

THE MUNICIPALITY OF LAMBTON SHORES

Report TR 26-2024

Council Meeting Date: December 3, 2024

TO: Mayor Cook and Members of Council
FROM: Janet Ferguson, Director of Financial Services
RE: Asset Management Update

RECOMMENDATION:

THAT Report TR 26-2024 regarding Asset Management be received.

SUMMARY

This report is being provided to Council to inform you of the next steps for Asset Management to meet Provincial Regulations and for Council to consider asset management in preparation of the 2025 budget process.

BACKGROUND

The process of asset management began prior to 2009 when municipalities were required to inventory and report on all assets owned by the municipality. This information became part of the financial statements and the Provincial Financial Information Return.

The first Asset Management Plan (AMP) was developed in 2014. This document built on the 10 year capital budget projections already established. The plan was treated as a living document which was updated by staff annually with relevant costing and any additions and disposals as they happened.

The plan was then updated in 2019. This update would meet the 5-year review and update requirement and the next step of Ontario Regulation 588/17 which was to develop a Strategic Asset Management Policy. This process established the current levels of service being provided for each asset category, the current performance of each category, the lifecycle activities and costs to maintain current levels of service and determine the impact of growth on the current levels of service. These documents were approved by Council and posted on the Lambton Shores website.

The next requirement of O.Reg 588/17 is to update the Asset Management Plan document as well as develop proposed levels of service and a lifecycle management and financial strategy. As noted in the 2024 Budget, an allocation was included for a consultant to complete this work. The deadline for completion of this work is July 1, 2025.

An RFP was issued and DFA Infrastructure International Inc. was the successful proponent. Staff have begun working with the consultants providing data and historical reports. As part of the process, DFA will provide Council with an update and education session as well as schedule a public meeting for input on the proposed new levels of service and current state of infrastructure. These meetings will be held in the second quarter of 2025.

To aid in the process of having up to date costs and risk assessments, staff have undertaken a building condition and assessment review, which will form part of the data for the updated asset management plan.

In preparation for the 2025 budget process, Council may wish to consider the attached asset report card from the 2019 AMP. Although this information will be updated with the new AMP, it gives an indication of the financial needs by asset type and may assist with setting budget priorities. Any funding allocated in the 2025 budget would advance our asset management program especially regarding the major infrastructure categories.

ALTERNATIVES TO CONSIDER

None

RECOMMENDED ACTIONS

This report is for information only.

FINANCIAL IMPACT

There is no financial impact by receiving this report. Further, the work required for completing this task was included in the 2024 budget and a small portion of the cost will be in the 2025 budget.

CONSULTATION

DFA Infrastructure International Inc.