Explore Two Routes to Smarter Capital Investments

Tapping into the power of life-cycle analysis

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GREEN MUNICIPAL FUND | FONDS MUNICIPAL VERT

Making Better Decisions: Advancing municipal life-cycle management

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FCM

FEDERATION OF CANADIAN MUNICIPALITIES

FÉDÉRATION CANADIENNE DES MUNICIPALITÉS

Founded in 1901 as the federal voice of municipalities

Representing almost **2,000 municipalities**
90% of Canada's population

Manages the *Green Municipal Fund*

Green Municipal Fund

$500 million endowment and revolving loan fund that delivers:

Knowledge Services

- Inspire:
  - Case studies
  - Conference
  - Awards programs
- Connect
  - Events
  - Communities of practice
- Build Capacity
  - Business case development

Funding Services

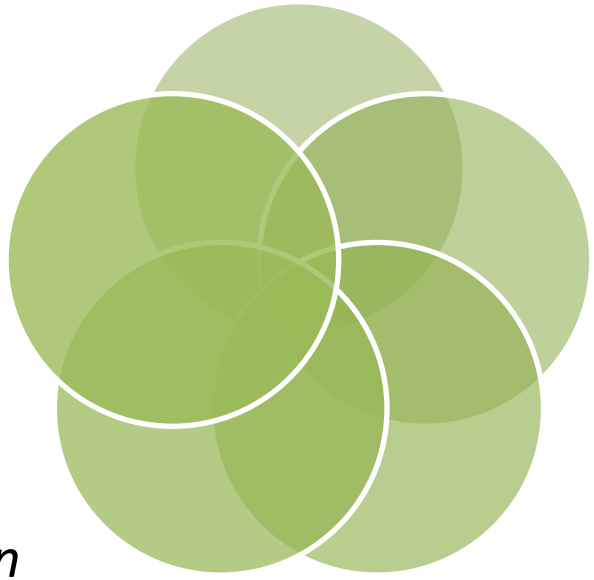
- Plans, studies and pilots
  - $6 million in grants for
  - *Leadership in Asset Management Program*;
- Capital projects:
  - $50 million in loans; $5 million in grants
  - Brownfield, Energy, Transportation, Water and Solid Waste

Green Municipal Fund: Areas of focus

Optimization of decision making

Innovation

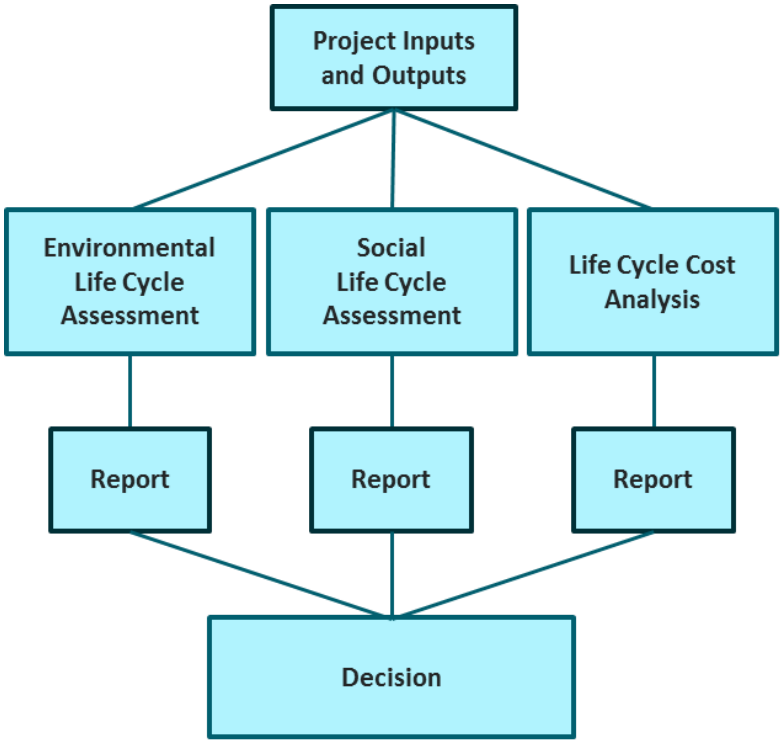
Resilience



Sector Integration in project design

Core municipal infrastructure

A Life-Cycle approach to infrastructure: *the 20/80 rule*



Life Cycle Sustainability Assessment Framework

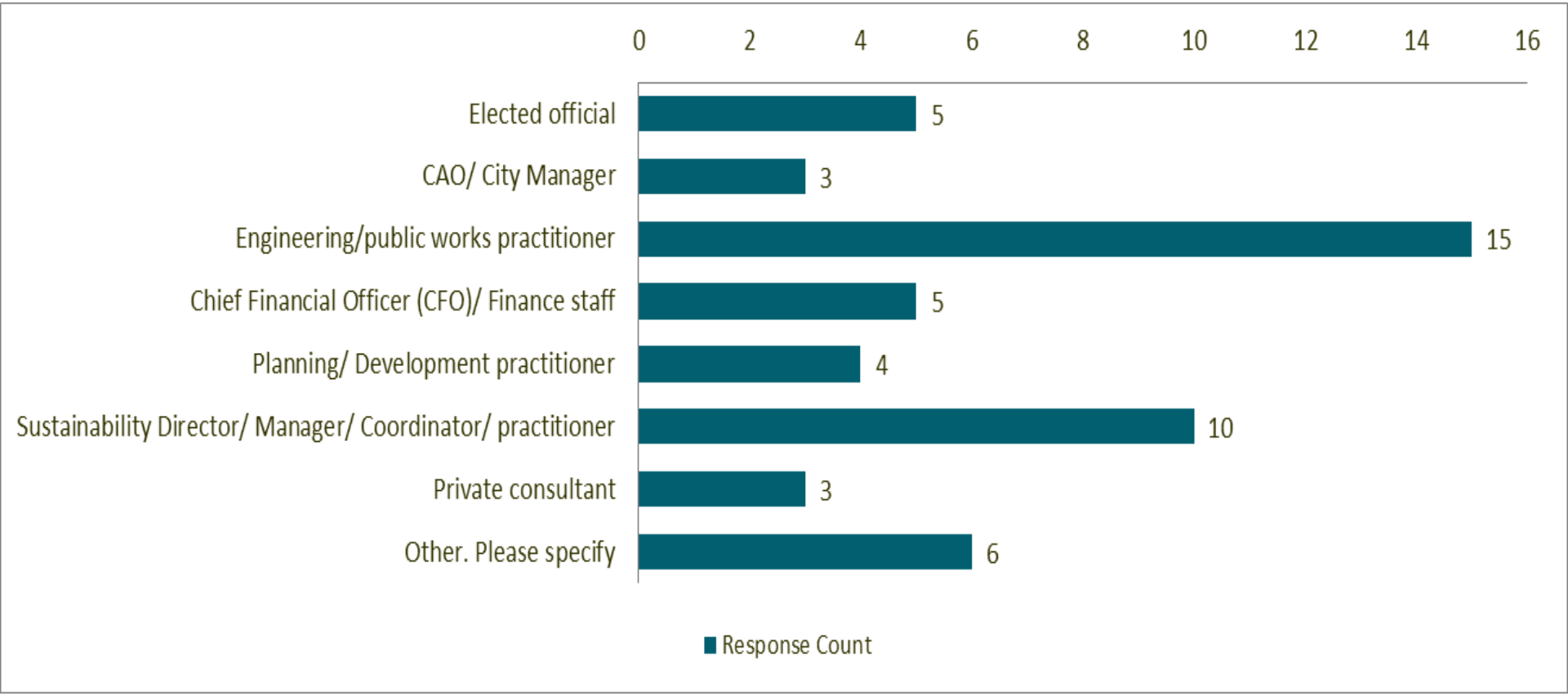
- GMF views Life Cycle Analysis (LCA) as a **decision making tool** that can be used by municipalities **to evaluate the potential costs and benefits of an infrastructure project throughout its life cycle**.

Poll 1

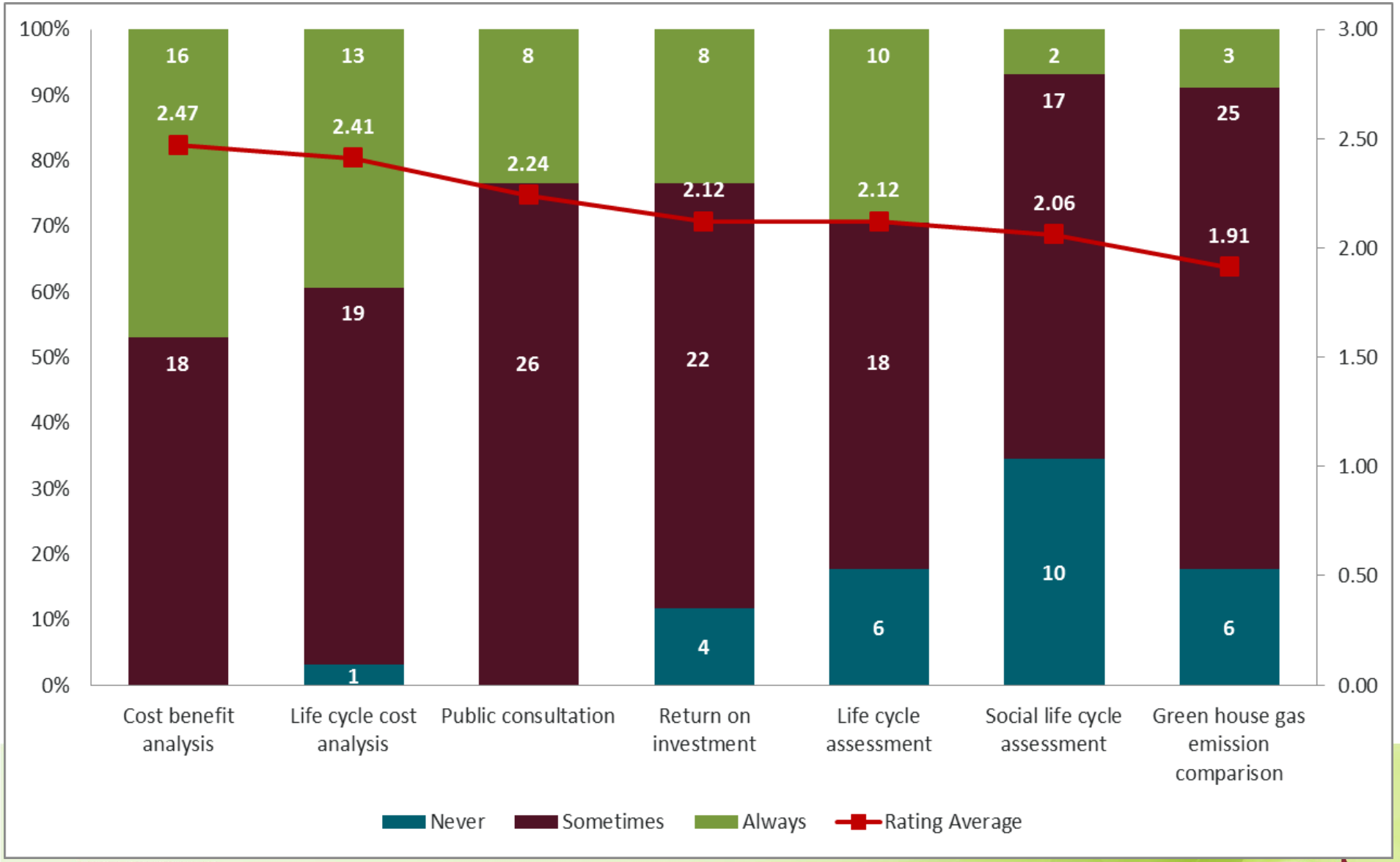
- When making capital investment decisions, does your municipality compare the lifecycle costs or benefits of different options?

1. We compare the lifecycle costs.
2. We compare capital costs only.
3. Don’t know.

Municipal Experience with Life-Cycle Infrastructure Management



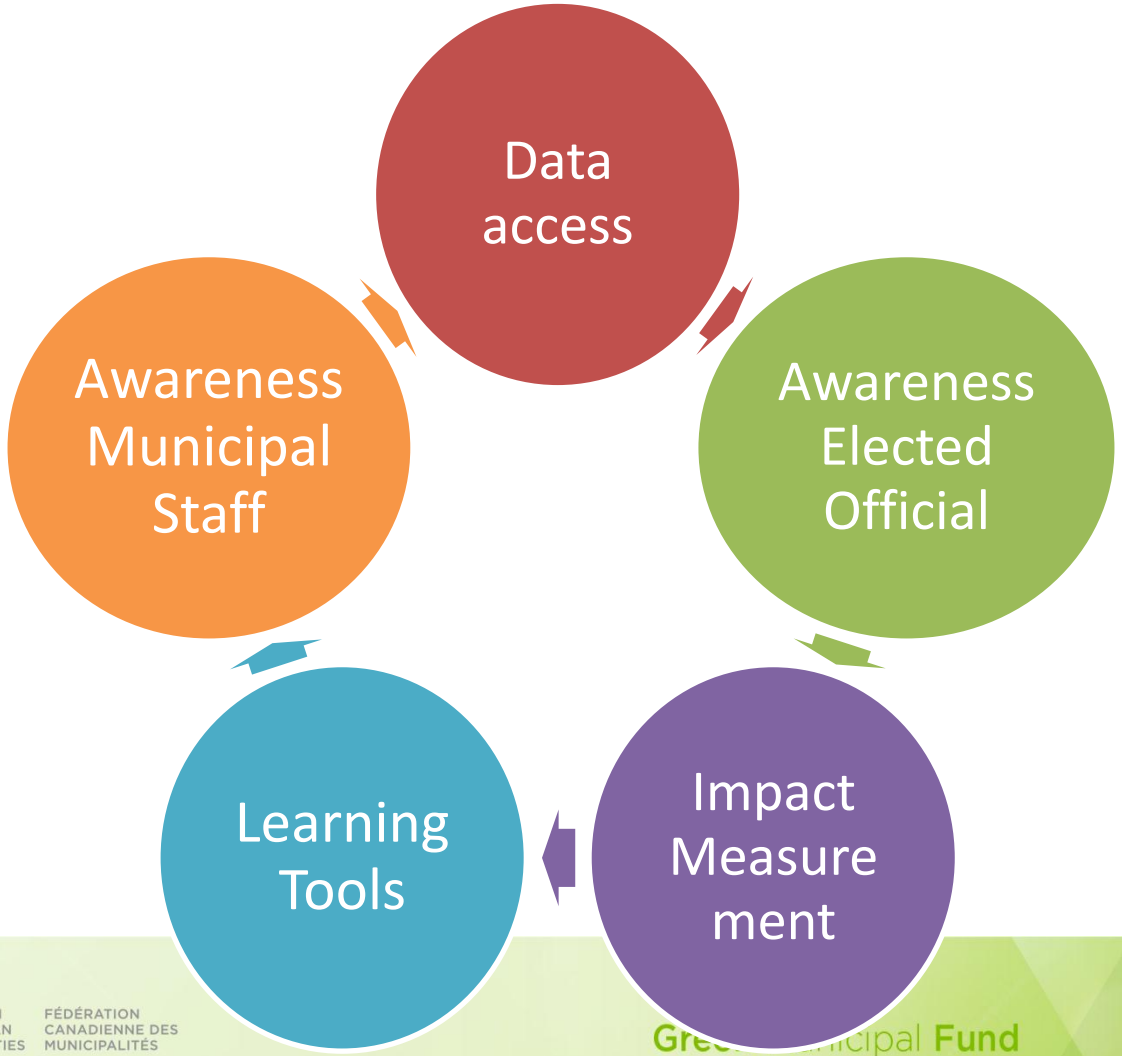
Methods for Evaluating Infrastructure Projects



Municipal feedback on LCM

Benefits of Sustainable LCA in Capital Planning	Challenges of Sustainable LCA in Capital Planning
Longer term thinking	Data availability
More robust decision making	Knowledge and understanding of Sustainable LCA
Response to citizen interest	Political and institutional barriers
Compliance with regulations	Financial barriers
	Consistency

What would help municipalities?



What next?

- Sustainable Communities Conference:
  - **February 9-11, 2016**
  - Training: **Envision - Unleashing the Power of Lifecycle Management**

SUSTAINABLE COMMUNITIES CONFERENCE
OTTAWA 2016