



# 2025 Asset Management Plan

Committee of the Whole  
Date: July 7, 2025



PWS 30-25, COW  
July 7, 2025  
Staff presentation

# Purpose of the Asset Management Plan

## Asset Management

Coordinated activity of an organization to realize value from assets.

Realization of value will normally involve a balancing of costs, risks, opportunities and performance benefits.

Informs long-term capital planning

Supports consistent service delivery

Enables sustainable financial decisions

Helps manage risk and infrastructure performance



SUPPORTS  
BURLINGTON'S  
STRATEGIC PLAN



- FINANCIAL  
SUSTAINABILITY



- RESILIENT  
INFRASTRUCTURE

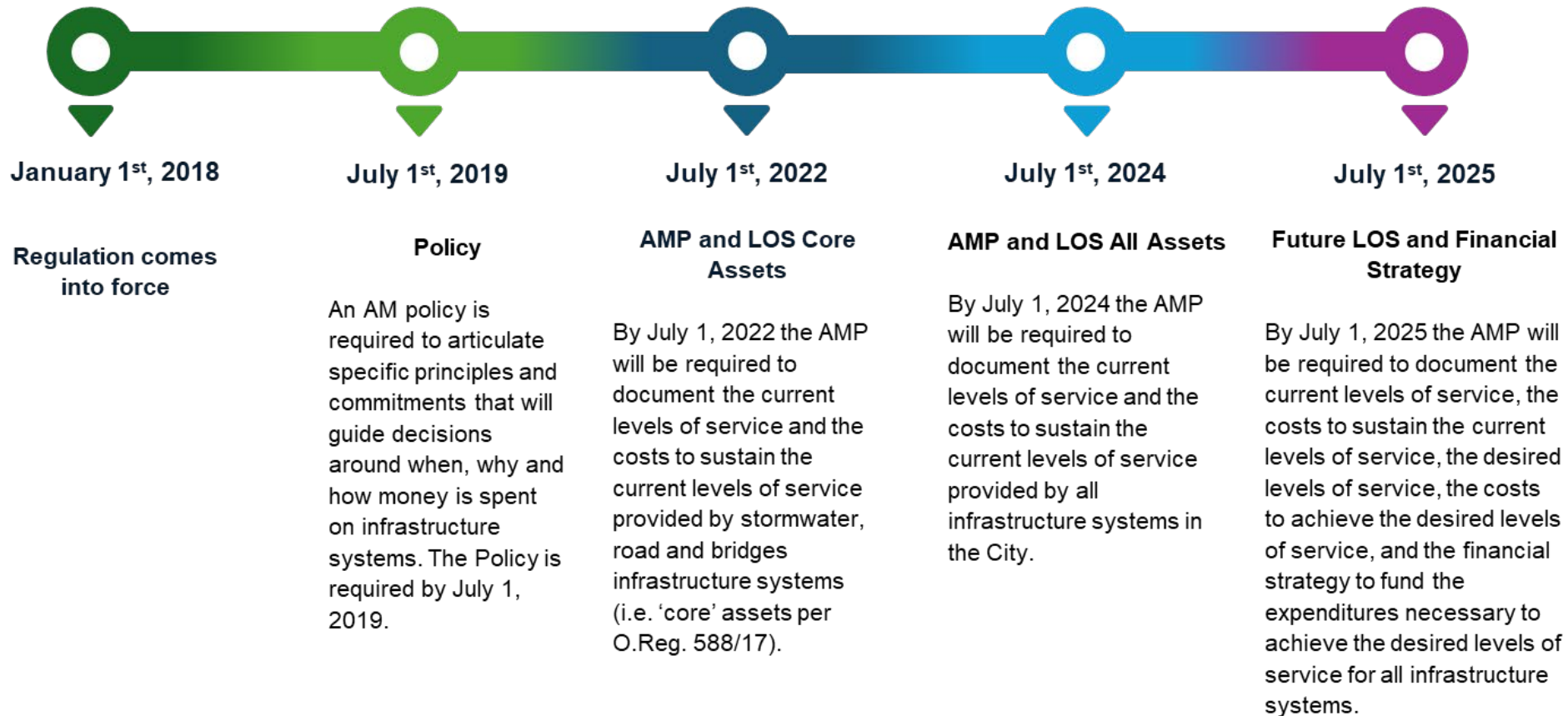


- CLIMATE ADAPTATION



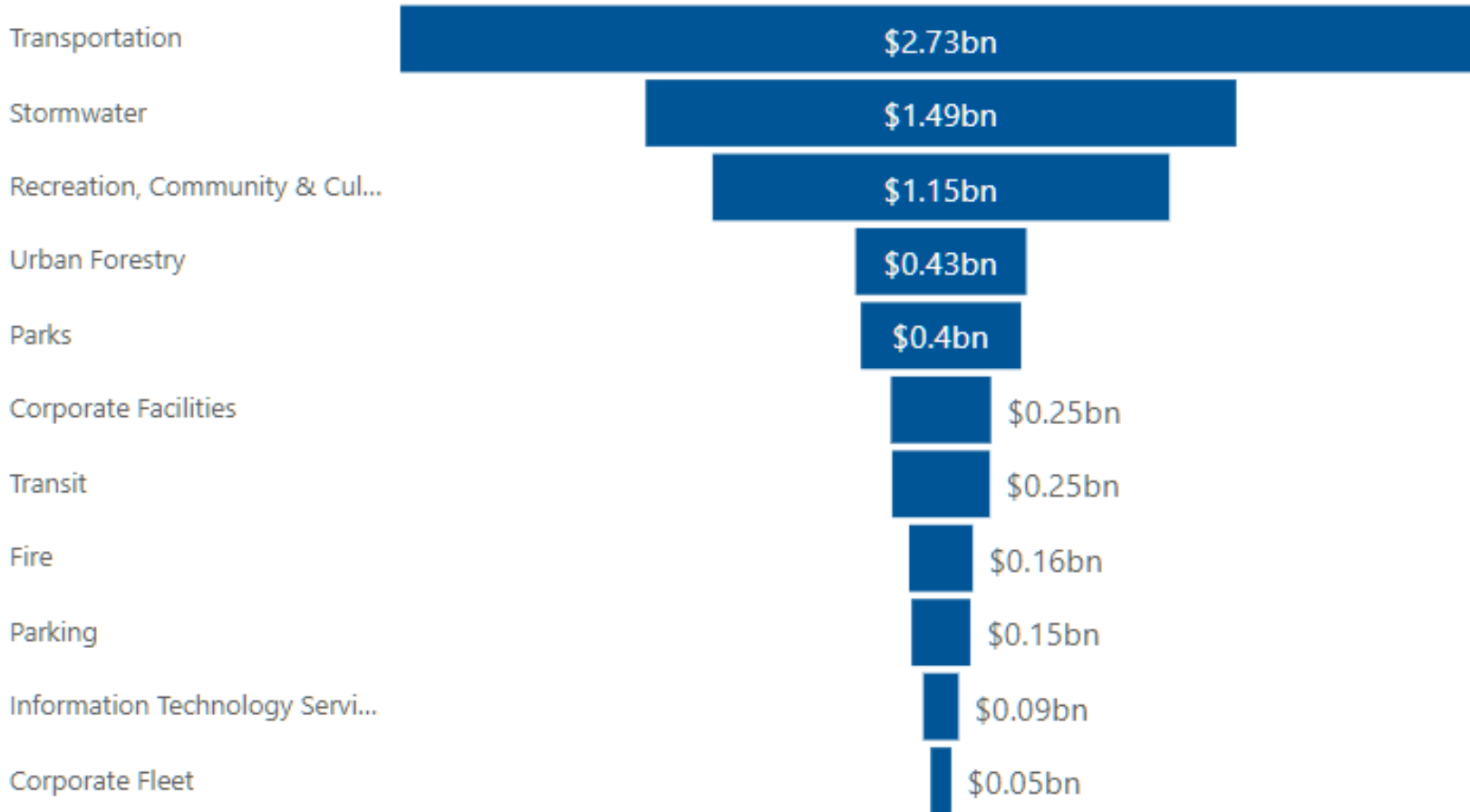
INTEGRATED WITH  
BUDGET, CLIMATE, AND  
GROWTH PLANNING

# Legislative Requirements (O. Reg. 588/17)



# State of Infrastructure Snapshot

## Replacement Value by Asset Service



**\$7.15 Billion**

# State of Infrastructure Snapshot

Replacement Value  
\$7.15bn

Average Condition  
Good

Risk Rating  
Low

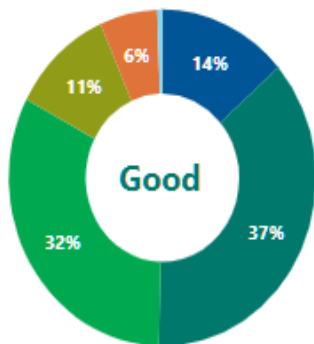
Overall Data Confidence  
B

Average Age | Service Life  
33 | 65

Average OSI Condition

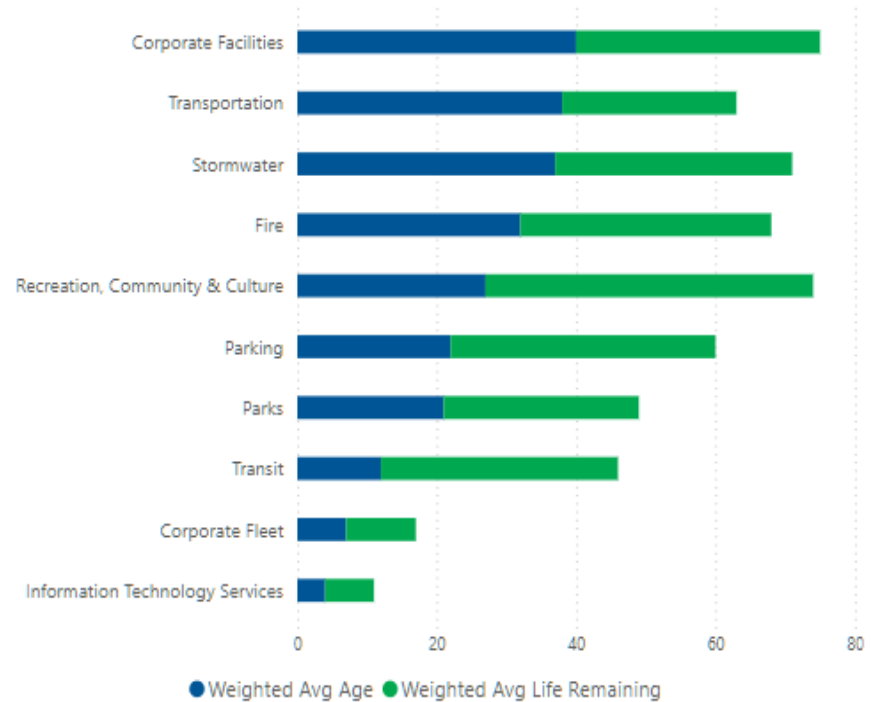


Asset Condition



- Very Good
- Good
- Fair
- Poor
- Very Poor
- Unknown

Average Age and Remaining Service Life



# Risk & Lifecycle Strategies

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Risk = Likelihood ×  
Consequence

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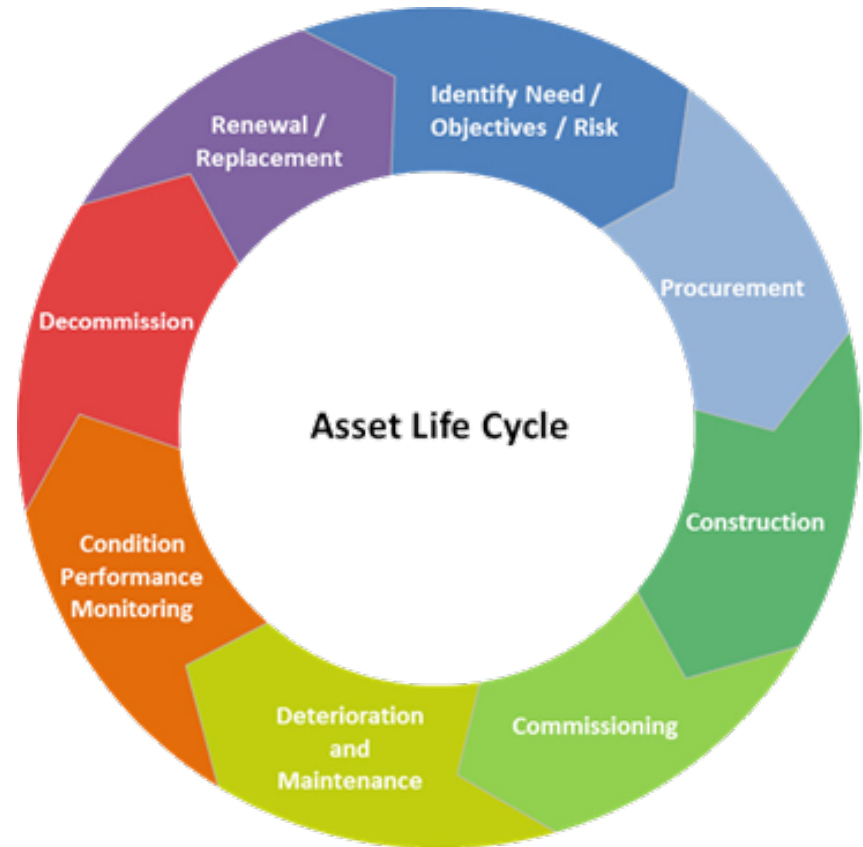
Key risks: climate change,  
aging assets, funding gaps

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Lifecycle: Maintenance →  
Rehab → Replacement

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Goal: Optimize total cost  
over lifecycle



# Levels of Service (LOS)

Community LOS: What the public sees/experiences

## Community Levels of Service

“What residents experience”

- Roads are smooth and safe
- Parks are clean and accessible

Focus is on:

Safety, accessibility, appearance, reliability

Technical LOS: Metrics and service targets

## Technical Levels of Service

“How assets perform”

- Pavement Quality Index  $\geq 70$
- Play structures inspected monthly

Focus is on:

Condition, capacity, function

## Quality & Reliability

Standardized LOS  
Measurement Dials

### Technical LOS

- Reinvestment Rate
- State of Good Repair \$ Backlog

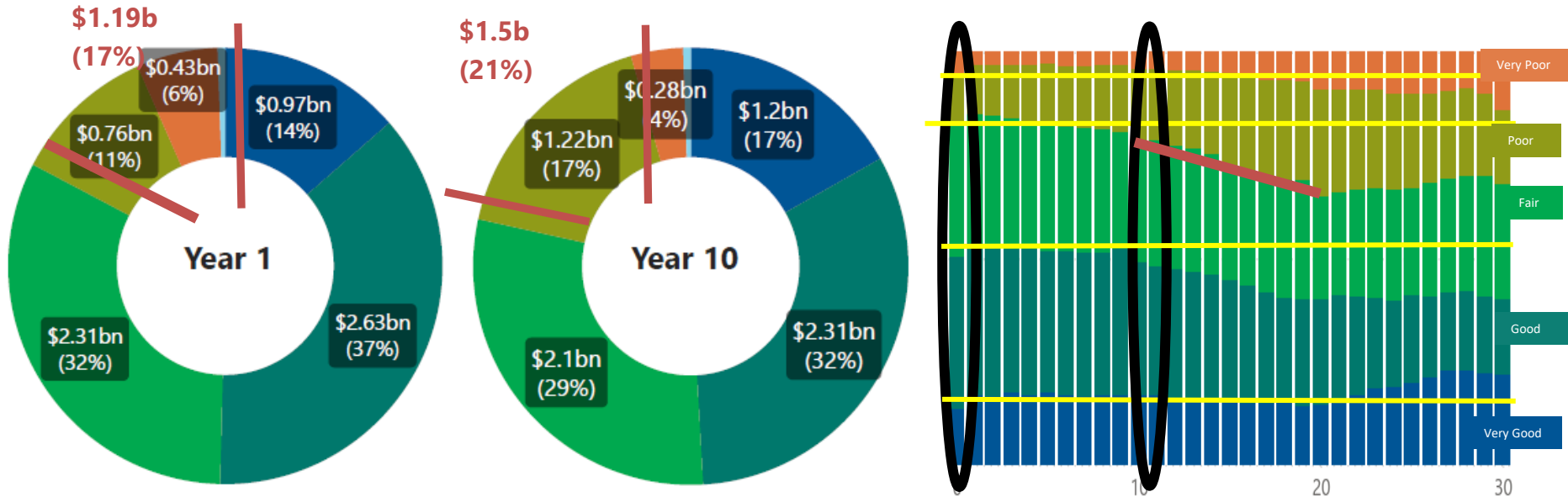
Lead indicators

### Community LOS

- Percentage of Assets in Poor or Very Poor Condition

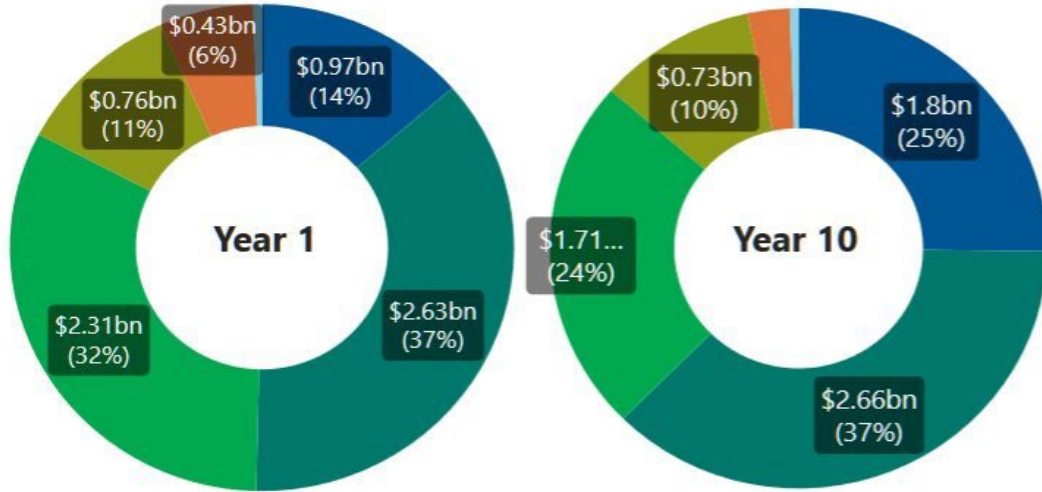
Lag indicators

# Planned State of Good Repair Investment

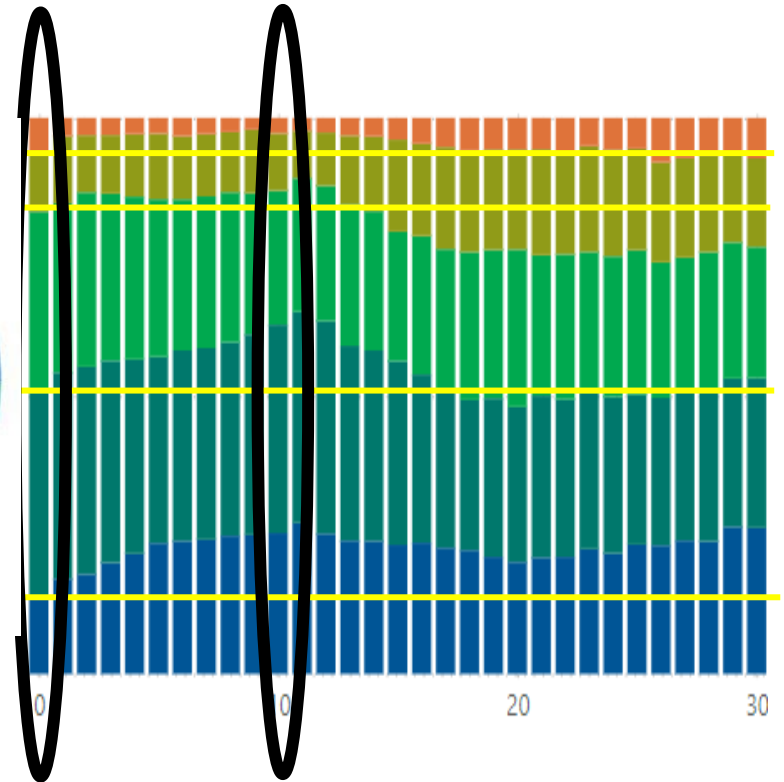


**\$868M over 10 years**

# Optimized "Unconstrained" State of Good Repair Investment



**\$1.4B over 10 years**



# Levels of Service Strategic Options ("Pathways" )

## Pathway 1: Maintain Current Spending & Monitor LOS

- Continue current spending levels and observe how key Level of Service (LOS) metrics evolve over time. This approach acknowledges the potential for declining LOS.
- *Risk: Potential LOS erosion.*

## Pathway 2: Stabilize Current LOS

- Maintain the current LOS by stabilizing key metrics. This may require reallocating existing capital funds or securing additional funding to address any downward trends.
- *Goal: Preserve current service levels.*

## Pathway 3: Strategic LOS Reduction

- Reduce LOS in specific asset sub-categories to address State of Good Repair deficits and/or reallocate resources to higher-priority areas. This is a strategic prioritization exercise.
- *Focus: Resource optimization.*

## Pathway 4: Targeted LOS Improvement

- Invest strategically to improve LOS in specific asset sub-categories. This will result in improved key metrics (e.g., asset renewal ratios). This pathway is particularly relevant for problematic areas with public safety risks or regulatory non-compliance.
- *Goal: Address critical deficiencies and enhance service.*

# Strategy Comparison Overview

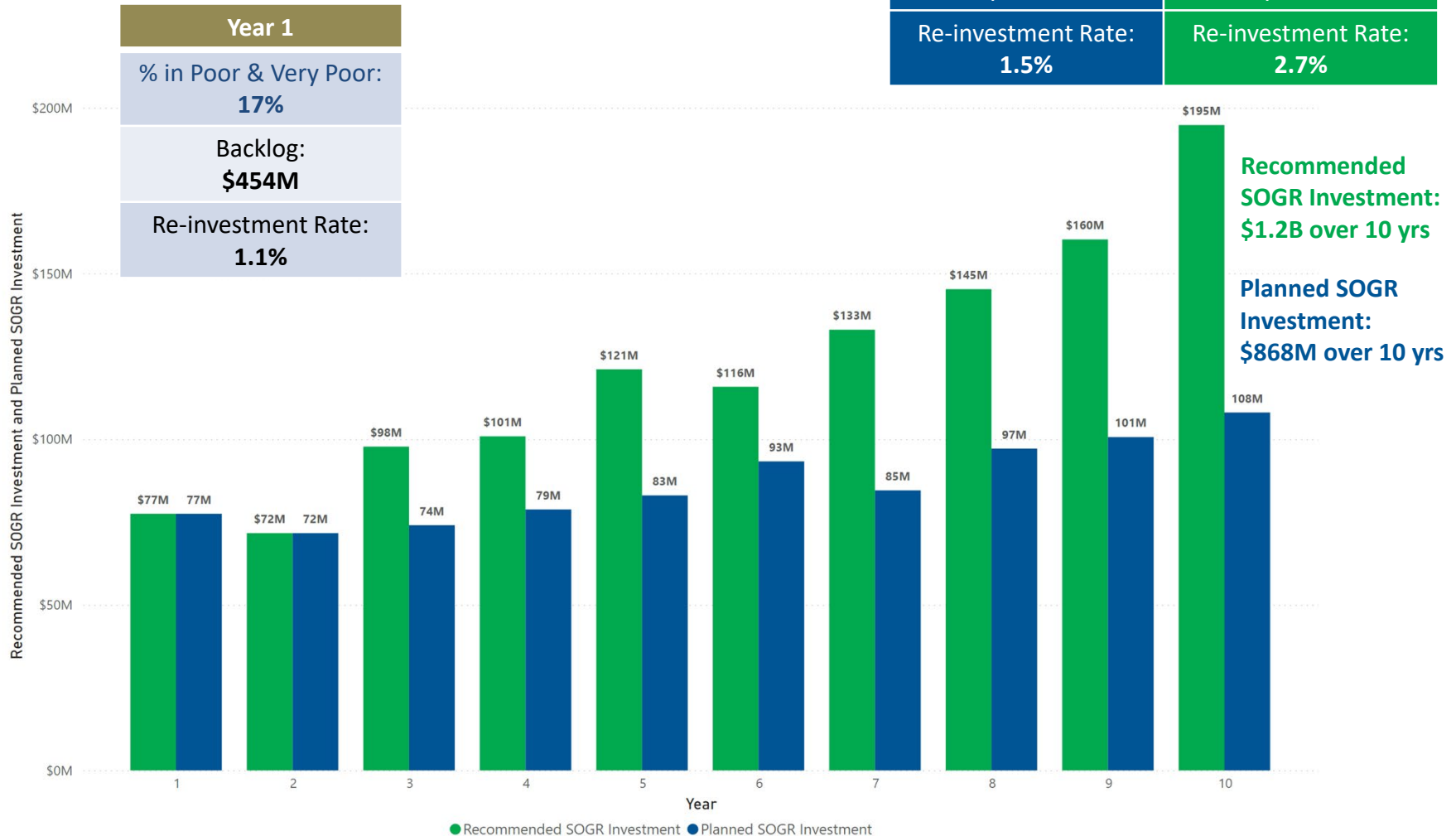
Strategy	Cost (10-Year)	% Assets in P/VP	Key Features
Planned State of Good Repair Investment	\$868M	21%	Lower investment, moderate deterioration, higher future risk
Stabilize LOS Investment <b>(Recommended)</b>	\$1.22B	17%	Higher investment, better asset condition, supports service reliability

## Key Differences:

- **Investment Level:** \$352M higher for recommended strategy
- **Asset Health Outcome:** 4-point drop in P/VP condition (\$285M ~19% reduction)
- **Strategic Approach:** Reactive vs. proactive asset management

# Planned vs Recommended SOGR Investment

Year 10	
Planned SOGR Investment	Recommended SOGR Investment
% in Poor & Very Poor: 21%	% in Poor & Very Poor: 17%
Backlog: \$515M	Backlog: \$380M
Re-investment Rate: 1.5%	Re-investment Rate: 2.7%



# Impacts & Benefits Summary

## **Planned State of Good Repair**

- Lower cost but risks compounding deterioration
- Increased potential for service disruptions and emergency costs
- Defers full resolution of asset performance issues

## **Stabilize Level of Service (Recommended)**

- Improves long-term service reliability and asset performance
- Reduces lifecycle costs through timely renewal
- Builds resilience for future demands and growth
- Supports sustainable financial and service planning

## **Conclusion:**

Investing in the **Stabilize LOS** strategy provides stronger long-term value and positions the municipality to maintain consistent, reliable services while managing risk responsibly.

# Financing Strategy - Overview

***Ensure long-term financial sustainability by aligning asset needs with funding capacity.***

## *Asset Management Financial Strategy:*

- Connects service expectations to affordability
- Supports long-term infrastructure sustainability
- Guides budget and capital planning decisions
- Identifies and addresses funding gaps
- Enables informed trade-offs and risk management

## *Key Components:*

- Asset-lifecycle investment needs
- Infrastructure funding gaps
- Revenue sources (taxes, fees, debt, grants)

# Financing Strategy – Key Actions

- **Increase Revenue Access**
  - Optimize existing revenues (e.g., infrastructure levy)
  - Explore new tools (e.g., stormwater fees)
  - Maximize provincial/federal funding
- **Adjust Service Levels**
  - Assess options to maintain, improve, or strategically reduce service levels
  - Focus on cost-effective, risk-based outcomes
- **Apply an Affordability Lens**
  - Ensure strategic and master plans reflect lifecycle costs
  - Balance desired service levels with financial capacity
- **Prioritize Critical Assets**
  - Target investments to address assets in Poor/Very Poor condition
  - Mitigate risk of failure and service disruption
- **Strengthen Budget Integration**
  - Align AMP with annual budget and long-term financial plan
  - Improve forecasting and decision-making with EAMS data

# Financing Strategy - Opportunities

Revenue Option	Description
<b>Taxation Revenues</b>	<ul style="list-style-type: none"><li>• Adjustments to the dedicated Infrastructure Renewal levy, funded from property tax revenue</li><li>• Consider phased increases to the levy based on the needs as outlined in the AMP</li></ul>
<b>Grants and Government Transfers</b>	<ul style="list-style-type: none"><li>• Grants from senior levels of government (e.g. Provincial Gas Tax, Federal Gas Tax and Investing in Canada Infrastructure Program)</li><li>• Continue to actively pursue federal and provincial infrastructure grants and maintain a grant readiness pipeline</li></ul>
<b>User Fees and Charges</b>	<ul style="list-style-type: none"><li>• Increase cost recovery or apply full-cost pricing principles</li><li>• Review existing fees and investigate adding new fees (e.g. Stormwater user fee)</li></ul>
<b>Debt Financing</b>	<ul style="list-style-type: none"><li>• Apply to large capital projects with long useful lives and lifecycle savings and/or intergenerational fairness is evident</li><li>• Balance with other corporate priorities to maintain Council-approved thresholds</li></ul>

# Recent Improvements & Integration



Improved data quality and inventory



New software tools and integrations (e.g., EAMS)



Community Engagement and Proposed LOS



Enhanced coordination with capital planning



Staff training and process updates



Provide future input on LOS targets and funding priorities



# Key Messaging / Councillor Questions

- What questions can we anticipate from Councillors? Specific Councillors?
- Data/reporting interests?
- Data gaps e.g. Historical Operating Expenditures ('24-25). Expenditures for both operating and capital do not align with AMP service framework
- Future reporting to Council (annual progress, update AMP, timing with budget)?
- Growth?

# Next Steps & Discussion



## **Approve**

Approve the Corporate 2025 AMP with recommended LOS and capital investment



## **Support**

Support further Asset Management integration into planning & finance

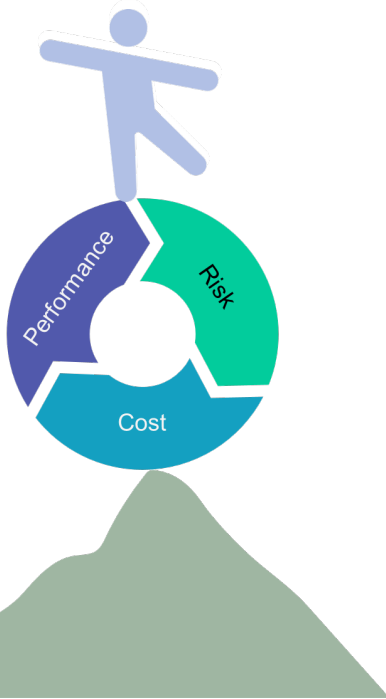


## **Provide**

Provide future input on LOS targets and funding priorities

# Asset Management

## Balancing priorities



### Performance

- What service is required
- Where it must be delivered



### Risk

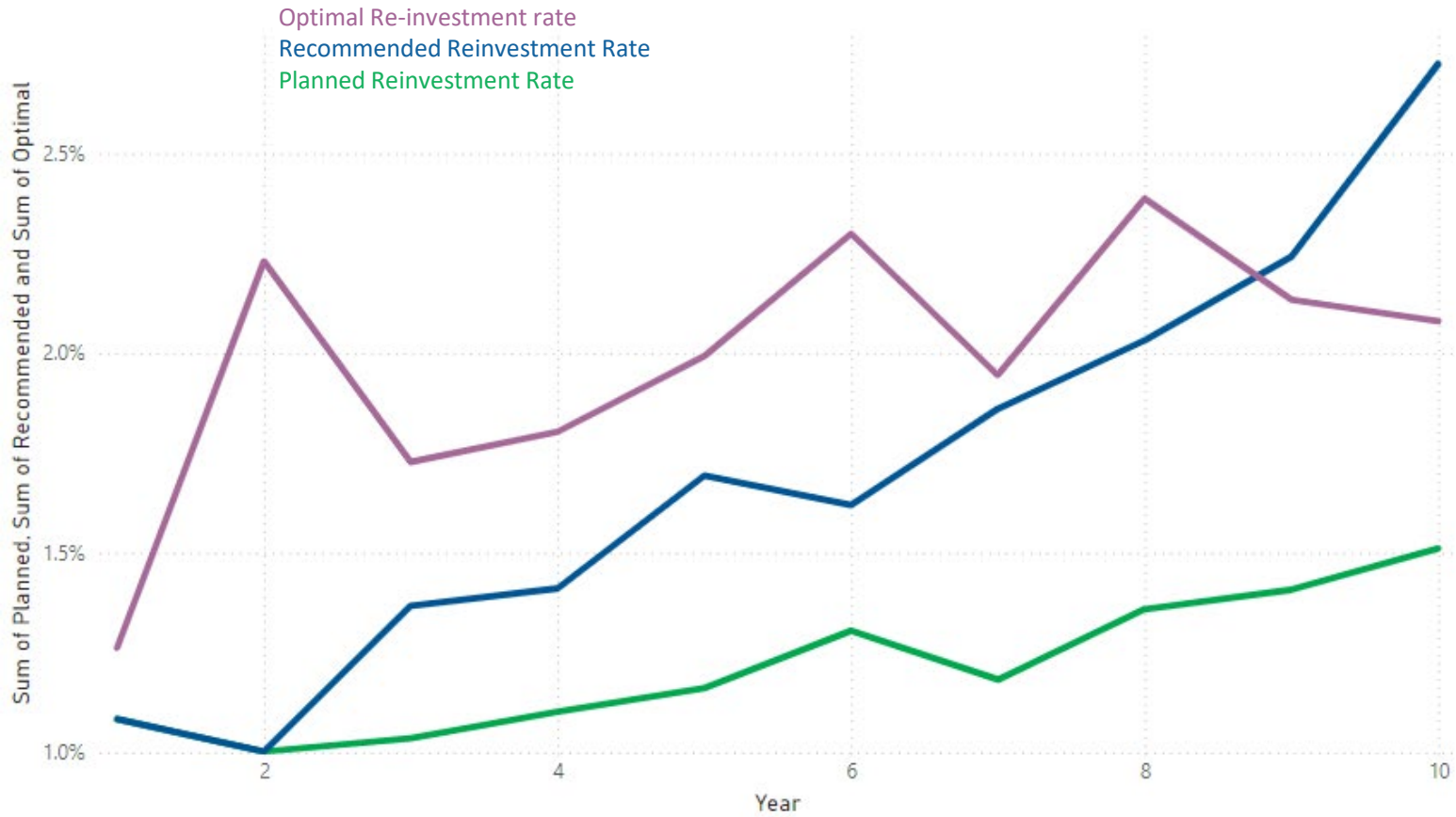
- How might service be disrupted?
- How likely are each of these events?



### Cost

- Asset costs are directly impacted by economic inflation
- Many asset have existing backlogs

# Optimized SOGR Investment



# Planned vs Recommended SOGR Investment

