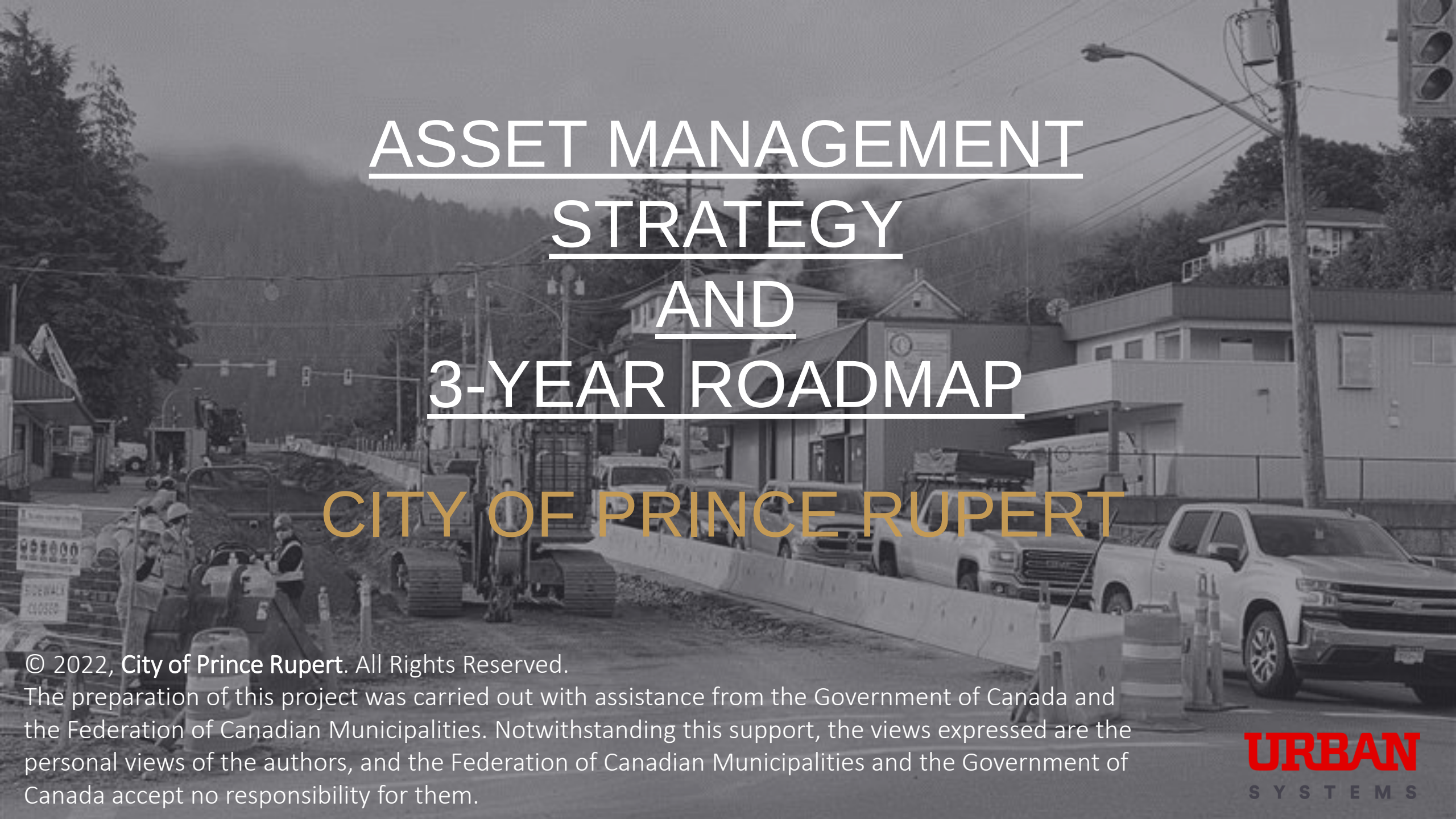




ASSET MANAGEMENT STRATEGY AND 3-YEAR ROADMAP CITY OF PRINCE RUPERT

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URBAN
SYSTEMS

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Attachment: Gap Assessment Details



OVERVIEW

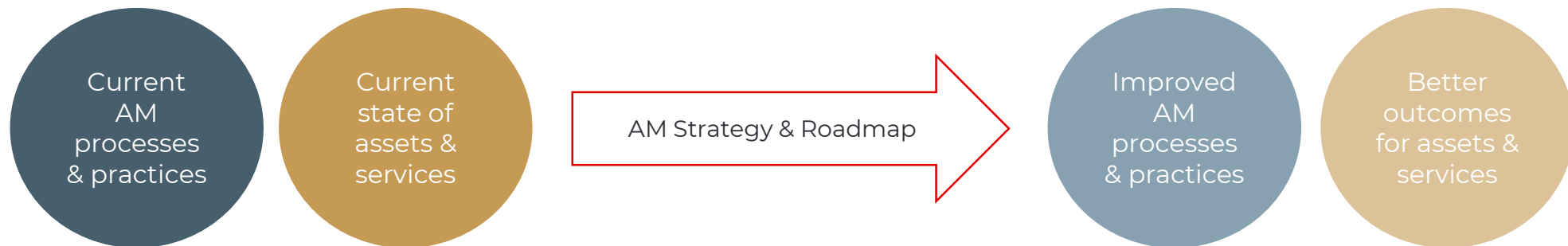
OVERVIEW OF ASSET MANAGEMENT

- Asset Management (AM) is the **integrated and continuous process** of bringing together skills, expertise, and activities of people; with information about the City's built and natural assets; and finances.
- The goal of AM is to make **informed decisions** that contribute to **sustainable service delivery**.
- AM is a continuous improvement process, not an individual activity, plan, or tool. The City is never "done".
- This is illustrated by the BC Framework for Sustainable Service Delivery, which the City of Prince Rupert has adopted to guide improvements to its AM practices. It provides guidance on how to continuously improve AM to get better asset and service outcomes.



PURPOSE OF THE STRATEGY AND ROADMAP

- The Asset Management **Strategy** articulates what the City should focus on doing to improve its AM practices to get better outcomes.
- The Asset Management **Roadmap** outlines the specific actions the City should take over the next 3 years to implement the Strategy.
- Together, the Strategy and Roadmap show how the City can get from where it is today to a place where its AM practices align with the commitments in the City's Asset Management Policy and best practices. This will help the City achieve better outcomes as they relate to asset condition, risk, service levels, financial health, and overall service sustainability.



CONNECTION TO OTHER PLANS AND STRATEGIES

- At the time of preparing the **Strategy and Roadmap**, the City was initiating a process to develop an **Infrastructure Replacement Strategy**. It will provide direction on priority replacement projects to address risk of asset failure due to condition.
- The City's **capital plan** outlines specific projects needed to address risks and meet community needs. It is informed by the Infrastructure Replacement Strategy as well as asset- and service-specific master plans.
- The **financial plan** describes how projects will be funded.
- Together these tools will help the City improve its asset management practices and asset management outcomes like asset condition, risk, service levels, financial health, and overall service sustainability.

WHY DOES THE CITY NEED A STRATEGY AND ROADMAP?

- As articulated in the City's Asset Management Policy, the City's goals are to:
 - exercise good stewardship
 - deliver affordable services
 - ensure assets deliver desired service levels over the long term
 - maintain and manage assets that support public safety, community wellbeing, and community goals
- However, a 2018 study showed that the total replacement cost of all the City's infrastructure is approximately \$285.8 M (2018 dollars); the average annual lifecycle investment needed for roads, storm, sanitary, and water assets alone was approximately \$5.5 M (2018 dollars), and the remaining life of these assets was approximately 35%. The state of assets, services, and funding levels present risks to achieving the City's goals.
- The City needs a Strategy and Roadmap to help it improve its asset management practices so that they align with the commitments in the City's AM Policy and with best practices, and better help the City achieve its goals.

USING THE STRATEGY AND ROADMAP

- The Strategy and Roadmap are corporate tools.
- They are for all staff involved in managing built and natural assets that deliver community services.
- They should be referenced:
 - Annually during business planning and budgeting to ensure implementation of actions and to measure progress
 - As part of onboarding new staff and Council to raise awareness of what asset management is, what the City is focusing on doing and why, and how they are involved

GAP ASSESSMENT

HOW GAPS WERE IDENTIFIED

- An assessment was completed of the City's current AM practices using the Asset Management Readiness Scale (AMRS) developed by the Federation of Canadian Municipalities (FCM).
- Current practices were also compared to the commitments made in the City's Asset Management Policy, which generally aligns with best practices.
- The City gathered internal and external perspectives on how well current practices align with the Asset Management Policy and with the best practices, and opportunities for improvement.
- Findings were categorized by AMRS category:
 - Policy and Governance
 - People and Leadership
 - Data and Information
 - Planning and Decision Making
 - Contribution to Asset Management Practice

GAPS AND OPPORTUNITIES



FOCUS AREAS

HOW DID THE CITY DECIDE WHAT TO FOCUS ON?

- There are many things the City could do to manage its assets in a way that better aligns with the commitments in its AM Policy and with best practices.
- The planning team considered what will MOST help the City achieve its goals, considering:
 - Where is there the most momentum?
 - Where is the benefit-to-cost ratio high?
 - Where are there efficiencies?
 - Where is there the most risk?

WHAT TO FOCUS ON

1: Communicating information to Council, the community, and senior levels of government

2: Organizational commitment and capacity

3: Getting data in the door

4: Integrating asset management into master planning

FOCUS AREA #1: ORGANIZATIONAL COMMITMENT & CAPACITY

What does this mean?

- Formally committing to asset management throughout the organization through an AM Policy
- Distributing leadership across all levels of the organization and across departments – its not one person's job
- Raising staff and Council's awareness of their role contributing to sustainable service delivery
- Investing financial and human resources to implement this Strategy
- Developing and implementing processes to track and report progress

Why do we need to do this?

- The City has been able to make some progress over the years but more widespread leadership and resources are needed to meaningfully change practices and get better outcomes

How will we know we're moving in the right direction?

- Staff and Council increasingly "live by" the commitments made in the AM Policy
- There are increasing investments in human and financial resources to implement AM
- We know how we're improving over time

FOCUS AREA #2: COMMUNICATING INFORMATION

What does this mean?

- Communicating information about assets, services, risks, and funding needs to Council and the public on a regular basis, especially during budgeting
- Advocating to senior levels of government for investments in Prince Rupert to address risks
- Doing this early, often, and in different ways

Why do we need to do this?

- If decision-makers are not informed about the needs, they can't make any changes to funding levels to contribute to better outcomes.

How will we know we're moving in the right direction?

- Council increasingly demonstrates greater asset management literacy, asks informed questions, and makes informed decisions
- Staff present asset, service, and financial information to Council more often
- Senior levels of government have solid information on which to make decisions about investments in Prince Rupert

FOCUS AREA #3: GETTING DATA IN THE DOOR

What does this mean?

- Integrating existing data into the GIS-based inventory
- Developing and implementing processes to keep the inventory up to date
- Ensuring all data collected has a specific purpose (a decision to inform)
- Making data available to those who need it when they need it
- Using data even if it is not perfect (as long as its limitations are clear)

Why do we need to do this?

- The City collects some data but it doesn't always get integrated into the inventory or used in planning and decision-making
- Data is currently housed in different places and in different formats
- There are no clear processes for getting data in the door from as-builts or from field inspections

How will we know we're moving in the right direction?

- The GIS-based inventory is improving over time in quality and completeness
- Our understanding of the assets we own, their condition, their lifecycle cost, etc. is increasingly more refined over time
- More staff are incorporating data into planning and decision-making more often
- Data is used increasingly more often when communicating with Council

FOCUS AREA #4: INTEGRATING AM INTO MASTER PLANNING

What does this mean?

- Using master planning processes to collect and use asset, service, and financial data to make more informed decisions
- Developing and using standardized tools to consistently consider cost, risk, level of service, and current and future asset needs in master plans

Why do we need to do this?

- The City has very limited resources. Master plans are processes/tools that are already used and understood by staff and Council, so they serve as an opportunity to integrate best practices in an efficient and effective way.

How will we know we're moving in the right direction?

- Terms of reference for master plans include asset management
- Both existing and future assets are considered in master plans
- Master plans are considered affordable and contribute to sustainable service delivery

ACTIONS

ACTIONS

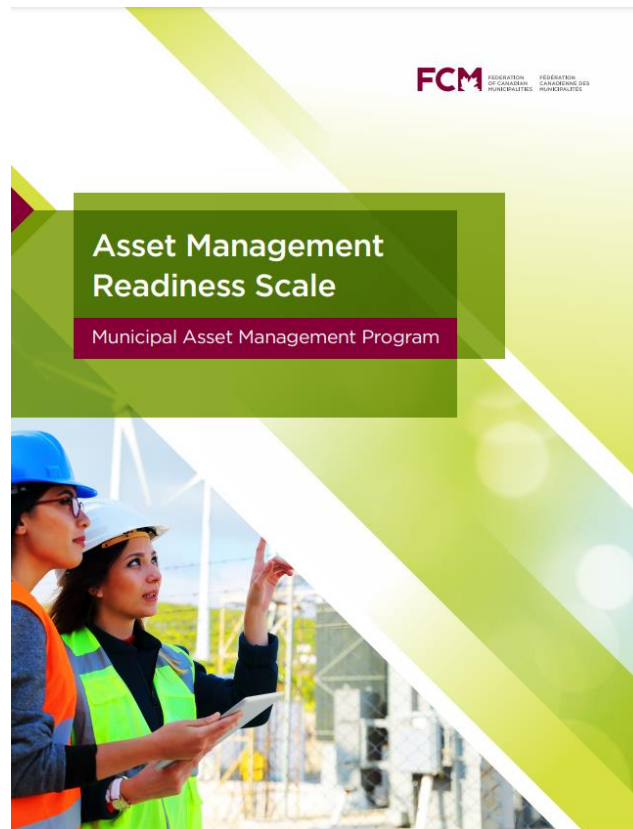
(SEE APPENDIX A FOR TIMING AND DETAILS)

#1: Communicating Information	#2: Organizational Commitment and Capacity	#3: Getting Data in the Door	#4: Integrating AM into Master Planning
• Communicate infrastructure costs to council to inform decision-making • Conduct an AM onboarding session with the new Council • 'Engage public in discussions on levels of service and increase communication on state of assets	• Seek Council endorsement of the AM Policy • Measure, track, and communicate progress on implementation of the state of assets, services, risks, and financial sustainability • Measure, track, and communicate progress of state of AM processes and practices, and implementation of the AM Strategy and Roadmap • Integrate AM in staff roles and responsibilities • Identify staffing needs	• Implement the Data Governance Framework • Integrate asset condition information into the GIS-based asset inventory • Develop and implement an Infrastructure Replacement Strategy and then integrate into capital plan and budget • Expand the Asset Inventory to address current gaps • Develop AM cost reporting standards	• Integrate AM information into Master Plans, and then integrate into capital plan and budget • Develop and implement a risk framework and level of service framework for application to master plans and AMPs



ATTACHMENT: GAP ASSESSMENT

ASSESSMENT AND PLANNING FRAMEWORK



ASSESSMENT AND PLANNING FRAMEWORK

Outcome Area	Policy and Governance	People and Leadership	Data and Information	Planning and Decision-Making	Contribution to Asset Management Practice
A	Policy and Objectives	Cross-Functional Teams	Asset Data	Documentation and Standardization	Training and Development
B	Strategy and Roadmap	Accountability	Performance Data	Asset Management Plans	Internal Communication and Knowledge Sharing
C	Measurement and Reporting	Resourcing and Commitment	Financial Data	Budgets and Financial Planning	External Communication and Knowledge Sharing

ASSESSMENT AND PLANNING FRAMEWORK

- The City's **AM Policy** also provides a lens for assessing and planning
- It provides strategic direction for where you want to be
 - The key goals (desired outcomes) you want to achieve
 - Commitments (objectives) for getting there

COMMITMENTS: POLICY & GOVERNANCE

- Consider and incorporate AM in other corporate plans
- Report on the status and performance, or work related to the implementation of this AM Policy
- Define and articulate service, maintenance and replacement levels and outcomes
- Consider environmental, social, and sustainability goals



INITIAL FINDINGS: POLICY & GOVERNANCE

- The City's recently adopted internal AM Policy (2020) aligns with best practice and sets direction for the Strategy and Roadmap
- The AM Policy and the Asset Management Working Group (AMWG) Terms of Reference (TOR) are supporting tools



COMMITMENTS: PEOPLE & LEADERSHIP

- Establish organizational accountability and responsibility for asset inventory, condition, use and performance



INITIAL FINDINGS: PEOPLE & LEADERSHIP

- The City's AM Champion (GIS Coordinator) and AMWG have spearheaded progress in AM to date
- The City has an AMWG, which is a cross-disciplinary team with a documented mandate
- The City's AM needs appear to exceed the City's current capacity
- Council and Senior Management support improving in AM



COMMITMENTS: DATA & INFORMATION

- Develop and maintain asset inventories of all infrastructure
- Determine, maintain and update replacement value, condition, and expected service life of assets as necessary



INITIAL FINDINGS: DATA & INFORMATION

- There has been significant initiative and progress in identifying and addressing gaps in data and information with the resources that are available
- A centralized Asset Register in GIS exists for critical assets but data is not collected in a consistent format for updating the asset register
- There is a lack of clarity on what type of information is tracked, how it will be used, by who, and to inform what



COMMITMENTS: PLANNING & DECISION- MAKING

- Integrate existing and future corporate, financial, business, technical and budgetary planning for infrastructure assets
- Develop asset renewal and replacement strategies that are informed through the use of full life cycle costing principles and risk analysis
- Plan financially for the appropriate level of maintenance of assets to extend the useful life of assets, where appropriate
- Minimize total life cycle costs of assets, risks to users, and risks associated with failure



INITIAL FINDINGS: PLANNING & DECISION- MAKING

- City staff have identified advancing initiatives across the organization in an integrated way as a priority
- Decision-making processes vary across departments and renewal priorities are based on historic and institutional knowledge
- Annual budgeting processes require each department to prioritize asset investments but financial needs are based on estimated data
- The estimated funding gap for asset replacement presents risks to long-term sustainable service delivery
- AM knowledge, processes, and practices are not consistent across departments



COMMITMENTS: CONTRIBUTION TO AM PRACTICE

- Consult with stakeholders when and where appropriate
- Pursue best practices where available



INITIAL FINDINGS: CONTRIBUTION TO AM PRACTICE

- Those involved in the AM Program and decision-making may have some training in AM; formalized training would support getting everyone on the same page
- There is a wealth of knowledge held in the minds of long-term staff and steps have been taken to document this institutional knowledge
- The City shares information related to current and future capital projects with the public through annual capital budgeting and reporting
- There is a need for the public to understand the value of investing in AM as a way of making the highest and best use of tax dollars

