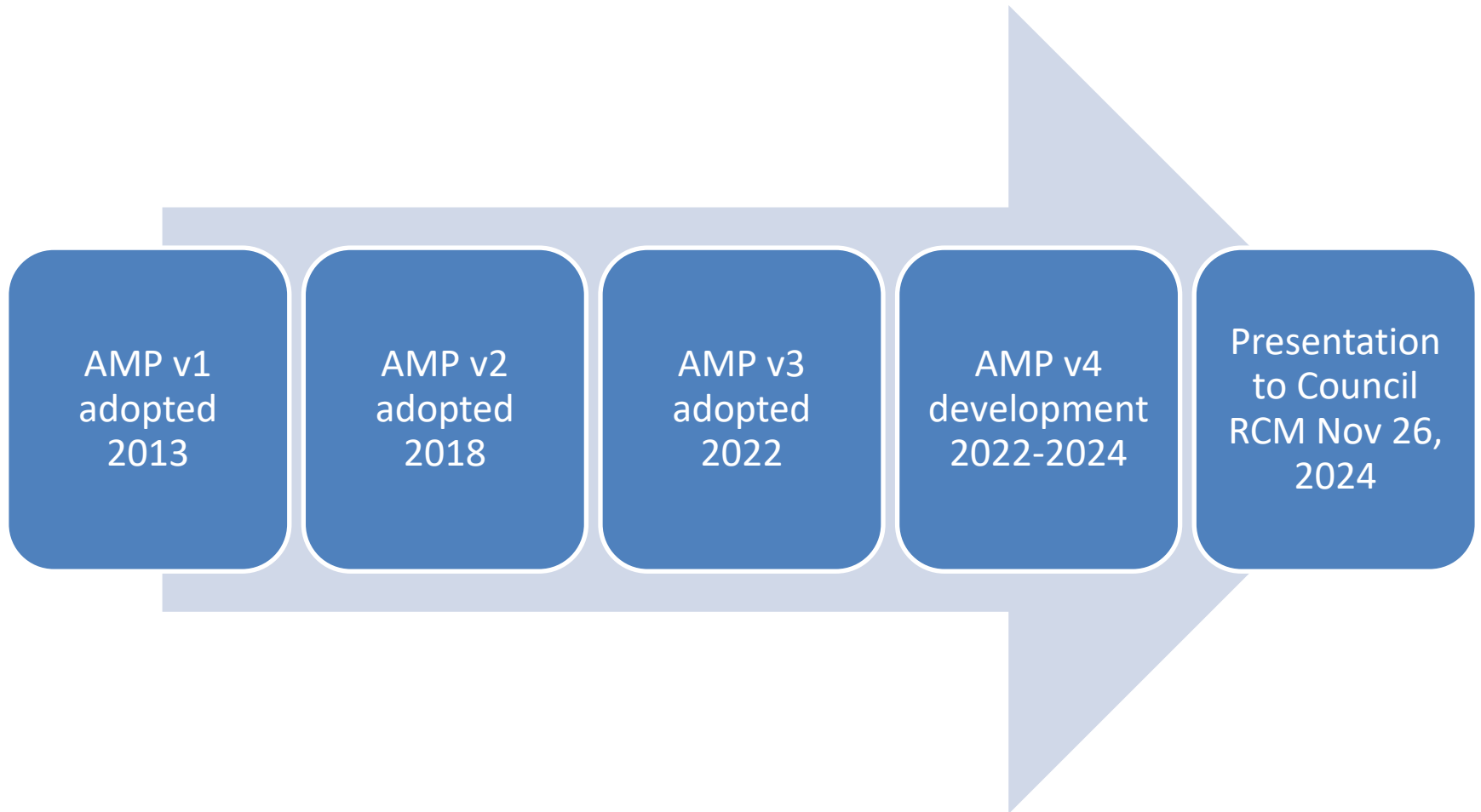




# Asset Management Plan v4

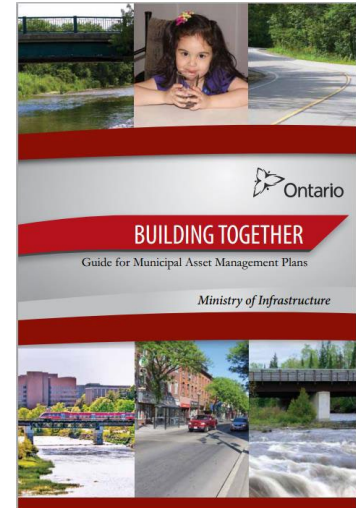
Presented to Council  
November 26<sup>th</sup>, 2024

# AMP – Update process



# Brief history

- *Building Together: Guide for Municipal Asset Management Plans (2012)*
- Requirement for municipalities to adopt AMP by 2013
- Tecumseh's AMP adopted by Council:
  - v1 December 2013
  - v2 May 2018
  - v3 October 2022
- **Planned for:**
  - Inclusion of all municipal infrastructure assets (2024)
  - Setting target levels of service for all assets (2025)



# AMP v4 - Format

- The Town's AMP v4 follows the same format as v3, including:
  - Executive Summary
  - Introduction
  - State of local infrastructure
  - Expected levels of service
  - Asset management strategy
  - Financing strategy
- Most municipal infrastructure assets are now included:

## **Core Assets**

- Roads
- Bridges and Culverts (> 3m span)
- Small Culverts (< 3m span)
- Storm
- Water Distribution
- Sanitary

## **All Other Municipal Infrastructure Assets**

- Fleet
- Buildings/Facilities
- Information Technology (IT)
- Trees/Forestry

## **Outstanding Infrastructure Assets**

- Parks amenities
- Trails

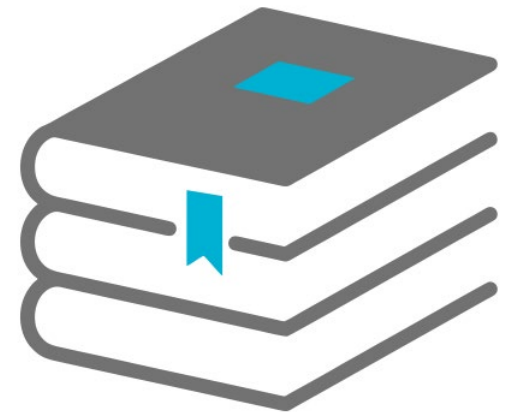
# AMP v4 - Important measures

- **State of local infrastructure**
- All assets included in the AMP are subject to a condition assessment, supported by:
  - Various studies (Road needs, Bridge needs, etc.)
  - Physical inspection
  - Age/material type
  - Recognized and accepted good engineering practices
- **Current Levels of Service**
  - Customer and Technical as specified in O.Reg 588/17 (core assets) and established by the municipality (all other assets)
  - Desired Levels of service for core assets specified in v2
    - Other assets included in v4
- **Lifecycle Activities**
  - Options available to maintain the current level of service
  - Risks associated



# AMP v4 – Study updates

- Studies completed since v.3 (Oct 2022-present):
  - Water and Wastewater Rate Study
  - Sanitary Model Recalibration and Basement Flood Risk Mitigation Study
  - Shoreline Management Plan
  - Upper Litter River Watershed Drainage and Master Plan
  - Bridge and Culverts (Spans > 3m) Needs Study
- Studies nearing completion:
  - Tecumseh Hamlet Secondary Plan Area Environmental Assessment and Functional Servicing Report
  - Manning Road Secondary Plan Area Function Design Study



# AMP v4



- AMP v4:
  - Addresses O.Reg. 588/17 requirements:
    - Addition of all municipal infrastructure assets
    - Includes customer and technical levels of service identified in O. Reg 588/17 and established by the Town
    - Includes lifecycle activities to maintain current levels of service and performance
    - Discusses risks associated with lifecycle activities
  - Incorporates recently completed studies, 5-yr capital plans
  - Revised inventories based on studies and recent GIS updates
  - Updated replacement costs for core infrastructure assets

# AMP v4

- Infrastructure replacement cost:
  - **\$1,359 million** (\$853 million in v3)
  - **\$152k per household** (\$95k per household in v3)





# AMP v4 - 10 Year Forecast

- Revenues: \$ 260 million
- Capital Expenditures: \$ 352 million
- Net Expenditure: \$ (92 million)



# Annual requirement based on 10-year projection

## General Tax

- \$19.0 million required
- \$15.9 million allocation
- **\$3.1 million annual deficit**

## Rate Supported

- \$16.2 million required
- \$10.1 million allocation
- **\$6.1 million annual deficit**

- Assumptions:

- Tax supported lifecycle allocation held static at 2024 approved budget levels
- General tax allocation includes funds that are not specifically dedicated to a particular asset category
- Rate supported allocation includes rate increases through 2027 per 2023 water and wastewater rate study
- Projections incorporate both replacement and growth

# Financing strategy

- Town **commitment** to asset management financing
  - Lifecycle Program – replacement of assets
  - New Infrastructure levy – asset additions
  - Water/Wastewater user rate reserve allocations
- AMP will be used to determine required enhancements to Lifecycle & NIL
- Senior government support essential

# Going forward

- Increasing legislated demands placed upon municipalities with regards to Asset Management will require:
  - Research
  - Education
  - Collaboration
  - Staff time



# O. Reg. 588/17 cont'd

- Prepare AMP in three phases
  - ✓ Phase 1 – core infrastructure – July 1, 2022
  - ✓ **Phase 2 – all other infrastructure assets – July 1, 2024**
  - ☐ Phase 3 – proposed levels of service and performance – July 1, 2025
- Post 2025
  - Required to update plan every 5 years
  - Annual review of asset management progress on or before July 1 of each year
- Must be endorsed by executive lead of municipality and approved by a resolution passed by Council

# Next steps



- 2025
  - Incorporate results from 2024 completed studies to develop proposed levels of service and performance for next 10 years
  - Address outstanding infrastructure categories
  - Finalize Asset Management Plan by July 1, 2025
- Beyond 2025
  - Annual review to check on municipality’s progress in implementation and if there are factors impeding progress, develop strategy to address
  - Update Asset Management Plan by 2030 and at least every 5 years thereafter

# Acknowledgements

- Public Works and Engineering Services
  - Phil, Kirby, Brad, John, Joe
- Financial Services
  - Zora, Tom, Nick
- Technology and Client Services
  - Shaun, Dave, Jamie
- Community and Recreation Service
  - Beth, Casey, Dan, Kaushik



# Questions/comments?

