



2025 ASSET MANAGEMENT PLAN

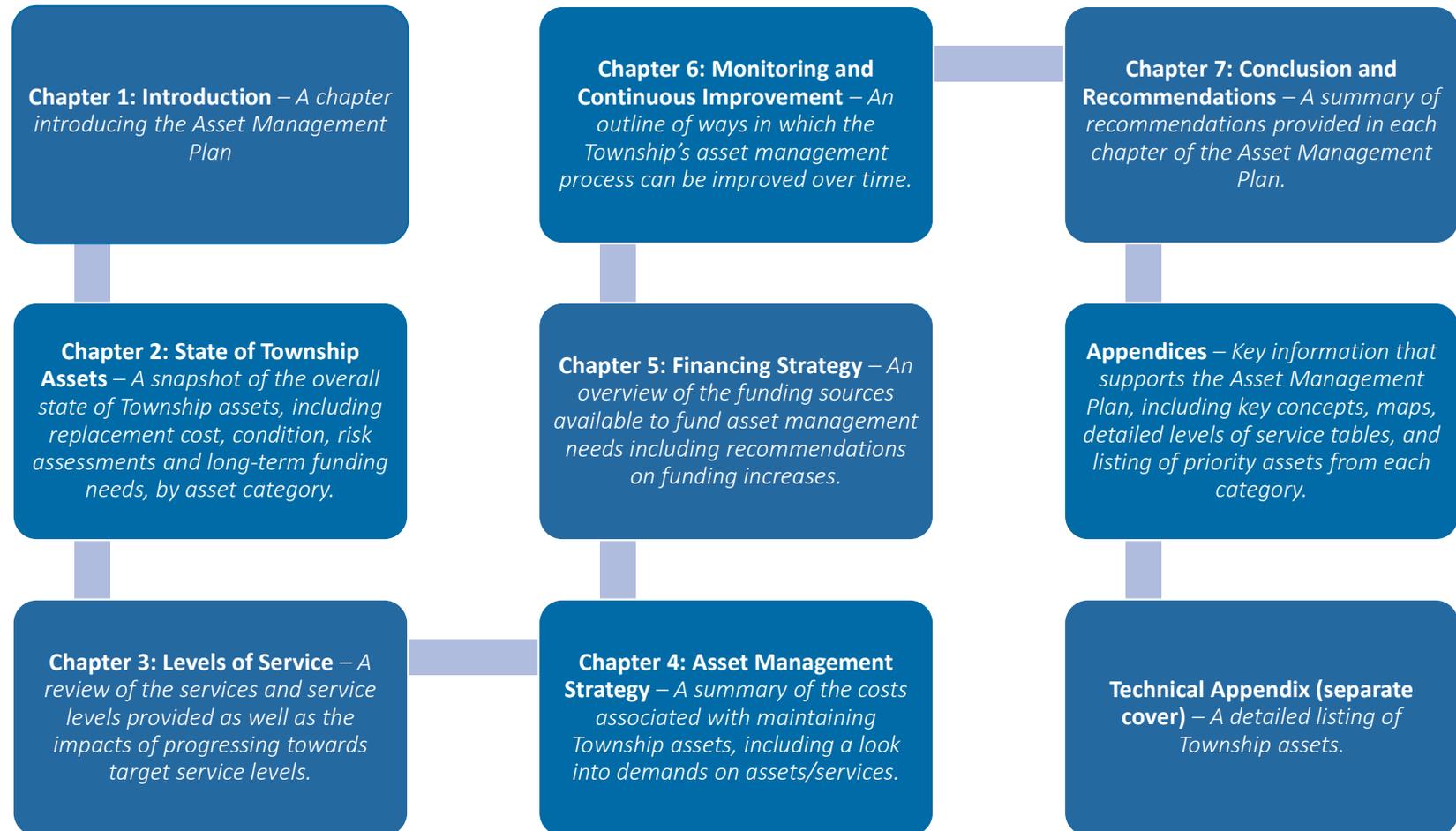
June 16, 2025



2025 ASSET MANAGEMENT PLAN



INTRODUCTION





Knowledge of Township assets

Levels of service analysis

Impacts of future demand

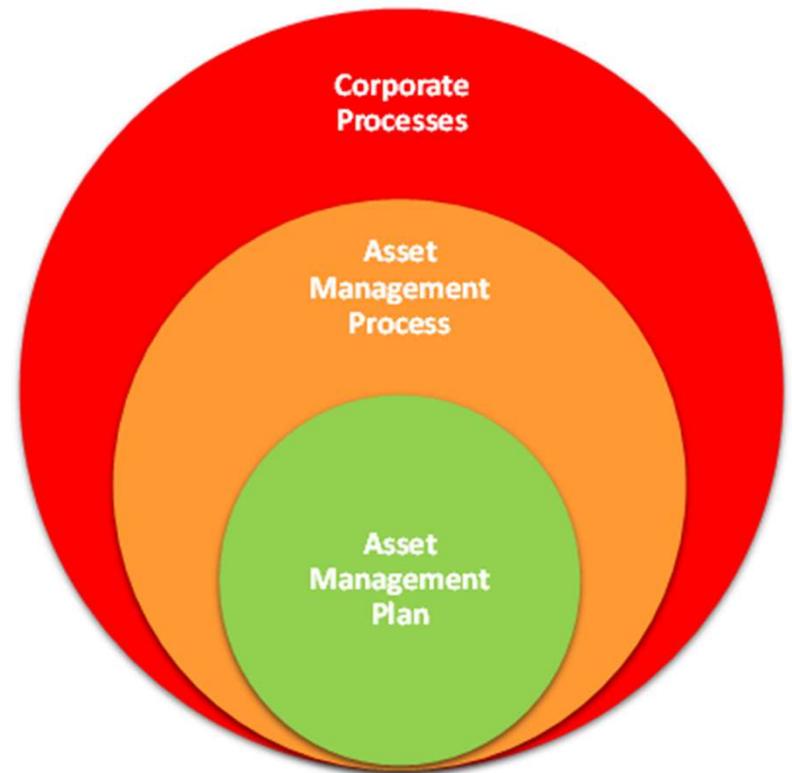
Physical condition, risk, performance, utilization

Lifecycle costs – options analysis

Project prioritization

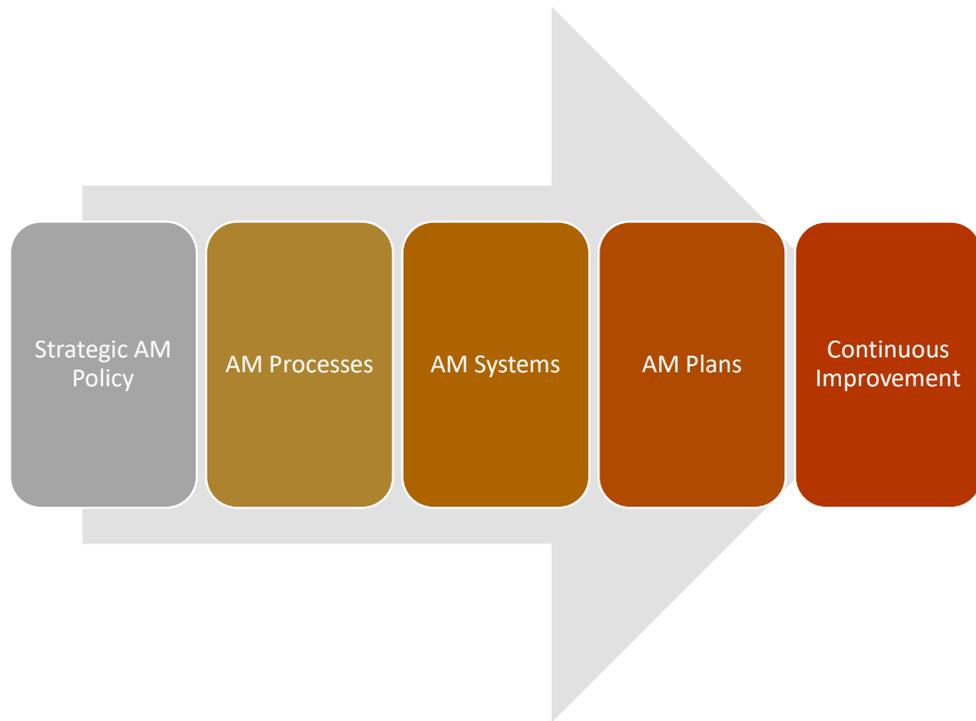
Asset management systems and procedures

Linkages with the annual budget





Approach

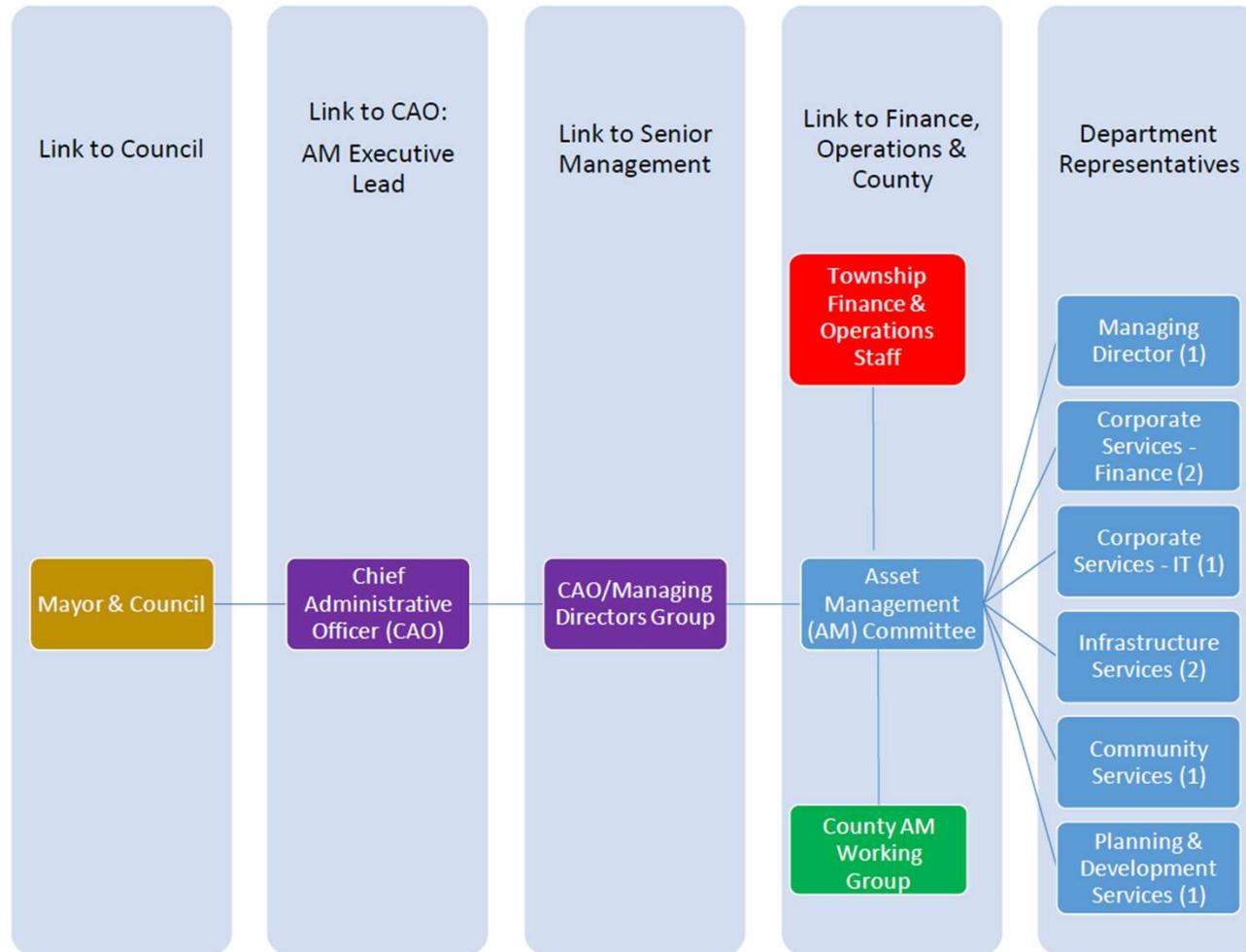


Strategic Alignment





Governance





2025 ASSET MANAGEMENT PLAN



STATE OF TOWNSHIP ASSETS



Asset Type	Replacement Cost (2024\$)
Road Infrastructure	544,940,710
Bridges	83,605,435
Culverts	38,530,999
Pedestrian Bridges	6,174,158
Facilities	57,181,860
Land Improvements	10,756,829
Vehicles	22,931,000
Machinery & Equipment	9,624,955
Stormwater Infrastructure	101,535,766
Total Tangible Capital Assets (Tax Supported)	875,281,712

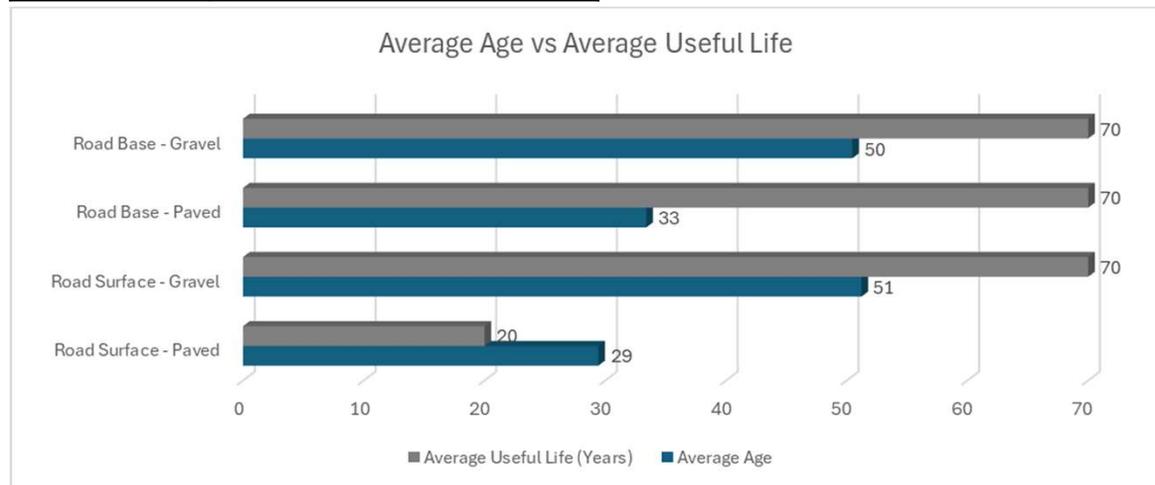
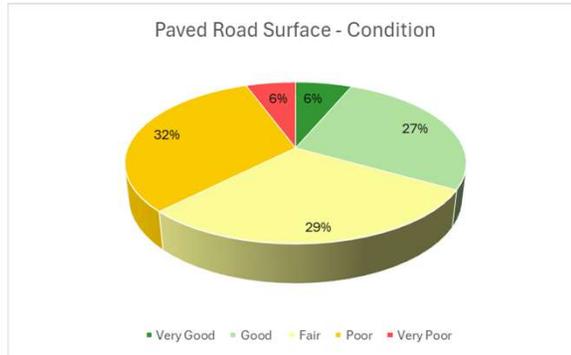
Asset Type	Replacement Cost (2024\$)
Water Infrastructure	110,447,534
Facilities	15,767,884
Vehicles	1,185,000
Equipment	7,170,457
Land Improvements	324,844
Total Tangible Capital Assets (Water Supported)	134,895,719

Asset Type	Replacement Cost (2024\$)
Wastewater Infrastructure	91,513,981
Facilities	66,077,412
Vehicles	1,175,000
Equipment	15,712,745
Land Improvements	484,109
Total Tangible Capital Assets (Wastewater Supported)	174,963,246

Cumulatively, the Township owns, operates, and maintains assets with replacement values approximating \$1.2 billion dollars



	Areas of Assessment Used to Determine State of Local Infrastructure
Roads & Related	Age, Condition, Risk, and Financial
Bridges & Culverts	Age, Condition, Risk, and Financial
Facilities	Age, Condition, Risk, and Financial
Vehicles	Age, Condition, Risk, and Financial
Equipment	Age, Condition, Risk, and Financial
Land Improvements	Age, Condition, Risk, and Financial
Water	Age, Condition, Risk, and Financial
Wastewater	Age, Condition, Risk, and Financial
Stormwater Ponds	Age, Condition, and Risk





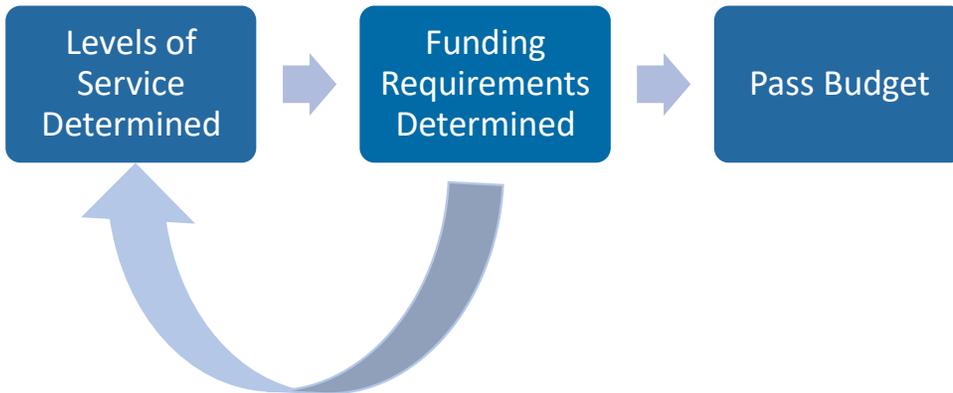
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LEVELS OF SERVICE

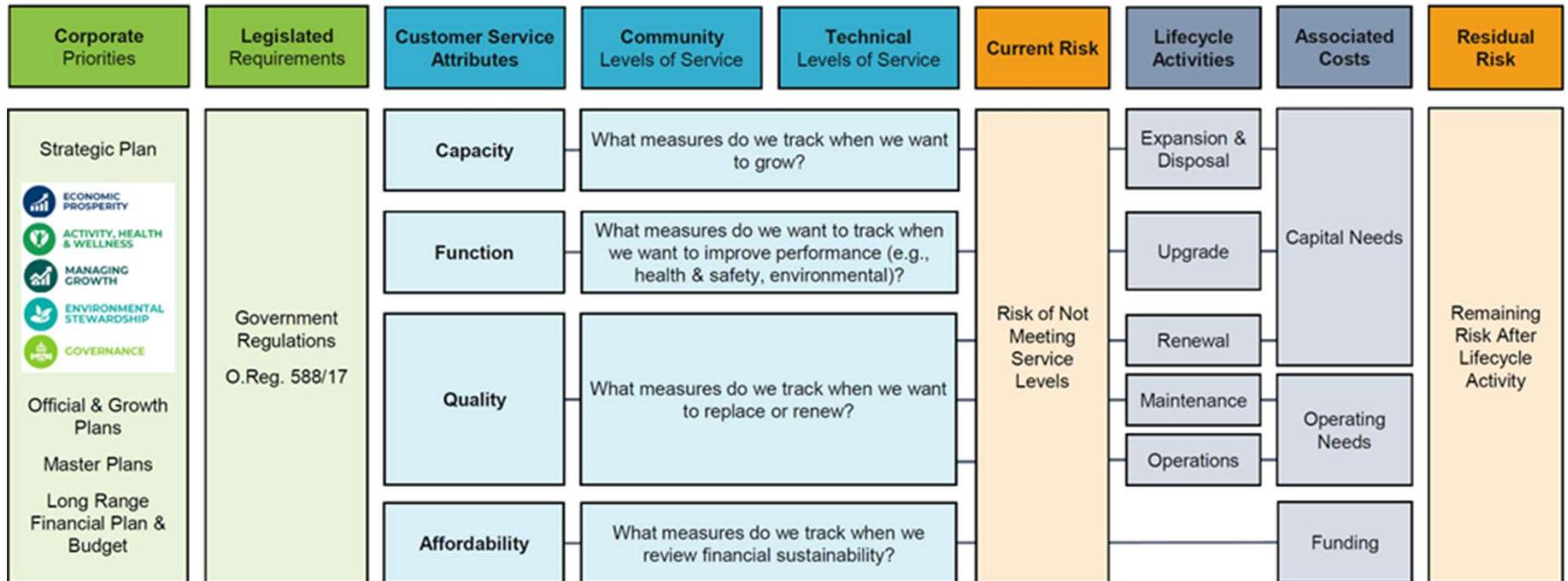


- Critical to asset management planning
- Most difficult section to understand and implement
- Cause and effect, for AM planning and budgeting:



Factors Impacting Levels of Service







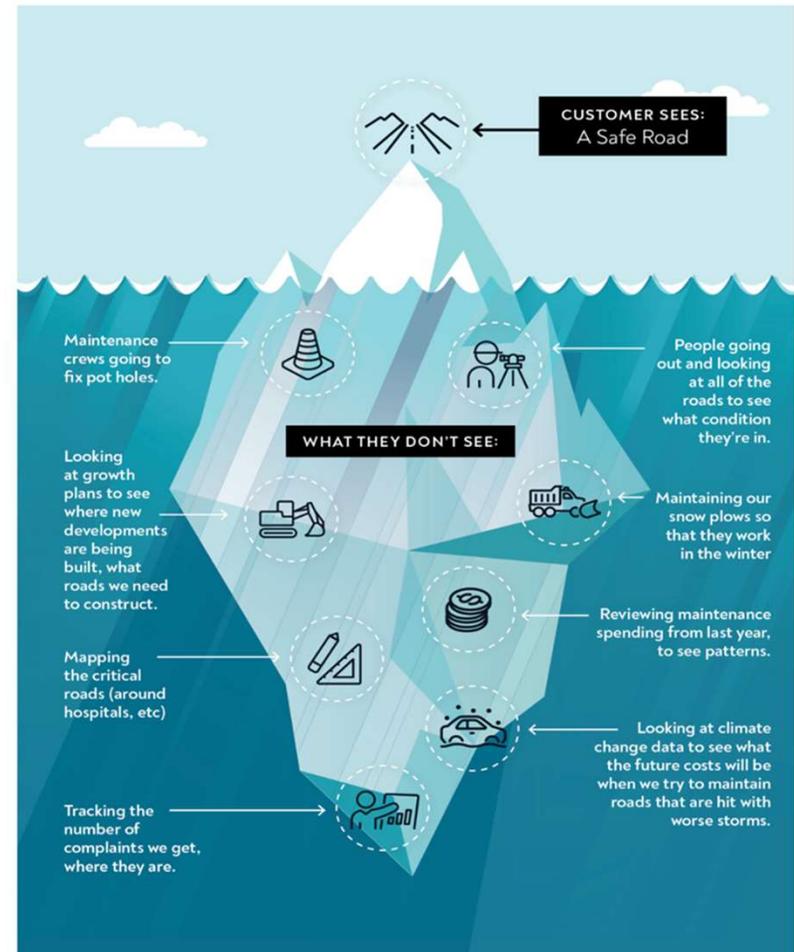
Community LOS

What the community receives



Technical LOS

How the Township provides the services





Line of Sight

Strategic Goal	Provide Innovative & Sustainable Governance
Assets	Roads Related Assets
Service Objective	Roads& Sidewalks that take people and goods where they need to go in a safe and efficient manner
Service Expectations	SCOPE & FUNCTION: Roads that are open and provide efficient transportation
	QUALITY: Roads that provide a comfortable ride, Sidewalks are kept in a state of good repair
Community Levels of Service	What is the Community receiving?
Technical Levels of Service	What is the Township providing?

Service Objective	Service Attributes & Expectations	Community Levels of Service	Technical Levels of Service - Performance Measures	2019	2020	2021	2022	2023	2024	Target (2034)
Roads that take people and goods where they need to go in a safe and efficient manner.	SCOPE & FUNCTION: Roads that are open and provide efficient transportation. Ont. Reg 588/17- See Figure B-1 and B-2	Description, which may include maps, of the road network in the municipality and its level of connectivity. Ont. Reg 588/17- See Figure B-1 and B-2	Arterial Roads: Number of lane-kilometres as a proportion of square kilometres of land area. Ont. Reg 588/17	N/A	N/A	N/A	N/A	N/A	N/A	In the future could include HWY6 bypass road
			Collector Roads: Number of lane-kilometres as a proportion of square kilometres of land area. Ont. Reg 588/17	1.44	1.44	1.44	1.39	1.34	1.29	Gradually Increasing with Growth
			Local Roads: Number of lane-kilometres as a proportion of square kilometres of land area. Ont. Reg 588/17	0.77	0.78	0.78	0.84	0.89	0.96	Gradually Increasing with Growth
	QUALITY: Roads that provide a comfortable ride Ont. Reg 588/17- See Figures B-3, B-4, B-5, and B-6	Description or images that illustrate the different levels of road class pavement condition. Ont. Reg 588/17- See Figures B-3, B-4, B-5, and B-6	For paved roads: the average pavement condition index value. Ont. Reg 588/17 Arterial Roads	N/A	N/A	N/A	N/A	N/A	N/A	N/A
			For paved roads: the average pavement condition index value. Ont. Reg 588/17 Collector Roads	*6.90 (from 2017 Cond Assessment)	No New Data	No New Data	7.31	No New Data	No New Data	7.5
			For paved roads: the average pavement condition index value. Ont. Reg 588/17 Local Roads	*7.09 (from 2017 Cond Assessment)	No New Data	No New Data	7.83	No new data	No new data	7.25
Sidewalks that take people where they need to go in a safe and efficient manner.	QUALITY: Sidewalks	Assets are kept in a state of good repair.	For unpaved roads: the average surface condition (e.g. excellent, good, fair or poor). Ont. Reg 588/17	No Data	No Data	5.83 (Fair)	No new data	No new data	No new data	7 (Good)
			Collectors: Number of paved road segments with a PCI less than 6.0	No Data	No Data	9	No new data	No new data	0	
			Local: Number of paved road segments with a PCI less than 5.0	No Data	No Data	56	No new data	No new data	0	
			Number of gravel road segments with an OCI less than 5.0	No Data	No Data	56	No new data	No new data	0	
			% of sidewalks in Fair or better condition	New Metric - not previously calculated				88.4%	100%	



The Township of Centre Wellington's Levels of Service Approach

Township Services


Township Roads
& Traffic Systems


Parking


Fire & By-Law
Services


Indoor & Outdoor
Recreation


Bridges
& Culverts


Water &
Wastewater



Council Direction
Incorporating Council priorities and feedback from residents.

Community Feedback
Community events and surveys to incorporate residents' feedback.

Staff Engagement
Internal analysis, planning, and data gathering by Township staff.

Legislative Requirements
Ensuring compliance with Ontario's statutes and mandates.

Strategic Direction
Aligning levels of service with the Township's long-term vision and priorities.

Balancing Constraints
Managing financial and resource limitations while setting service level targets.

The Township provides multiple public services to residents and visitors. They set level of service targets for each service by managing the six factors shown above.

All Township investments for the next 10 years are based on meeting these service level targets. Township staff annually report to Council on the progress in meeting the level of service targets and update the planned investments based on service performance.

Level of Service Targets
The Township sets service level targets by balancing six factors for each of the services it provides.

10-Year Capital & Operating Plan
Identify and cost projects to support meeting level of service targets.

Annual Report
Annually report to Council the service performance in reference to the level of service targets.

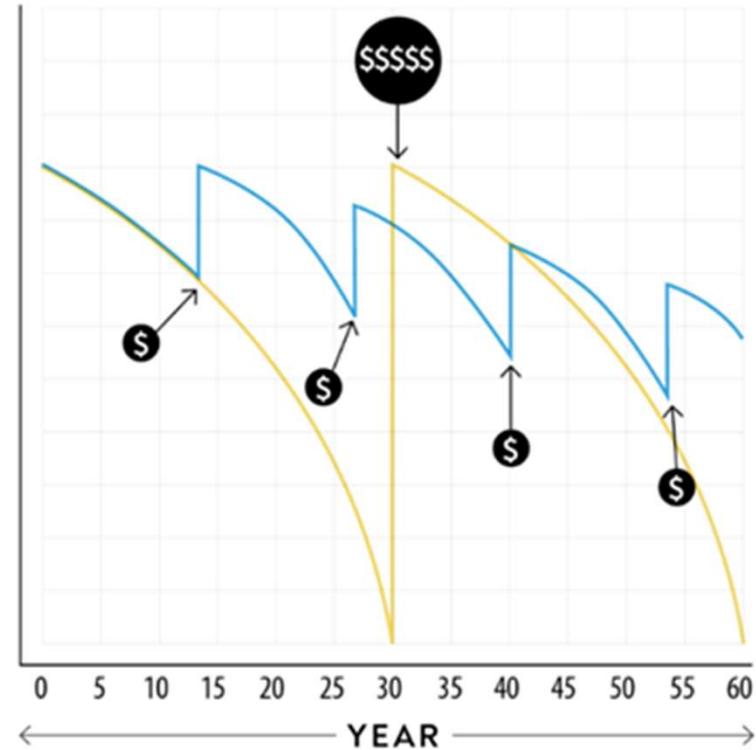
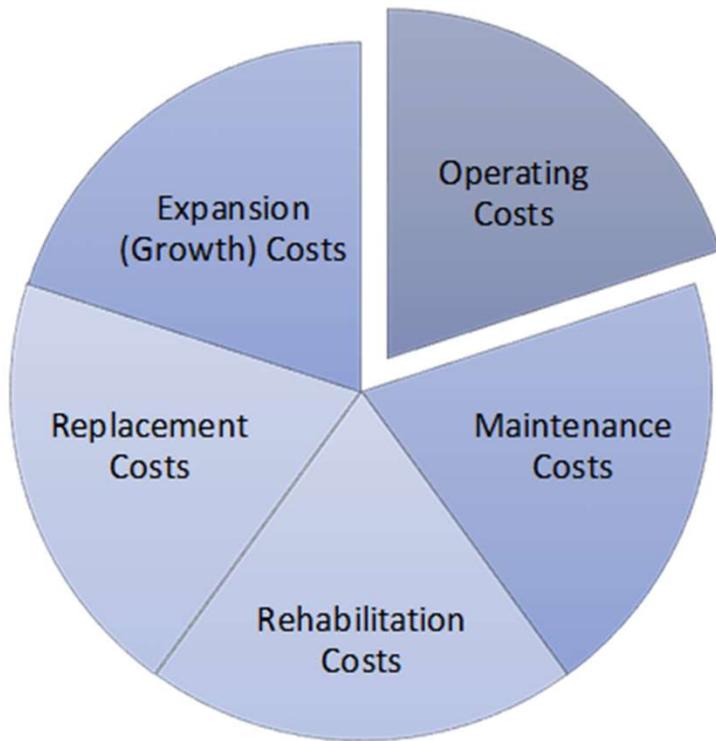
Adjust 10-Year Capital & Operating Plan based on level of service performance outlined in annual report



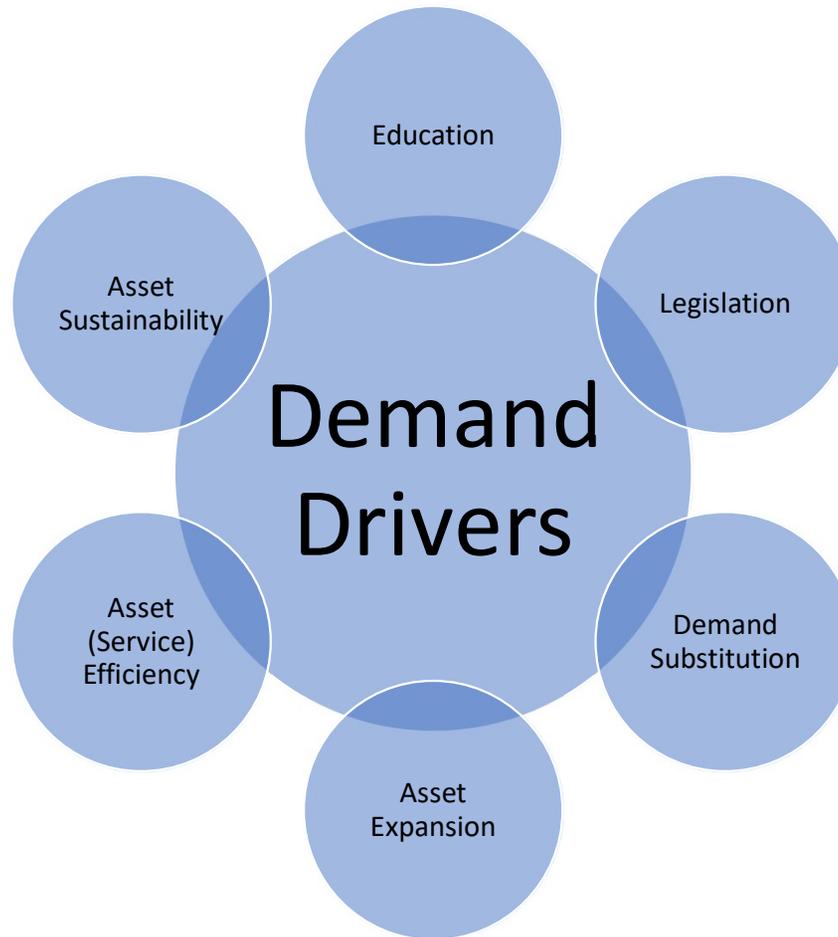
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ASSET MANAGEMENT STRATEGY



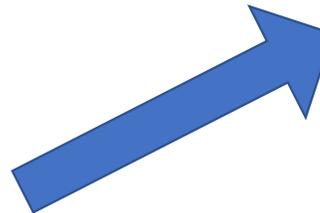
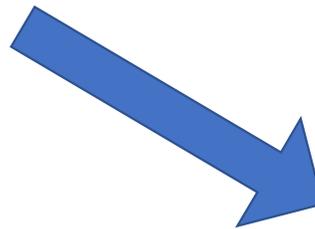






Asset Class	Probability of Failure
Road Base	Age and Average Daily traffic (ADT)
Road Surface	Condition Index (PCI and OCI)
Bridges and Culverts	Bridge Condition Index (BCI) and Load Limits/Status
Pedestrian Bridges	Bridge Condition Index (BCI) and Load Limits/Status
Facilities	Building Condition Audit (BCA) and Age
Vehicles	Age Based and Usage (km, hours)
Equipment	Age Based and Audited Condition (where available)
Land Improvements	Age Based
Stormwater Network Assets	CCTV Condition Index (where available), Age and Material
Water Network Assets	Age, Number of Watermain Breaks and Pipe Material
Wastewater Network Assets	CCTV Condition Index (where available), Age and Material

Asset Class	Consequence of Failure
Road Base	Average Daily Traffic (ADT), Speed and Classification
Road Surface	Average Daily Traffic (ADT) and Speed
Bridges and Culverts	Average Daily Traffic (ADT), Change in Response Time, Detour Length, Access/Isolation and Heritage Status
Pedestrian Bridges	Detour Length, Access/Isolation, and Heritage Status
Facilities	Building Condition Audit (BCA)
Vehicles	Department and Replacement Cost
Equipment	Audited Value (where available) or Determined by Staff/Department
Land Improvements	Determined by Staff/Department
Stormwater Network Assets	Stormwater Master Plan Results, Average Daily Traffic (ADT) and Pipe Diameter
Water Network Assets	Redundancy, Average Daily Traffic (ADT), Service Area and Pipe Diameter
Wastewater Network Assets	Proximity to SPS/WWTP, Average Daily Traffic (ADT), Pipe Diameter, and Pipe Accessibility



		CoF				
		Very Low	Low	Moderate	High	Critical
PoF	Very Low	Very Low	Low	Moderate	High	Critical
	Low	Low	Low	Moderate	Moderate	Moderate
	Moderate	Low	Moderate	Moderate	High	High
	High	Moderate	Moderate	High	High	Critical
	Critical	Moderate	Moderate	High	Critical	Critical



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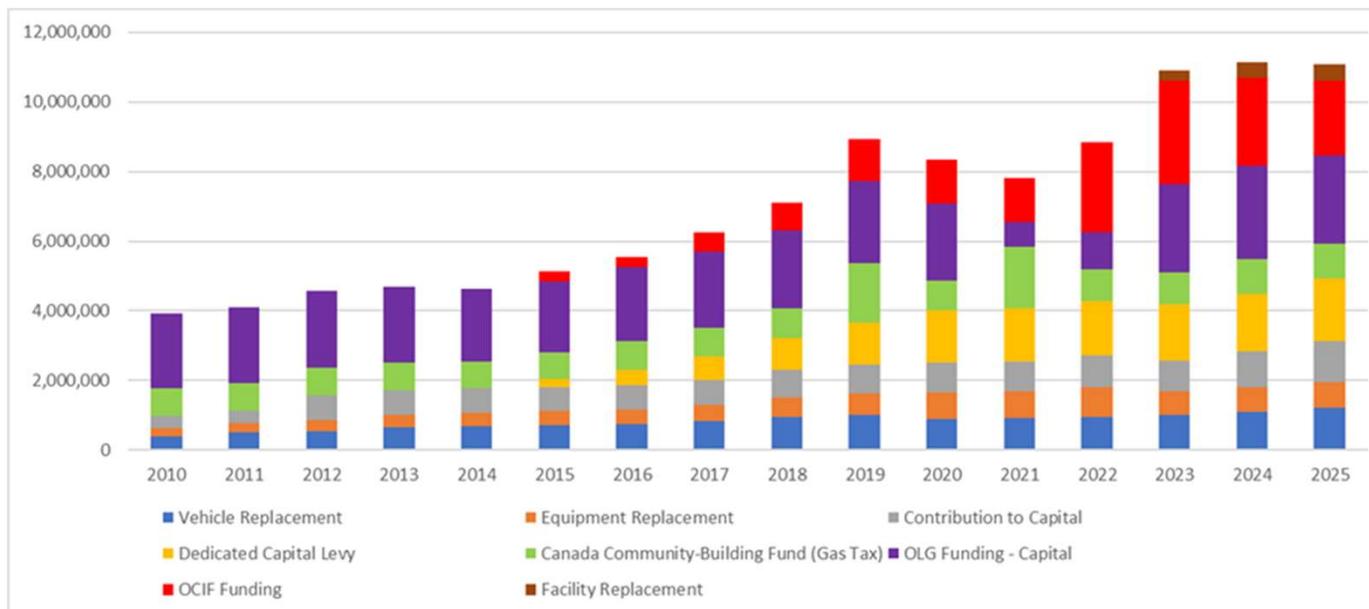


FINANCING STRATEGY



Financing Strategy – Historical Sources of Funding: Tax Supported

Internal Resources	External Sources
<ul style="list-style-type: none"> • Operating Budgets (operating & maintenance costs) • Contributions to Capital • Dedicated Capital Levy • Vehicle Replacement • Equipment Replacement • Facility Replacement 	<ul style="list-style-type: none"> • Canada Community-Building Fund (Federal Gas Tax) • Ontario Community Infrastructure Fund (OCIF) • OLG Funding • One-time Capital Grants • Development Charges (growth) • Partner Contributions • Debt





Funding Source	AM Plan Assumptions
Canada Community-Building Fund (CCBF)	Inflationary increases every 2 years.
OCIF Funding	Consecutive years of decline – assumes total funding envelope stabilizes in 2026 with annual allocations approximating \$1.83M.
One-time Grants	Not included in projections.
OLG Funds	92% of annual proceeds dedicated to capital.
Development Charges	Based on forecasted cash flow for capital and growth-related debt.
Debt	Debt for specific projects, predominantly growth-related. Planned debt payments not to exceed 15% of Township revenues.
Partner Contributions	Not included in projections.

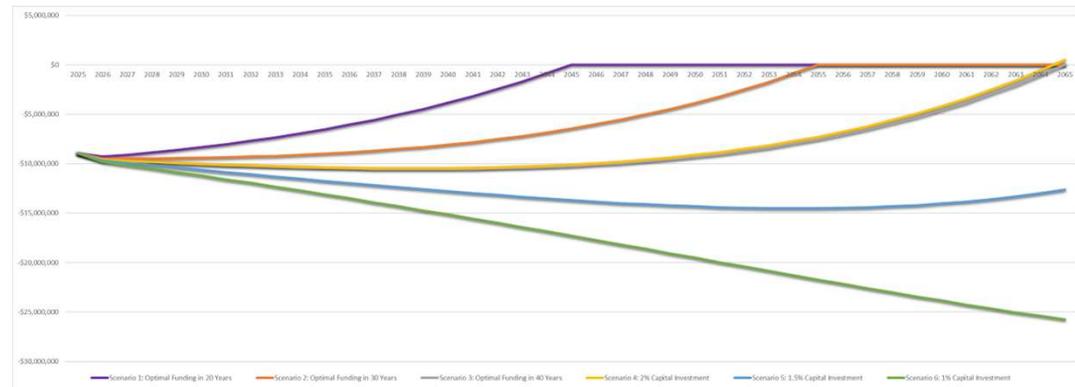
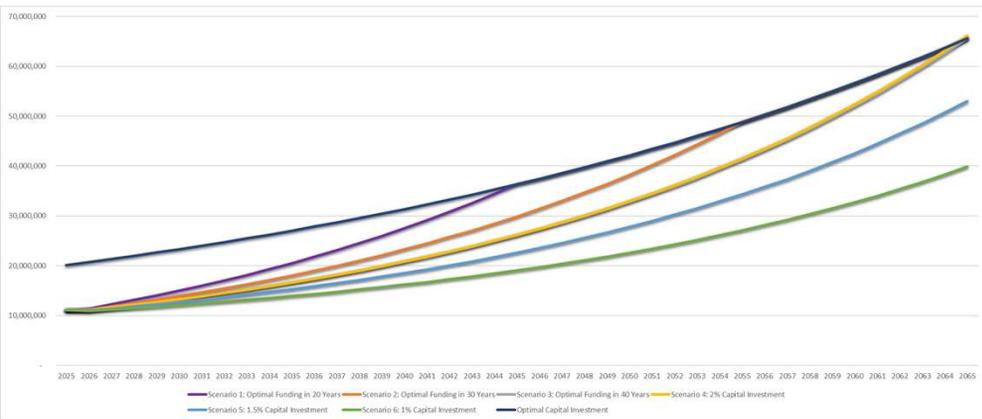


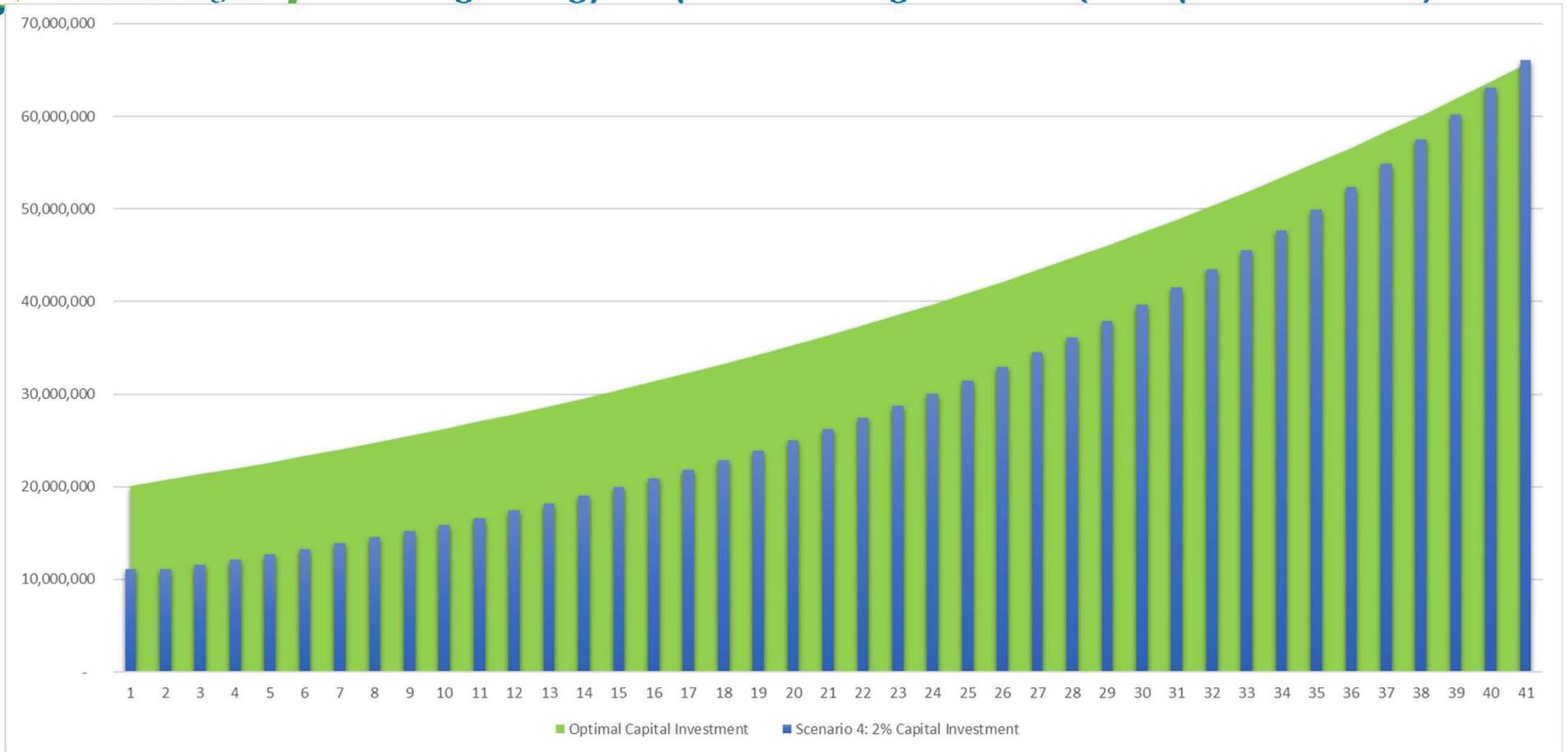
Tax Supported (excl. Bridges/Culverts)				
Asset Type	Optimal Annual Investment (2025 \$)	Existing (2025) Funding	% of Optimal	
Road Base - Paved	2,122,500	6,092,362	52%	
Road Surface - Paved	5,400,000			
Road - Gravel	2,000,000			
Stormwater	1,580,000			
Buildings	1,250,000			
Vehicles	1,867,071			1,211,000
Equipment	851,973			743,000
Land Improvements	375,443			
Total	\$ 15,446,987	\$ 8,046,362		

Bridges and Culverts			
Asset Type	Optimal Annual Investment (2025 \$)	Existing (2025) Funding	% of Optimal
Bridges	2,650,000	3,042,322	65%
Culverts	1,941,000		
Pedestrian Bridges	70,000		
Total	\$ 4,661,000	\$ 3,042,322	



Sensitivity Analysis - Financing Strategy	Funding Investment by Year 10	Funding Investment by Year 20	Funding Investment by Year 30	Funding Investment by Year 40	Equivalent Annual Increase in Taxation
Scenario 1: Optimal Funding in 20 Years	76%	100%	100%	100%	3.41%
Scenario 2: Optimal Funding in 30 Years	67%	82%	100%	100%	2.51%
Scenario 3: Optimal Funding in 40 Years	61%	72%	84%	100%	1.98%
Scenario 4: 2% Capital Investment	62%	72%	85%	100%	2.00%
Scenario 5: 1.5% Capital Investment	56%	62%	70%	81%	1.50%
Scenario 6: 1% Capital Investment	51%	52%	55%	61%	1.00%
Optimal Capital Investment	\$ 27,024,000	\$ 36,317,000	\$ 48,807,000	\$ 65,593,000	







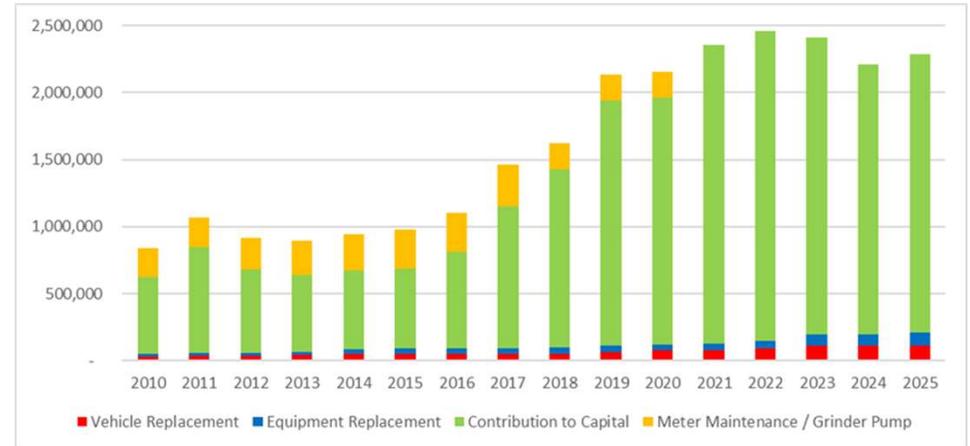
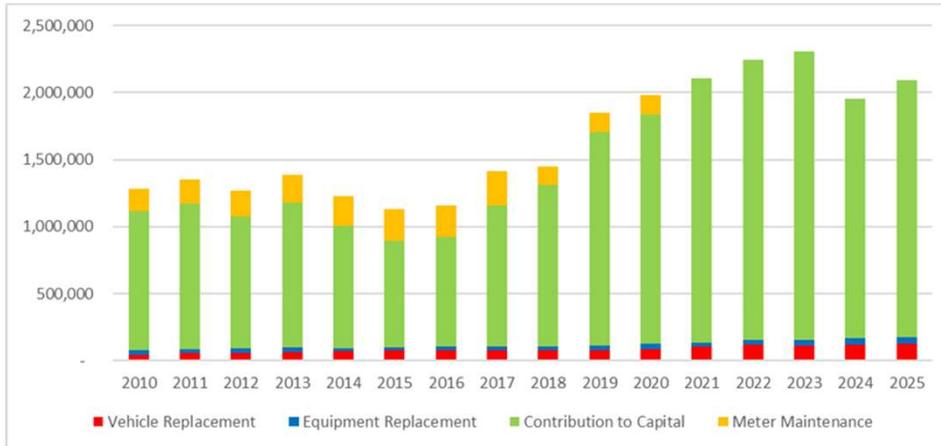
Assessment Growth		Allocation of Growth to:		Equivalent Reduction in Taxation Impact			
		Operations (including New Staff Positions)	Asset Investment	Operations		Asset Investment	
Min	Max			Min	Max	Min	Max
0.00%	1.00%	50%	50%	0.00%	0.50%	0.00%	0.50%
1.01%	2.00%	75%	25%	0.76%	1.50%	0.25%	0.50%
2.01%	3.00%	75%	25%	1.51%	2.25%	0.50%	0.75%
3.01%	4.00%	75%	25%	2.26%	3.00%	0.75%	1.00%
4.01%	5.00%	75%	25%	3.01%	3.75%	1.00%	1.25%
Over 5%		75%	25%	3.76%	n/a	1.25%	n/a

Assessment Growth		Taxation Impact before Assessment Growth	Impact of Assessment Growth	Net Impact on Taxation
Min	Max			
0%	1%	2.00%	0.00% to -0.50%	2.00% to 1.50%
1.01%	2%	2.00%	-0.25% to -0.50%	1.75% to 1.50%
2.01%	3%	2.00%	-0.50% to -0.75%	1.50% to 1.25%
3.01%	4%	2.00%	-0.75% to -1.00%	1.25% to 1.00%
4.01%	5%	2.00%	-1.00% to -1.25%	1.00% to 0.75%
Over 5%		2.00%	-1.25% to n/a	0.75% to n/a



Financing Strategy – Historical Sources of Funding: Rate Supported

Internal Resources	External Sources
<ul style="list-style-type: none"> • Operating Budgets (operating & maintenance costs) • Contributions to Capital • Vehicle Replacement • Equipment Replacement • Facility Replacement 	<ul style="list-style-type: none"> • One-time Capital Grants • Development Charges (growth) • Partner Contributions • Debt





Water Assets			
Asset Type	Optimal Annual Investment (2025 \$)	Existing (2025) Funding	% of Optimal
Water Mains	2,700,000	1,919,210	60%
Buildings	313,100		
Vehicles	129,625		
Equipment	334,109		
Land Improvements	16,112		
Total	\$ 3,492,946	\$ 2,092,520	

Wastewater Assets			
Asset Type	Optimal Annual Investment (2025 \$)	Existing (2025) Funding	% of Optimal
Wastewater Mains	2,060,000	2,081,692	61%
Buildings	880,000		
Vehicles	128,750		
Equipment	662,585		
Land Improvements	16,112		
Total	\$ 3,747,447	\$ 2,289,382	

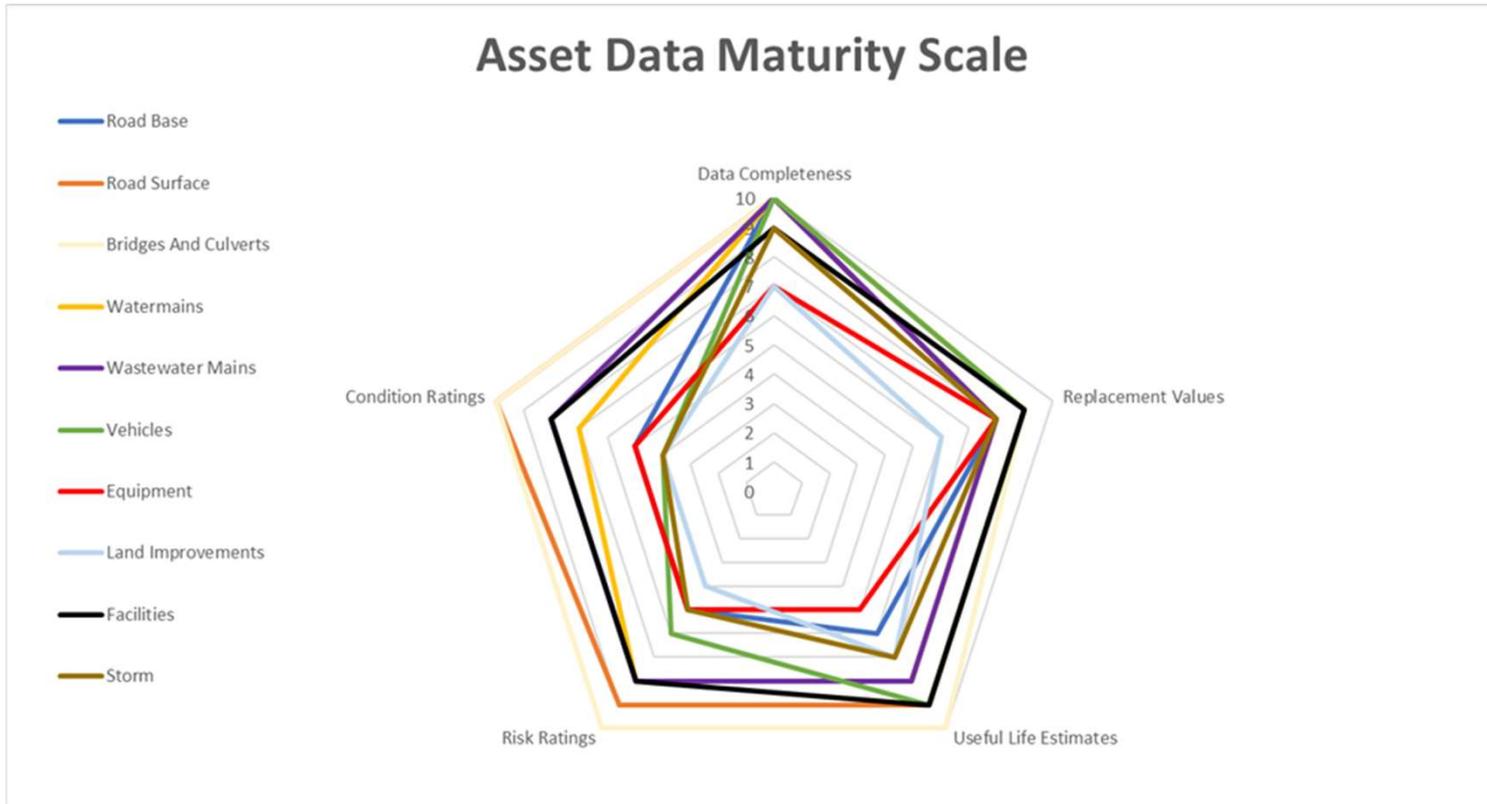
Proposed Rate Increases	2025	2026	2027	2028	2029	2030	2031	2032
Water	1.20%	1.20%	1.20%	1.20%	1.20%	1.20%	TBD	TBD
Wastewater	3.30%	3.30%	3.30%	3.30%	3.40%	3.40%	TBD	TBD
Combined Increase	2.30%	2.40%	2.40%	2.40%	2.40%	2.50%	TBD	TBD



2025 ASSET MANAGEMENT PLAN



MONITORING AND CONTINUOUS IMPROVEMENT







Short-term Targets:

Continued Compliance with Ontario Regulation 588/17

Full implementation of asset management software

Development and refinement of asset management procedures and processes

Integrate data from various studies, reports, and systems

Full integration of risk assessments and the levels of service framework



Long-term Targets:

Develop Data Governance Strategy

Data Integration

Maturation of Asset Data

Integration of Township Strategic Planning and Master Planning

Refine funding assumptions

Public Engagement Strategy



2025 ASSET MANAGEMENT PLAN



CONCLUSIONS AND RECOMMENDATIONS



Chapter Reference	Description
Overall	Recognize that asset management planning is a journey that requires continuous improvement and updates.
Chapter 3	Consider the costs associated with providing services at target levels when developing the annual budget.
Chapter 4	Consider the following when developing the annual budget: <ul style="list-style-type: none">a) All asset management related costs (non-infrastructure solutions and lifecycle costs) required to provide Township services.b) The risks (both corporate and asset related) of deferring various asset lifecycle costs.c) The impacts of demand on Township assets, including anticipated growth.d) Recognition that “critical assets” play a significant role in providing services and have a high consequence of failure.e) Priority assets represent assets in each category with the highest asset risk, and future short/medium-term lifecycle costs should focus on these assets.



Chapter Reference	Description
Chapter 5	<p>Consider the following when developing the annual budget:</p> <ul style="list-style-type: none">a) Staff to closely monitor external sources of funding trends, given the associated risks of relying on this funding from an asset management perspective.b) OCIF funding received will continue to be dedicated to bridge, culvert, and roads related rehabilitation and replacement needs.c) The OLG Allocation Policy is to be reviewed annually to maximize funding available for asset management purposes.d) Planned debt payments over the ten-year capital forecast is not to exceed 15% of Township revenues.e) A proportion of annual taxation assessment growth is to be allocated to asset investment as outlined in chapter 5.f) To provide meaningful increases in tax supported asset investment over time, an annual increase equivalent to a 2.0% increase in taxation is needed. Other available funding increases, such as a proportion of assessment growth would reduce the net impact on taxation.g) To continue to follow Water and Wastewater Rate Study recommended rate increases.



Chapter Reference	Description
Chapter 6	<p>Continue to monitor and continuously improve Township asset management planning practices.</p> <ul style="list-style-type: none">a) Continue to work with the County and associated lower-tier municipalities in the advancement of asset management planning.b) Continuous improvement of asset data quality (i.e. completeness and accuracy) for all asset categories over time.c) Progression of short/medium-term and long-term continuous improvement targets.



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