

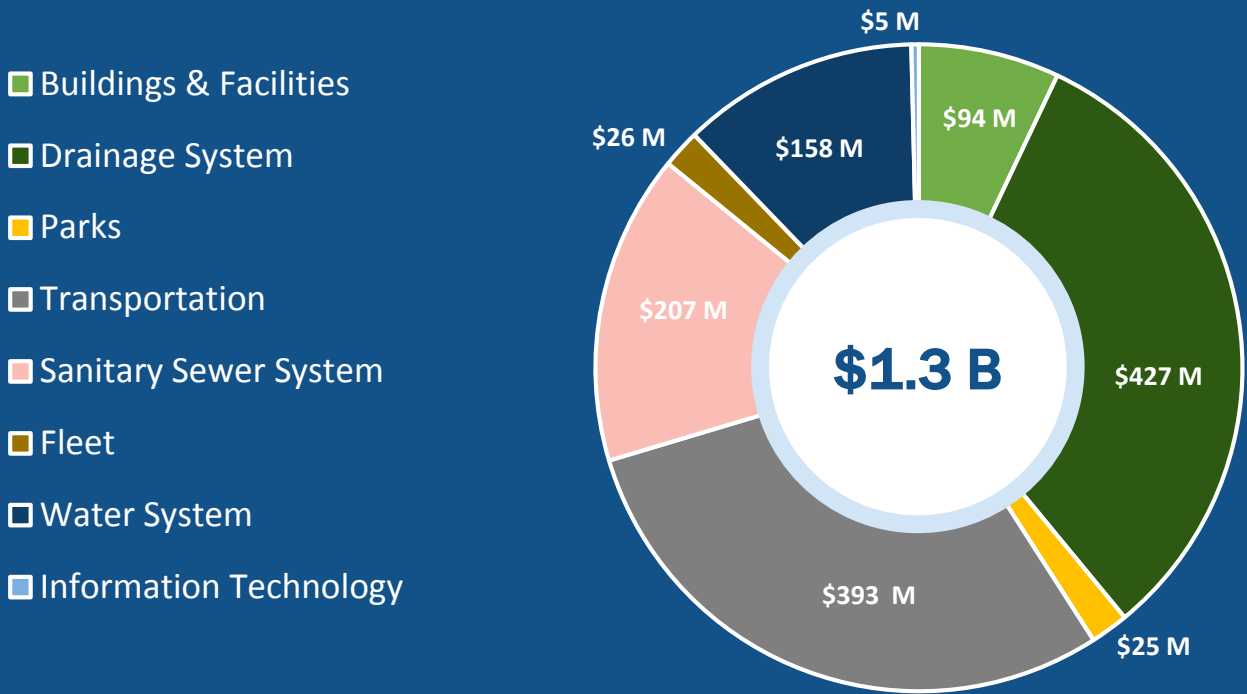
Delivering Sustainable Services in Port Coquitlam

Municipal services are essential to maintaining residents' quality of life. Continuing to deliver stable services into the future directly supports community growth, our small town charm, and the sense of community that makes Port Coquitlam unique.

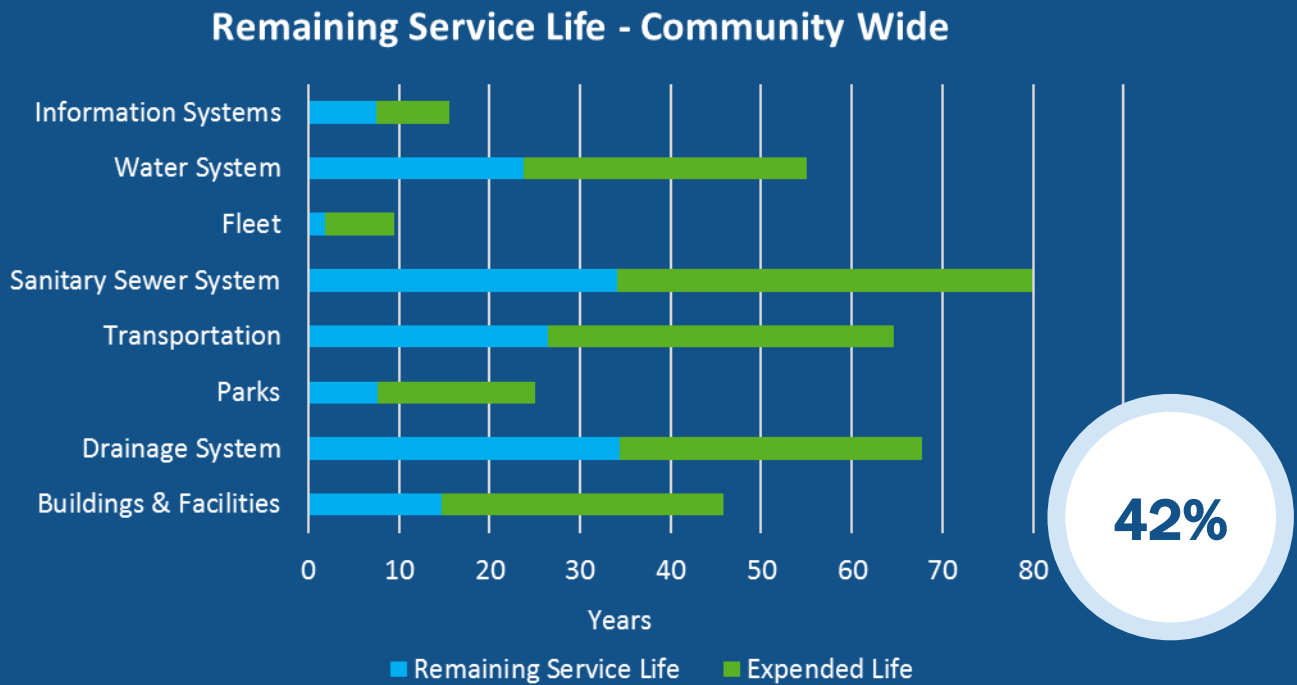


What we know about our infrastructure

The City of Port Coquitlam has an asset base of about \$1.3 billion in infrastructure that enables the delivery of a broad range of services to approximately 60,000 people. The replacement value tells us what it would cost if we had to replace all of our infrastructure today. Our transportation and drainage systems together make up more than half of our asset base by value. This infrastructure provides the foundation upon which our community has been built.



Most of our infrastructure was built in the 1960s and 1980s-1990s and is beginning to show signs of aging. On average, there is less than half (42%) of the City’s infrastructure life remaining. As these assets approach the end of their lives, more resources are required to ensure current services can continue to be delivered at expected levels.



Key Take-aways:

- Our infrastructure is aging, which requires additional resources to continue providing expected levels of service to community members
- Asset management is a best practice for effectively and efficiently utilizing our infrastructure
- Successful asset management requires a multidisciplinary approach with a long term perspective
- Port Coquitlam has articulated an approach to continue with development of an asset management program, and to implement actions that will address key priorities
- Effectively managing our assets today will ensure that our children can appreciate the same services in the future
- Ensuring proper maintenance extends the life of our assets and reduces the overall tax burden



Illustrating the complex network of infrastructure assets in a community like ours.

Infrastructure asset management

Asset management is about optimizing the delivery of services to those that live and work in Port Coquitlam, using a coordinated set of activities. It is more than a project or plan: it's a journey and a mindset that persists and evolves over time; it includes tools and systems to change how people think about municipal assets. The ultimate goal is being able to provide services in a sustainable manner both now and into the future.

There are seven core elements of asset management, which can be understood as questions that can be answered by doing discreet activities related to asset management*.

7 Core Elements

- **What do you own?** —————> Inventory
- **What is it worth?** —————> Valuation
- **What is its condition?** —————> Condition Assessment
- **What needs to be done?** —————> Level of Service/AM Plans
- **When do you need to do it?** —————> Life Exp./Risk/ Prioritize
- **How much will it cost?** —————> Revenue Requirements
- **How will you pay for it?** —————> Long Term Financial Plan

* adapted from the federal InfraGuide on Managing Infrastructure Assets (Federation of Canadian Municipalities and National Research Council, 2005)

In order to ensure these questions can be answered, and to oversee both the development and implementation of an asset management program, the City has established an Asset Management Team and Steering Committee. The Asset Management Team is comprised of managerial staff from all departments and the Steering Committee includes the City's CAO and departmental Directors. These teams represent the 'bottom-up' and 'top-down' aspects of asset management, respectively.

Managing our infrastructure assets

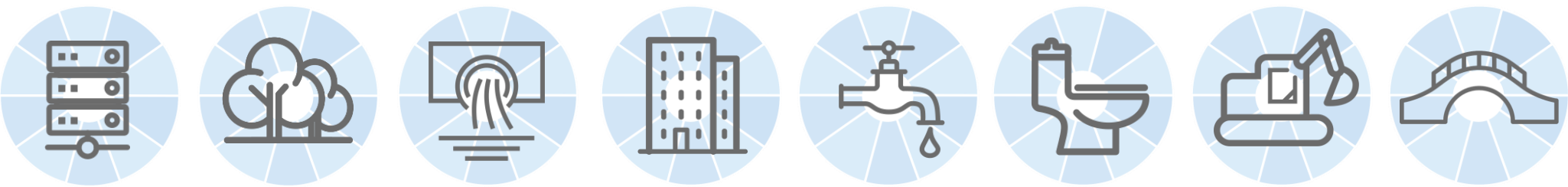
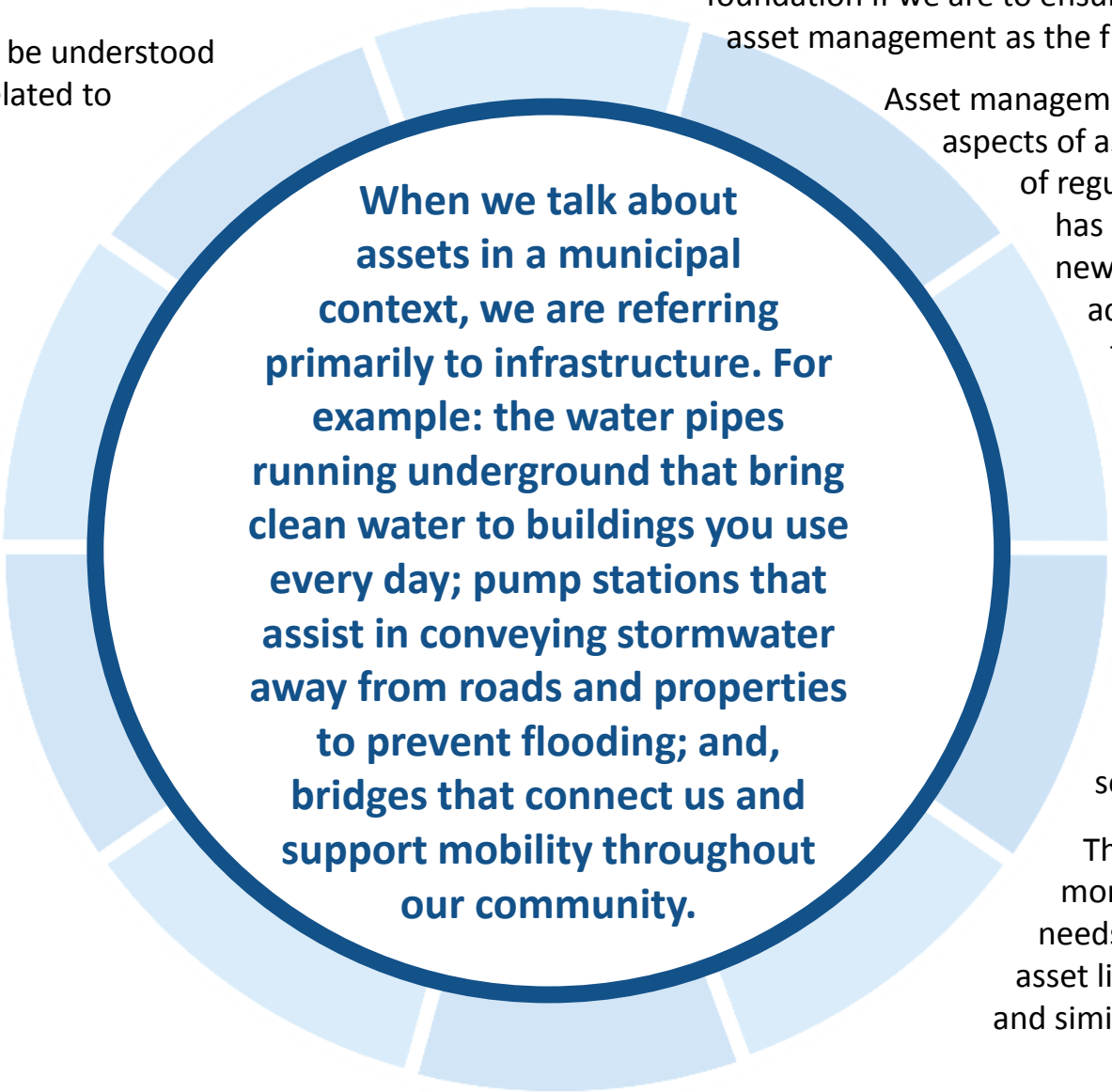
To be resilient to the infrastructure challenges ahead, the City is working towards strengthening the organization by embarking on the first year of a formal, organization-wide asset management journey.

Asset management is a strategic priority for the City of Port Coquitlam. Continuing with the 2017 theme of "Building Our Community", we must take steps to maintain a strong frame and foundation if we are to ensure a solid, sustainable community into the future. Think of asset management as the frame built upon our foundation of infrastructure.

Asset management is not new to the City. Staff already practice some aspects of asset management and sustainable service delivery as part of regular decision-making processes. While our current approach has served us well, our asset base is aging and we are entering a new era of infrastructure challenges similar to other communities across the country. The City's assets and staff are currently able to meet service level expectations, but as the asset base ages the demand for staff and financial resources will increase. Port Coquitlam is fortunate to have a solid base of long term staff knowledge, with useful tools in place upon which we can build.

All the elements are in place to move ahead with an asset management program. In the short term, the City will need to place priorities on completing condition assessments and developing long-range financial plans to determine whether current resources are sufficient to provide sustainable services to the community into the future.

This gives staff the opportunity to explore more creative solutions to balancing needs and costs through extending asset life, replacement, financing, and similar techniques.



Where we are at with asset management

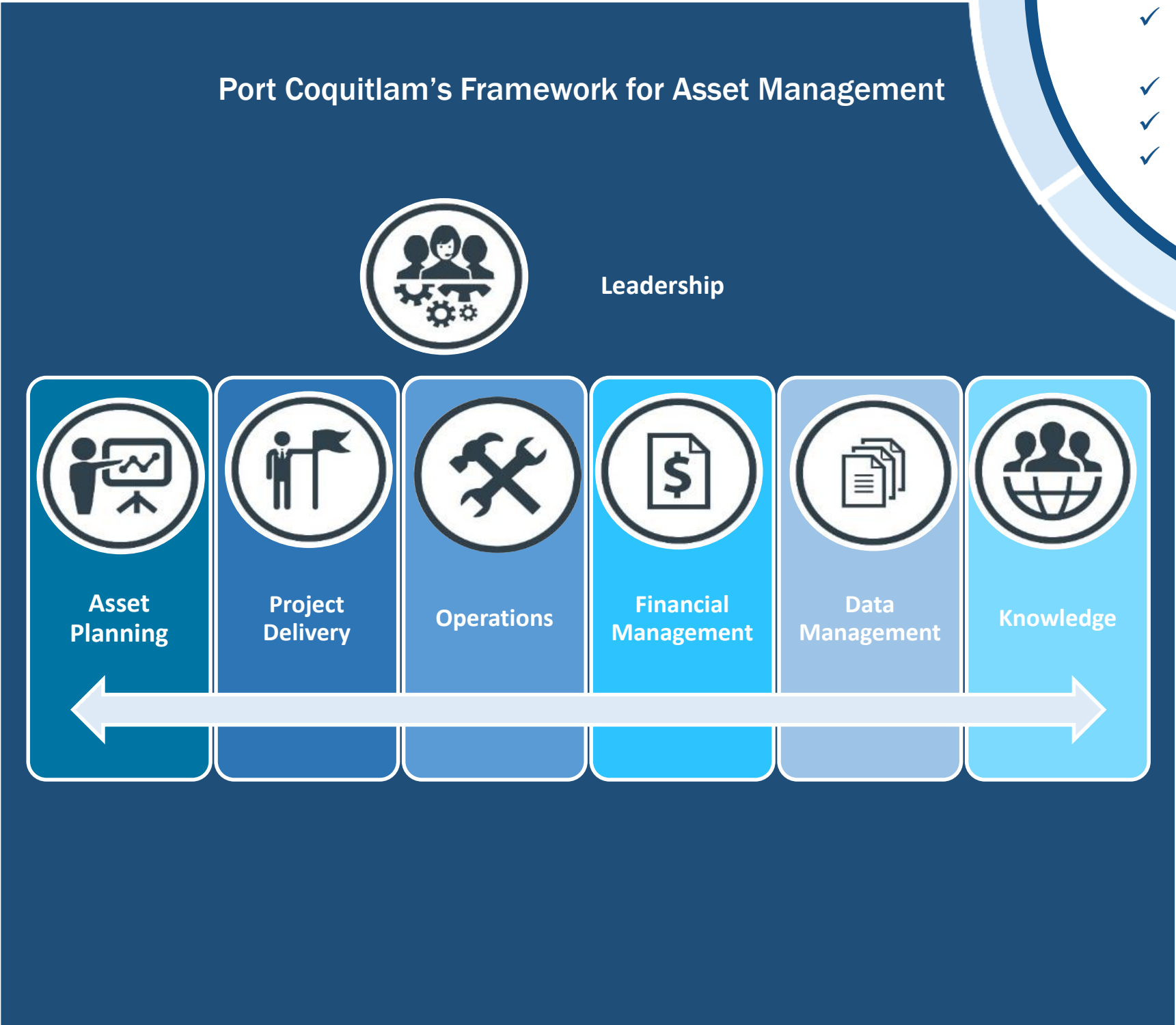
The City of Port Coquitlam recognizes the need to proactively manage its municipal assets. We are takn incremental approach to developing and delivering our program, guided by three core principles:

- **Start basic:** aim to develop basic information on all assets, rather than exhaustive information on a few;
- **Build complexity over time:** build on information we have each year to develop a robust plan over time; and,
- **Stay focused:** there are a variety of models, approaches and tools for asset management; follow the plan to address high priority needs first.

Phase 1 of our journey is currently underway, with completion expected by early 2019. This involves three components: current state assessment, asset management strategy and asset management policy.

Understanding the current state establishes a baseline for informing immediate and longer term priorities. This will also be used to measure our progress over time, and as a benchmark compared to other communities across Canada.

A framework was prepared to help formalize asset management governance within Port Coquitlam. It reflects the City’s current processes, using best practices to establish a clear direction forward. The Framework will guide a phased in approach to developing additional components of Port Coquitlam’s asset management program. It will also be used in implementing the City’s program through an ongoing governance model.



- ✓ documenting service levels
- ✓ linking budgets directly to service delivery objectives
- ✓ solid base of long-term staff knowledge
- ✓ having existing tools to support decision-making
- ✓ lean & efficient organization
- ✓ strong team cohesion
- ✓ excellent customer service ratings

A clear and concise roadmap and action plan have also been developed based on priority initiatives for moving the City’s Asset Management Program forward.

The current state assessment, framework, roadmap and action plan have been presented in the City of Port Coquitlam Asset Management Strategy report, which is a foundational document for building an asset management program.

The Asset Management Policy, currently under development, formalizes the City’s commitment to asset management. The policy will provide a link between community objectives/plans and the actions of the asset management team.

The next part of our journey

Phase 2 of the City's Asset Management Program, scheduled to commence in 2019, will focus on developing a corporate **Asset Management Plan**, or a series of system-level plans, that utilize a consistent format and approach to answer the questions associated with each of the seven essential elements of asset management. The Plan(s) will provide the basis for greater stability in financial and capital planning.

Asset Management provides clear direction on what to do, when to do it and how much it will cost. It also clarifies the consequences of not taking action. Managing our assets appropriately today will ensure that current community service needs are met, but also so that we do not compromise the ability of future generations to meet their own needs.

