

MICHELLE KRSEK MEMORIAL AWARD

EXECUTIVE SUMMARY

On August 1, 2009, a piece of steel roofing material fell 22 stories from a construction site killing 3-year old Michelle Krsek and severely injuring her brother and father. As a result of charges being laid by The City of Calgary, Building Regulations, under the Alberta Safety Codes Act (Act), Provincial Court Judge Gerry Meagher levied the maximum \$15,000 penalty against Flynn Canada and Germain Residences in connection with the death of Michelle Krsek.

Following the tragedy, Building Regulations partnered with the construction industry and the provincial government to address public safety around construction sites. This partnership resulted in the creation and implementation of several initiatives that created greater awareness and accountability for keeping the public safe during construction and demolition.

Recognizing the need for more skilled construction project managers, the Southern Alberta Institute of Technology (SAIT) developed Canada's first four year Bachelor of Science program in Construction Project Management. The Calgary Construction Association (CCA) played a major role in creating this program by contributing time, talent and resources.

To assist SAIT and the construction industry in their endeavour to develop skilled construction project management professionals, Building Regulations sponsored two academic awards for students enrolled in the Construction Project Management program in 2013, in memory of Michelle Krsek. The awards were based on:

- Academic achievement
- Community involvement
- Knowledge of construction safety
- Financial need
- Preference given to women

Building Regulations is proposing to invest a portion of 2014 fine revenue collected from charges on unsafe construction sites to establish a perpetual scholarship in the name of Michelle Kresk, for SAIT's Bachelor of Science in Construction Management Program.

ADMINISTRATION RECOMMENDATION(S)

That the Priorities and Finance Committee recommends that Council approve a one-time \$100,000 funding from the PDA's DBA sustainment reserve in order to establish a perpetual scholarship in SAIT's Construction Project Management program.

PREVIOUS COUNCIL DIRECTION / POLICY

At the 2014 June 24 meeting of the Administration Leadership Team, Building Regulations received direction to seek Council approval of the funding request.

BACKGROUND

Since 2009, Building Regulations, in partnership with the construction industry and the Government of Alberta, has completed the following initiatives related to improving public safety around construction sites:

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- The On Site Construction Safety Best Practice Guide to help create awareness regarding accountability for public safety on and near construction sites.
- The Advanced Weather Forecasting System (AWFS) – a state of the art wind warning system which helps to reduce the risk of building materials being blown off constructions sites.
- The Practical Guide for Construction Sites in the City of Calgary outlining the roles, responsibilities and legislation governing construction and demolition in Calgary.
- Established the Safety Response Unit (SRU) who respond to urgent unsafe conditions, and determine the appropriate course of action.
- Implemented the Public Protection Site Safety Plan (PPSSP) for construction, demolition and major alterations of the facade on buildings five stories or greater.
- Launched a Building Envelope Safety Supplement to the Recommended Practices in Health and Safety Guide for the Building Owners and Managers Association (BOMA). The Guide provides tools and best practices for the building management industry in keeping public safety at the forefront in and around existing buildings.

In addition to the above mentioned initiatives the Calgary Construction Association (CCA) has contributed time, talent and resources to SAIT to help develop Canada's first 4 year Bachelor of Science (BSc) in Construction Project Management. The CCA has also sponsored an annual scholarship in the name of Michelle Krsek for a female student entering a construction trade through SAIT.

SAIT Bachelor of Science in Construction Project Management (more detailed information on the program can be found in the Attachment)

- First degree program of its kind in Canada and includes a course on building safety.
- Helps fill the construction industry's need for construction project managers.
- City Safety Codes Officers participate in the curriculum's speaker series, speaking to the relationship of codes, building officials and construction project managers.

INVESTIGATION: ALTERNATIVES AND ANALYSIS

Building Regulations established two awards of \$1,750, both for the 2013-2014 academic year. The request to convert the annual awards into an endowment so that the awards can be granted in perpetuity is based on two key factors:

- 1) Promoting Excellence in Construction Site Safety
Supporting this BSc program will help ensure the long-term sustainability of the program while providing our city and province with the highly skilled construction project managers we need to continue to grow our city in a safe way.

Building Regulations will continue to engage stakeholders in the promotion of excellence in building and site safety. Throughout 2015-2016, Building Regulations will pursue opportunities to support industry education with SAIT apprenticeship programs.

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2) Source of Funding

In 2009, the maximum fines for offences under the Act were \$15,000 for a first offence and \$30,000 for subsequent offences. Building Regulations worked with the Province to increase fines levied under the Safety Codes Act (Act). On 2012 December 10, maximum fines increased to \$100,000 for a first offence and \$500,000 for subsequent offences.

Since its creation in the fall of 2012 as a specialized unit dedicated to investigating and pursuing charges under the Act, the SRU and City prosecutors have dramatically increased the amount of court awarded fines. Fines awarded from charges in 2013 were more than the total fines awarded in the seven years previous while 2014 saw the conclusion of several high profile cases, already resulting in more than \$500,000 in fines.

Breakdown of court awarded fines since 2005:

2005-2012	\$203,100
2013	\$368,673
2014	\$500,000 +(est)

This request would result in a one-time funding of \$100,000.00 from the PDA's DBA Sustainment Reserve. The pledge would establish two annual student scholarships in the Construction Project Management program to honour the life of Michelle Krsek. Once the endowment is established, SAIT would manage the fund and payout of the awards.

Stakeholder Engagement, Research and Communication

Both SAIT and the CCA have been consulted on this initiative and have expressed their support in establishing an endowment fund for awards with the objective of improving construction site safety.

Strategic Alignment

Complete communities are planned, developed, built and monitored to be safe for Calgarians. Building Regulations is also continuously working to facilitate compliance with legislation governing safe infrastructure and responsible business practices.

Building a great city

The awards will promote individual student success and are an investment in the long-term health of the city. Building Regulations will participate as a regular presenter in the delivery of safety related curriculum.

Building relationships

SAIT is currently working to assess potential venues which The City could promote construction site safety to the SAIT community.

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Social, Environmental, Economic (External)

Social

Endowed scholarships enable SAIT to continue offering students the opportunity to become leaders in their industry by removing financial barriers for qualified students. Scholarships and bursaries remove financial stress and help students focus on their studies.

Environmental

There are no environmental impacts associated with this report.

Economic (External)

By creating endowment awards for the Bachelor of Science Construction Project Management program, The City would be helping SAIT promote, maintain and improve the program. Graduates of the program will, in turn, continue to support the prosperity of Calgary long into the future.

Financial Capacity

Current and Future Operating Budget:

This request would result in a one-time funding from the PDA's DBA Sustainment Reserve. This funding is available within the current capacity of this reserve, although this particular use of funds requires council approval as a one-time exception to the reserve's approved usage.

Current and Future Capital Budget:

No impact.

Risk Assessment

SAIT requires commitment in order to advertise the award. Pre-work to investigate the award options required both the Krsek family and SAIT to be engaged; both parties are supportive of the proposal. The relationship with both parties may suffer if the award is not established.

REASON(S) FOR RECOMMENDATION(S):

The tragic death of Michelle Krsek allowed The City of Calgary to work with the Province to raise fine levels commensurate with the impact of Safety Code Act violations. By reinvesting the revenue from these violations, SAIT can assist The City and the construction industry to achieve the goal of a safe workplace for both workers and the public.

ATTACHMENT(S)

The City of Calgary and SAIT – Building Our City Information Brochure