



REPORT

TO: Mayor Lawlor and Members of Council

FROM: Imad Alvi, Asset Management Analyst

DATE: June 16, 2025

REPORT NO.: CSE-2025-024

SUBJECT: Corporate Asset Management Update and 2025 Infrastructure Asset Management Plan

RECOMMENDATION:

THAT Report No. CSE-2025-024, dated June 16 2025, regarding the Town of Halton Hills Corporate Asset Management Program Update and the 2025 Infrastructure Asset Management Plan, be received;

AND FURTHER THAT Council approve the 2025 Infrastructure Asset Management Plan, attached, with proposed Levels of Service - in compliance with Ontario Regulation 588/17 Municipal Asset Management Planning;

AND FURTHER THAT Council direct the Asset and Energy Management Division to proceed with the implementation and operationalization of the 2025 Infrastructure Asset Management Plan, recognizing the Town's financial capacity;

AND FURTHER THAT staff provide an annual update on the implementation progress of the 2025 Infrastructure Asset Management Plan, as required by Ontario Regulation 588/17.

KEY POINTS:

The following are key points for consideration with respect to this report:

- Asset management is critical to the effective and efficient management of the Town's infrastructure assets valued at \$2.06 billion, and to meet the requirements of Ontario Regulation 588/17 for Municipal Asset Management Planning.
- The Town continues the implementation of its Corporate Asset Management (CAM) Program to manage its existing infrastructure assets, deliver sustainable municipal services to residents, businesses and visitors, and to support a high quality of life.
- Ontario Regulation 588/17 mandates municipalities to prepare an asset management policy by July 1, 2019, submit asset management plans for core infrastructure by July 1, 2022, and for non-core infrastructure by July 1, 2024, culminating in the 2025 Infrastructure Asset Management Plan with proposed Levels of Service, for both core and non-core infrastructure assets.
- The Town currently faces an annual funding shortfall of \$23.5 million to meet the current Level of Service (LOS) targets. This service delivery gap reflects the difference between the services the Town aims to provide and what is being delivered with existing funding.
- The Town is facing a total infrastructure funding gap estimated at \$37.98 million annually. This infrastructure funding gap includes the \$23.5M service delivery gap mentioned above, the additional investment required to address aging critical infrastructure and to accommodate future growth.
- Staff will continue to refine and update the Town's asset management plan and proposed Levels of Service and assess the financial impact in accordance with O. Reg 588/17.

BACKGROUND AND DISCUSSION:

The Town of Halton Hills is progressing well with its Corporate Asset Management (CAM) Program and continues to remain in compliance with the requirements of Ontario Regulation 588/17 for Municipal Asset Management Planning. Efficiently and effectively managing the Town's assets is a major and complex undertaking, requiring ongoing commitment and resources.

In 2018, the Town developed its [Corporate Asset Management Policy](#), which was endorsed by Council through Report No. PLCY-2018-0003 and updated in 2024 through PLCY-2024-005. This policy established guiding principles for the Town to commit to improved asset management planning. This policy is subject to periodic review and updates, as required by Ontario Regulation 588/17.

In 2022, the Town developed its [Core Infrastructure Asset Management Plan](#), approved by Council via Report No. [ADMIN-2022-0014](#). This plan complied with the second mandate of Ontario Regulation 588/17, which required municipalities to develop an asset management plan for core infrastructure assets.

In 2024, the Town developed its [Non-Core Infrastructure Asset Management Plan](#), approved by Council via Report No. [CSE-2024-004](#). This plan complied with the third mandate of Ontario Regulation 588/17, which required municipalities to develop an asset management plan for non-core infrastructure assets.

This staff report satisfies the fourth mandate of Ontario Regulation 588/17, which requires municipalities to develop a consolidated asset management plan for core and non-core infrastructure assets.

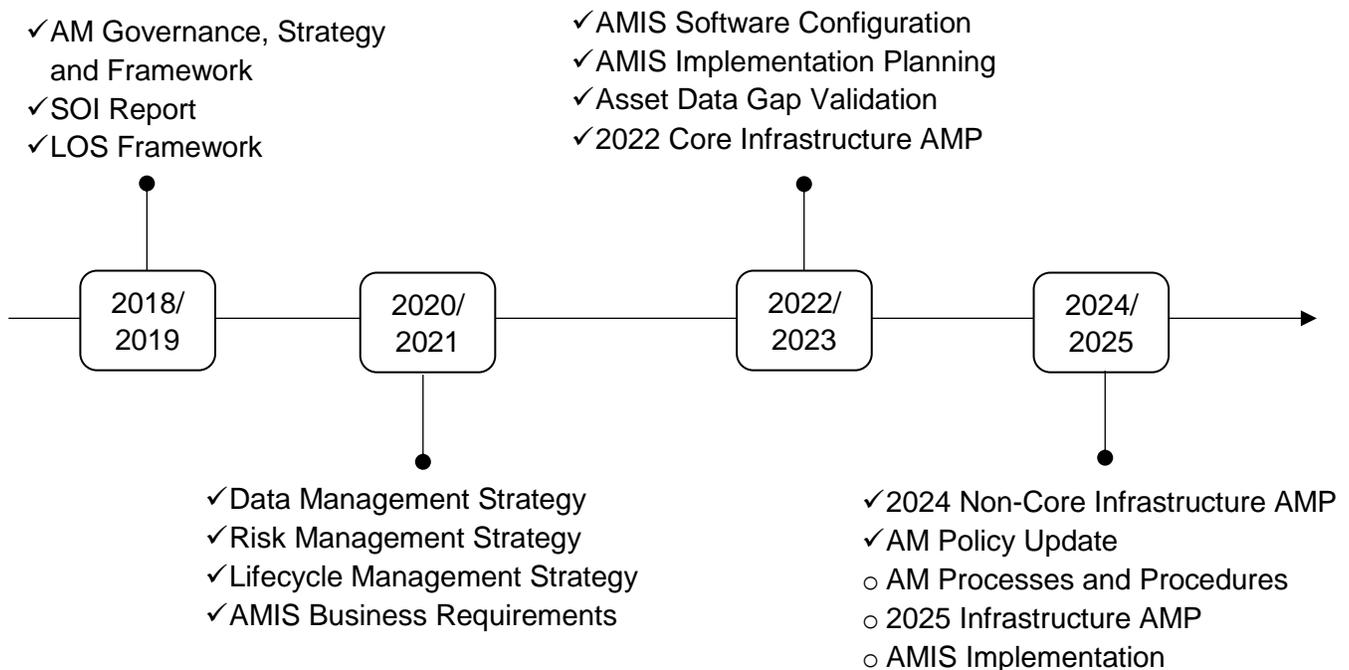
In addition, the Town is engaged in a multi-year and complex project to implement an Asset Management Information System (AMIS), impacting all service areas. Once fully implemented, AMIS will significantly transform and modernize existing Town processes. It will integrate various asset management processes and software, improve operational efficiency, data accuracy and reliability, and provide advanced tools for managing assets - for informed investment decision-making and budget forecasting and planning.

The following sections provide an update on three key elements:

- Corporate Asset Management Program Update
- 2025 Infrastructure Asset Management Plan
- Proposed Levels of Service (LOS)

1. Corporate Asset Management Program Update

Since 2018, the Corporate Asset Management Program has evolved, and many projects and initiatives have been completed, as summarized below.



AM – Asset Management
SOI – State of Infrastructure
LOS – Levels of Service
AMIS – Asset Management Information System
AMP – Asset Management Plan

Key Updates:

- Asset Data Management

Data is crucial in asset management, allowing organizations to make strategic and operational decisions throughout the lifecycle of assets. To improve data quality and integrity, a review of asset data and data management processes has been conducted across several service areas within the Town, with others under review.

This initiative emphasizes standardizing asset data, identifying and addressing data gaps, and developing plans for data enhancements with short- to medium-term actions. The next steps involve identifying resources required to complete these actions and address data gaps for each asset category. For example, a Building Condition Assessment (BCA) project is ongoing, which will update and enhance asset and condition data for all facilities as well as address any data gaps.

Additionally, data management procedures and processes have been developed and are being implemented across all service areas as part of data governance and stewardship. This will entail data monitoring and quality assurance practices to support continuous improvement and consistency.

- Asset Management Information System (AMIS) Project

Significant progress continues to be made towards implementing the Town's first-ever Asset Management Information System (AMIS).

AMIS integrates processes, data, software and hardware to provide essential outputs for effective asset management. AMIS implementation is a transformative cross-departmental initiative that will impact all service areas. It is a critical enabler of the Corporate Asset Management program, and consists of the following primary components:

- **Asset Inventory Database:** Stores the standardized asset inventory for all Town-owned assets in a Geographic Information System (GIS), enabling spatial analysis, visualization of asset data and integration with the other systems.
- **Maintenance Management Software (Cityworks):** Digitizes service requests, work orders, and inspections, streamlining maintenance activities and enhances work management practices for effective operations and maintenance of Town's assets.
- **Asset Investment Planning Software (Predictor Tool):** Supports asset lifecycle management, predictive analytics, long-term forecasting, and alignment with long-range financial planning to optimize asset renewal plans and sustainable financial strategy.

The AMIS project continues to move forward, despite unforeseen delays. Between 2022 and 2024, the focus was on technical configuration solutions and integrations with other existing Town's systems. In 2024, the project transitioned to the implementation phase lead by the Asset and Energy Management division and is anticipated to be completed by the end of 2025.

Progress to date has included:

- Revised Public Works Storeroom processes, completed a physical inventory count and reconciliation, and implemented a new Inventory Management system for material management and cost tracking through Cityworks.
- Implementation of Cityworks for Fleet for Work Order. Preventive Maintenance and Inspection management is planned for June 2025. Accomplishments to date include a fulsome business process review, fleet asset data configuration, software configuration and customizations, and training.

- Implementation of Cityworks Service Request Management for Public Works is planned for June 2025, including a new digitized process for planning, prioritizing and tracking requests, mobile devices for staff and a new online service request portal for residents. Accomplishments to date include a fulsome business process review and software configurations.
 - In preparation of Cityworks for Work Order, Preventive Maintenance and Inspections for Facilities and Public Works Service areas, requirements gathering and business process reviews are completed or in progress.
 - The Predictor Tool is operational in all service areas and is being rolled out to all departments.
- Capital Investment Planning Process and Project Prioritization

With the introduction of the Predictor Tool, staff have undertaken a review and update of the current capital planning and budgeting process to improve the capital investment planning and project prioritization processes. Evidence-based project prioritization enables service areas to evaluate and rank projects based on factors such as asset risk, asset condition, service impact, cost, and regulatory requirements.

This year will serve as a pilot phase for both the use of the Predictor Tool and the revised capital investment planning process.

Continuous feedback from stakeholders and improvement to the asset data quality will ensure the process becomes more robust, reliable and practical over time while aligning with Town's priorities.

2. 2025 Infrastructure Asset Management Plan

As prescribed in Ontario Regulation 588/17 Municipal Asset Management Planning, all Ontario municipalities are required to develop an updated asset management plan with proposed levels of service for all infrastructure assets by July 1, 2025.

Plan Overview

The Asset Management Plan (AMP) provides a prioritized investment plan to meet the level of service requirements of the community, at an acceptable level of risk. The plan (Appendix 1) should be read in conjunction with this staff report.

The 2025 Asset Management Plan has been organized into the following eight (8) sections:

- **Introduction**

This section describes the purpose of the plan, how it meets regulatory requirements, and how it aligns with and supports the Town's vision, mission and key strategic objectives - including growth and climate change response.

The table below identifies the service areas and the associated asset categories that are in the scope of this AMP, and are an integral part of service delivery:

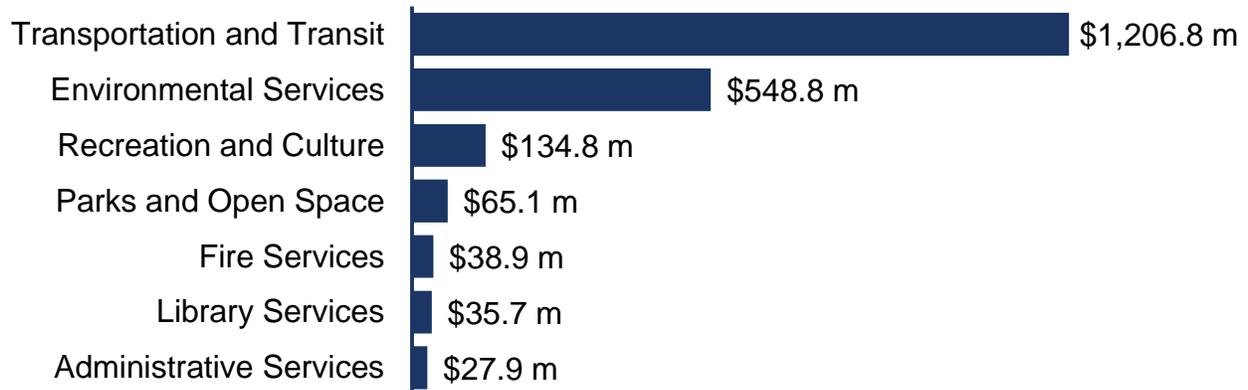
| Service Areas | Asset Categories |
|----------------------------|---|
| Transportation and Transit | Roadway Network, Bridges and Structural Culverts, Traffic and Transportation, Walkways and Pathways, Facilities, Machinery and Equipment, Fleet |
| Environmental Services | Catch Basins, Culverts, Infiltration Galleries, Maintenance Holes, Oil/Grit Separators, Outfalls, Storm Sewers, Stormwater Management Ponds |
| Recreation and Culture | Aquatic Facilities, Community Centres, Miscellaneous Facilities |
| Parks and Open Space | Cemeteries, Parks, Playgrounds and Splashpads, Sport Fields and Courts, Trails and Pathways |
| Fire Services | Facilities, Equipment and Furnishings, Fleet |
| Library Services | Facilities, Equipment and Furnishings, Collection Material |
| Administrative Services | Facility, Equipment and Furnishings |

- State of the Infrastructure**

Understanding the state of Town-owned assets is critical to the development of a plan to better manage them. This section of the plan answers three fundamental questions:

- What assets does the Town own?
- How much are they worth?
- What condition are they in?

Overall, the Town owns infrastructure assets with a replacement value of **\$2.06 billion**.



Of this, the roadway network, bridges, structural culverts and stormwater assets make up a substantial portion of the total replacement value. This amount does not include the valuation of natural assets and green infrastructure.

The condition of the infrastructure assets is summarized as:

- 11% of assets are in Very Good Condition
- 74% of assets are in Fair or Good Condition
- 6% of assets are in Poor or Worse Condition



The condition estimates presented in this asset management plan have been derived from a combination of age-based condition data and the most recent assessed condition data where available for assets.

- **Levels of Service**

Levels of Service (LOS) are statements that describe the outputs the Town intends to deliver to its residents, businesses and other stakeholders. Developing, monitoring, and reporting on LOS are all integral parts of an overall performance management program aimed at improving service delivery and demonstrating accountability to the Town’s stakeholders.

Section 3 of the 2025 AMP outlines the Levels of Service Framework that has been updated along with the specific LOS statements, Key Performance Indicators (KPIs) and associated metrics for current and target LOS. These elements have been developed to meet the requirements of Ontario Regulation 588/17 for infrastructure assets by July 1st, 2025, and are further explained in Section 3 below.

- **Future Demand**

Future demand examines the Town's ability to meet the changing needs of its residential and business customers over time, primarily through population growth and the changing climate. Drivers affecting demand include changes in population, demographics, technology, regulatory requirements, environmental awareness, consumer preferences and expectations, economic factors and seasonal factors.

Section 4 of the 2025 AMP includes a demand management plan that identifies the demand drivers faced by the Town and the impact on additional infrastructure and asset requirements to meet new demands of LOS.

- **Risk Management Strategy**

The Town's key asset management principle is to meet service level requirements and manage risk, while minimizing lifecycle costs. The Town's risk management framework quantifies the risk exposure related to assets, which in turn facilitates the prioritization of investment needs across asset categories and services.

The relative importance of assets to support service delivery, defined as asset criticality, is a key factor in risk management, driving the selection of the most appropriate asset management strategy for each asset. Criticality is evaluated as an asset's impact upon service delivery, health and safety, the environment, financial position and reputation.

Section 5 of the 2025 AMP outlines the Town's risk management approach where consistency is key to the identification, assessment, and management of risk for all assets and infrastructure.

- **Whole Lifecycle Management**

Lifecycle management strategies, such as maintenance and renewal activities, are the planned lifecycle-based activities that the Town needs to undertake to maintain assets in a state of good repair and to meet its service levels:

- To maintain reliable service levels and provide quality programs, the Town conducts thousands of inspections and maintenance activities and undertakes asset rehabilitation and replacement on its existing assets and infrastructure.
- To meet future demand for services and functional requirements of stakeholders, the Town adds, expands, and upgrades assets and infrastructure through new developments or donations.

Based on the asset lifecycle management strategies necessary to maintain current service levels, the Town's requirements to operate, maintain, renew, upgrade and grow its \$2.06 billion worth of infrastructure assets are outlined in Section 6 of the 2025 AMP.

The total financial needs (including both capital and operational activities) required to maintain existing assets and additional infrastructure related to growth in a state of good repair over the next 10 years is projected to be an average of \$114.44 million annually.

- **Financial Strategy**

When the current budgets (capital and operating) are compared to the forecasted lifecycle needs, the 2025 Asset Management Plan (AMP) has identified an estimated annual infrastructure funding gap of \$37.98¹ million over the next 10 years.

Growth-related changes, enhancements to lifecycle management activities, and other future demands as well as rising construction costs will have an impact on this funding gap.

Managing an infrastructure gap as part of municipal asset management planning is not uncommon. What is important, however, is that the size of the gap is managed over time to ensure that the risk to the municipality is minimized.

Section 7 of the 2025 AMP outlines financial sustainability and projection. Opportunities to address the existing infrastructure gap include:

- A review of near-term renewal needs by deferring capital renewal projects on lower risk assets. This will extend the capital backlog beyond the current 10-year forecast; however, it will likely incur higher maintenance costs in the short term, which will require an increase in base operating budgets.
- A review of the current and proposed target levels of service based on affordability with comparison to industry standards and LOS provided by other municipalities.
- Increase available funds through capital reserves, leveraging third-party grants, issuing debt to mitigate cash flow, or establishing a special tax levy. This option is subject to the on-going affordability challenges and competing corporate priorities and cannot be accommodated within the current fiscal planning horizon.

It is important to emphasize that the financial requirements necessary to implement the updated Asset Management Plan will require further review and ongoing refinement, as well as confirmation of the most appropriate manner for their integration into the Town's Long Range Financial Plan and development of a financial strategy - while recognizing the Town's limited financial capacity.

The annual Budget process will also continue to be leveraged to advance this integration, as appropriate. If necessary, the Town's Asset Management Plan will be updated accordingly.

¹ This infrastructure gap includes the service delivery gap of \$23.5M.

- **Continuous Improvement**

The 2025 AMP, as presented, is compliant with the 2025 requirements of Ontario Regulation 588/17.

Section 8 of the 2025 AMP recommends several action items to enable the Town to continue to implement and improve its current asset management planning and programming, and to meet future requirements of Ontario Regulation 588/17.

This will require dedicated resources to:

- continuously improve the quality and accuracy of asset data,
- address asset data gaps across all asset categories,
- conduct regular condition assessments on all assets,
- provide support to service areas to utilize the AMIS system, and
- continuously analyze asset performance for capital investment planning.

3. Proposed Levels of Service

Levels of Service (LOS) translate customer/corporate service expectations and requirements into technical asset performance measures. These measures are categorized into quantifiable service attributes as outlined in the service attribute table below:

| Service Attributes | LOS Statement |
|---------------------------|---|
| Function | Services are provided to meet various customer needs, including health, safety, accessibility, security, and legislative requirements, with a focus on performance, efficiency and effectiveness. |
| Quality & Reliability | Services provided are of quality, reliable, and meet customer expectations, ensuring consistent and dependable service delivery to the community. |
| Capacity & Use | Services are planned and managed to meet current demand and actual capacity, while considering future needs and changes to maintain operational requirements. |
| Environmental Stewardship | Services are committed to environmental stewardship through conservation, adaptation, the protection of natural ecosystems and responsible management of resources. |

Financial Sustainability

Services are delivered sustainably to realize the best value from assets and infrastructure, ensuring both short-term efficiency and long-term investment.

Under Ontario Regulation 588/17, municipalities are required to document their current LOS and set, approve, and monitor proposed LOS through to 2035. Having set proposed LOS helps inform investment priorities, enables transparent trade-offs among service, risk and cost, and ensures asset management planning remains accountable and compliant.

The 2025 Infrastructure Asset Management Plan has established a current LOS for each asset category by compiling performance baselines and regulatory compliance metrics. This baseline quantifies today's current LOS and establishes it as the proposed LOS over the next 10 years.

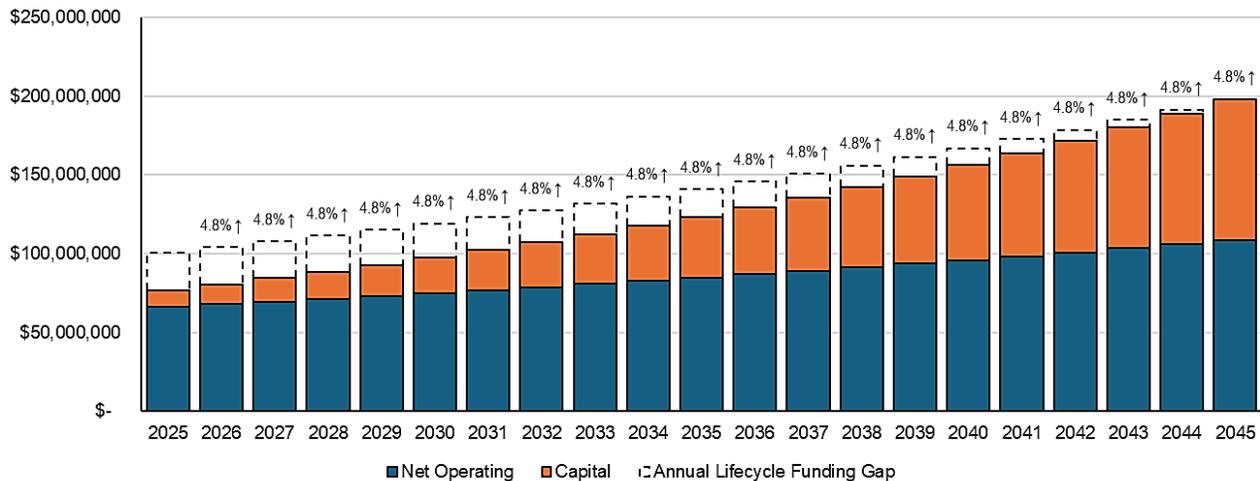
See Appendix 2 for an overview of the LOS for each asset category based on the quality service attribute.

As shown in the table below, a service delivery funding gap exists for the current and proposed LOS (current LOS = proposed LOS):

| | Annual Lifecycle Funding Requirement | Current Funding | Service Delivery Gap |
|--------------------------|--------------------------------------|-----------------|-----------------------|
| Current and Proposed LOS | \$38.9 million | \$15.4 million | \$23.5 million |

A financial analysis was conducted to assess the feasible investment required over the years to close the gap and meet the target LOS as outlined in the graph below.

Tax Levy Forecast - with inflation



Staff will continue to engage with key stakeholders and conduct further analysis of different LOS target scenarios and their associated financial impacts. The findings from this analysis will support Council in evaluating and confirming any adjustments to the target LOS if required.

STRATEGIC PLAN ALIGNMENT:

This report identifies infrastructure and asset management as one of the Town’s Strategic priorities.

RELATIONSHIP TO CLIMATE CHANGE:

This report impacts and/or helps address climate change and the Town's resiliency through climate adaptation.

PUBLIC ENGAGEMENT:

Public Engagement was not needed as this report is administrative in nature.

INTERNAL CONSULTATION:

In the preparation of this report, various elements of the asset management plan have been reviewed with Town staff from Transportation and Public Works, Community Services, Corporate Services, the Asset Management Network Team, and the Corporate Asset Management Steering Committee. Council has been engaged through prior reports and workshop(s).

FINANCIAL IMPLICATIONS:

This report is administrative in nature and does not have any financial implications.

The information contained in the Infrastructure Asset Management Plan will provide comprehensive guidance for staff. It is important to emphasize that the financial requirements necessary to implement the plan will require further review and ongoing refinement for integration with the Long-Range Financial Plan and development of a financial strategy based on affordability, sustainability, and corporate priorities.

Reviewed and approved by,

Dharmen Dhaliah, Director of Asset & Energy Management

Moya Jane Leighton, Treasurer

Damian Szybalski, Commissioner of Community Services

Bill Andrews, Commissioner of Transportation & Public Works and Acting Chief
Administrative Officer