

*Attachment #5*

**Strategic Priority 5**

**Asset Management and Infrastructure**

**Year 1**

**Status Report**

**Strategy Priority: Asset Management and Infrastructure**  
**Year 1 Status Report**

**Resilient infrastructure that meets the community’s needs today and into the future**

Objectives and Outcomes	Status	Comments/issues
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**Objective 1: Champion asset management leadership and staff capabilities across the organization to enhance how we plan, deliver, maintain, and operate our infrastructure to meet the community’s needs.**

**Strategic Outcome:**

**Sustainable Service Delivery and Long-term Financial Planning and Resilience**

<p>The development of the City’s first Facilities Asset Management Plan (FAMP), informed by the 2022 Facility Condition Assessment.</p>		<p><b>Progress to date:</b></p> <ul style="list-style-type: none"> <li>Staff successfully presented the City’s first Facilities Asset Management Plan to Council in a February 26th, 2024 workshop. The purpose of the council workshop was “to provide the City’s first Facilities Asset Management Plan (FAMP) to Council for endorsement.”</li> <li>Council unanimously endorsed the FAMP on February 26<sup>th</sup>, 2024.</li> </ul> <p><b>Next steps:</b></p> <ul style="list-style-type: none"> <li>The development of Asset Management Plans is an iterative process that requires improving data, processes, systems, staff skills, and organizational culture over time. The FAMP recommends improvement initiatives as part of Continuous improvement, which will be undertaken as the facilities team improves and matures its asset management practices.</li> <li>The next Facility Condition Assessment is planned for 2028, and the next FAMP iteration is anticipated for 2029.</li> </ul> <p><b>Risk:</b></p> <ul style="list-style-type: none"> <li>There is an estimated \$12.5 million renewal funding gap over the next five years (average \$2.5 million/year), comparing the current 2024-2028 financial plan and the recommended goal of maintaining the current facility condition Index level.</li> <li>The FAMP analysis focuses on renewals (based on the Facility Condition Assessment data). As data is developed to improve the City’s overall understanding of Levels of Service for work related to improvements (upgrades) or building capacity (growth and expansion), this will further inform the financial analysis associated with <b>upgrades and growth</b>.</li> <li>The FAMP analysis does not consider staff resources at this time; this will be regarded as part of the ongoing work related to the Facilities Asset Management Plan.</li> </ul> <p><b>Key messages:</b></p> <p><i>The FAMP is the guiding document for managing the city’s facility infrastructure effectively and efficiently. The FAMP identified a \$12.5 million renewal funding gap in the current 5-year financial plan, simply to maintain the portfolio to the current condition index level.</i></p>
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		<i>This FAMP will require continual improvement of the asset management practices employed in the City's asset management journey.</i>
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**Strategic Outcome:**  
**Sustainable Service Delivery and Long-term Financial Planning and Resilience**

Development of Natural Assets Asset Management Plan		<p><b>Progress to date:</b></p> <ul style="list-style-type: none"><li>• Preliminary inter-departmental discussions to determine the approach of the project, including grant potentials, have started.</li><li>• Inventory data for the known assets to be included in the Natural Assets AMP has been completed, but the development of the Natural Assets Asset Management Plan has not begun.</li></ul> <p><b>Next steps:</b></p> <ul style="list-style-type: none"><li>• Staff will complete data collection, confirm funding sources, and issue an RFP for consultant support.</li></ul> <p><b>Risk:</b></p> <ul style="list-style-type: none"><li>• With the Parks Comprehensive Master Plan underway, and the recent resignation of a key staff person, staff resources and funding are spread thin and constrained to begin the work on the AMP.</li></ul> <p><b>Key messages:</b> <i>The Parks team is excited to undertake the Natural Assets AMP to elevate the profile and understanding of natural assets to that of traditional grey infrastructure (e.g., water, sewer, roads, etc.), but the work will be delayed due to staffing challenges.</i></p>
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**Objective 2: Expand the use of data and information to inform long-term infrastructure planning and decision-making.**

**Strategic Outcome:**  
**Rigorous Approach**

Cityworks (Computerized Maintenance Management System) Implementation: Phase 1 – Water and Sewer		<p><b>Progress to date:</b></p> <ul style="list-style-type: none"><li>• Engineering and IT staff are configuring the Cityworks program and updating business processes. These are ongoing and are planned to be completed in June 2024. Training for city staff is scheduled for July 2024.</li><li>• iPads have been purchased to support the rollout of the Cityworks CMMS.</li></ul> <p><b>Next steps:</b></p> <ul style="list-style-type: none"><li>• Training of operational and engineering planning staff later 2024.</li></ul> <p><b>Risk:</b></p> <ul style="list-style-type: none"><li>• Staff capacity to deliver consistent progress on implementing this project is a risk as other IT issues and other higher priority work arise. It will not be possible to advance work on Cityworks in a meaningful way until other high priority corporate IT needs have been met.</li></ul> <p><b>Key messages:</b></p>
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*Computerized maintenance management systems (CMMS) are powerful tools for managing and organizing large amounts of information supporting effective maintenance planning and decision-making. Implementing Cityworks for operational use is a critical step that will lead us to the next level of asset management and data maturity. It will not be possible to make progress on this until IT is ready.*

**Objective 3: Clearly communicate asset management and infrastructure information to the public.**

Upload Asset Management Plans to the City website for public consumption.

**Progress to date:**

- The water, transportation, sewers, drainage, and the newly completed facilities asset management plans have all been uploaded to the city website.

**Next steps:**

- Continue uploading all completed or updated asset management plans or related documents to the city website.
- Share the contents of asset management plans with council and the public as part of an open council workshop.

**Risk:**

- As we improve our asset management practices and update our asset management plans, we should ensure that the latest and most up-to-date documents are uploaded to the website.

**Key messages:**

*As the City improves its asset management practices, enhances decision-making, strengthens technical and leadership capabilities, and develops long-term financial outlooks, it is important to share this essential infrastructure information with the community as we continue to provide services.*

Keep the Projects on the Go page up-to-date.

**Progress to date:**

- Numerous active and completed projects have been updated to the Projects on the Go City website.

**Next steps:**

- Continue to update and upload any significant projects that the City undertakes.

**Risk:**

- Keeping the project information, especially pertinent project information that impacts the community, up-to-date is a risk.

**Key messages:**

*Providing project information on ongoing and completed capital projects, studies, and private development is crucial in keeping the community informed.*

**Objective 4: Maximize infrastructure reliability and ensure long-term financial health through a rigorous approach to asset management.**

**Strategic Outcome:**

**Long-term Financial Planning and Resilience**

Using innovative finance (multi-year budgets) and procurement approaches to deliver essential replacement infrastructure projects

**Progress to date:**

- The West End Utilities Rehabilitation project, partially funded under the Investing in Canada Infrastructure Program (ICIP), aims to increase capacity to convey and manage wastewater and stormwater.
- We have entered into an agreement with a contractor (Sandpiper) using two procurement agreements that dictate the relationship between the city and the contractor and the work being undertaken. These agreements are essential to efficiently manage the multi-year budget approved for the sewer and water programs.
- The contractor has begun to mobilize to the site and has already started pre-locate works.

**Next steps:**

- Begin construction works on 16<sup>th</sup> Street.
- Finalize designs for 18<sup>th</sup> and 20<sup>th</sup> street catchments.

**Risk:**

- A project execution plan has been developed for the project, which presents a robust list of risks, including mitigation measures to decrease the exposure to risks such as environmental, financial, procurement, archeological and design risks.
- The innovative contract that has been entered into with the contractor is designed to specifically share risks between the City and the contractor. This allows for a mutually beneficial relationship across the multi-year contract.
- Heritage permits linked to archeological work have led to some project time delays. The delays will be factored into the contractor's schedule and we will work with the contractor to mitigate the delays.

**Key messages:**

*The West End Utilities Rehabilitation project is a significant project that will be delivered using innovative approaches. These approaches will allow the City to maximize infrastructure reliability in the West End, minimize risks, ensure financial sustainability, and deliver on the requirements of the relevant asset management plans. The project is being planned and coordinated together with several other projects in and near the affected neighbourhood to proactively manage impacts.*

Summary of Progress in Year 1	Anticipated progress in Q3 and Risks
<p>In Q1, the staff's main focus was finalizing and presenting the Facilities Asset Management plan, continuing to progress on implementing Cityworks (CMMS) and developing innovative approaches to launch the multi-year West End Utilities project. Planning on upcoming asset management plans has begun, and communication with the community on essential projects and asset management initiatives continues.</p>	<ul style="list-style-type: none"> <li>• Progress on implementing the facilities' asset management plan recommendations will continue, as will work on implementing the Cityworks CMMS.</li> <li>• Key infrastructure projects such as the West End utilities project will progress.</li> <li>• Staff capacity remains a central and pressing risk, with the risk of burnout an ever-present concern for staff.</li> </ul>

**Financial Implications**

The approved 2024 budget, including the multi-year budgets for specific programs, continues to support essential infrastructure projects. For the most part, the budgets for 2024 are sufficient except for the shortfalls identified in the facilities asset management plan and a potential shortfall in the budget to undertake the Natural assets AMP.

**Strategic Interdepartmental Collaboration**

The Asset Management team in Engineering Services performs a corporate function, supporting the entire organization. Staff continually collaborate across departments to advance this strategic priority, including working with Finance, Procurement, Parks and recreation, CAPD, and Electrical groups. The Asset Management Steering Committee is comprised of Directors and Senior Managers from multiple departments.

**Lenses and Foundations - Implications**

**DEIAR**—The risk models developed for the water and sewer services incorporated DEIAR considerations when calculating risk. Further, the facilities' asset management plan considers requirements to support universal access.

**Public Engagement**—Most infrastructure projects involve some level of community engagement. We will continue to work with Engagement staff to broaden our 'reach' to underrepresented communities.

**Reconciliation**—Through the archaeological assessments and ongoing work we perform in our infrastructure projects, we continue to learn and commit to meaningful reconciliation and building relationships with the local First Nations, the urban indigenous community, and the people whose lands we are on. We are awaiting the city-wide Archaeological Overview Assessment to understand the implications of our capital projects better.

**Climate & Environment**—We ensure that the long-term planning activities incorporate the latest climate and environmental information to ensure that the projects we plan are resilient and adaptable to changing conditions.

**Healthy Governance**—Implementing asset management practices, specifically robust, transparent, and systematic decision-making, can contribute to healthy governance in a municipality. The Asset Management Steering Committee meets regularly in support of informed decision making and accountability.

**Resiliency** – Well-planned and managed assets will allow the municipality to be financially resilient as well as support the community to be more resilient by providing the essential infrastructure required for a growing community.

**Organizational Effectiveness** – As we continue to explore innovative approaches to delivering capital as well as asset management projects, the effectiveness of the organization will improve. Implementing Cityworks will be a key driver in improving the effectiveness of how the organization handles, stores and interprets operational data while also boosting our decision-making capabilities. Asset Management best practice recognizes that there will be cycles of continuous improvement; with each cycle, the organization’s practice will mature. Maturity assessments will continue to be done at regular intervals, to help us to identify what is required to continue to improve.

**Instructions and Legend:**

<b>Strategic Outcome: Asset Management and Infrastructure</b>
Sustainable Service Delivery: Deliver sustainable service today and into the future, including several asset management and master plans.
Rigorous Approach: Benchmark and improve data management and improve communication and information sharing.
Long-term Financial Planning and Resilience: Continue to deliver on the five-year plans and significant capital projects currently planned or underway, and improve on internal capacity.

<b>Status</b>	<b>Project performance indicators Rating Summary</b>
<b>On Target</b>	On target for 90%
<b>Watch</b>	On target for 70%
<b>Concern</b>	Less than 70% on target

<b>Performance Indicator</b>	<b>Description</b>	<b>Rating Status</b>
Budget Variance	Operating and capital budget variances that are linked to action	Green: Under Budget Yellow: Slightly Over budget Red: 2% or more over budget
Schedule Variance	The variance between the actual action progress and the planned schedule	Green: Ahead of schedule Yellow: Slightly behind Schedule Red: Significantly behind schedule

Scope Compliance	The frequency and impact of changes to the project scope	Green: Fully Compliant Yellow: Partial compliance Red: Significant scope deviations
Staffing Adequacy	The extent to which the action has the correct amount of staff with the required skills and resources to effectively drive the project forward	Green: Adequate staff Yellow: Some staffing issues Red: Insufficient staffing

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