

Asset Management Strategy

1.0 Purpose – Asset Management Vision and Strategic Fit

This Asset Management Strategy serves as the charter for the asset management program, the grouping of activities and projects that aims to deliver sustainable service delivery in the District of Oak Bay. The components of this program are intended to deliver on key items such as condition assessment plans, program governance structure, decision-making tools, risk management practices, and ultimately, an operationalized set of management best practices intended to allow the District to get best value for money in the design, operation, upkeep and disposal of its infrastructure.

This strategy is meant to be a living document that captures the high level, long term approach to achieving the District's asset management aims. The charter lays out how the program is to achieve Council's strategic goals, set asset management objectives, assign governance responsibilities, and define (then implement) the structure and content of an asset management system. This strategy serves as the formal record of the asset management program, and the formal way for Council to accept and commit to the program. This document also formally authorizes the existence of the asset management program.

Council's strategic direction in 2015 resulted in a series of tasks or projects that have served as the foundation of an asset management program in the District. Some of these tasks include the expansion of the storm/sanitary sewer televising program, delivery of a consultant's guidance for implementing an asset management plan, delivery of a municipal buildings condition assessment and needs analysis, and publicly disclosed updates to Council on the state of the District's infrastructure and asset management practices.

The fundamental aim of an asset management approach is to create a planning and execution framework that delivers **Sustainable Service Delivery**. The Asset Management for Sustainable Service Delivery guidebook, published by Asset Management BC, provides the definition that fully captures the approach recommended in Oak Bay:

“[Sustainable Service Delivery]...ensures that current community service needs, and how those services are delivered (in a socially, economically and environmentally responsible manner), do not compromise the ability of future generations to meet their own needs. Communities build and maintain infrastructure to provide services. These services support our quality of life, protect our health and safety, and promote social, economic and environmental well-being. Failure to care for our infrastructure, manage our natural resources and protect the benefits provided by nature risks degrading, or even losing, the services communities enjoy, and that future generations may rely on. Sound asset management practices support Sustainable Service Delivery by considering community priorities, informed by an understanding of the trade-offs between the available resources and the desired services.”

Asset Management as a practice is defined by Asset Management BC's guidebook as “... an integrated process, bringing together skills, expertise, and activities of **People**; with **Information** about a community's physical **Assets**; and **Finances**; so that informed decisions can be made, supporting Sustainable Service Delivery.”

2.0 Outcomes, Assumptions & Limitations

The high level outcome of this program is a set of operationalized asset management best practices, establishing standardized ways to meet long-term strategic and financial objectives, measured by defining and achieving sustainable service delivery.

Assumptions/Limitations

- The District will need to deliver on an asset management program without necessarily increasing permanent full-time staff.
- Asset management practices are difficult to implement from scratch but can be operationalized and eventually considered “business as usual” upon completion of the program.
- Achieving Sustainable Service Delivery is likely to require innovative “made in Oak Bay” solutions. These solutions must leverage lessons learned in other communities but must also rely on continuous improvement of principles and practices, using ingenuity and sound decision making.
- The District must seek ways to adapt approaches used by larger, more resourced municipalities in ways that are appropriate and effective.
- Program and project management best practices will be used to plan and deliver on key asset management requirements, including organizational change, asset management plans and the creation of decision-making tools.
- The final deliverables of the asset management program will be the full adoption of asset management methodologies as part of the District’s standard ways of effectively achieving long-term strategic and financial objectives.

3.0 Program Components (as at 15 July 2018)

Program Component	Program Sub-Component (Project)	Description	Timeline	Remarks
1.0 Asset Management Foundations		Project currently underway to kick start asset management program in Oak Bay.	Started in 2015.	Opus International Consultants (Canada) Limited, <u>2016 Asset Management Practice Assessment</u> Moore & Associates, Building Asset Management Plan, Municipal Buildings Analysis, July 2016 Moore & Associates, Municipal Buildings Analysis, Options Analysis, July 2016 Committee of the Whole Report, March 20, 2017 Committee of the Whole Report, November 20, 2017
	1.1 Asset Management Policy	Document that broadly outlines principles and mandated requirements for undertaking asset management across the organization in a systematic, coordinated way, consistent with the organization's plans.	Complete	Policy adopted by Council March 26, 2018.
	1.2 Decision-Making Dashboards	Demonstration of proposed decision tools to be used, focused on Transportation Assets and Storm Water assets (General Fund – Capital)	Spring 2018	In progress.
	1.3 Financial Framework	Develop Reserves Policy, update Council on Debt Financing options; Update 5-year financial plan and develop 10-year asset plan informed by currently understood asset realities; includes initial proposal for District Facilities upgrades (Facilities Plan)	Started in early 2018	Reserves Policy – completed February 2018; Debt Financing brief – completed March 2018. Financial/asset plan drafts intended to feed into future budget preparations.
	1.4 Condition Assessment Program	Expand condition assessment activities currently in progress, inform development of Master Plans for roads, water, storm, sewer and natural assets.	2019-2022	Current condition assessment program – Sanitary Sewer CCTV 5-year program; Storm Sewer CCTV 10-year program, funding ends in 2018. Plans: Renew funding for Sanitary Sewer/Storm Sewer CCTV program in 2019, initiate periodic Roads, Water System condition assessment, natural assets condition assessment, potential future facilities re-assessments.

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	1.5 Level of Service Documentation & Metrics	Develop documentation that captures expectations around levels of service, or metrics around operational performance of infrastructure team.	TBD	
	1.7 Asset Management Workshop (Council)	Update on asset management practices, aims, and program targets for new Council in late 2018.	Late 2018.	
2.0 Asset Management Plans				
	2.1 Water Master Plan	Update water model and complete prioritized list of water main capital upgrades.	In progress – complete end of 2018	Contract awarded, staff and consultant work in progress.
	2.2 Sewer Master Plan	Develop sewer hydraulic model, incorporate 5-year CCTV condition assessments, develop prioritized list of sewer capital upgrades.	2019+	Not yet funded.
	2.3 Storm Master Plan	Develop storm hydraulic model, incorporate 10-year CCTV condition assessments, develop prioritized list of storm capital upgrades.	2020+	Not yet funded.
	2.5 Foreshore Capital Plan	Initial condition assessments of McMicking Point sewer and McNeill Bay erosion complete; refresh of McNeill Bay assessment completed in 2017.	2018-2019	Options analysis phase of the project to be started in 2018.
	2.6 Facilities Master Plan	Develop plans for facilities upgrades/replacements based on Moore & Associates Options Analysis.	2019	Plan presented to Council in late 2018/early 2019 for feedback and endorsement.
	2.7 Transportation Master Plan		TBD	
	2.8 Natural Assets Master Plan	Parks, watershed (Bowker & Hobbs Creeks).	TBD	
3.0 Long Term Financial Plan		A 20-year financial plan informed by the asset master plans and facilities renewal plan.	TBD	
4.0 System of Record	4.1 Data Quality Management Standard	Develop continuous improvement practices related to quality of data in GIS (system of record)	2018	In progress.
	4.2 Infrastructure Risk Register	Develop robust risk management practices to inform capital renewal priorities.	TBD	
	4.3 Modernized Construction Specifications	Incorporate design standards (such as MMCD) as part of Oak Bay standard practice.	2018-2019	In progress.

Program Component	Program Sub-Component (Project)	Description	Timeline	Remarks
	4.4 Asset Management Tools	Deliver maintenance management software & asset management software	2018-2019	Develop Requirements documentation, training plan, tool standard operating procedures. Asset management software acquisition funded – requirements development activity in progress.

4.0 Program Schedule

Development of the program is still in progress. The program is intended to be a multi-year, multi-project initiative. The initial projects have clear end dates, with the remainder of the component projects requiring completion in the 2019-2024 time frame. At this stage of the program, the feasibility of those projects, with their associated scopes, costs, and schedules, remains to be determined.

5.0 Program Governance

Many of the projects within the Asset Management program have been completed as part of Council's Strategic Priorities between 2015 and 2018. It is important to note that projects or initiatives under Strategic Priorities have not historically been considered as work that falls within staff's core work load. The general rule is that the Strategic Priorities should fall within about 10% total level of effort for staff, with the remaining 90% to be focussed on delivering the required operational level of service to the District. Future projects captured in this Asset Management program will need to be considered and identified by Council as Strategic Priorities going forward. In short, the projects outlined in this Asset Management Program will need to be endorsed and incorporated into Council's Strategic Priorities, otherwise staff will not be able to devote the resources and time to make suitable progress.