility Maintenance Services; Supervisor, Fleet Management Services; Superintendent, Transit Fleet Maintenance; Supervisor, Fuel & Fleet Technology; GS, Fleet Engineering; General Supervisor, Custodial Services

Out of Scope & Exempt Roles: Mechanical Maintenance Engineer; Senior Project Engineer

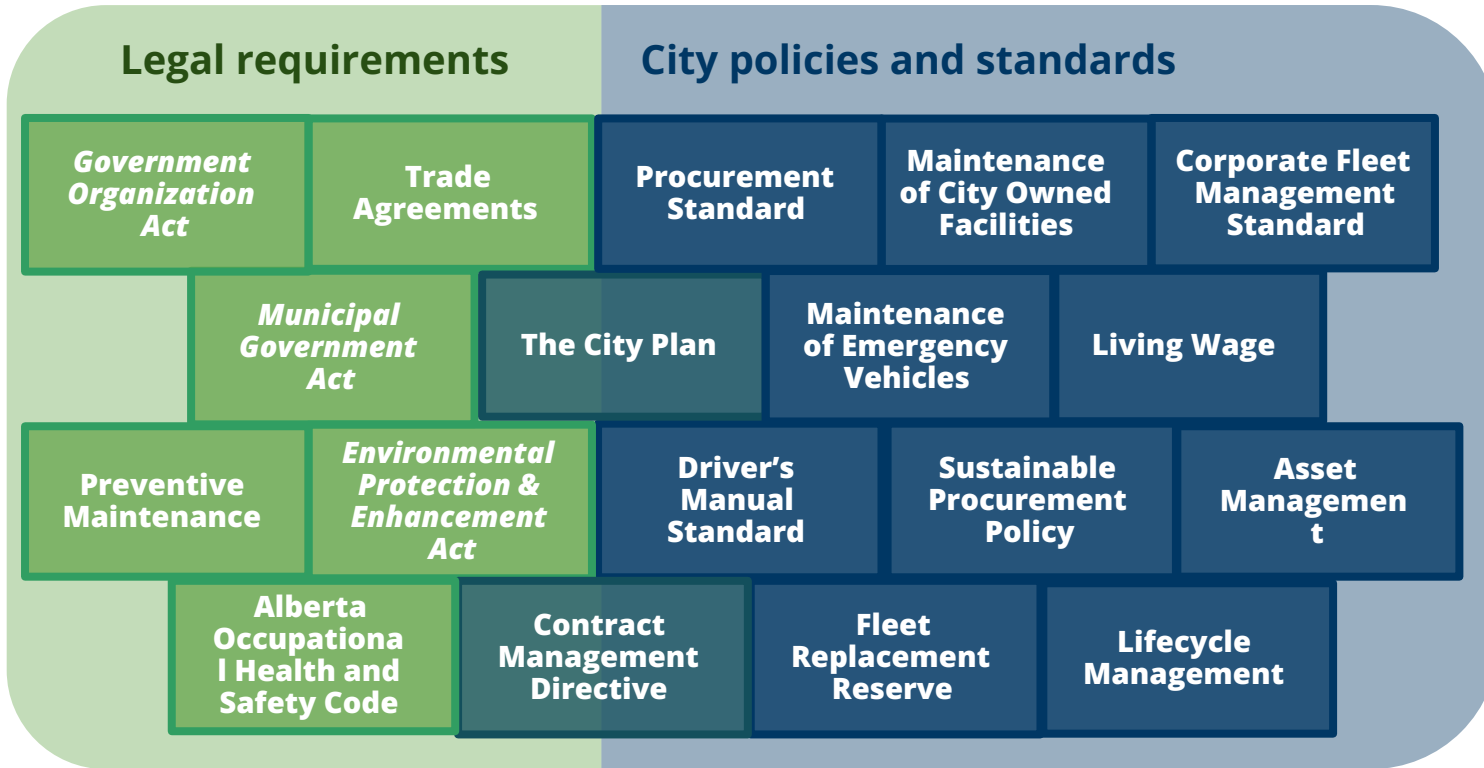
Unionized People Leaders: Garage Foreperson; Tow & Service Foreperson; Fabrication Technologies Foreperson; Electrical Foreperson; Roofing Foreperson; Mechanical Foreperson; Custodial Services Inspector

Fleet & Facility Business Integration (89 FTEs)	Sample Roles: Fleet Safety Officer, Engineer, Asset Inventory Coordinator, Clerks, Fleet Info Systems Analyst, Fueling Technician, Computer Support Tech, Business Analyst, Vehicle Equipment Tech
Facility Maintenance Services (450 FTEs)	Sample Roles: Electricians, Refrigeration Mechanics, Building Operator, Plumber/Gasfitter, Millwright, Carpenter, Maintenance Repair Person, Custodian, Labourer
Municipal Fleet Maintenance (264 FTEs)	Sample Roles: Heavy Duty Mechanic, Automotive Service Technician, Welder, Fleet Maintenance Planner, Shop Controller, Shop Clerk, Tire Coordinator, Labourer, Heavy Duty Technician
Transit Fleet Maintenance (404 FTEs)	Sample Roles: Heavy Equipment Tech, Auto Body Mechanic, Fleet Maintenance Planner, Shop Controller, Service Person, Tire Repair Person, Farebox Maintainers, Bus Cleaner, Upholsterer, Shop Clerk



Legislation and Compliance

Fleet and Facility Services



2026 Budget

Leveraging Our Funds

Fleet and Facility Services



Operating (2026)

COE: \$91.4 million
GOA: \$4.9 million
GOC: N/A

COE: Tax-levy funding to cover net expenses exceeding recoveries, revenues, and grants

GOA: Zero-emission fleet projects

Capital (2023-2026)

COE: \$135.1 million
GOA: \$1.6 million*
GOC: N/A

COE: Fleet Services Replacement Reserve and Pay-as-You-Go

GOA: Solar and battery storage assets

*Funding provided to eCamion Inc. from Emissions Reductions Alberta (ERA) for work dedicated to City electrification efforts

Capital Budget (2023-2026 Cycle)

Fleet and Facility Services

\$119.6M

Vehicle and Equipment Replacement

Funding Sources:

\$117.6M Fleet Replacement Reserve
(excludes Transit, Waste and EPS)

\$1.5M Pay-As-You-Go

\$0.5M Vehicle for Hire and Financial
Stabilization Reserve

\$11.2M

Zero Emissions Vehicle Profile

Funding Sources: Pay-As-You-Go

\$4.3M

Other

Funding Sources: Pay-As-You-Go

TRENDS:

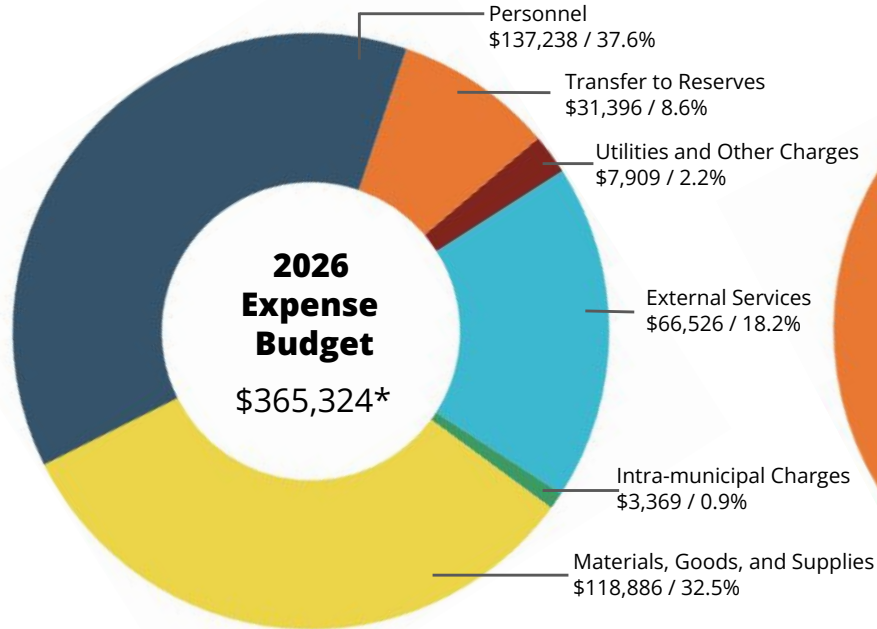
- Supply chain constraints
- Inflationary pressures
- Escalating capital for decarbonization

RISKS:

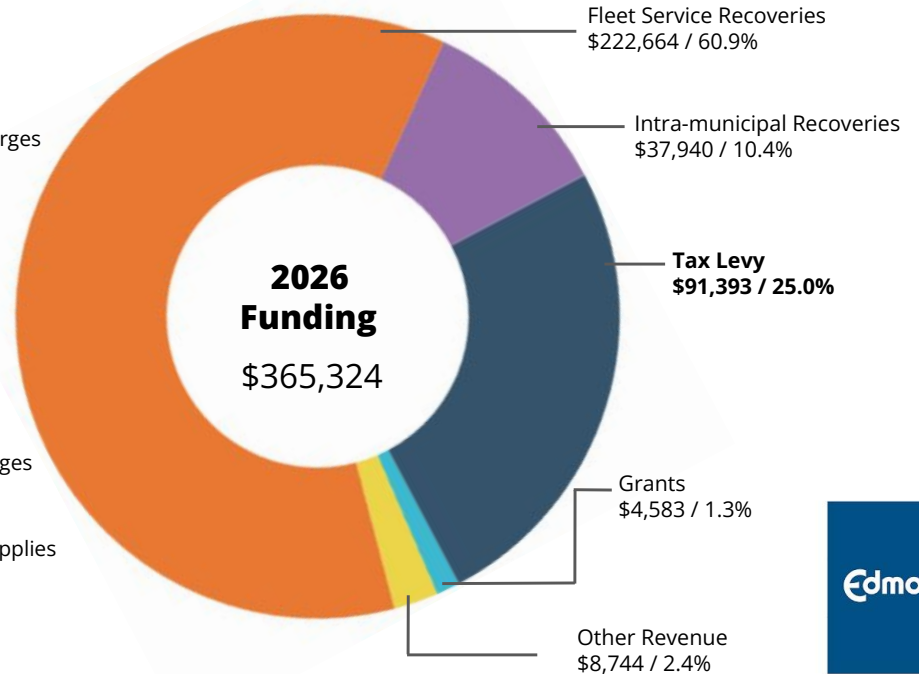
- Impacts of delayed renewal
- Cost of renewal
- Need for climate adaptation measures

Fleet and Facility Services (000s)

2026 Expense Budget



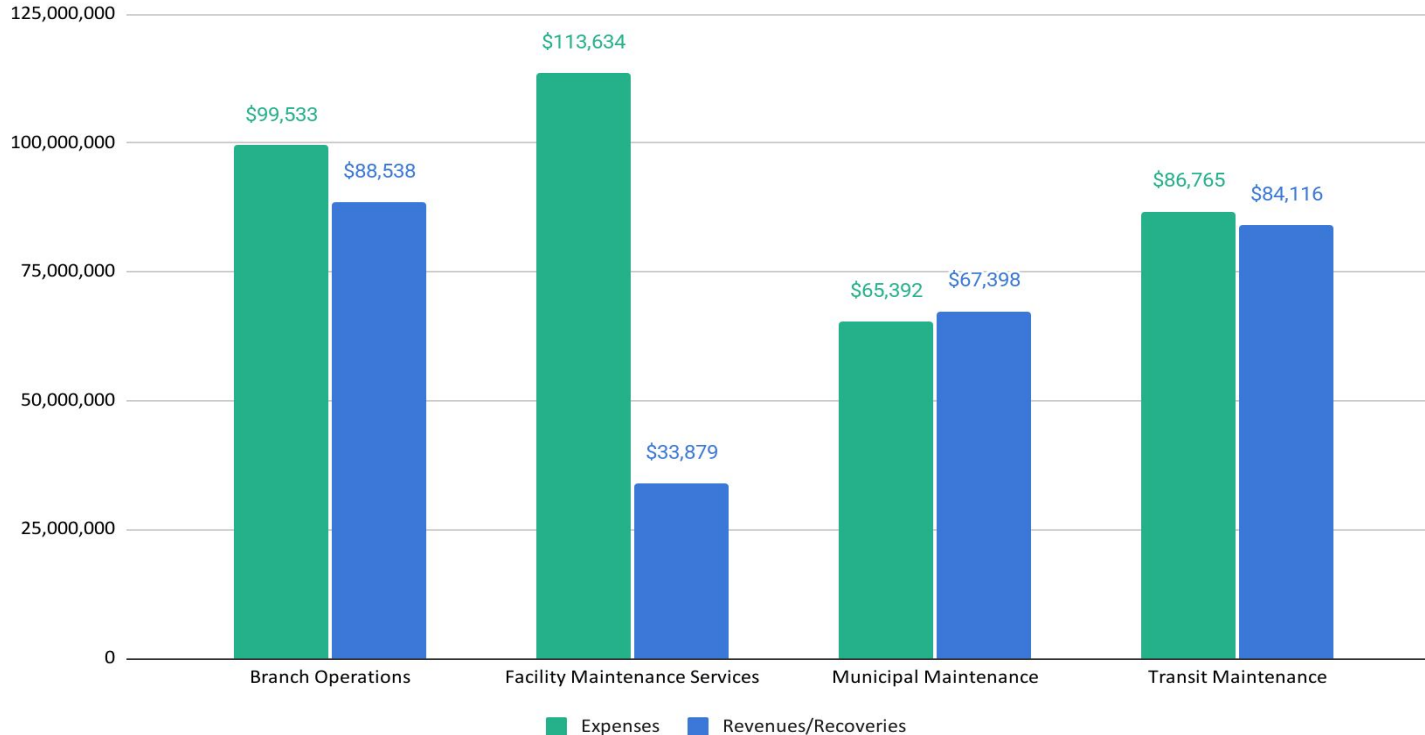
Funding Model Summary



*Total branch expense excludes fleet & intra-municipal recoveries, grants and revenues

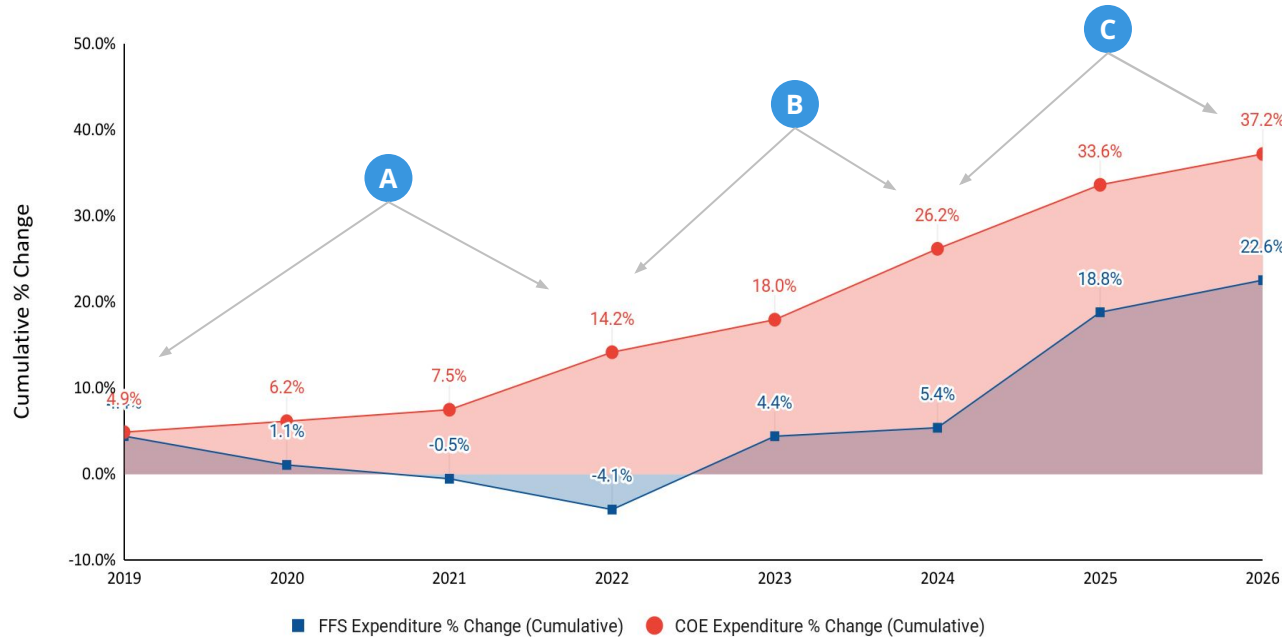
2026 Expenditure and Revenue/Recoveries Budget (000s)

Fleet and Facility Services



Budget Trend - Fleet and Facility Services versus Corporate

(Cumulative Change - Expenditures)

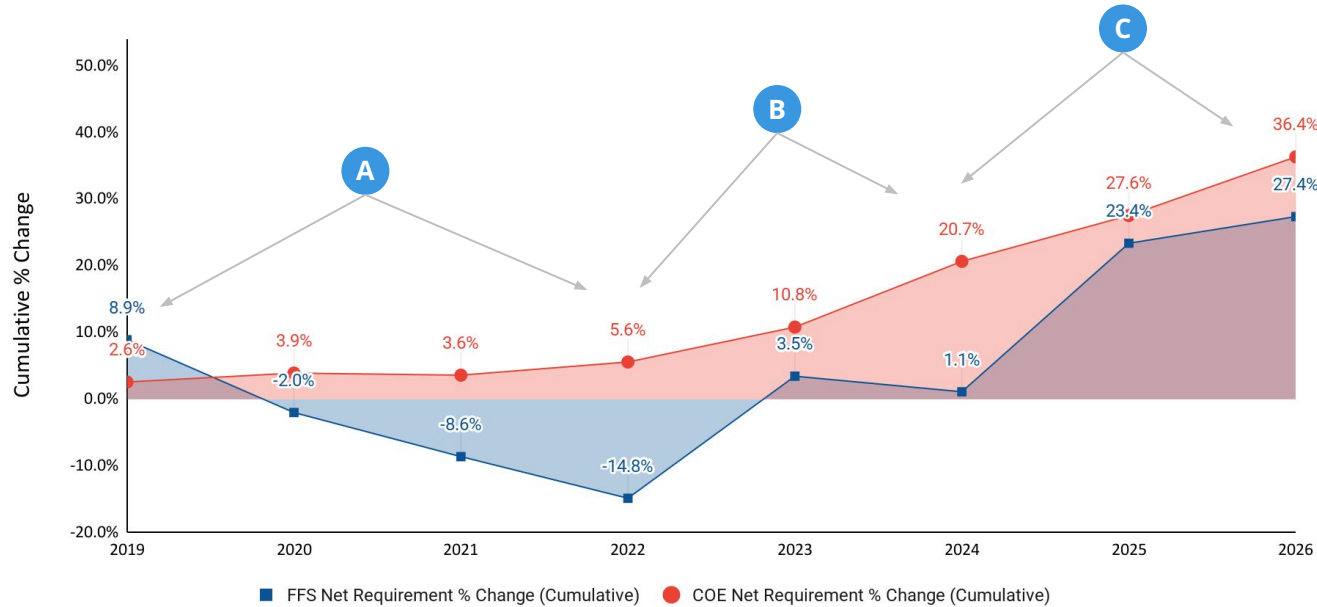


LEGEND

- A:** EPCOR service contract; fleet transformation; implementing lean initiatives; workforce management
- B:** Rising costs of existing services; fuel price fluctuations and essential service expansions
- C:** Inflationary costs; employee compensation increases; infrastructure growth

Budget Trend - Fleet and Facility Services versus Corporate

(Cumulative Change - Net Requirement)

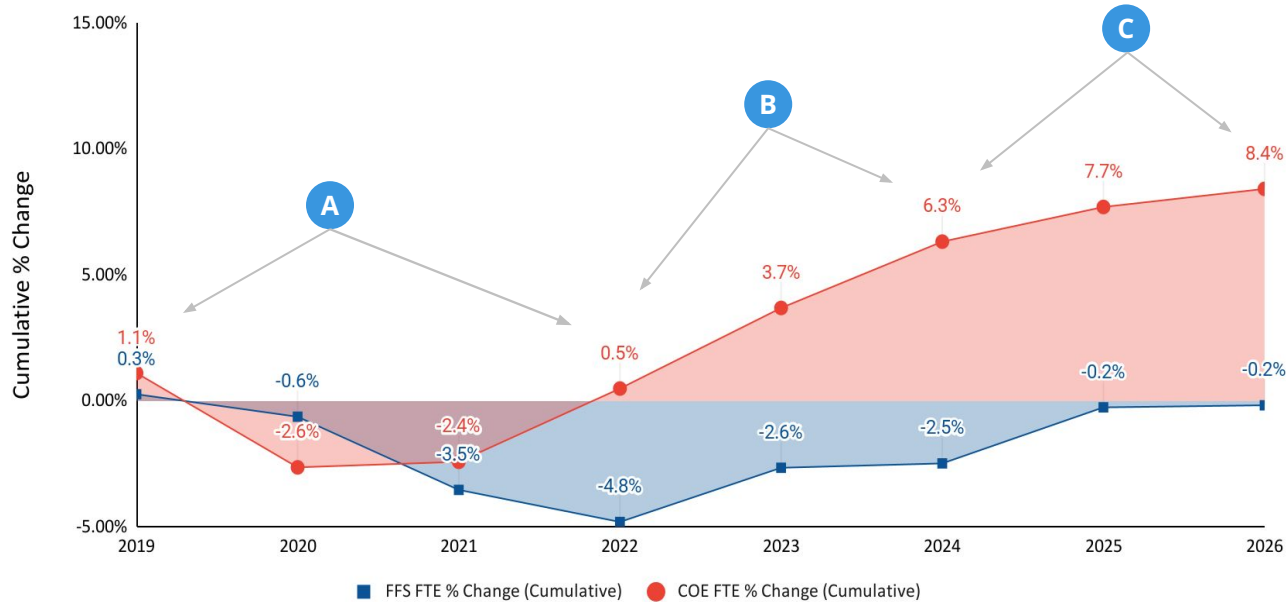


LEGEND

- A:** Strategic fleet modernization; lean operational shifts; reduced contracted spend; workforce management
- B:** Rising costs of existing services; new infrastructure and safety demands; employee compensation increases
- C:** Inflationary costs; employee compensation increases; infrastructure growth

* 2025 and 2026 net requirement has been adjusted for budget transfer to be allocated to clients in 2026 - including budget for fall 2025 SOBA items and union wage increases

Budget FTE Trend - Fleet and Facility Services versus Corporate (Cumulative change)



LEGEND

A: 61 FTE decrease due to EPCOR service contract ending, branch service review and corporate transformation to centralized functions

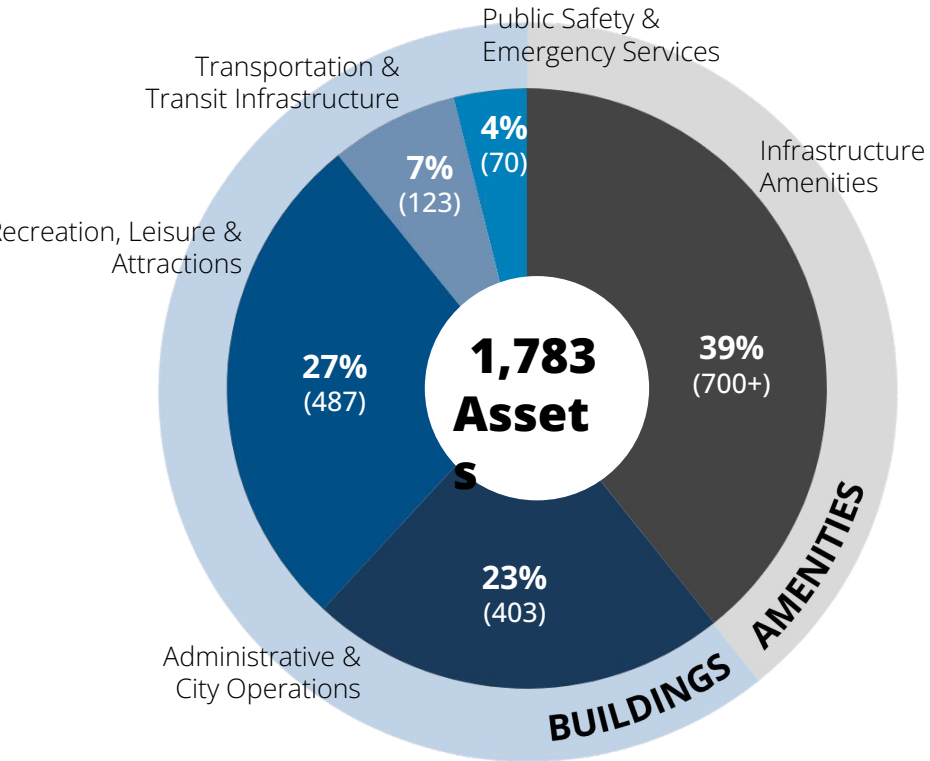
B: 28 FTE increase due to growth to meet council-directed service levels and new infrastructure demands

C: 28 FTE increase to support new infrastructure demands

Measures

Facility Services

City Facility Maintenance and Custodial Portfolio



Asset Classifications



Administrative & City Operations

Office, Service and Operational Facilities including City Operations and Waste Services Facilities



Recreation, Leisure & Attractions

Arenas, Libraries, Leisure Centres, Major Attractions (Fort Edmonton Park, Valley Zoo), Restroom Buildings



Transportation & Transit Infrastructure

LRT Facilities; Bus Facilities; Parkades and Pedways



Public Safety & Emergency Services

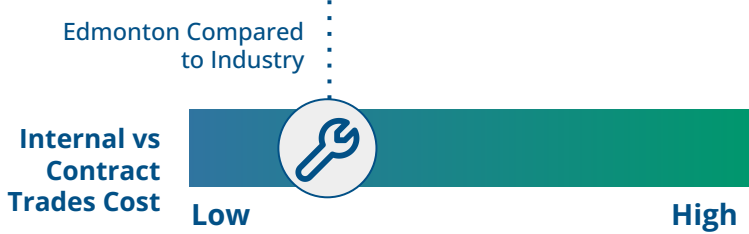
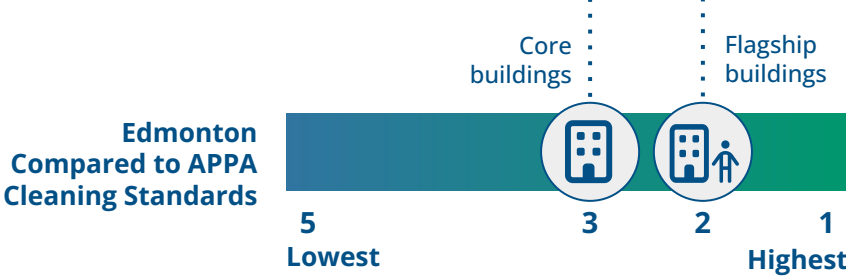
Fire Service and Police Service Facilities



Infrastructure Amenities

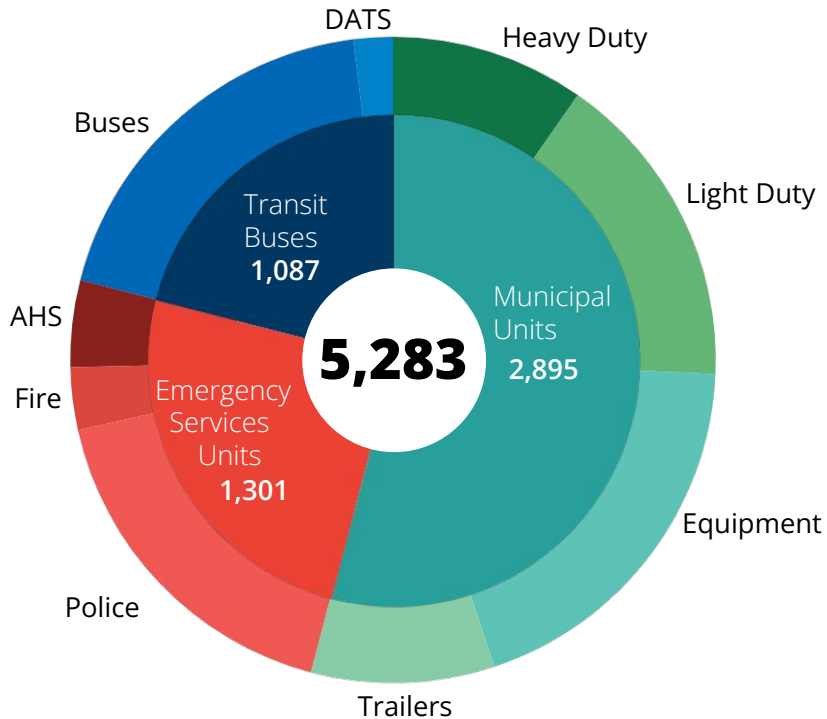
Park Spray Decks, Splash Pads, and River Valley other miscellaneous assets

Benchmarking | Facility Services



Fleet Services

2026 Fleet Count by Asset Type



Unit Classifications



Heavy Duty

Sanders, dump and plow trucks supporting snow clearing, turf and pavement maintenance and waste collection



Light Duty

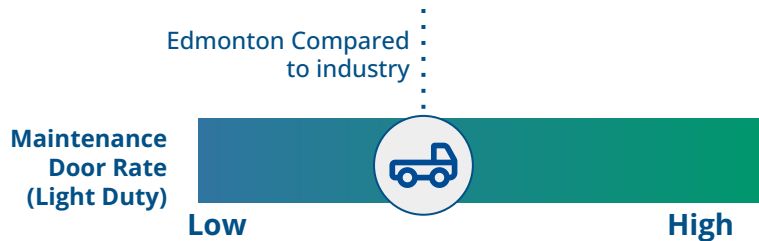
Cars, trucks, vans and auxiliary vehicles supporting operational services such as peace officers and parking enforcement



Equipment

Graders, toolcats, sweepers, backhoes, golf carts, mowers, zambonis and other specialized equipment

Benchmarking | Fleet Services

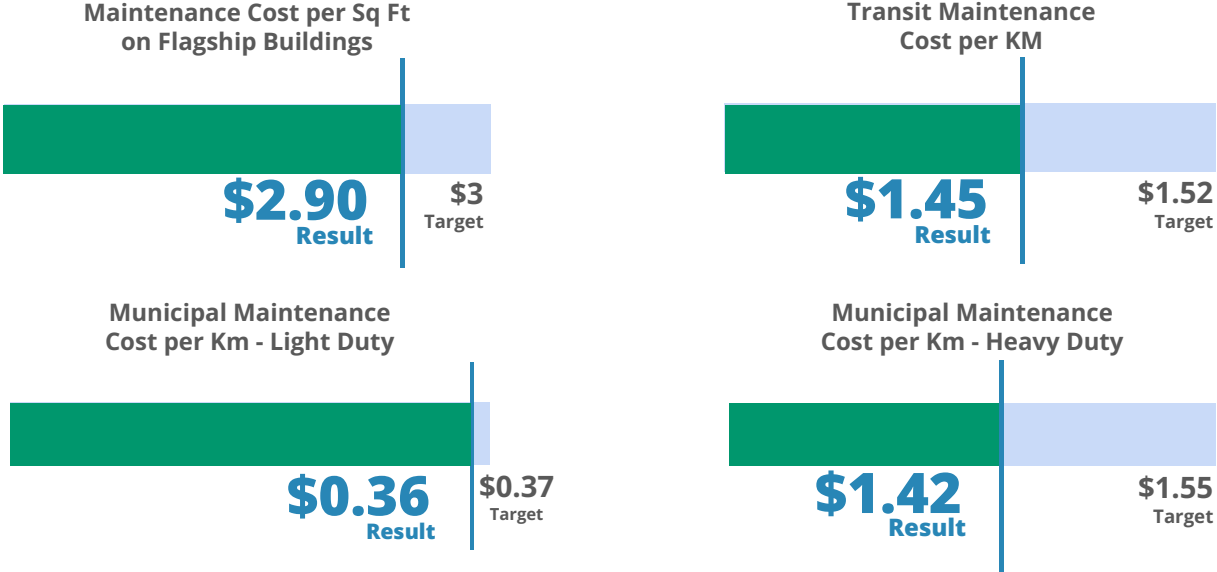


Edmonton

*based on data from KPMG's 2020 Reimagine Services: Fleet Optimization Report

Enterprise Performance Measures

Fleet and Facility Services



Partnerships

Fleet and Facility Services

Leveraging regional and academic relationships for best practice maintenance and carbon footprint reduction



Continuous Improvement

Audits & Reviews

Fleet and Facility Services

Recent Audits and Reviews:

- **Facility Maintenance Services** (November 2024)
- **Reimagine Services: Fleet Optimization Report** (July 2020)

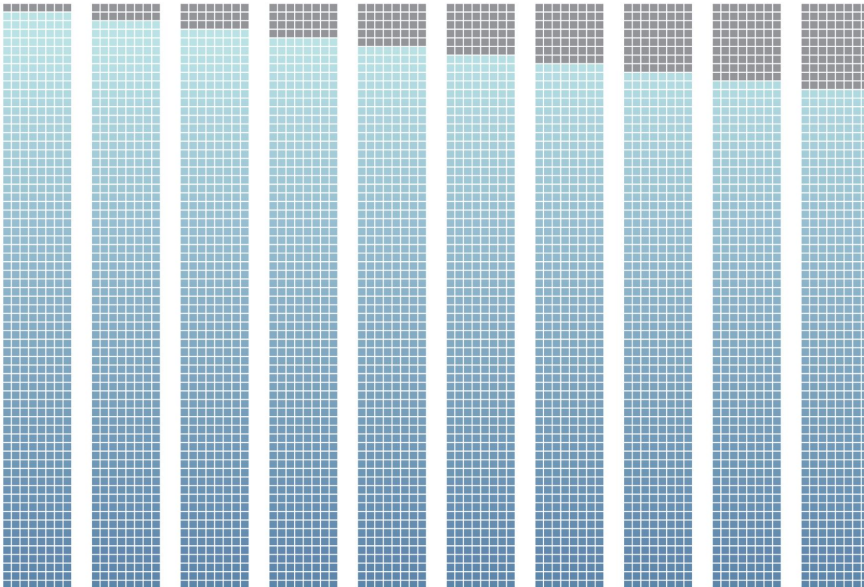
Audits Underway/Outstanding Audit Recommendations:

- Facility Maintenance Services (recommendations complete May 2026)
- Municipal Fleet Maintenance (audit to be completed April 2026)

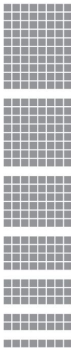
Previous Reductions (2016-2025)

Fleet and Facility Services

10-Year Incremental Total



\$21M



\$116M (18.2%)

10-Year Cumulative Reduction Total

Annual Cumulative Average: **\$11.6M**



Innovation and Continuous Improvements

Fleet and Facility Services

Climate Action & Energy Transition



- Hydrogen Fuelling Station
- Hydrogen-diesel Dual-fuel Units
- Charging Infrastructure - Solar canopies
- Sustainable, efficient and green custodial products

Relationship-Based City



- Fuel Contract Renegotiations - \$3M savings
- Fleet Growth Framework Pilots - \$2.1M savings
- Centralization of the Fleet Rental Program

Safety



- Digital Inspection dashboard
- Hydrogen Bay Retrofit
- Asbestos and Hazardous Materials

Operational Excellence



- Pilot of New Sweeper Unit Technologies
- Fleet Strategy and Governance Project
- Strategic contract renegotiations and bundling

What this means, and how we proceed

Fleet and Facility Services

CHALLENGES



Climate Change Impacts to Infrastructure



Scaling to Match Growth



Aging Infrastructure and Operating Impacts of Capital



Recruitment and Attraction of Skilled Trades

STRATEGIC RESPONSE

- Green Fleet Strategy and Pilots
- Building Automation

- Fleet Strategy and Governance Project

- Midlife Bus Refurbishment
- Strategic prioritization of renewal
- Asset rationalization for the City

- Dedicated recruitment campaigns
- Partnership with post secondary institutions

Options or Levers

Fleet and Facility Services



RENEWAL

Approving renewal priorities and allocating budget to support existing and future assets.

- Increased renewal investment leads to lower operating costs
- Greater asset uptime and lower spare ratio required (fleet)



ASSET RATIONALIZATION

A critical review of the City's asset portfolio to ensure maximum value to align the City's physical footprint with current service needs and fiscal restraints.

- Decommissioning underutilized assets
- Disposing of high-cost, low-value properties
- Reduction in Facility footprint would help mitigate growth and aging infrastructure pressures



PREDICTIVE MAINTENANCE TECHNOLOGY

Enables a shift from reactive or scheduled maintenance to a data-driven approach, utilizing actual performance data through technology to predict potential failures.

- Sensing, IoT, Smart Technology Integration
- Could reduce maintenance intervals, predict failures before occurring
- Reduce amount of manual checks required

Thank You

The logo for the city of Edmonton, featuring the word "Edmonton" in white text on a blue square background. The background of the slide is a dark blue image of a modern building with a complex, geometric facade, possibly a stadium or arena, with a curved ramp in the foreground.