

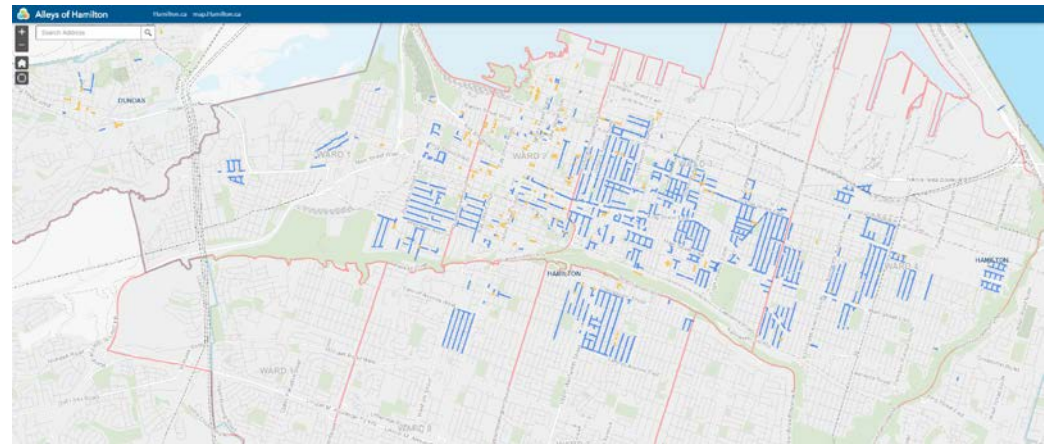


# Alleyway Management Strategy – Classification System and Level of Service

November 18, 2019

# AGENDA

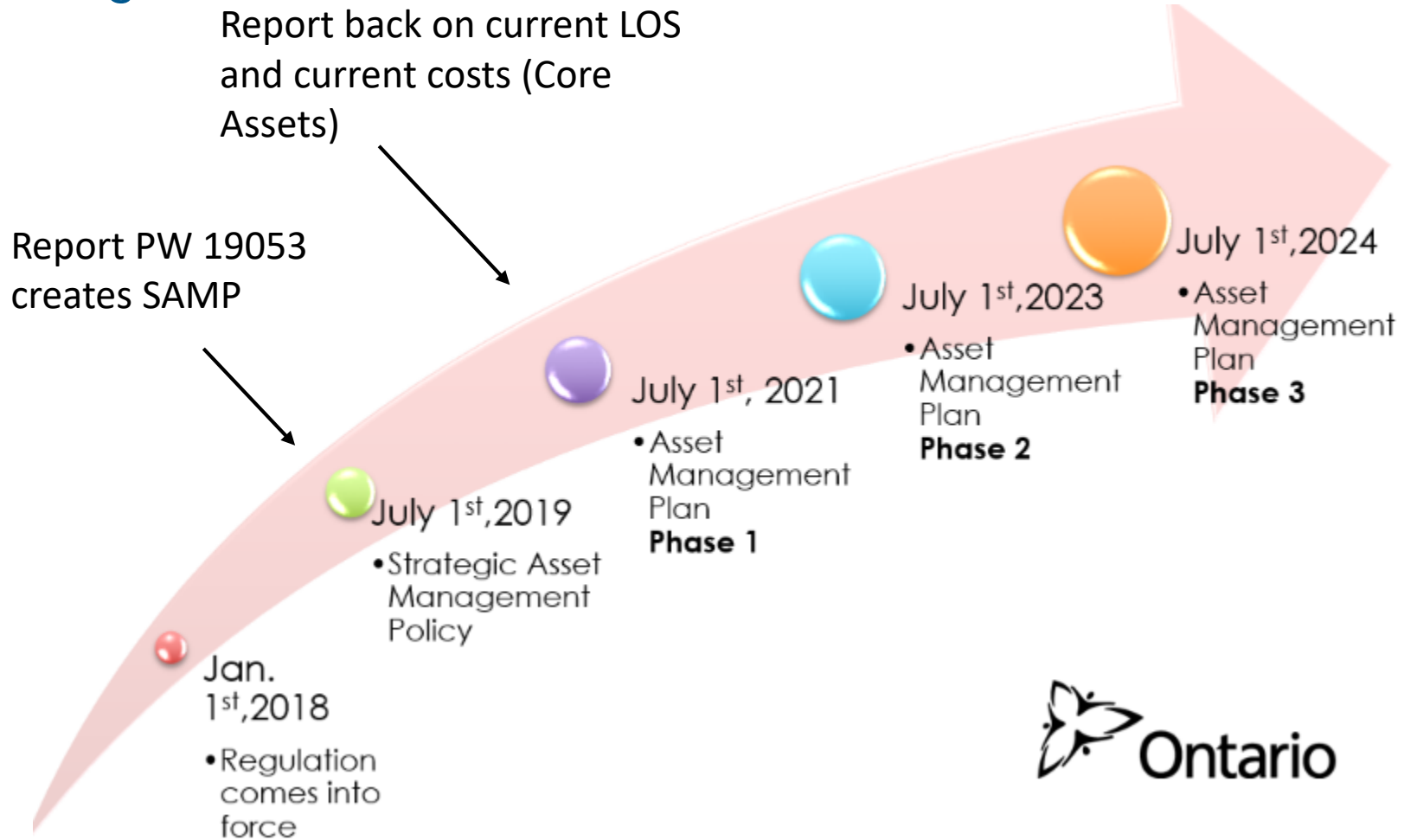
1. Asset Management – Status at City of Hamilton
2. Next Steps
3. Alleyways Assets:
  - Overview
  - Classification
  - Levels of Service



# ASSET MANAGEMENT – Following Provincial regulations

- July 2019: Council approved the City's first *Strategic Asset Management (AM) Policy*
- Key concepts in the Policy:
  - Committed to consider levels of service (LOS) concepts in infrastructure decisions
  - Will ensure public services continue to be provided at defined LOS
  - Will set a framework so that associated finances are identified and aligned (both operating and capital) to sustain all assets at the defined LOS

# ASSET MANAGEMENT – Following Provincial regulations



# ASSET MANAGEMENT – Next Steps

- Immediate next steps critical to Regulatory Compliance:
  - Core assets: establish cost to deliver current LOS, transparently reflecting accuracy/confidence based on quality of available data to support analysis – 2019/2020 for our 2021 AMP
  - Clearly define responsibilities & authorities for each process that supports our corporate AM governance system– 2019/2020

# ASSET MANAGEMENT – Summary of Next Steps

- A series of workshops and outreach processes with stakeholders to determine current LOS and quality of data for core assets
- Staff will refine our AM Plan on core City assets, including alleyways
- AM Plan to be reported back to Council by July 2021
- Will include costs to maintain current LOS
- Long-term (2024): financial strategy to achieve *desired* LOS



# ALLEYWAY ASSETS

- The City owns 642 alleyways
- In a variety of conditions –poor to good
- Currently:
  - We spend \$175,000 (operating) annually to maintain
  - No capital program



# ALLEYWAYS – How we propose to classify the asset

- Developed an alleyway classification system
- Analysis tool to support alleyway decisions by prioritizing resources and enabling a ‘cost to LOS’ relationship

Table 1 – City of Hamilton Alleyway Classification

| Hierarchy Class | Description   | Quantity | Percentage |
|-----------------|---|----------|------------|
| A               | Alleyway is assumed and provides a critical role to support surrounding businesses.   | 31       | 4.8%       |
| B               | Alleyway is assumed and provides an important role in the community.  | 131      | 20.4%      |
| C               | Alleyway is assumed and only used for basic purposes, such as access to rear of yards, recreational spaces or overland flow routes. | 39       | 6.1%       |
| D               | Alleyway is unassumed and could be used for purposes falling within Utilization Categories 1-3 as described in Table 2              | 311      | 48.4%      |
| E               | Alleyway is either assumed or unassumed and is not being used by the surrounding community, often because it is fully encroached.   | 130      | 20.3%      |
| Total           |   | 642      | 100%       |

- Further Classification frameworks will be set up for all core assets, desired LOS can be set for each Asset classification



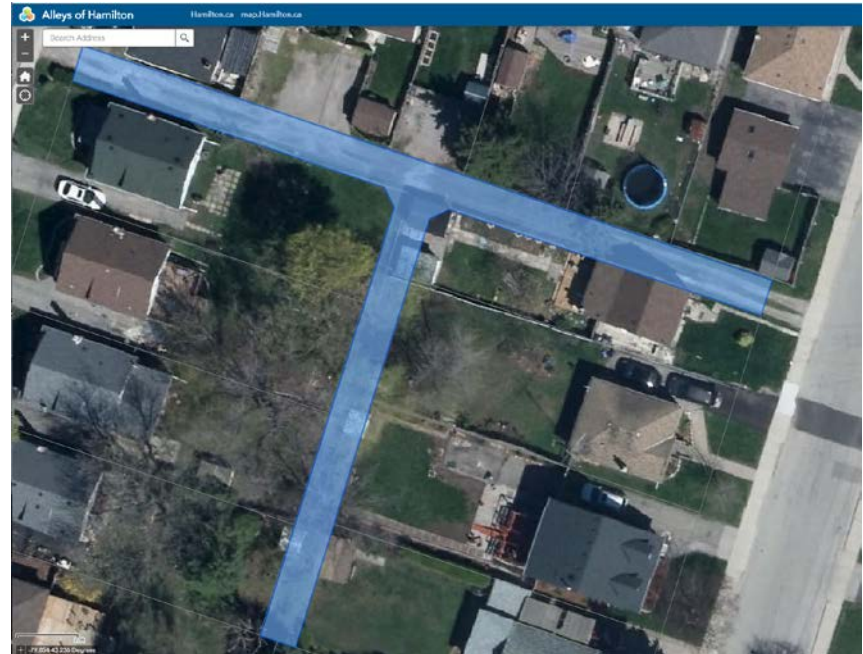
# TODAY'S REPORT: AM process in action

- Starting with alleyways
- AM-related Engineering reports will adopt the AM Policy concepts and terminology
  - to conform to the Policy commitments
  - to familiarize Council with the AM approach being formalized
- How this will practically work:
  - Staff provided the 'cost to LOS' relationship for a range of LOS (low/med/high) on the Alleyways
  - Committee and Council approves classification matrix for Alley asset
  - Through the AMP process in the next few years the investment priorities are reviewed and developed



# ALLEYWAYS AND LOS

- For alleyways, we are currently:
  - Providing a low LOS
  - Maintaining on a reactive basis when calls received
  - There isn't a capital program for alleys



# ALLEYWAYS and increased LOS costs

- To provide a medium LOS, require (\$1.6M annually):
  - \$742,000 in operating expenses (i.e. to complete more proactive inspections on periodic basis, addressing issues when found)
  - \$863,000 in capital (to replace poor condition alleyways)
- To provide high LOS, require (\$3.6M annually):
  - \$2.75 million in operating (including snow clearing)
  - \$863,000 in capital (to replace poor condition alleyways)

# PW17008(a) Recommendation

That the Alleyway Classification System as attached to Report PW17008(a) as Appendix “A” be approved.



# QUESTIONS?