



2017 Asset Management BC Conference

Engaging in Asset Management

The Rossland Story

Your Presenters:

Mayor Kathy Moore and CAO Bryan Teasdale

A decorative graphic at the bottom of the slide consisting of a dark red, wavy shape that resembles a stylized horizon or a series of hills.



THE HISTORY OF ROSSLAND

Background

Established in 1897 – i.e. old infrastructure

Had a rich Mining History – Now reinvented into the Tourism Industry

Political Pressures

Significant Residential Tax Base – so maintain artificially low taxes at all times

Council Philosophy – no tax increases (keep everyone happy)

Community Desire – Full-Service Community to be maintained

Assets and Infrastructure Planning

Previous policy of disaster mitigation = don't fix until it breaks





THE HISTORY OF ROSSLAND

Asset Management - First Efforts

Need for Education of Council

Council had to understand that the existing approaches of the City was fiscally irresponsible

New approach was needed to be conveyed – a change of philosophy from *0% tax increase to providing a better all-around level of service to customer*

Hired Consultant

Completed massive inventory of all infrastructure owned by the City

Initial scary results provided to Council (\$\$)

Council returned their heads to the sand



THE HISTORY OF ROSSLAND

Asset Management - Second Go-Around

Need for *New* Political Will

Election in 2014 saw new Mayor and a majority of new Council Members

New Council wanted to see different approaches for completion of all municipal activities. These included:

- Increased and improved communication tactics with the public
- New and different community engagement activities
- Develop approach for reviewing and maintaining current/future services
- Applying for (and receiving) grants



FROM AN ELECTED OFFICIALS POV

Why do Asset Management at all?

- Important to gain complete understanding of all municipal assets
- Importance of complete understanding of integration of asset management into the Financial Planning process
- Importance of creating policies and ongoing commitment for asset management for the long term
- Delicate balance of needs, wants, desires and what is actually affordable



FROM AN ELECTED OFFICIALS POV

Biggest Challenge ?





THE ROSSLAND APPROACH

- ✓ City-wide buy in
- ✓ Shared leadership model (involve Council and all Department)
- ✓ People centric approach vs. technical/data intensive approach
- ✓ Maximize readily available information - 1st draft completed in months
- ✓ Immediate and long-lasting project - builds awareness and trust, setting up the foundation
- ✓ **Commitment for ongoing review**

THE ROSSLAND APPROACH

Step 1:
Council Support
and Buy-In

Step 2:
Funding
Support
(Through Gas
Tax)

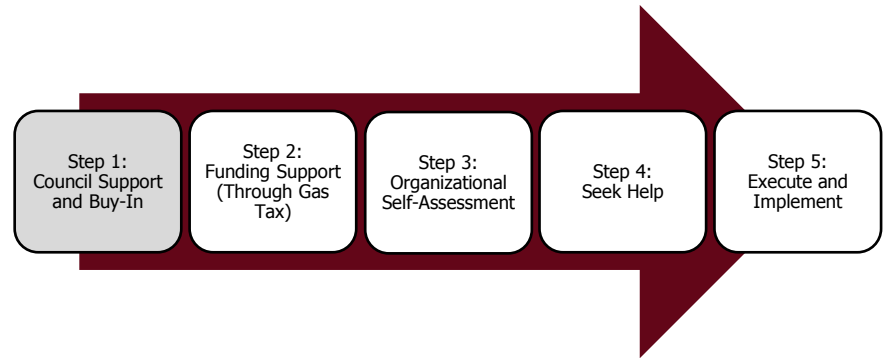
Step 3:
Organizational
Self-Assessment

Step 4:
Seek Help

Step 5:
Execute and
Implement



Council Support and Buy-In



New Council elected in 2014

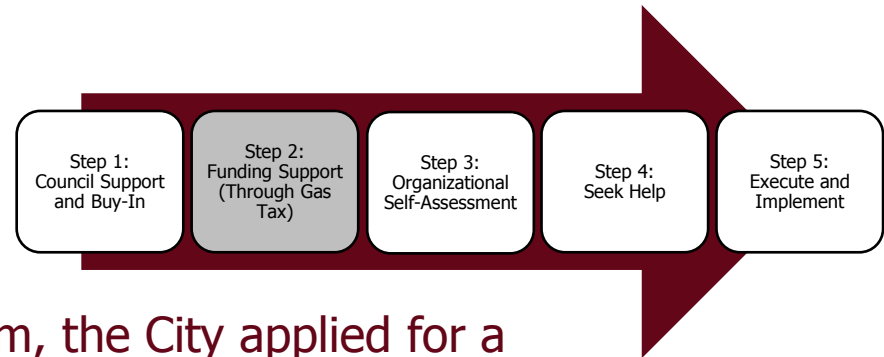
City embarked in Strategic Planning for 2014-2018 term to identify key issues and priorities

Determination of specific goals to be achieved (or commenced upon)

Acton Plan included ***"Upgrading Aging Infrastructure"*** as a priority



Funding Support



Based on a Strategic Plan Action Item, the City applied for a grant through Strategic Priorities Fund in early 2015 to update the City's existing Asset Management Investment Plan

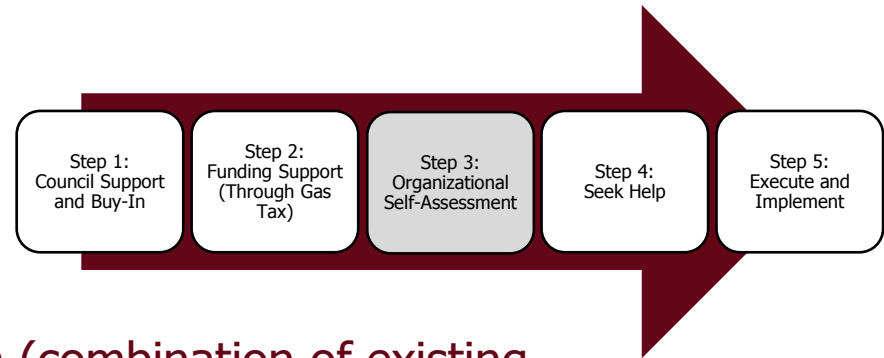
Received funding confirmation in late 2015

Project commenced in late 2016

Project expected to be complete by Dec 2017



Organizational Self-Assessment



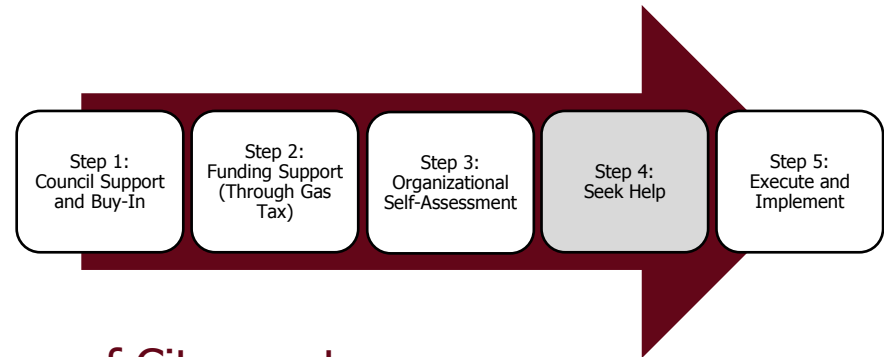
The City's Senior Management Team (combination of existing and new Staff members) went to work to assess the current state of asset management planning in the City

Results indicated the need to build on existing information to further develop a "workable" Asset Management Investment Plan (AMIP) and a systematic approach to capital asset management on an ongoing basis.



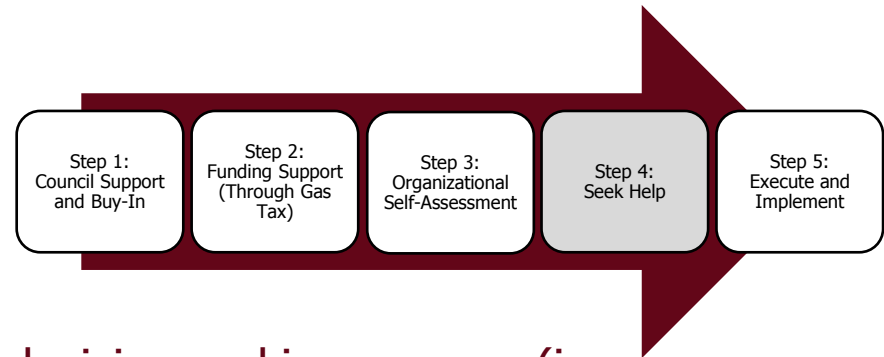
Seek Help

Based on our organizational assessment, issued a Request for Proposals to complete the following work:



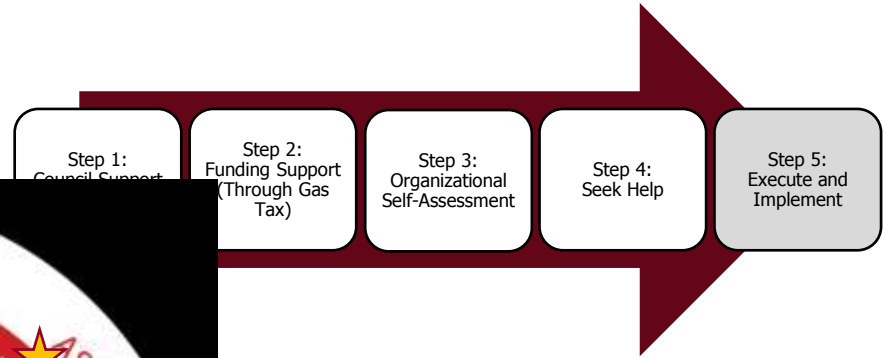
- Improve existing baseline database of City assets,
- Document current capital, operation and maintenance programs and their associated budgets,
- Integrate City's financial plan with long term capital and operational requirements to allow an analysis of options for capital improvements/renewal

Seek Help



- Adopt consistent and structured decision making process (i.e. objective prioritization),
- Prepare new AMIP that include financial strategies for short and long term infrastructure investment, and
- Establish a new approach for maintaining, reporting and updating asset management practices / program.

Execute and Implement



Our Starting Point

Where This Project will Finish

Where We Are Now



The Project

1. Organizational Assessment
2. Develop AM Policy
3. Develop Capital Prioritization Framework
4. Data Information Flow and Process
5. Develop Asset Management Plan





The Project – Organizational Assessment

Need

- Improve the asset management capacity and how to most effectively implement asset management practices into the organization
- Measure organizational progress over time

Solution

- Use Asset Smart 2.0 (identify strengths, weaknesses and opportunities):
People, Organization, Finances and Information

Outcome

- Develop a clear understanding on where the organization needs to build AM Capacity over the next 2 to 7 years

The Project – Develop AM Policy

Need

- Transparency on how infrastructure projects and services are best funded (good clear thinking)
- Council wanted to put in place a framework for sustainable funding that will live past their term

Solution

- Use Develop a financial/asset management policy

Outcome

- Provide clarity and transparency on how services will be funded
- Framework for the organization that will transcend councils
- Document that can be followed to make decisions as it relates to asset management

The Project – Capital Prioritization Framework

Need

- Infrastructure needs exceed financial capacity
- Council wanted to put in place a framework for sustainable funding that will live past their term

Solution

- Develop a set of clear criteria for capital prioritization

Outcome

- Ability to easily prioritize projects that compete for similar funds (roads, parks, buildings etc.)
- Clear, open and transparent decision-making process



The Project – Data Information Flow and Process

Need

- Information gets lost in translation:
 - Operations staff store critical pieces of information required for asset management in the “Black book” or Contractors and consultant do not always provide information in a format that supports asset management

Solution

- Map out how information flows through the organization and integrate the proper checks and balances into staff’s daily routines

Outcome

- Information from developers linked to final payments
- Information from the field is captured in one central location (GIS)
- Asset inventory is kept up to date

The Project – Develop Asset Management Plan

Need

- Lack of understanding on:
 - Long-term funding targets required for financial sustainability
 - When investments could be expected
 - Conditions of our assets

Solution

- Develop an asset management plan

Outcome

- Council and staff understand the short and long term investment levels required to sustain the communities infrastructure over the long term



Next Steps In Our Process

- ✓ Communication and provide information on state of Asset Management within next Municipal Annual Report
- ✓ Link long-term financial planning activities to the new Asset Management Investment Plan
- ✓ Continue with risk-based planning and decision making
- ✓ Continued financial support for Asset Management planning activities



Our Tips For Getting Your Organization Started

- There's no such thing as perfect – it is a continual improvement process
- Realize that asset management is NOT a one-off plan about replacing assets and calculating large deficits
- Consider asset management as forward looking and think about long term service delivery /financial sustainability
- Cross collaboration and understanding from all levels involved (including the organization and the community)



QUESTIONS?





Engaging in Asset Management

The Rossland Story

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