



REPORT TO COUNCIL

To: **Mayor and Councillors**

Subject: Asset Management Grant Application - Developing
Asset Life Cycle and Risk analysis

File #: 5210.00

Doc #:

From: Ghazal Shirazian, EIT
Infrastructure Engineer

Date: September 19, 2022

RECOMMENDATION:

1. THAT Council endorses the UBCM Local Government Development Approvals Program grant application for the development of asset life cycle cost and risk analyses;
 2. THAT the City provide overall grant management; and
 3. THAT the remaining project budget will be funded within the City of Langley's approved 2022 Capital Plan.
-

PURPOSE:

The purpose of the report is to request Council support of the City's application for grant funding to advance its Asset Management Program by developing assets' life cycle cost and performing asset risk analyses.

POLICY:

Asset Management Policy CO-71

COMMENTS/ANALYSIS:

To achieve the City's asset management goals, the Asset Management Policy CO-71 requires preparation of life cycle cost and risk-based assessment of assets.

The Union of BC Municipalities (UBCM)'s Asset Management Planning program has recently announced a new grant opportunity available to local governments. The

intent of this program is to assist local governments in delivering sustainable services by extending and deepening asset management practices within their organizations. This is in line with the City's 2021 OCP, which outlines City's commitment to build and manage sustainable infrastructures.

A Council resolution is required as part of the grant application and the above recommendation wording is the prescribed wording provided in the application package.

This project will use consulting services to complete lifecycle costing and assess potential risks associated with its facilities and core assets. The project will complete the following activities:

- Create a facility/building database structure which will assist staff in assessing competing capital budget needs.
- Develop a lifecycle cost framework for Roads, Water, Sanitary, and Facilities to assist staff in analyzing assets' lifecycle cost. Establishing life cycle cost for every asset will help the City to improve its long-term capital project planning, while lowering assets' overall cost.
- Complete a risk analysis associated with each asset failure probability and consequence. This will help the City to prioritize asset replacement timing. Assets with lower impact/risks will have lower priorities when there are competing projects within the available budget.

As a part of this project, a Citywide (Asset Management Software) Training will also be provided to the City staff.

BUDGET IMPLICATIONS:

The 2022 UBCM's Asset Management Planning program will provide up to 50% of the total project cost to the grant maximum of \$25,000. The remainder (50%) will be funded from the 2022 Asset Management Implementation capital budget. The estimated project cost is \$49,200.

If the grant is not approved, the project will not proceed this year unless another grant funding opportunity is available. Breakdown of the proposed budget is as follows:

Funding Source	Budget
UBCM Grant	\$24,600
City's Contribution (From 2022 Asset Management Implementation Budget)	\$24,600
Total	\$49,200

Respectfully Submitted,



Ghazal Shirazian, EIT.
Infrastructure Engineer

Concurrence:



Hirod Gill, P.Eng.
Manager of Engineering Services

Concurrence:



Rick Bomhof, P.Eng.
Director of Engineering, Parks & Environment

CHIEF ADMINISTRATIVE OFFICER'S COMMENTS:

I support the recommendation.



Francis Cheung, P. Eng.
Chief Administrative Officer