

ADMINISTRATIVE REPORT

TO: Shane Bourke, City Manager	DATE: April 8, 2025
FROM: Danielle Whiteway, Chief Financial Officer	MEETING: Council Committee of the Whole
REPORT WRITER: Alex Shepherd, Manager of Assets	
SUBJECT: Asset Management Costs	

RECOMMENDATIONS

That Council Committee of the Whole receive this report for information.

PREVIOUS COUNCIL / COMMITTEE DIRECTIONS

The following motion was made on November 18, 2024:

“Committee direct Administration to bring a report back to a future Council Committee of the Whole meeting showing all expenses related to managing our assets in 2025, including Enterprise Asset Management, engineering and other reports assessing assets, planning studies on assets, and staff time managing our assets.”

BACKGROUND

Asset Management is the City’s process of managing assets such as roads, bridges, buildings, equipment, vehicles, technology, and more. Asset Management enables the organization to optimize the asset life cycle, responsibly prepare budgets and plan for the future, improve infrastructure longevity, provide data for enhanced decision-making, as well as provide the City additional access to funding and support from other levels of government.

Multiple staff and departments collaborate to manage the City’s assets, including Procurement, ITS, GIS, Transportation, Parks, Fleet, and Corporate Facilities Management, with Financial Services supporting centralization.

ANALYSIS

In 2024, the Asset Management team engaged with various departments to assess their needs, identify inefficiencies, and map out workflows to improve processes. As part of this effort, the team collaborated with all relevant departments and stakeholders to develop a comprehensive Request

for Proposal (RFP). Additionally, a thorough evaluation of the existing asset management tools was carried out, revealing that these systems were no longer adequately meeting the needs of the departments, highlighting the necessity for an upgrade.

For Software, the Enterprise Asset Maintenance Project is currently under a three-year budget plan.

Year	Project Budget
2024	\$862,620
2025	\$625,000
2026	\$625,000
Total Allocated	\$2,112,620

The budget for purchase and implementation was allocated over three years to reduce the impacts on capital tax. This is a one-time project with a useful life of up to 20 years. Future licensing costs associated for ongoing operations will be budgeted once a system has been chosen and implemented. The team continues to work through requirements, demonstrations, and research, with an RFP expected to be issued later in 2025.

Other Asset Management Projects / Costs for 2025

Project Name	Cost	Theme
Design and Construction Manuals	\$125,000	Asset Management Planning
Inspection Programs	\$292,000	Asset Management Planning
Other Plans and Studies	\$250,000	Asset Management Planning
Total	\$667,000	

As of Q3 2024, the City’s total net book value (NBV) of tangible capital assets was \$711,561,217, these capital projects represent an annual investment of 0.0937% of the NBV.

Throughout the capital plan each year are various projects that support the management of the City’s assets. Inspection programs, and various plans and studies, are reviewed and maintained on a rotating schedule to ensure up to date data as required. These documents provide the necessary details to manage the City’s assets.

Operational Considerations

Asset Management is integrated into staff responsibilities across many departments and at various levels. Time and effort vary, depending on the complexity and amount of assets within the department.

- Transportation Services ensures that maintenance work on roads is completed and recorded, as well as equipment utilization processes are followed.
- Engineering (now within Transportation Services) monitors the City’s roads, bridges, paths, trails, and stormwater infrastructure.
- ITS manages our technology assets, ensuring timely and effective evergreening, as well as managing the life cycle and maintenance/upkeep of the City’s technology infrastructure. –
- Corporate Facilities Management is responsible for all the City’s vertical assets and components including renovations, improvements, upgrades, and all preventative and reactive maintenance, while;
- Fleet manages all vehicle and equipment lifecycle, maintenance, additions, and disposals.
- GIS maintains spatial data and mapping infrastructure to enhance decision-making across departments.

All the work done by various staff through the organization is overseen, centrally, by the Asset Management team within Financial Services. This group can centralize the information and data from each department, to support decision-making, analysis, and financial planning.

Operational costs associated with managing assets include several staff in various departments whose roles support more than the task of managing assets. Staff time varies depending on the number and complexity of assets and typically, these roles include in the ranges of 25% to 60% of hours worked dedicated to Asset Management. Other than those portions of salary costs; there are minimal operational costs associated with Asset Management.

Below are some examples of positions that play important roles in supporting the City’s asset management program, but their work spans broader responsibilities across capital planning, preventative maintenance planning, project tracking, grant management and infrastructure data maintenance. The percentage of time allocated to asset management reflects only the portion of their work that directly informs asset-related decision-making and lifecycle management, not their full job duties.

Job Title	Department	% of Work Attributed to Asset Management
Capital Asset Analyst	Financial Services	60%
Engineering Technologist	Transportation	35%
Fleet Financial Coordinator	Fleet	30%
GIS Analyst	Geographical and Information Technology	40%
Environmental Technologist	Environment & Parks	25%

Environmental Impact

Not applicable to this report

Economic Impact

Not applicable to this report

Social Impact

Not applicable to this report

Relevant Statutes / Master Plans / City Documents

Council’s Strategic Plan
 Policy 360 – Corporate Asset Management

Risk

Asset Management is a key part of the City’s operations, with all departments having a role to play in the lifecycle management of our City. Without Asset Management, there are risks including:

- Increased costs and budget uncertainty, by not having proactive maintenance assets deteriorate faster, leading to costly emergency repairs.
- Service disruptions and public safety concerns, with poorly maintained infrastructure, the likelihood of failure and public risks can become extremely hazardous
- Inefficient use of resources, with staff spending excessive time on emergency reactive repairs, and poor planning cycles

- Regulatory, Legislative and Compliance risks, as many grants are tied to asset management planning including LGFF, not having Asset Management plans can lead to the City not receiving grant funding

STAKEHOLDER ENGAGEMENT

The Asset Management team regularly consults with all departments that rely on asset management in their daily operations to assess needs, identify efficiencies, and contribute to the planning process. Their ongoing input remains instrumental in shaping the development and implementation of the new system.

BUDGET / FINANCIAL IMPLICATIONS

No additional financial implications associated with accepting this report.

SUMMARY / CONCLUSION

Asset Management plays a key role in the City of Grande Prairie, enabling Management to optimize asset life cycle, responsibly prepare budgets, plan for the future, improve infrastructure longevity, provide data for enhanced decision making, as well as provide the City additional access to funding and support from other levels of government. Costs associated are predominantly capital, with the implementation of an Enterprise Asset Management System, as well as ongoing plans, studies and inspection programs.

Administration recommends the Council Committee of the Whole receive this report for information.

ATTACHMENTS

None