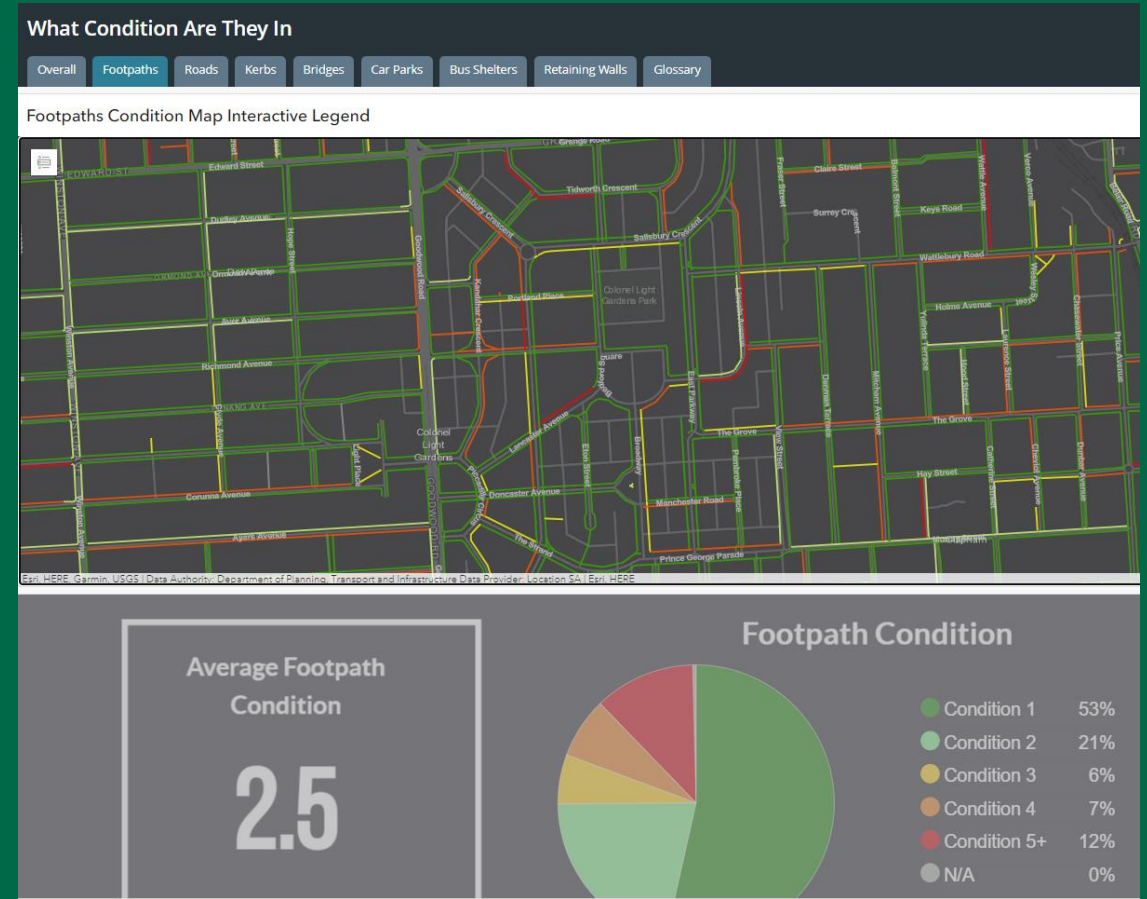


Asset Management (Infrastructure)

Civil Infrastructure Assets

7 February 2023



Asset Management Session

Purpose:

To provide an overview of Councils Infrastructure Asset Management planning and investment processes

Around the Room:

What are you looking to have covered in relation to Councils Asset Management processes tonight?

Structure of Today's Session

General Topics:

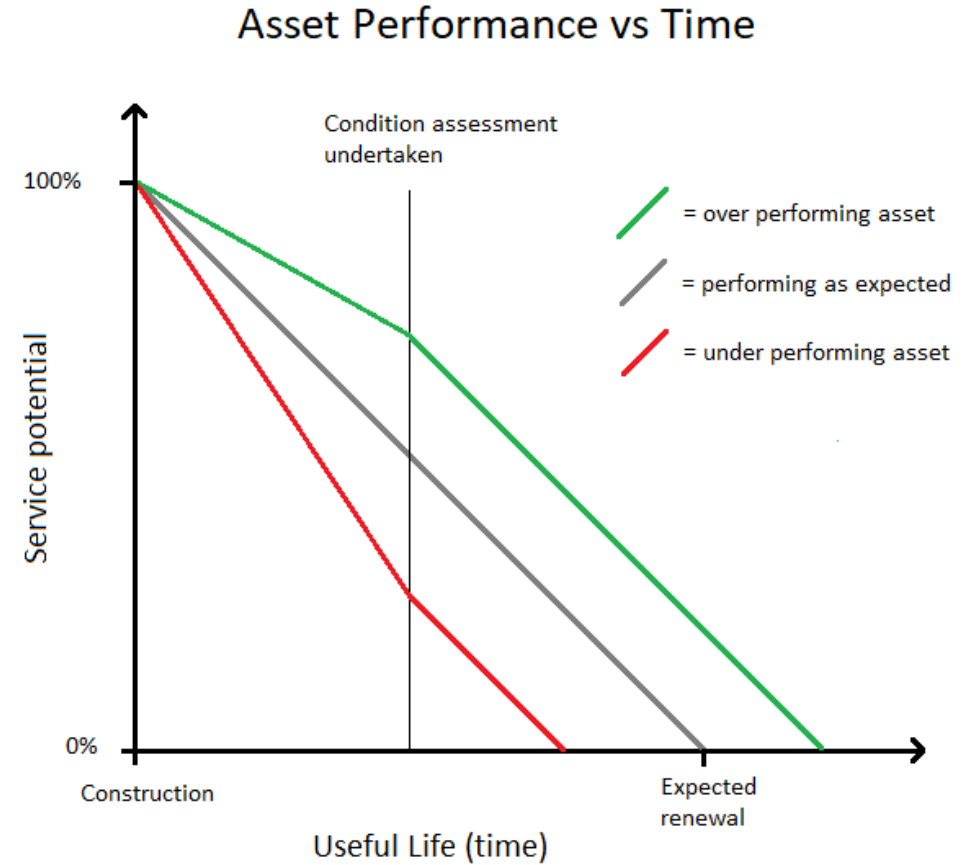
- ❑ Difference between new assets, renewal & maintenance
- ❑ What's happened historically & 'backlog' in a CoM Asset Management (AM) context
- ❑ The path of continuous AM improvement
- ❑ The role of Council Members in these processes

Asset Management Fundamentals

- Asset networks are mapped – physical & financial attributes
- Performance is monitored – useful lives & service levels
- AMP's are developed, renewals are funded in the LTFP
 - Endorsed 2020, due 2024
- New/upgraded assets are a new service

Renewal Forecasting

	<u>Advantages</u>	<u>Disadvantages</u>
Age-based	Simple, cheap, accurate at a high level, isn't resource intensive	Relies on assumptions, overlooks outliers, can be misrepresentative of real-world scenarios
Condition-based	Reflects what is happening in the real world, more accurate than age-based	Resource intensive to collect and calibrate data, requires greater understanding of the process



Condition Spectrum



'Backlog' (CoM AM Context)

- History - initial review identified \$ backlog
- AM 'Backlog' = assets beyond the CoM intervention level (condition >5)
- AM 'Backlog' ≠ closed roads or footpaths
- AM 'Backlog' is not a fixed quantity
 - Time, maintenance, environmental conditions, data quality, funding



What is not 'backlog' in AM renewals

- Maintenance/defects:

- Potholes
- Lifted kerb
- Broken pavers
- Blocked pipes

- Re-budgeted projects

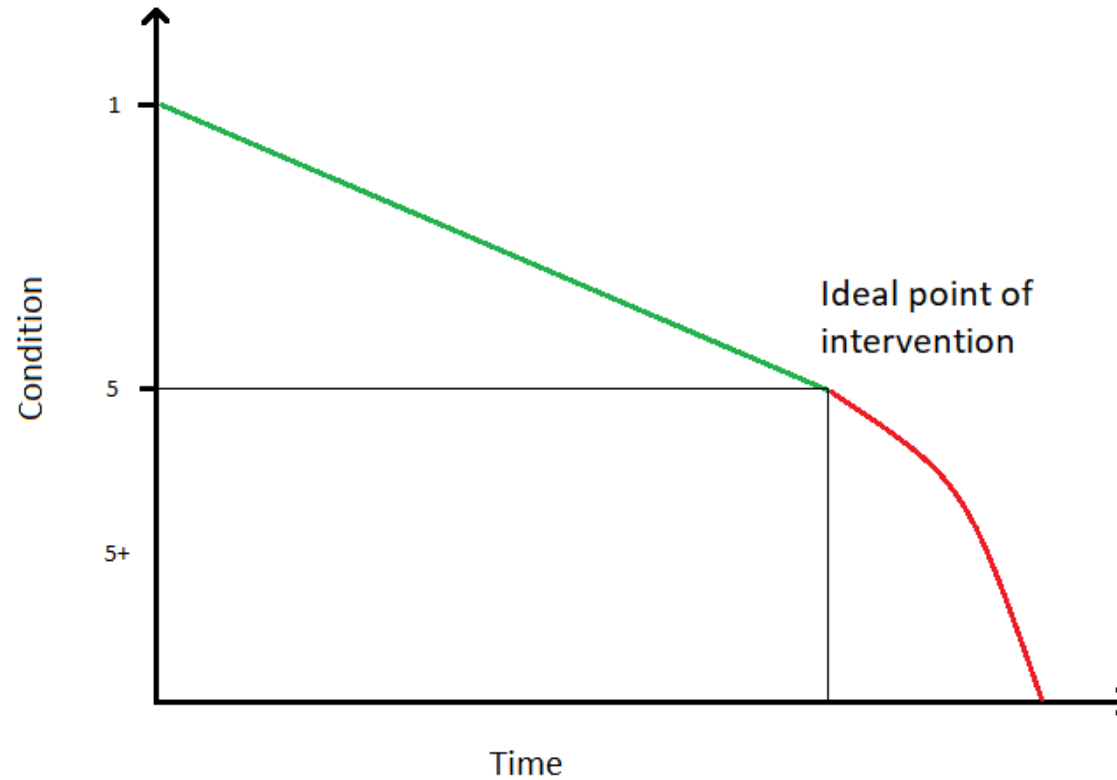


VS.



Point Of Intervention - Renewal

Asset Condition vs. Time



Aged Assets

- Aged assets degrade at an increasing rate



Aged Assets

- Aged assets are susceptible to external forces
- Require more rehabilitation work at the time of intervention
- Recent examples – weather & contractors



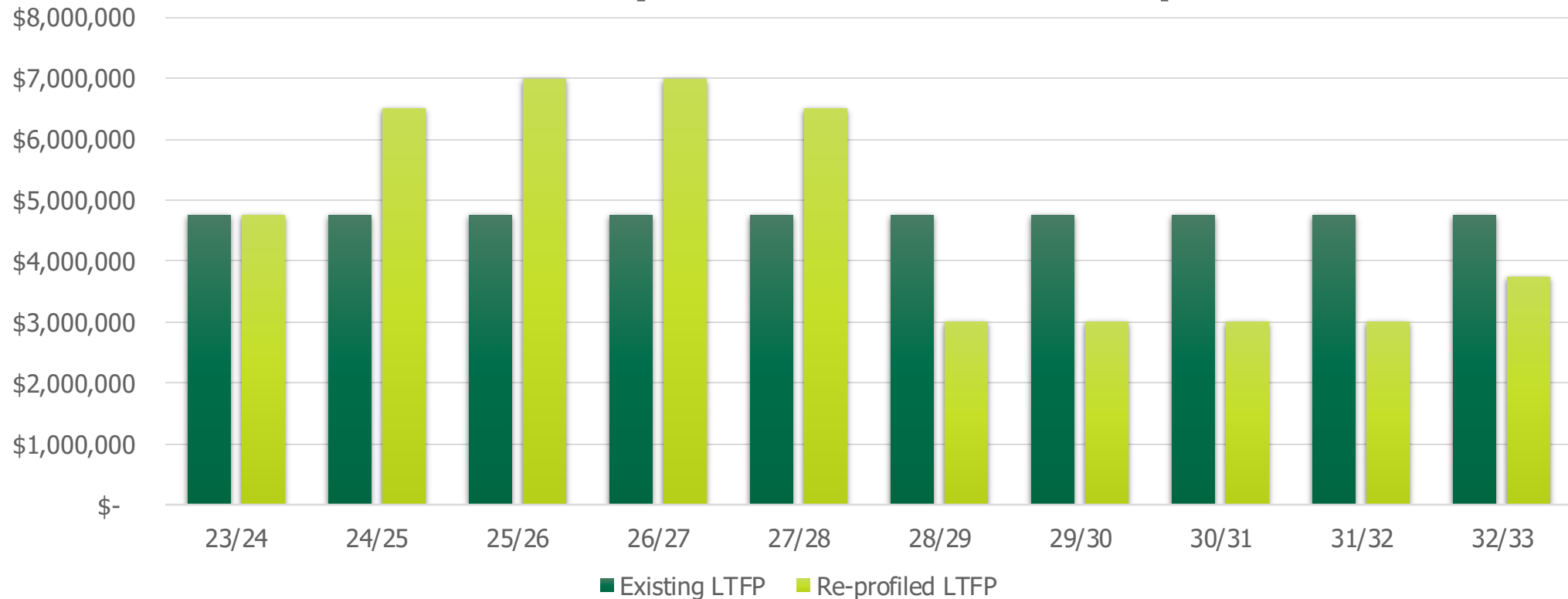
Current Network Condition

- New condition data – roads, kerb, footpaths
- Footpaths – ‘backlog’ cleared by 2027*
- Roads – reprofiling of 10yr LTFP to clear by 2027*, otherwise 2031*
- Minimal impact to debt & surplus *by year 10 LTFP*

** assumes fully funding additional backlog clearance each year (2023/24 → 2026/27)*

Road Renewal Funding

Roads 10yr LTFP - Current vs Re-profiled



Backlog Deferral Option – save 0.19%

- 0.42% rate impact for backlog ~ \$4M
- 23/24 Footpath Renewals (inc. backlog) ~ \$1.82M = 0.19%

OPTION – Remove \$1.82M funding in 23/24 – save 0.19%

- Not recommended but manageable impact
 - Internal resource utilisation to consider
 - Decrease in service provided to the community
 - Footpath 'backlog' clearance = 2028

Backlog Not Funded

What happens if whole \$4M is not funded in 23/24 – (i.e. the 0.42%)

- Removal of footpath renewal funding in 23/24 = 0.19%
- Removal of remaining 'backlog' funding from roads = \$2.2M = 0.23%
- Reduction of roads program by ~ 50%

- **Strongly not recommended**
 - Footpath & road 'backlog' clearance delayed by a year
 - Impact on connected projects
 - Increase in maintenance costs (particularly roads)
 - Decrease/impact in service provided to the community (particularly roads)

New Assets

- New asset = new service = additional cost (rates impact)
- Selection of new assets based on specific criteria
- Footpaths, Bus Shelters, Stormwater, Traffic, Open Space

New Footpaths

- Multi-criteria analysis
 - Site conditions
 - Networks connectivity
 - Pedestrian hubs
 - Customer requests
 - Vehicle traffic
- 100+ proposed locations



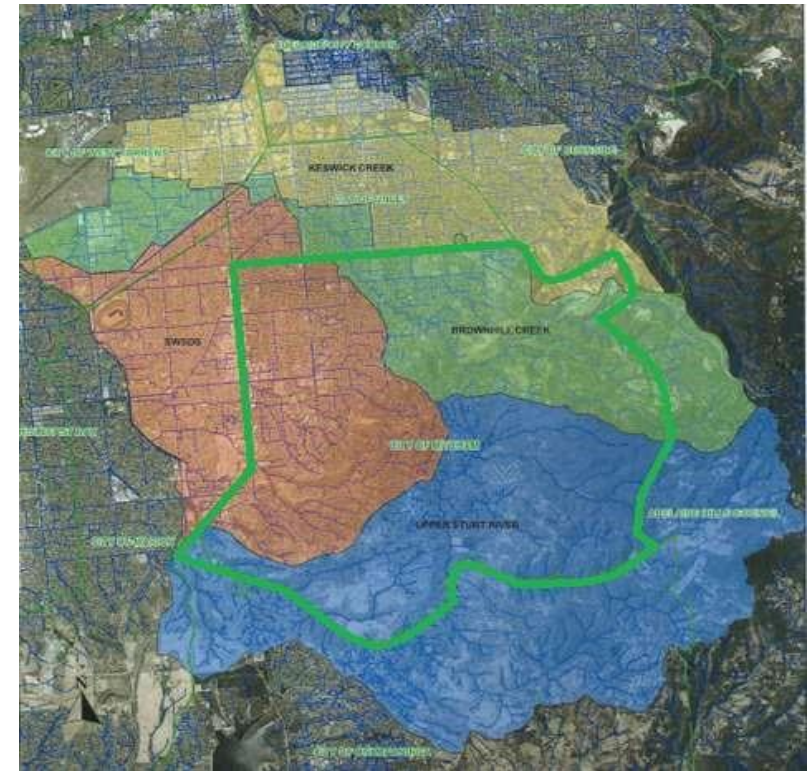
New Bus Shelters

- Multi-criteria analysis
 - DIT bus patronage data
 - Additional patronage data
 - Customer requests
 - Site conditions



New Stormwater

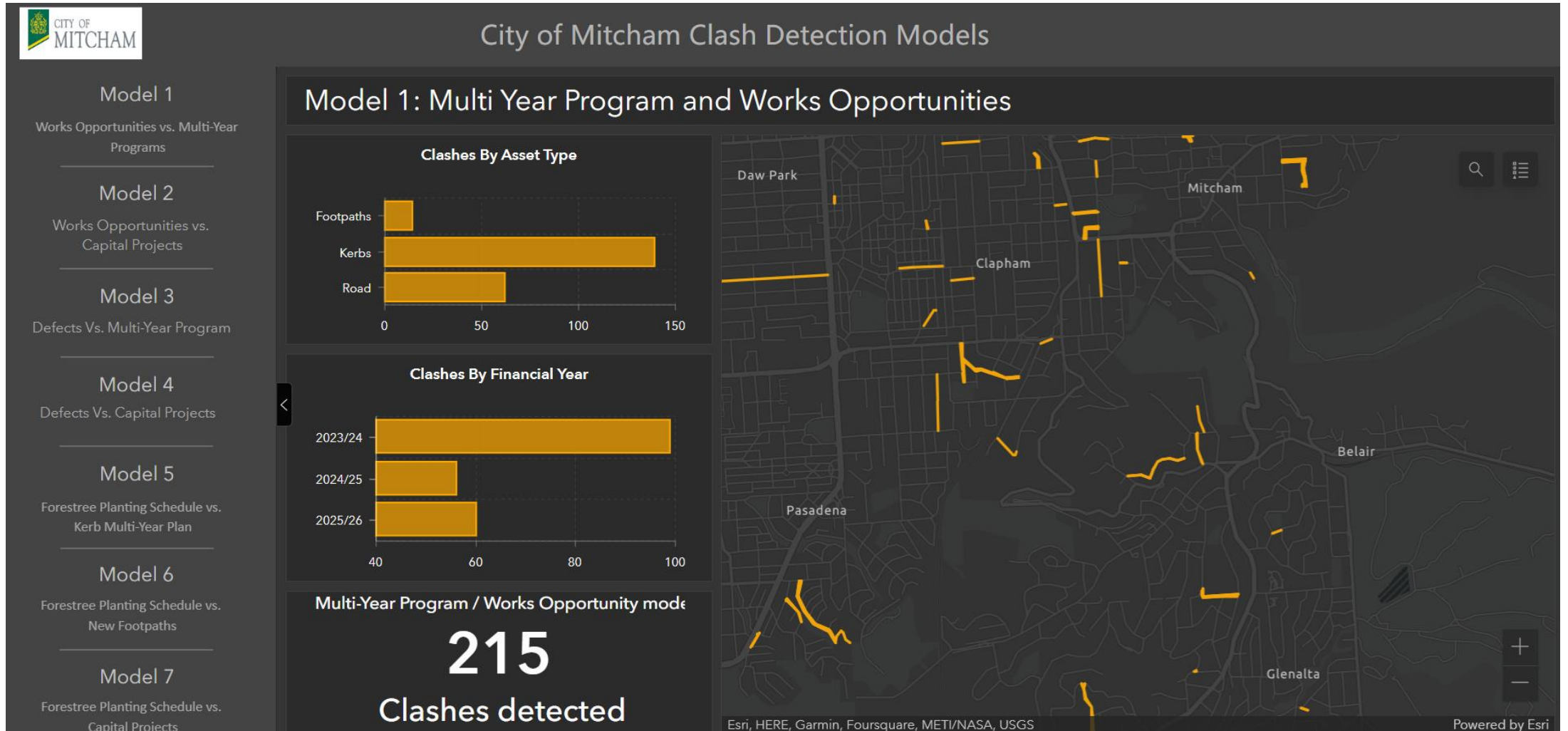
- Project priority list – Stormwater Management Update Report
- SMP strategic projects – network capacity
- Minor works – local issues
- WSUD
- Linked projects – e.g. Grange Rd



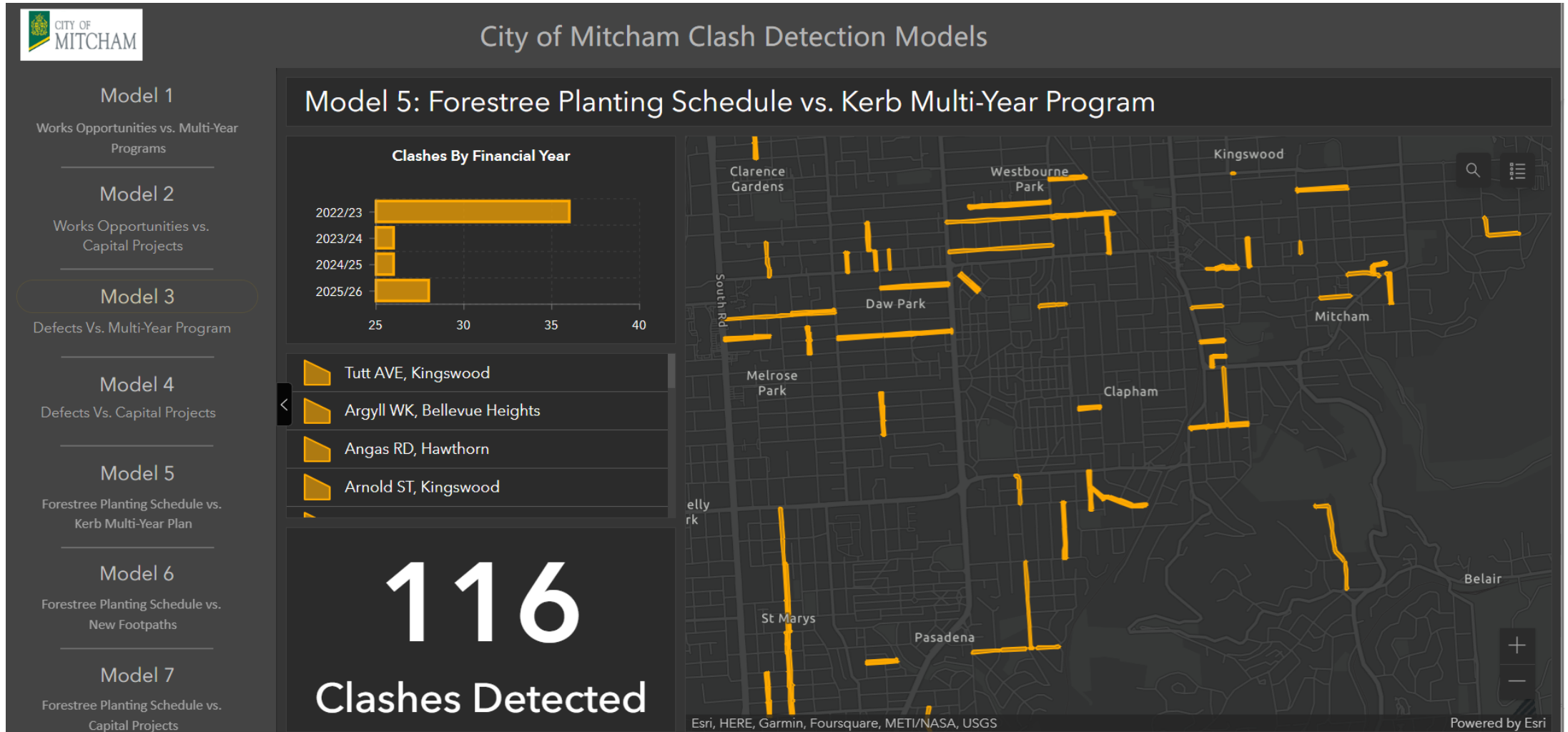
New Traffic & Open Space

- Projects assessed for priority
- Program developed on priority rating, funding and resourcing
- Aligned with forward works programs

Spatial Modelling - forward planning



Spatial Modelling – CAP & OP



Council Member Outcomes

Understand:

- ❑ Difference between new assets, renewal & maintenance
- ❑ What's happened historically & 'backlog' in a CoM asset renewal context
- ❑ The path of continuous AM improvement
- ❑ The role of Council Members in these processes

Revisit 'Around the Room' topics

Have we covered Council Members Asset Management topics raised tonight?

Questions?



