



Asset Management Plan & Progress Update

January 17, 2022
Council Meeting



Agenda

- Background
 - Why the Plan is Important
- Asset Management Progress
 - Asset Management Plan Maturity
 - Asset Management Accomplishments
- 2022 Asset Management Plan
 - Workplan to meet Legislation
 - Community Engagement
 - Council Role moving forward

Documents in the AM System



North Huron Strategic Plan

Outlines the organizational vision, goals and objectives

Asset Management Policy

Outlines the principles, requirements and responsibilities for asset management linked to the organizational strategic objectives.

Corporate Asset Management Plan

Outlines the objectives, practices, and action plans for asset management improvement, audit and review.

Service Area Asset Management Plan(s)

Provides an overview of the asset/service, levels of service, demand forecasts, lifecycle activities and financial forecasts.

Operational Plans and Work Programs

Guides day to day activities of staff and contractors.

Why the Plan is Important

- Support evidence-based business cases for budgets and long term financial forecasts
- Drive longer term thinking and planning
- Support Financial sustainability
- Considers service needs of our community
- Manages risks and opportunities
- Uses resources wisely



What do people in our community want?

Safe and sustainable services in a predictable, cost-effective manner.



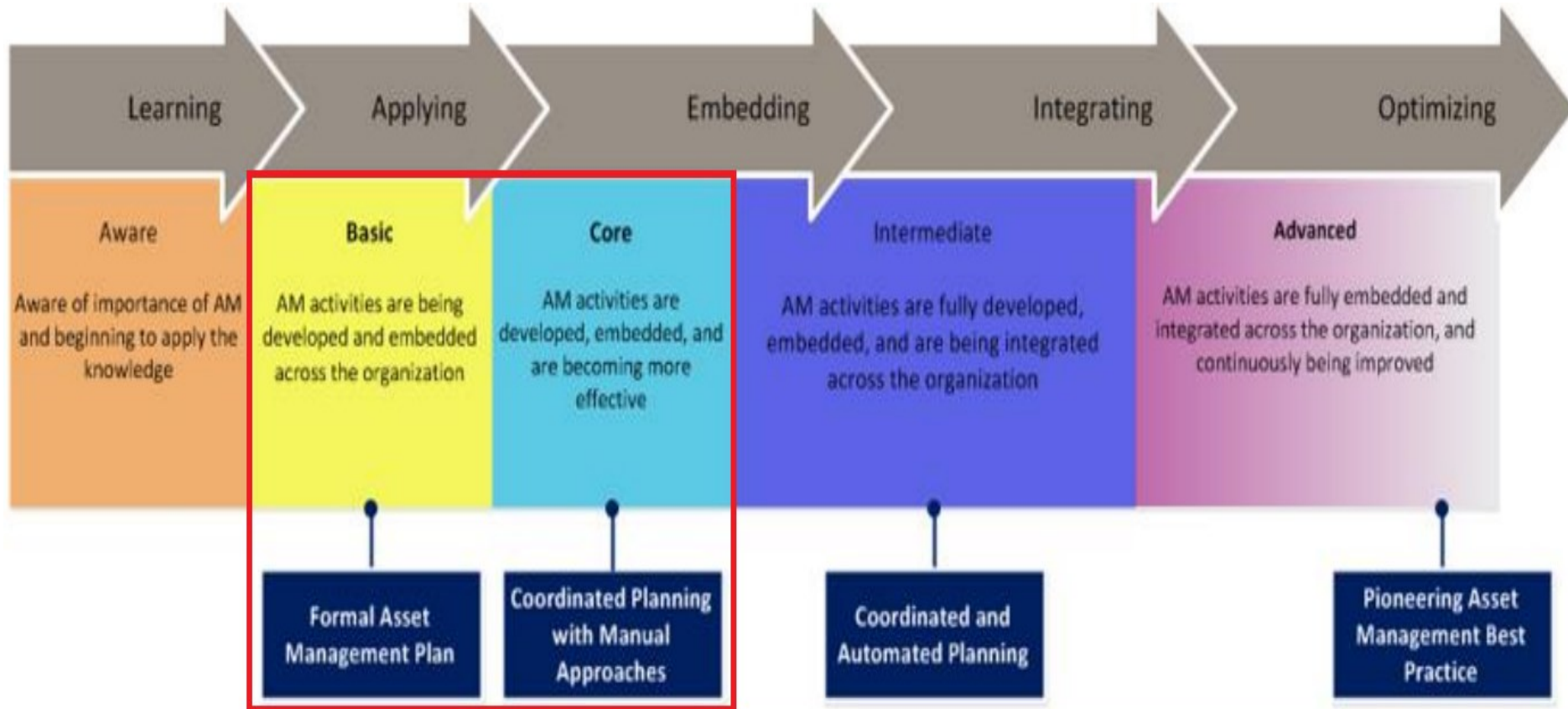


O.Reg 588/17

- O. Reg 588/17 under the Infrastructure for Jobs and Prosperity Act, 2014 was posted in December, 2017.
- The regulation requires:
 - A Strategic AM Policy by July 1, 2019
 - An AMP (Core Assets) by July 1, 2022
 - An AMP including all assets by July 1, 2024
 - Proposed levels of service by July 1, 2025
 - Annual Council presentation on Asset Management



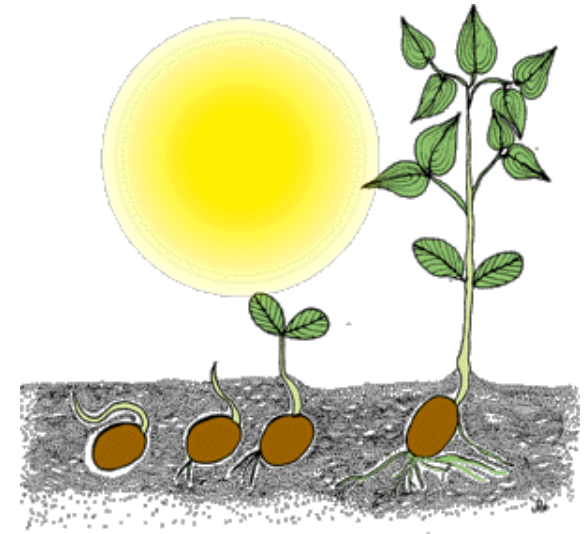
Asset Management Maturity





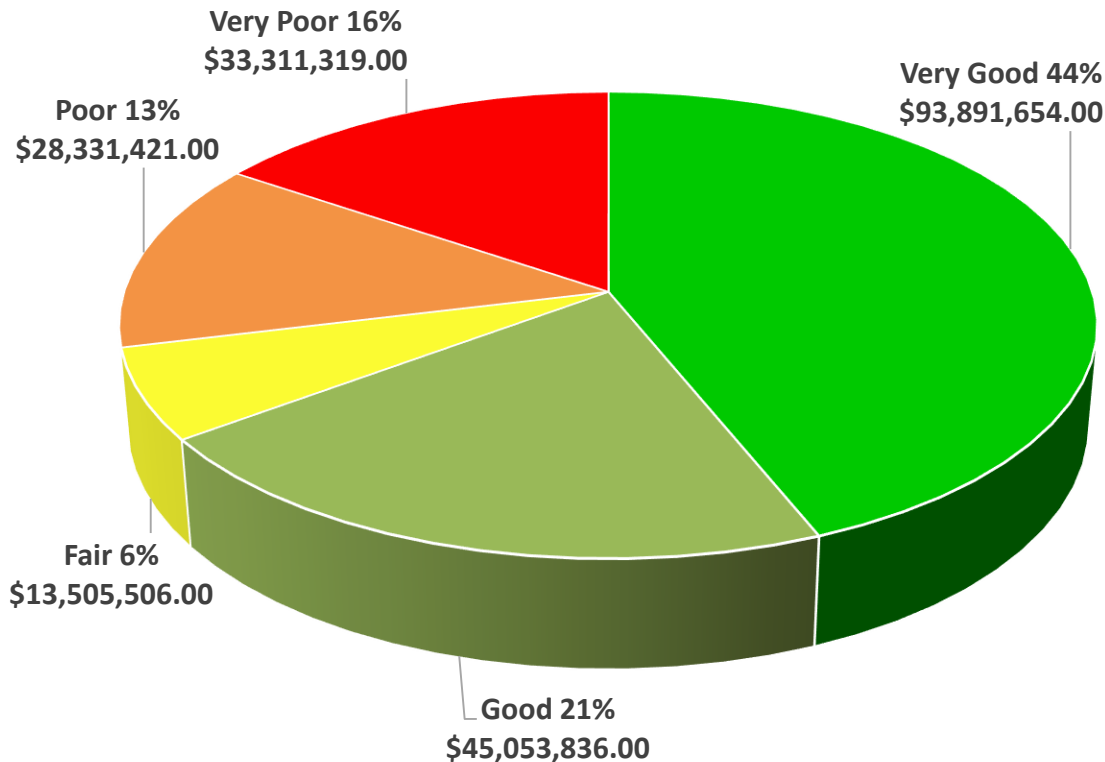
AM Plan Accomplishments

- Maturity in Data
 - Inventory and condition assessments – W&S Master Plan, BCA's, OSIM's, Fleet Replacement Program, Road & Sidewalk Assessment
 - GIS Linear Infrastructure Matching project
- Maturity in Planning
 - Service Delivery Review
 - AMO AM technical assistance project
 - MFOA "AMP It Up" project
- Internal Corporate AM training
- Maintenance Management Improvements
 - Time/Task tracking
 - Vehicle maintenance tracking





State of the Assets (2016)



- \$214.5 Million in Total which is \$97,182 per household
- 52.5% Tax Supported
- 28.9% Sewer
- 18.6% Water

\$24M in Assets Beyond their Service Life



Updated 2022 AMP

- PSD Citywide Inc. was engaged in mid-December to complete a new/updated AMP which will include:
 - State of Local Infrastructure
 - Current Levels of Service
 - Asset Management Strategy
 - Financial Strategy

It is expected that this will increase the overall Asset Value, Backlog Need and Total Funding Gap



Levels of Service

- O.Reg 588/17 Current LOS Requirements will be achieved for all assets with updated AMP being completed.
- Future Expectations:
 - Community Driven LOS by 2025
 - I.E. Standard PCI for all roads, winter control standard, service disruptions, hours of operations for recreation facilities, etc.
 - Establish the proposed levels of service for each of the next 10 years
 - Must explain why the proposed levels of service are appropriate
 - Will need to consider maintenance costs, does the budget support the service, etc.?



Role of Council

- Council sets strategic direction
 - Level of Service
 - Resource Allocations
 - Human Capital
 - Cost-recovery targets
 - Tax/User rates
- Ultimately must choose which services we are able to provide and to what degree given the limitations and constraints we live within.



AM in Our Community

- What are the most important services that we deliver to our citizens?
- Do we have the information we need to ensure that we can continue to provide these services over the long term?
- Do we know which assets provide these services? What condition those assets are in? When they will need to be repaired and replaced? And how much it will cost over the long term to continue providing these services?
- Which of our services do we consider CRITICAL (i.e., must not fail or it would have a significant impact to the health, safety or quality of life of our citizens)?
- Are we investing enough in our assets to ensure our most critical services can be sustained? How do we know?



How will AMP Impact Us?

- Will provide a long term capital plan and strategy
- Will assist in obtaining Provincial/Federal grants
- Will engage the public on Service Standards
- Will develop performance metrics that can be reported annually to the public
- Will increase funding needs annually for both tax and user rate supported budgets
- Will strain project management capacity requiring additional staff to deliver projects

Closing Remarks

- Our asset management maturity continues to advance.
- Staff have done a lot of work since 2016 to advance data, analysis and service level understanding.
- We are well positioned for meeting the asset management regulations.

