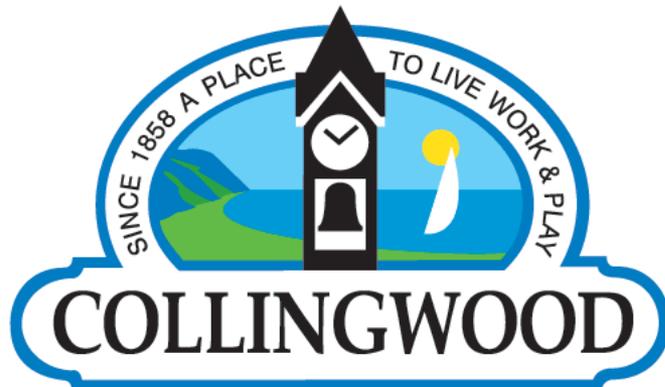


Asset Management Plan

Update 2021



Regulation Update

- **Phase 1 – AMP for core infrastructure assets (i.e. roads, bridges, culverts, wastewater, water, and stormwater) - July 1st, 2022.**
- **Phase 2 – AMP for all assets - July 1, 2023.**
- **Phase 3 – build on Phase 1 and 2 by adding – July 1, 2024: Proposed Levels of Service; and Lifecycle management and Financial Strategy.**



Regulation Update Cont'd

Within each of the phases the Town is following the Asset Management Framework that was developed to assist municipalities through the process:

- 1. A complete asset inventory;**
- 2. Refining the asset data – include detailed components listing, asset age and condition;**
- 3. Replacement values of the assets;**
- 4. Current Levels of Service (qualitative and technical metrics) of each asset – through assessments and inspections and set assessment parameters;**
- 5. Deterioration curves by asset type (and sub-types if necessary) which predict when and how quickly the assets will deteriorate, which often accelerates as assets age.**

Regulation Update Cont'd

- 6. The available treatments (such as maintenance activities, renewal/rehabilitation activities and replacement activities) and how each will increase the Level of Service (LOS) and/or decrease the speed of deterioration**
- 7. Set Levels of Service (LOS) targets – understanding community expectations and understanding the costs to meet these targets;**
- 8. Determine optimized set of treatments over one or more lifecycles of each asset to minimize investment and maximize LOS, while not going below any minimum LOS that is set; and**
- 9. Development of multi-year Financing Strategy to meet investment needs or trade off to reduced target achievement.**

Current Status TOC AMP

- For Core Assets – final items needed are WWT/WT Facilities to be complete – expected in Aug-2021.

	Town of Collingwood AMP Completion to Date		
Components of AMP	Phase I (Core Assets)	Phase II (All Assets)	Phase III (All Assets) + (Full LOS / Strat for 10 yrs)
Asset Inventory	90.0%	35.0%	35.0%
Levels of Service	65.0%	0.0%	0.0%
Asset Management Strategy	65.0%	0.0%	0.0%
Financial Strategy	60.0%	0.0%	0.0%

State of Local Infrastructure – Core Linear Assets

- Extensively reviewed and updated over the last 15 months, including new condition assessments (Roads, Bridges, Water) and updated inventory sets (Sanitary and Storms).

Asset Type	Records	Quantity	Units	Replacement Cost	Original Cost	Avg Condition	Avg Age
Bridge	21	4,879	m ² (Deck Area)	\$ 35,742,500	\$ 21,293,344	63.94	33.59
Road	767	140	km (length)	\$ 187,387,138	\$ 155,895,291	81.84	27.62
Sanitary Sewer	1,359	106,937	m (length)	\$ 62,838,542	\$ 47,246,744	75.01	37.94
Storm Sewer	2,067	78,571	m (length)	\$ 100,815,048	\$ 70,709,127	69.62	29.22
Watermain	1,792	171,726	m (length)	\$ 103,985,215	\$ 88,243,945	84.37	31.73
				\$ 490,768,443	\$ 383,388,451	74.96	32.02

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AMP Model Funding vs Expenditures

- Model funding is closer to actual expenditures than expected – Note **preliminary data** and includes only core assets at this time.

Asset Class	AMP Model AVG Annual Cost	Approach	Time Frame	Historical AVG Capital Exp.	Historical AVG Operating Exp.	Net Difference (Under) / Over Spent from Model
Bridge	\$ 864,000	OSIM Studies	50 years	\$ 570,000	\$ 8,500	-\$ 285,500
Road	\$ 3,780,000	Best Practices	50/20 years	\$ 2,160,000	\$ 483,000	-\$ 1,137,000
Sanitary Sewer	\$ 642,000	Best Practices	75 years	\$ 669,000	\$ 292,000	\$ 319,000
Storm Sewer	\$ 1,050,000	Best Practices	75 years	\$ 895,000	\$ 211,000	\$ 56,000
Watermain	\$ 1,370,000	Best Practices	75 years	\$ 718,000	\$ 781,000	\$ 129,000
	\$ 7,706,000			\$ 5,012,000	\$ 1,775,500	-\$ 918,500

Historical Funding Sources

- Illustrates the amounts the Town is investing in asset management (i.e. through rehabilitation/renewal projects and transfers to reserve funds), note that the Town is making a concerted effort each year to ensure we are addressing the stewardship of our assets.

Source	2015 Ending Balance	2016 Net Spend*	2017 Net Spend*	2018 Net Spend*	2019 Net Spend*	2020 Net Spend*	Total Net Additions / (Expenses)	2020 Estimated Balance**
Lifecycle Reserve Fund	\$ 563,563	\$ 1,115,016	\$ 3,445,605	\$ 1,900,495	(\$ 50,062)	(\$ 1,586,468)	\$ 4,824,586	\$ 5,388,149
Special Capital Levy	\$ -	\$ 350,682	\$ 4,559	\$ 7,247	\$ 508,552	\$ 97,985	\$ 969,024	\$ 969,024
Water Reserve Fund	\$ 5,293,154	\$ 52,094	\$ 1,169,362	\$ 2,504,620	\$ 1,705,540	\$ 3,870,043	\$ 9,301,659	\$ 14,594,813
Wastewater Reserve Fund	\$15,387,340	(\$ 141,803)	\$ 3,028,779	(\$ 1,807,285)	\$ 1,097,848	\$ 2,846,747	\$ 5,024,286	\$ 20,411,626
OCIF Formula	\$ -	\$ -	\$ 131,246	(\$ 67,688)	(\$ 392,055)	\$ 751,165	\$ 422,669	\$ 422,669

* Note Net Spend: (-) = less funds were contributed to the Reserve Fund then spent.

** Estimated balances for 2020 as the Audited statements are not yet completed.

Summary of the Data

- The AMP model estimates of what we should be spending roughly correspond to what we are in fact spending (note on core assets only – other asset categories are still to be determined);
- The overall average condition ratings of our asset classes are good (above 70); and
- The internal reserves for asset replacement and rehabilitation are reasonable.

We are doing the right things but there is still more work to do.

Next Steps

- 1) Continued refinement of Water/Wastewater Treatment Plant facilities inventory;
- 2) Defining Levels of Service (LOS) for each category of asset:
 - a) current state;
 - b) set targets; and
 - c) review costs to maintain these targets.
- 3) Ensure timing of replacement for corresponding assets aligns;
- 4) Understand the deterioration and degradation of assets with respect to maintenance; and
- 5) Develop a financing strategy.