

Comment letter from City of Fernie

Thank-You for the opportunity to comment on the “Galloway Lands” rezoning and Official Community Plan amendment applications. The City of Fernie has the following comments:

The City of Fernie Official Community Plan (OCP) contains language and policies regarding its future expansion areas, and how the City of Fernie and the RDEK can work together on managing growth sustainably in the rural Fernie area. Specifically, the OCP states:

- 8-B.1 Work with the Regional District of East Kootenay (RDEK) to ensure that local and regional growth issues are addressed proactively and collaboratively.*

- 8-B.2 Work with the RDEK to develop a coordinated approach that will define the terms and framework for any potential future boundary expansion to ensure consistent planning, cost effective and efficient service delivery, and good governance for both Fernie residents and people living on the municipality’s boundaries.*

- 8-B.4 Consider the provision of additional municipal services, such as fire protection, beyond the municipal boundaries and current provision of services following the completion of a benefit/cost analysis and an examination of how this service delivery will impact service provision to Fernie residents.*

Since the adoption of the City of Fernie Official Community Plan (2014) and the Elk Valley Official Community Plan (2014) there has been very limited collaboration between the City of Fernie and RDEK on regional growth planning efforts. The region has changed significantly since 2014 and so have the risks and opportunities for the community and local governments. As both the City of Fernie and RDEK are embarking on major OCP updates in 2023/2024 a rezoning and OCP amendment of this magnitude without significant public engagement is not supported by the City of Fernie.

Increasing the density on the proposed lands without true cost accounting on impact to municipal services and a mechanism for rural property owners to contribute through taxation does not align with the City’s Asset Management policy. Development outside of the city boundary places significant operational and lifecycle strains on both core municipal assets and assets that deliver arts, culture, and recreational services in the region and places the financial burden on City of Fernie tax payers. Consideration of any future municipal service expansion to lands outside of the City of Fernie will require a business case that captures full cost recovery model born by the rural property owners.

The subject area is considered a *Long Term Fernie Boundary Extension Study Area* as defined on Schedule H: *Boundary Expansion Study Areas* of the City's OCP. This area was defined as such under the following criteria:

- *They have the long-term potential to accommodate future growth (commercial, light industrial and residential mixed use) subject to boundary extensions and the provision of publicly owned water or sewer services, provided that appropriate phasing policies are established, new development does not detract from compact development options within Fernie, and that infrastructure capacity is available and financially sustainable.*
- *They provide opportunities to improve and coordinate local planning, **promote the efficient use of land, provide greater transportation choices, reduce public servicing costs and reduce sprawl into rural areas.***

In addition, the OCP states that:

*Longer-term potential boundary expansion areas include land with little or no existing development. Such areas have been identified as "reserve areas" to help accommodate Fernie's potential long-term growth demands. Their close proximity to Fernie means that future growth in these areas will help achieve many of the same benefits as growth within Fernie. Namely, if developed in a compact form and in an orderly manner that does not detract from development within Fernie, they will **promote the efficient use of land, provide greater transportation choices, reduce public servicing costs and reduce sprawl into rural areas.***

Related to this, the City's Asset Management Policy states:

- *An asset management lens will be incorporated into the City's regulatory and policy framework for decision-making on community growth and development, including boundary expansion, to ensure the City does not acquire services and infrastructure that are not socially, economically, and environmentally responsible.*

In reviewing the policies set out in the OCP and the Asset Management Policy, it is apparent that the proposed development of this area may remove it from being potentially included as a future growth / City of Fernie municipal boundary expansion area. This is because the criteria for future growth set-out in the OCP and Asset Management Policy (phasing policies, infrastructure capacity, financial sustainability, social, economic, and environmental responsibility) may not be met with the proposed development. In summary, the development

of this area is inconsistent with the City's long-term vision related to future boundary expansion.

Another section that the City's Official Community Plan can be applied speaks to the provision for employee housing. The OCP Section of Staff Housing speaks to working with major employers, including Fernie Alpine Resort. As this is largely a regional issue that spills outside of the City's Municipal Boundary, City Staff note that the RDEK should consider a *requirement for the provision of staff housing or a housing allowance to aid in housing affordability*. The development that is proposed in the subject applications does not have an employee or affordable housing component associated with it, however, if developed, the residents of the development will be contributing to local businesses, thus increasing the need for those local businesses to house their employees.

Additionally, Section 6 of the City's Official Community Plan speaks to wildlife corridors and aquatic habitats. Specifically, Section 6-B states that the City supports the protection of wildlife corridors and migration paths and continued Wildsafe education for both visitors and residents and Section 6-C states that the City of Fernie supports the protection of aquatic systems and fish habitat within its municipal boundary and the connectivity of these systems beyond its boundary.

Further to the above information, the City is currently assessing our sewage treatment operations and capacity and applying to update our operating permit under the Municipal Waste Regulation with the Ministry of Environment. Any future expansion to include the sewer capacities associated with Fernie Alpine Resort and the subject development are not being reviewed as a part of the current study. The sanitary sewer flows incurred as a part of the proposed development would need to fit within the capacities of the current / future Fernie Alpine Resort system.



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POLICY

Policy No. CP-2022-001

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Policy Title: Asset Management Policy

Department: Asset Management

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Approved By: Regular Council Meeting

Effective Date: 8-Aug-2022

Repeals Policies: n/a

**Amendment
Date:** n/a

Amendment #: n/a

GUIDING PRINCIPLE

This policy articulates the City of Fernie's commitment to effective asset management in implementing scalable, transparent, and responsible asset management practices and systems throughout the organization. Through this work, the City will balance considerations for cost, risk, and performance to deliver value from assets in alignment with the City's stated strategic organizational objectives.

POLICY OBJECTIVE/PURPOSE

The purpose of this policy is to:

- Work towards delivering services with our assets in a way that meets established levels of service;
- Provide direction to help our community make decisions and prioritize core asset needs;
- Provide direction for the consistent application of asset management by Council and staff; and,
- Reflect the organization's strategic goals with respect to managing assets.

This policy establishes clear principles and policy statements in support of them that will govern the decisions, directions, and priorities of asset management at the City of Fernie in a manner that delivers value in alignment with the City's strategic organizational objectives.

Incorporated into this policy and listed below are the City's strategic organizational objectives:

Creating long-term financial sustainability

Choose options that reflect an ongoing commitment to long-term financial sustainability across all areas of the organization while investing in assets and delivering services aligned with community needs.

Committing to timely and compelling communication and engagement

Strengthen the organization, services, and the community through clear, consistent, engaging communication, and ensure effective channels to hear from the community.

Investing in core infrastructure and service delivery

Define and communicate all current municipal services. Structure and retain city resources and assets that support effective core service delivery for a sustainable and healthy community.

Building an inclusive community

Value and promote diversity and inclusion throughout operations, planning, service delivery, and governance. Identify and remove barriers for individuals and families to live and work in Fernie.

Dedicated to future-proofing our community

Identifying, developing, and continually improving planning and systems to ensure current and future preparedness is at the forefront of decision-making as we face and respond to financial, organizational, environmental, community, and cultural challenges.

SUMMARY

Asset Management is the coordinated activities of an organization to realize value from its assets by integrating community values, priorities, and an informed understanding of the value chain of trade-offs between costs, risks, and performance in alignment with stated strategic organizational objectives. The primary factors influencing the type of assets that an organization requires to achieve its objectives are:

- The nature and purpose of the organization
- The operating context (ie. The services delivered)
- The financial constraints and regulatory requirements
- The needs and expectations of the organization and its stakeholders

This policy captures the City of Fernie’s Council commitments under five basic principles of asset management that reflect the City’s current context to enable focus on these critical areas, which are: level of service, informed decision-making, sustainable service delivery, continuous improvement, and sustainable growth and development.

Implementation of this policy is through a strategic asset management plan (SAMP) that sets goals and strategies and drives the framework for decision-making across all asset categories.

SCOPE AND APPLICABILITY

The Asset Management policy applies to all assets and all aspects of these assets and services throughout their lifecycles from planning and demand analysis and, design, acquisition, construction, operation, and maintenance to disposal, and includes assets considered through renewal, new, expanded, or shifts in services, growth and development, and other contributions such as in-kind or those funded through non-governmental community driven projects where the City is the ultimate asset owner.

The policy will apply to all personnel, employees, contractors, vendors, and consultants at the City of Fernie, including all organizations operating in partnership with or funded by the City of Fernie.

Where Asset Management activities intersect with other municipalities, senior levels of government, community partner organizations, non-governmental organizations and agencies, and community partner organizations, the City will work collaboratively to promote the principles outlined by this policy.

This policy applies to physical, land and natural, human, intangible, and financial/information assets.

Where possible and appropriate, Council and staff will consider this policy and integrate it in developing or updating corporate documents.

POLICY STATEMENTS

Asset management is an organization-wide approach for managing assets to enable the provision of community services are prioritized and guided by the following principles and the policy statements that support them:

Levels of Service

- The City of Fernie establishes and strives to deliver levels of service that comply with all legislated requirements, protect, and uphold public safety, focus on community well-being and the environment, and reliably meet the informed service-level expectations of stakeholders and the public.
- Levels of service are evaluated in a transparent, accountable, and timely manner that effectively incorporates stakeholders and the community.
- The community will be educated on services delivered by, funded by, or in partnership with the City of Fernie, and the respective levels of service and be adequately informed to engage on service changes within the bigger context of all services.

- The City will endeavour to inform, engage, consult, involve, collaborate, and empower people and groups across all spectrums of the community, especially with those with a significant social need and reliance on public infrastructure.

Informed Decision Making

- Asset management decisions rely on sufficient, reliable, and current information. A consistent budgeting and evidence-based decision-making approach will be adopted to include data management, risk-based analysis, lifecycle management, demand analysis, evaluating trade-offs, and record keeping.
- Asset management will be considered and integrated in developing all other organizational plans and strategies, including capital and operating budgets.
- Decisions that guide capital planning, City operations, service changes, and growth are made with a holistic view of systems needs and risks across all asset categories, integrated with existing policies, and balanced according to community priorities.
- Ensuring that the appropriate departments, functions, and support activities have the required capacities and connections to build effective working relationships and utilize information sharing in driving the most informed decisions.

Sustainable Service Delivery

- Services are evaluated to ensure delivery in a socially, economically, and environmentally responsible manner that does not compromise the ability of future generations to meet their own needs.
- The City of Fernie strives to uphold service levels at the minimum sustainable cost by minimizing expenditures on capital and operational costs, without deferring or under-funding maintenance or renewal.
- A proactive approach will be taken, enabled through long-term financial planning considering the assets' full lifecycle cost.
- Proposed services are evaluated using appropriately scaled demand analysis and life cycle management analysis to align with current strategic organizational objectives.
- Opportunities for regional collaboration are identified and leveraged.
- Stewardship of public assets and the delivery of municipal services must consider climate risk, climate action, disaster mitigation, and emergency management.

Continuous Improvement

- The Asset Management Policy and Plans are developed, implemented, evaluated, and renewed on an ongoing cycle. Adequate resources are provided for implementation and training to manage municipal assets according to current best practices.
- The City will develop and communicate accountability systems related to asset management.
- Innovation will be considered at the organizational scale to affect innovation on a project scale.
- Assets will be considered for disposal or repurposing where they no longer deliver value in alignment with the stated organizational objectives.

Sustainable Growth and Development

- An asset management lens will be incorporated into the City's regulatory and policy framework for decision-making on community growth and development, including boundary expansion, to ensure the City does not acquire services and infrastructure that are not socially, economically, and environmentally responsible.
- Natural assets are considered vital community assets that are identified, protected, valued, and managed using asset management best practices.
- Environment, social, and economic risks to the organization and community will be identified, shared, and considered in the process of decision-making around growth and development.

RESPONSIBILITIES

- Council will apply this policy in their work as stewards of public assets.
- Council is responsible for reviewing and regularly re-affirming or amending current and relevant strategic corporate objectives to ensure policy implementation in a manner that delivers value in alignment with stated strategic organizational objectives.
- Staff will bring this policy forward for amendment whenever Council makes changes to strategic corporate objectives or where otherwise deemed necessary.
- Staff are responsible for implementing this policy guided by a strategic asset management plan (SAMP) and Council will provide the resources necessary to support staff in implementing this policy. The SAMP will include a communications strategy and implementation plan.

- This policy will be reviewed annually, updated as needed, and reported on annually to demonstrate progress and ensure ongoing alignment with strategic organizational objectives and effective implementation of asset management systems throughout the organization.
- The performance of asset management systems is organization-specific, reflective of knowledge, technologies, and available tools, and will evolve over time. The City will use the Federation of Canadian Municipality's "[Asset Readiness Scale](#)" framework as a benchmark to measure overall organizational progress on asset management systems implementation, on five core asset management competency areas. The competency areas are detailed below:
 - Policy and governance: by developing this competency, your organization is putting in place policies and objectives related to asset management (AM), bringing those policies to life through strategy and a roadmap, and then measuring progress and monitoring implementation over time
 - People and leadership: by developing this competency, your organization is setting up cross-functional teams with clear accountability and ensuring adequate resourcing and commitment from senior management and elected officials to advance asset management.
 - Data and information: by developing this competency, your organization is collecting and using asset data, performance data and financial information to support effective asset management planning and decision-making.
 - Planning and decision-making: by developing this competency, your organization is documenting and standardizing how the organization sets asset management priorities, conducts capital and operations maintenance (O&M) planning and decides on budgets.
 - Contribution to asset management practice: By developing this competency, your organization is supporting staff un asset management training, sharing knowledge internally to communicate the benefits of asset management, and participating in external knowledge sharing.
- Council retains the sole authority to approve, update, amend, or rescind this policy.

DEFINITIONS

Asset Management is defined in ISO 55000 as ‘coordinated activity of an organization to realize value from assets’. This is a much broader view, and a more challenging scope, than just the maintenance of physical equipment, or the maximizing of yield from a financial portfolio. It

encompasses all asset types, tangible and intangible, individual components or complex systems, and all activities involved in the asset’s lifecycle.

Lifecycle: everything from initial identification of requirements or opportunities, acquisition/creation, operations or utilization activities, asset stewardship or care/maintenance responsibilities, through renewal or disposal and any remaining liabilities.

Value: assets exist to provide value to the organization and its stakeholders. Asset management does not focus on the asset itself, but the value that the asset can provide to the organization. The value (which can be tangible or intangible, financial or non-financial) will be determined by the organization and its stakeholders, in accordance with the organizational objectives.

Alignment: asset management translated the organizational objectives into technical and financial decisions, plans, and activities. Asset management decisions (technical financial, operational) collectively enable the achievement of the organizational objectives.

Leadership:

Leadership: leadership and workplace culture are determinants of realization of value. Leadership and commitment from all managerial levels is essential for successfully establishing, operating, and improving asset management within the organization.

Assurance: asset management gives assurance that assets will fulfill their required purpose. The need for assurance arises from the need to effectively govern an organization. Assurance applies to assets, asset management and the asset management system.

Level of Service: specific parameters that describe the extent and quality of services that the municipality provides to users.

Community Level of Service: The level at which the customer is receiving service, from an experiential perspective.

Technical Level of Service: the adequacy of assets to provide customer services, from a physical characteristics perspective. This is also known as operational/asset level of service.

EXCEPTIONS / LIMITATIONS

This policy does not include the strategy, or how the commitments in this policy will be achieved for each type of asset.

Related Legislation:

Community Charter s. 7 [Municipal purposes] “The purposes of a municipality include providing for stewardship of the public assets of its community”

**Related Policies,
Procedures,
Agreements, etc. :**

Communication Plan:
