

TOWN OF ORANGEVILLE PROPOSED LEVELS OF SERVICE ASSET MANAGEMENT PLAN

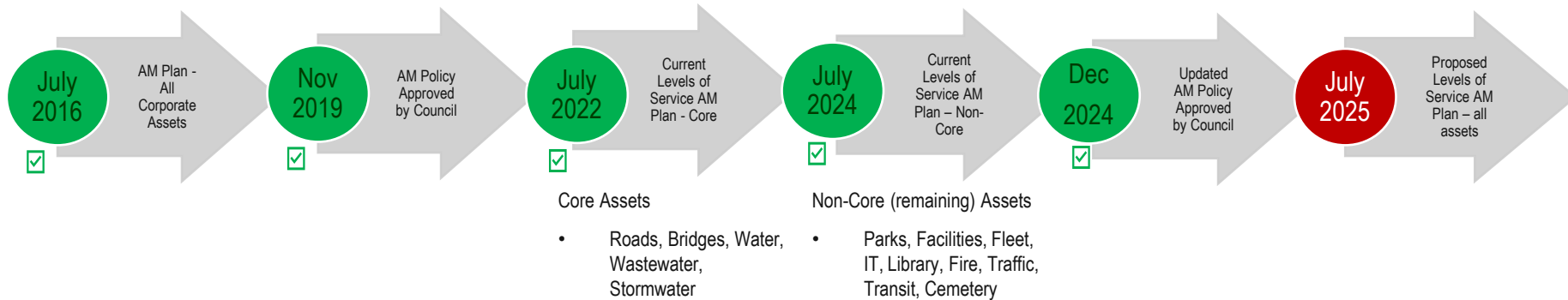
COUNCIL PRESENTATION

AGENDA

1. **Introduction & Project Background**
2. **Asset Management Plan Highlights**
 - ***State of Infrastructure***
 - ***Levels of Service***
 - ***Asset Management Strategy***
 - ***Financing Strategy***
 - ***Plan Improvement Opportunities***
3. **Closing Remarks**

Town of Orangeville AM Program Roadmap

- Development of AM Plans is an iterative process that includes improving data, processes, systems, staff skills, and organizational culture



O.Reg 588/17 Requirements (2025 AM Plan)

State of Infrastructure (asset register)

- Inventory of assets, by category
- Replacement cost of assets
- Average age of assets
- Condition of assets
- Approach to assessing condition

Levels of Service (performance)

- Proposed LOS (performance) for each of the next 10 years:
- For community (qualitative)
 - By assets (quantitative metrics)
- And why appropriate based on risk and affordability assessment

Lifecycle Management Strategy (including risk)

- Lifecycle activities needed for each of the next 10 years to:
- Meet demand caused by growth or upgrade of existing assets
 - Maintain current LOS at least cost and acceptable level of risk

Financial Strategy

- Cost of lifecycle activities needed for each of the next 10 years to:
- Meet demand caused by growth or upgrade of existing assets
 - Maintain the current LOS
 - Available funding, shortfalls, activities not funded, and risks

Implementation and Key Assumptions

- The risks and mitigation strategies associated with implementing the AM Plan
- Explanation of key assumptions underlying the AM Plan that have not previously been explained

2025 Asset Management Plan

Infrastructure Type	Service Area	Asset Categories Included	Replacement Value (M, 2025\$)	% Overall Value
Core Infrastructure	Transportation	roads, bridges & culverts, sidewalks, streetlights, signage, noise attenuation, signals, fleet and equipment	\$488.7	28.5%
	Wastewater	sanitary sewers, pumping stations, water pollution control plant, sanitary manholes, fleet and equipment	\$373.1	21.7%
	Water	watermains, water meters, wells, reservoirs & lift stations, observation wells, sampling stations, water valves, hydrants, fleet and equipment	\$368.4	21.5%
	Stormwater	stormwater manholes, oil grit separators, storm culverts, stormwater ponds, storm sewers, catchbasins	\$212.3	12.4%
Non-Core Infrastructure	Parks & Recreation	park amenities, facilities, fleet and equipment	\$194.3	11.3%
	Municipal Administration	fleet, facilities, information technology	\$26.1	1.5%
	Fire	communications, personal protective equipment, fleet, fire facilities, parking lot	\$20.5	1.2%
	Library	collections, furniture/fixtures, collections shelving, library IT equipment, library facilities	\$13.8	0.8%
	Natural Assets	street trees, park trees	\$8.8	0.5%
	Public Works	fleet and equipment, facilities	\$5.2	0.3%
	Transit	transit fleet, transit shelters, transit signs, transit hub	\$4.9	0.3%
	Cemetery	columbarium, monuments, enclosures, other cemetery equipment	\$0.8	0.0%
Total			\$1,17.1	100.0%

What is different from the 2022 & 2024 AM Plans?

- Inclusion of natural assets
- Improved data based on recent studies (i.e. roads need study)
- Development of proposed levels of service

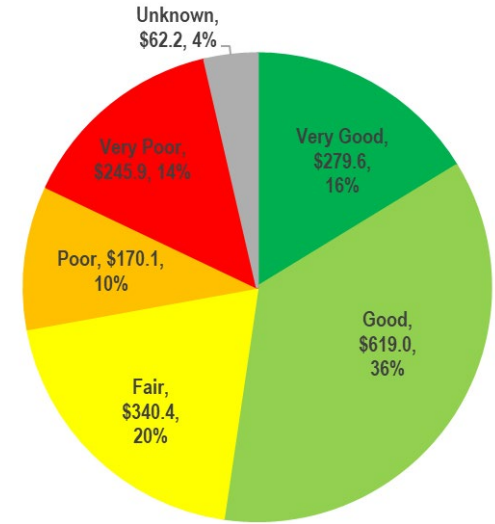
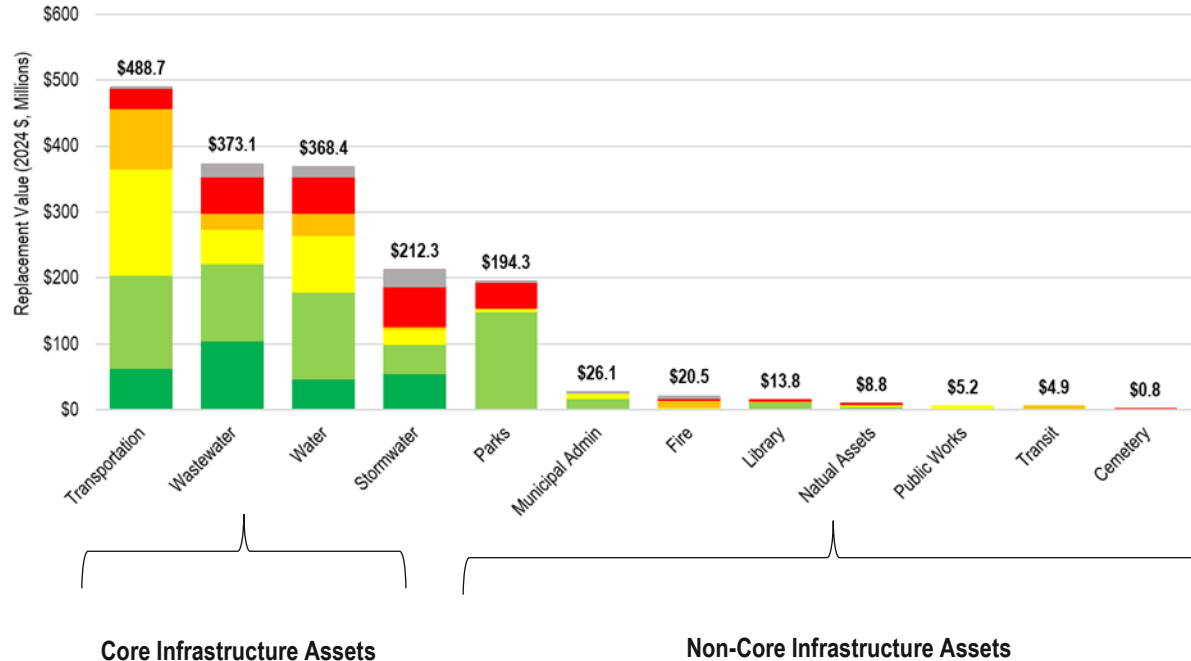
2025 Asset Management Plan



Section	Main Reporting
1.0	Introduction
2.0	State of the Local Infrastructure
3.0	Levels of Service
4.0	Risk Management Strategy
5.0	Asset Management Strategy
6.0	Financial Strategy
7.0	Plan Improvement & Monitoring
8.0	Service Area & Divisional Details

State of Infrastructure

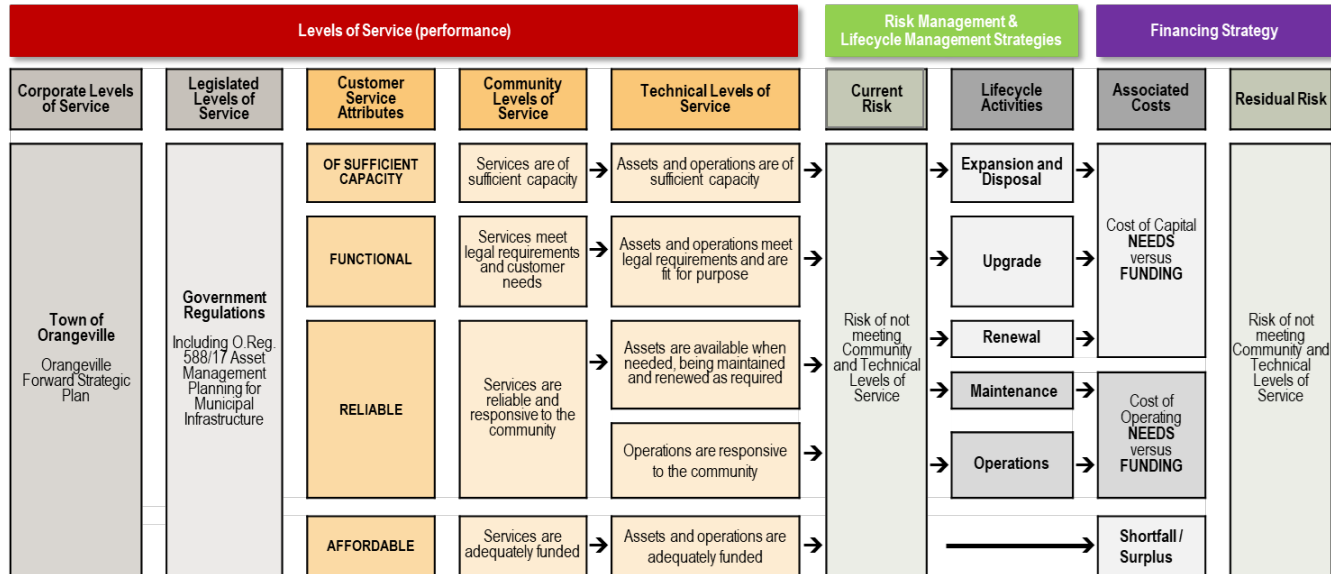
A snapshot in time of the Town's assets, their condition and their replacement value



- 72% of the Town's assets are estimated to be in Fair or better condition
- 24% of assets are estimated in Poor or Very Poor condition.
- 4% of assets are in unknown condition.

Levels of Service

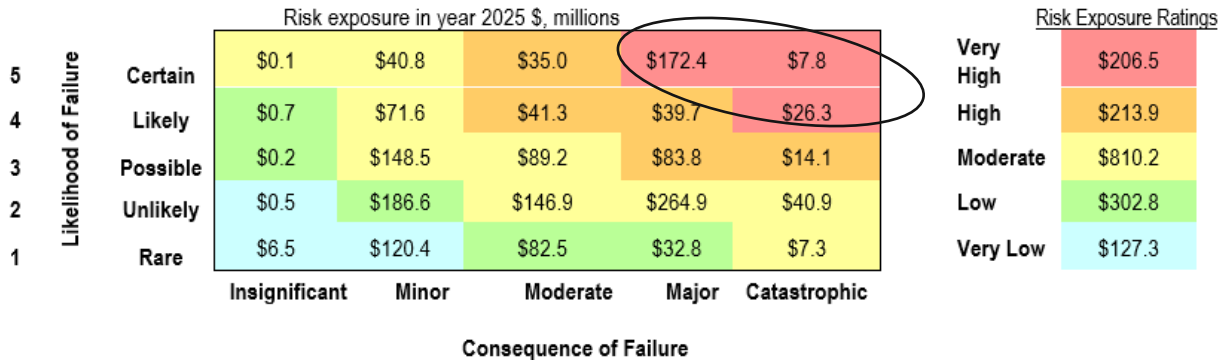
Key KPIs the Town uses to make decisions related to infrastructure expenditure



- Levels of Service measures are aligned with the Town's strategic objectives and incorporated input from stakeholders through consultation sessions with service area representatives.
- The LOS drive lifecycle activities such as growth, upgrade, renewal, O&M, financial sustainability and Legislative.

Risk Management Strategy

The Town's asset risk exposure by replacement value, from Very High to Very Low



- The assets in the "Very-High" risk zone for the Town make up approximately 12.4% or \$206.5 million dollars
 - Consists of assets in various service areas, including:
 - High volume roads in very poor condition
 - Fire Facilities
 - IT Server Equipment
 - Stormwater Ponds
 - Critical Facility Components
- Risk Management Strategy ensures a systematic process for prioritizing projects across asset classes
- Assets with unknown condition were not assigned a risk score.

Asset Management Strategy

Key Definitions

Lifecycle Management Category	Description	Examples of Activities
Growth / Expansion	Activities to provide a new asset that did not exist previously or an expansion to an existing asset	New or expanded asset construction
Operations	Regular activities to provide services	Inspections, cleanings
Maintenance	Activities to retain asset condition to enable it to provide service for its planned life	Minor repairs, component replacements
Renewal	Activities that return the original service capability of an asset	Minor or major asset rehabilitations, asset replacements

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**Growth in Asset Management is not the same as growth within DC Study*

Asset Management Strategy

Growth Needs identified through Forecasted Capital Plan

Division / Service Area	Growth and Upgrade Needs
Transportation	\$3.5
Wastewater	\$0.6
Water	\$10.8
Stormwater	\$3.3
Parks & Recreation	\$0.2
Public Works	\$1.8
Fire	\$22.2
Natural Assets	-
Municipal Administration	\$0.8
Library	\$0.1
Transit	\$1.5
Cemetery	\$0.1
Total	\$44.9

- Close to \$44.9M of growth assets expected over the next 10 years
- Growth informed by capital plan, master plans and stakeholder discussions
- Notable growth projects in the capital plan forecast include:
 - New Fire Station
 - Expansion to Parks Operation Facility
 - New Traffic Signals
 - Trunk Sewer Capacity Increase (Bredin Parkway)
 - Road widening and extension projects

** Alder Library Expansion not included above, to be considered in future growth projections*

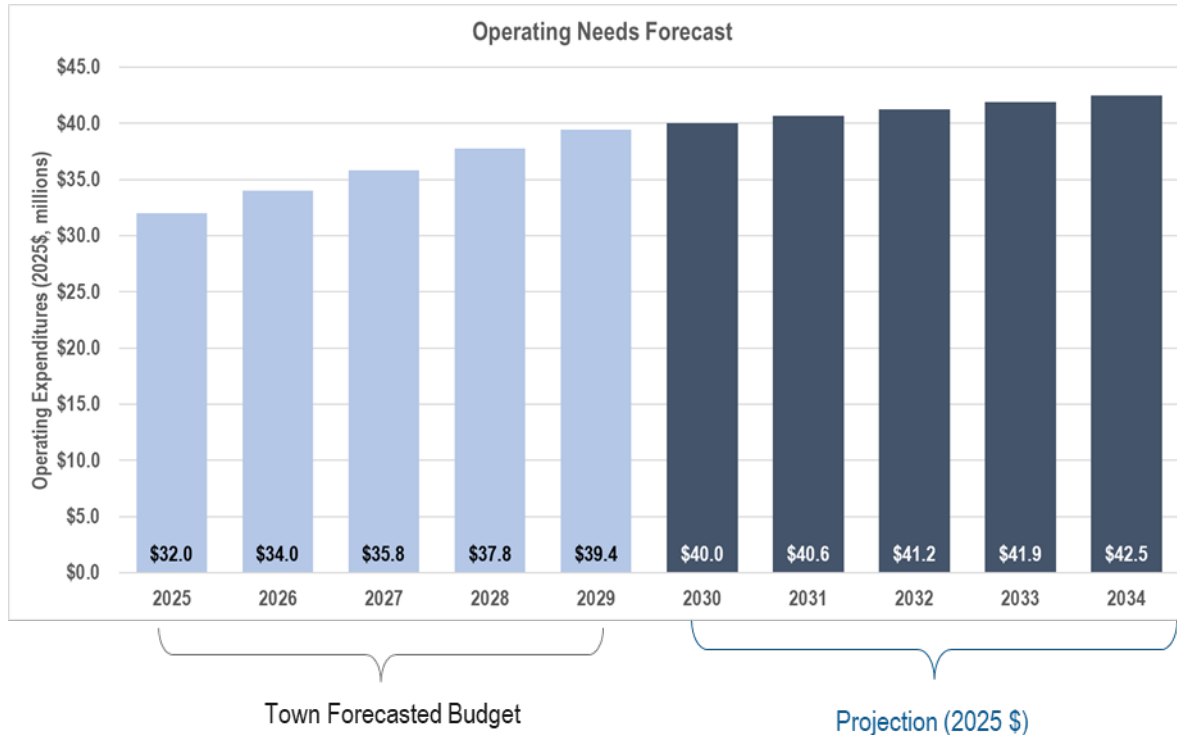
Asset Management Strategy

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Asset Management Strategy

Operating Needs Forecast based on anticipated growth



- 2025 budget provided by the Town
- 2025 – 2029 forecast provided by the Town
- 2030 – 2034 forecast based on YOY asset growth and stakeholder discussions (i.e. 1.5% nominal growth rate)
- O&M needs may change based on outcomes of future Master Servicing Plans

Asset Management Strategy

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Asset Management Strategy

Renewal Needs Forecast

Renewal and condition forecasts were developed for two scenarios:

Scenario 1: Maintaining the Current LOS

- This scenario shows renewal activities that would be required to prevent the current renewal backlog from growing.

Scenario 2: Existing Funding Scenario

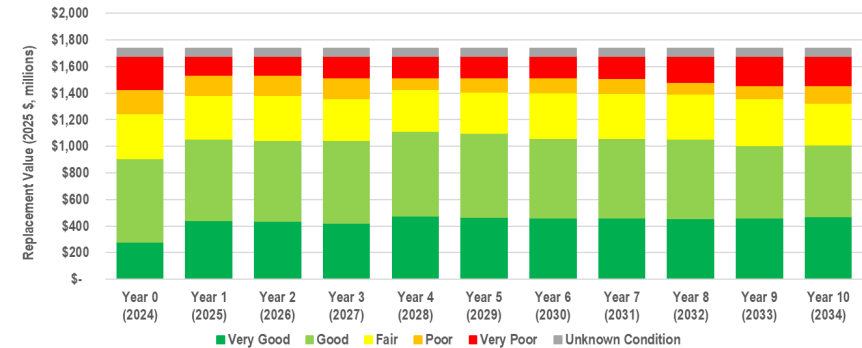
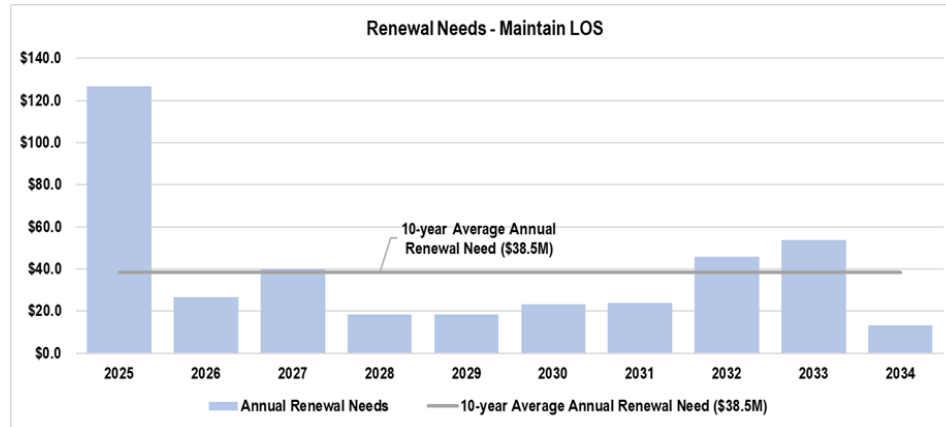
- This scenario examines the impacts to Town's infrastructure based on existing funding levels.

Asset Management Strategy

Cost to Maintain Levels of Service

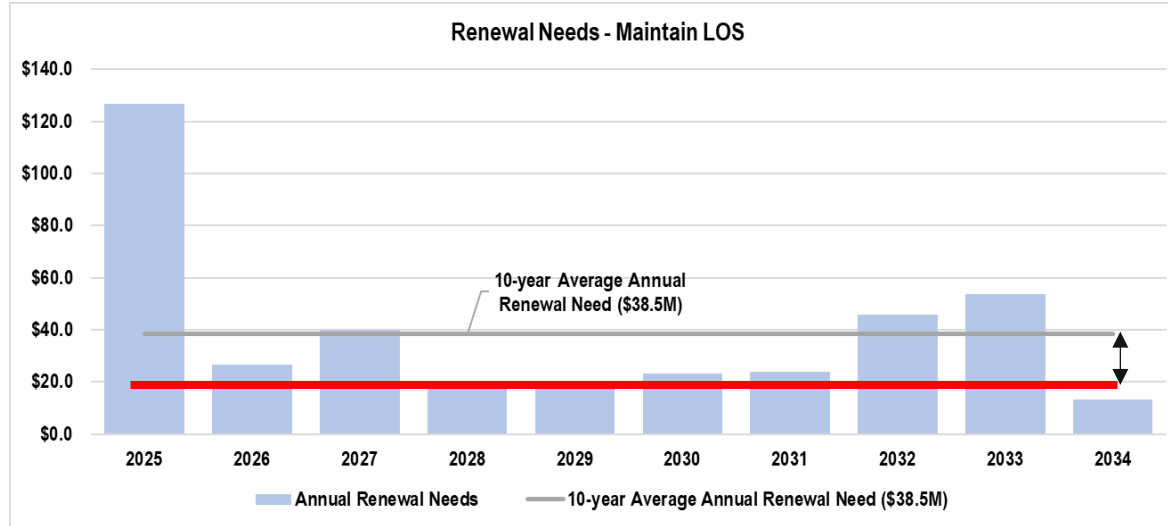
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Asset Management Strategy

Cost to Maintain Levels of Service



Town Average Annual
Renewal Budget
(\$19.1M)

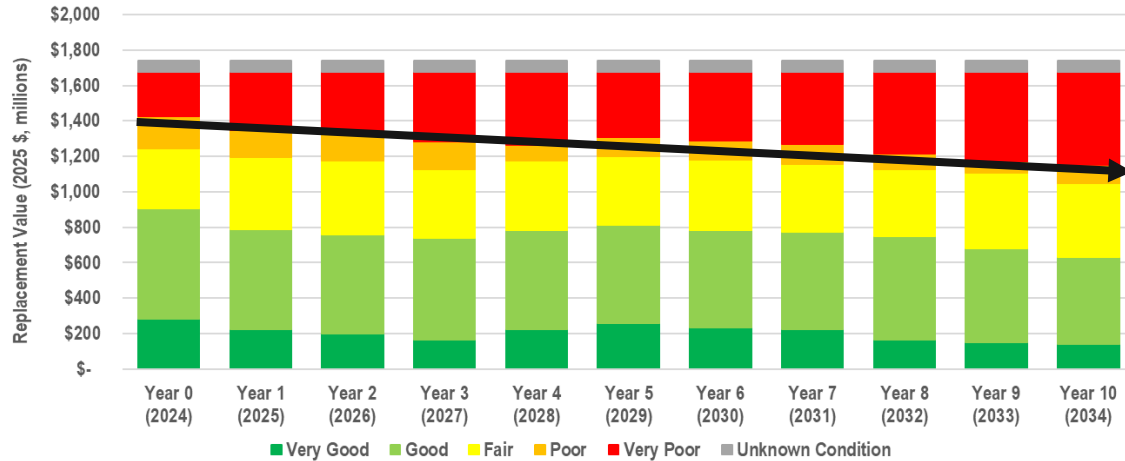
**\$19.4M/yr infrastructure
gap** to maintain current
service levels

Asset Management Strategy

Existing Funding Scenario

Scenario 2: Existing Funding

- This scenario examines the impacts to Town's infrastructure based on existing funding levels.



- **Town service levels are expected to deteriorate over the next 10 years based on existing funding – infrastructure backlog is expected to increase over the next 10 years*
- Renewal budget is less than the cost required to maintain current service levels*

Town Funding Sources – Asset Management

Funding Source	Financing Mechanism	Definition
Property Taxes	Reserves	Taxes already collected from taxpayers
	Debt	Borrowing for which principal and interest costs will be funded by future tax collected
User Rates	Reserves	Water and Wastewater revenue already collected from ratepayers
	Debt	Borrowing for which principal and interest costs will be funded by future rate revenue
Development Charge	Reserves	Growth related capital costs already recovered/collected from new development
	Debt	Borrowing for which principal and interest costs will be funded by future collections
Grants, Subsidies, and Third-Party Recoveries	Reserves	Includes infrastructure funding programs from senior levels of government such as Canada Community Building Fund and Ontario Community Infrastructure Fund as well as contributions from other community and municipal partners for municipal infrastructure

Options for Closing the Infrastructure Gap

Increase Revenues:

- Increase Property Taxes
- Increase in water/wastewater rates
- Grants and other revenue sources
- Increase in user fees
- Neighbouring municipality agreements

Debt capacity and reserves:

- Debenture funding
- Reserve Management

Reduce Expenditures:

- Defer renewals
 - prioritize renewals based on risk exposure
 - adjust maintenance practices to mitigate risks associated with aging assets and deferred renewals (e.g. increase inspections)
- Reduce service levels or adjust as appropriate
- Minimize size of asset portfolio and associated operating and renewal needs
- Non infrastructure solutions (i.e. management strategy, policy)
- Explore opportunities for more efficient and cost-effective service delivery

Improvement Opportunities

State of Local Infrastructure

- Regularly update the asset register, asset condition, and state of good repair needs
- Close of data gaps where they exist

Levels of Service

- Align Asset Management Plan and structure of budgeting process
- More clearly delineate costs related to achieving Proposed Levels of Service

Risk Management Strategy

- Incorporate risk into investment decision making

Lifecycle Management Strategy

- Full integration of Lifecycle Management Strategy with the Risk Management Strategy and Levels of Service frameworks

Financing Strategy

- Continue to improve alignment between AMP, Budgets, and 10-Year Capital Plans



Next Steps

- Incorporate asset management improvement recommendations into Town business processes.
- Report annual progress by July 1st every year.
- Update the Asset Management Plan every 5 years.



Closing Remarks

- The Plan meets the requirements of O.Reg. 588/17
- It lays the foundation for ongoing improvements in asset performance, risk management, and financial sustainability
- Looking ahead, the Town will continue to refine and update this AM Plan to ensure it remains responsive to emerging risks, regulatory changes, community expectations, and operational realities.
- With these efforts Orangeville will continue to be well-positioned to deliver a safe, reliable, and efficient management for its residents and businesses—today and into the future.

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