



## MUNICIPALITY OF **West Elgin**

### Staff Report

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**Report To:** Council Meeting  
**From:** Magda Badura, CAO/Treasurer  
**Date:** 2020-08-13  
**Subject:** Asset Management Software Purchase

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#### **Recommendation:**

That West Elgin Council hereby receives the report from M. Badura, CAO/Treasurer re: Asset Management Software Purchase; and

That West Elgin Council hereby authorize the purchase and implementation of City Wide Asset Management software from Public Sector Digest, to be funded as outlined in the report.

#### **Summary:**

In 2017, Ontario Regulation 588/17 relating to asset management planning for municipal infrastructure was passed. This regulation provides more detailed asset management requirements specific to Ontario municipalities, with a phased-in approach to implementation from 2019 to 2024. Since 2017, we have been discussing different options on asset management initiatives. With the passing of Ontario Regulation 588/17, the following implementation deadlines have been put in place for municipalities in Ontario:

- July 1, 2019 - Have a Strategic Asset Management Policy in place
- July 1, 2021 - Have an Asset Management Plan in place (core infrastructure assets)
- July 1, 2023 - Have an Asset Management Plan in place for all assets
- July 1, 2024 - Have an Asset Management Plan in place (all assets), including a financing strategy and a proposed levels of service analysis.

With a Strategic Asset Management Policy in place, the Municipality is currently preparing for the July 1, 2021 and 2023 requirements. This includes a comprehensive Asset Management Plan for roads, storm, bridges/culverts, water and wastewater assets by 2021 and all assets by 2023. To achieve this, there is a need to maintain an asset register of all Municipal assets, complete with asset descriptions, valuation, condition ratings, and risk ratings. In addition, an analysis with respect to current levels of service, impacts of growth, and lifecycle cost projections is to be included in the Plan. Given that there are various update requirements both annually and every 5 years to be in compliance, Municipal staff are working on an implementation strategy that results in Asset Management Plans that are prepared and updated internally. Condition assessments, master plans, and needs studies will continue to be completed with the assistance of consultants, however the results of these processes will feed into the asset management process. This allows staff to incorporate asset management planning into the day-to-day operations of the Municipality as well as provide for integration into the annual budget process.

Currently Municipal asset data is stored in multiple locations and departments, including within GIS, spreadsheets, and consultant reports. The use of City Wide asset management software will provide the following functionality:

1. Asset Register - One combined repository of asset data and information that will be linked to the GIS system.
2. Work Order Management - track work done and time spent on assets or with assets through a work order management system, including the ability to use mobile devices in the field.
3. Minimum Maintenance Standards (MMS) - ability to track roads maintenance, inspections, and compliance with provincial MMS.
4. Forecast Optimization - use of asset data, condition ratings and risk ratings to prioritize projects.
5. Funding Requirements - assist with determining how much should be invested in Municipal assets annually to achieve sustainability.
6. Asset Management Plan Inputs - provide charts and graphs to be included in a Municipal internally generated Asset Management Plan.
7. Financial Reporting - make accounting practices and financial statement reporting for assets more efficient.

The Municipal purchasing policy allows for negotiated procurement procedures when one source of supply is uniquely qualified to perform the work and also an exemption for the purchase of computer hardware and software. With Council's approval, staff can negotiate and sign a contract to purchase and implement City Wide asset management software.

### **Financial Implications:**

The approved 2020 Budget includes an "Asset Management Implementation" project with the following funding:

2020 Capital Budget:	\$ 80,000
2020 Operating Budget	\$ 100,000
2020 FCM Grant	<u>\$ 50,000</u>
<b>Total</b>	<b>\$ 230,000</b>
 <b>Total Project Cost</b>	 <b>\$ 228,100</b>
Less: Tri-County Water portion	<u>\$ 50,182</u>
<b>Total Municipal Cost</b>	<b>\$ 177,918</b>

### **Policies/Legislation:**

Purchasing policy AD 1.2



**Report Approval Details**

Document Title:	Asset Management Software Purchase - 2020-02-Administration Finance.docx
Attachments:	- PSD City Wide - Proposal.pdf
Final Approval Date:	Aug 10, 2020

This report and all of its attachments were approved and signed as outlined below:

Jana Nethercott