

**DATE:** July 10, 2019**FILE:** 5600-01/BCOB**TO:** Chair and Director  
Black Creek/ Oyster Bay Services Committee**FROM:** James Warren  
Acting Chief Administrative OfficerSupported by James Warren  
Acting Chief Administrative  
OfficerJ. Warren**RE: Asset Management Planning Update**

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**Purpose**

To provide an update on the asset management work being completed for the Black Creek/ Oyster Bay (BCOB) Water Local Service Area (WLSA).

**Recommendation from the Acting Chief Administrative Officer:**

For information purposes only.

**Executive Summary**

In December 2017, the Comox Valley Regional District (CVRD) hired AECOM Canada Ltd., an engineering consulting firm for the completion of asset management planning services for the CVRD's water and wastewater services. AECOM's scope included development of a corporate wide asset management policy, an asset management strategy and individual asset management plans for the CVRD's water and wastewater services. This includes an asset management plan for the BCOB WLSA.

The asset management plan documents the activities, resources and timescales required for continued operation of a system. The foundation of the asset management plan is the asset inventory, which details every asset that the CVRD owns within the water system, including distribution water mains and all other components (reservoirs, pump station, electrical equipment etc.) and provides information about replacement value, risk and age. The asset inventories drive the total lifecycle costs of the service and the recommended annual reinvestment. Due to the importance of the inventories, significant time and effort by both CVRD staff and AECOM has gone into development and review.

As the work with AECOM for the water and wastewater plans is nearing completion, the below summarizes the next steps and intended actions:

- **August:** Final asset management plan submitted to CVRD by AECOM. The plan will include a comprehensive asset inventory, risk and condition assessment planning, level of service information, cost tracking of service activities, an evaluation of total lifecycle costs and recommended annual contribution for asset replacement. CVRD staff will complete a rate review, reviewing the recommended annual reinvestment and development of a strategy for any rate changes that may be necessary.
- **September 16:** Final asset management plan and any recommended rate changes are presented to the BCOB Services Committee.
- **October 1:** Amendments to the fees and charges bylaw for changes to rates receive first, second and third reading at the CVRD Board meeting.

- **Early October:** Public information session held to inform residents on the asset management work that has been completed and any proposed rate changes.
- **October 29:** Bylaw rate changes receive fourth and final reading. Rate changes are completed in time to be incorporated into financial planning process.

Asset management planning is becoming a standard best practice for the delivery of sustainable services and an increasingly common requirement for grant funding. The principle behind asset management is the development of a systematic approach that supports service, asset and financial sustainability for local governments. The completion of the asset management plan by AECOM will help further the CVRD’s development of asset management for the BCOB Water System.

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