Asset Management Plan: Non-Core Assets

Final
June 18, 2024

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1. Introduction

1.1. Overview

The Asset Management Plan is a crucial tool for municipalities, aiming to utilize the best available information to develop a comprehensive long-term plan for capital assets. Its primary objective is to provide a well-documented framework that enables continuous improvement and updates, ensuring its relevancy over the long term.

Watson & Associates Economists Ltd. (Watson) assisted the Town of Bradford West Gwillimbury (Town) with development of its 2022 Asset Management Plan – Core Assets, which included the following broad asset categories:

- Roads;
- Bridges and structural culverts;
- Water;
- Wastewater; and
- Stormwater

The Town intends to address the July 1, 2024 requirements of Ontario Regulation (O. Reg.) 588/17 by issuing a report that extends the analysis in the 2022 asset management plan to include the remainder of the Town's assets. The Town engaged Watson to assist with this work.

The scope of work included compiling and summarizing asset inventory data, developing levels of service, estimating average annual lifecycle costs, and reporting on the 10-year capital plans for the following asset categories:

- Vehicles and equipment;
- Facilities; and
- Park amenities

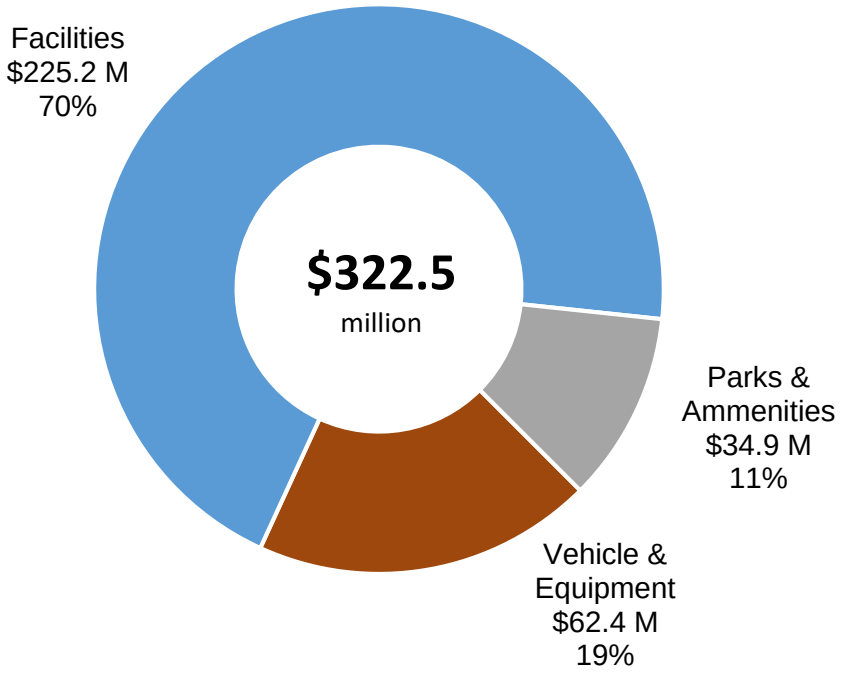
The results are presented in the following sections of this Plan. The sections follow the format in the 2022 Asset Management Plan – Core Assets report and meet the requirements of O. Reg. 588/17 for non-core assets.

The financial implications of the Asset Management Plan are significant, with the total replacement cost of the Town's non-core assets estimated at approximately $322.5 million. This cost is distributed across various asset classes, as detailed in Table 1-1 and Figure 1-1. Facilities account for the majority of the replacement cost (70%), followed by vehicles and equipment (including pooled assets) (19%), and parks and park amenities (11%). These figures highlight the substantial financial commitment required to maintain the Town's assets.

Table 1-1: Summary of Asset Class and Replacement Cost

Asset Class	Replacement Cost (2023$)
Vehicles & Equipment	$62,376,200
Facilities	$225,200,000
Parks & Amenities	$34,880,000
Total	**$322,456,200**

Figure 1-1: Distribution of Replacement Cost by Asset Class



The Town's goals and objectives with respect to asset management are identified in its Strategic Asset Management Policy. A significant theme within that policy is for the Town's physical assets to be managed to support the sustainable provision of municipal services to residents. By implementing the asset management plan, the Town's practice should evolve to respond to the service levels being achieved. Moreover, infrastructure and other capital assets should be maintained in conditions that provide a safe and functional environment for the Town's residents. Therefore, the asset management plan and the progress made with respect to its implementation will be evaluated based on the Town's ability to meet these goals and objectives.

1.2. Legislative Context for the Asset Management Plan

Asset management planning in Ontario has evolved significantly over the past decade.

Before 2009, municipalities recorded capital assets as expenditures in the year of acquisition or construction. The long-term issue with this approach was the lack of a capital asset inventory in the municipality's accounting system and financial statements. As a result of revisions to section 3150

of the Public Sector Accounting Board (PSAB) handbook, effective for the 2009 fiscal year, municipalities were required to capitalize tangible capital assets, thus creating an inventory of assets.

In 2012, the Province launched the municipal Infrastructure Strategy. As part of that initiative, municipalities and local service boards seeking provincial funding were required to demonstrate how any proposed project fits within a detailed asset management plan. In addition, asset management plans encompassing all municipal assets needed to be prepared by the end of 2016 to meet Federal Gas Tax agreement requirements. To help define the components of an asset management plan, the Province produced a document entitled Building Together: Guide for Municipal Asset Management Plans. This guide documented the components, information, and analysis that were required to be included in municipal asset management plans under this initiative.

The Province's *Infrastructure for Jobs and Prosperity Act, 2015* (IJPA) was proclaimed on May 1, 2016. This legislation detailed principles for evidence-based and sustainable long-term infrastructure planning. IJPA also allowed the Province to guide municipal asset management planning through regulation. In late 2017, the Province introduced O. Reg. 588/17 under IJPA. O. Reg. 588/17 intends to establish standard content for municipal asset management plans. Specifically, the regulations require that asset management plans be developed that define the current levels of service, identify the lifecycle activities that would be undertaken to achieve these levels of service, and provide a financial strategy to support the levels of service and lifecycle activities.

This iteration of the AMP has been developed to address the July 1, 2024, requirements of O. Reg. 588/17. It utilizes the best information currently available to the Town.

1.3. Asset Management Plan Development

Developing the non-core assets AMP used an approach similar to that used for developing the core assets AMP; leveraging principles identified within the Town's strategic asset management policy, capital asset database information, and staff input.

The development of the Town's asset management plan is based on the steps summarized below:

1. Compile available information on the Town's capital assets to be included in the plan, including attributes such as size, material, useful life, age, and current replacement cost valuation. When required, update the current replacement cost valuation using benchmark costing data or applicable inflationary indices.
2. Define and assess current asset conditions based on a combination of Town staff input, existing background reports and studies, and an asset age-based condition analysis.
3. Define and document current levels of service based on analysis of available data and consideration of various background reports.
4. Develop lifecycle management strategies that identify the activities required to sustain the levels of service discussed above. The outputs of these strategies are summarized in the

forecast of annual capital and operating expenditures required to achieve these levels of service outcomes.

5. Document the asset management plan in a formal report to inform future decision-making and to communicate planning to municipal stakeholders.

1.4. Maintaining and Integrating the Asset Management Plan

To comply with the July 1, 2025, requirements of O. Reg. 588/17, this plan will need to be expanded to cover all assets, set targets for service performance measures, and include a detailed financial strategy. Further integration into other municipal financial and planning documents would assist in ensuring the ongoing accuracy of the asset management plan and the integrated financial and planning documents.

The asset management plan is a snapshot in time and is based on several assumptions regarding expected lifecycles and future performance of assets and lifecycle intervention costs, among others. The Town will need to establish processes for reviewing and updating these assumptions regularly to keep the plan relevant.

2. State of Local Infrastructure and Levels of Service

This section analyzes the Town's assets and the current service levels provided by those assets.

O. Reg. 588/17 requires that for each asset category included in the asset management plan, the following information must be identified:

- Summary of the assets;
- Replacement cost of the assets;
- Average age of the assets (it is noted that the regulation specifically requires average age to be determined by assessing the age of asset components);
- Information available on the condition of assets; and
- Approach to condition assessments (based on recognized and generally accepted good engineering practices where appropriate).

Asset management plans must identify the current service levels for each asset category. For non-core municipal infrastructure assets, the municipality establishes qualitative descriptions of community service levels and metrics of technical service levels.

The rest of this chapter addresses the abovementioned requirements, with each section focusing on an individual service.

2.1. Vehicles & Equipment

2.1.1. State of Local Infrastructure

The Town owns, operates and maintains approximately 119 vehicles and 136 equipment assets that support the provision of services throughout the Town. The total value of its vehicle, equipment and machinery assets is approximately $34.5 million. It is important to note that Fire and Emergency Services (FES) vehicles are captured under the appropriate vehicle asset types.

The collection of all vehicles and equipment (fleet assets) is divided into different asset types based on their characteristics. Tables 2-1, 2-2, and 2-3 provide breakdowns by type, showing quantity, average age (years), and replacement cost over 3 years. Figures 2-1 and 2-2 provide summaries of average age and replacement cost distribution by type.

Table 2-1: 2021 Summary of Quantity, Age and Replacement Cost by Asset Type

Asset Type	Quantity	Average Age (years)	Replacement Cost (2023$)
Heavy Duty Vehicle	24	10	$12.1 M
Medium Duty Vehicle	18	5	$2.5 M
Light Duty Vehicle	66	8	$2.9 M
Trailer	25	7	$0.4 M
Heavy Duty Equipment	13	8	$3.9 M
Light Duty Equipment	63	8	$4.6 M
Small Equipment	28	14	$0.4 M
Total	**237**		**$26.7 M**

Table 2-2: 2022 Summary of Quantity, Age and Replacement Cost by Asset Type

Asset Type	Quantity	Average Age (years)	Replacement Cost (2023$)
Heavy Duty Vehicle	28	9	$16.1 M
Medium Duty Vehicle	18	5	$2.7 M
Light Duty Vehicle	65	7	$3.3 M
Trailer	24	6	$0.5 M
Heavy Duty Equipment	13	7	$4.3 M
Light Duty Equipment	66	7	$5.4 M
Small Equipment	30	15	$0.4 M
Total	**244**		**$32.8 M**

Table 2-3: 2023 Summary of Quantity, Age and Replacement Cost by Asset Type

Asset Type	Quantity	Average Age (years)	Replacement Cost (2023$)
Heavy Duty Vehicle	24	9	$15.1 M
Medium Duty Vehicle	18	5	$2.8 M
Light Duty Vehicle	77	6	$4.6 M
Trailer	22	7	$0.5 M
Heavy Duty Equipment	13	7	$4.8 M
Light Duty Equipment	68	7	$6.3 M
Small Equipment	33	16	$0.5 M
Total	**255**		**$34.5 M**

Figure 2-1: 2023 Summary of Average Age by Asset Type

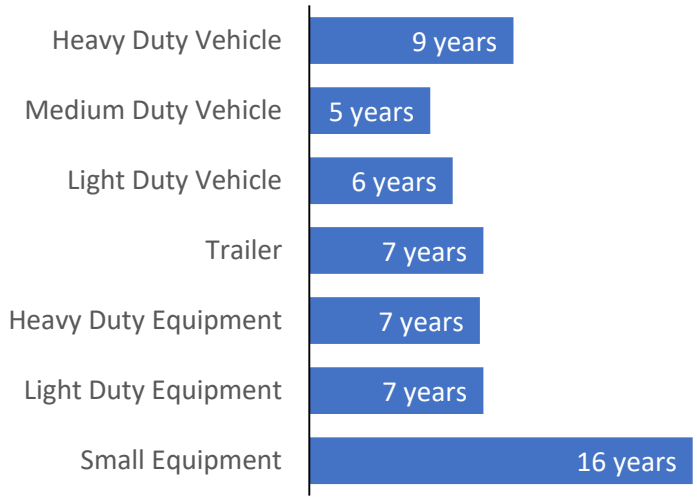
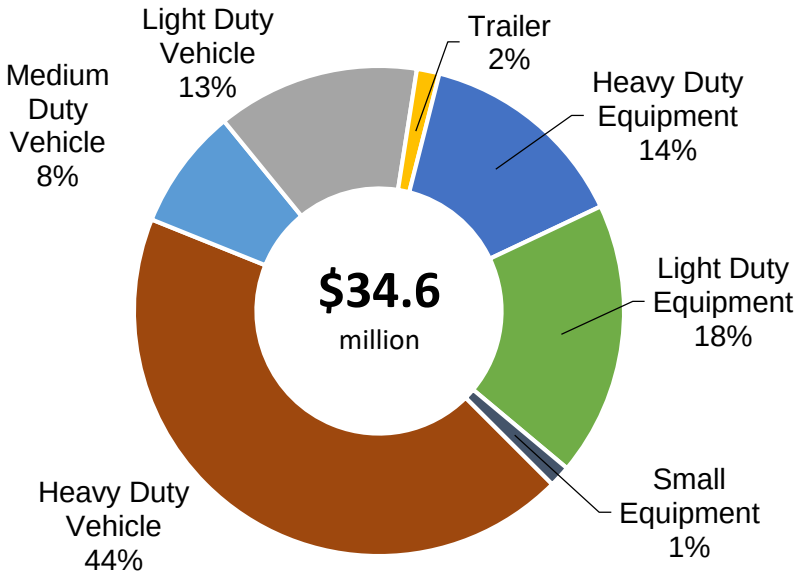


Figure 2-2: 2023 Summary of Replacement Cost by Asset Type



2.1.2. Condition

The condition of the Town's vehicles and equipment has not been completed through a full condition assessment, as detailed in Report COM 2019 35 Draft Fleet Management Policy, dated November 5, 2019. For the purposes of this asset management plan, age has been used as a proxy for the condition state measured by the Useful Life Consumption Percentage (ULC%). The ULC% is based on age and the average life expectancy summarized by Asset Type in Table 2-4. The information has been modified based on documented life expectancies, asset disposal history and discussions with Town staff.

A newly purchased fleet asset would have a ULC% of 0%, indicating that zero percent of the asset's life expectancy has been utilized. On the other hand, a fleet asset that has reached its life expectancy would have a ULC% of 100%. Any fleet asset can have a ULC% greater than 100% if a unit has exceeded its typical life expectancy but continues to be in service. This is not necessarily a cause for concern; however, it must be recognized that fleet assets near or beyond their typical life expectancy are expected to require replacement soon.

To better communicate the condition of the Town's fleet assets, the ULC% ratings have been segmented into qualitative condition states, as summarized in Table 2-5. The scale is designed such that if replacement occurs around the expected useful life, they would have a rating of Fair at the time of replacement. The rating of Fair extends to 140% of the expected useful life. Beyond 140% of useful life, the probability of failure is assumed to have increased to a point where performance would be characterized as Poor and eventually Very Poor.

Table 2-4: Replacement Criteria by Age and Usage

Type	Description / Examples	Age Criteria	Usage Criteria
Heavy Duty Vehicle (Diesel)	Dump, Plow (single or tandem)	15 Years	150,000 - 220,000 kms 8,000 - 10,000 Hours
	Vacuum Truck	10 Years	8,000 – 10,000 Hours
	Fire Trucks - Pumper, tanker, ladder, rescue	20 Years	NA
Medium Duty Vehicle	1 to 5-ton truck payload capacity	12 Years	200,000 kms
	Transit Bus: mid-size	6 Years	220,000 kms
Light Duty Vehicle	Pick-up truck, van, SUV, car	10 Years	200,000 kms
Trailer	Utility, landscape	10 - 15 years	NA
Heavy Equipment	Construction Equipment	14 - 20 Years	8,000 – 10,000 Hours
	Street Sweeper	10 Years	4,000 – 5,500 Hours
Light Equipment	Utility tractor, utility vehicle, roads, parks, turf, forestry, sidewalk maintenance	8 - 10 Years	2,500 - 5,000 Hours
Small Equipment	Pressure washer, portable generator, janitorial & facility maintenance	5 - 10 Years	NA

Table 2-5: Vehicle & Equipment Condition States Defined with Respect to ULC%

ULC%	Condition State	Rating
0% ≤ ULC% ≤ 45%	**Very Good**	I
45% < ULC% ≤ 90%	**Good**	II
90% < ULC% ≤ 140%	**Fair**	III
140% < ULC% ≤ 200%	**Poor**	IV
200% < ULC%	**Very Poor**	

From 2021 to 2023, the Town's fleet assets have been in a good condition state. Tables 2-6, 2-7, and 2-8 show the average ULC% and corresponding condition state of each asset type for the last three years.

Table 2-6: 2021 Average Condition of Vehicles & Equipment by Type

Asset Type	Average ULC%	Average Condition State
Heavy Duty Vehicle	56	Good
Medium Duty Vehicle	60	Good
Light Duty Vehicle	83	Good
Trailer	46	Good
Heavy Duty Equipment	63	Good
Light Duty Equipment	83	Good
Small Equipment	74	Good
Total	**62**	**Good**

Table 2-7: 2022 Average Condition of Vehicles & Equipment by Type

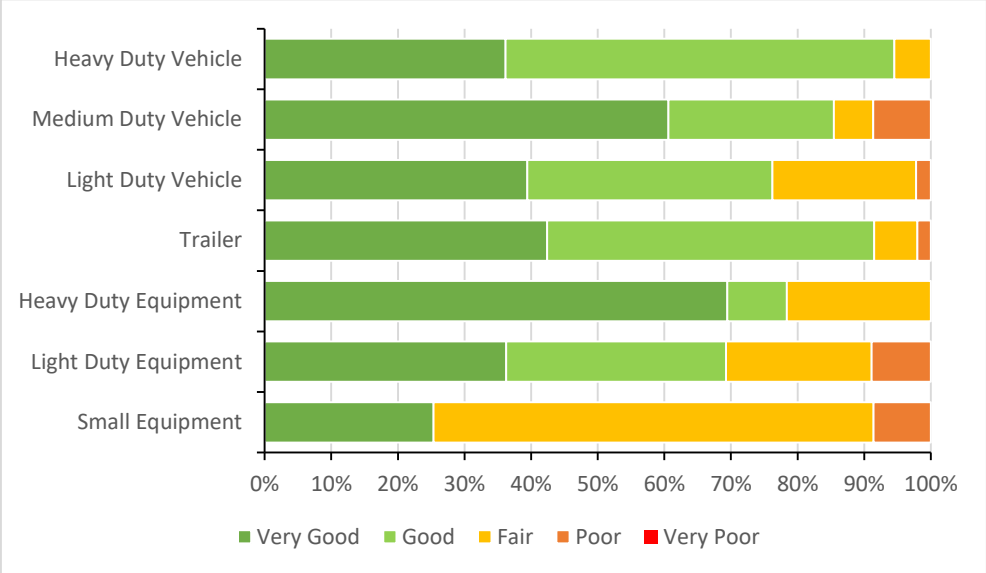
Asset Type	Average ULC%	Average Condition State
Heavy Duty Vehicle	53	Good
Medium Duty Vehicle	54	Good
Light Duty Vehicle	69	Good
Trailer	43	Very Good
Heavy Duty Equipment	43	Very Good
Light Duty Equipment	68	Good
Small Equipment	77	Good
Total	**56**	**Good**

Table 2-8: 2023 Average Condition of Vehicles & Equipment by Type

Asset Type	Average ULC%	Average Condition State
Heavy Duty Vehicle	49	Good
Medium Duty Vehicle	53	Good
Light Duty Vehicle	60	Good
Trailer	49	Good
Heavy Duty Equipment	44	Very Good
Light Duty Equipment	71	Good
Small Equipment	86	Good
Total	**55**	**Good**

While the average condition of all vehicle and equipment types is in the Good range during the 3-year period from 2021 to 2023, a small percentage were assessed as being in the Fair and Poor condition states. Figure 2-3 shows the distribution of replacement costs for the Town's 2023 vehicle and equipment types by condition state.

Figure 2-3: Distribution of Replacement Costs by Condition State



2.1.3. Current Levels of Service

The levels of service currently provided by the Town's fleet assets are, in part, a result of the state of local infrastructure identified above. The levels of service framework defines the current levels of service that will be tracked over time. In future iterations of the asset management plan, targets will be set for the technical levels of service.

Table 2-9 and 2-10 present the current levels of service for fleet assets. As per O.Reg 588/17, this asset management plan includes the current levels of service that the Town is offering for this asset class. Town staff has developed pertinent metrics for the Vehicle and Equipment Asset Class, as the regulation does not mention any compulsory metrics to report.

The table is structured as follows:

- The Service Attribute headings and columns indicate the high-level attribute being addressed;
- The Community Levels of Service column in Table 2-9 explains the Town's intent in plain language and provides additional information about the service being provided;
- The Performance Measure column in Table 2-10 describes the performance measure(s) connected to the identified service attribute; and
- The 2023 Performance column in Table 2-10 reports current performance for the performance measure.

Table 2-9: Community Levels of Service – Vehicles & Equipment

Service Attribute	Community Levels of Service
Scope	Proper lifecycle management of vehicles, equipment, and machinery, including acquisition, disposal, maintenance, and repairs, is crucial for sustainable town service delivery. These assets play a vital role in facilitating or enhancing the quality of service provided while also contributing to a professional image within the community.
Safety	The Town's preventive maintenance program ensures assets are safe for use for their intended purposes and adhere to legislative requirements, prolonging use and reducing operational problems due to poor maintenance.
Reliability	Regularly assessing the condition of vehicles, equipment, and machinery maximizes their functionality and utilization. It also establishes a condition level that guides asset reallocation and replacement.

Table 2-10: Technical Levels of Service – Vehicles & Equipment

Service Attribute	Performance Measure	2023 Performance
Safety	Percent (%) of maintenance inspections completed	100%
Reliability	Percent (%) of assets that are in fair or better condition	97%

2.2. Pooled Equipment Assets

2.2.1. State of Local Infrastructure

The Town plans to manage some equipment types at a more aggregated level than other asset classes. Instead of tracking individual pieces of equipment and reporting on age and condition, the Town will use a pooled asset approach. The inventory includes estimated replacement cost and frequency but does not report on condition or age. Replacement costs have been adjusted by the non-residential building consumer price index (NRBCPI) based on the initial purchase cost.

The scope of the inventory is based on the capitalization threshold of $5,000 set out in Policy FIN-F06-001 Tangible Capital Assets (TCA). This inventory will be reviewed and updated as part of the asset management plan update process every five years.

Assets can be pooled if the value of an individual item is less than the threshold levels outlined in the TCA Policy. However, if several of these assets are acquired in a single purchase or their costs are aggregated, resulting in a significant group that exceeds the threshold level, then they should be capitalized.

Equipment replacements below the capitalization threshold are typically funded through operating budgets. Therefore, the total replacement cost of pooled equipment included in this asset management plan is $27.8 million. This amount does not include equipment with a replacement cost below the capitalization threshold. Tables 2-11, 2-12, and 2-13 summarize the replacement cost, average age, useful life consumed (ULC), and expected useful life of pooled equipment types over the last 3 years. The data is weighted by replacement cost.

The Fire and Emergency Services Department (FES) currently accounts for the most pooled equipment when road-related pooled assets (street signs, traffic signals, street lights) are not considered. This may be because FES has the most detailed information on its smaller equipment. IT hardware is tracked using an IT discovery and inventory platform, while FES equipment is tracked with a spreadsheet. Although the IT platform can report on connected hardware, FES's detailed inventory provides a more accurate forecast of its equipment.

Traffic signals and street lights have been included as a pooled asset type, however, the Town should review and develop these inventories to include them in the Transportation AMP when developing the next asset management plan update. Additionally, the Town should review all asset inventories to ensure that all equipment with a replacement value over the TCA thresholds is included.

Table 2-11: 2021 Summary of Average Age and Replacement Cost by Asset Type

Asset Type	Average Age (years)	Replacement Cost
Fire Truck Equipment	9	$0.5 M
Fire Fighting Equipment	4	$1.1 M
Computers	2	$0.3 M
Printers/Other	5	$0.5 M
Library IT	3	$0.2 M
Total		**$2.5 M**

Table 2-12: 2022 Summary of Average Age and Replacement Cost by Asset Type

Asset Type	Average Age (years)	Replacement Cost
Fire Truck Equipment	9	$0.5 M
Fire Fighting Equipment	5	$1.6 M
Computers	2	$0.2 M
Printers/Other	4	$0.5 M
Library IT	5	$0.2 M
Total		**$3.0 M**

Table 2-13: 2023 Summary of Average Age and Replacement Cost by Asset Type

Asset Type	Average Age (years)	Replacement Cost
Fire Truck Equipment	9	$0.5 M
Fire Fighting Equipment	7	$1.8 M
Computers	2	$0.2 M
Printers/Other	4	$0.4 M
Library IT	5	$0.2 M
Total		**$3.1 M**

2.2.2. Condition

Town staff will continue to perform informal assessments of pooled equipment assets on an ongoing basis to identify specific replacement needs. These replacement needs will subsequently be incorporated into annual budgets and forecasts.

2.2.3. Current Levels of Service

Pooled equipment assets generally play a supporting role in the delivery of services. For example, firefighting equipment supports the operation of the fire service; IT hardware supports the daily activities of staff across all departments. Due to their supporting role and to keep reporting efforts manageable, levels of service for pooled equipment have not been developed.

2.3. Facilities

2.3.1. State of Local Infrastructure

The various services provided by the Town to its residents, businesses, and visitors are supported by 35 facilities, with a total replacement cost of approximately $225 million. The Town's facilities are mainly concentrated in the urban area as shown in Map 2-1 and Map 2-2.

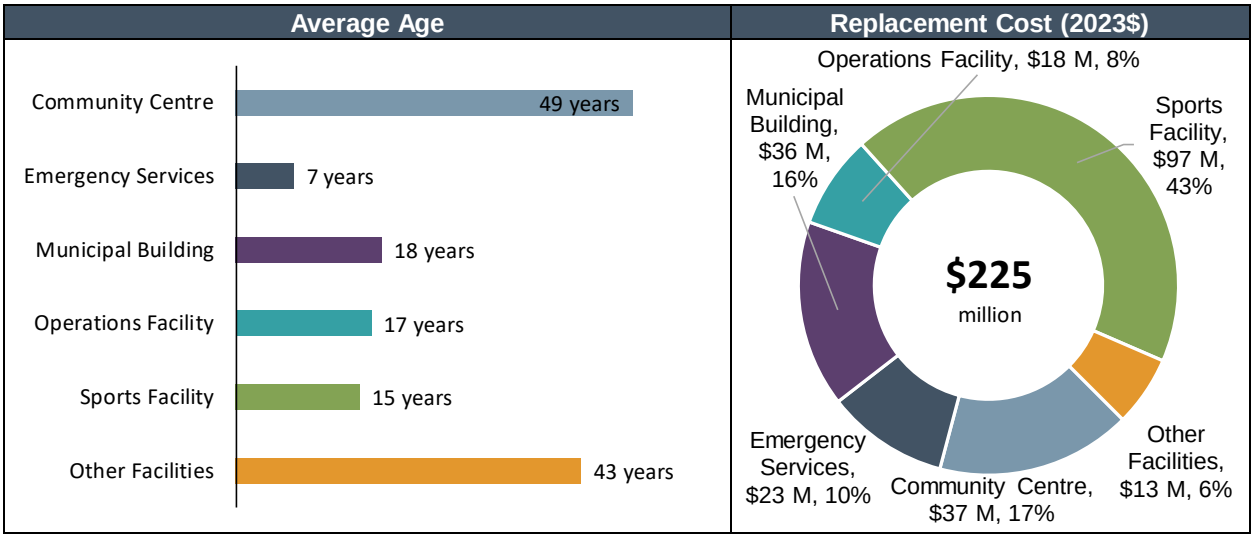
The Town's facilities fall into six broad categories: sports facilities, community centres, municipal buildings, emergency services facilities, operations facilities, and other facilities. The Town's two sports facilities account for 43% of the replacement cost of facilities. The Town's six community centres and three municipal buildings account for 17% and 16% of the replacement cost respectively. The remaining 24 facilities account for the remaining 24% of replacement cost as follows: Two emergency services facilities - 10%, 11 operations facilities - 8%, and 11 other facilities - 6%.

Table 2-14 provides a summary of the assets in each facility category, including examples, quantity, average age, and replacement cost. A visual rendering of the data is provided in Figure 2-4.

Table 2-14: Summary of Quantity, Age, and Replacement Cost by Facility Type

Facility Type	Examples	Quantity (Number of facilities)	Average Age (years)	Replacement Cost (2023$)
Community Centre	St. Mary's Hall, Bond Head Community Centre	6	49	$37,400,000
Emergency Services	Bradford Fire Hall #1, South Simcoe Police Station	2	7	$23,400,000
Municipal Building	Treasury Building, Community Services Office – Building A, Library & Culture Centre	3	18	$35,800,000
Operations Facility	Urban Operations Centre, Sand Storage Dome	11	17	$17,900,000
Sports Facility	Leisure Centre, Bob Fallis Sports Centre	2	15	$97,200,000
Other Facilities	Family Health Centre, Courthouse	11	43	$13,500,000
Total		**35**	**22**	**$225,200,000**

Figure 2-4: Summary Information - Facilities



2.3.2. Condition

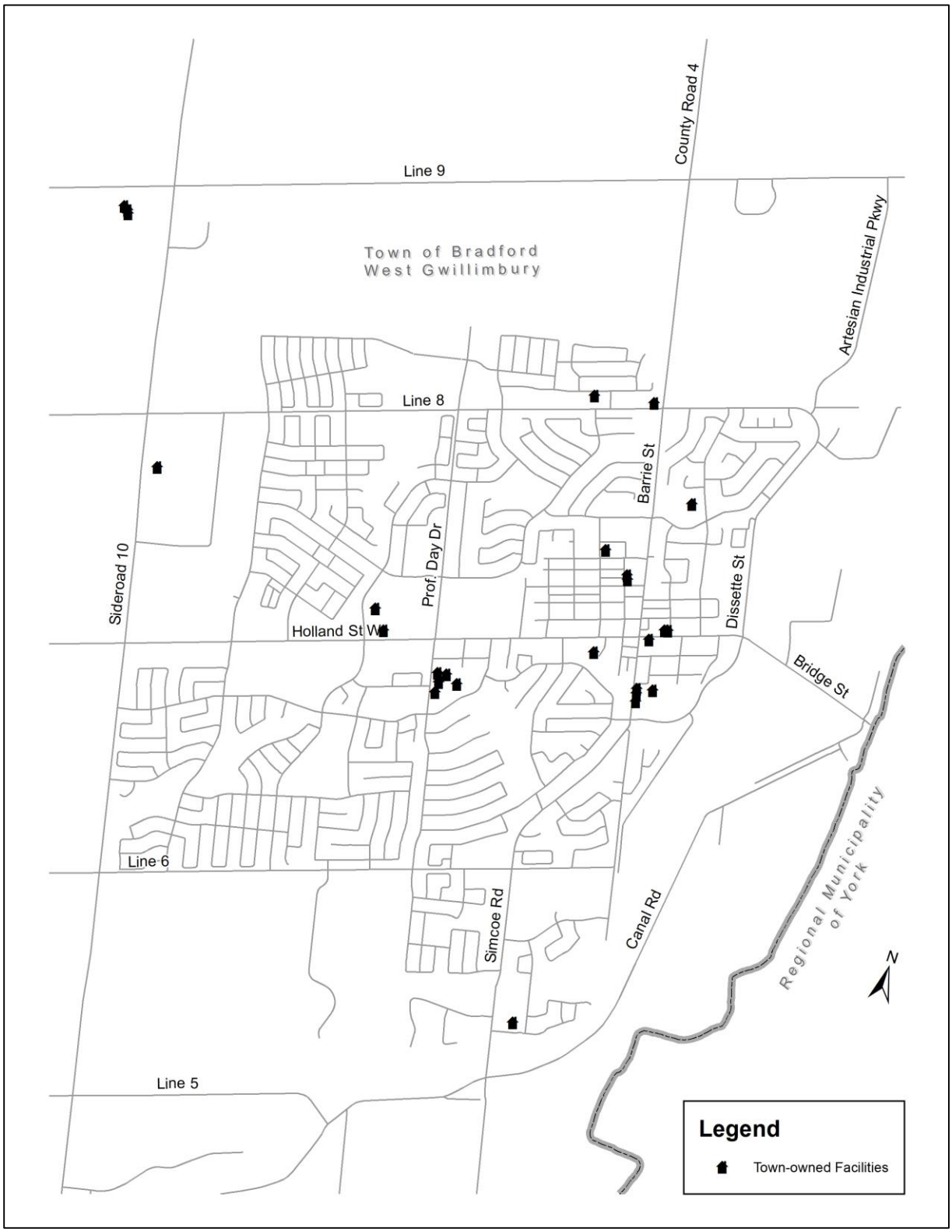
Condition cannot currently be reported for facilities because the Town has not completed facility condition assessments in recent years. In order to better understand the performance of its facilities, the Town should consider implementing a program to systematically assess the condition of all of its facilities on an ongoing basis. The facility condition assessments can be carried out at varying levels of sophistication depending on the complexity of facilities. Complex facilities such as sports facilities could be assessed by external building condition inspectors while simpler structures, such as sand domes, could be inspected by Town staff. The frequency of condition assessments at each facility could also depend on the complexity of the facility.

2.3.3. Current Levels of Service

The levels of service currently provided by the Town's facilities system are, in part, a result of the state of local infrastructure identified above. The levels of service framework defines the current levels of service that will be tracked over time. Table 2-15 and Table 2-16 present levels of service for facilities. The data required to report current performance for the technical levels of service was not available for this iteration of the asset management plan. The Town will report current performance in future iterations of the asset management plan when data is available.

In order to comply with the requirement of O. Reg. 588/17 that all levels of service measures be based on data from at most the two years prior to the year an asset management plan is issued, the Town should consider either planning its facility condition assessments to fall in the two years prior to any update of the asset management plan or developing a methodology for reviewing and refreshing older condition assessment data as a desktop exercise.

Map 2-1: Facilities in Urban Areas



Map 2-2: Facilities in Rural Areas

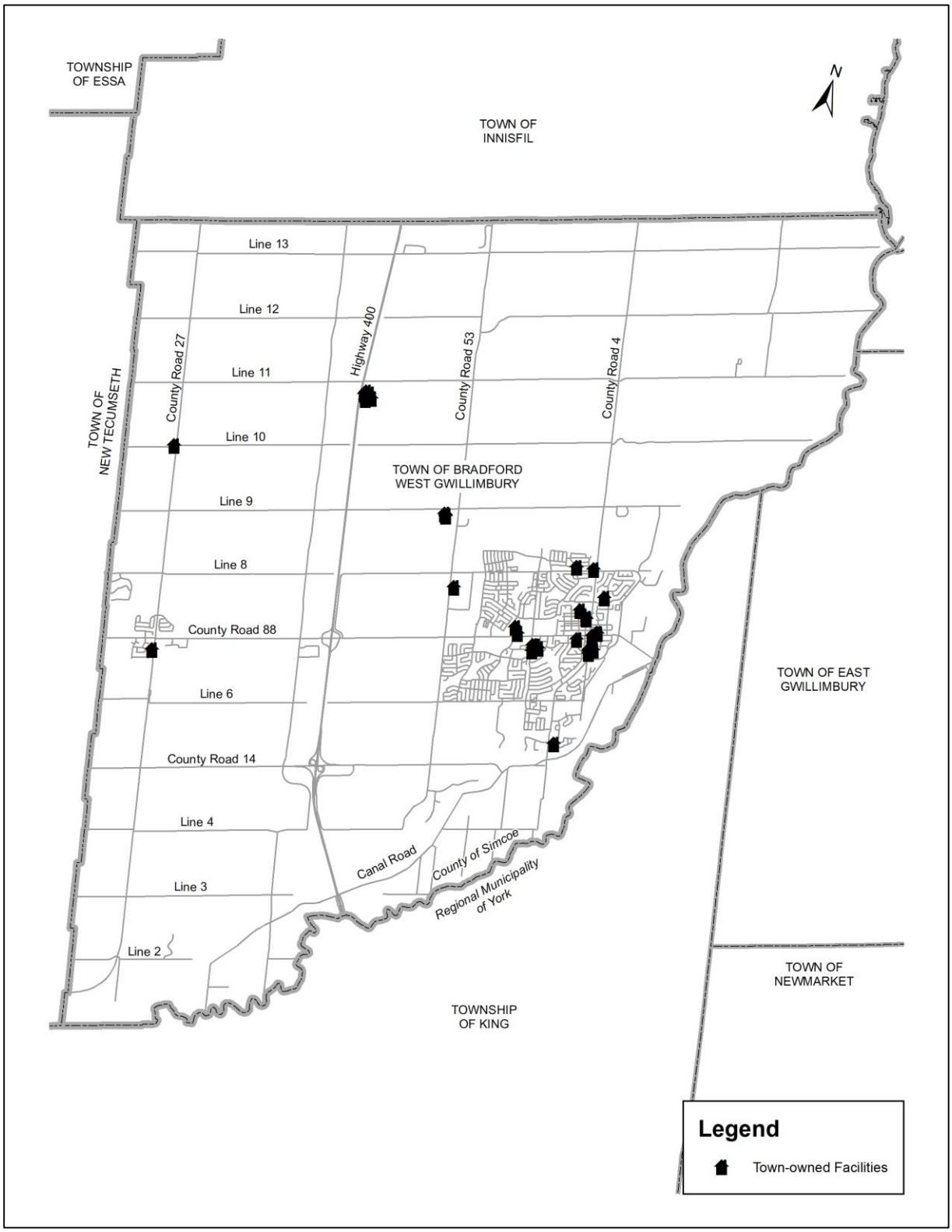


Table 2-15: Community Levels of Service – Facilities

Service Attribute	Community Levels of Service
Quality	The Town strives to maintain its facilities at a level that provides a pleasant user experience.
Efficiency	The Town strives to reduce emissions of greenhouse gasses and avoid unnecessary operating costs.
Accessibility	The Town strives to ensure accessibility in all facilities in accordance with the requirements of the Ontarians with Disabilities Act, 2001 (ODA), Accessibility for Ontarians with Disability Act, 2005 (AODA) and the Ontario Human Rights Code (The Code).
Availability	The Town strives to align capacity of facilities to service demand.

Table 2-16: Technical Levels of Service – Facilities

Service Attribute	Performance Measure	2023 Performance
Quality	Percentage of facilities with formal condition assessments completed within the past five years	0%
Efficiency	Dollar value of facility components that can no longer be serviced and require replacement	Not Available
	Kilowatt-hours of electricity used per square metre of gross floor area	55.5
	Cubic metres of natural gas used per square metre of gross floor area	5.5
	Cubic metres of water used per square metre of gross floor area	0.3
	Annual maintenance cost as a percentage of replacement cost	1.0%
Accessibility	Number of facilities with identified accessibility issues	Not Available
Availability	Number of rooms utilized more than 90% of the time	Not Available
	Number of programming days lost due to unplanned closures	Not Available

2.4. Parks

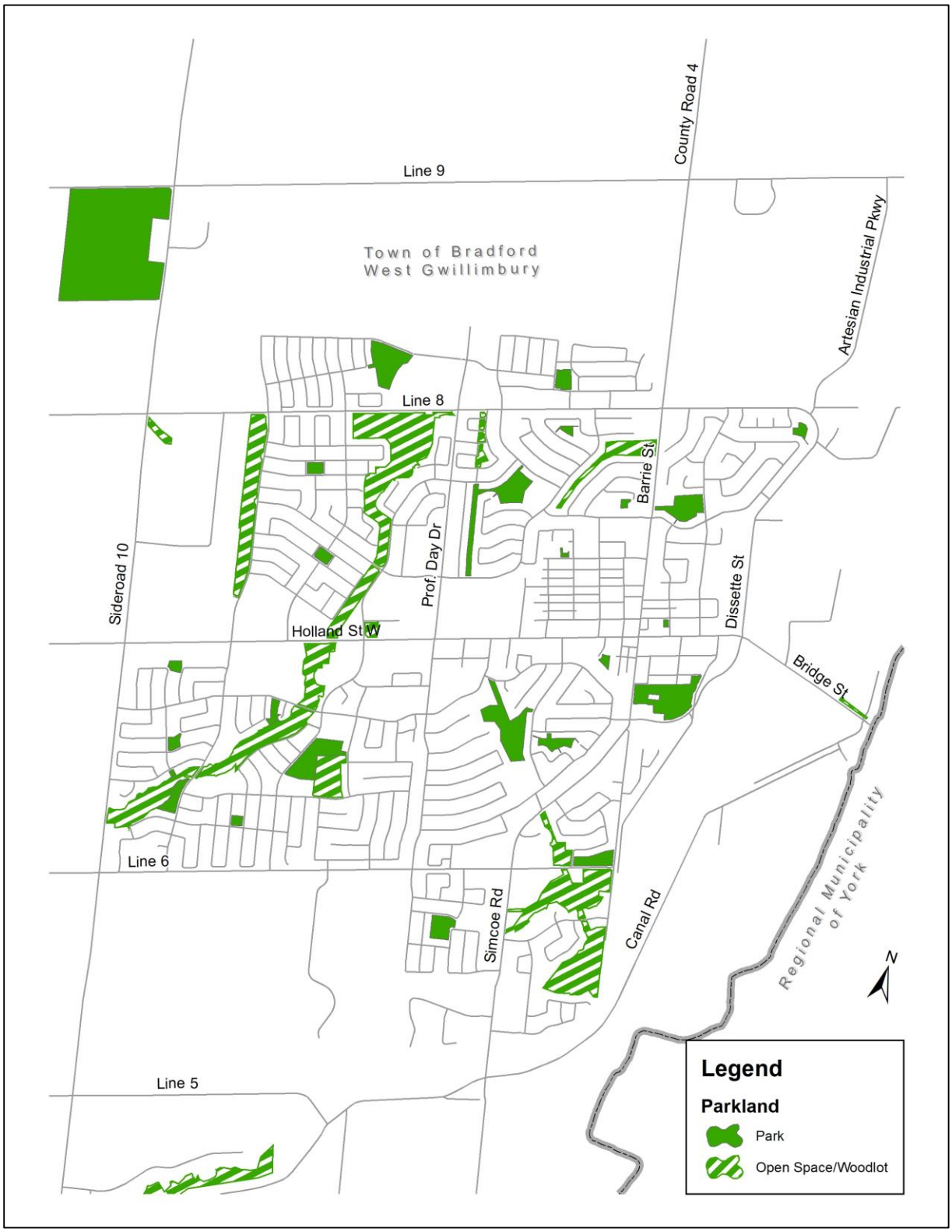
2.4.1. State of Local Infrastructure

The Town's 27 parks, listed below and shown in Map 2-3 and Map 2-4, support recreational and other outdoor activities of the Town's residents and visitors.

- Alan Kuzmich Memorial Park (East)
- Alan Kuzmich Memorial Park (West)
- Angela Parkette *(under construction)*
- Brookfield Park
- Bud Brown Park
- Centennial Park
- Davey Lookout Park
- dePeuter Parkette
- Fuller Heights Park
- Grand Central Parkette
- Green Valley Park
- Harman Parkette
- Henderson Memorial Community Park
- Jackson Parkette
- Joe Magani Community Park
- Legion Parkette
- Lions Park
- Luxury Park
- Constable Devon Northrup Memorial Park
- Ron Simpson Memorial Park
- Rose Garden Parkette
- Rotary Park
- Summerlyn Parkette North
- Summerlyn Parkette South
- Taylor Park
- Veterans Park
- Westbrook Parkette

There are a variety of amenities at the Town's parks: ball diamonds, outdoor lighting, playgrounds, skateboard parks, splash pads, sports courts, sports fields, and other (e.g., shade structures, bleachers, benches, etc.). Outdoor lighting accounts for the greatest share of total replacement cost at 30%, followed by ball diamonds at 19%, and other at 16%. The remaining 35% of replacement costs are distributed as follows: sports fields (11%), playgrounds (10%), sports courts (6%), skateboard parks (4%), and splash pads (4%). Table 2-17 provides a summary of the amenities with quantity, average age, and replacement cost. A visual summary of the data is provided in Figure 2-5.

Map 2-3: Parks in Urban Areas



Map 2-4: Parks in Rural Areas

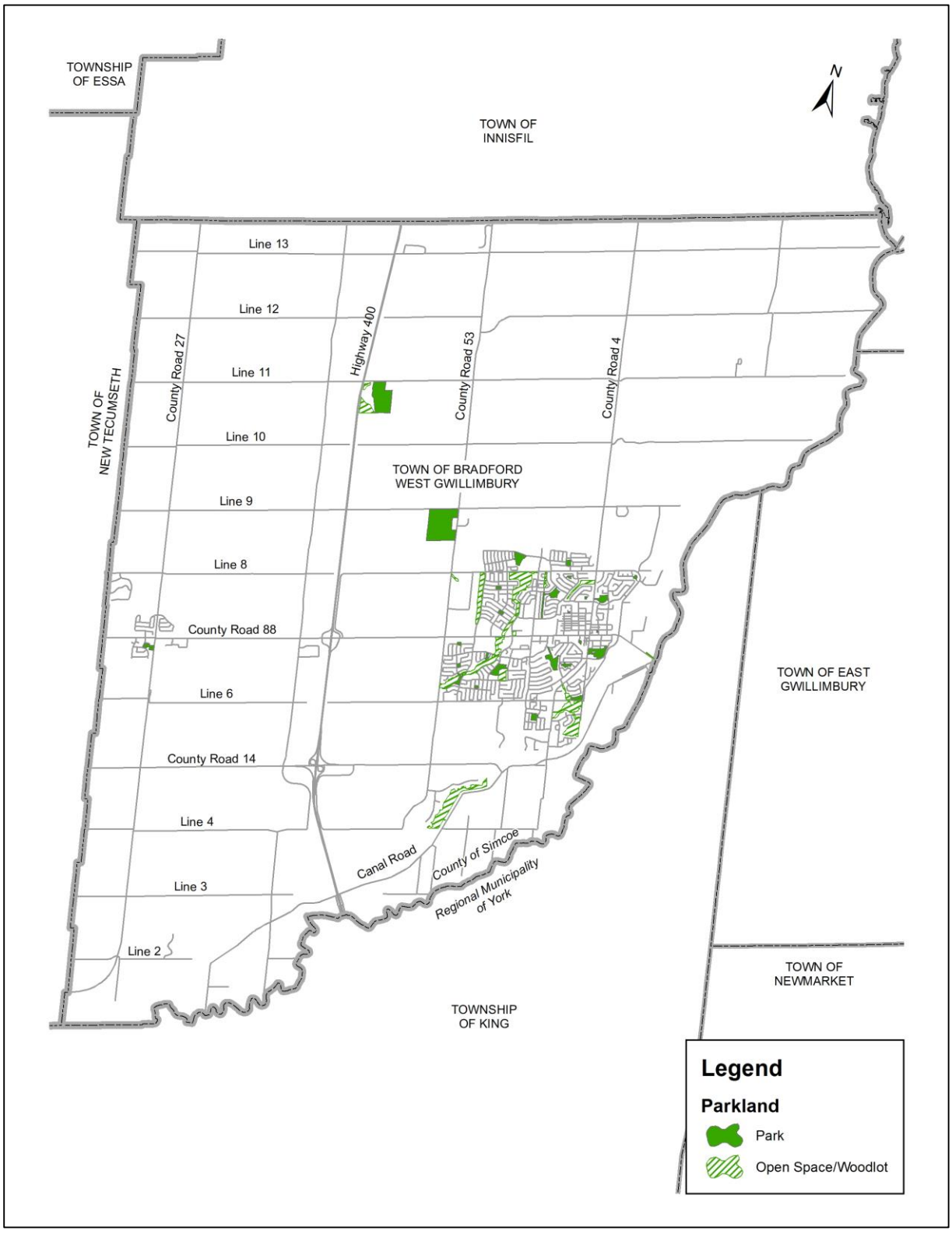
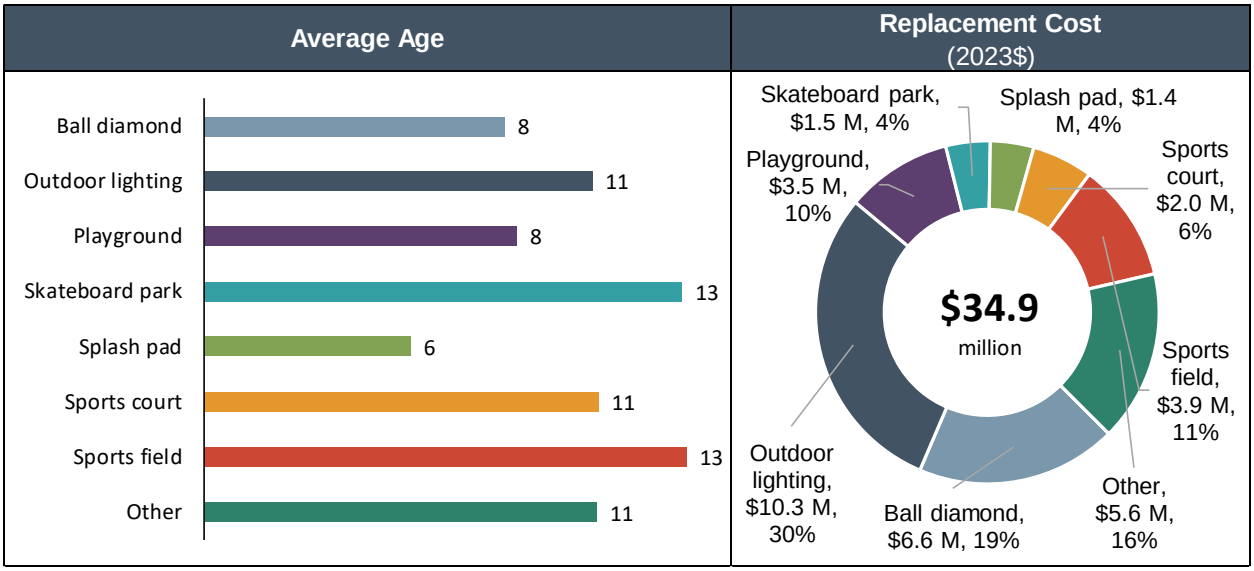


Table 2-17: Summary of Quantities, Age, and Replacement Cost by Amenity Type

Amenity Type	Quantity	Average Age (years)	Replacement Cost (2023$)
Ball diamond	8	8	$6,600,000
Outdoor lighting	109	11	$10,340,000
Playground	45	8	$3,490,000
Skateboard park	3	13	$1,460,000
Splash pad	5	6	$1,430,000
Sports court	20	11	$2,000,000
Sports field	16	13	$3,930,000
Other	329	11	$5,620,000
Total	**535**	**10**	**$34,880,000**

Figure 2-5: Summary Information - Park Amenities



2.4.2. Condition

The condition of park amenities has not been directly assessed through a physical condition assessment. For the purposes of this asset management plan addendum, the age of amenities relative to their useful life expectancy has been used as a proxy for the condition state. The measure used is the Useful Life Consumption Percentage (ULC%) based on the age and average life expectancy of each amenity. A brand-new park amenity would have a ULC% of 0%, indicating that zero percent of the amenity's life expectancy has been utilized. On the other hand, an amenity that has reached its life expectancy would have a ULC% of 100%. It is possible for amenities to have a ULC% greater than 100%, which occurs if an amenity has exceeded its typical life expectancy but continues to be in service. This is not necessarily a cause for concern; however, it must be recognized that amenities that are near or beyond their typical life expectancy are expected to require replacement in the near term.

To better communicate the condition of park amenities, the ULC% ratings have been segmented into qualitative condition states as summarized in Table 2-18. The scale is designed such that if amenities are replaced around the expected useful life, they would have a rating of Fair at time of replacement. The rating of Fair extends to 140% of expected useful life. Beyond 140% of useful life, the probability of failure is assumed to have increased to a point where performance would be characterized as Poor and eventually Very Poor.

Table 2-18: Park Amenity Condition States Defined with Respect to ULC%

ULC%	Condition State
0% ≤ ULC% ≤ 45%	**Very Good**
45% < ULC% ≤ 90%	**Good**
90% < ULC% ≤ 140%	**Fair**
140% < ULC% ≤ 200%	**Poor**
200% < ULC%	**Very Poor**

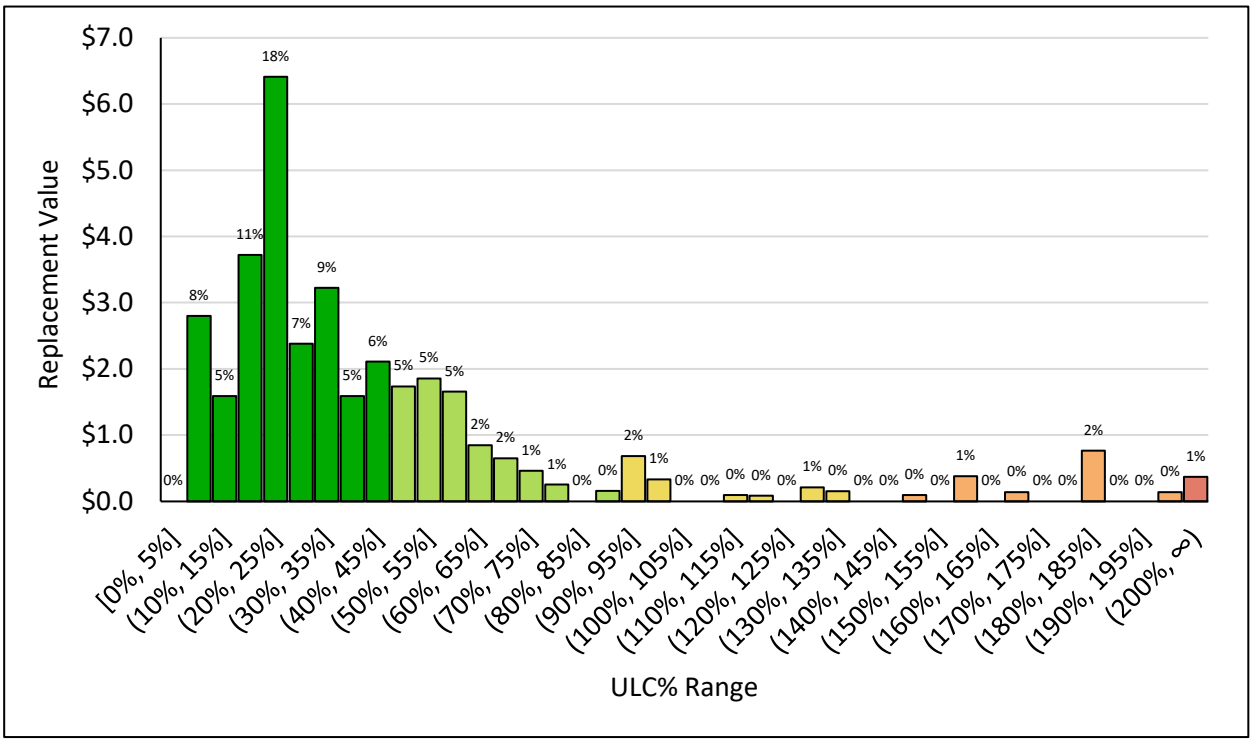
Table 2-19 shows a summary of the age-based condition of park amenities along with the corresponding condition state. Figure 2-6 shows the distribution of park amenity replacement cost by condition (as measured by ULC%).

Table 2-19: Average Condition of Park Amenities by Amenity Type

Amenity Type	Replacement Cost (2023$)	Average ULC%	Average Condition State
Ball Diamond	$6,600,000	27%	Very Good
Outdoor Lighting	$10,340,000	53%	Good
Playground	$3,490,000	57%	Good
Skateboard Park	$1,460,000	52%	Good
Splash Pad	$1,430,000	37%	Very Good
Sports Court	$2,000,000	54%	Good
Sports Field	$3,930,000	33%	Very Good
Other	$5,620,000	49%	Good
Total	**$34,880,000**	**45%**	**Very Good**

In order to better understand the performance of its park amenities, the Town should consider formally tracking and recording its existing park amenity inspections and repairs, as well as establishing a condition rating scale.

Figure 2-6: Distribution of Park Amenities by ULC% Range



2.4.3. Current Levels of Service

The levels of service currently provided by the Town's park amenities are, in part, a result of the state of local infrastructure identified above. The levels of service framework defines the current levels of service that will be tracked over time. In future iterations of the asset management plan, additional technical levels of service may be added and targets will be set for the technical levels of service.

Table 2-20 and Table 2-21 present the levels of service framework for parks. The data required to report current performance for many of the technical levels of service was not available for this iteration of the asset management plan. The Town will report current performance for these performance measures in future iterations of the asset management plan when data is available.

Table 2-20: Community Levels of Service – Parks & Amenities

Service Attribute	Community Levels of Service
Scope	The Town strives to align capacity of parks to service demand.
Quality	The Town strives to maintain its parks at a level that provides a pleasant user experience.
Safety	The Town strives to ensure the safety of park visitors.
Efficiency	The Town strives to avoid unnecessary park operating costs.
Accessibility	The Town strives to ensure accessibility in all facilities in accordance with the requirements of the Ontarians with Disabilities Act, 2001 (ODA),

	Accessibility for Ontarians with Disability Act, 2005 (AODA) and the Ontario Human Rights Code (The Code).
Availability	The Town's parks and park amenities are typically available for use.

Table 2-21: Technical Levels of Service – Parks & Amenities

Service Attribute	Performance Measure	2023 Performance
Scope	Hectares of community parks per 1,000 population	1.9
	Hectares of neighbourhood parks per 1,000 population	0.8
	Hectares of parkettes per 1,000 population	0.2
	Hectares of open spaces and woodlots per 1,000 population	0.3
Quality	Average percentage of useful life consumed for park amenities.	45%
	Percentage of park amenities beyond their expected useful life.	7%
	Percentage of park pathways in fair or better condition	90% (est.)
	Percentage of park amenities in fair or better condition	85% (est.)
Safety	Number of reported major safety incidents in parks per year	0
	Percentage of playgrounds achieving CSA compliance based on monthly inspections	100%
Efficiency	Operating cost to provide parks service per 1,000 population	$18,508
Accessibility	Percentage of parks that are accessibility compliant	Not Available
	Percentage of residential properties within 800 metres of a park	88%
	Meters of multi-use asphalt pathways	10,193
Availability	Number of unplanned park amenity closures/use restrictions per year, excluding weather-based disruptions	Not Available
	Number of unplanned sports field closures/use restrictions per year, excluding weather-based disruptions	Not Available
	Number of unplanned pathway closures/use restrictions per year, excluding weather-based disruptions	Not Available

2.5. Population and Employment Growth

According to the 2021 census, the Town's 2021 population was 42,880 with a total labour force of 20,355. By 2031, the Town's population is anticipated to reach 50,500, based on the approved County of Simcoe Official Plan.

This growth in population is expected to result in incremental service demands that may impact the current level of service. These growth-related needs related to vehicle and equipment, facilities and parks are summarized in the Town's 2019 Development Charges Background Study and are funded through development charges imposed on new development. Utilizing development charges helps ensure that the effects of future population and employment growth do not increase the cost of maintaining levels of service for existing tax and rate payers.

The estimated capital expenditures related to the lifecycle activities required to maintain the current levels of service considering the projected increases in demand caused by growth are included in the 10-year capital forecasts presented in the next chapter of this report.

3. Lifecycle Management Strategies

This chapter details the lifecycle management strategies required to maintain current levels of service. A lifecycle management strategy identifies the recommended lifecycle activities required to achieve the levels of service discussed in Section 2. Within the context of this asset management plan, lifecycle activities are the specified actions that can be performed on an asset in order to ensure it is performing at an appropriate level, and/or to extend its service life. These actions can be carried out on a planned schedule in a prescriptive manner, or through a dynamic approach where the lifecycle activities are only carried out when specified conditions are met.

O. Reg. 588/17 requires that all potential lifecycle activity options be presented, with the aim of analyzing these options in search of identifying the set of lifecycle activities that can be undertaken at the lowest cost to maintain current levels of service or to provide proposed levels of service. Asset management plans must include a ten-year capital plan that forecasts the lifecycle activities resulting from the lifecycle management strategy.

The asset classes in this asset management plan currently do not have assessed conditions. As a result, they will be managed using age-based lifecycle strategies. Assets will be forecasted for replacement based on their age. The cost to perform a replacement will simply be the established replacement cost as of 2023. These costs were estimated by inflating historical costs and were reviewed by Town staff for reasonableness. Similarly, the assumptions on expected useful lives were based on accounting useful life data reviewed by Town staff.

What follows are the replacement lifecycle activities for all assets contained within this asset management plan, with each section focusing on an individual asset class.

3.1. Vehicles & Equipment

3.1.1. Average Annual Lifecycle Costs

A high-level approach has been taken to estimating long-term Average Annual Lifecycle Costs (AALC) for vehicles and equipment. The Expected Useful Life (EUL) for each asset type, summarized in Table 2-4: Age Criteria, assumes regular maintenance and repairs are performed while each unit is in service. The actual service life of a specific vehicle or equipment unit may vary from the EUL based on its assessed condition. The AALC is estimated by dividing the replacement cost by the expected useful life across each asset type or category and summing the results to produce a total AALC. The total AALC for vehicle and equipment assets is $2.61 million. Table 3-1 provides a breakdown of this amount by vehicle and equipment type. The AALC is expected to grow as the Town's fleet is expanded to maintain service levels and serve additional customers.

Table 3-1: Average Annual Lifecycle Cost by Vehicle & Equipment Type

Vehicle & Equipment Type	Average Annual Lifecycle Cost (2023$)
Heavy Duty Vehicle	$865,600
Medium Duty Vehicle	$281,300
Light Duty Vehicle	$461,700
Trailer	$34,300
Heavy Duty Equipment	$310,900
Light Duty Equipment	$630,100
Small Equipment	$27,200
Total	**$2,611,100**

3.1.2. Ten-year Capital Plan

The Town maintains a 10-year capital plan that is expected to enable the Town to maintain the current service levels of vehicle and equipment assets. Figure 3-1 shows total capital expenditures for vehicle and equipment assets over the next 10 years. The yellow line shows the AALC of $2.61 million per year. The blue line shows the average of the planned capital expenditures for the next 10 years at $3.63 million per year. This indicates that the planned capital expenditures are greater than the AALC however the AALC is expected to increase as the Town's fleet increases to maintain service levels and serve additional customers. Table 3-2 provides a breakdown of this amount by facility type.

Figure 3-1: Ten-Year Capital Plan – Vehicles & Equipment (2023$)

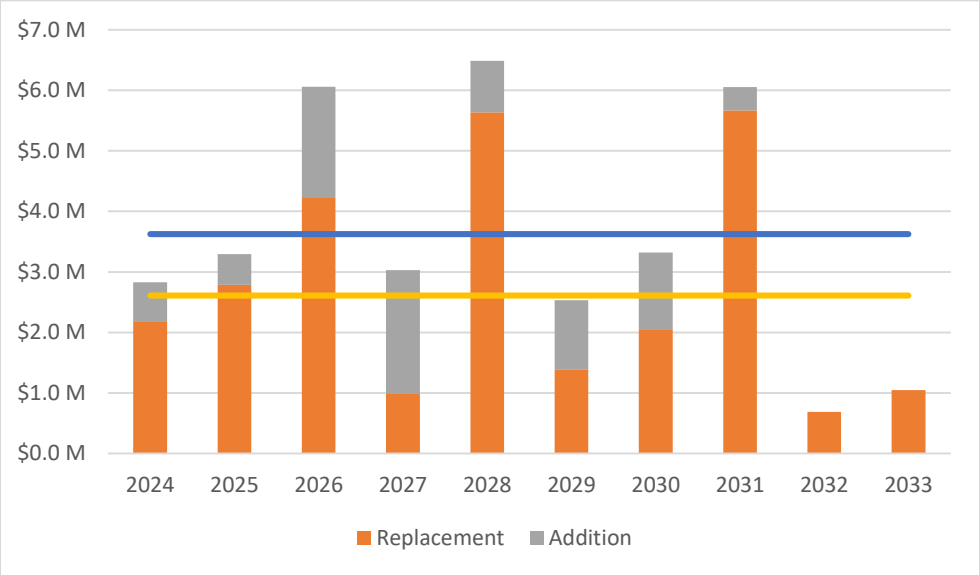


Table 3-2: Ten-year Capital Plan – Vehicles & Equipment (2023$)

Categories	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
Existing Assets										
Rehabilitation/ Replacement	$2,172,800	$2,786,900	$4,237,500	$986,100	$5,636,500	$1,392,500	$2,041,600	$5,668,800	$688,700	$1,046,500
New Assets										
Growth	$506,100	$1,819,800	$2,045,400	$852,500	$1,141,800	$1,279,500	$384,400	$0	$0	$0
Total	$2,678,900	$4,606,700	$6,282,900	$1,838,600	$6,778,300	$2,672,000	$2,426,000	$5,668,800	$688,700	$1,046,500

3.2. Pooled Equipment Assets

The Town budgets for a variety of projects that reflect the replacement of the various pooled equipment categories. Figure 3-2 summarizes the total capital expenditures for pooled equipment assets, not including streetlights, traffic signs and signs. The road-related pooled asset types will be transferred to the Transportation AMP in the next iteration of the plan. Since these road-related asset types have significantly longer expected useful lives compared to the shorter-lived pooled equipment types, the lifecycle analysis becomes less indicative of the planned expenditures. The yellow line shows the AALC of $0.51 million per year. The blue line shows the average of the planned capital expenditures for the next 10 years at $0.58 million per year. This indicates that the planned capital expenditures are greater than the AALC and are sufficient to meet the lifecycle needs of the documented pooled assets.

Growth-related planned expenditures are not available, but it can be expected that the pooled assets and their related AALC will increase as equipment needs for FES, staff and facilities continue to grow.

In addition to including streetlights, traffic signals and signs into the Transportation AMP, the Town should review the lifecycle activities and budgets for streetlights and traffic signals prior to the warranty and repayment for the LED retrofit program ending in 2027.

Figure 3-2: Ten-Year Capital Plan – Pooled Equipment Assets (2023$)

3.3. Facilities

3.3.1. Average Annual Lifecycle Costs

Generally, facilities can have very long overall lifespans, so long as they are adequately maintained, and individual components are rehabilitated and replaced as needed.

This section presents the average annual lifecycle costs that were estimated for the Town's portfolio of facilities. The annual lifecycle costs represent the amount of funding that would be required annually to fully finance a lifecycle management strategy over the long-term. By planning to achieve this annual funding level, the Town would be able to fully fund capital works as they arise. In practice, however, capital needs are often characterized by peaks and valleys due to the value of works being undertaken changing year-to-year. By planning to achieve this level of funding over the long-term, the periods of relatively low capital needs would allow for the building up of lifecycle reserve funds that could be drawn upon in times of relatively high capital needs.

The average annual lifecycle cost of facilities has been estimated based on the reinvestment rate range recommended in the 2016 Canadian Infrastructure Report Card, 1.7% to 2.5% of replacement value. Using the midpoint of this range, (i.e., 2.1% of replacement value) and applying it to the estimated replacement value of $225 million, the average annual lifecycle cost for the Town's facilities is estimated to be $4.73 million. Table 3-3 provides a breakdown of this amount by facility type.

Table 3-3: Average Annual Lifecycle Cost by Facility Type

Facility Type	Average Annual Lifecycle Cost (2023$)
Community Centre	$790,000
Emergency Services	$490,000
Municipal Building	$750,000
Operations facility	$380,000
Sports Facility	$2,040,000
Other Facilities	$280,000
Total	**$4,730,000**

3.3.2. Ten-year Capital Plan

The Town maintains a 10-year capital plan that is expected to be able to maintain the current levels of service of facilities. The 10-year capital plan is summarized in Figure 3-3 and Table 3-4. The spikes in the capital plan are due to recreation centre projects (both new and redevelopment of existing facilities). The average annual expenditures over the 10 years covered by the capital plan are $5.60 million, which is higher than the estimated average annual lifecycle cost of $4.73 million due to planned expansions/upgrades to meet the needs of a growing community. It should be noted, however, that a portion of the planned infrastructure expansions/upgrades is expected to be funded from development charges.

Figure 3-3: Ten-year Capital Plan - Facilities (2023$)

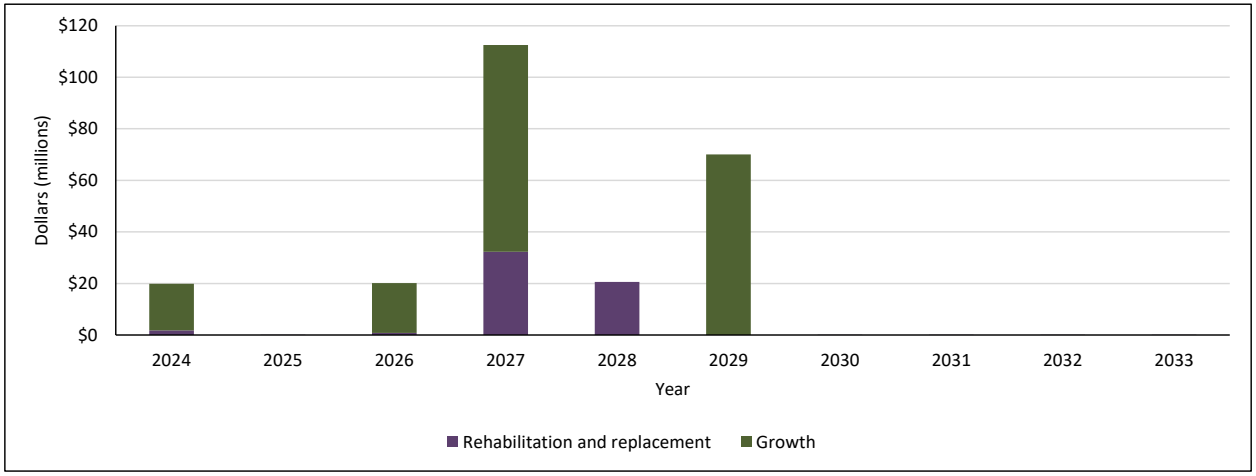


Table 3-4: Ten-year Capital Plan - Facilities (2023$)

Categories	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
Existing Assets										
Rehabilitation/ Replacement	$1,870,000	$150,000	$830,000	$32,280,000	$20,630,000	$50,000	$50,000	$50,000	$50,000	$50,000
New Assets										
Growth	$18,000,000	$0	$19,350,000	$80,200,000	$0	$70,000,000	$0	$0	$0	$0
Total	$19,870,000	$150,000	$20,180,000	$112,480,000	$20,630,000	$70,050,000	$50,000	$50,000	$50,000	$50,000

3.4. Parks

3.4.1. Average Annual Lifecycle Costs

This iteration of the lifecycle management strategy for park amenities captures the capital cost of asset replacement at end of life. The average annual lifecycle cost is estimated for each park amenity by dividing its replacement cost by its Expected Useful Life (EUL). Using this approach, the total average annual lifecycle cost for all of the Town's park amenities has been estimated at $1.59 million. Table 3-5 provides a breakdown of this amount by park amenity type.

Table 3-5: Average Annual Lifecycle Cost by Park Amenity Type

Facility Type	Average Annual Lifecycle Cost (2023$)
Ball Diamond	$220,000
Outdoor Lighting	$510,000
Playground	$230,000
Skateboard Park	$60,000
Splash Pad	$100,000
Sports Court	$100,000
Sports Field	$100,000
Other	$270,000
Total	**$1,590,000**

3.4.2. Ten-year Capital Plan

The Town maintains a 10-year capital plan that is expected to be able to maintain the current levels of service of park amenities. The expenditure data shown in Figure 3-4 is presented in tabular form in Table 3-6. The spike in 2029 is due mainly to $30 million budgeted for the Centennial Park revitalization project. The average annual expenditures over the 10 years covered by the capital plan are $4.36 million, which is higher than the estimated average annual lifecycle cost of $1.59 million.

Figure 3-4: Ten-year Capital Plan – Park Amenities (2023$)

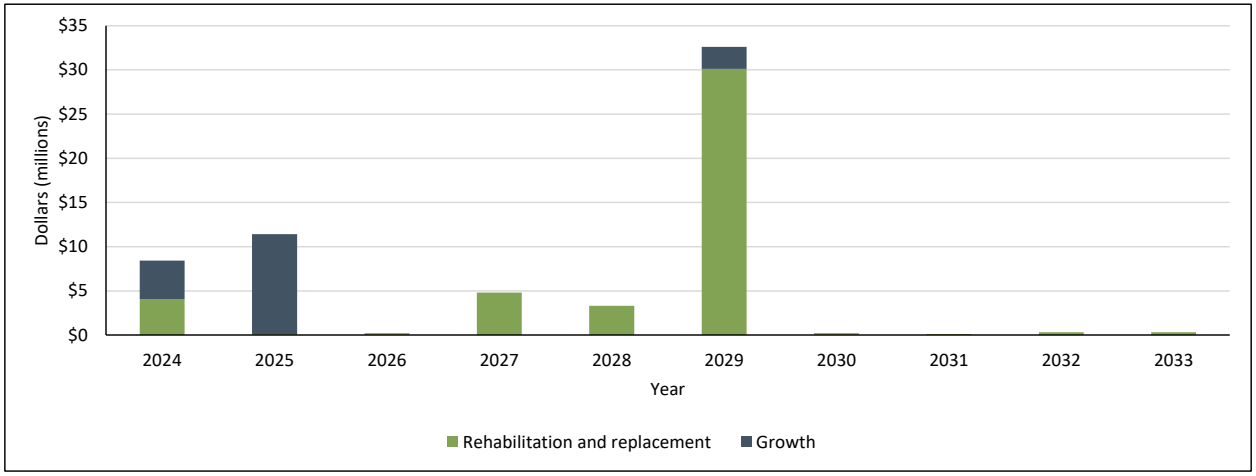


Table 3-6: Ten-year Capital Plan – Park Amenities (2023$)

Categories	2024	2025	2026	2027	2028	2029	2030	2031	2032	2033
Existing Assets										
Rehabilitation/ Replacement	$4,080,000	$110,000	$210,000	$4,810,000	$3,310,000	$30,110,000	$220,000	$120,000	$320,000	$320,000
New Assets										
Growth	$4,340,000	$11,300,000	$0	$0	$0	$2,500,000	$0	$0	$0	$0
Total	$8,420,000	$11,410,000	$210,000	$4,810,000	$3,310,000	$32,610,000	$220,000	$120,000	$320,000	$320,000