



Subject: 2022 Asset Management Plan for Core Assets

Report Number: OPD 22-17

Department: Operations and Development Department

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Meeting Type: Council Meeting

Meeting Date: Tuesday, May 24, 2022

RECOMMENDATION

THAT Council adopts the 2022 Asset Management Plan for Core Assets.

BACKGROUND

The province of Ontario issued Ontario regulation 588/17 requiring municipalities to update or create a strategic asset management plan for all municipal assets. Therefore, in order to meet the regulation requirements, Town staff have prepared an update to the 2016 asset management plan.

O.Reg. 588/17 mandates that every municipality shall prepare/update an asset management plan in respect of its core municipal infrastructure assets on or before July 1, 2022. For the Town of Tillsonburg, this includes assets within the road network, storm network, and bridges & structural culverts network, with all remaining assets to be included by July 1, 2024.

DISCUSSION

The Ontario regulation 588/17 sets out a list of regulations that every municipality's asset management plan must include. Some examples are:

- Any of the municipality's goals, policies, or plans that are supported by its asset management plan
- The process by which the asset management plan is to be considered in the development of the municipality's budget or of any long-term financial plans of the municipality that take into account municipal infrastructure assets
- The municipality's approach to continuous improvement and adoption of appropriate practices regarding asset management planning

Over the past three years, the engineering department has been compiling and confirming age, conditions, and replacement costs for all road, storm sewer, and bridge & structural culvert assets by the use of Town staff studies or Pavement condition and bridge/culvert structure inspections provided through 3rd party consultants. The data collected provides the basis and background data for the creation of the asset management plan for core assets.

Through the Public Transportation and Highway Improvement Act, pavement condition and bridge/culvert inspections are required to be conducted every five and two years respectively. Also, conducting manhole and sewer pipe inspections, and roads needs studies will prove to be instrumental in providing additional data to refine and further develop a cost-efficient asset management plan. The more detailed and comprehensive the data, the more detailed and comprehensive the asset management plan will be.

The purpose of the asset management plan is to provide staff with a point of reference when developing the multi-year budget. Although the asset management plan provides financial strategies that allow for the most cost-effective way to prolong the useful life of Town assets, the plan does not dictate future budgets. It does, however provide staff with a cost-efficient strategy when choosing and proposing projects for Council's consideration during the budget deliberation process.

Along with providing a point of reference the asset management plan provides residents with the knowledge and information as to "The Why" of project selection and is used as a tool to show the current state of the Town infrastructure.

In summary of the plan, the strategies for the core assets are as follows:

- Road Network: 2 cycles of full-depth asphalt replacement followed by full road reconstruction
 - This is completed currently by the Towns asphalt maintenance program and road reconstruction program
- Storm Network: Ideally, we should be comparing condition to age which allows for a more accurate program, however, the Town does not have enough data to support this method. Presently, the replacement program is based on the end of useful life and is attached to the road reconstruction program in order to be cost-effective and maximize tax dollars. Cost-sharing with Oxford County for the replacement of sanitary and water networks is taken into consideration when developing storm network capital replacement projects
 - Currently, the Town is completing a manhole inspection program in order to collect condition data. In future budgets, staff will be requesting funding for pipe condition assessments to further enhance replacement and maintenance strategies.

- Bridges and Structural Culverts: Replacements are determined by the Ontario Structure Inspection Management System every two years. A “Needs Study” allows for 10-year planning for replacement of these assets.
 - Currently, staff works diligently applying for funding applications to assist with replacement needs.

Town staff work towards continuous improvement through collection of data each year in order to develop the most cost effective replacement strategy. The asset management plan is updated to reflect the new information that best serves the Towns needs.

CONSULTATION

The Director of Operations and Development, the Director of Finance, the Manager of Engineering, Asset Management Supervisor and Senior Analyst/Deputy Treasurer were consulted during the development of the asset management plan.

FINANCIAL IMPACT/FUNDING SOURCE

Adoption of this plan has no financial impact as the plan is an asset condition and financial reference. However, the asset management plan projects that the Town of Tillsonburg annual spending requirement should be \$4.63 million. Currently the Town’s 5-year average spending on core assets has been approximately \$1.73 million. Staff have been applying for funding in an attempt to cover the gap of \$2.9 million.

The province of Ontario and the federal government is making submissions of an asset management plan a requirement for applying for and receiving infrastructure funding. Without provincial or federal funding the Town would not be able to maintain the current level of service.

CORPORATE GOALS

How does this report support the corporate goals identified in the Community Strategic Plan?

- Lifestyle and amenities
- Customer service, communication and engagement
- Business attraction, retention and expansion
- Community growth
- Connectivity and transportation
- Not Applicable

Does this report relate to a specific strategic direction or project identified in the Community Strategic Plan? Please indicate section number and/or any priority projects identified in the plan.

Goal - Tillsonburg residents and businesses will be connected to each other, regional networks, and the world through effective traditional and digital infrastructure.

Strategic Direction - Develop a robust, long-term asset management plan to inform evidence-based decisions on the maintenance, rehabilitation and replacement of municipal infrastructure.

Priority Project - Asset Management Plan

ATTACHMENTS

1. Comprehensive Asset Management Plan for Core Assets – Roads, Storm, Bridges and Structural Culverts, 2022