

Making Progress in Asset Management: Achieving 2025 Regulatory Compliance

Municipal Asset Management Webinar Series

March-April 2025

Four-Part Webinar Series on Asset Management in the Context of Ontario Regulation

- ❖ Objective: Enable municipalities to meet regulatory requirements and advance their asset management programs for effective infrastructure management and long-term financial planning.
- ❖ Four sessions:
 - ❖ Proposed Levels of Service & Performance
 - ❖ Risk Assessment
 - ❖ Lifecycle Management & Financial Strategy
 - ❖ Growth

Session 4: Growth

Date: April 3, 2025





Growth and Asset Management

April 3, 2025

Growth and Asset Management – Considerations

- Increased demand on existing assets
 - Impacts to condition
 - Impacts to lifecycle activities and expectations
- Changing service expectations
- Changing population demographics and distribution
- Impacts of climate change
- How to fund growth related costs?



O.Reg 588/17 Compliance Requirements for July 1st 2024

From the regulation, “a municipality’s asset management plan must include the following:

- For municipalities with a population of less than 25,000, as reported by Statistics Canada in the most recent official census, the following:
 - i. A description of assumptions regarding future changes in population or economic activity.
 - ii. How the assumptions referred to in subparagraph i relate to the information required by paragraph 4.

O.Reg 588/17 Compliance Requirements for July 1st 2025

From the regulation, “a municipality’s asset management plan must include the following:

- 5. For municipalities with a population of less than 25,000, as reported by Statistics Canada in the most recent official census, a discussion of how the assumptions regarding future changes in population and economic activity, set out in subparagraph 5 i of subsection 5 (2), informed the preparation of the lifecycle management and financial strategy referred to in paragraph 4 of this subsection.”

O.Reg 588/17 Compliance Requirements for July 1st 2024

- 6. For municipalities with a population of 25,000 or more, as reported by Statistics Canada in the most recent official census, the following:
 - i. With respect to municipalities in the Greater Golden Horseshoe growth plan area, if the population and employment forecasts for the municipality are set out in Schedule 3 or 7 to the 2017 Growth Plan, those forecasts.
 - ii. With respect to lower-tier municipalities in the Greater Golden Horseshoe growth plan area, if the population and employment forecasts for the municipality are not set out in Schedule 7 to the 2017 Growth Plan, the portion of the forecasts allocated to the lower-tier municipality in the official plan of the upper-tier municipality of which it is a part.
 - iii. With respect to upper-tier municipalities or single-tier municipalities outside of the Greater Golden Horseshoe growth plan area, the population and employment forecasts for the municipality that are set out in its official plan.
 - iv. With respect to lower-tier municipalities outside of the Greater Golden Horseshoe growth plan area, the population and employment forecasts for the lower-tier municipality that are set out in the official plan of the upper-tier municipality of which it is a part.
 - v. If, with respect to any municipality referred to in subparagraph iii or iv, the population and employment forecasts for the municipality cannot be determined as set out in those subparagraphs, a description of assumptions regarding future changes in population or economic activity.
 - vi. For each of the 10 years following the year for which the current levels of service under paragraph 1 are determined, the estimated capital expenditures and significant operating costs related to the lifecycle activities required to maintain the current levels of service in order to accommodate projected increases in demand caused by growth, including estimated capital expenditures and significant operating costs related to new construction or to upgrading of existing municipal infrastructure assets.

O.Reg 588/17 Compliance Requirements for July 1st 2025

- 6. For municipalities with a population of 25,000 or more, as reported by Statistics Canada in the most recent official census,
 - i. the estimated capital expenditures and significant operating costs to achieve the proposed levels of service as described in paragraph 1 in order to accommodate projected increases in demand caused by population and employment growth, as set out in the forecasts or assumptions referred to in paragraph 6 of subsection 5 (2), including estimated capital expenditures and significant operating costs related to new construction or to upgrading of existing municipal infrastructure assets,
 - ii. the funding projected to be available, by source, as a result of increased population and economic activity, and
 - iii. an overview of the risks associated with implementation of the asset management plan and any actions that would be proposed in response to those risks.

Growth & Housing

- ❖ Housing pressures arise from a shortage of housing, high housing costs, and/or a lack of affordable housing options.
- ❖ Infrastructure gaps causing housing pressures
 - ❖ Missing assets
 - ❖ System capacity shortage
 - ❖ Funding concerns (short- and long-term)
- ❖ Housing-enabling infrastructure
 - ❖ Transportation network & transit
 - ❖ Water/Wastewater systems
 - ❖ Power distribution
 - ❖ Any other assets that increase the capacity of the community to build more housing

Canada Community-Building Fund (CCBF)

Permanent

Predictable

Upfront

- ❖ Develop and implement an asset management culture, methodology, and plan in accordance with Ontario regulation
- ❖ Principle to commit to improve housing supply and affordability
- ❖ Municipalities are expected to prioritize, where possible, infrastructure projects that support increased housing supply where it makes sense to do so
- ❖ Complete a Housing Needs Assessment (HNA) in accordance with the [federal template](#) (required for single-tier or lower-tier municipalities with a population of 30,000 or more)
 - ❖ [HNA Data](#)
 - ❖ [HNA FAQ](#)

New Resource! Simple LOS Toolkit

AMONTario
ASSET MANAGEMENT ONTARIO

**USER MANUAL:
SIMPLIFIED LEVELS OF SERVICE (LOS) TOOLKIT**

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Service	Program Service Objectives	Community Levels of Service	Service Division	Supporting Asset Classes	Technical Levels of Service							
					Capital Requirements			Operating Requirements				
					Proposed Asset Levels of Service		Current Asset Levels of Service		Operating Maintenance Levels of Service			
					Description	Proposed Target	Asset Class Average	Distribution by Asset Rating		Activity	Current Levels of Service	Proposed Levels of Service
%	%	%	%									
service being provided	Desired service outcomes	Expressions of what the service provides to the community using qualitative measures	Major service functions involving groups of inter-related asset classes	Groups of like assets providing a distinct role in providing services and governed/measured by common Technical Levels of Service targets	Enter the descriptions for the desired ALIOS to achieve safe, reliable, efficient, effective, accessible, quality services. See Tabs 3 to 7 for Condition ALIOS measures and ratings. See Tab 8 for the descriptions of the Performance ALIOS measures and ratings.	Enter the proposed Condition and Performance ALIOS targets. Proposed targets should equate to 'Good' or 'Fair' depending on asset criticality to services and safety, typical industry practices (if applicable) and/or municipal risk tolerance.	Enter the average Condition ALIOS rating for the asset class based on the combined ratings of all of the assets in the asset class. Enter the average Performance ALIOS as calculated by the performance evaluation sheet (Tab 9).	Enter the percentage of assets falling under each of the different ratings. For additional information on how to rate the condition of the assets refer to Tabs 3 to 7. For the Performance ALIOS ratings, enter the percentages calculated from the performance evaluation sheet (Tab 9).	Enter a description of the current and proposed maintenance activities required to maintain asset operations and/or maximize service life. Avoid using operating costs that have no effect on ensuring asset operability or preservation but are simply costs associated with using the assets or providing services (e.g. overhead costs such as electricity, natural gas, internet, phone, wages and other overhead costs).	Enter the current measure for the maintenance activity (avoid financial measures since it is the cost of the OMLIOS that is being evaluated). OMLIOS measures include: - length/year - units/per year - % of system per year - units/length - hours/year - # times per year - every # of years - asset condition rating - meeting a regulatory requirement (describe)	Enter the proposed measure for the maintenance activity (avoid financial measures since it is the cost of the OMLIOS that is being evaluated). OMLIOS measures include: - length/year - units/per year - % of system per year - units/length - hours/year - # times per year - every # of years - asset condition rating - meeting a regulatory requirement (describe)	
					Condition		Condition					
					Performance		Performance					
					Operational Functionality		Operational Functionality					
					Capacity to Meet Demands		Capacity to Meet Demands					
					Operational Resiliency		Operational Resiliency					
					Environmental Resiliency		Environmental Resiliency					
					Condition		Condition					
					Performance		Performance					
					Operational Functionality		Operational Functionality					
					Capacity to Meet Demands		Capacity to Meet Demands					
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					Condition		Condition					
					Performance		Performance					
					Operational Functionality		Operational Functionality					
					Capacity to Meet Demands		Capacity to Meet Demands					
					Operational Resiliency		Operational Resiliency					
					Environmental Resiliency		Environmental Resiliency					

Thank you!

For more questions or support, please reach out.

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