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Report To: Council, August 20th, 2024

Report No: FS20-2024

Subject: Asset Management Plan, 2024

Recommendation: That Council receive and approves as final, the Town of South Bruce Peninsula's 2024 Asset Management Plan as prepared by PSD Citywide.

And that Staff review and prepare an action plan to address the recommendations contained within the report.

Link to Strategic Planning Goal 2: Sustainable Infrastructure.

Background:

On February 6th, 2024 Council endorsed Report FS04-2024 Procurement for 2024/2025 Asset Management Plan and passed resolution R-31-2024 awarding the contract to PSD Citywide for the preparation of the 2024/2025 Asset Management Plan. Over the past months staff and the management team have been working collaboratively with PSD Citywide (PSD) and their primary consultant Moya Taylor, to bring to fruition a 2024 Asset Management Plan.

The previous asset management plan (AMP) was completed in 2022 to meet the requirements of O.Reg.588/17, which included a comprehensive review of core assets including bridges & culverts, road network, sanitary network, stormwater network and water network. The report presented today meets the requirements for July 1, 2024, which expands on the core assets previously reported, and adds facilities, land improvements, parks, machinery and equipment, and vehicles. Staff will continue to work with PSD to meet the 2025 requirements. The 2025 project will include community and departmental engagement to define the proposed levels of service for each asset category, as well as a 10-year financial strategy. The financial strategy will include the approach to dealing with financial gaps and how to address the risks that could result from the deferral of asset replacements.



Options: Council can accept the report as presented or request additional information and defer the report.

Attachments:

One: Asset Management Plan, 2024

Inter-departmental Impact: The Asset Management Plan was prepared with consultation of staff and management covering all municipal departments. The AMP is data driven and relies on the knowledge of staff to ensure its accuracy and completeness. The maintenance of the asset inventory will continue to be a collaborative effort of review and refinement across all departments.

Financial Implications:  Approval of  Director of Financial Services/Treasurer

While there are no immediate financial implications resulting from the adoption of AMP, there are budgetary implications as we begin the 2025 budget process. Any financial items will be addressed separately through the budget process.


The following chart outlines the changes to the Key Statistics between the 2024 and 2021 AMP:

Key Statistic	2024	2021
Replacement cost of Assets	\$531.2M	\$277.8M
Replacement cost per Household	\$75,000	\$40,000
Assets in fair or better condition	69%	50%
Assets with condition data	74%	67%
Annual capital infrastructure deficit	\$7.0M	\$4.2M
Timeframe to eliminate deficit	15 years	15 years
Target reinvestment rate	2.3%	3.29%
Actual reinvestment rate	0.9%	1.21%

Through out the preparation of the 2024 AMP there were numerous discussions with staff and management to review the asset inventory. Where data gaps were identified, staff worked hard to add various data sets to the asset inventory, which has attributed to the significant increase in the replacement cost of assets, in addition to annual capital replacements. During the review, staff were able to provide condition data, which provided for an increase of 7% such that 74% of the assets now have condition data applied.

Expected Date of Completion: Once the AMP has been approved by Council, no further action is required by Council with regards to the 2024 report. The AMP will be uploaded to the Town's website and submitted as required in accordance with the regulation. Staff will proceed with the next phase of meeting the 2025 requirements of O. Reg.588/17.

Respectfully submitted,

per 

Tracey Neifer, CPA, CA
Director of Financial Services



Bill Jones, CMM III
Chief Administrative Officer

Date: August 13th, 2024

Date: AUGUST 13, 2024