



Executive Summary

Purpose

The District of Saanich (Saanich) Asset Management (AM) Strategy establishes the formal framework and system for implementing Saanich’s AM Policy, defines the current state of Saanich’s assets and AM practices, and sets out a road map for continuous improvement over the next five years.

This strategy fulfils an initiative in the District’s Strategic Plan, and it fulfils an eligibility requirement for future provincial and federal grant applications.

As shown in Figure E.1, the AM Strategy will be a guiding document as Saanich increases its AM maturity towards achieving the key principles set out in the AM Policy, which are:

By implementing the strategy, Saanich is taking care of its existing assets so that the people of Saanich receive the greatest possible value from their infrastructure investment to meet their service delivery needs, without compromising the ability of future generations to meet their own needs.

- **Service Delivery to Customers** - The District will prioritize and direct resources and expenditures in order to deliver levels of service and other community benefits at an acceptable level of risk.
- **Long-Term Sustainability and Resilience** - The District will consider socio-cultural, environmental, and economic factors and implications when making and implementing asset management decisions.
- **Holistic Approach** - The District will ensure that decisions are made collaboratively and consider all life-cycle stages and the interrelationships between asset performance, operational performance, and overall performance.
- **Fiscal Responsibility and Asset Management Decision-Making** - The District will develop prioritized capital investment plans that reflect established levels of service and other strategic objectives.
- **Continual Improvement** - The District views continual improvement as a key part of our asset management approach.



Figure E.1 - Purpose of the AM Strategy



Saanich Assets

Saanich delivers services to the community using a portfolio of built assets with a current replacement value of approximately \$4.7 billion (\$2022), including drainage, facilities, information technology, park & trail structures, transportation, vehicles & equipment, wastewater, and water assets, as shown in Figure E.2. Saanich also owns and manages natural assets; however, these are not currently valued or included in its financial statements.

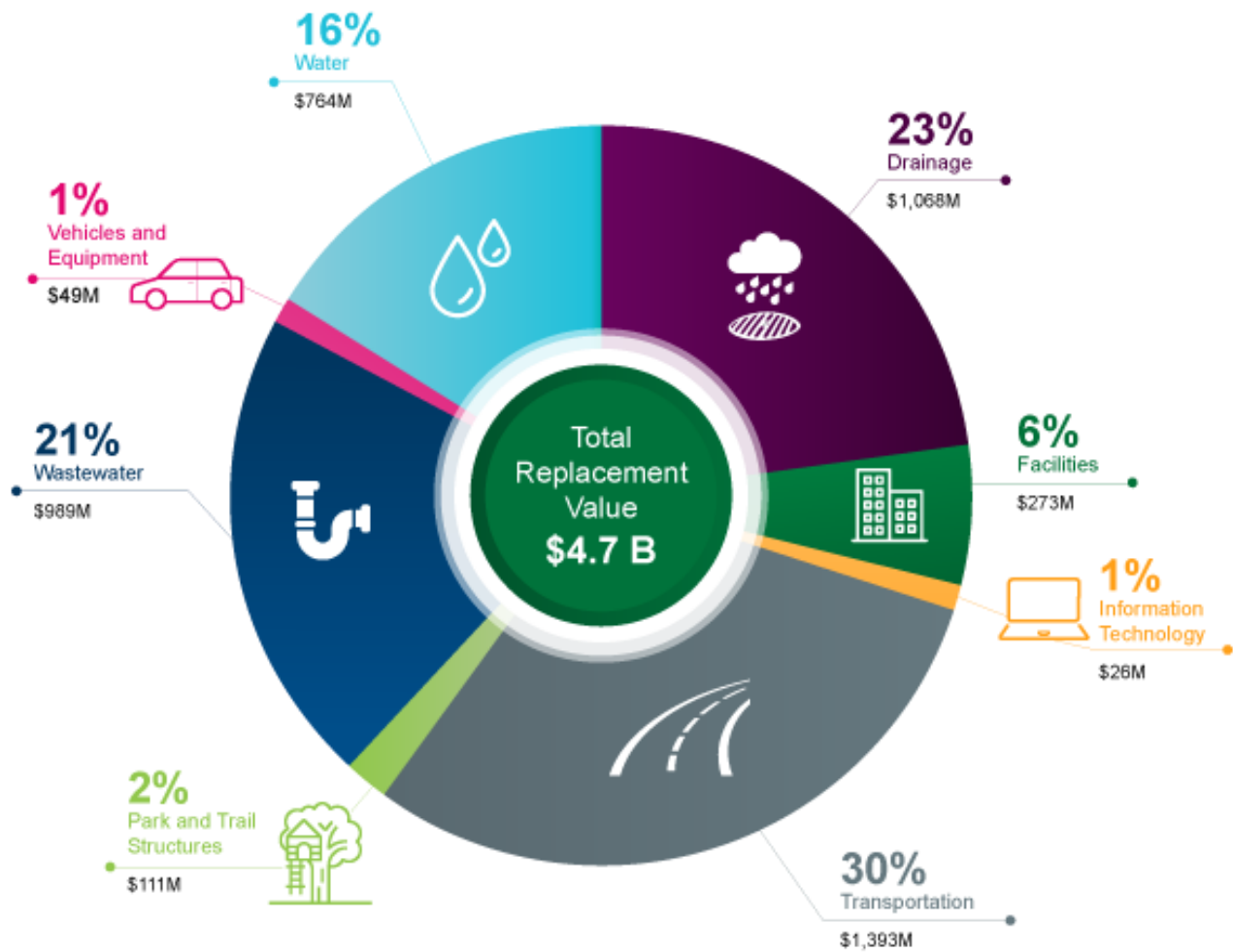


Figure E.2 – Asset Replacement Value (\$2022)



Saanich Asset Management Practices



Assets

Currently, Saanich has partially complete asset inventories for most of its assets, except for its natural assets. Technical asset data is currently maintained in a variety of software programs, such as GIS and Excel spreadsheets, as well as some remaining paper-based systems. Financial information is currently maintained in a variety of software programs, such as JD Edwards and Excel spreadsheets. Currently, these systems are not linked, so there is no single source of truth for asset data, and not all assets have a unique identification number.



Information

Currently, Saanich has some information on the physical condition of most of its assets, either based on a condition assessment or estimated based on age, and there is an ongoing effort to gather additional condition data. However, Saanich needs to improve its AM practices in the areas of natural assets, levels of service, risk assessment, integration of climate change considerations, and AM plans.



Finances

The current replacement value of Saanich's assets was estimated at \$4.7 billion (\$2022), which is more than double the original estimate of \$2.1 billion (\$2007). This does not include valuation of our natural assets. As shown in Figure E.3, the main reason for the increase was inflation, particularly over the past six years. Based on the estimated useful life of Saanich's assets, the targeted average annual replacement funding is now \$86 million, which is more than double the original target that was reached in 2019 of \$41 million. Saanich's Infrastructure Replacement Funding Strategy will be updated to include the new estimates, and alternative financing scenarios will be developed for Council consideration.

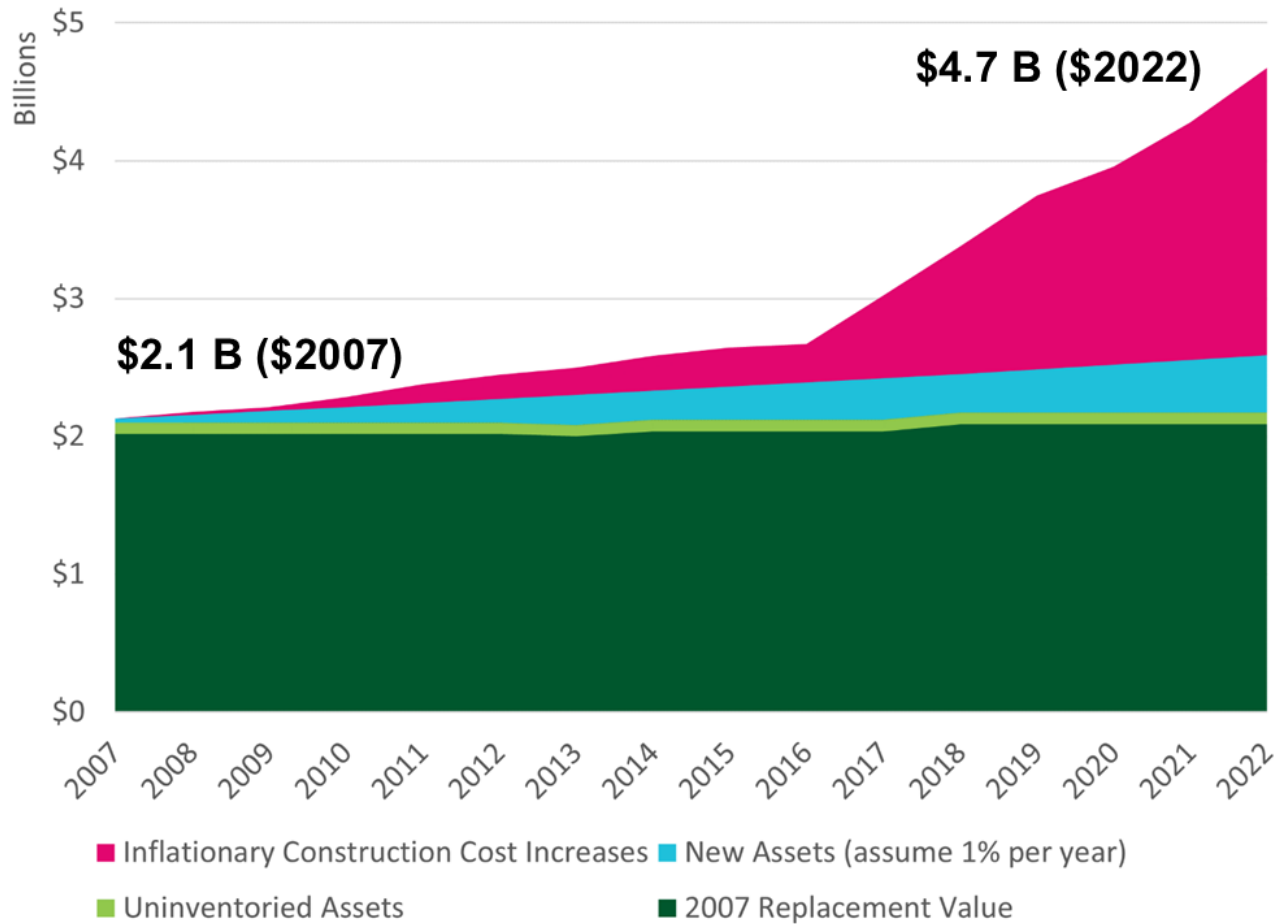


Figure E.3 – Change in Asset Replacement Value



People

Over the past 15 years, Saanich has built a very positive culture for AM within the organization, and there is a strong demand for the business improvements that can be realized through AM. Currently, knowledge, experience and resources vary across departments and there is no formalized program for managing assets in a consistent manner across the organization. Some Saanich staff understand the need for AM and the benefits of AM, as well as the need for continuous learning to develop their knowledge, experience, and capacity for AM. However, this needs to be extended to all staff. There is also a need to integrate AM practices across all departments.



Continuous Improvement

Based on the results of Saanich’s AM maturity assessment, investments are needed in each of the four core elements of assets, information, finances, and people, in order to work towards achieving the AM Policy key principles. Saanich’s implementation plan for continuous improvement in the short and medium term (over the next five years) has prioritized ten strategies, which are summarized in Figure E.4. Each strategy includes several projects for implementation. Additional resources required to support this initial workplan are identified and will be included for consideration through Saanich’s annual Financial Plan process.

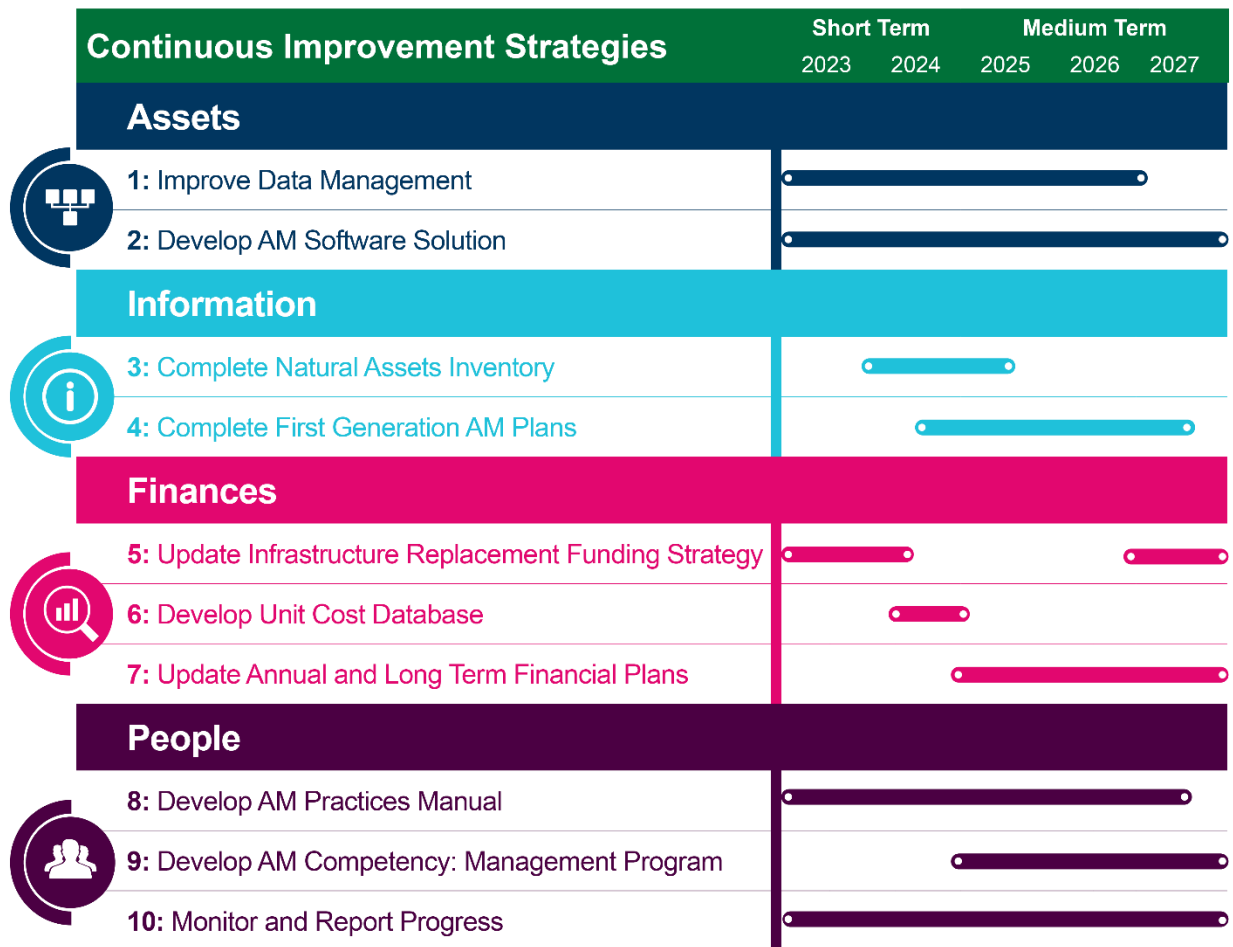


Figure E.4 - Implementation Plan 2023-2027



The AM Strategy will be formally reviewed and updated approximately every 5 years, and Council will receive annual reports on the progress of the AM Program. As shown in Figure E.5, Saanich has already made progress and will continue to improve its AM practices on the journey towards sustainable service delivery.

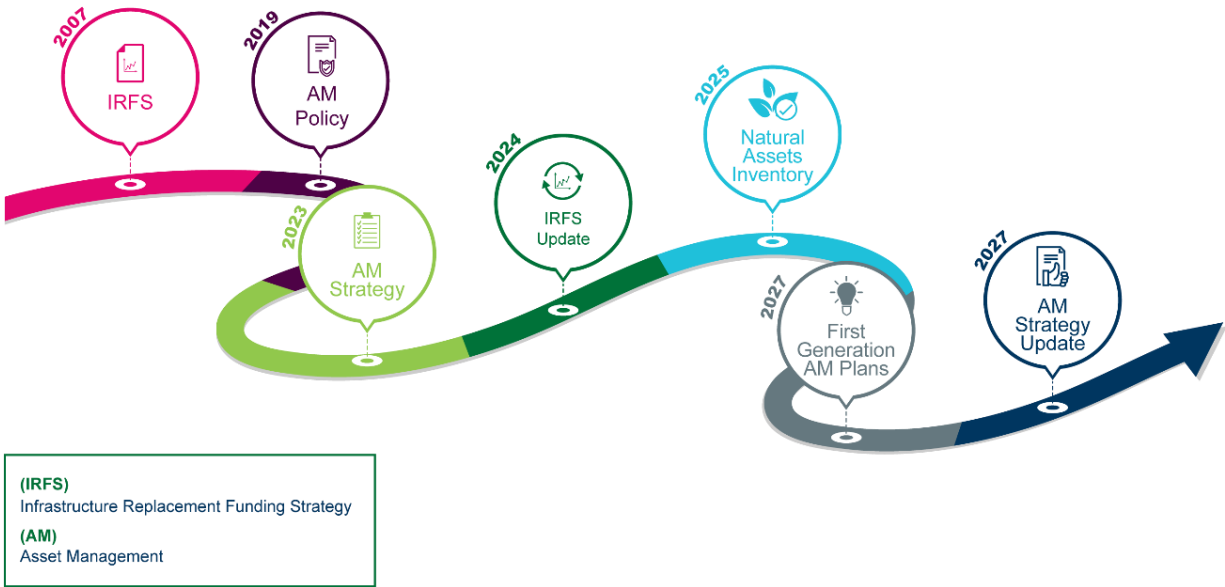


Figure E.5 – Saanich Asset Management Journey

