



STATUS OF ASSET MANAGEMENT
IN BRITISH COLUMBIA

RESULTS FROM THE 2016 GAS TAX FUND
ASSET MANAGEMENT BASELINE SURVEY



State of Asset Management in BC

What Does it Mean and What Next?

2017 Asset Management BC Conference

November 9, 2017

Presentation Overview

- Gas Tax Agreement and Asset Management
- Survey
- Survey Results
- Leveraging the Results
- Next Steps
- Questions?



BC Gas Tax Agreement

Schedule A – Ultimate Recipient Requirements, section 5

- *During the term of this Agreement, where an Ultimate Recipient is a Local Government, work to strengthen Asset Management, in accordance with the Asset Management framework developed by the partnership committee.*



BC Gas Tax Agreement

Schedule F – Asset Management

- *Schedule F – Asset Management identifies;*
 - *The Partnership Committee will develop an Asset Management Framework,*
 - *The Framework will recognize the varying capacities of local governments and the range of ongoing asset management activities.*
- *Partnership Committee has approved;*
 - *Asset Management for Sustainable Service Delivery: A BC Framework, and*
 - *Local government asset management commitments pursuant to the Framework*



Asset Management for Sustainable Service Delivery: A BC Framework

Asset Management for Sustainable Service Delivery
A BC Framework

Sustainable Service Delivery

Sustainable Service Delivery means that current community service needs, and how those services are delivered (in a socially, economically and environmentally responsible manner), do not compromise the ability of future generations to meet their own needs. Communities build and maintain infrastructure to provide services. These services support our quality of life, protect our health and safety, and promote social, economic and environmental well-being. Failure to plan for our infrastructure, manage our natural resources and protect the benefits provided by nature risks disrupting, or even losing, the services communities enjoy, and that future generations may rely on.

Sound asset management practices support sustainable service delivery by considering community priorities, informed by an understanding of the trade-offs between the available resources and the desired services.





Asset Management Commitments

Establishing an Asset Management Baseline

- To support local governments in their efforts to improve asset management practices, and to support asset management objectives within the GTA, baseline level information is required.
- Reporting Timeline – 2016
- Format – Survey



Survey Methodology

Hybrid style assessment drawing on the
“Framework” and the Canadian Infrastructure
Report Card

Asset Management for Sustainable Service
Delivery

A BC Framework



Informing the Future



Survey Development Partners

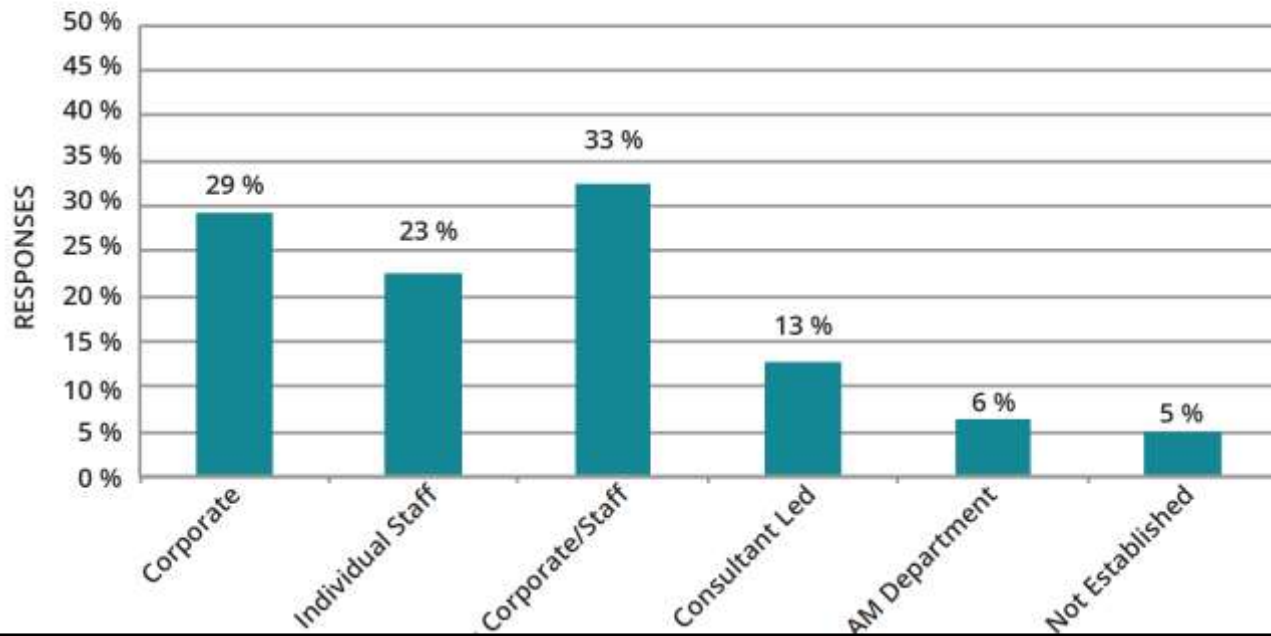
- UBCM
- AMBC
- MCSCD
- BC local governments



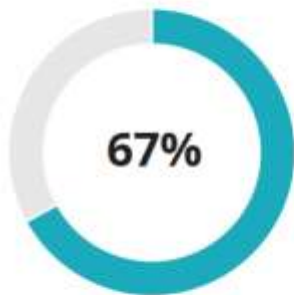
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COURTENAY



LEADERSHIP: The survey showed that 33% of local governments reported following an integrated approach to asset management with corporate leadership and divisional staff members working on these activities in tandem (Figure 1).



PEOPLE AND INFORMATION: Local governments were asked about communication and information sharing practices *with staff*:



67% reported that some staff understand the need for asset management

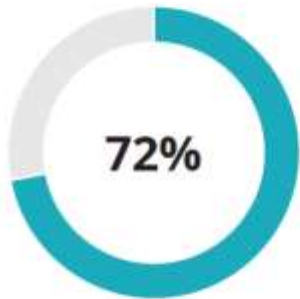


52% reported that staff understand the benefits of asset management



24% of staff work plans include asset management activities

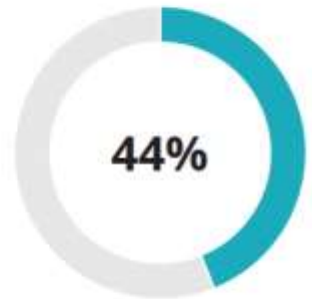
Similar questions were asked regarding communication and information sharing practices with **elected officials**:



72% of local governments reported that elected officials understand the need for asset management



57% reported that elected officials understand the benefits of asset management



44% of elected officials endorse asset management activities



49% of local government respondents share progress on asset management with elected officials



Planning for asset management can be an incremental step for local governments who have developed an asset inventory and have a clear understanding of available capacity and community priorities.

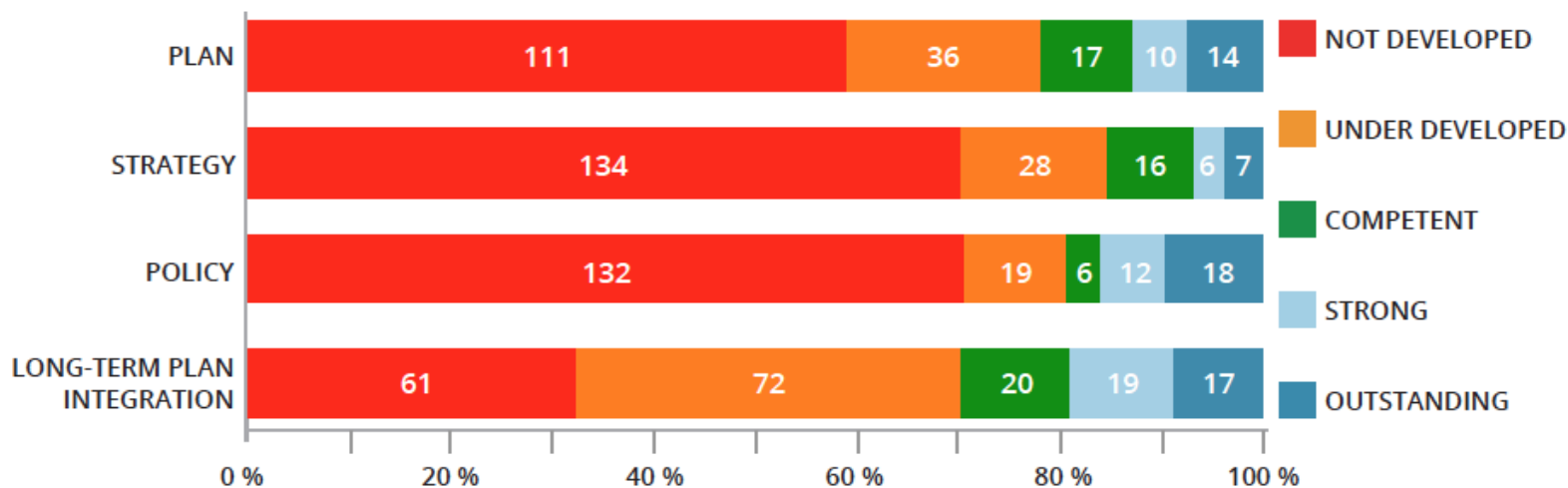
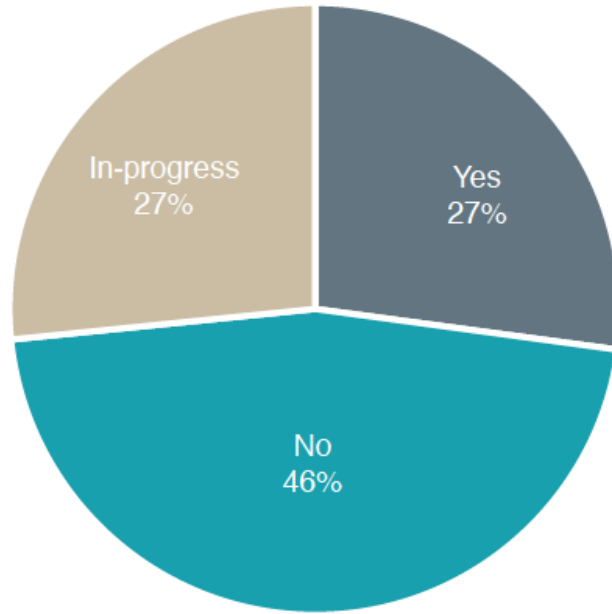


FIGURE 2: LOCAL GOVERNMENTS WITH FORMALIZED ASSET MANAGEMENT PROCESSES



54 %

of local governments have, or are in the process of, developing formalized asset management processes

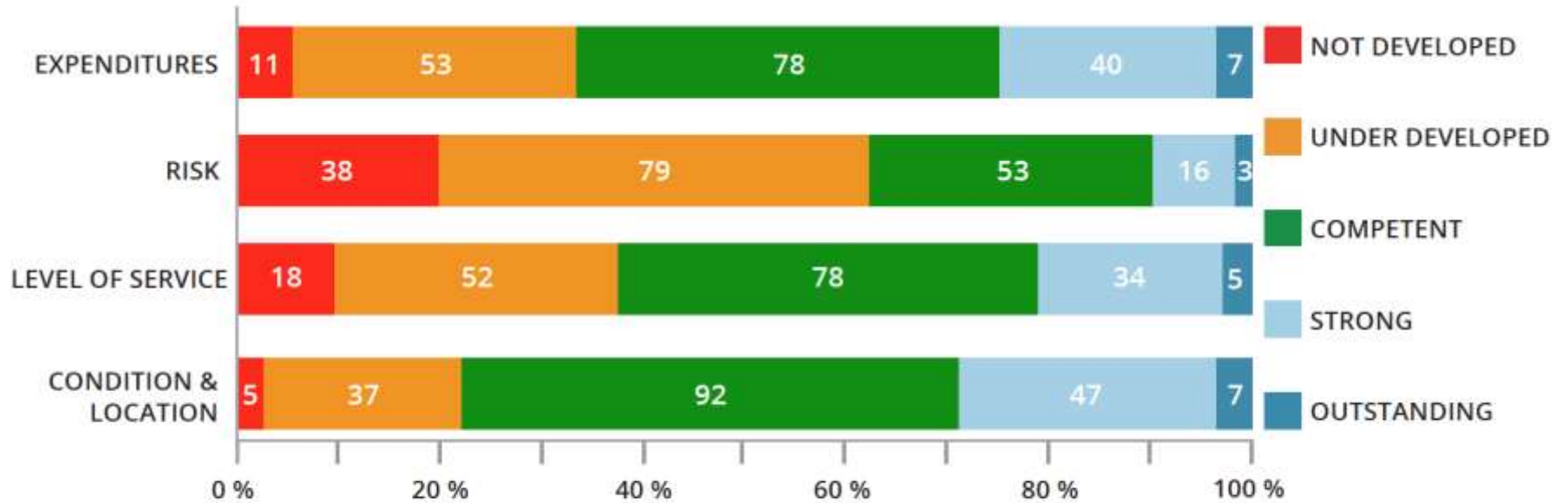


FIGURE 3: ASSESSMENT OF INFORMATION FOR EXISTING ASSETS: LOCATION, CONDITION, LEVEL OF SERVICE, RISK, AND EXPENDITURES

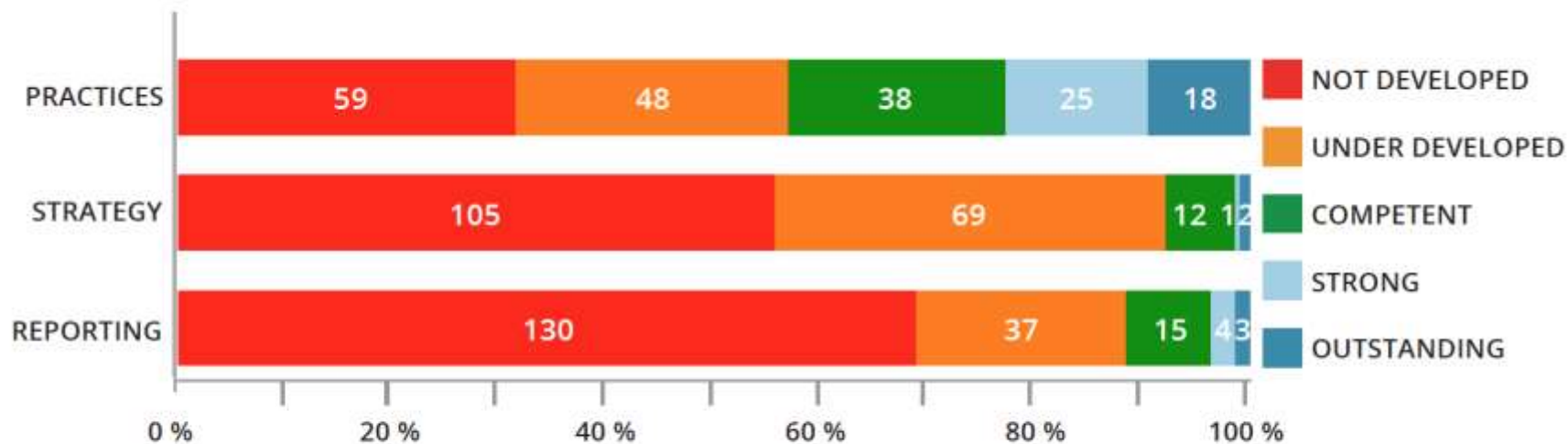
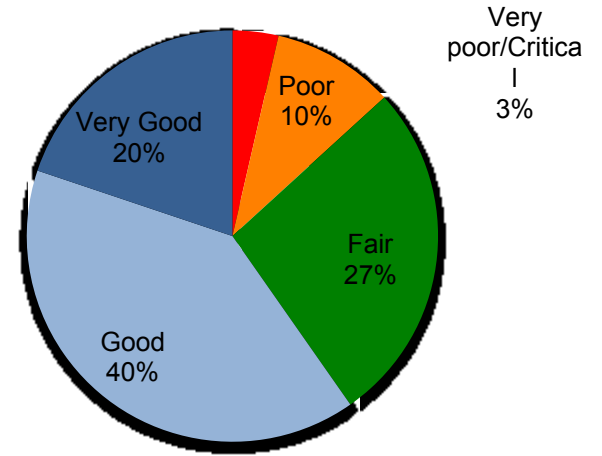


FIGURE 5: ASSET MANAGEMENT IMPLEMENTATION



Average Condition Rating for Potable Water Assets as Reported by BC Local Governments

Potable Water Assets						
Ownership, Financial Information and Condition Data as of December 31, 2014						
Assets	Reported Ownership	Condition Data Reported	Reported Historical Cost	Reported Replacement Cost	Reported Renewal Value	Average Reported Condition
Distribution pipes (dia. <416 mm)	90%	61%	34%	26%	17%	Fair
Transmission (dia. >416 mm)	52%	35%	19%	19%	10%	Good
Water Treatment (incl. Wells)	74%	54%	30%	23%	9%	Good
Water Pump Stations	76%	58%	32%	24%	10%	Good
Water Reservoirs	76%	61%	34%	28%	10%	Good
Cumulative Asset Submission	-	-	28%	14%	15%	-



Survey Conclusions

- The survey results illustrate that BC local governments are engaged and active in moving forward with asset management.
- The introduction of the survey itself has triggered asset management activity and action by BC local governments.
- BC Local Governments are at various stages of asset management 'maturity'.
- Asset condition ratings are consistent with results from the Canadian Infrastructure Report Card
- There are identifiable gaps and areas of focus.

Leveraging the Results

Local Government

- Survey completion meets Gas Tax reporting requirements
- Provides baseline data to support local governments in evaluating next steps and priorities (and demonstrating progress)
- Has established asset management as a priority by all three levels of government
- Has improved awareness of the value of asset management
- Has triggered and/or renewed action in many local governments



Leveraging the Results

Gas Tax Agreement (UBCM)

- Results used to meet Gas Tax reporting requirements
- Provides baseline data in 'demonstrating progress in BC'
- Building on baseline
 - Local Government commitments
 - Local Government reporting on progress
- Sharing the results with other stakeholders
- Continued support of asset management funding
- Provides baseline data for advocacy with senior government



Leveraging the Results

Provincially

- Provides direction for AM BC and Partners in improving asset management resources for local governments
 - Education/knowledge transfer
 - Tools & training
- Provides input for current and future funding programs
- Provides opportunity to share with other jurisdictions
 - Infrastructure Canada, FCM, other provinces, National AM Community of Practice
- Provides a platform for additional stakeholder engagement



Next Steps

- Local Governments
 - Work towards improving asset management practices and culture.
- Gas Tax/UBCM
 - Developing an Implementation Plan under the GTA
 - Asset Management Outcome Reporting
- AM BC and Partners
 - Develop effective short and long term plans to provide effective support and resources for local governments
- Immediately
 - Engage conference delegates over the next 2 days!



Commitments under the GTA

Captured as three (3) separate steps or actions;

1. Establishing an Asset Management Baseline
2. Developing an Implementation Plan under the GTA
3. Asset Management Reporting

Thank You

Questions?



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