



YOUR LOCAL ASSET MANAGEMENT COMMUNITY OF PRACTICE IN BC.

Enhancing BC communities through leadership in asset management.

TWENTY THIRD EDITION – SUMMER 2018

Developing a Common Asset Management Policy for Local Governments in BC

By David Allen, CAO – City of Courtenay, Co-Chair Asset Management BC



As an independent “Community of Practice” AM BC has been providing awareness of Asset Management best practices for nearly a decade and throughout that time City of Courtenay senior staff have been closely affiliated with AM BC.

In the last edition of the Asset Management BC (Winter 2018), my colleague David Love authored an article, **“Operationalizing Asset Management: it’s about People too”**.

This article focused on how the City of Courtenay, working with INTERACTIONS HR Solutions, developed a mandate:

“To ensure that the organizational structure and daily operations align with sound asset management practices to support sustainable service delivery”.

The outcome was a report completed in March 2016, “Operationalizing Asset Management Policy within the City of Courtenay”, which undertook a ‘Condition Assessment’ of our people and led to a number of organization changes focused on building the City’s Asset Management capacity.

While the focus of David Love’s excellent article was about what the City of Courtenay was doing to address its AM capacity challenges, this article casts the net more broadly and explores how we might bolster the capacity of all local governments to move toward sustainable service delivery through a common policy approach.

Ironically, while AM BC has championed the need for sustainable service delivery, it has increasingly recognized the need to address its own sustainability in maintaining an independent and neutral position in supporting other local governments.

This is possibly why there has not yet been a collation of policy practices offered in support of CAOs and council/board elected officials where, from a public administrator’s perspective, something of that nature would be very useful. Our affiliation with AM BC has helped us to recognize that this form of guidance does exist, but it is located in various places and has not been provided or promoted in a coherent, unified way. The guidance is located in statutes, senior government publications and Courtenay Council’s Asset Management Policy.

What follows is respectfully suggested as an overview of this guidance for Council’s consideration. Also, a further suggestion is made below of how the information might be provided, on a much broader basis, to other local governments through a Resolution at the Union of BC Municipalities (UBCM) annual conference in September 2018. And finally, a suggestion that AM BC might be asked to help disseminate any adopted practices along these lines.

Beyond the operational aspects, to be successful over the long-term, a local government AM program depends upon three intertwined yet distinct communications channels:

1. The relationship between council members/regional directors with their constituents to consider and agree upon continuing levels of service balanced with the constituents' willingness to pay;
2. The relationship between council members/regional directors and their respective CAOs to agree upon policy objectives (and reporting) and provision of the means to achieve them; and
3. The relationship between municipal/regional district CAOs and their staff to set the operational and capital work plans in place to achieve sustainable service delivery through sound AM practices.

These three channels have their origins in the following references:

- Community Charter (CC) and Local Government Act (LGA) <http://www.bclaws.ca/>
- Auditor General for Local Government (AGLG) Perspectives Series Booklet, "Asset Management for Local Governments" <https://www.aglg.ca/>; and
- City of Courtenay Policy #1670.00.02 "Asset Management Policy" <http://www.courtenay.ca/EN/main/city-hall/asset-management.html>

COUNCIL/BOARD MEMBERS AND CONSTITUENTS:

Municipalities and regional districts are distinct; however, both are referred to as "local governments" and the *Community Charter and Local Government Act* are the two principal sources of their respective authority. One purpose is "providing for stewardship of the public assets of its community". They also stipulate that "the powers, duties and functions of a municipality or regional district are to be exercised and performed by its council or board" as the case may be.

The BC Auditor General for Local Government provides even more succinct guidance to the elected officials:

"Local residents, as service customers and taxpayers, expect to be advised and consulted on how you are spending tax dollars. It is important to engage and educate members of the community on what asset management involves, why it is important and the implications if your local government fails to proactively manage publicly-owned assets. This communication provides an opportunity for your local government to ask the community about their service level expectations and their willingness to pay the costs of meeting those expectations."

This guidance is echoed in the City of Courtenay's Asset Management Policy: "...council members are responsible for adopting policy and ensuring that sufficient resources are applied to manage the City's capital assets" and for providing "... those we serve with services and levels of service for which they are willing to pay".

COUNCIL/BOARD AND THEIR CAOs:

The CC and LGA speak to this relationship, too: CAOs' powers, duties and functions include overall management of operations of the local government; ensuring that the policies, programs and other directions of the council/board are implemented; and advising and informing the council/board on the operation and affairs of the local government.

The AGLG also considers this relationship:

"Elected officials have a stewardship responsibility and an oversight role, while staff are responsible for implementation and for reporting back to the council/board. It is important for both parties to understand and respect the distinction between governance and management and to maintain an appropriate balance of accountability... As elected officials, you can help ensure effective asset management by supporting staff in their efforts to develop and implement asset management planning."

Council's AM Policy commits to "Ensuring necessary capacity and other operational capabilities are provided" and to "... providing sufficient financial resources to accomplish them". As a reflection of the legislation and AGLG guidance, the Policy goes on: "The Chief Administrative Officer has responsibility for Asset Management plans, strategies and procedures as well as reporting to Council on the effectiveness of Asset Management practices and their outcomes."

CAOs AND THEIR STAFF:

Communications as part of this relationship is a matter of leadership style and public administration practices. How these manifest themselves locally is a function of the individuals' education and experience along with ongoing professional development. This is offered by agencies such as the Local Government Management Association of BC and more formalized training through various academic institutions.

While the statutes do not speak to this particular relationship, the AGLG does provide some guidance:

“Asset management is a highly integrated activity requiring staff from across the local government to interact and share knowledge and data. It requires a shift to a new business model based on sustainable service delivery. To succeed, your chief administrative officer must champion asset management, select the right group of staff from finance, planning, operations, information technology and engineering, give them the proper authority and make them accountable for action.”

This AGLG guidance coincides with the City's AM Policy as provided above.

CLOSING:

Clearly, the guidance to successfully develop these three channels of communication does exist. However, it would be more effective if it were combined in a singular form that could be consistently referred to by local governments wishing to more effectively develop Asset Management for Sustainable Service Delivery. One way of accomplishing this could be for BC local governments to collectively request it be done on their behalf by an organization or agency such as Asset Management BC.

To that end, in April 2018 a resolution submitted by the City of Courtenay Council was adopted at the annual Association of Vancouver Island and Coastal Communities (AVICC) convention. In May, the City received a confirmation letter from UBCM that the following resolution will be presented to the UBCM membership for their consideration at the 2018 UBCM Convention in September 2018.

Common Asset Management Policy – City of Courtenay

Whereas the purposes of a British Columbia municipality and regional district include providing for stewardship of the public assets of its community;

And whereas the powers, duties and functions of British Columbia municipal and regional district Chief Administrative Officers include:

- a) overall management of the operations of the local government;
- b) ensuring that the policies, programs and other directions of the council or board are implemented; and
- c) advising and informing the council or board on the operation and affairs of the local government;

Therefore be it resolved that AVICC support sound asset management practices as the means to achieve local sustainable service delivery;

And be it further resolved that BC municipalities and regional districts, their respective CAOs and staff would benefit from guidance to a common communications approach to enhance asset management practices;

And be it further resolved that the **Asset Management BC partnership** develop and implement a common communications approach to enhance asset management practices.

Note from author: I want to acknowledge the work and support of my colleague David Love, who currently serves as the City of Courtenay's Senior Advisor of Strategic Initiatives. David has been instrumental in working with Roxane Gray at INTERACTIONS HR Solutions to develop many of the new operational and organizational changes that have been implemented at the City.

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Celebrating a Decade of Living Water Smart in B.C. – Where to From Here?

By Kim Stephens, M.Eng., P.Eng, Executive Director
Partnership for Water Sustainability in BC



The article that follows was published as an op-ed in the June 2, 2018 issue of the Vancouver Sun newspaper. A decade ago, the Living Water Smart program called British Columbians to action to create greener communities and prepare for climate change. The article

celebrates the 10th anniversary and highlights that “Asset Management for Sustainable Service Delivery: A BC Framework” is a game-changer flowing from Living Water Smart.

Water defines British Columbia, and the rhythms of water are changing – winters are wetter and warmer; summers are longer and drier. Flood, drought, fire, wind and cold – extreme events are the New Normal. We are at a tipping point. When will communities adapt, and how?

In 2008, “Living Water Smart, British Columbia’s Water Plan” was the Province’s call to action, and to this day transcends governments. The vision:

We take care of our water, our water takes care of us.

On the 10th anniversary of its release, we celebrate transformational initiatives set in motion by Living Water Smart.

Collaboration in Local Government Setting

The hard work of hope has resulted in a policy, program and regulatory framework that enables community-based action to adapt to the New Normal. Living Water Smart successes are defined by collaboration and a “top-down / bottom-up” approach. This brings together decision-makers and community advocates.

“While legislative reform is a foundation piece, collaboration takes place outside the legislative framework,” Lynn Kriwoken stated in 2008. An Executive Director in the Ministry of Environment and Climate Change, she personifies continuity, commitment and

leadership in bringing the Living Water Smart vision to fruition.

“Living Water Smart is about motivating and inspiring everyone to embrace shared responsibility. Influencing behaviour and attitudes is at the heart of moving from awareness to action,” added Kriwoken.

Game-Changers Flowing from ‘Living Water Smart’

The legislative piece is the *Water Sustainability Act*, one of several game-changers. A historic achievement, the Act recognizes the connections between land and water - what happens on the land matters!

What Makes a Stream Healthy: In Living Water Smart, the lynch-pin statement is:

“All land and water managers will know what makes a stream healthy, and therefore be able to help land and water users factor in new approaches to securing stream health and the full range of stream benefits”.

This vision statement guides the work of the Partnership for Water Sustainability, the hub for a “convening for action” network in the local government setting. The Partnership collaborates with the province, local governments, stewardship sector and First Nations to develop and mainstream approaches, tools and resources that advance “design with nature” outcomes.

Strategic Direction for Local Government: Another game-changer flowing from Living Water Smart is “Asset Management for Sustainable Service Delivery: A BC Framework”. Led by Asset Management BC, the BC Framework sets a strategic direction for local government service delivery.

It refocuses business processes on how physical and natural assets are used to deliver services, and support outcomes that reduce life-cycle costs and address risks.

Sustainable service delivery by local government occurs alongside associated evolution in community thinking. By managing the built and natural environments as integrated systems, local governments would incrementally move towards a water-resilient future as an outcome.

A pillar of Sustainable Watershed Systems is the Ecological Accounting Process (EAP). EAP establishes what the definable benefits of ecological services derived from creekshed hydrology are, what they may be worth to

stakeholders, and how they may be maintained and enhanced.

EAP has the potential to transform how communities make decisions about creekshed restoration.

Water & Food Security: Yet another game-changer flowing from Living Water Smart is the B.C. Agricultural Water Demand Model. It accounts for climate change, is applied to establish future needs for Agricultural Water Reserves, and is the engine for the online B.C. Agriculture Water Licence Calculator.

Developed to support implementation of the B.C. Groundwater Regulation, the Calculator quantifies outdoor water use for any property in B.C., including residential.

Call to Action

B.C. communities can adapt to the New Normal. They can create a water-resilient future where flood and drought risks are reduced. As a result of initiatives inspired by Living Water Smart, we have tools and experience to “get it right”. So, through collaboration and commitment, together let’s make it happen - sooner, not later!

Spall but Mighty: A Closer Look at the Service Sustainability Assessment Tool in Action - Interview with Doug Allin, CAO, Township of Spallumcheen

(Interview and article by Jan Enns of Jan Enns Communications, Kelowna)



PIC: Doug Allin, CAO, and Mayor Janice Brown, Township of Spallumcheen, give it up for Asset Management.

If you ever have the pleasure of sitting down with Doug Allin to talk anything local government, you’ll soon be infected by his passion for asset management. Doug is no stranger to this evolving field, having developed his first asset management plan as early as 2008 as the Director of Operations at the District of Peachland, and more recently as CAO for the City of Grand Forks and now the Township of Spallumcheen. As one of the lead partners in developing the Service Sustainability Assessment Tool, Doug has seen the challenges small communities face, from lack of staff, access to training and tools, and lack of understanding of the role of communications. I recently had the chance to catch up with Doug at the Township office to glean some key insights on how he has turned the somewhat nebulous concept of asset management into the rock-solid foundation of everything they do at the ‘Spall but Mighty’ Township of Spallumcheen.

Jan: One of the key challenges I see local governments face starts at the Council or Board table. While our elected officials may intellectually get the concept that we need to invest in future infrastructure repairs or replacements, it can seem pretty daunting. What have you found to work when it comes to motivating your Council to take action on asset management (AM)?

Doug: Yes, it can be daunting, particularly in small communities with limited staff. That’s why you need to start small. Just jump in and get going. Pick one aspect to focus on and start with a plan. One of the first things I do in any community is start with the education – from the inside out. We can’t embrace AM if our decision-makers don’t know what it is, why it’s necessary, and how it will benefit our community.

Jan: What are some of the key steps you recommend for starting this education process with decision-makers?

Doug: It all starts with a conversation. It isn’t about building a water treatment plant, but rather about discussing the high number of Boil Water Advisories, and asking, “Is that what we want for our community?” This approach frames the message in way that our Council members – and our community – can get behind. The workshops with Council and staff on what AM is – and why we should care – started the conversation and provided a common language and support for exploring it further.

Jan: And what about exploring it further. How can we approach that next step?

Doug: Having a good working knowledge of your assets is the first step. Know what you have – and what it’s costing you. For example, as an agricultural community, Spallumcheen has more ditches and culverts than sidewalks. We were able to increase our budget for culvert maintenance and replacement by using the data to tell the story. In this instance, previous reports underestimated the number of culverts we had by almost half, securing the case for increasing the budget for repair and replacement. It’s also another example of how you can start small, gain some wins that will lay the foundation for bigger investment decisions in the future.

Jan: That makes sense, being able to measure what you need to manage. But how about getting Council to put money into those reserve funds for some of those bigger ticket items, especially when it may mean raising taxes?

Doug: In my experience, Councils, as well as staff, are frustrated with the number of reports that just seem to sit on the shelf, lacking tangible calls to action. It’s hard to advocate for investing in infrastructure using these detailed, and sometimes dust-covered, studies to make our case. The new Sustainability Tool helps us take that data and tell the story of our assets in meaningful and extremely visual ways. It helps us put relative projects into perspective when we are trying to make decisions around raising taxes or funding one project reserve over another.

For example, in Spallumcheen, most of our water comes from an aquifer. All agree it’s a critical part of our infrastructure that’s needed for the survival of our agricultural, residential, and industrial customers. Pulling the data into the dashboard allowed us to visibly demonstrate how the reserves for this vital piece of infrastructure were being underfunded. Is it important? Yes. Are we prepared for the future? No. The dashboard provides clarity for decision-making. It also helps Councils prioritize these much-needed investments. The dashboard simplifies a potentially complex process, so we can communicate quickly and clearly. It brings those plans to life.

Jan: It seems like this is more of an engagement tool than just a performance measurement tool. What has been your experience?

Doug: First off, we have to realize that this isn’t just about AM. It’s always about communication. The Sustainability Tool is a way that we can engage our Council, staff, and our community in the conversation, instead of simply presenting a report to Council. This visual presence makes AM accessible, so it becomes part of a two-way conversation that builds ownership in how we can share and track over time. We do a great job of getting things done but we don’t often tell our story in a way that people can get – and get behind. And that inspires all of us to embrace AM in a way that a report never will.

Jan Enns, MA, Principal, Jan Enns Communications
As a media trainer and communications consultant, Jan Enns is on a mission to transform local government professionals into confident communicators, so they can better inform and engage their communities. For info: jan@janenns.com or Doug Allin: cao@spallumcheentwp.bc.ca

Partnering for real results

An update from Kate Fleming of the Federation of Canadian Municipalities



The end of March 2018 marked the completion of our first full year of operations for two capacity building programs managed by our team here at

the Federation of Canadian Municipalities (FCM): The Municipal Asset Management Program (MAMP) and the Municipalities for Climate Innovation Program (MCIP). Both are multi-faceted, multi-year initiatives funded by the Government of Canada.

These programs aim to support local governments in their efforts to become more resilient by raising awareness, building capacity and providing much needed financial assistance in the areas of asset management planning, climate change adaptation and reduction of greenhouse gas (GHG) emissions. Partnerships are central to the success of these programs by helping to expand their reach and ensure that we are leveraging

existing expertise and relationships. I'm delighted to share a few MAMP and MCIP accomplishments from the last fiscal year.

Municipal Asset Management Program (MAMP)

As asset management practitioners recognize, asset management is a team sport: success typically requires the collaboration of multiple groups. This is true for the MAMP program as well. Building strong partnerships is one of our guiding principles and our results are a true testament to the work of our partners in raising the profile of municipal asset management to new heights.

In May 2017, we launched MAMP's funding offer and elicited an enthusiastic response from local governments across Canada. As of March 2018, FCM has approved 227 projects (including 29 from B.C.) and allocated a total of \$9.3 million. MAMP has proven to be particularly popular with smaller communities: 81% of funded municipalities have populations of less than 15,000.

Last year, fifteen MAMP recipients completed their projects, and all reported significant increases in their asset management capacity. The Village of Belcarra was one of the communities that completed a MAMP project last year. They conducted inventory and condition assessment on their roads, and held a service level workshop with staff.

MAMP also provided grants to 23 partner not-for-profit organizations to raise awareness about asset management and provide technical assistance to municipalities. These partners across Canada delivered 66 awareness raising workshops, webinars and presentations, reaching more than 2,600 individuals. The partners also staged 23 technical assistance events, attracting 580 people from 286 municipalities. Of the participants in all events who completed exit surveys, 73% reported increases in their knowledge of asset management.

To help build a strong network of stakeholders, MAMP established a Technical Working Group comprised of representatives from municipalities and associations, along with other technical experts. The Working Group advises MAMP staff on everything from annual work plans to knowledge-sharing strategies. In February, representatives of 28 organizations and 22 municipalities attended MAMP's Asset Management Collaboration Workshop in Ottawa. These collaborations enabled MAMP to develop a range of valuable materials, such as presentations and speaking notes for officials and municipal staff, and a beginner's guide to asset

management. The materials will be finalized and published in the coming months.

If you have not looked at the Union of British Columbia Municipalities (UBCM) 2018 Asset Management Planning Grant Application Guide, you should. When you do, you will notice that MAMP is complementary to UBCM's program, an effort by both programs to minimize the administrative burden on you, the applicant. Our team has worked closely with Glen Brown and his team at UBCM, who have years of valuable experience delivering asset management planning grants. The MAMP team specifically wishes to thank Glen and his team for their mentorship and support in the design of our program.

Last, but certainly not least, was the benefit of leveraging this network to share knowledge between the provinces and territories. Many have either heard of or used Asset Management British Columbia's (AM BC) framework, road map or other resources. In addition, the AM BC model, which brings nine key partners, provincial and local government practitioners under one community of practice umbrella is starting to take hold in other jurisdictions – a testament to the work of UBCM, Wally Wells and the work of AM BC's member municipalities.

Municipalities for Climate Innovation Program (MCIP)

Tackling issues of local climate adaptation and GHG emissions reduction, MCIP experienced similar success this year. By year's end, it had approved 66 initiatives (including 12 in B.C.) and allocated \$13.4 million. More importantly, however, MCIP made great strides in building a strong network of partners.

MCIP works with a network of eight regional climate advisors, including the Community Energy Association in B.C, to help local governments reduce their GHG emissions through the framework of the Partners for Climate Protection program, delivered through a partnership between FCM and ICLEI-Canada. To raise awareness about the importance of climate action amongst local elected officials and municipal staff, FCM and the regional climate advisors delivered 68 awareness raising events – including workshops, webinars and presentations – attracting more than 3,500 people.

Another initiative within MCIP is helping local governments to identify approaches and solutions for addressing local climate change impacts such as flooding, coastal erosion and the use of natural assets. To this end, MCIP selected and provided grants to 12 organizations known as climate adaptation partners.

These partners are working directly with 82 local governments (including a First Nation) on locally relevant climate adaptation projects. The Fraser Basin Council is one such partner, who is working with six municipalities in Northeast B.C. to help them prepare for a changing climate, understand the associated risks and vulnerabilities, and increase public awareness. Through the project, local leaders will work on innovative approaches to common challenges and explore ways to integrate climate adaptation into new or existing plans and systems.

MCIP selected 19 municipalities of various sizes to participate in the Climate and Asset Management Network, including the Township of Langley in B.C. Participants are learning from each other as they work to integrate climate considerations into their municipal asset management governance, strategy and policies. FCM will share lessons learned and best practices generated by the network with municipalities across the country.

On a more personal note, this last year has been a tremendous learning opportunity for our team as we work more closely with municipal associations in each of the provinces and territories (like UBCM) and with communities of practice (like AM BC) across the country. Our team is committed to continuously listening and learning to ensure that our programs are designed and delivered in a way that meets the needs of local governments in Canada. We would be happy to hear from you at any time by sending us your feedback (regarding either program) to mamp-pgam@fcm.ca with the subject line "AM BC Article".

Given the solid foundation that has been created since the launch of these two programs, we can expect great things during the coming year. Together, we are making a difference!

*Kate Fleming
Program Director, MAMP and Acting Program Director, MCIP
Federation of Canadian Municipalities*

Year 2 Highlights: By the Numbers

MAMP

- 227 projects (including 29 from B.C.) awarded \$9.3M in funding
- 23 partners awarded \$3.5M delivering:
 - 66 awareness building events reached 2,600 people

- 23 technical assistance events attracted 580 people from a total of 286 local governments

MCIP

- 66 projects (including 12 from B.C.) awarded \$13.4M in funding
- 19 municipalities participating in the first cohort of the Climate and Asset Management Network were awarded \$1.7M
- 8 Regional Climate Advisors recruited to support local governments in reducing their GHG emissions
- 12 Climate Adaptation Partners awarded \$2.4M to work with 82 local governments (including a First Nation)
- 68 awareness raising events reached 3,504 people

CNAM Big Success in Windsor

Melissa Osborne, City of Windsor, Conference chair and Chair of CNAM

CNAM's 2018 conference welcomed 400 people to Windsor, Ontario. The conference was packed full of breakout sessions and workshops. There were several presentations on park and nature assets as well as many presentations on how various organizations are approaching community engagement. Each year the conference continues to expand in the asset types as well as topics which continue to provide diversity and opportunity to learn and share.

With Windsor being a border city several folks from Michigan came to share and to network as well. In addition, Michigan's Governor Rick Snyder spoke to the group about his approach to asset management stating he approaches it as a 50-year vision and that Information, Innovation and Integration are key elements. Jeff Adams addressed everyone on Thursday providing motivation and perseverance reminding us to 'work hard and finish what we started'.

The annual Tereo gala was a wonderful evening of celebrating the winners and then dancing well into the late evening. We also took time to thank all our departing Board members and enjoyed the traditional 'vesting' of John Murray to his new position as Past Chair.

This year 10 students provided their submissions to the poster competition, the largest group yet. The student membership has been our fastest growing membership category over the past year, much of which is a result of

New Professionals Committee's outreach to the various Universities.

As we look forward to 2019 mark your calendars for Kelowna, BC for another opportunity to network, learn and share.

(Note: Two weeks before the conference the hotel and conference centre went on strike cancelling all reservations. CNAM and City of Windsor staff did a magnificent job finding alternate conference accommodation, hotel accommodation and shuttle buses. Congratulations to all on just "making it happen")

CNAM comes to BC

*Joel Shaw P.Eng. Regional Director, BC, CNAM:
Wally Wells P. Eng. Executive Director AM BC*

Exciting news! The annual CNAM conference is coming to British Columbia. Mark your calendars for May 6-9, 2019 at the Delta Hotel and Conference Centre in Kelowna. Every year the conference improves. This past year in Windsor, ON, an attendance record was set with just over 400 registrants. We can and will top that in Kelowna. So, BC lets turn out in great numbers.

The theme of the 2019 conference is "Keeping the Pace: Continuing our success on the Asset Management Journey". The annual conference and tradeshow will continue to explore the challenges through leading edge professional development, idea sharing, workshops and fun networking opportunities with your peers.

This fall, a call for presenters will be issued by CNAM. Let's all be ready and have a great BC response.

See you all in Kelowna in May next year.



CNAM 2019 Conference | May 6-9, 2019 | Kelowna, BC

Performance Measurement – Service Sustainability Assessment Tool Case Study

By Doug Allin, CAO, Spallumcheen, and Scott Shepherd, Urban Systems

In 2017, the City of Grand Forks, along with a number of cohort communities, developed the Service Sustainability Assessment Tool (SSAT). Created in collaboration with Urban Systems Ltd., it is now being used by numerous communities across Western Canada. In May of 2018, the SSAT, the City of Grand Forks, and Urban Systems were recognized by the Association of Consulting Engineering Companies British Columbia (ACEC-BC) for their achievement, receiving the Award of Merit in the soft engineering category during the 2018 Awards for Engineering Excellence Gala. The tool and accompanying user guide are now available to any community wishing to assess their municipal services through the Asset Management BC website under the resources tab (<https://www.assetmanagementbc.ca/resources/>).

Local governments across British Columbia are continually striving to provide sustainable services to their residents. However, with demanding schedules and workloads, many have not had the capacity to assess how their services are performing today or if those assets and services are prepared for the future. The Service Sustainability Assessment Tool (SSAT) was designed to help local governments identify where service sustainability may be threatened, to provide feedback on how sustainability can be improved and to help inform strategies for long-term planning. At its core, the purpose of local government is to provide the highest quality of service to their residents. Therefore, it is essential that local governments have a way of assessing the sustainability of the services their residents rely upon daily.

The SSAT assesses service sustainability in two ways. First, by considering both current performance and preparedness for the future over time; and second, through a balanced understanding of the key components of service delivery. The assessment considers leading indicators that identify actions likely to deliver desired outcomes, as well as lagging indicators that measure whether a desired outcome has been reached.



The Township of Spallumcheen Case Study

Incorporated in 1892 and located in the North Okanagan Region, Spallumcheen is a large agricultural community covering 256-km² and home to approximately 5,000 residents. The community is rural in nature but still owns, operates and maintains a significant amount of infrastructure that is responsible for delivering services to the community and a large agricultural sector. After transitioning from Grand Forks to lead the Township of Spallumcheen, Doug Allin, in partnership with Urban Systems, have begun the process of integrating asset management into the Township’s internal organization and its decision-making. The Township had made some strides forward into evaluating assets but was ready to enhance their service delivery through an asset management plan.

One of the first things we did was introduce staff and Council to the tools on the Asset Management BC website over two one-hour workshop sessions to raise awareness and build capacity before creating an asset management plan. Using Asset Smart 2.0, we facilitated an initial discussion about the BC Framework, everyone’s role in asset management and why asset management is important to ensuring the long-term delivery of services.

Following this workshop, we facilitated a second session using the SSAT to assess how the organization’s service delivery is currently performing and how well prepared it is for the future. During this session, Council was fully engaged and asked many questions about asset management and the links to governance, communications, and finance.

One of the SSAT dashboard outputs summarizing the results is illustrated at the top right-hand side of this page.

| | | CURRENT PERFORMANCE | PREPAREDNESS FOR THE FUTURE | OVERALL SUSTAINABILITY | TREND |
|--|-------------------------------|---------------------|-----------------------------|------------------------|-------|
| | Water | 31% | 30% | | |
| | Wastewater | 26% | 21% | | |
| | Drainage and Flood Protection | 14% | 26% | | |
| | Parks and Recreation | 51% | 43% | | |
| | Civic Facilities | 50% | 31% | | |
| | Transportation | 52% | 46% | | |
| | Fire Protection | 44% | 37% | | |
| | Solid Waste | 70% | 61% | | |

Council found the results of the SSAT to be very meaningful and increased their knowledge and awareness of service delivery. As a result, we then worked with Council over the next two committee of the whole meetings, using the outputs from the SSAT, to update and revise its strategic priorities with the goal of improving the governance, finance and delivery of services in the community. These strategic priorities now include:

1. Developing an asset management plan
2. Water service delivery and governance assessment
3. Review of sanitary sewer service delivery
4. Flood protection, climate change and natural capital asset plans
5. Developing principals, strategies and policies to support financial sustainability
6. Development of business attraction and retention strategies

Spallumcheen Council also intends to utilize the SSAT annually in the following ways:

- ✓ Make informed decisions about how to best improve current service provision
- ✓ Make informed decisions about how to best prepare for future service provision
- ✓ Identify where operational audits might be needed
- ✓ Inform strategic priorities and long-term planning
- ✓ Track progress over time
- ✓ Easily communicate the “sustainability status” of each service
- ✓ Provide a rationale for rate/tax increases

Through the quick and easy use of the SSAT (two workshops and two meetings to update priorities), the topics of asset management and sustainable service delivery have become common throughout most conversations in Spallumcheen. Council has a better understanding of sustainable service delivery and the importance of both current and future service delivery. These important topics now form an integral part of decision-making in the Township, as evidenced by the sign that has replaced the Mayor's name placard. The SSAT has transformed Spallumcheen from a community that simply reacted to service delivery needs as they happened to one that truly "Loves Asset Management"!



Asset Management BC Hosting Annual Conference

September 26 & 27, 2018 – Radisson Hotel - Vancouver Airport



We are back this year with another action-packed agenda for you to further your asset management work and knowledge. **Asset Management BC** is hosting our Annual Conference September 26 and 27, 2018 at the Radisson Hotel -

Vancouver Airport. Registration is open on CivicInfo BC under events (www.civicinfo.bc.ca). Make your hotel reservations early as the block is limited.

The conference theme is **"Competing Priorities in a Changing World"**. It is time to move the conversation forward and explore some of the core issues around asset management. Our keynote speaker, Bob Sanford, a climate change specialist, will open the conference. On Day 2, we will start our morning with a keynote talk from Diane Kalen-Sukra, prior CAO of the Village of Salmo and a sustainability and asset management champion. Hear speakers on finance, operations and maintenance, land use, level of service and other issues related to furthering asset management plus participate in interactive sessions. A networking reception will be held on Wednesday evening. Thursday includes a panel on programs and funding with UBCM, Ministry of Municipal Affairs and Housing, FCM and Infrastructure Canada participating.

Opportunities within the conference group were created to permit your participation to get your questions answered and discuss issues you have respecting progress with asset management.

Several vendors have already advised of their attendance to help you to have discussion with and see what they offer to assist with asset management. The 'very popular' reception held last year will be repeat on Wednesday night, a great networking opportunity.

Register early on CivicInfo BC and contact the Radisson Hotel for your reservations. See the Annual Conference information on the "what's new" page of the AM BC website: www.assetmanagementbc.ca

Call for Expressions of Interest: Municipal Natural Assets Initiative Watershed roll-out in BC

By Wally Wells, Executive Director of Asset Management BC

In municipalities across Canada, infrastructure is ageing, capital and operating costs are rising, and service delivery is strained by growing populations and shifting conditions. Solutions may be all around us: there is growing evidence that natural assets provide, or could be restored to provide, services just like engineered assets, and often at lower costs.

However, most local governments lack policies and methods to measure the services provided by natural assets or the risks to services if the natural assets become degraded.

The Municipal Natural Assets Initiative (MNAI) offers a methodology and support for local governments to integrate natural assets into core asset management and financial processes using the same systems as for engineered assets.

MNAI is now offering a watershed-level program in BC focused on the needs and capacities of smaller / rural local governments, in a single geographic region.

Additional details and the Request for Expressions of Interest to be submitted by a group of local governments, is available at this link.

[Visit this link for more information and to read the Request for Expressions of Interest.](#)

Applications from groups of local governments in a single region or watershed are due by August 17th. Please contact info.mnai@gmail.com for additional information and questions.

Valuing Natural Assets

Nature takes its seat at the management table.

By Donna Chiarelli



This past year may be remembered as the year that Mother Nature took a seat at the management table. Some might even argue that she took the helm as chair of the board given that she had full attention of all levels of government who were dealing with wildfires, hurricanes, and flooding across North America.

Late last year Moody's, one of the world's biggest credit rating agencies, warned cities that their ratings could be downgraded if they don't demonstrate they are readying themselves for climate change. The message was clear: municipalities should understand their vulnerabilities to climate change, and make sure their decisions are reducing their exposure to risks.

Aside from legislation, a market signal like the one from Moody's is one of the more powerful forces that can catalyze a change in how municipalities do business. Downgraded ratings have real implications for the financial sustainability of municipalities, because they could be faced with paying higher interest rates for their debt. At a time when cities and towns across Canada are making significant investments in renewing aging infrastructure or managing growth, affordable financing is essential.

The good news is that the warning from Moody's has come at a time when some leading municipalities in

Canada and internationally are already recognizing the power of nature, not only as a risk to manage or force to be reckoned with, but also as an asset that can be leveraged as an integral part of their infrastructure systems. A big part of the reason is greater recognition of the value of natural assets in reducing the risks to infrastructure caused by climate change. And in some cases, they can be used to deliver services more inexpensively than if a big piece of grey infrastructure were used to deliver a comparable service instead.

Smart solutions

A good example of leveraging natural assets to manage stormwater comes from Pickering, a small, downstream town of less than 7,000 people in northern England. Frequently ravaged by floods, and now made even more vulnerable as the climate changes, Pickering desperately needed to find a way to manage heavy rains. When the town didn't qualify for funding for the proposed conventional solution — a concrete wall through the centre of town that would cost 20 million British pounds to build — it turned to a nature-based solution that a beaver would love, for one-tenth the cost.

The town built 167 leaky dams of logs and branches in the becks above the town, as well as 187 smaller blockages made of bales of heather to manage the flow through smaller drains and gullies. The solution also included planting 29 hectares of woodland and building a bund that could store and slowly release up to 120,000 cubic metres of floodwater. The plan has worked, so much so that it was one of the only towns saved from flooding in January 2016, when the rest of northern England was inundated.

What the example from Pickering highlights is a fundamental shift in how some municipalities are thinking about the infrastructure that supports service delivery, especially when it comes to managing stormwater and adapting to climate change. Rather than building infrastructure around nature, or simply exploiting it to deliver services to the community, they are bringing nature to the table in their planning, management, and operations as an asset that in its own right needs to be respected, conserved, and valued to ensure the long-term sustainability of communities.

New York City provides another good example. In April of 2017, the city released new climate resiliency design guidelines for its parks and open spaces, through which it recognizes that its natural assets, particularly along the waterfront, will be critical in supporting NYC to adapt to climate change. The implications of this shift will be

significant and far-reaching, and will likely impact all aspects of city-building, from where to build (or not, if it's on a floodplain), to what to build and how to build.

A different viewpoint

Natural resource management and a green infrastructure are two lenses that municipalities can use to better value and integrate natural assets into service delivery. Municipalities can use a natural resource management lens to evaluate how their existing natural assets already support service delivery, or how they could if they were to be acquired. Natural assets like wetlands, forests, parks, lakes, rivers, streams, and even fields and soil can provide essential municipal services. For example, wetlands help to support stormwater management and filtration, while protecting biodiversity. In the Town of Gibsons, B.C., a pristine aquifer provides drinking water to a large portion of residents at a fraction of the cost of the water treatment plant that would be required if the aquifer ever became compromised or polluted.



Municipalities can use an engineering lens to evaluate how, by leveraging or enhancing natural assets, they can build green infrastructure that optimizes the social, environmental, and economic value of their infrastructure. Green infrastructure definitions vary, and can include anything from engineered assets like permeable pavement, green roofs, rain barrels, and green walls, to enhanced natural assets like rain gardens, bioswales, urban forests, parks, and stormwater ponds.

Green infrastructure is not a new approach, but it's fair to say that its various forms are still being piloted or used by innovators and early adopters. To bring it to scale, more work is needed to test new approaches and to develop standards, incentives and procurement practices that work for developers, the construction industry, and

communities of all sizes.

One innovative way that municipalities are integrating natural assets is by including them within the scope of their asset management systems. The cities of Dieppe, N.B., Revelstoke, B.C., and Windsor, Ont. are examples of cities whose councils adopted asset management policies that include natural assets in 2017. They are among 17 municipalities from across Canada that participated in a pilot initiative of the Federation of Canadian Municipalities Green Municipal Fund called the Leadership in Asset Management Program (LAMP). The participating municipalities collaborated to develop guiding principles that would better integrate sustainability and resilience considerations into their asset management practices. All agreed with the principle that natural assets should be included within the scope of their asset management systems. These leading municipalities are sending a clear signal that natural assets are essential for service delivery and need to be managed just like other core infrastructure assets like roads, bridges, and water treatment plants.

Council-approved asset management policies are an important way to set direction and hold municipalities accountable for their infrastructure decisions. The municipal sector is at a very early stage in developing a truly integrated and holistic approach that values natural assets as it does other core infrastructure. Limitations include gaps in data and analysis about the full scope of services that natural assets provide, limited knowledge of climate risks, and standard accounting practices that don't yet have a framework to put a value on nature. The Municipal Natural Assets Initiative (MNAI) is spearheading progress in this area. Established by four convening partners—the Town of Gibsons, B.C., the David Suzuki Foundation, the Smart Prosperity Institute, and consultant Roy Brooke and Associates — MNAI has been working with five pilot communities in Ontario and B.C. to adopt municipal natural asset management, through which they protect, restore and manage natural assets such as forests, wetlands, creeks, and foreshores to provide services such as stormwater management and flood protection.

One of the MNAI pilot communities is the City of Nanaimo, B.C., also a participant of FCM's LAMP initiative. Nanaimo is working with MNAI to better understand the full scope of services provided by its Buttertubs Marsh Conservation Area, a 55-hectare reclaimed wetland/floodplain located in the centre of the city.

Before the city joined MNAI, it had seen Buttertubs Marsh as a natural feature that provided the public with aesthetic and recreational enjoyment, but it had not fully considered its value related to managing stormwater or providing other municipal services. Doris Fournier, Nanaimo's manager of municipal infrastructure, hopes the pilot will result in improved management options for the marsh. She expects their analysis could help justify future capital expenditures, like land acquisition and further ecological restoration efforts, and support the development of operations and maintenance plans that enhance water quality and improve the city's flood management capacity, to better prepare for changing climate conditions. Those initiatives are more likely to be realized if contained in Nanaimo's asset management plans.

PHOTO CAPTION:

The City of Nanaimo is working to better understand how natural assets like its Buttertubs Marsh are providing ecological, environmental, and stormwater management benefits for the community.



The pioneering work of MNAI is clearly resonating in the municipal sector, as it now has five additional communities on board to undertake pilots this year, and more on the horizon. According to Roy Brooke, director of the MNAI, "The evidence from local governments to date is that natural assets can deliver many of the same services as engineered assets at lower cost. This can mean benefits for local governments' ability to deliver service reliably and cost-effectively, community resilience to climate change and ecosystem health.

Accordingly, a wide range of partners and funders are interested in helping local governments to experiment with this emerging approach."

In 2017, it seemed that every week there was a new article, report, or initiative that demonstrates that cities are looking to natural assets and green infrastructure to support them in building more resilient communities in the face of climate change. This fundamental shift is sure to affect everyone involved in planning, building, and managing infrastructure and service delivery in communities. Those that embrace it will likely flourish, while those that don't may suffer the consequences in terms of social, economic, and environmental costs that may have otherwise been avoided. Mother Nature has taken her seat at the management table, and there's no doubt she'll have considerable influence in the years to come.

Donna Chiarelli led FCM's Leadership in Asset Management Program. All views expressed in this article are those of the author and do not necessarily reflect the views of the Federation of Canadian Municipalities.

Register for NAMS Training Program for Asset Management – 2018

Asset Management BC will again organize NAMS training sessions for municipal staff for asset management. The three-day course has been offered for the past few years throughout BC with great success.

The cost for registration is \$1,650 per person. Subsidy is available from UBCM of 50% for up to three registrants per local government. See UBCM website for details.

Currently scheduled:

- **Central Vancouver Island:
October 31, Nov.1 & 2, 2018**

Other workshops will be scheduled where there is enough demand.

We must achieve 18 registrants per workshop or it will be cancelled. If you are interested in NAMS training, please advise us now.

For more detailed information on course content and preparation, contact:

Wally Wells, Executive Director **Asset Management BC** (wwells@live.ca).

Registration will be available for the Island Workshop through CivicInfo BC (www.civicinfo.bc.ca). Go to events and scroll to the correct dates.

Upcoming Events

Union of British Columbia Municipalities (UBCM)

September 10- 14, 2018
Annual Conference and Trade Show - Whistler, BC
www.ubcm.ca



Public Works Association of BC

September 16-19, 2018
Annual Conference and Trade Show
Sun Peaks Grand Hotel and Conference Centre
Sun Peaks, BC
www.pwabc.ca

Government Financial Officers Association of BC

September 24 - 25, 2018
Asset Management Workshop
Radisson Hotel Vancouver Airport
Vancouver (Richmond), BC
www.gfoabc.ca

Asset Management BC

September 26 - 27, 2018
Annual Asset Management Conference
Radisson Hotel Vancouver Airport
Vancouver (Richmond), BC
www.assetmanagementbc.ca

Infrastructure Asset Management Alberta

October 10, 2018
Calgary, AB
www.assetmanagementab.ca

Municipal Insurance Association of BC

April 16 - 18, 2019
8th Annual Risk Management Conference
Hyatt Regency Vancouver
Vancouver, BC
www.miabc.org

Canadian Network of Asset Managers

May 6 - 9, 2019
13th Annual Networking Conference and Workshops
Kelowna, BC
www.cnam.ca

BC Water and Waste Association

May 26 - 28, 2019
47th Annual Conference and Trade Show
Victoria, BC
www.bcwwa.org

Federation of Canadian Municipalities

May 30 - June 2, 2019
Annual Conference and Trade Show
Quebec City, QC
www.fcm.ca

Local Government Management Association

June 11 - 13, 2019
Conference & Annual General Meeting
The Westin Bayshore Vancouver
Vancouver, BC
www.lgma.ca

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Questions & Answers

We strongly encourage you to raise questions and make comments as this newsletter is provided for the advancement of Asset Management. Email questions or comments to the editor and note if you wish to be anonymous or not to have the comment published.

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