



2019 Corporate Asset Management Plan Overview



Strategic Priorities and Policy Committee
August 26, 2019

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Agenda

- 1. Asset Management Planning Regulation Overview
- 2. Overview of the Corporate Asset Management Plan
 - Key Findings
 - Financial Strategy
- 3. Recommendations

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2



Regulation Overview

Infrastructure for Jobs and Prosperity Act, 2015

O.Reg 588/17 (Jan. 1, 2018)

Strategic Asset Management Policy

Strategic Asset Management Plan

Each Municipality prepare a strategic asset management policy by **July 1, 2019**
Review and update at least every 5 years

Outlines goals, policies or plans supported by AM plan

All municipalities must implement a strategic asset management plan

- **Phase 1:** Encompass core assets: Water, Wastewater, Stormwater, Roads, Bridges and Culverts by **July 1, 2021**
- **Phase 2:** Encompass all municipal assets by **July 1, 2023**
- **Phase 3:** Include proposed levels of service and lifecycle management and financial strategy by **July 1, 2024**

Annual reviews of AM progress and **review and update at least every 5 years**

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Source: <https://www.ontario.ca/laws/statute/15i15>

3



Compliance with Ontario Regulation 588/17

Asset Category	Phase 1 & 2: O.Reg. 588/17 due July 1, 2021 & 2023				Phase 3: O.Reg 588/17 due July 1, 2024			
	State of Infrastructure	Current Level of Service	Lifecycle Management and Risk	Financial Strategy	State of Infrastructure	Proposed Level of Service	Lifecycle Management and Risk	Financial Strategy
Core City Owned Assets	Compliant	Compliant	Compliant	Compliant	Compliant	In Progress	In Progress	In Progress
Other Directly Owned City Assets	Compliant	Compliant	Compliant	Compliant	Compliant	In Progress	In Progress	In Progress
Boards and Agencies	Under review - Due by July 1, 2023				Under review			

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4



Key Findings- State of Local Infrastructure

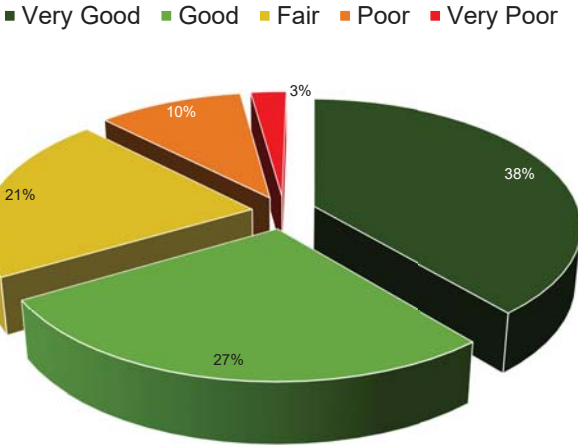
- Total replacement value of about **\$20 Billion**
 - Water, Wastewater-sanitary, Stormwater, and Transportation infrastructure represent 88%

Service(s)	Replacement Cost (\$000's)
Water	5,868,709
Sanitary	5,047,641
Stormwater	4,408,474
Roads, Structures, & Traffic	2,468,946
Parking	5,579
Solid Waste	85,004
Parks	187,308
Recreation	372,286
Urban Forestry	402,114
Fire	105,277
Long Term Care	64,637
Corporate Facilities	244,605
Cultural Facilities	91,028
Fleet	57,368
Information Technology	38,010
Land	650,272
Corporate Security & Emergency Management	8,812
Total	20,106,070

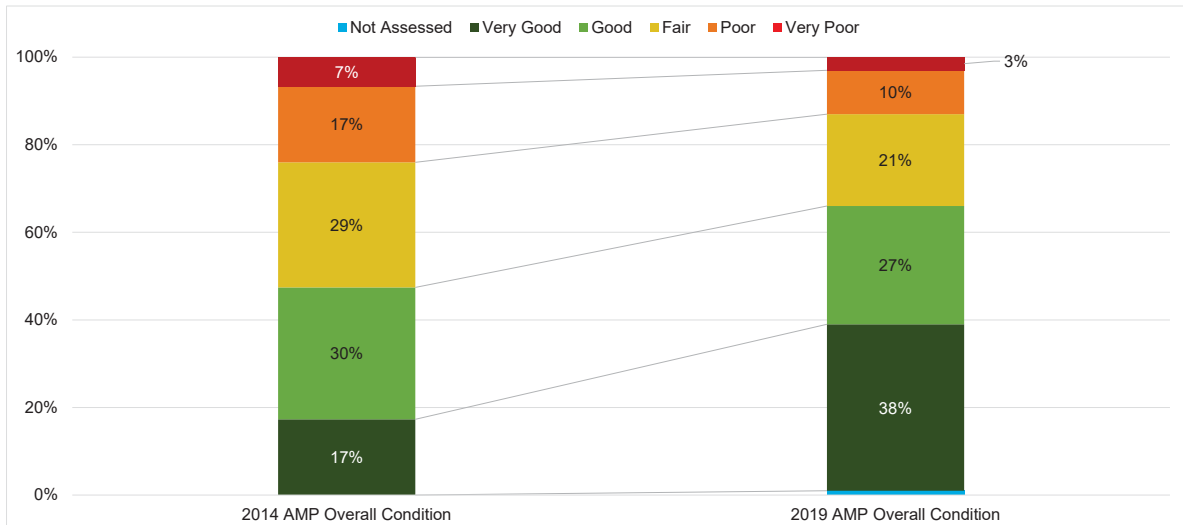


Key Findings- State of Local Infrastructure

- Overall condition is **Good**
 - 86% Fair or better condition
 - Only 13% Poor and Very Poor

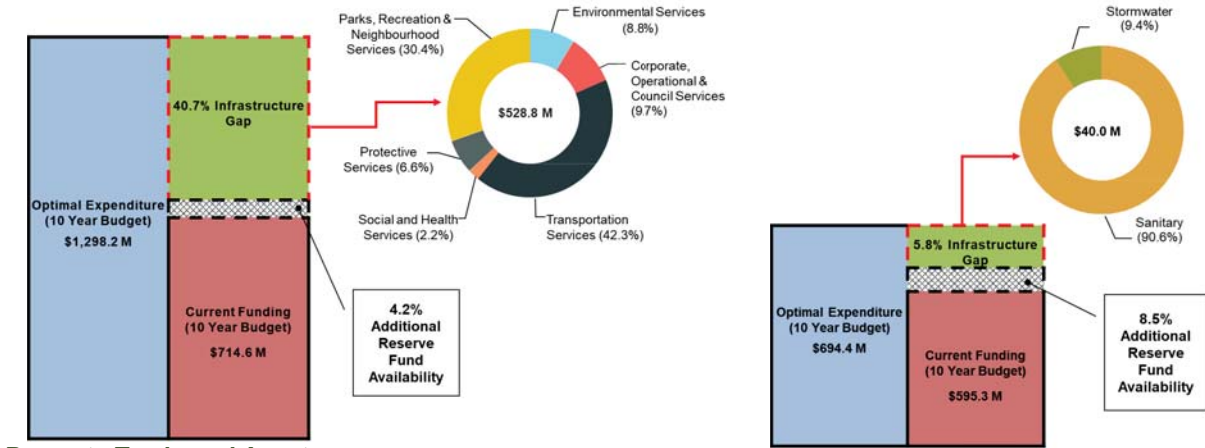


AMP 2014 vs 2019 Overall Condition

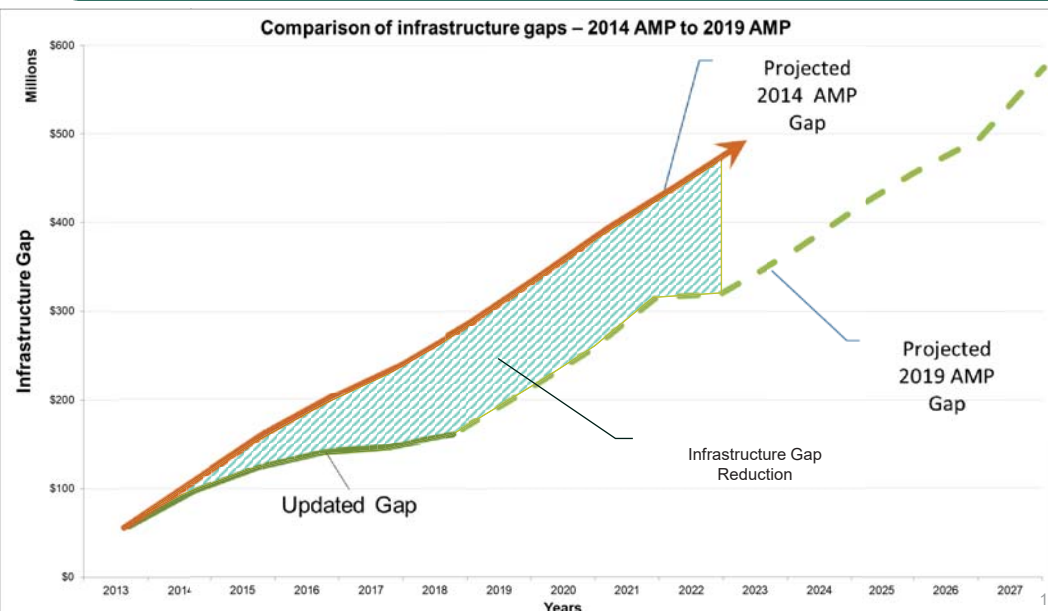


Key Findings- Infrastructure Funding Gap

Current Infrastructure Gap ~ \$168 Million
Cumulative 10 Year Infrastructure Gap ~ \$568 Million

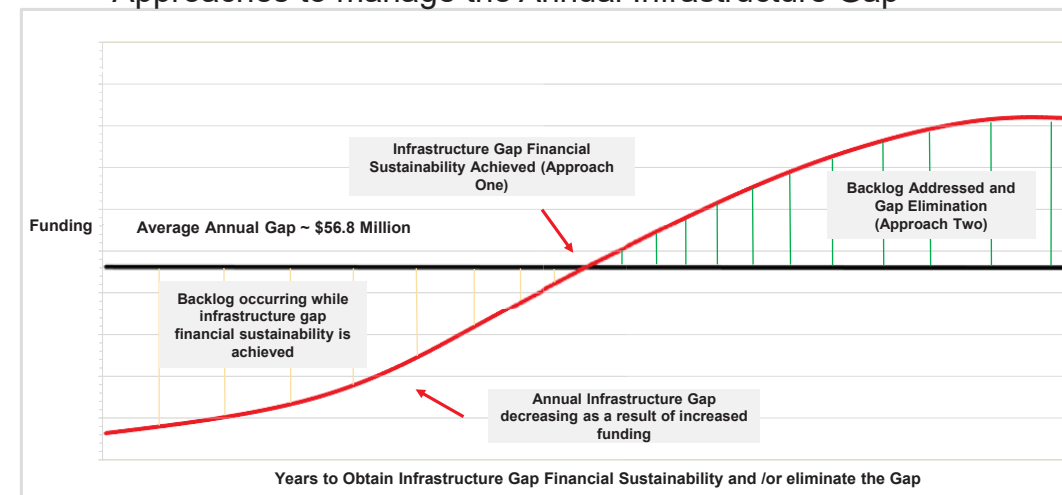


AMP 2014 vs 2019 Infrastructure Gap



Infrastructure Funding Gap

Approaches to manage the Annual Infrastructure Gap



Infrastructure Funding Gap

- The Plan provide various options to either eliminate or mitigate the infrastructure funding gap.
- Considering the impracticality and unaffordability to completely “eliminate” the gap in a short time period.
- Mitigating the growth of the Cumulative 10 year gap and financing 80% of the gap option appears to be the preferred option;
- The City target financial sustainability between 10 years to 25 years, which could result in incremental tax increase between 0.72% to 0.33% respectively;
- This provides Municipal Council with various options to help mitigate the gap while keeping tax increases at lower pace.

Managing the Infrastructure Gap

Recommend a multi faceted process to address the gap.





Corporate AMP Recommendations

1. Continue to align with Council Strategic Plan
 2. Continue to advance the CAM Program
 3. Enhance the Corporate Asset Management Plan
 - ✓ Asset inventories; performance measures; asset lifecycle strategies; O.Reg. 588/17 Compliance
 4. Monitor the progress of the Corporate Asset Management Plan
 5. Explore opportunities to incorporate the corporate asset management practices to the Boards & Agencies of the City as appropriate
 6. Engage the Public and Community Partners in the Asset Management Process
 7. Continue to explore opportunities to address the infrastructure gap through different financial Strategies
 - ✓ Submit a business case through the 2020-2023 Multi-Year Budget process
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14



CAM Plan Communication Tools

- Interactive - Corporate Asset Management Plan
- Pamphlets
- CAM website - FAQs
- AMP Video

Table of Contents		
Section 1 Executive Summary	Section 2 Introduction	Section 3 Overview of Service Area Systems
CORE SERVICES		
Section 4 Water	Section 5 Wastewater - Domestic	
Section 6 Stormwater - Streets	Section 7 Transportation (Roads, Streets & Traffic)	
OTHER SERVICES		
Section 8 Parking	Section 9 Urban Forestry	Section 10 Parks
Section 11 Recreation	Section 12 Fire	Section 13 Information Technology
Section 14 Public Works	Section 15 Long Term Care	Section 16 Land
Section 17 Planning	Section 18 Corporate & Cultural Facilities	Section 19 Corporate Security & Emergency Management
Section 20 Financial Strategy	Section 21 Conclusion and Recommendations	Section 22 Appendix



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15



Questions



2019
Corporate Asset Management Plan