



A Growing Tradition

Asset Management Plan & Policy

Overview

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What is Asset Management?

- *'... the process of making the best possible decisions regarding the building, operating, maintaining, renewing, replacing and disposal of infrastructure assets ... to maximize the benefits, manage risk and provide satisfactory levels of service to the public in a sustainable manner.'*
- Building Together: Guide for Municipal Asset Management Plans

Background

- February 2012
 - Completed AM Strategy and Plan Project
 - Adopted by Council June 2012
- In response to:
 - Council Strategic Priority
 - Condition of infrastructure funding application



Town of Bradford West Gwillimbury
Asset Management Strategy and Plan Project
Asset Management and IT Strategy Report
February 2012

Background

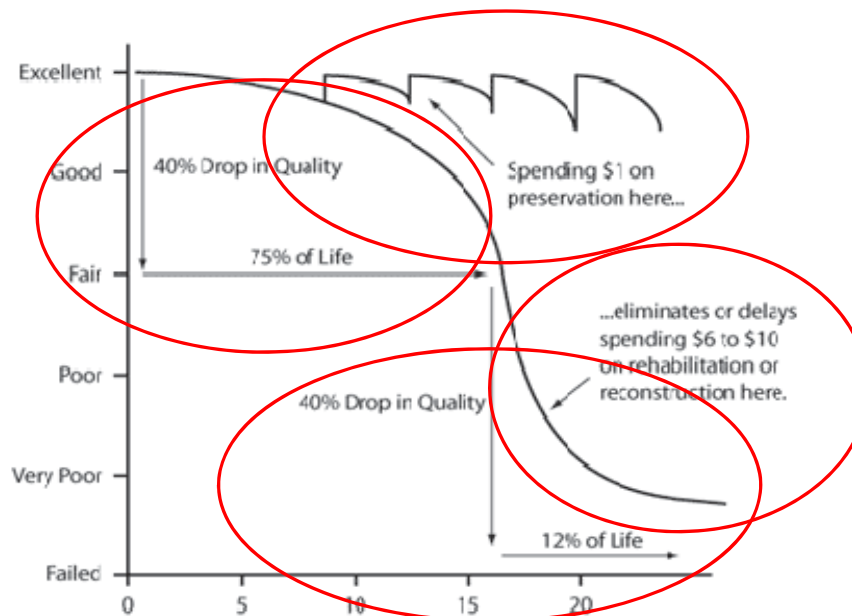
- Existing Town Strategy contained elements of AM Plan
 - Required updating and more information to meet guidelines
- Some short-term goals already implemented
- Longer-term recommendations and replacement costs



Town of Bradford West Gwillimbury
Asset Management Strategy and Plan Project
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Why is it Important?

- Long-term perspective
- Maximize benefits of infrastructure
- Cost savings



Why Do We Need An Asset Management Plan?

OCIF is born

2012 – MIII

Create an AMP

2013 – SRNMIF

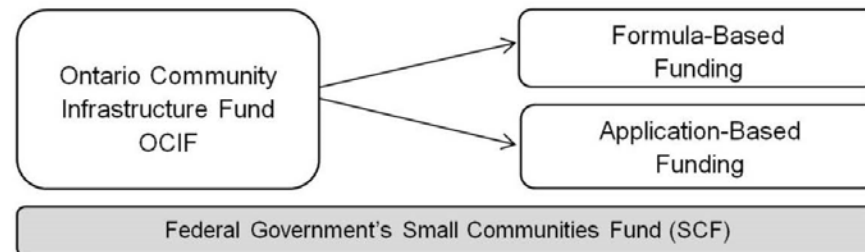
Fund your most critical project

2014 – OCIF & SCF

Fund critical projects
identified in AMP **annually**

2015 – OCIF & SCF

Second round of OCIF & SCF funding



Federal Gas Tax Fund

- Gas Tax funding support has always required Asset Management Planning
- To continue receiving Gas Tax funds:
 - Develop and implement an asset management plan by December 31, 2016
 - 20% of plans will be audited by AMO
- Bill 6, The Infrastructure for Jobs and Prosperity Act
- Includes the requirement for all broader public sector organizations to have an asset management plan

ELIGIBLE PROJECT CATEGORIES

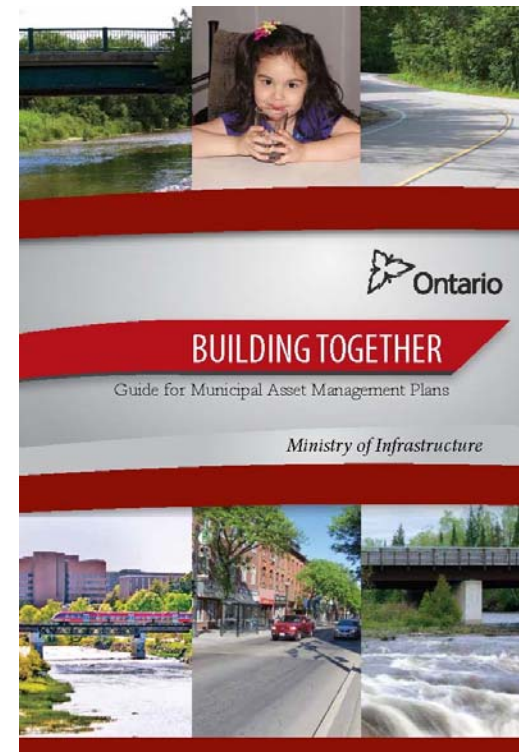
Productivity & Economic Growth	Clean Environment	Strong Cities & Communities
Local Roads and Bridges	Community Energy Systems	Capacity Building
Public Transit	Drinking Water	Disaster Mitigation NEW
Local and Regional Airports NEW	Wastewater	Recreational NEW
Broadband Connectivity NEW	Solid Waste	Cultural NEW
Short-Sea Shipping NEW	Brownfield Redevelopment NEW	Tourism NEW
Short-Line Rail NEW		Sport NEW

Source Documents

- 2010 Municipal Bridge Inspection
- 2012 Asset Management Strategy and Plan Project
- 2012 Road Needs Study
- 2015 DWQMS Operational & Financial Plans
- 2015 & 2016 Budget & Business Plan
- Tangible Capital Asset reports & spreadsheets (PSAB)
- GIS databases – asset features and attributes

Building Together

- Provincial guidelines for AM Plans
- Minimum information and analysis required
 1. Executive Summary
 2. Introduction
 3. State of the Local Infrastructure
 4. Expected Levels of Service
 5. Asset Management Strategy
 6. Financing Strategy



State of Local Infrastructure

- What we have and how much of it.
 - Road Network: 245 kms
 - Bridges & Large Culverts: 24
 - Road Crossing Culverts: 46
 - Water Main: 140 kms
 - Wastewater Gravity Main: 111 kms
 - Stormwater Main: 111 kms
 - Storm Ponds: 24*
 - Fleet: 84
 - Facilities: 27
 - Parks: 63 ha
 - Transit: 3 buses, 83 bus pads

* Total storm pond inventory; assumed and unassumed subdivisions

State of Local Infrastructure Value

- Financial Accounting Valuation
 - Historical costs and depreciation assumptions
- Replacement Cost Valuation
 - Forward-looking; expected inflation, technology changes
- Plan values based on 2012 Strategy and current PSAB
 - Historical costs, depreciation
 - No inflation

State of Local Infrastructure

• Road Network:	\$ 145,600,000
• Bridges & Large Culverts:	\$ 30,000,000
• Road Crossing Culverts:	\$ 3,024,800
• Water Main:	\$ 34,700,000
• Wastewater Gravity Main:	\$ 24,400,000
• Stormwater Main:	\$ 36,900,000
• Storm Ponds:	TBD
• Fleet:	\$ 2,340,000
• Facilities:	\$ 142,800,000
• Parks:	\$ 5,400,000
• Transit:	\$ 582,840
• Total	\$ 425,747,640

State of Local Infrastructure Age & Condition

- Asset age (construction date)
- Amount of useful life remaining (assumed life expectancy)
- Asset Condition
 - Based on standard engineering assessment
 - Subjective ratings – based on age, material
- Not all asset groups have a formal assessment rating

State of Local Infrastructure Age & Condition

- The Time of Need is a prediction of the time until an asset fails, not the time frame until action is required
- <1 Year (Now), 1-5 Year, 6-10 Year
 - A road may be categorized as '6-10 year' with a resurfacing recommendation
 - Resurfacing is expected within this time period, to further defer the need to reconstruct

State of Local Infrastructure Age & Condition

- Road Network: 65% with a 'Now' recommendation
 - Bridges: Low = 17, Medium = 2, High = 1
 - Small Culverts: 71% with a 'Now' recommendation
 - Water: 52% in 'Very Good' condition*
 - Wastewater: 50.4% in 'Very Good' condition*
 - Stormwater: 53.3% in 'Very Good' condition*
 - Fleet: 17% beyond assumed life expectancy
- * Subjective ratings

Desired Levels of Service

- Defines what a customer receives from the Town
 - A reliable supply of water
- Performance measures are targets and timeframes to indicate how well the LoS is being delivered
- Customer – measures the service received by the customer
 - < (x) disruptions per year per property
- Technical – measures how effective the Town provides the service
 - < (y) breaks per 100km of pipe per year

Desired Levels of Service

- Levels of Service have different meaning to different people
 - Cost per unit
- Should have both a customer and technical performance measure
- Multiple performance measures may be required
- Town has many legislated Levels of Service
- More documentation

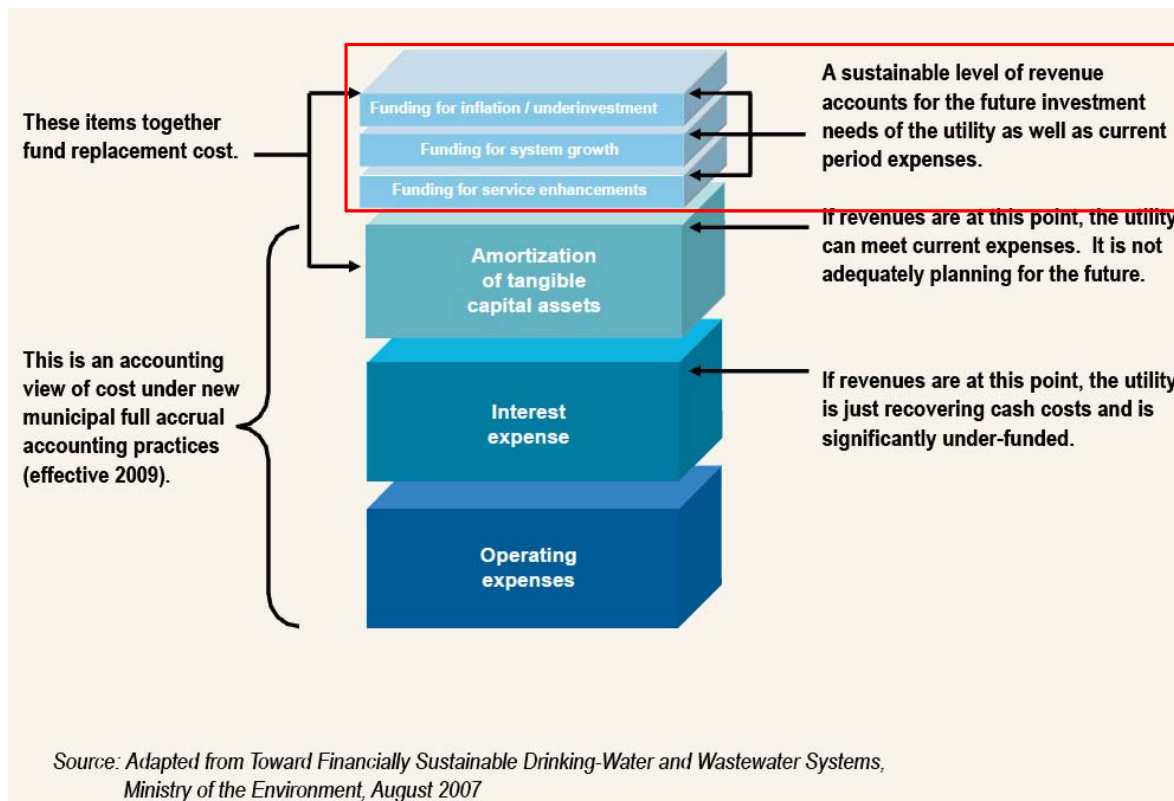
Asset Management Strategy

- *'... the set of planned actions that will enable the assets to provide the desired levels of service in a sustainable way, while managing risk, at the lowest lifecycle cost.'*

Asset Management Strategy

- Objective: ensure that the overall condition of an asset group does not diminish over time
- Dependant on available funding
- Prioritize preservation and rehabilitation programs
- Develop financial plan to maintain condition
 - Keep the 'Good' assets 'Good'
- Proceed with a holistic approach to asset management

Financial Strategy



Estimated Annual Contribution

• Road Network:	\$	3,360,000
• Bridges & Large Culverts:	\$	557,000
• Road Crossing Culverts:	\$	121,000
• Water Main:	\$	430,000
• Wastewater Gravity Main:	\$	490,000
• Stormwater Main:	\$	737,000
• Storm Ponds:		TBD
• Fleet:	\$	235,000
• Facilities:	\$	4,800,000
• Parks:	\$	300,000
• Transit:	\$	75,200
• Total	\$	11,105,200

Funding Sources

- Operating Budgets
- Reserve and Reserve Funds
- Debenture Financing (debt)
- Gas Tax
- Other Grants
- Explore alternative additional funding
 - User Fees
 - Stay informed about grant opportunities
 - Local improvement charges

Asset Management Policy

- Appendix A
- Guiding principles and requirements
- Assist with decision making
- Assist with developing specific AM Plans for asset groups
- Developing an AM Policy = short-term goal of AM Roadmap

Moving Forward

- Continue adding other assets
- Condition assessments
 - Road Needs Study, Bridge Inspection, CCTV program
- Performance modeling
- Cross asset project prioritization
- Funding scenarios

Questions?

Thank you