



Committee Report

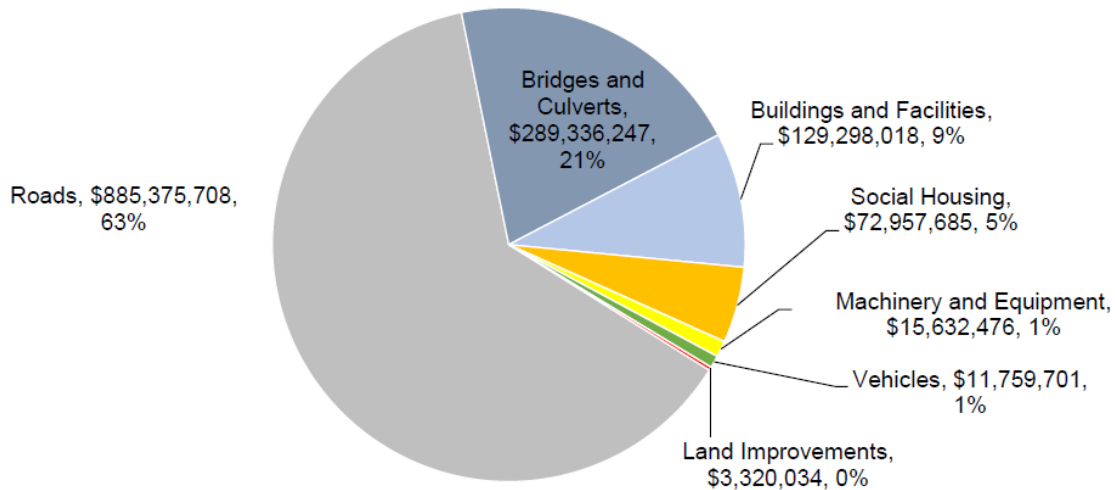
To:	Warden Hicks and Members of Grey County Council
Committee Date:	April 8, 2021
Subject / Report No:	FR-CW-11-21
Title:	Grey County Asset Management Strategy
Prepared by:	Amanda Brooks, Asset Management Coordinator
Reviewed by:	Asset Management Steering Committee
Lower Tier(s) Affected:	None
Status:	

Recommendation

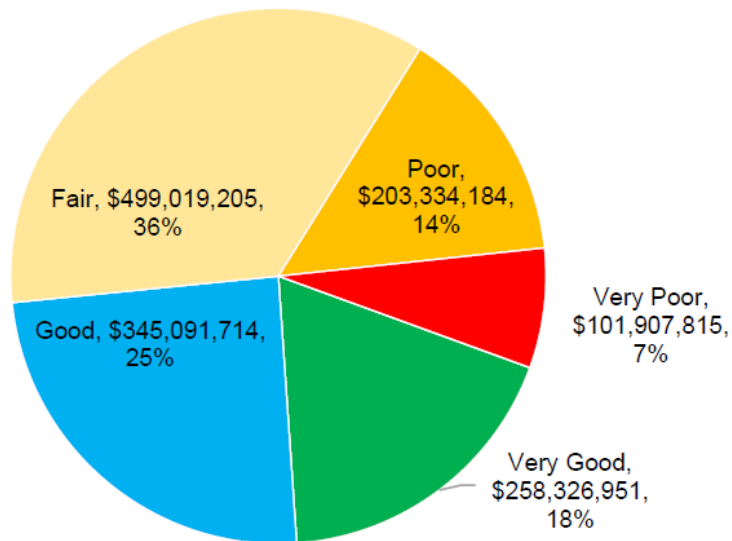
- 1. That Report FR-CW-11-21 regarding the Grey County Asset Management Strategy be received for information; and**
- 2. That the Grey County Asset Management Strategy be approved as presented; and**
- 3. That staff be directed to implement the recommendations/action items identified in the Strategy within the timeframes indicated, subject to annual budget approval.**

Executive Summary

Grey County is working to continuously develop and improve its asset management program to ensure the County's assets are managed in a manner that provides the optimal balance of maximizing the service levels provided by County assets while minimizing the costs and risks of usage of these assets. The County's asset portfolio has an overall estimated current replacement cost of \$1.4 billion, 63% of which is the County road network.



This portfolio includes 869 kilometers of roads with accompanying stormwater network, over 206 bridges and structural culverts, 77 kilometers of CP Rail Trail, 8,500 acres of forest, 997 housing units, 49 other buildings and facilities, as well as machinery, equipment, and vehicles used across County operations that are required to deliver services at an acceptable level to residents. In 2020, as per the Asset Management Strategy \$21.3 million was available to be spent on maintaining, repairing, and replacing County infrastructure, and 79% of the County’s assets were in fair or better condition.



The Grey County Asset Management Strategy has been developed as the final deliverable of the Asset Management Planning and Implementation project completed by Public Sector Digest (PSD). The Strategy culminates all the components that were completed throughout the project, and very thoroughly documents the findings and the recommendations upon which Grey County can continue to improve and expand its asset management practices.

The Strategy provides four strategic priorities and 20 associated recommendations, as well as an additional 19 data-specific recommendations for the County to pursue to further strengthen its asset management program going forward.

Background and Discussion

Ontario Regulation 588/17 Asset Management Planning for Municipal Infrastructure became effective on January 1, 2018. This regulation required all municipalities in Ontario to first develop an Asset Management Policy by July 1, 2019, and then Asset Management Plans by July 1, 2021, 2023, and again in 2024, with increasing levels of detail. On March 15, 2021, the regulation was revised to extend each of these deadlines by an additional year.

In May of 2019, Grey County selected PSD as an external consultant to assist with the development of the County's asset management program as per RFP-CS-04-19. This proposal was specifically developed by County staff to ensure the County would meet and exceed the July 2021 O. Reg. 588/17 deadline, and that staff would have a strong foundation upon which to build the County's asset management plans and overall program internally going forward. The work specified in the proposal and since completed by PSD involved many components, including:

- Asset Data Collection and Gap Analysis
- State of Asset Management Maturity Workshop
- State of the Infrastructure Reporting
- Strategic Asset Management Policy Review (revised SAMP approved by Council August 2020)
- Risk and Levels of Service Departmental Workshops
- Project Plan
- Integrated Asset Management Strategy

This work has been ongoing since it commenced in 2019. Since PSD developed the CityWide software used by the County for asset tracking, the consultants were able to advise upon and enhance the County's CityWide Asset Manager Inventory throughout this project, and many additional efficiencies and benefits were realized.

With the invaluable work completed by PSD and the knowledge and best practices they have been able to share throughout this project, County staff have already made significant progress in improving the County's asset management practices and in refining and completing vital asset datasets.

The timing of this Strategy was originally planned to allow County staff to develop an Asset Management Plan for core infrastructure assets by the original O. Reg. 588/17

deadline of July 1, 2021. Since this deadline has now been extended to July 1, 2022, staff has altered the timeline for the next iteration of the County's Asset Management Plan to allow sufficient time to integrate the updated data from the Building Condition Assessment reports currently being drafted by WalterFedy into this version of the Plan. Staff strongly believe incorporating this additional information will provide a more complete Asset Management Plan.

It is important to note that asset management is a continuous process, and factors and variables change each and every day the County operates. Maintenance strategies, lifespan estimates, required assets and their associated replacement and maintenance costs are all constantly changing based on the best information available. The data presented in this strategy and that to come in the County's next asset management plan are the best available at a point in time and will continue to evolve and improve over time.

Ultimately, the goal of Grey County's asset management program is to manage existing and new assets so that they are able to provide continuous services to residents at the level required, all while balancing the associated costs and risks to constituents.

Legal and Legislated Requirements

This strategy was developed with the intent of meeting and exceeding many of the requirements per Ontario Regulation 588/17, Asset Management Planning for Municipal Infrastructure.

Financial and Resource Implications

RFP-CS-04-19 was awarded to PSD in May of 2019. Staff from Finance, Transportation Services, Paramedic Services, Housing, Long Term Care, Grey Roots, Planning, and Information Technology all contributed significantly to the completion of this work. All asset-owning departments participated in various workshops, provided and updated many datasets, and contributed a significant amount of technical knowledge to this work.

The final draft version of the Strategy being presented by PSD proposes a 1.21% tax levy increase over a 15-year phase in period to achieve full funding for the County's infrastructure program. This is a slight increase from the 1% per year tax increase proposed in the 2016 Asset Management Plan, but is believed to be reasonable given the many factors considered when calculating the funding requirements and replacement value of the County's assets at this point in time, all of which have been discussed within the Strategy. This proposed increase is being suggested to be first considered as part of the County's 2022 budget process.

Recommendations in this strategy are dependent upon access to necessary staffing resources. Any financial implications of the strategy will be included in future budgets for consideration and staff will pursue senior level government funding opportunities as they become available.

Relevant Consultation

- Internal: Senior Management Team, Asset Management Steering Committee, Asset Management Cross-Functional Team
- External: Public Sector Digest

Appendices and Attachments

[Grey County Asset Management Strategy](#)

[Strategic Asset Management Policy 4-4](#)

[Ontario Regulation 588/17 Asset Management Planning for Municipal Infrastructure](#)