



COUNCIL REPORT

To: Paul Gipps, CAO

Date: June 23, 2020

From: Mark Roberts, Project Manager

File No: Eng 1025-03

Subject: **FCM Asset Management Grant Application**

RECOMMENDATION

THAT Council direct staff to apply to FCM Municipal Asset Management Program for Asset Management Plan – Phase 2, which will advance the City's Asset Management Program by further developing its Asset Management Policies and Strategies, Data Collection Framework and Database Management; and,

THAT Council, per the conditions of the grant, authorize a commitment of up to 20% of the capital project cost.

STRATEGIC AREA(S) OF FOCUS

Invest in Infrastructure – as part of the City's Asset Management Program, data collection, cleansing and reporting will help guide future planning, investments, and decision making.

BACKGROUND

The Federation of Canadian Municipalities (FCM) is offering grants to municipalities to strengthen its asset management practices, which will help equip the City of West Kelowna to continue to provide reliable services and a high quality of life.

FCM will provide 80% of total eligible project costs, to a maximum of \$50,000 to Canadian municipalities completing asset management projects who want to improve:

- Asset Management Policy and Strategy
 - Build on Asset Management (AM) training and roadmap recently completed as part of the Asset Management Plan that is currently being developed.
 - Develop an AM Policy with the AM Team, signoff with Senior Leadership and approved by Council.
 - Collaboratively develop a high level AM Strategy
- Data Collection Framework
 - Build on AM data work recently completed as part of the Asset Management Plan that is currently being developed.
 - Define the template, format, and structure for data and inventory that will be collected by asset class.
 - Define the methodology for condition assessments and performance testing to provide capacity information for key assets.

- Database Management
 - Dedicated resource to support data input into City databases.

In order to be eligible for the Municipal Asset Management Program funding, a Council resolution is required to fulfill the application criteria.

DISCUSSION

Asset Management, generally speaking, is an integrated approach to involving all departments in the organization to effectively manage existing and new assets to deliver services to customers. The intent is to maximize benefits, reduce risks, and provide satisfactory levels of service to the community in a sustainable manner. The types of assets managed at the City of West Kelowna include things like buildings, roads, parks, fleet, fire apparatus, information technology, water, wastewater, stormwater, and natural infrastructure. Managing these assets provides West Kelowna the opportunity to do more with less, by providing a structured way of tracking performance, cost, and risk to meet service delivery objectives in the most effective manner.

The City of West Kelowna is in the infancy of its Asset Management Program, with the first Asset Management Plan being developed this year. As staff compile the data from various different sources into one database, data gaps, assumptions or incomplete information is being uncovered. That is okay in the early stages of Asset Management Plan development, as staff are aware of the quality issues and assumptions that have been made. However developing a data collection policy, providing staff training on data collection, and refining the City's data input streams will provide some quick wins towards improving the overall quality of the City's Asset Management Program, and provide better insight into the things like condition assessments, estimate service life, replacement costs, and prioritization investment plans, all of which will help develop better understanding of an asset's condition. Once more accurate conditions assessments are completed and entered into the database, more accurate short and long term Operating and Capital Financial Plans can be calculated, which will paint a picture of what the City's current budget limits are and its needs-based budget will be based on the services that it provides to the community.

FINANCIAL IMPLICATIONS

Per the conditions of the grant, the City will be required to fund 20% of the total eligible costs. Based on the criteria outlined in the application guide, it is anticipated that the proposed scope of work will be considered fully eligible for cost recovery, requiring a \$10,000 capital commitment from the City. It is recommended that this portion of the project be funded from capital reserve.

Additional funding will be provided by the City, who will be dedicating staff time towards the completion of the project.

CONCLUSION

If the City is successful in its grant application to FCM, a workplan to improve the overall quality and quantity of data will be completed, improving the quality of the Asset Management Plan Reports that will be presented to Council.

Alternate Motion:

THAT Council direct staff not to apply for the FCM Municipal Asset Management Program Grant.

REVIEWED BY

Rob Hillis, Engineering Manager

Allen Fillion, Director of Engineering and Public Works

Warren Everton, Director of Finance/CFO

Tracey Batten, Deputy CAO/Corporate Officer

APPROVED FOR THE AGENDA BY

Paul Gipps, CAO

Powerpoint: Yes ☐ No ☒