

PUBLIC SECTOR DIGEST

Intelligence for the Public Sector.

TOWN OF EAST GWILLIMBURY ASSET MANAGEMENT PLANNING



THOUGHT LEADERSHIP



ASSET MANAGEMENT



PERFORMANCE MEASUREMENT



FINANCIAL PLANNING

Agenda – The Asset Management Plan

- **Why do we need the Asset Management Plan**
 - Overview of Asset Management in East Gwillimbury
 - Requirements from the province
 - Requirements from AMO
- **The Asset Management Plan**
 - State of the Infrastructure
 - Desired Levels of Service
 - Asset Management Strategy
 - Financial Strategy
- **Next Steps**
 - Improving Asset Management in East Gwillimbury

Asset Management (East Gwillimbury)



- BRINGING THE TEAM TOGETHER
- DEBT FREE
- THE RIGHT TIME - YOUNG NETWORK OF ASSETS
- AHEAD OF THE CURVE



Provincial/Federal Funding

Examples of Infrastructure Funding: OCIF/SCF

Comprehensive and current AMP
Permanent and predictable funding

Ontario Community Infrastructure Fund

\$100 million per year

\$50 million in formula-based funding

\$50 million in application-based funding

The Town has currently secured \$105,000 per year for 3 years with a review to be completed by 2018 to become permanent.

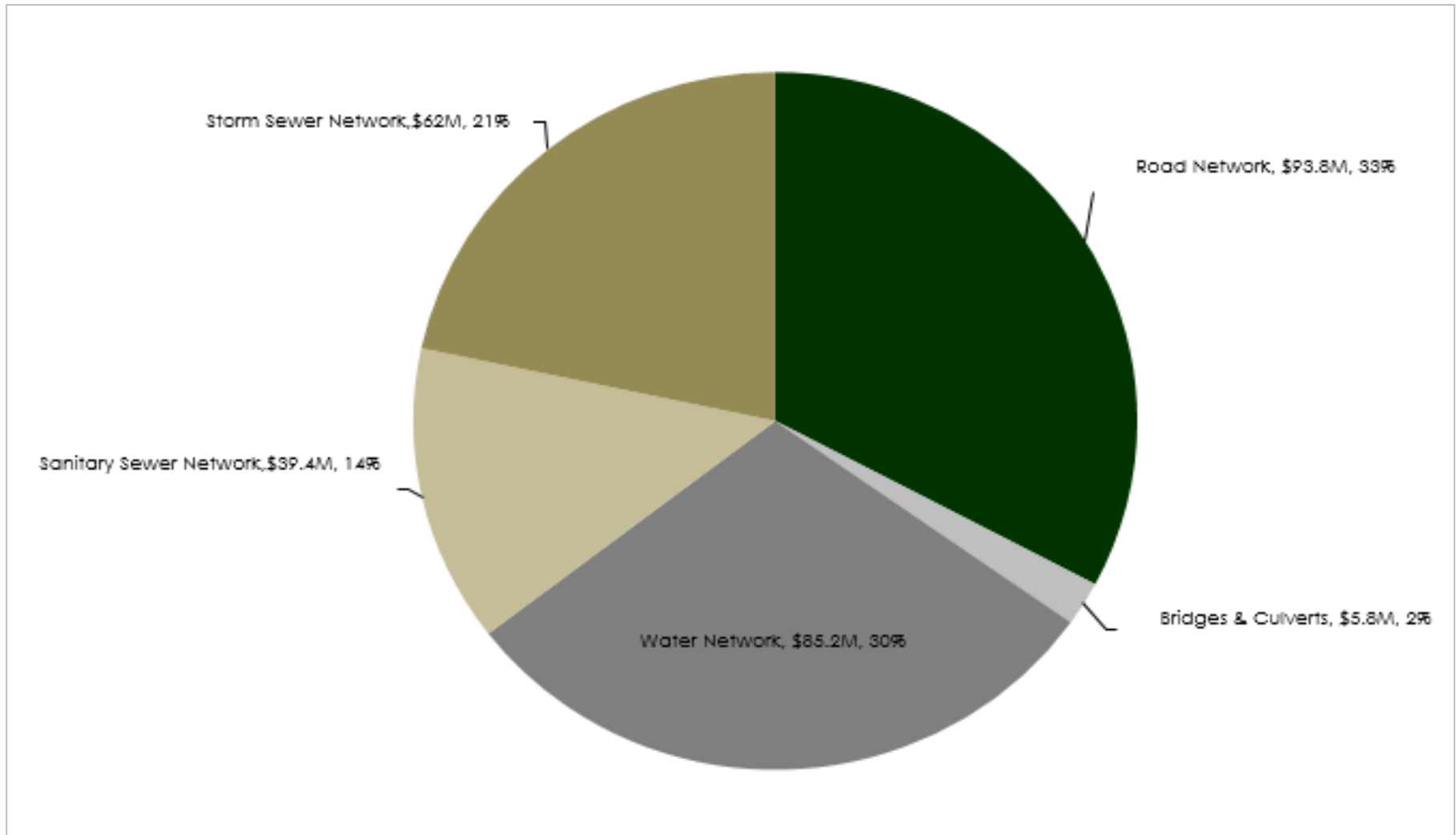
ASSET MANAGEMENT PLAN

- Priority for Canada in the Gas Tax Agreement
- Municipalities are required to develop and implement an Asset Management Plan by December 31, 2016
- Should include all infrastructure categories eligible for Gas Tax funding
- Municipalities are encouraged to build upon their existing Asset Management Plans using Ontario's *Building Together: Guide for Asset Management Plans*

ASSET MANAGEMENT PLAN

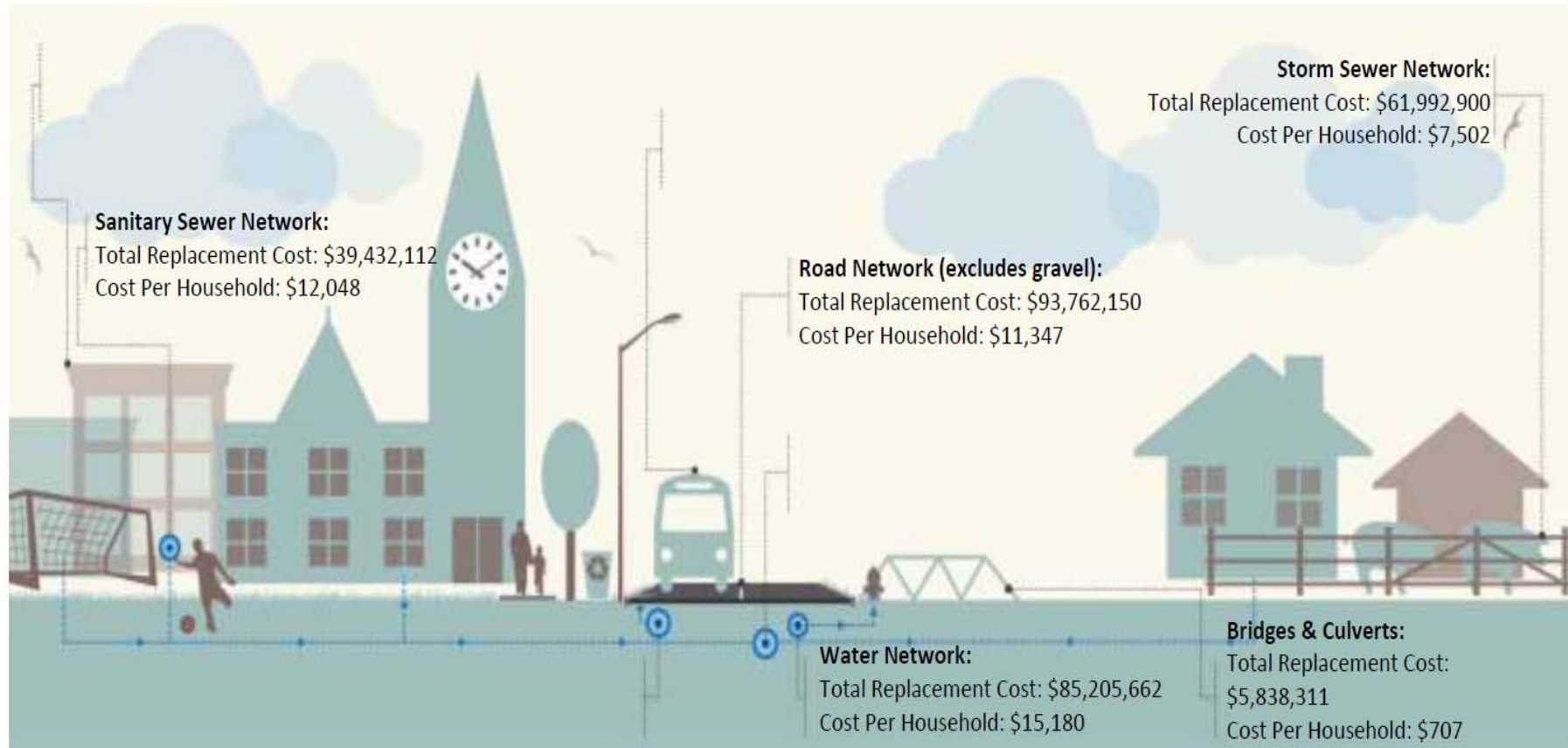
- Developing and Implementing an Asset Management Plan is now a requirement of the federal Gas Tax Agreement
- Expenditures related to preparing an Asset Management Plan are eligible for federal Gas Tax funding
- Increase condition assessments of your assets to improve the credibility of your asset management
- Demonstrate outcomes by using Asset Management to identify priority projects and guide infrastructure investment

Estimated Replacement Cost by Asset Class in 2014 Dollars 286.2M



Infrastructure Replacement Cost Per Household

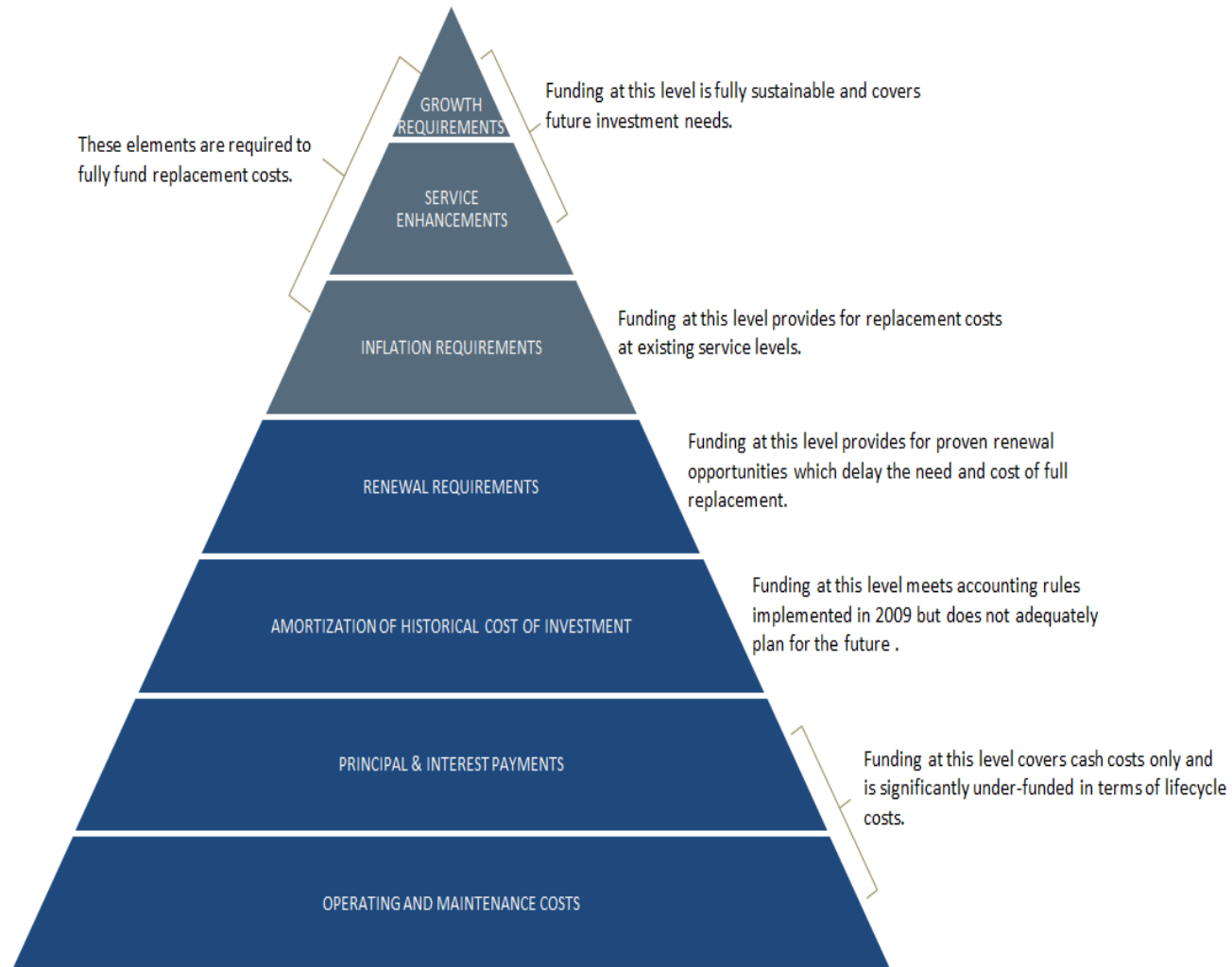
\$46,784 per household



Infrastructure Report Card
The Town of East Gwillimbury

Asset Category	Condition Grades	Average Condition Grades of similar municipalities	Comments
Road Network	C	C	The vast majority, 69% of the municipality's road network is in fair to excellent condition. The average annual revenue required to sustain East Gwillimbury's paved road network is approximately \$2,699,000 .
Bridges & Culverts	B+	B	The municipality's bridges & culverts are all in good to fair condition. The average annual revenue required to sustain East Gwillimbury's bridges & culverts is \$119,000 .
Water Network	B	C	100% of the municipality's water mains are in fair to excellent condition. The average annual revenue required to sustain East Gwillimbury's water network is approximately \$1,153,000 .
Sanitary Sewer Network	C	C-	88% of the municipality's sanitary and force sewer mains are in fair to excellent condition, while 63% of its sanitary laterals are also in fair to excellent condition. The average annual revenue required to sustain East Gwillimbury's sanitary sewer network is approximately \$543,000 .
Storm Sewer Network	B	D	100% of the municipality's storm sewer mains and storm assets are in fair to excellent condition. The average annual revenue required to sustain East Gwillimbury's storm sewer network is approximately \$786,000 .

The Financial Strategy



Risk / Criticality Assessment

$$\text{Risk} = \text{Probability of Failure (Pof)} \times \text{Consequence of Failure (Cof)}$$

		High						
	5	10 Assets 5,786 m, units \$7,001,375.67	45 Assets 12,088.32 m \$8,448,352.56	33 Assets 7,275.95 m \$8,561,299.15	32 Assets 4,743.35 m \$4,742,808.46	No Assets - N/A		
	4	19 Assets 2,910.65 units, m \$4,997,409.07	25 Assets 16,441.31 m \$8,596,326.98	34 Assets 12,178.74 m, units \$10,521,349.46	59 Assets 13,756.22 m, units \$12,386,684.52	3 Assets 534.3 units, m \$2,207,690.13		
	3	72 Assets 10,340.76 m, units \$10,743,200.86	67 Assets 35,097.67 m, units \$20,187,994.88	142 Assets 52,183.79 m, units \$33,066,868.51	211 Assets 55,084.65 m, units \$32,497,430.37	22 Assets 3,413.29 m, units \$7,120,738.06		
	2	72 Assets 11,670.14 m, units, acres \$9,663,271.25	63 Assets 14,794.52 m, units \$11,625,492.83	104 Assets 31,836.22 m, units \$22,438,419.43	71 Assets 27,187.6 m, units \$14,399,611.94	57 Assets 12,914.45 m, units \$14,365,388.91		
	1	360 Assets 30,165.93 m, units, lane km \$6,544,146.41	1234 Assets 76,464.11 m, units \$15,045,560.37	1538 Assets 125,456.3 m, units \$21,197,667.38	1856 Assets 59,786.38 m, units \$23,293,006.92	845 Assets 107,246.66 m, units \$31,831,803.98		
		Low	1	2	3	4	5	High
		Probability of Failure						

Benefits of Asset Management

- Better Informed Decision Making
- Communication Tool for Staff and Council
- Coordination and integration of actions and plans
- Better overall management practices



Continuing Asset Management

- UPDATED ASSET MANAGEMENT PLAN INCLUDING ALL ASSET CATEGORIES
- POLICY
- DATA AND INFORMATION REFINEMENT
- CONDITION ASSESSMENT DEVELOPMENT
- RISK AND CRITICALITY MODEL DEVELOPMENT
- LIFE CYCLE ANALYSIS METHODOLOGIES
- DECISION TREE DEVELOPMENT
- FINANCIAL STRATEGY ANALYSIS
- LEVEL OF SERVICE MODEL DEVELOPMENT





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