



Town of Newmarket
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Asset Management Provincial Legislation Update Information Report

Report Number: 2018-06

Department(s): Asset Management Committee

Author(s): Lisa Ellis, Asset Management Committee Chair

Date: January 19, 2018

In accordance with the Procedure By-law, any member of Council may make a request to the Town Clerk that this Report be placed on an upcoming Committee of the Whole agenda for discussion.

Purpose

The purpose of this report is to provide an update on new asset management planning regulation under the Infrastructure for Jobs and Prosperity Act, 2015 which is intended to set the form and content of municipal asset management plans going forward.

Background

In 2012, the province launched the Municipal Infrastructure Strategy, focusing on asset management planning to address infrastructure challenges. To help advance the development of the regulation the province created an initial regulatory proposal for consultation with municipalities. Staff provided the following comments and concerns on the proposed regulations to the Province in July 2017:

- Agreement with concerns expressed by AMO that the currently proposed regulation is too prescriptive and will be unaffordable and too difficult for our municipality to comply with in the identified time period; this is especially the case for smaller municipalities with populations of less than 25,000.
- The additional costs for adding staff, staff training, consultants (including engineers) and data management/IT systems for the Town of Newmarket will be significant as a direct result of meeting the proposed legislation.

- Core infrastructure assets have been identified for completion by 2021 with the requirement for all remaining asset management plans to be completed by 2022. This timeline is idealistic given the wide scope of additional assets that will require completion with a one year time frame, additional time is required;
- The addition of energy costs, climate mitigation information and growth planning will result in significant additional workload and could result in duplication of information already contained in Official and Strategic Plans, energy regulation requirements, and other municipal government initiatives;
- ‘Approval’ by a licensed engineer before ‘presentation’ to council may add unnecessary costs to the organization in the event that the Town’s Engineer may not be willing to sign off on every part of the plan as some aspects are beyond their expertise. If the requirement for Engineering sign off remains, it is suggested that a CPA also be required to provide sign off as Asset Management is not just an Engineering or Financial Accounting exercise.

Discussion

As of January 1st, 2018, Ontario municipalities are subject to [O. Reg. 588/17](#) Asset Management Planning for Municipal Infrastructure, under the Infrastructure for Jobs and Prosperity Act, 2015, S.O. 2015, c.15. Under the law, every municipality will be required to prepare a comprehensive strategic asset management policy, a plan to maintain core municipal infrastructure, a levels of service proposal, and a publicly accessible asset management plan.

The province took into account the feedback received throughout the consultation period, and has made amendments to the original Bill 6 draft regulation. Key dates are now as follows:

- **July 1, 2019:** Date for municipalities to have a finalized strategic asset management policy.
- **July 1, 2021:** Date for municipalities to have an approved asset management plan (AMP) for core assets (roads, bridges and culverts, water, wastewater and stormwater management) that discusses current levels of service and the cost of maintaining those services.
- **July 1, 2023:** Date for municipalities to have an approved asset management plan for all municipal infrastructure assets that discusses current levels of service and the cost of maintaining those services.
- **July 1, 2024:** Date for municipalities to have an approved asset management plan for all municipal infrastructure assets that builds upon the requirements set out in 2023. This includes a discussion of proposed levels of service, what activities will be required to meet proposed levels of service, and a strategy to fund the activities.

Staff will be reviewing the Town's Asset Management Policy to ensure compliance with the regulations.

The Town approved its first Asset Management Policy in January 2016 and we anticipate only minor changes at this time.

The Town also developed its first Asset Management Plan for roads, bridges and culverts, water and wastewater assets in December 2014. In 2017, staff completed the first Asset Management Plan for stormwater assets. The work since 2014 has been a good starting point for the Town; however, all plans will need to be updated to include current levels of service and the cost of maintaining those services so we are compliant with the regulation by July 2021.

Staff will also be working towards developing plans for all missing asset classes to meet the July 2023 and 2024.

Conclusion

To advance understanding of [O. Reg. 588/17](#) several organizations have provided webinars to educate municipal staff on the requirements of the bill. Staff has taken advantage of these opportunities when available.

In addition, the Canadian Network of Asset Managers (CNAM) is developing several resources to support education on infrastructure asset management. Webinars targeted to elected officials are scheduled for [February 15th](#) in Cane A&B from 12 to 1 and for municipal staff on [February 22nd](#) also in Cane A&B from 12 to 1. The Asset Management Committee encourages all who are able to attend.

Business Plan and Strategic Plan Linkages

Well-Equipped & Managed ... implementing policy and processes that reflect sound and accountable governance through: fiscal responsibility; efficient management of capital assets and municipal services to meet existing and future operational demands; and service excellence.

Consultation

No public consultation was undertaken as part of this project

Human Resource Considerations

No impact to Human Resources

Budget Impact

No impact on operating or capital.

Attachments

None

Contact

For more information on this report, please contact Lisa Ellis, Asset Management Committee Chair, at 905-953-5300, press “2”, then extension 2515 (or lellis@Newmarket.ca).