

NO: **R222**

COUNCIL DATE: **November 18, 2019**

REGULAR COUNCIL

TO: **Mayor & Council**

DATE: **November 14, 2019**

FROM: **General Manager, Planning & Development
General Manager, Finance**

FILE: **5000-01**

SUBJECT: **Grant Applications for the Civic Facility Condition Assessment and Asset Management Project**

RECOMMENDATION

The Planning & Development Department and the Finance Department recommend that Council:

1. Receive this report for information;
2. Support the City's \$15,000.00 grant application to the Union of British Columbia Municipalities ("UBCM") Asset Management Grant Program; and
3. Authorize staff to submit other grant applications towards the Civic Facility Condition Assessment and Asset Management project ("the Project").

INTENT

The purpose of this report is to seek Council support for staff to submit grant applications for facility asset management program, including UBCM's Asset Management Grant Program and other relevant grant opportunities, to support the Project.

With the goal to increase the sustainability of its service delivery, this Project was initiated by the Civic Facilities Division to provide data-driven insights to quantify, inform, and prioritize preventative maintenance and capital replacements efforts on existing civic buildings.

BACKGROUND

The Civic Facilities Division's portfolio consists of 117 civic buildings that cover an area of over 2.7 million square feet and is comprised of recreation centres, libraries, fire halls, corporate building, pools, arenas, police buildings, arts and cultural centres.

Asset management is an integrated process bringing together planning, finance and operations to effectively manage existing and new infrastructure to maximize benefits, reduce risks and provide satisfactory levels of service to community users in a socially, environmentally and economically sustainable manner.

As part of asset management best practices, Facility Condition Assessments (“FCA”) are used to quantify, inform, and prioritize preventative maintenance and capital replacements efforts on existing assets.

FCA data must be reviewed and updated to remain useful for decision-making. This includes large, periodic, multi-facility FCA assessments coupled with small annual FCA updates to account for ongoing asset betterment.

DISCUSSION

FCA data is used by the Civic Facilities Division to guide preventative maintenance and capital projects. This data is used to maximize the useful life of civic facilities, reduce unwanted closures and prevent expensive emergency repairs.

The last FCA re-assessment was performed in 2008 and needs to be re-assessed to remain useful for decision making. As part of its 2019 workplan, the Civic Facilities Division initiated the Project, which will update the FCA process for civic facilities. The Project seeks to:

- Assess the current state of the City buildings;
- Quantify the current deferred maintenance requirements and cost;
- Produce a life cycle data and cost to forecast renewal investments rates required to maintain facilities;
- Complete an energy audit, American Society of Heating, Refrigerating and Air-Conditioning Engineers (“ASHRAE”) Level 1, to highlight opportunities to reduce Greenhouse Gas;
- Acquire an FCA and Capital Planning System to analyse, report and update the FCA data; and
- Develop a 5-year Capital Plan, in collaboration with the City’s Finance Department.

In October 2019, a Request for Proposal (RFP 1220-030-2019-050) was issued for an FCA and Asset Management and Capital Planning System. Staff are currently in the process of evaluating the proposal and anticipate awarding a contract before the end of 2019.

Funding

Cost of the Project is expected to be under \$300,000 and funding has been allocated in the Civic Facilities operating budget. Staff have been made aware of other grant opportunities, including but not limited to the Federation of Canadian Municipalities Municipal Asset Management Program grant. Staff will seek available grants to offset the City’s costs of the Project.

Staff have already applied and received an approval in principle, subject to Council support of the project, for the UBCM Asset Management Planning grant program (see Appendix “I”). This matching grant of up to \$15,000.00 is available under the UBCM 2019 Asset Management Planning program to support activities that advance a local government’s asset management planning or practices that facilitate better integration of asset management planning with long-term financial planning.

SUSTAINABILITY CONSIDERATIONS

The grant applications for the Civic Facility Condition Assessment and Asset Management Project supports the objectives of the City's Sustainability Charter 2.0. In particular, this work relates to Sustainability Charter 2.0 themes of Built Environment and Neighbourhoods and Infrastructure. Specifically, this project supports the following Desired Outcomes ("DO") and Strategic Direction ("SD"):

- Built Environment and Neighbourhoods DO8: The built environment enhances quality of life, happiness and well-being.
- Built Environment and Neighbourhoods DO11: Surrey is at the forefront of sustainable and restorative building design and technology.
- Built Environment and Neighbourhoods DO13: Buildings are healthy and energy and resource efficient.
- Infrastructure DO2: Infrastructure systems provide safe, reliable and affordable services.
- Infrastructure SD 1: Proactively manage community assets to maintain them over the long-term in a state of good repair

CONCLUSION

In order to support the Civic Facilities Division's Facility Condition Assessment and Asset Management project, staff recommend Council pass a resolution indicating Council's support for the City's \$15,000.00 grant application to the UBCM Asset Management Grant Program and authorize staff to submit other grant applications towards the Project.

Jean Lamontagne
General Manager, Planning & Development

Kam Grewal
General Manager, Finance

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Appendix "I" – 2019 Asset Management Planning program – Approval in Principle

October 21, 2019

Gian Singh, Facilities Projects and Financial Manager
City of Surrey
13450-104 Avenue
Surrey, BC, V3T 1V8

RE: 2019 Asset Management Planning program – Approval in Principle

Dear Ms. Singh,

Thank you for submitting an application under the 2019 Asset Management Planning grant program.

I am pleased to inform you that your project, *Facilities Condition Assessment Audit* has been approved in principle for funding.

Pending satisfactory receipt of the following item, your application will be eligible for full approval:

- Current local government resolution indicating support for the proposed project and a willingness to provide overall grant management.
- A detailed budget outlining the total project cost.

On behalf of the Evaluation Committee, I would like to congratulate you for responding to this opportunity to advance asset management in your local government.

If you have any questions, please contact Local Government Program Services at 250 356-2947 or lgps@ubcm.ca.

Sincerely,



Peter Ronald
Programs Officer, Local Government Program Services

The Asset Management Planning program is funded by the Province of BC