



Town of Newmarket  
395 Mulock Drive P.O. Box 328,  
Newmarket, Ontario, L3Y 4X7

Email: [info@newmarket.ca](mailto:info@newmarket.ca) | Website: [newmarket.ca](http://newmarket.ca) | Phone: 905-895-5193

## **Asset Management Plan Executive Summary – Core Assets Staff Report to Council**

Report Number: 2021-90

Department(s): Corporate Asset Management Office

Author(s): Lisa Ellis, Manager Corporate Asset Management

Meeting Date: December 6, 2021

### **Recommendations**

1. That the report entitled Asset Management Plan Executive Summary – Core Assets dated November 24, 2021 be received; and,
2. That the Asset Management Plan Executive Summary – Core Assets report be endorsed; and,
3. That Council approves the 15 recommendations included in the report, and,
4. That the Corporate Asset Management Office be authorized and directed to do all things necessary to give effect to this resolution.

### **Purpose**

The purpose of this report is to provide Council with an Executive Summary of the asset management plans for core assets (appendix A) as prepared by the Corporate Asset Management Office (CAMO) in collaboration with operational management for Roads, Bridges, Water, Wastewater and Stormwater.

### **Background**

In 2017 the Province issued Ontario Regulation 588/17 under the Infrastructure for Jobs and Prosperity Act, 2015. The regulation mandates asset management planning for municipal infrastructure and requires that every municipality shall prepare an asset management plan for core municipal infrastructure assets by July 1, 2021, followed by all other non-core municipal infrastructure assets by July 1, 2023. In March, 2021 a 1

year extension to all timeframes identified in the regulation was provided as a result of Covid-19. While the plans were on track for the regulatory deadline the extension provided opportunities to provide more information and carry out refinements. Given the new timeline, the AM Steering Committee decided to continue with the process and to have the plans completed and approved by Council for December 31, 2021. The plans are being presented in a phased approach beginning with an executive summary to allow Council time to digest the outcomes. At this time, the CAMO seeks to collect Council endorsement for the executive summary and its recommendations to continue to improve organizational AM maturity. The final core plans will be presented to Council in early 2022 following this first milestone.

## **Discussion**

The executive summary provided in the attached presentation provides answers to the following questions contained in the Asset Management Plans for Core Assets at a consolidated level.

1. What do we own?
2. What is it worth?
3. How old is it?
4. What condition is it in?
5. How will the Town use Levels of Service to make decisions about assets, services, and affordability?
6. What is the Town's lifecycle delivery model?
7. How is the Town using Risk to inform decision making?
8. How will the Town be Future Ready?
9. What is impact of climate change?
10. What are the financial needs of the Town 10 years and 50 years out to meet current levels of service?

Asset management is not a document or software – it is a way of doing business every day. As a result of the work undertaken by CAMO in 2021 there is now a better understanding of asset management gaps within the organization. Opportunities to advance the Town's capabilities have been captured as recommendations. Using the structure of the asset management plans and the executive summary, there are 4 areas to focus continuous improvement efforts in the near future.

### **Know Your Assets Recommendations**

1. Establish data management practices for core assets such as data owners, formats, collection and reporting frequencies, and links between data and decision making.

2. Develop a condition assessment framework that supports asset-owning departments in developing condition scales and data collection programs and practices for their assets.
3. Define the need for and develop options for implementing an asset registry tool that can support reporting of the State of the Infrastructure, as well as other functions like Financial Information Return. Options could include software or in-house extract-and-load tools.

### **Manage Service Delivery Recommendations**

4. Develop a governance model for AM at all levels of the organization, and clarify roles and responsibilities across the asset portfolios.
5. Adopt the levels of service measures (KPIs) developed for core assets, and create processes to support their data collection, reporting, and use in decision making in preparation for 2025 O.Reg. 588/17 requirements.
6. Develop Levels of Service targets for measures (KPIs) in the core asset management plans.
7. Implement corporate risk management practices as suggested by the core asset management plans, (i.e. Corporate Risk Management Policy & Framework.)

### **Future Ready Recommendations**

8. Build greater connections between the planning and asset management processes.
9. Advance climate change adaption and resilience policies to guide staff and inform on decision making.

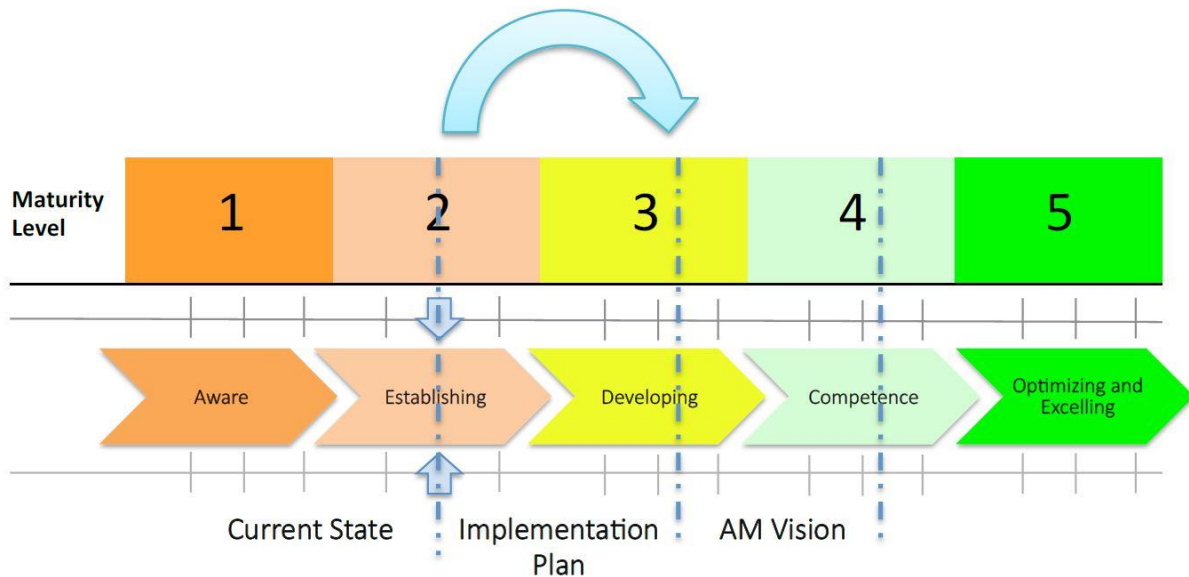
### **Financial Strategy Recommendations**

10. Develop funding strategies for proposed Levels of Service targets to meet *O. Reg 588/17* 2025 requirements.
11. Look for continuous improvement opportunities to extend the life of assets and prevent early replacement through condition assessments and rehabilitation technologies.
12. Develop a strategy to increase capital core asset delivery capacity to deliver on AM Plans.
13. Create risk management plans for the upcoming periods where renewal needs will exceed capital reinvestment capacity (e.g. 2024 – 2039).

14. Create a reserve management strategy to inform how funds or new revenues are allocated to different reserves with different financial positions and different funding sources.
15. Facilitate the defining and quantifying of human resource requirements for core asset lifecycle activities.

## Conclusion

In 2016 the organizations state was “Establishing”. As we move towards implementing the plan we will move towards “Developing”. Council’s Vision as expressed in the 2016 Strategy was “Competence”.



With Councils approval of the 15 recommendations identified in this report staff will be better positioned to achieve Council’s Vision as expressed in AM Strategy. The AM Steering Committee will incorporate these recommendations into the Town’s AM work plan. This will include work to develop a change management approach to improve knowledge and collaboration across the organization that will ensure the long-term success of the implementation of the recommendations.

Staff will be well positioned to achieve the 2025 O.Reg 588/17 requirements which require the Town to report on current and proposed levels of service as well as performance measures.

Additional recommendations for the each of the 5 core AM Plans will be addressed with Council as part of a council information workshop in early 2022. It will elaborate on the individual plans for Roads, Bridges, Water, Wastewater and Stormwater as well as the KPI’s to be reported by 2025 and the steps staff are taking to meet the targets as set by Council during the first year of the next term of Council.

## **Business Plan and Strategic Plan Linkages**

This report aligns with the Corporate Asset Management policy that was endorsed by Council in 2019. It also supports Council's Strategic Priorities of maintaining long-term financial sustainability while ensuring a thriving community in addition to the REV It Up and Fiscal Strategies initiatives by identifying Asset Management maturity improvement opportunities that will be realized as CAMO continues to build the Asset Management program.

## **Consultation**

WSP Canada Inc. (WSP) was retained to conduct internal stakeholder workshops for Operations and Maintenance, Lifecycle, Levels of Service, reviews, Growth, Capital Planning, and Plan creation. A second series of consultations were held by WSP with operational and senior leadership to develop the Financial Strategy for core assets. This information was then compiled and included in the final Asset Management Plans – Core Assets.

## **Human Resource Considerations**

No human resource considerations at this time.

## **Budget Impact**

SLT and the Treasurer will prepare a strategy to address the financial impacts of the Asset Management Plans for Core Assets as part of the 2023 Budget process.

## **Attachments**

Appendix A: PowerPoint Presentation of Executive Summary

Appendix B: Asset Management Plan Executive Summary – Core Assets

## **Approval**

Mike Mayes, CPA, CGA, DPA  
Director, Financial Services/Treasurer

Peter Noehammer, P. Eng.  
Commissioner, Development & Infrastructure Services

## **Contact**

For more information on this report, contact: Lisa Ellis at 905-953-5300 ext. 2515 or via e-mail at [lellis@newmarket.ca](mailto:lellis@newmarket.ca)