

**DATE:** January 9, 2020**FILE:** 1025-01**TO:** Chair and Directors  
Committee of the Whole**FROM:** Russell Dyson  
Chief Administrative OfficerSupported by Russell Dyson  
Chief Administrative Officer*R. Dyson***RE: Asset Management Program Overview****Purpose**

This report provides an overview of asset management principles and the Comox Valley Regional District's (CVRD) Asset Management Program.

**Recommendation from the Chief Administrative Officer:**

This report is for information purposes only.

**Executive Summary**

- Asset management is an iterative, interdepartmental process to move the organization towards sustainable infrastructure, and therefore Sustainable Service Delivery.
- The CVRD is in the process of formalizing the corporate Asset Management Program.
- Staff are drafting a policy for Sustainable Service Delivery, creating a framework for asset management planning, and supporting the current Sustainable Service Delivery initiatives.

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Concurrence:

*B. Dunlop*Beth Dunlop, CPPB, CPA, CGA  
Corporate Financial Officer**Background/Current Situation**

The Comox Valley Regional District is implementing a formalized Asset Management Program to move the organization towards Sustainable Service Delivery. Asset management is a process to balance the desired levels of service and risk, with the resources and funding that is available.

The CVRD relies on assets to be able to deliver water, sewer, emergency response, parks, recreation, and solid waste services. The CVRD also owns assets that support the overall operation such as buildings, fleet and equipment, and information systems. A coordinated approach to Sustainable Service Delivery can help reduce risks, extend useful life, and reduce lifecycle costs.

The CVRD started an asset management planning project with a consultant for its core services in 2018. Since then, some key inventories and asset management documents have been created, a natural asset project was initiated to value and protect the Comox Lake watershed, and a Manager of Asset Management was hired.

In December 2019, staff from core asset-heavy services were asked to use an asset management maturity assessment tool to benchmark the service's status and to guide asset management work planning moving forward. **Appendix A** provides a summary of the results of the assessment.

Over the next year, staff are focused on establishing the asset management steering committee, building staff knowledge, finalizing key framework documents, and continuing to support the Sustainable Service Delivery initiatives already in progress. A Sustainable Service Delivery Policy will be reviewed by the Asset Management Steering Committee and presented to the Board in the next few months. The document will outline definitions, principles, and roles for the program. Further details of the Board's role in the Asset Management process will be included with this document.

### **Policy Analysis**

Staff will draft a Sustainable Service Delivery Policy for adoption by the Board.

### **Options**

This report is presented for information only.

### **Financial Factors**

Information resulting from the Asset Management Program will both inform and support the organization's annual and long-term financial planning process.

### **Legal Factors**

Not relevant.

### **Strategic Planning**

Aligning the Asset Management Program with the strategic drivers helps the organization to support Board priorities with how service is being delivered.

### **Regional Growth Strategy Implications**

Regional Growth Strategy implications of the program will be considered on a service-by-service basis.

### **Intergovernmental Factors**

The CVRD partners with various local governments to provide services. Although the Asset Management Program will be corporate-wide, service-specific information will be provided to the respective committees or commissions responsible to inform and support decision making.

The CVRD is involved with a local government Vancouver Island and Sunshine Coast group of asset management practitioners. The group shares resources and acts as support and as a sounding board for asset management challenges.

In addition, the CVRD will continue to work with provincial and federal governments to strategically pursue asset management grants.

### **Interdepartmental Involvement**

Asset management is an interdepartmental initiative. The Asset Management Program is a bridge between departments and will ensure that consistent practices are being used across the organization as a whole to support decision making by the Board.

### **Citizen/Public Relations**

At this time, staff recommend that the CVRD continue to focus on building internal knowledge and information gathering before engaging the public on asset management input. The Board may choose to pursue public engagement activities later in the process, on a service by service basis, to better understand the public's preferences for balancing cost, level of service, and risk.

Attachments: Appendix A – AssetSMART2.0 2019 Maturity Assessment

### Asset Management Practices Maturity Assessment, December 2019

AssetSMART2.0 is an asset management practices maturity assessment tool used by CVRD staff in December 2019. The results will be considered in the development of an overall program work plan, and work plans specific to services. The results will also be used in the future to measure how asset management practices in the organization are maturing over time.

AssetSMART2.0 explores indicators for each core element of asset management: Assets, Information, Finances, and People. Status is rated on a scale of 1 (beginning) to 4 (advanced). The following is a summary of the results of staff assessments, on average by service:

Service	Assets	Information	Finances	People
Water	2.6	2.1	2.8	2.3
Sewer	2.8	2.3	2.6	2.1
Recreation	1.8	2.4	2.7	2.1
Fire Services	3.3	1.6	2.5	1.7
Parks	1.3	1.9	2.0	1.6
Solid Waste	2.8	2.3	3.1	2.5

The results of the maturity assessment shows each service has had different approaches to asset management practices and internal capacity. Asset management program works plans should be tailored to meet the needs of each service while advancing the maturity of the CVRD asset management practices as a whole.

### AssetSMART2.0 Results by Service\*

Results of the maturity assessment, shown by indicator and averaged by service.

#### Core Element: Assets

	Key Attribute				
	Location	Data	Install data	Historic Cost	Natural Assets
Water	2.5	3.0	2.5	2.5	2.0
Sewer	3.0	3.0	3.0	2.0	1.5
Recreation	1.8	1.8	2.3	1.5	2.5
Fire Services	4.0	3.0	4.0	2.0	2.0
Parks	1.0	1.0	1.0	2.0	1.0
Solid Waste	3	3	3	2	1.5

**Core Element: Information**

	Policy	Strategy	Level of Service	Risk	Replacement Plans	Long Term Capital Plan	Climate Change
Water	1.5	1.5	1.5	2.5	3.3	1.8	2.5
Sewer	1.5	2.0	1.0	3.0	3.5	2.5	2.5
Recreation	3.0	3.0	2.5	2.0	2.0	2.0	2.3
Fire Services	1.0	2.0	2.0	2.0	2.0	1.0	1.0
Parks	2.0	2.0	2.0	2.0	2.0	1.5	2.0
Solid Waste	2.5	2	1.5	3	2.5	3	1.5

**Core Element: Finances**

	Long Term Financial Plan	Revenue	Reserves	Debt
Water	2.0	2.3	3.5	3.5
Sewer	2.0	2.0	3.5	3.0
Recreation	2.0	2.5	3.5	2.5
Fire Services	2.0	2.0	3.0	3.0
Parks	2.0	1.0	3.0	(unknown)
Solid Waste	3	3	3	3.5

**Core Element: People**

	People Capacity	Awareness	Teamwork	Roles	Decision Making
Water	2.5	2.8	2.3	1.8	2.0
Sewer	2.5	2.5	1.5	1.5	2.5
Recreation	2.5	2.0	2.0	2.5	1.5
Fire Services	1.5	2.0	1.0	2.0	2.0
Parks	1.0	2.0	1.0	2.0	2.0
Solid Waste	2.5	2.5	2.5	2	3

\* Services evaluated do not yet include evaluations for information systems, buildings, or fleet asset management practices.