Non-Core Asset Management Plans

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Communication : C 1
Committee of the Whole (Working Session)
December 7, 2022
Agenda Item # 1

City of Vaughan

December 7th, 2022

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Photo: City Hall, City of Vaughan

Agenda

1. Ontario Regulation 588 / 17

2. What is Asset Management + Project Methodology?

3. The City's Non-Core Asset Portfolio

4. Asset Management Plan Components
   i. What is the state of infrastructure?
   ii. What are the Levels of Service (LoS)?
   iii. What are the asset lifecycle strategies?
   iv. What are the funding needs?
   v. How can AM planning be improved?

5. Q&A

Photo: Maple Community Centre Pool

Ontario Regulation 588 / 17

Deadline Date	Ontario Regulation 588 / 17 Regulatory Requirements & Dates
July 1st 2019	All Municipalities are required to prepare their first **Strategic Asset Management Policy**
July 1st 2022	All municipalities are required to have an **Asset Management Plan** for its **entire core municipal infrastructure** **Note:** Core Asset Management Plans were endorsed by Council last year and are currently publicly accessible on the City website (as per regulation)
July 1st 2024	All municipalities are required to have an **asset management plan** for infrastructure **assets not included under their core assets**
July 1st 2025	All Asset Management Plans must include information about the **levels of service** that the municipality proposes to provide, the **activities required** to meet those levels of service, and **a strategy to fund activities**

Photo: Thornhill Green Park Waterplay
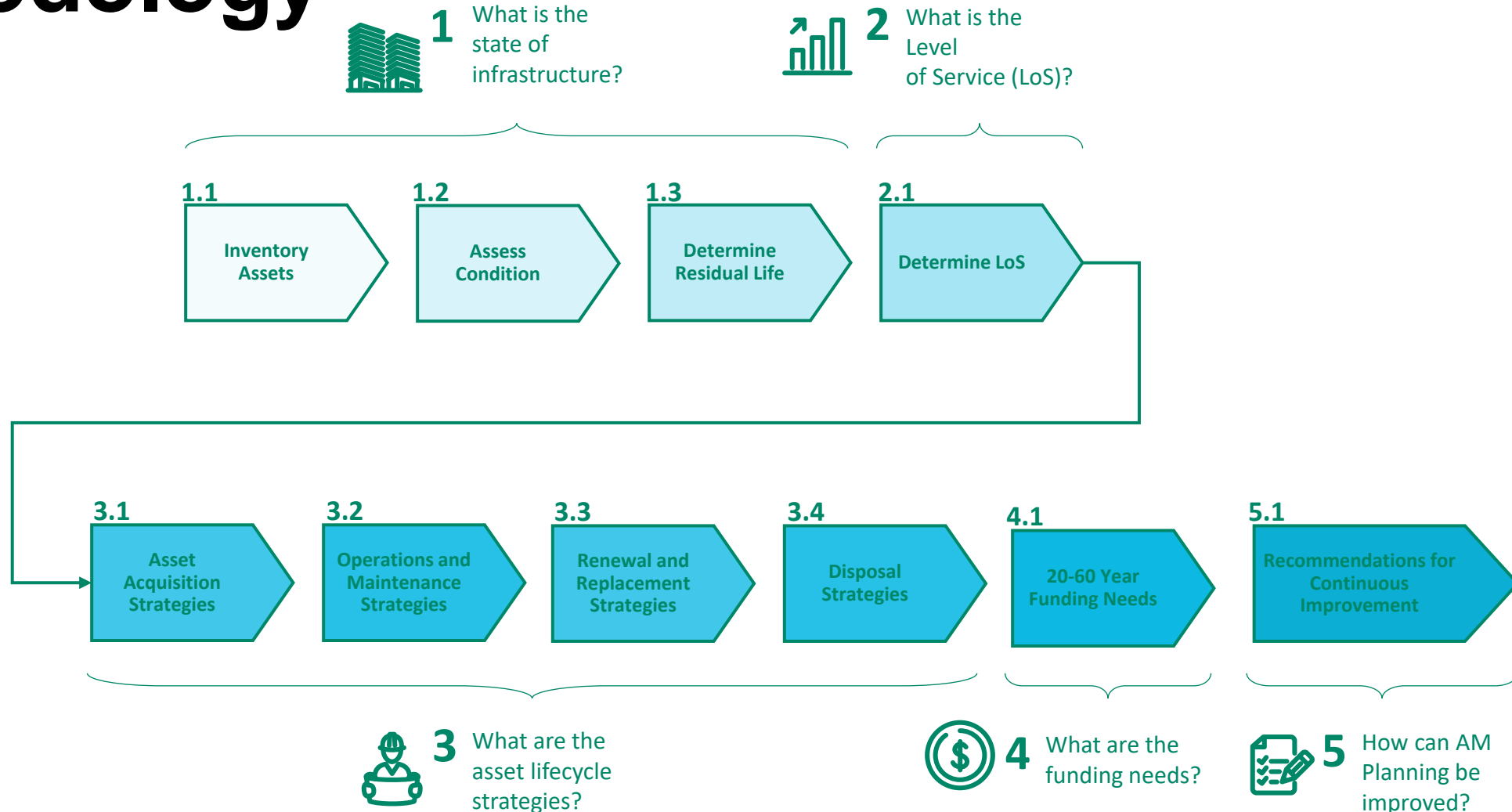
What is Asset Management?

Asset Management is an **integrated process** that combines the **skills, expertise, and activities of people** with **information** about a community's **physical assets** and **finances** so that **informed decisions** are made to support **sustainable service delivery**

Framework for Sustainable Infrastructure
Source: Adapted from Asset Management for Sustainable Service Delivery: A BC Framework

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Asset Management Methodology

1 What is the state of infrastructure?

2 What is the Level of Service (LoS)?

1.1 Inventory Assets

1.2 Assess Condition

1.3 Determine Residual Life

2.1 Determine LoS

3.1 Asset Acquisition Strategies

3.2 Operations and Maintenance Strategies

3.3 Renewal and Replacement Strategies

3.4 Disposal Strategies

4.1 20-60 Year Funding Needs

5.1 Recommendations for Continuous Improvement

3 What are the asset lifecycle strategies?

4 What are the funding needs?

5 How can AM Planning be improved?

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The City's Non-Core Asset Portfolio

- Facilities

- Parks

- Forestry

- Active Transportation

- Traffic Control & Streetlights

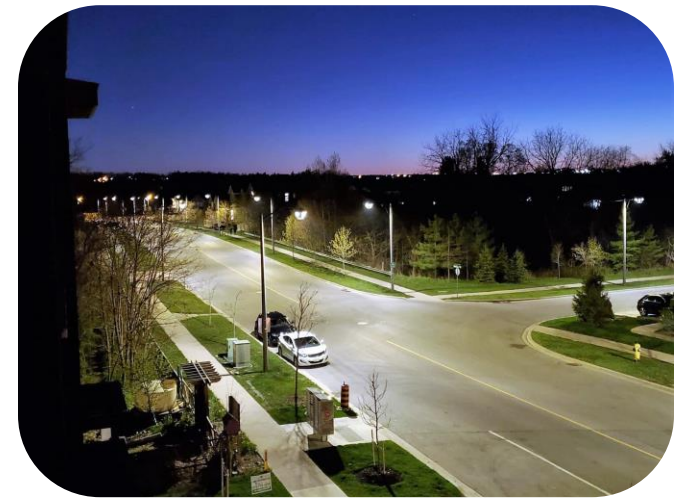- Fleet

- Fire & Rescue

Photo: LED Streetlight Retrofit

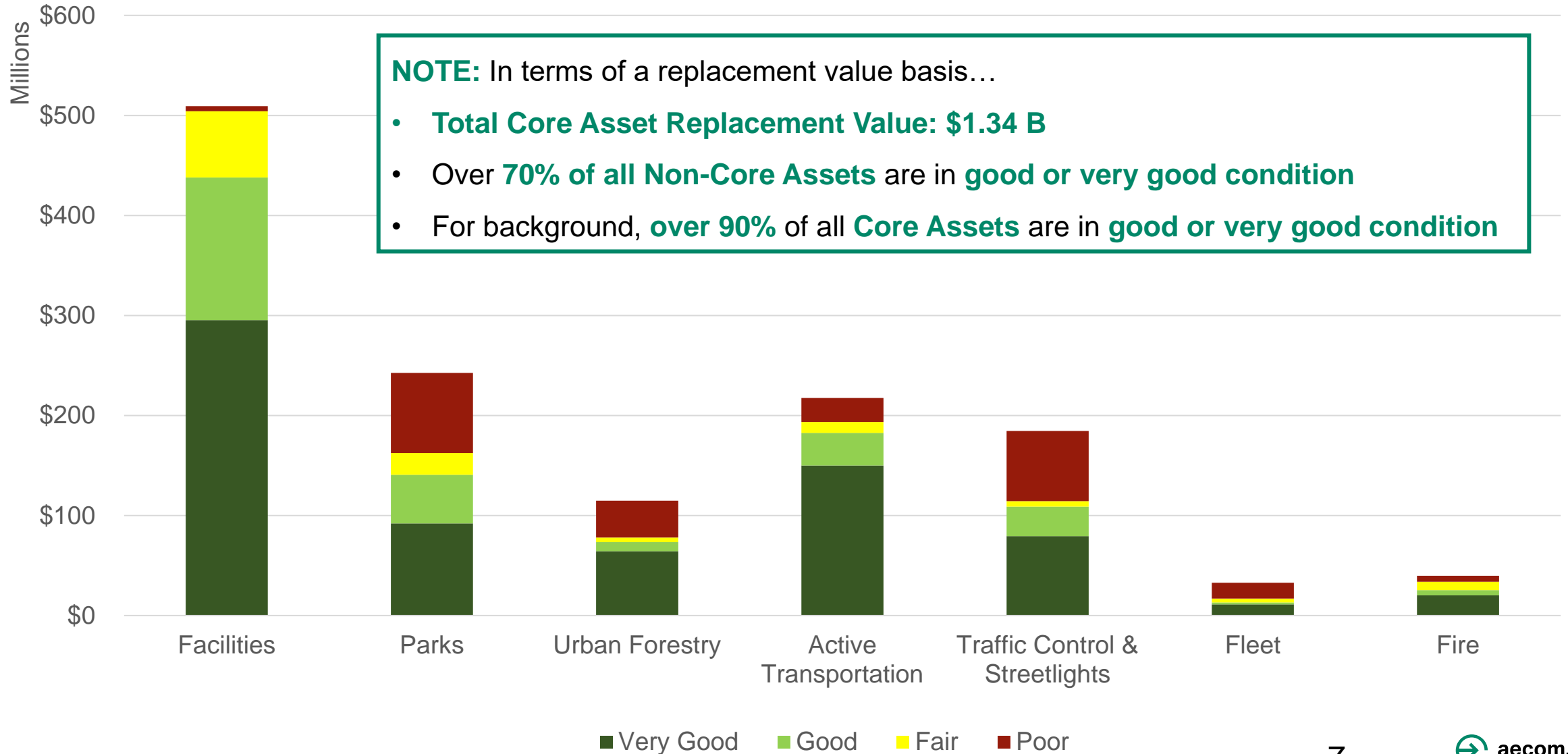Photo: Tree Planting

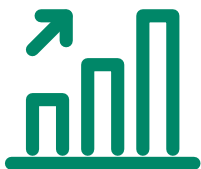Photo: North Maple Regional Park (NMRP) Pavilion and Soccer Fields

Photo: Fire Hall 7-9 & Fire Trucks

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1. What is the State of Infrastructure?

NOTE: In terms of a replacement value basis…

- **Total Core Asset Replacement Value: $1.34 B**
- Over **70% of all Non-Core Assets** are in **good or very good condition**
- For background, **over 90%** of all **Core Assets** are in **good or very good condition**

Legend: Very Good, Good, Fair, Poor

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2. What is Level of Service (LoS)?

Example LoS Measures

Asset Class	Community Measures	Technical Measures
Facilities	Property proximities to public Libraries (map)	Percent of Facilities above target FCI
Parks	Property proximities to public Parks (map)	Hectares of maintained Parkland per 1,000 population
Active Transportation	Cycling and Trail Network (map)	Percent of priority Cycling, and Trail Network completed
Traffic Control & Streetlights	Streetlight Network (map)	Percent complete of LED Conversion Program
Fleet	Implementation of "Greening" the Fleet Strategy (including number of Electric and Hybrid vehicles in service)	Gas mileage of vehicles by class (light, medium, heavy)
Fire	Response area of fire halls (map)	Percent satisfaction based on results from biennial Citizen Satisfaction Survey

NOTE: The City has compiled data for all LoS measures, but the AM Plans favored an initial streamlined approach and do not yet have all the measures included
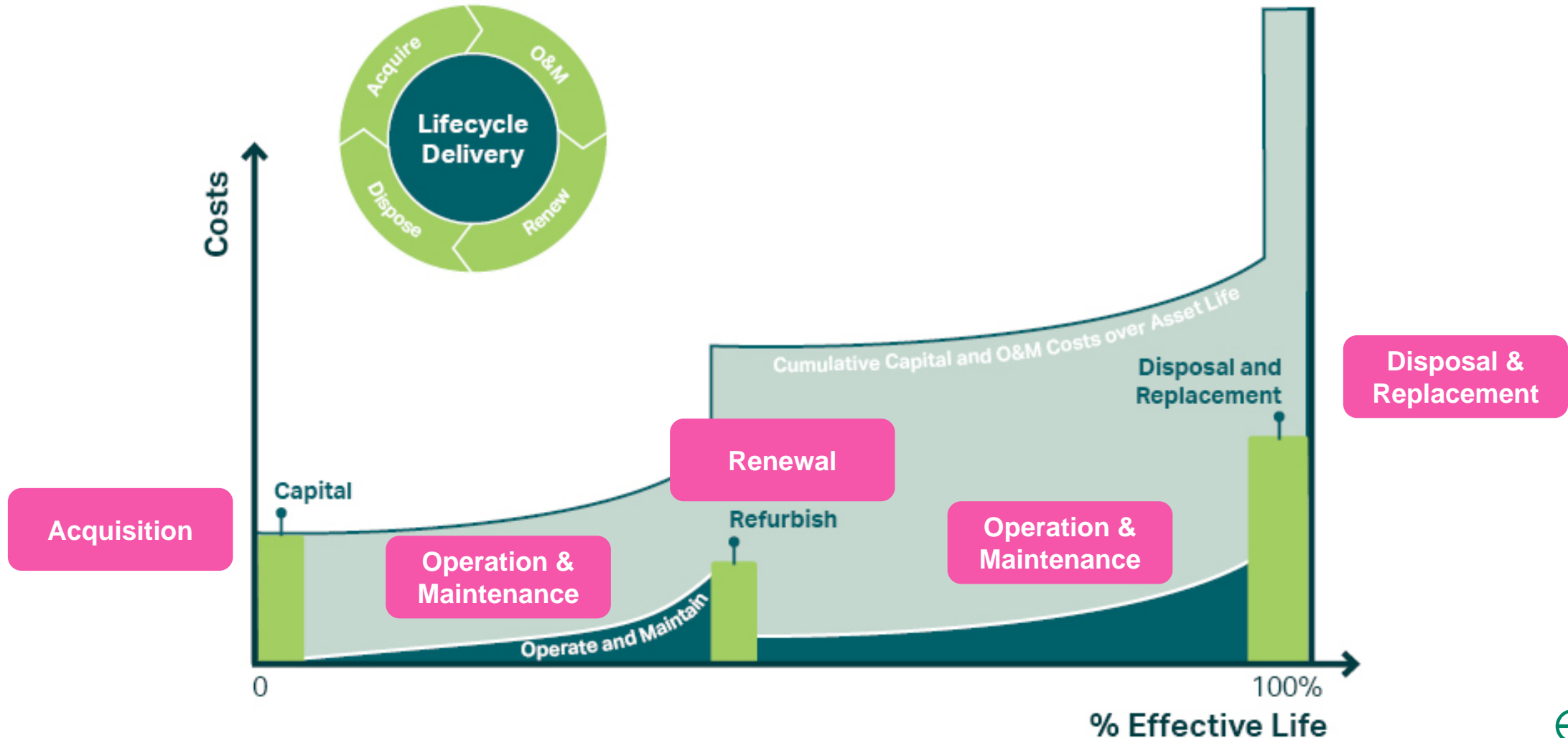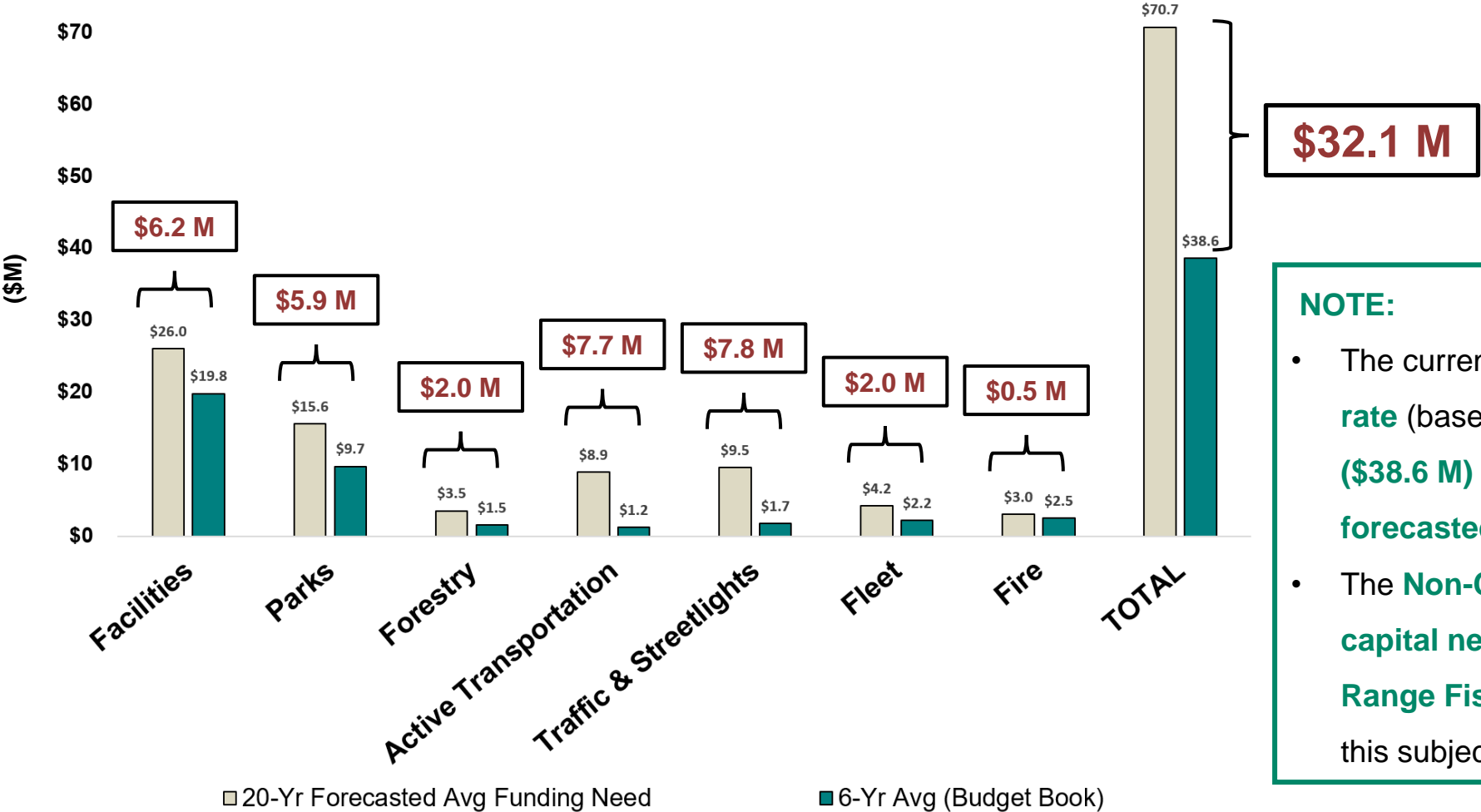
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3. What are the Asset Lifecycle Strategies?

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Non-Core Assets: Capital Asset Funding Needs

Chart: Non-Core Assets Capital Asset Funding Needs ($M)

Category	20-Yr Forecasted Avg Funding Need	6-Yr Avg (Budget Book)	Difference
Facilities	$26.0	$19.8	$6.2 M
Parks	$15.6	$9.7	$5.9 M
Forestry	$3.5	$1.5	$2.0 M
Active Transportation	$8.9	$1.2	$7.7 M
Traffic & Streetlights	$9.5	$1.7	$7.8 M
Fleet	$4.2	$2.2	$2.0 M
Fire	$3.0	$2.5	$0.5 M
TOTAL	$70.7	$38.6	$32.1 M

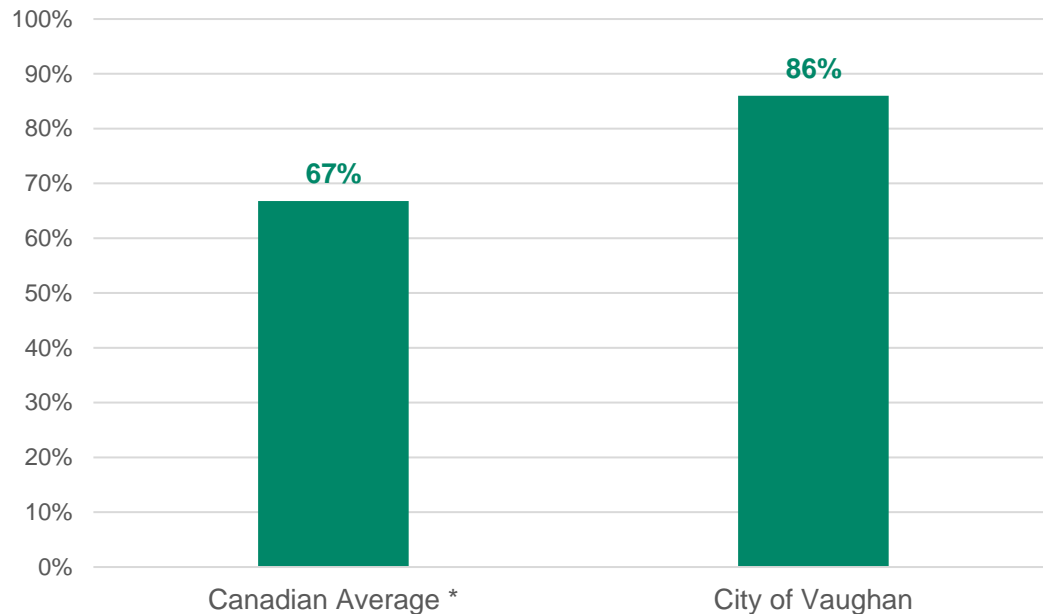Legend: ☐ 20-Yr Forecasted Avg Funding Need   ☐ 6-Yr Avg (Budget Book)

NOTE:

- The current **Non-Core asset capital investment rate** (based on Budget Book analysis) **is only 55% ($38.6 M)** of their **average annual 20-year forecasted capital needs ($70.7 M)**

- The **Non-Core annual 20-year forecasted capital needs** were direct inputs into the **Long-Range Fiscal Plan** (a presentation by Hemson on this subject will follow the AECOM presentation)

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4. What are the Funding Needs? (2 of 2)

Percentage of Facility Assets in Good to Very Good Condition

NOTE:

- Indications are that the **City of Vaughan's Non-Core assets** are in a **better condition** than its **municipal peers**, considering the example of facility assets shown at left.

- However, these asset are continuously ageing and **increased capital funding** for **Non-Core assets** is required to:

  - Sustain the **high quality of service** that the City's customers are accustomed to.
  - **Manage risk** and avoid unexpected **asset failures**.
  - Ensure the **long-term sustainability** of the City's **$1.34 B investment** in Non-Core assets.

* Source: 2019 Canadian Infrastructure Report Card, Culture and Recreation Facilities including Arenas and Pools, Arts and Culture and Other facilities. Excludes "Unknown"

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5. How Can AM Planning Be Improved?

1. Continue to refine asset inventories and close current data gaps

2. Continue updating asset condition data to improve understanding of asset condition

3. Refine the LoS framework with the objective of meeting the O. Reg. 588 / 17 deadline of mid-2025:
   - Measure and report on asset performance
   - Link LoS with sustainable funding levels

4. Incorporate asset risk assessment identify high-risk assets

5. Establish a sustainable funding model for non-core assets

6. Continue improving the City's Non-Core AM program

Photo: Civic-Centre-Resource-Library

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