



## REPORT N° INF2020-06

<b>Date</b>	24/02/2020
<b>Submitted by</b>	Julian Lenhart
<b>Subject</b>	Special Meeting for Asset Management
<b>File N°</b>	

1) **NATURE/GOAL :**

The goal of this report is to approve a special Committee of the Whole meeting date to revise the City's asset management plan.

2) **DIRECTIVE/PREVIOUS POLICY :**

Department's report INF2019-034.

3) **DEPARTMENT'S RECOMMENDATION :**

**WHEREAS** during the 2020 budget deliberations, Council approved the \$2,956,000 capital budget envelope, but not the proposed capital projects; and

**WHEREAS** during the 2020 budget deliberations, Council directed staff to review the capital project list; and

**WHEREAS** the capital project list cannot be developed without revising the City's current asset management strategy and plan;

**BE IT RESOLVE** that Committee of the Whole recommend that Council approve a one (1) day Special Committee of the Whole meeting on April 24, 2020, to revise the City's asset management plan.

**ATTENDU QUE** lors des délibérations du budget 2020, le Conseil a approuvé l'enveloppe budgétaire de 2 956 000 \$, sans approuver les projets d'immobilisations proposés; et

**ATTENDU QUE** lors des délibérations du budget 2020, le Conseil a demandé au personnel de réviser la liste des projets d'immobilisations; et

**ATTENDU QUE** la liste des projets d'immobilisations ne peut être élaborée sans réviser la stratégie et le plan actuels de gestion des actifs de la Cité;

**QU'IL SOIT RÉSOLU** que le comité plénier recommande au conseil d'approuver une réunion spéciale de comité plénier d'un (1) jour, le 24 avril 2020, pour réviser le plan de gestion des actifs de la Ville.

4) **BACKGROUND :**

The City developed and approved its first asset management plan in 2014. It was later revised and amended in 2016 where, 10-year capital plans for the City's linear assets (roads, watermain, sewers, bridges and culverts) were added. This version of the asset management plan has been used since 2016 to establish the City's capital projects, which have been deliberated during the annual capital budgets.

The City's 2016 asset management plan was developed based on a set of fundamental principles.

- **Levels of service** the plan would maintain to current levels of service.
- **Risk** capital project would be prioritized based on the risk and consequence of asset failure. The following criteria were used to prioritize capital projects;
- **Financial Sustainability** capital projects are funded from the established capital reserves (roads, sewer and water) and available grants (OCIF, UCPR, etc.). Additionally, the repayment on debt of projects requiring debt financing is funded from the capital reserves or available grants.

During the 2020 budget deliberations, Council expressed to the administration that the current strategy and plan no longer meet Council's and the community's needs. The only way to reconcile the community's needs with capital planning is through good asset management practices. Council further directed staff to revise the capital project list and by extension the asset management strategy/principles.

5) **DISCUSSION :**

Staff recommend a one (1) full-day Special Committee of the Whole meeting in order to save time, consulting fees and to effectively develop the asset management plan. Following the special meeting, staff will revise and complete the plan based on the directions given by council. Staff will develop capital plans for roads, culverts and drainage projects which will then be presented for Council's approval. These plans will be developed in line with the provincial regulations O. Reg. 588/17 ASSET MANAGEMENT PLANNING FOR MUNICIPALITIES and they will form the basis of the City's capital budgets.

### **Meeting Facilitator**

The meeting will be facilitated by Andy Whittaker from Jacob's. Prior to the Special Committee of the Whole meeting, Mr. Whittaker will hold individual teleconference interviews with members of council. These interviews are to better understand council's overall perspective on "What works and does not work" with the current plan among other things. Mr. Whittaker will schedule these interviews directly with members of council between late March and beginning of April.

### **Meetings outlined below:**

#### First part of meeting – Establish Council's asset management priorities

- "What is working and not working" with the current plan;
- Confirm Council's desired asset management outcomes;
- Establish/confirm council's asset management priorities;
- Establish desired levels of service;

#### Second part of meeting – Revise the data

- Current levels of service (current state of infrastructure);
- Current funding envelopes;
- Establish rehabilitation strategies;

#### Third part of meeting – Council's direction

- Categorize council's priorities;
- Establish the City's asset management fundamental principles;
- Develop the asset management framework based on Council's direction;

6) **CONSULTATION:**

N/A

7) **RECOMMENDATIONS OR COMMENTS FROM COMMITTEE/ OTHER DEPARTMENTS :**

N/A

8) **FINANCIAL IMPACT (expenses/material/etc.):**

Jacobs was chosen from the City's standing offer list under the asset management category. The cost for the facilitator will be paid from the department's operating budget under the Engineering GL.

9) **LEGAL IMPLICATIONS :**

O. Reg. 588/17 ASSET MANAGEMENT PLANNING FOR MUNICIPALITIES, requires that Municipalities have a Strategic Asset Management Policy approved by July of 2019 and an asset management plan of its core assets by July 2021.

10) **RISK MANAGEMENT :**

Good asset management maximizes benefits and reduces risks of infrastructure failure through the integrated approach, involving all organization departments, to effectively managing existing and new assets.

11) **STRATEGIC IMPLICATIONS :**

Financial responsibility and sustainable infrastructure management are key pillars of the City's Strategic Plan as well as fundamental principles of the City's asset management.

12) **SUPPORTING DOCUMENTS:**

N/A