

# Report

Date May 15, 2024  
Subject Manager, Asset Management

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File:

## PURPOSE

To obtain approval for the creation of a two-year Manager, Asset Management position.

## BACKGROUND

As reported to the Committee of the Whole on November 23, 2023, North Cowichan embarked on its formal journey towards Asset Management (AM) in 2016 by engaging a consultant to complete several foundational initiatives supporting improved AM. This project benchmarked the state of AM practice at the time and provided suggestions for an AM improvement program.

To follow up on the suggested improvement program, a project was initiated in 2018 to improve AM planning for the linear water, sewer, storm, and road infrastructure. The summary of findings and recommendations was presented to Council early in 2020.

## DISCUSSION

Informally, North Cowichan has always been actively engaged in AM, and the consultant reviews indicate that much of the supporting information (cost, installation date, replacement value, etc.) exists for each asset class. The suggested improvements from the consultant reports focus primarily on establishing defined and documented practices and processes to help ensure consistency across North Cowichan.

Staff have been making progress on these improvements. But, without dedicated resources, much of the progress is being made within departments rather than in a consistent, coordinated way across the organization.

One of the eligible project categories of the Canada Community Building Fund (CCBF) is Capacity Building, which has been interpreted as “strengthening the ability of local governments to develop long-term planning practices,” including asset management practices. Incremental costs related to strengthening asset management are eligible expenditures, and this funding has been used in the past to pay for consultant reports on asset management.

## OPTIONS

1. **(Recommended Option)** That Council approve a two-year temporary position of Manager, Asset Management (or similar title) to be funded from the Canada Community Building Fund annual allocation.
  - This option will provide dedicated resources to assist with achieving asset management goals, allowing these goals to be met sooner than without dedicated resources.

2. That Council direct staff to bring forward a Manager, Asset Management (or similar title) position to a future budget process.
  - Without dedicated resources, staff will continue working on AM. However, there will be a lack of a coordinated process across the organization, and less progress will be made than if there were dedicated staff.

## **IMPLICATIONS**

Staff dedicated to furthering North Cowichan's AM goals will help ensure those goals are met much sooner than without dedicated resources. Using the previous consultant reports as a framework, the position will work on the development, enhancement, and management of AM policies and procedures, strategies, plans, service metrics, data, and systems for the lifecycle management of North Cowichan's capital assets.

This includes the development, implementation and ongoing maintenance of the AM framework, plans, processes, system and tools to maintain accurate asset records, review and assess asset condition, understand liabilities (risk, financial, others), asset performance and benefits and prioritize ongoing maintenance and investments in capital assets to achieve value across the entire organization.

CCBF funds have previously been primarily dedicated to the roads program. However, the expected funding for 2024-2026 is approximately \$97,000 more each year than the 2023 funding, so there would be minimal change to the roads budget if some of the grant funds were allocated to this position. In order to qualify as an eligible expense, the position would need to be a new position and would need to be solely dedicated towards AM improvement activities.

Staff believe that once all the data is amassed, processes are documented, and procedures for regular updates are known, maintenance of the information should become part of everyday activities, with some annual upkeep and may form part of the duties of another existing position.

## **RECOMMENDATION**

That Council approve a two-year temporary position of Manager, Asset Management (or similar title) to be funded from the Canada Community Building Fund annual allocation.

Report prepared by:



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**Approved to be forwarded to Council:**



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Ted Swabey  
Chief Administrative Officer