

Asset Management Strategy Process

The current Asset Management Plan (AMP) for The Corporation of the Municipality was developed in 2013.

In late 2016, Council approved changes to the Organization Chart and added the position of Manager of Capital Infrastructure. In part, the duties of the Manager of Capital Infrastructure is:

- with the assistance of the Treasurer, develop a capital asset management program for municipal infrastructure including but not limited to roads, water, waste water, facilities systems

Asset Management (AM) is a process, not an isolated report. The 2013 AMP focused on major capital needs and emphasized the estimated useful life of each asset as the indicator for measuring Brighton's infrastructure levels of service. The AMP recognized that many other strategies would need to be used to evolve the "plan" into a "process".

In the 2013 AMP, it was noted that the best strategy to address the long-term financing shortfall is to develop improved asset management tools and processes, thereby allowing the Municipality of Brighton to prepare a more refined estimate of the infrastructure needs that is not simply based on replacing infrastructure when it is at the end of its useful life.

These strategies will include the following:

| Strategy | Development |
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| Establish levels of service and the associated performance metrics to track how well the infrastructure is meeting the service levels. This may result in some higher-risk assets being renewed at a later time than what was established in the analysis performed in this Plan. However, this may also result in some lower-risk assets becoming a priority for renewal at an earlier time than what was established in this Plan. For example, some storm water infrastructure that is identified as a low risk asset may need to be replaced because it is not meeting a level of service regarding flood protection. | Thought has been given to this strategy with discussions around providing condition assessments and priority ratings to each asset's registry. Staff will issue RFP for Road Needs Study update in 2017 Storm Water Masterplan RFP will be issued in late 2017 |

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| <p>Complete detailed investigations into the operating and maintenance costs of the Municipality's infrastructure, and complete analyses to determine if they are within industry standards or if they can be optimized to reduce the long term costs. For example, this may demonstrate that the construction of a new, energy efficient facility to replace an old facility will have a long term financial savings to the Municipality. This will allow the money being used to operate the facilities to be used to address the renewal of other infrastructure.</p> | <p>Operating and maintenance cost investigations were completed for some assets, resulting in recommendations for renewal based on energy consumption, breakdown, availability of parts,</p> |
| <p>Collect and review additional condition/performance information for the Municipality's infrastructure to better assess the probability of failure. For example, tracking and reviewing water main break records is a much better indicator for the future probability of failure of the asset. This analysis can then be used to adjust the infrastructure needs.</p> | <p>The Municipality has undertaken some condition assessment information to assist with replacement priorities. Wastewater mains have been investigated by camera and repairs are being undertaken. Bridge inspections are completed bi-annually.</p> |
| <p>Consider non-infrastructure solutions to achieve service levels. For example, promoting a cycling-friendly community could be accomplished by improved signage, reducing speed limits or undertaking educational campaigns, all of which would not require additional infrastructure.</p> | |
| <p>Consider consolidating or eliminating redundant infrastructure while maintaining service levels.</p> | |

An Asset Management Strategy Process will need to be employed to improve the AMP program. The Asset Management Strategy Process will provide a roadmap of the activities necessary to evolve from the municipality's current AMP position to a more strategic and detailed plan for the municipality's entire infrastructure platform.

| Strategy | Development Activity and Current Status |
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| <p>Establish an Asset Management Coordinating Committee:</p> <ol style="list-style-type: none"> 1. Formulate the Municipality's strategic AM objectives 2. Communication with and education of stakeholders on AM related issues 3. Coordination of internal and external asset data collection efforts 4. Establishing the structure of the AM database and giving consideration to linkages between divisions and to other municipal applications 5. Giving consideration to the establishment of levels of service (LOS) and benchmarks for service delivery | <p>The Asset Management Coordinating Committee will be comprised of the Director of Finance and Administrative Services, the Manager of Capital Infrastructure, with support as needed from the Fire Chief, the Director of Parks and Recreation and the Manager of Public Works and Environment.</p> <ol style="list-style-type: none"> 1. The AM objectives included identifying the infrastructure gap and using the guidelines in the Building Together Asset Management Guide (Province of Ontario) 2. AM communications included posting the Asset Management Plan on our municipal website, including our infrastructure gap in budget documents, presentations to Council including long term financial forecasting and attaching our AMP to funding applications 3. Asset data collection started with the PSAB 3150 asset inventory and other useful information contained within. 4. The AM database includes all infrastructure by department and by type including land, land improvements, buildings, infrastructure technology, vehicles, machinery and equipment and linear assets 5. Levels of Service have not been established. Thought has been given to this strategy with discussions around providing condition assessments and priority ratings to each asset's registry. |
| <p>Formulate Draft Strategic Asset Management Objectives:</p> | |

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| <ol style="list-style-type: none"> 1. Have stable rates that ensure adequate funding for capital re-investment 2. Start to understand LOS for their eventual establishment 3. Build support for re-investment through the education of stakeholders (Council, Public, Staff) 4. Manage all assets on a life-cycle approach | <ol style="list-style-type: none"> 1. Establish a long term financial plan that addresses the infrastructure gap and re-investment in municipal infrastructure 2. Levels of Service have not been established. Thought has been given to this strategy with discussions around providing condition assessments and priority ratings to each asset's registry. 3. Council, Public and Staff have supported increases to the capital budget, new long-term borrowing 4. Staff recommend that capital project submissions include a life-cycle cost analysis identifying the Return of Investment of a project |
| <p>Conduct a Full Asset Management Review:</p> <ol style="list-style-type: none"> 1. What do we have? 2. What is it worth? 3. What is its condition? 4. What is its expected service life? 5. What to do and when to do it? 6. What is the impact on rates? | <ol style="list-style-type: none"> 1. An asset registry, estimated historic cost, replacement value 2. Calculation of replacement value of all assets and infrastructure gap needs to be re-iterated annually. This has not been done 3. Condition assessments have not been conducted on the whole of the infrastructure. 4. Useful life estimates have been made but condition assessments will assist in identifying the expected service life of each asset 5. Once condition assessments are complete, along with the type of asset must be completed in order to determine what to do and when to do it. 6. In order to close the infrastructure gap, the AMP from 2013 recommended an increase in the tax rate of 4.25% each year for 10 years. Brighton has not met this |

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| | requirement in the last three years. |
| <p>Produce Long-Range Capital Re-investment Forecast from the Development of Asset Replacement Curves:</p> <p>The development of capital replacement curves will represent the required annual expenditure on the rehabilitation and/or renewal of all assets over the next 50-100 years</p> | <p>Capital projects have been projected using simple excel models and useful life based on age. Replacement costs have not been updated annually so the AMP has not been kept as a living document. This is mainly due to the shortage in staffing, but also due to the simplicity of software used.</p> |
| <p>Define the Magnitude of Brighton’s Infrastructure Gap:</p> <p>Identify the difference in the Municipality’s current level for infrastructure re-investment and the amount that is needed to maintain the infrastructure in a sustainable manner</p> | |
| <p>Develop an Asset Management Policy for Council’s consideration</p> <p>Undertake research and analysis of information to provide recommendations.</p> <p>Determine the municipality’s asset management issues and work with Council and the community to explore, develop and evaluate alternatives that can be used to achieve acceptable solutions</p> <p>Following the consultation process, staff shall recommend the appropriate policy to Council for consideration</p> | |