

Municipality of Port Hope

Asset Management Plan Update

Council Presentation
December 20, 2016



Strategic Plan

1.1 Implement the Strategic Financial Plan:

- a) Expand the Asset Management Plan to include all infrastructure assets, securing Provincial and Federal funding beyond 2016
- b) Refine and integrate the Asset Management Plan to ensure sustainability of our municipal infrastructure
- c) Increase Infrastructure Funding to reach 50% of the \$4M annual requirement outlined in the Asset Management Plan:
2016, 1\$M; 2017, \$1.5M; 2018, \$2M



Assets that were Included in the Original 2013 AMP:

- Roads
- Bridges/Culverts
- Other road structures
- Watermains
- Sanitary sewers
- Storm sewers
- Water facilities for treatment/pumping/storage
- Wastewater facilities for treatment/pumping
- Other Public Works facilities



2016 Assets

2016 Assets Added

- Vehicles
- Non- Utility Facilities
- Machinery and Equipment
- Land Improvements
- Technology and Communication

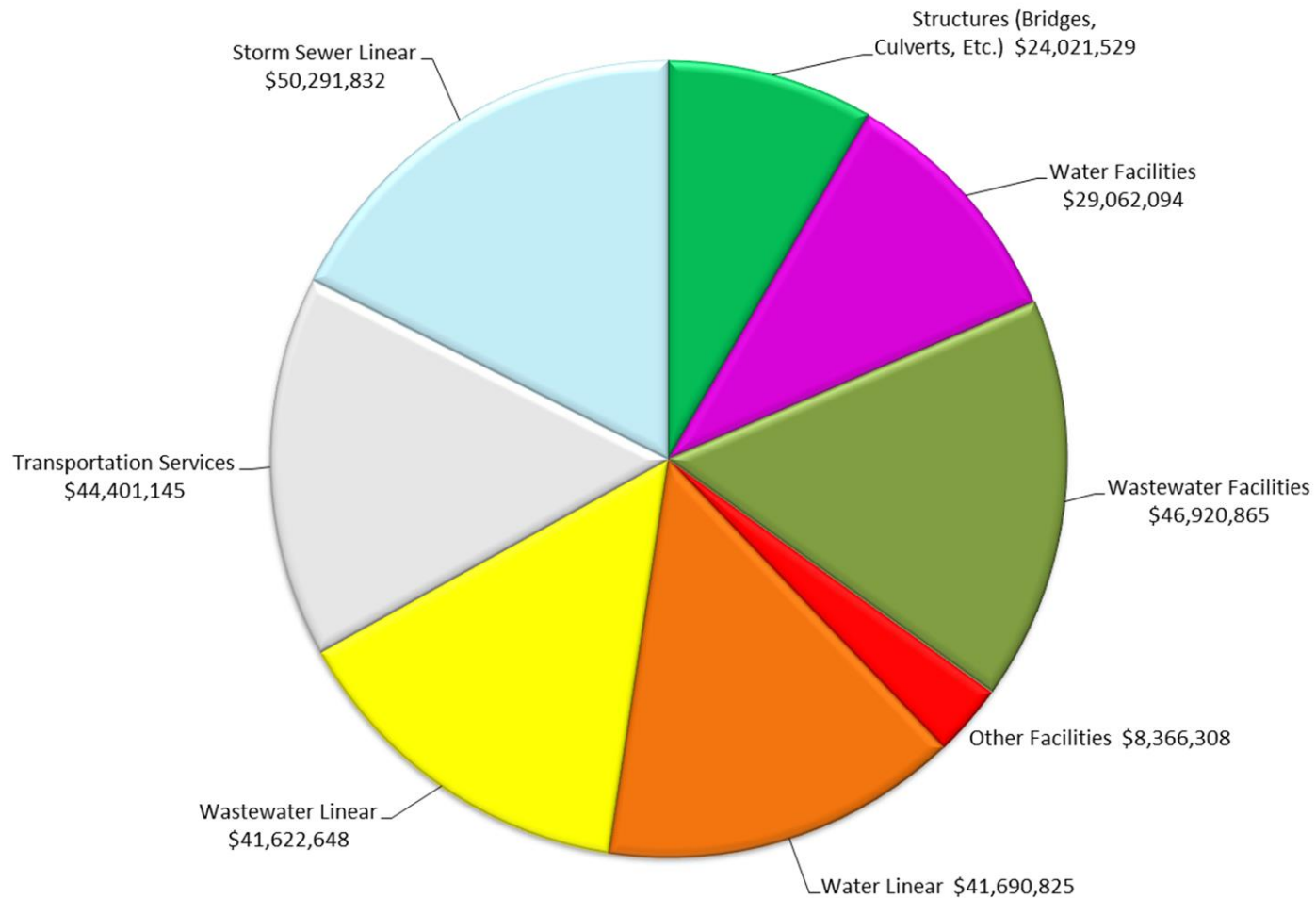
Linear Asset Updated

- Bridges and Culverts to 2016 replacement value from 2016
Bridge needs study
- Watermain and sanitary sewer per meter cost update
- All other assets to current year (2015) replacement value



State of 2013 Infrastructure - Highlights

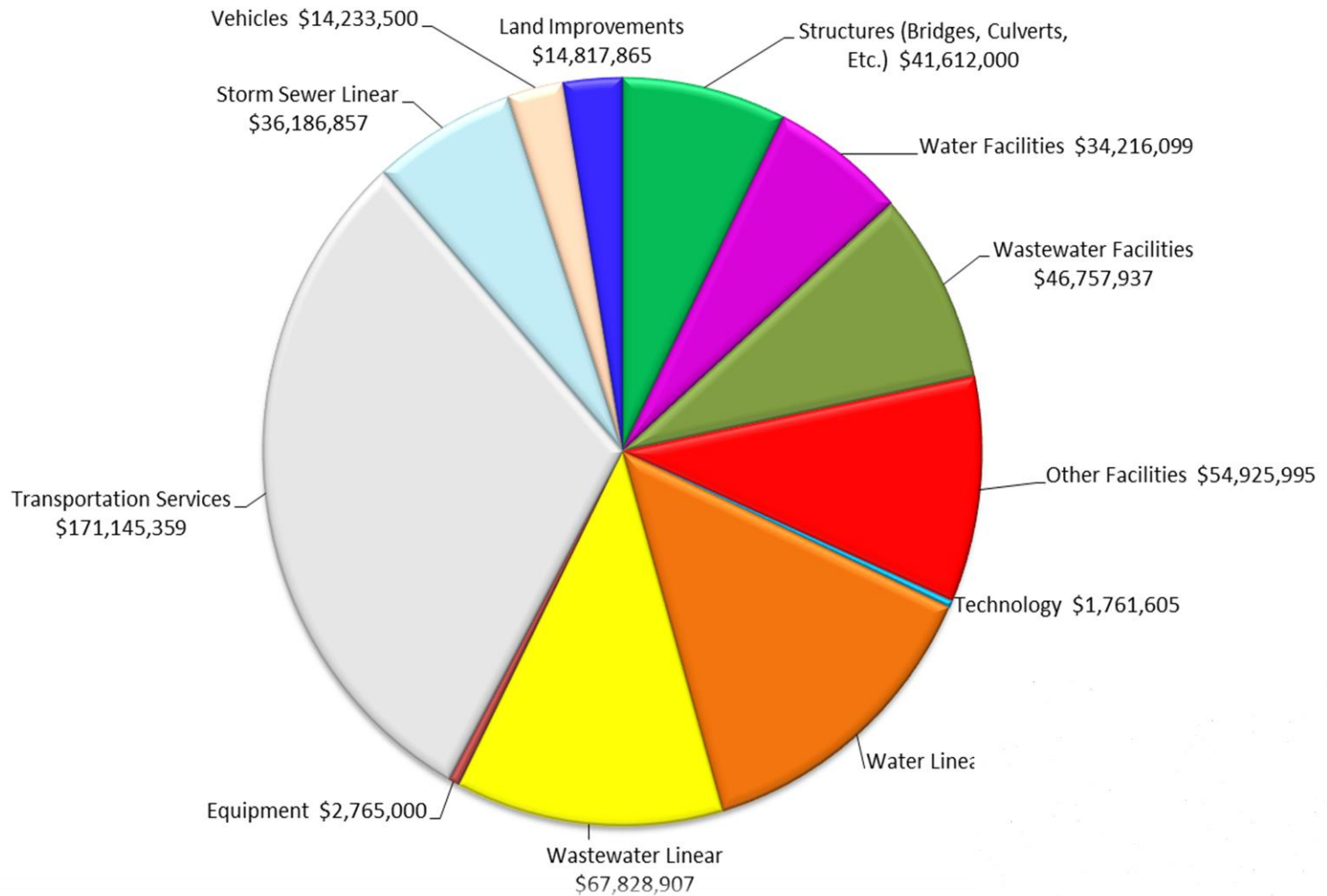
Figure 1 - Distribution of Asset Value



Total Value = \$286 Million

State of 2016 Infrastructure - Highlights

Figure 2 - Distribution of Asset Value



Total Value = \$563 Million

How the AMP was Developed

Review the Infrastructure Renewal Needs

- What are the average long term needs over the next 100 years?
 - Based on renewing an asset when it reaches the end of its useful life
 - Repeat the renewal of assets with shorter useful life

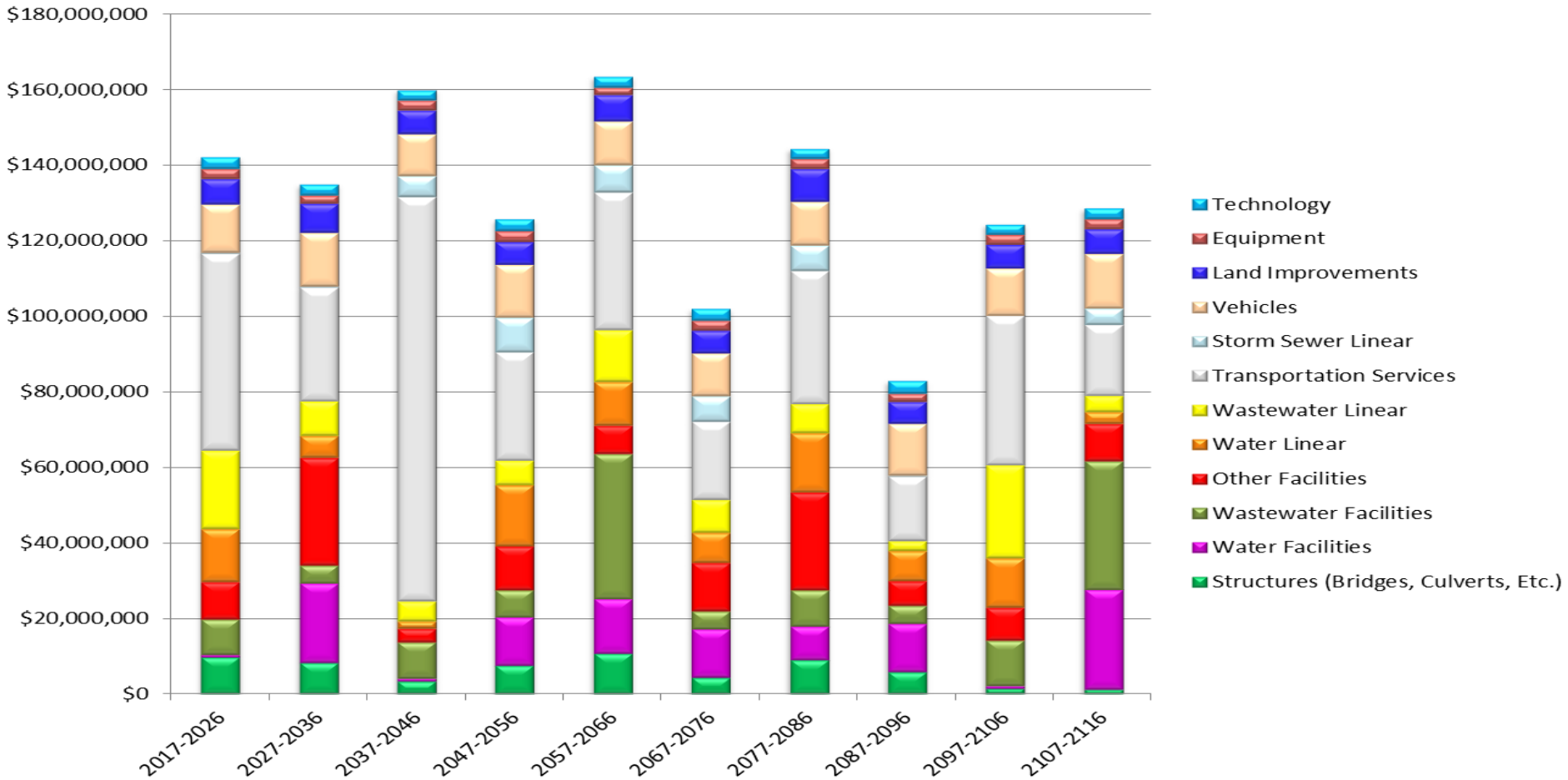
Examples:

- Sewer built in 1960, useful life of 75 years, requires renewal in 2035
- Road built in 2000, useful life of 40 years, requires renewal in 2040 and 2080



Long Term Renewal Need - Highlights

Figure 3 - 100 Year Investment Needs



Average Annual Need = \$13.1 Million Based on Current Strategic Review

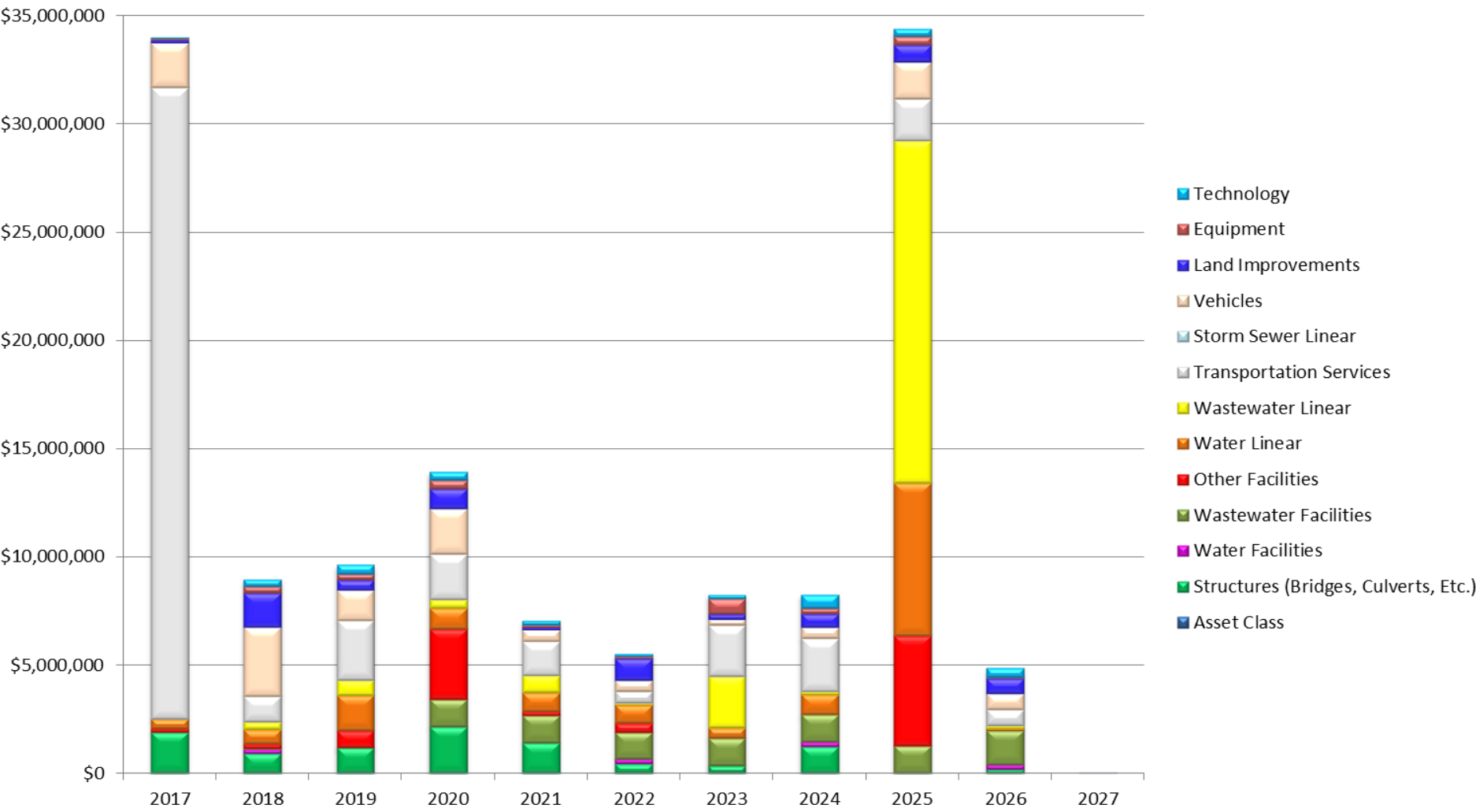
Long Term Renewal Need - Highlights

Based on 2013 and 2016's AMP the average annual needs summary indicate:

2013	2016	Difference
<ul style="list-style-type: none"> • Tax Levy In-scope assets = ~\$2.0 M/yr 	<ul style="list-style-type: none"> • Tax Levy In-scope assets = ~\$5.1 M/yr 	<ul style="list-style-type: none"> • Tax Levy In-scope assets = ~\$3.1 M increase
<ul style="list-style-type: none"> • Utility In-scope assets = ~\$2.8 M/yr 	<ul style="list-style-type: none"> • Utility In-scope assets = ~\$4.5 M/yr 	<ul style="list-style-type: none"> • Utility In-scope assets = ~\$1.7 M increase
<ul style="list-style-type: none"> • Out-of-scope assets = ~\$2.2 M/yr 	<ul style="list-style-type: none"> • Out-of-scope assets = ~\$3.5 M/yr 	<ul style="list-style-type: none"> • Out-of-scope assets = ~\$1.3 M increase
<ul style="list-style-type: none"> • Total = ~\$7.0 M/yr 	<ul style="list-style-type: none"> • Total = ~\$13.1 M/yr 	<ul style="list-style-type: none"> • Total = ~\$6.1 M increase

Ten Year Renewal Need - Highlights

Figure 4 - 10 Year Investment Needs



Prior to Refinement – to be evaluated during 2017

Financial Strategy - Highlights

GOAL: Revenue = Needs

- Asset Management refine/reduce needs by:
 - Better and less expensive ways to renew/construct new infrastructure
 - Extend useful life of existing assets
 - Prioritize the short term needs
- Multiple ways to increase revenue
- Will not happen overnight



Next Steps – Further Review & Refinement

- Assign a condition rating based on actual condition for all linear assets
- Refining and/or establishing levels of service for all asset classes
- Develop a detailed financing strategy to address the infrastructure deficit
- Add additional assets identified in the Development Charges study
- Obtain software for asset management planning purposes



Key Take Aways

1. Strategic Plan 2016 goal – COMPLETE
 - Expand the AMP to include all infrastructure assets, securing Provincial and Federal funding beyond 2016
2. Refinement and Integration of Plan to continue in 2017
3. Funding Requirements are greater than originally estimated

