

Local Government Asset Management Working Group of British Columbia

Notes of December 7, 2009 Meeting

**Meeting Location: BCIT (Downtown Campus) Room 820
555 Seymour Street, Vancouver**

In Attendance:

Stan Westby (Chair)	City of Powell River
Glen Brown	Ministry of Community Development
Brian Bedford	Ministry of Community Development
Brittany Johnson	Ministry of Community Development
Kim Fowler	Planning Institute of British Columbia
Daisy Foster	BC Water and Waste Association
Susan Clift	Municipal Engineers Division, APEGBC
Jeannette Austin	Public Works Association of BC
Gordon Brown	Public Works Association of BC
Tom Abbuhl	Centre for Infrastructure Management, BCIT
Danny Higashitani	INAC
Sid Smith	District of Lake Country
Andy Wardell	Government Financial Officers Association of BC
Mark Hermanson	Town of Ladysmith (GFOA)
Neil Nyberg	Master Municipal Construction Documents Association
Andrew Wood	District of Maple Ridge
Tareq Islam	Fraser Valley Regional District
Wally Wells	Wells Infrastructure Group Inc.

Regrets:

Tom MacDonald	Local Government Management Association
Frank Blues	City of Prince George
David Main	BC Water and Waste Association
Brenda Gibson	Union of British Columbia Municipalities
Nicol Benchimol	INAC

Guests:

Allan Galambos	Emergency Management BC
John Weninger	Urban Systems Ltd.

Call to order – Stan Westby, Chair

Stan welcomed all at 9:25. He stated that the key agenda item today is to review and comment on the draft of the BC Knowledge Product report. John Weninger of Urban Systems Ltd. is here to present it and participate in the discussion. Also Allan Galambos will join us for a presentation on critical infrastructure.

Stan introduced our new member, Taraq Islam of the Fraser Valley Regional District. Taraq is the Director of Engineering. Welcome to Taraq. This completes the representation from the forms of local governments in BC.

The Local Government Managers Association is absent today due to the illness of Tom McDonald, Executive Director. We all wish Tom well.

Approval of Agenda:

Moved by Neil Nyberg
Seconded by Tom Abbuhl

That the agenda be approved with no changes. Carried

Approval of Notes of October 15, 2009 meeting

Moved by Brian Bedford
Seconded by Tom Abbuhl.

A couple minor corrections to the notes were made. These will be incorporated prior to the notes being distributed.

That the notes of the June 3, 2009 meeting be approved as submitted. Carried

Roundtable:

Wally Wells noted that a submission had been made to CNAM ‘call for papers’ on the Asset Management Policy and the BC Knowledge Product. The conference is in Ottawa in May, 2010. Recall that Barry Davis of Burnaby has asked our support for the 2011 conference in Burnaby. Also Alberta has been in touch with us about forming a similar Asset Management Working Group to our BC - LGAMWG.

Kim Fowler reported that the City of Victoria has an RFP out for consulting services for asset management. They are working on the carbon footprint in relation to the Official Community Plan. Because of the public issues with the Johnson Street bridge project, the City is looking at some new ways of presenting project alternatives.

Tom Abbuhl reported the Centre for Infrastructure Management is delivering courses developed in concert with PWABC for public works supervisors. They are working on a graduate certificate associated with Asset Management. By April they hope to have a course in concert with an Australian University to fit with the MBA program.

Stan thanked Tom Abbuhl on behalf of the Group for hosting the meeting and Glen Brown for the Ministry supplying lunch and coffee.

Andy Wardell advised that it is understood that funding is not tied to municipalities adopting the Asset Management Policy Statement in spite of some of the comments received. In the report to the GFOA Board respecting the policy, there was confusion as people conclude, from the slide presentation from the Province for an unrelated presentation, that the Provincial programs and support for funding were conditionally linked to passing the Asset Management policy. Clarification was provided. It was noted that the Asset Management Policy document is only an optional tool.

Glen Brown advised Capilano College recently held a local government finance workshop. HE made a presentation at the MED / MMCD workshop last week which included information on the LGAMWG. The local government group in the Department is getting their head around what AM is and how it should play out in the Ministry.

Sue Clift advised the Municipal Engineers Division have a new website. Their annual conference was held last Friday along with MMCD. Glen Brown attended and spoke at the conference. Approximately 95 people attended the workshop. MED plans a January session which likely will include asset management.

Brittany Johnson advised most of her work at this time is associated with PSAB 3150. Many communities are struggling with this and likely will not complete the requirements by the end of the year,

Daisy Foster advised BCWWA had a very good technical workshop in the fall. The Association has circulated the AM policy to all members. BCWWA conference is in May in Whistler. AM will be a key theme. The Association is considering a full day session or workshop on AM. The Board will develop a position paper on the need for AM.

Mark Hermanson advised they continue to work on PSAB 3150 and are working with the South Island Working Group. The auditors for the different communities cannot always agree on what the interpretation should be. This is slowing things down. A number of the municipalities will not complete PSAB 3150 by the deadline, however they are on the right track.

Gord Brown advised the District of West Kelowna is presently doing an inventory of their various systems. They are working on master plans for different groups of assets. As editor of "The Roadrunner" the PWABC newsletter, he is putting an article and reference to the AM policy in it.

Sid Smith the District has hired a student and are currently doing an inventory of their assets to form an asset register. They want to balance out the financial work with the technical work. They recently carried out a 'windshield' survey of their roads. They will be taking interim information to Council very shortly.

Andrew Wood has returned full time to Maple Ridge after a summer sabbatical. He is continuing to deal with comments on the Asset Management Policy and will complete work on this.

Jeanette Austin advised that PWABC has officially appointed Gord Brown as the PWABC rep. She will stay on the Group as the Association Executive Director and will attend when the agenda merits. The 2010 PWABC conference is in Merritt in September. The call for papers will be out in January.

Neil Nyberg advised that MMCD and MED held a joint conference last week. MMCD have contacted Chris Champion in Australia and are looking at having them assist on development of a standard for a data base for BC municipalities.

Danny Higashitani advised they have their first complete Asset Capital Replacement Program. They are not fully in an AM format. They are starting on a couple projects to develop an AM plan with Dillon Consulting using the manual Dillon developed under contract. They have followed the PSAB 3150 cost model has been

followed using historic costing. They are going to develop AM plans for schools at First Nations communities.

Stan Westby concluded by indicating he had represented the Group on an international panel at the U.S. Federal Transportation Research Board in Portland Oregon on October 22. HRB Among others, Chris Champion from Australia was there. We were well received.

Fraser Smith – Fraser recently attended the American Water Works annual conference in Florida. There were several sessions dealing with AM. There was a lot of information on technologies for asset assessments from the U.K., Netherlands and Norway. These countries have very old infrastructure and are likely ahead of us in condition assessment technology. Most of the European countries do not mandate AM but most countries are taking the need seriously and moving ahead.

AM Policy Document

Gord Brown, as chair of the AM policy working group, gave the background on the AM policy statement and the work done by Andrew Wood in getting it to where we are today. The draft document was sent out through a number of Associations for stakeholder comment. It was also posted on CivicInfo plus highlighted in the weekly newsletter sent out by CivicInfo. The intent is to:

- a) Take all the comments and incorporate them into the draft as appropriate. It needs to be readable to all audiences and make sure that the Councils understand the document. The manual is written for staff. There needs to be a short similar document written specifically for the elected officials.
- b) Have the AM policy be distributed to all municipalities electronically and in print copy.

(Note: The discussion was deferred and is picked up later in the notes.)

Presentation by Alan Galambos

Alan Galambos of Emergency Management British Columbia gave a presentation on an approach used across BC for defining critical infrastructure. This approach was used in the lower mainland in relation to the infrastructure related to the Olympics. Alan handed out a worksheet to allow everyone to participate in the process.

This approach to the components of our infrastructure would allow us to rank the criticality of the segment or component at the same time as carrying out inventory and / condition assessment.

Communications

There is a further need to have a discussion with CivicInfo. While the LGAMWG material appears on the site, it is difficult to find and is in different sections. Glen Brown undertook to speak with Todd Pugh respecting a more identifiable presence on CivicInfo.

Tom offered to host a spot for the LGAMWG on the Centre for Infrastructure Management website.

Jeannette advised LGAMWG material is on the PWABC website.

BC Knowledge Product Study

Wally introduced the purpose of the study. All had received a chapter of the draft report to illustrate the format for publication and the discussion associated with each chapter.

John Weninger of Urban Systems was present and using a PowerPoint presentation presented and discussed the outcome of the study in tabular form. The final discussion section is not yet ready. Following today, John will receive the comments and discussion then complete the report. It will be sent to the Province and our coordinator for review and finalization. The report will be released as a document of our Group in concert with the Province and INFC.

Comments and discussion on the report:

- We are dealing with the culture of local government. The tools are lacking to solve the financial cycle. How do we get these out?
- We need a clear statement of needs. That s different from implementation. That needs to be the approach to AM
- Do not focus on the 3 year term of politicians. We must provide longer range planning and leadership to Council in spite of the limit of the term. We need to look at longer term funding mechanisms.
- Understanding and establishing appropriate levels of service is fundamental. What evolves is the integration between the AM Plan with risk assessment and the financial implementation plan. We must also deal with the expected use which may vary from the expected life cycle. We need to make sure our policy makers understand the costs associated with levels of service - *the you get for what you pay approach!*
- Need a strong statement that any one approach to AM does not fit all. There is no one solution.
- There needs to be a “systems” thinking approach to AM not function.
- AM needs a champion at all level but also needs a corporate champion.
- We need to move away from our silos. We need more internal training and the sharing of resources. The INAC approach to having an expert that can be a resource for a number of small communities is a good model.
- With respect to ‘information;’ while knowledge of software support is important, we should not allow it to drive the process. Too many communities are struggling with too much data and data management to get any decisions made. Software solutions are not necessarily for everyone and can be very expensive.
- AM should be part of the accounting report to the public.
- Should PSAB 350 results change the way we present financial information?
- Report may have the appearance that our “state” is quite good. Is this reality? What message or messages do we really want out there? These need to be reflected in the discussion.

If there are additional comments, they need to be received before December 18. The consultant will complete the report during January for delivery through the Province.

Resume AM Policy Document Discussion

Gord Brown wants all the comments together so we can produce final draft. The instruction manual is for staff and needs a page addressed to the politician. Brenda Gibson would be of great assistance in writing and editing this.

Glen and Stan suggested we be prepared to roll out the AM policy after we release the BC Knowledge product.

Moving Forward:

Stan suggested we go around the table to see what each party is looking for in the coming year.

Danny Higashitani: Would look for us to focus more on some communication tools. They are during some pilot studies using the asset management manual for small communities prepared by Dillon and presented at our October 16 workshop. He will bring the results back here.

Jeanette Austin:

She noted she will not attend regularly in favour of Gord Brown as the official PWABC rep. The importance of getting tools for small municipalities then presenting these tools using workshop, conferences and seminars should be a focus.

Gord Brown: Finishing the Asset Management policy is a priority. We need to focus on education program with more communications. They will try to continue putting articles in the PWABC newsletter.

Mark Hermanson: Complete the AM Policy. Develop a website and use it to help get the message out. It is critical to support of small communities. Questions around PSAB 3150: What is the outcome of 3150? Will it exhaust interest? We need some tools to collect info on experiences with PB 3150.

Neil Nyberg: Pull up the website, contribute to forum and find linkages with other interests

Sid Smith: We will have to work to overcome the loss of momentum post 3150. Develop a web presence, better use of technology (e.g. webinar), reach out to remote communities. How does carbon neutrality fit with asset management? Suggestion: a semi-regular AM newsletter

Tareq Islam: Enjoyed participating. From a Regional District perspective, how do you transfer information and policy? How can we facilitate the transfer of general information and specific examples into use in communities?

Daisy Foster: BC Knowledge Product will provide good ways to move forward. Keys are communications, education, (website, workshops). Future: Link between climate change and infrastructure.

Glen Brown: Take the Knowledge Product - the State of AM in BC and sitting down for a strategic session priorities setting/work plan. What are the ways forward? We need to identify and develop our plan with the resources, responsibilities and challenges. In the short term, we should look for more funding from INFC, develop the Website through CivicInfo, look at the Local Government Self Assessment Tool, hold a strategic planning session and carry out some workshops plus prepare some case studies.

Brittany Johnson: Important to communicate all the tools out; keep the momentum; useful to have an education forum for knowledge sharing.

Brian Bedford: Interested in how the outcome of the State of AM which should drive and guide the group forward. Keen to see the Roadmap projects develop.

Susan Clift: Interested in seeing a tool to take to council (ppt or DVD). Something in a convincing mode regarding AM similar to Chris Champion's work presented earlier this year to us addressed to politicians

Andy Wardell: Tools for gap measurement of condition assessment similar to Chris Champions and INAC's. Find a tangible consistent way to measure assets. Looking forward to furthering his work as chair of LMAMWG – focus on PSAB 3150 – not done now- next step is to bring finance and engineers together.

Tom Abbuhl: Mandate is Education. Two new credential in place: Public Works and Executive Level. A change in mindset is required.

Kim Fowler: Agree with tools: How to guides, good and bad examples, integration of numbers financial, carbon neutral, capital etc. Risk assessment makes sense, pull into strategic plan or model.

Stan Westby: Strategic session in the New Year: Self-assessment tool, case studies, Sustainability, Roadmap. Three key initiatives: AM Policy, Workshops, knowledge product – all well done.

The meeting adjourned at 3:00 P.M.

*These notes are prepared by Wally Wells and Brian Bedford
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