

Subject: 2024 Asset Management Plan

To: Council

From: Corporate Services Department

Report Number: 2024-133

Meeting Date: June 25, 2024

Recommendation:

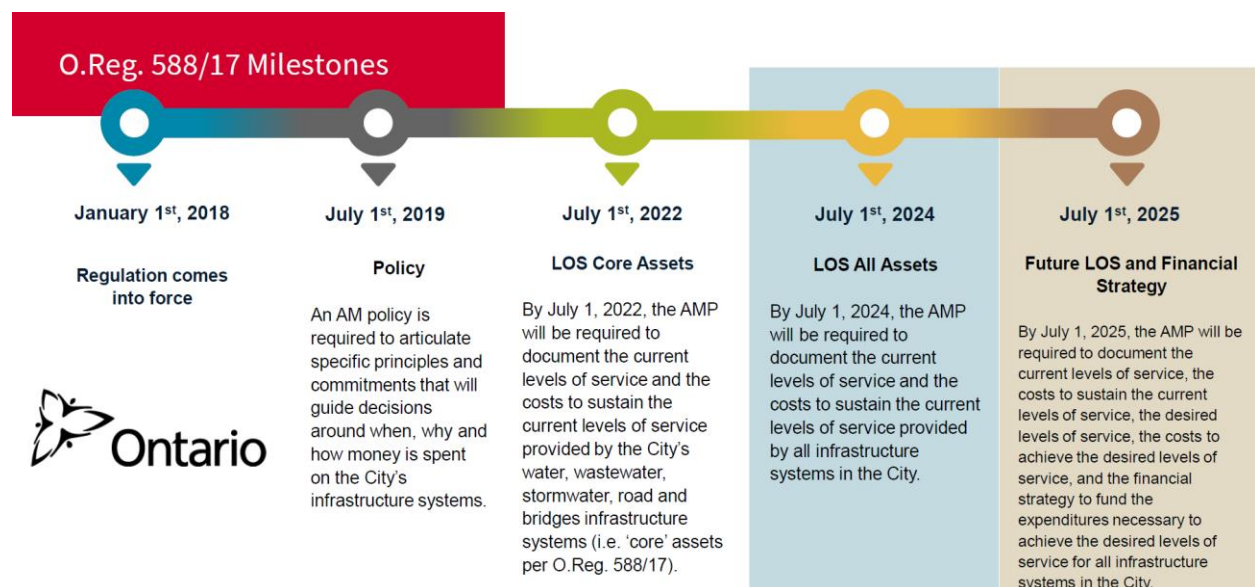
That Corporate Services Department Report 2024-133 be received; and

That the Asset Management Plan (AMP) in Appendix B of Corporate Services Report 2024-133 be approved.

Purpose:

The purpose of this report is to present Council with the City of Port Colborne's Asset Management Plan (AMP) for approval. The AMP will be used to guide asset management decisions, including financial planning and ensure the City maintains compliance with Ontario Regulation 588/17 under the *Infrastructure for Jobs and Prosperity Act, 2015*.

Background:



Discussion:

The AMP is designed as a comprehensive document that facilitates a better understanding of the City infrastructure, its relationship to financial requirements, levels of service, and lifecycle strategies surrounding infrastructure.

Readers of the AMP are advised this will be a living document. As denoted in the background section of this report, the AMP has advanced through stages since 2018. The final stage is to identify the desired level of service, risk appetite, and ensure the funding strategy aligns.

Salient highlights from the AMP include:

- The total replacement value of City-owned capital assets is \$1.34 billion;
- Approximately 74% of capital assets are in fair or better condition;
- Deferred maintenance (assets in very poor condition) total \$197 million; and
- The proposed funding model referred to as the “anticipated budget” in the AMP would see virtually all assets with a condition above “very poor” by 2040.

A high-level summary of the AMP has been provided in Appendix A.

Internal Consultations:

The development of the AMP has been a cooperative effort between Public Works and Corporate Services. While this report is submitted by the Corporate Services department, the completion of the AMP is the result of the leadership within Public Works.

Financial Implications:

The AMP is a mechanism to support asset management planning for the City, including the identification of funding requirements.

Council has been a leader in the funding of capital assets. The AMP highlights various financial scenarios. In the last four years, the City has grown the capital budget by approximately 20% per year. Should Council continue with this model until 2031, the City would achieve the baseline funding requirement for a fully funded asset management plan. The AMP reflects this funding model as the “anticipated budget”.

Any decisions on funding are subject to budget approval during the budget process.

Strategies surrounding strategic growth, asset divestiture, and the development of operational efficiencies will be further considered in the 2025 AMP update to fund the

achievement of the City's strategic plan objective to have all assets with a condition rating better than "very poor".

Public Engagement:

The AMP will be available on the City's website.

Strategic Plan Alignment:

The initiative contained within this report supports the following pillar(s) of the strategic plan:

- Environment and Climate Change
 - Welcoming, Livable, Healthy Community
 - Economic Prosperity
 - Increased Housing Options
 - Sustainable and Resilient Infrastructure
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Conclusion:

In conclusion, staff recommend that Corporate Services Department Report 2024-133 be received and that the Asset Management Plan (AMP) in Appendix B of Corporate Services Report 2024-133 be approved.

Appendices:

- a. Appendix A – Asset Management Plan Presentation
- b. Appendix B – Asset Management Plan

Respectfully submitted,

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Report Approval:

All reports reviewed and approved by the Department Director and also the City Treasurer when relevant. Final review and approval by the Chief Administrative Officer.