

Report to Council



Date: November 28, 2016
File: 1100-01
To: City Manager
From: Joel Shaw, Infrastructure Engineering Manager
Subject: Water Asset Management Plan

Recommendation:

THAT Council endorse the Water Asset Management Plan as attached to this report by the Infrastructure Engineering Manager dated November 28, 2016.

Purpose:

Council is committed to balanced infrastructure investments by integrating a long-term financial plan with an asset management strategy. This Water Asset Management Plan supports Council's priority and details future cost pressures to operate, maintain, renew and upgrade water system infrastructure. This is balanced against an affordable financial plan for the next 20-years.

Background:

The Water Asset Management Plan (AMP) has a planning horizon of 20-years (2016-2035) and is consistent with international standards for asset management plans. The last asset management update presented to Council was in September 2012. Since that time the City's asset management program has matured and this latest Water AMP is more comprehensive and looks at lifecycle management of the water system including operation, maintenance, infrastructure renewal and upgrade. The Water AMP provides input to and is integrated with the City's Water Financial Model and the 10-Year Capital Plan.

By using sound asset management practices, Council and the community can be confident that there is an affordable, and sustainable plan to maintain, operate and renew assets and that the City Water Utility customers will continue to receive safe reliable water long-term.

The reader is directed to the attached for the complete report. In addition to the Water AMP, a two-page Water System Report Card is also attached which summarizes the key points from the Water AMP.

Existing Policy:

Council Policy 352: Sustainable Municipal Infrastructure Policy
Council Policy 342 - Tangible Capital Asset Policy

Financial/Budgetary Considerations:

The infrastructure required to support the City's water service has a replacement value of \$417 million. Managing this vital infrastructure now and into the future will ensure the City Water Utility customers will continue to receive safe reliable water long-term. The 20-year funding needs for the Water Utility forecast future cost pressures for system operation, maintenance, infrastructure renewal and infrastructure to support growth and improve service levels. These costs are accounted for in the Water Utility financial model and indicate that on average a 2% annual rate increase is required to support service delivery for the next 20-years.

Internal Circulation:

Civic Operations Divisional Director
Corporate Communications Supervisor
Financial Services Director
Infrastructure Divisional Director
Utility Planning Manager
Utility Services Manager
Utilities Network Maintenance Supervisor
Wastewater Treatment Supervisor
Water Quality & Pump Stations Supervisor

Considerations not applicable to this report:

Legal/Statutory Authority:
Legal/Statutory Procedural Requirements:
Personnel Implications:
External Agency/Public Comments:
Communications Comments:
Alternate Recommendation:

Submitted by:

J. Shaw, Infrastructure Engineering Manager

Approved for inclusion:



A. Newcombe, Infrastructure Divisional Director

Attachment 1 - Water Asset Management Plan Presentation

Attachment 2 - Water Plus Asset Management Plan

Attachment 3 - Water System Report Card

cc: Civic Operations Divisional Director
Corporate Communications Supervisor
Financial Services Director
Infrastructure Divisional Director
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