



The Corporation of the City of Courtenay

# Staff Report

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**To:** Council

**File No.:** 1855-01

**From:** Director of Infrastructure and Environmental Engineering

**Date:** July 31, 2024

**Subject:** 2024 UBCM Asset Management Planning Grant Program Application

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## **PURPOSE:**

The purpose of this report is to seek a resolution to approve submission of an application to the UBCM Asset Management Planning Grant Program in the amount of \$25,000 to support the development of a systematic performance-based asset management renewal framework for capital assets within the right of way.

## **BACKGROUND:**

Local governments in British Columbia are working to implement asset management practices as a way to deal with aging infrastructure, the costs of replacing assets, expectations for service levels, and risks to the sustainable delivery of public services.

This grant opportunity, the UBCM Asset Management Planning Grant Program, was created in 2014. The intent of the grant is to assist local governments deliver sustainable services by extending and deepening asset management practices within their organizations.

In terms of developing an effective project scope, the Asset Management for Sustainable Service Delivery: A BC Framework (“the Framework”) was developed in 2019 to provide local governments with an overview of asset management, based on current international best practices, as well as best practices developed and endorsed by BC local government practitioners.

The Framework recognizes there are many components within the asset management process and provides a circular, continuous pathway to link all components of the process together. The inner components of the framework are proposed to guide this project as they encourage communities to engage, review and communicate around information, finances, people, and assets.

Further detail for this project scope was collected from the, “Lessons Learned and Practitioner Toolkit” published by the Transportation Association of Canada (TAC) in 2021 which encourages fiscal responsibility, accountability and transparency in governance. The toolkit provides practical guidance to advance asset management practices, obtain value for money, and optimize network investments as financial resources become more limited.

## **DISCUSSION:**

The City of Courtenay is responsible for managing over \$1 billion in infrastructure. Furthermore, the most recent Sustainable Infrastructure Investment Plan evaluated the need for capital works and renewal planning. These investments are suggested to be initially targeted within the right of way (a legal term for the land allocated to roads, rail, and utilities) for capital assets related to water, wastewater, stormwater, and transportation services including, to the extent possible, sidewalks and active transportation facilities.

This project, the development of a performance-based renewal system (PBRS), will focus on evaluating and managing risk to optimize funding allocations and investments for aforementioned capital assets in the right of way. The PBRS project will involve both planning and assessment activities to develop a transparent and accountable framework that complies with good governance practices.

This is aligned with the UBCM Asset Management Planning Grant Program requirements and the management cycle defined by AMBC, bringing together the skills, expertise, and activities of people in planning, finance, engineering, and operations. The project will engage departments to assess existing data and technologies that integrate various sources of asset information to measure and report on the current state of assets and direct investment strategies.

The project will provide the City with a performance-based decision-making tool for analysing and optimizing multiple asset renewal objectives and trade-offs including risk and cost. Deliverables will be intended to help staff identify, confirm, prioritize and coordinate asset renewal work programs, across asset types.

The “Lessons Learned and Practitioner Toolkit” published by the Transportation Association of Canada (TAC) will be relied on to guide this project as the assessment and management of infrastructure risks requires a significant level of effort and expertise. The PBRs project will involve three broad categories including data management, analysis and evaluation, and communication. Attachment 1 includes a detailed description.

#### **POLICY ANALYSIS:**

There are no policy implications associated with approving this grant application however protocols for communicating risks to decision makers and other stakeholders will need to be documented.

Implementation is expected to require the consideration of a policy framework to ensure relationships between the PBRs inputs and outcomes are continually improved such that the types of projects that get prioritized relate to the City’s strategic goals and objectives while aligning with broad economic, social and environmental criteria, and sound engineering judgement. While the tool is expected to focus on existing in-service assets, it may evaluate scenarios for the Official Community Plan and provide analysis of various new and existing strategic initiatives, as they relate to impacts on sustainable service supported by infrastructure systems within the right of way.

In terms of next steps after project completion and to help increase the robustness of the PBRs, the TAC Toolkit recommends bolstering existing commitments to knowledge management by developing agency-wide data governance strategies, appointing data stewards, and implementing flexible data warehousing systems.

#### **FINANCIAL IMPLICATIONS:**

A maximum grant amount of \$25,000 can be provided for each approved project for 50% of the approved costs. Total project costs are estimated to be \$60,000. Staff recommend any remaining project costs be provided by the City from the Asset Management business area, estimated to be \$35,000.

#### **ADMINISTRATIVE IMPLICATIONS:**

Designing, developing and implementing a performance-based asset management program takes vision and good leadership, collaboration and commitment. Further effort is expected after the PBRs project to ensure design and maintenance practices are adapted to renewal plans adopted by the Financial Plan (i.e., the budgeting and allocation of funds for operations and capital investments).

Staff time from various departments including Infrastructure and Environmental Engineering Services and Operational Services will be required for interdepartmental coordination and collaboration. These activities are expected to include workshops, information sharing, and deliverable reviews to ensure the full spectrum of users, use cases and system interfaces are captured. Physical condition assessment projects in 2024 will be delayed to future years as a result of the recommended funding source.

Staff time from the Asset Management area is also required to manage the project and associated grant activities to its completion along with engagement with the various staff across departments in various project activities including workshops, information sharing, and deliverable reviews.

A project management approach will be taken in the future for further efforts that are expected to follow for the City’s asset management system regarding data management, staff training, performance monitoring and continuous improvement including any subsequent opportunities for technology integrations.

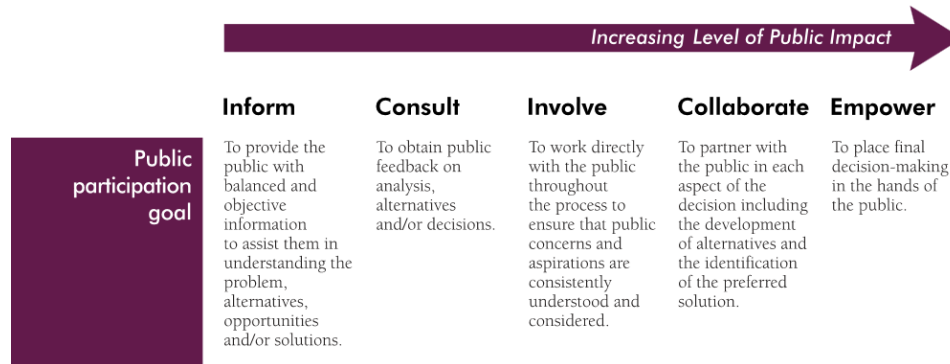
**STRATEGIC PRIORITIES REFERENCE:**

This initiative addresses the following strategic priorities:

- Organizational Well-Being and Sustainability - Ensure capacity to accommodate big change resulting from direct and indirect impacts to our community
- Financial Sustainability - Ensure capacity to accommodate big change

**PUBLIC ENGAGEMENT:**

Staff would inform the public based on the IAP2 Spectrum of Public Participation:



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**OPTIONS:**

1. THAT Council approve submission of an application to the UBCM Asset Management Planning Grant Program in the amount of \$25,000 for the development of a performance-based asset management renewal framework for capital assets in the right of way;  
AND THAT Council support the provision of in-house contributions of \$35,000 of funds sourced from the Asset Management business area including in kind contributions of staff time to match the grant application amount, this 31st day of July, 2024
2. THAT Council provide alternative direction to staff.

**ATTACHMENTS:**

1. 2021 TAC Performance Based Decision Making Toolkit - Cross Asset Optimization Description

Prepared by: Michael Wright, Manager of Asset Management  
Reviewed by: Chris Davidson, Director of Infrastructure and Environmental Engineering  
Concurrence: Geoff Garbutt, M.PI., MCIP, RPP, City Manager (CAO)