



Report to County Council

From: Peter Dutchak, Director, Engineering Services
Andrew Parker, Manager of Roads and Asset Management

Date: June 25, 2024

Subject: Corporate Asset Management Plan – Phase 2

Recommendation(s):

THAT the report titled “Corporate Asset Management Plan - Update” from the Director of Engineering Services dated June 25, 2024 be received and filed.

Introduction:

Public infrastructure is central to our prosperity and our quality of life. The majority of public infrastructure in Canada is the responsibility of municipal government. Adequate municipal infrastructure such as roads, bridges, and underground water and sewage pipes are essential to economic development, citizen safety, and quality of life. Well maintained infrastructure is critical in sustaining a municipality as an attractive place to live and do business.

Building assets accounts for only 10-20% of their total cost of ownership and therefore the management of maintaining assets through their life is critically important. Asset Management is the process of collecting a variety of data and information regarding municipality assets and using that data to make the best long-term decisions when building, operating, maintaining, renewing, replacing, and disposing of those assets.

In December 2017, Ontario Regulation 588/17 (O.Reg.588/17), known as the *Asset Management Planning for Municipal Infrastructure* regulation was adopted by the Provincial government to promote standardization and consistency in municipal asset management. The County remains on target to comply with this regulation.

The County is in the midst of a multi-year comprehensive Corporate Asset Management Plan (CAMP) development approach to improve its asset management practices and processes. The County’s latest updated CAMP prepared exclusively by staff focuses on the County’s stormwater, sanitary, transportation, fleet, long-term care homes, and corporate facilities, and was adopted by County Council in 2022.

This plan is available on the County's website and available through the link below:

https://www.elgincounty.ca/wp-content/uploads/2022/08/071-EPE-Elgin-County-2022-AMP_FINAL_3August2022-compressed.pdf

The phase-in schedule for the implementation of O.Reg.588/17 is set across the following timeline milestones:

July 1, 2019: Deadline for municipalities to have completed a strategic asset management policy, which implements asset management planning in the budgeting, operations, maintenance and other municipal planning activities. COMPLETE

July 1, 2022: Deadline for municipalities to have a finalized and approved asset management plan for core assets (roads, bridges, water, wastewater and stormwater management systems (Phase 1 – COMPLETE).

July 1, 2024: Deadline for municipalities to have an approved asset management plan for all municipal infrastructure assets (Phase 2 – Presented in this report).

This later requirement has now been completed and incorporates the remaining County departmental assets (Information Technology and Cultural Services) as a supplemental document to the CAMP approved in 2022 and is presented in this report for approval.

Background and Discussion:

The County is responsible for provision of a diverse array of stormwater, sanitary, transportation, fleet, long-term care homes, corporate and cultural facilities which have a combined approximate replacement value of \$1.38 Billion (as of 2022). An integral component of ensuring reliable service is to create an effective approach of managing existing and future municipal assets. Effective asset management aims to manage assets in a way that balances levels of service, risk, and cost effectiveness throughout the entire asset lifecycle. Ultimately, adopting effective and comprehensive asset management strategies across the organization will support the long-term sustainability of the services the County provides. The CAMP will inform future budget development and arm County Council with the information required to make important investment decisions.

The County of Elgin completed its core and partial non-core Corporate Asset Management Plan in July 2022, and this supplemental update provides information on non-core assets previously not included within the Asset Management Plan prepared ahead of the July 2022 timeline. This supplemental plan – hereby referred to as Phase 2 of the Asset Management Plan – incorporates Information Technology and Cultural Services Assets.

The final implementation of O. Reg. 588/17 builds upon previous phases and develops levels of service (LOS) metrics to be utilized for different asset classes. This component of the process will be referred to as Phase 3 of the CAMP and builds on Phase 1 and 2 by adding and revising the proposed levels of service with strategies to fund the activities

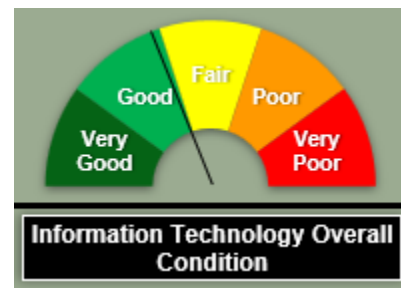
over a 10-year horizon. This funding strategy will ultimately identify the gap between the County’s infrastructure and assets being managed at a determined LOS and the current state. This financial strategy will be completed by July 2025 and with the assistance of an external consultant. The figure to the right showcases the O. Reg. 588/17 milestones.



Key highlights included within the Phase 2 supplemental report are as follows:

Information Technology

- 441 Desktop / Laptop computers
- 191 Cell Phones / Tablets
- 27 Storage / Backup servers
- \$3.1M replacement value



Cultural Services

- 10 Libraries
- 210,264 books/physical items
- \$2.88M replacement value



Financial Implications:

Phase 3 of the CAMP will be developed with the assistance of a consultant not yet retained. All CAMP development to date has been prepared exclusively by County staff and it is recommended that the final version, which incorporates setting Council approved levels of service and financial planning be prepared by an experienced consultant. A project budget for asset management was established in 2018 for \$100,000 (60901804) and these funds remain to fund the Phase 3 plan.

Alignment with Strategic Priorities:

Serving Elgin	Growing Elgin	Investing in Elgin
<input checked="" type="checkbox"/> Ensuring alignment of current programs and services with community need. <input checked="" type="checkbox"/> Exploring different ways of addressing community need. <input type="checkbox"/> Engaging with our community and other stakeholders.	<input checked="" type="checkbox"/> Planning for and facilitating commercial, industrial, residential, and agricultural growth. <input type="checkbox"/> Fostering a healthy environment. <input checked="" type="checkbox"/> Enhancing quality of place.	<input checked="" type="checkbox"/> Ensuring we have the necessary tools, resources, and infrastructure to deliver programs and services now and in the future. <input checked="" type="checkbox"/> Delivering mandated programs and services efficiently and effectively.

Local Municipal Partner Impact:

None.

Communication Requirements:

The Phase 2 supplemental CAMP plan will be available on the County’s website.

Conclusion:

With the development of the Corporate Asset Management Plan (CAMP), the County of Elgin has achieved compliance with O. Reg. 588/17 to the extent of the requirements that must be completed by July 1, 2024. There are additional requirements concerning proposed levels of service and growth that must be met by July 1, 2025.

The CAMP represents a snapshot in time and is based on the best available data and information. Strategic asset management planning is an ongoing and dynamic process that requires continuous improvement and commitment of resources.

All of which is Respectfully Submitted

Approved for Submission

Peter Dutchak
Director of Engineering Services

Blaine Parkin
Chief Administrative Officer/Clerk

Andrew Parker
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