

## 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 18 June, 2021)

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	Find ways to provide effective ways for Council to make governance decisions about levels of service, tax and utility rates, and long term infrastructure renewal programs.	Deferred	Staff to re-look at these ideas once long-term financial planning work completed in fall 2021.
	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)	Completed	Reserves Policy – completed February 2018; Debt Financing brief – completed March 2018. Five year financial plans incorporate multi-year infrastructure capital improvement plans – completed March 2021. Five year financial plans incorporate status updates on sustainable service delivery funding targets.
	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.	2019-2023	Initial condition assessment program for Sanitary & Storm Sewers to be completed in 2021. Operationalized and sustainable condition assessment program to continue for sewers. Further condition assessment programs for Roads, Water System condition assessment, natural assets condition assessment, and facilities to be defined and put in place by 2023.

Program Component	Program Sub-Component (Project)	Description	Timeline	Remarks
	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	Initial work to define community and technical levels of service has begun. Project definition and outcomes yet to be defined.
	1.6 Asset Management Workshop (Council)	Update on asset management practices, aims, and program targets for new Council in late 2018.	Jan 24, 2019	
2.0 Asset Management Plans				
	2.1 Water Master Plan	Update water model and complete prioritized list of water main capital upgrades.	Completed	Results of this work have been incorporated into current 2021-2025 Financial Plan and infrastructure capital improvement program.
	2.2 Sewer Master Plan	Develop sewer hydraulic model, incorporate 5-year CCTV condition assessments, develop prioritized list of sewer capital upgrades.	Underway, complete by Q4 2021	
	2.3 Storm Master Plan	Develop storm hydraulic model, incorporate 10-year CCTV condition assessments, develop prioritized list of storm capital upgrades.	2021-2022	Funded in 2021-2025 Financial Plan. Preparatory work underway with project kickoff scheduled for early 2022.
	2.4 Foreshore Capital Plan	Address potential issues with erosion at McNeill Bay and McMicking Point.	Ongoing	McNeill Bay erosion and McMicking point sewer both in the feasibility/preliminary design stage, but committed to in the 2021-2025 Financial Plan. Additional foreshore projects and ideas likely to be incorporated as an aspect of natural asset management.
	2.5 Facilities Master Plan	Develop actionable projects or programs to address gaps in facilities asset management in the District.	2021-2022	Project definition started May 2021, aiming for project kick off in summer 2021.
	2.6 Transportation Master Plan		TBD	Sub-studies, including Pedestrian & Sidewalk Plan, Pavement Marking & Sign review, and a potential refresh of the Active Transportation Strategy all fit into a potential broader review of Transportation Safety Master Planning in the District, with timing to still to be determined.
	2.7 Natural Assets Master Plan	Parks, watershed (Bowker & Hobbs Creeks).	TBD	Staff soon to seek direction from Council on levels of service and desired strategic outcomes related to natural asset management.
3.0 Long Term Financial Plan		A forecast of infrastructure replacement requirements and funding needs for a 50-100 year timeframe, including recommendations for funding mechanisms to address deferred maintenance and achieve sustainable service delivery.	2021	Expected delivery and presentation to Council in Q3 2021.

Program Component	Program Sub-Component (Project)	Description	Timeline	Remarks
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)	Started 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.	Started 2018	In progress.
	4.4 Asset Management Tools	Deliver maintenance management software & asset management software	Started 2018-2019, aiming for delivery 2022	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.