

Report to Council



Date: February 20th, 2017
File: 1100-01
To: City Manager
From: Joel Shaw, Infrastructure Engineering Manager
Subject: Wastewater Asset Management Plan

Recommendation:

THAT Council endorse the Wastewater Asset Management Plan as attached to this report by the Infrastructure Engineering Manager dated February 20th, 2017.

Purpose:

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

Background:

The Wastewater 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 Wastewater AMP is more comprehensive and looks at lifecycle management of the wastewater system including operation, maintenance, infrastructure renewal and upgrade. The Wastewater AMP provides input to and is integrated with the City's Wastewater 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 Wastewater Utility customers will continue to receive safe, reliable and environmentally responsible disposal of wastewater long-term.

The reader is directed to the attached for the complete report. In addition to the Wastewater AMP, a two-page Wastewater System Report Card is also attached which summarizes the key points from the 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 wastewater service has a replacement value of \$716 million. Managing this vital infrastructure now and into the future will ensure the City Wastewater Utility customers will continue to receive safe, reliable and environmentally responsible service long-term. The 20-year funding needs for the Wastewater 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 Wastewater Utility financial model and indicate that on average rate increases will need to match inflation (projected at 2% per annum) to support service delivery for the next 10-years. Long-term, as the wastewater system ages, investment in infrastructure renewal will need to increase and may require rate increases in excess of inflation. Regular updates to this AMP will identify these future cost pressures and plan ahead to mitigate the impacts to the Wastewater Utility customers.

Internal Circulation:

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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 - Wastewater Asset Management Plan Presentation

Attachment 2 - Wastewater Asset Management Plan

Attachment 3 - Wastewater System Report Card

cc: 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