
Subject: 2024 Niagara Transit Commission Asset Management Plan Addendum

Report To: Corporate Services Committee

Report date: Wednesday, June 12, 2024

Recommendations

1. That the 2024 Niagara Transit Commission Asset Management Plan Addendum attached to Report CSD 22-2024 as Appendix 1 **BE APPROVED**.

Key Facts

- The purpose of this report is to approve the 2024 Niagara Transit Commission Asset Management Plan Addendum (2024 NTC AMP Addendum).
- The NTC Asset Management Plan addendum will be submitted to the Ministry of Infrastructure before July 1, 2024, as outlined in the requirements of Ontario Regulation 588/17: Asset Management Planning for Municipal Infrastructure (O. Reg. 588/17), as amended by Ontario Regulation 193/21 (O. Reg. 193/21).
- Regional Council established the Niagara Transit Commission (NTC) as a municipal service board through By-law No. 2022-38.
- Starting January 1, 2023, the NTC assumed responsibility for all public transit routes and services within Niagara (WEGO excluded).
- The 2021 Corporate Asset Management Plan was approved by the Corporate Service Committee in June 2022 (CSD 7-2022) and covered all municipal core and non-core infrastructure assets except the Niagara Transit Commission's assets.
- The 2024 AMP Addendum reflects changes since 2022 and presents the state of the NTC's assets, service levels and corresponding financial investment needs.

Financial Considerations

An approved asset management plan is a requirement to secure or maintain funding for the Canada Community-Building Fund (formerly known as Federal Gas Tax), application-based funds such as grants and the Ontario Development Charges Act.

The 2024 NTC AMP Addendum identifies an average annual gap of \$3,331,051 between available funding and the required investment to sustain the current level of service. This report does not recommend implementing changes to previously recommended levy increases. Further asset management planning improvements for

the next iteration of the asset management plan in 2025, staff will present alternatives to levels of service and investment to inform any changes to the levy.

The 2024 NTC AMP Addendum identifies actions, staffing and financial resources to improve asset management planning before completing the 2025 asset management plan report. NTC will identify any of these new resources through the annual budget process for approval by Council.

On approval by Council of this report, there is no direct financial impact on the 2024 operations of NTC or the Region.

Analysis

This report presents the 2024 NTC AMP Addendum for Council's approval as required by Ontario Regulation 588/17: Asset Management Planning for Municipal Infrastructure (O. Reg. 588/17), as amended by Ontario Regulation 193/21 (O. Reg. 193/21). The 2024 NTC AMP Addendum aligns with the Corporate Asset Management Policy C-F-024 approved by Council in 2019. It incorporates key principles and strategic directions that enhance asset management practices and ensure that asset management activities are continuously improved and integrated across the organization.

NTC State of Infrastructure

The State of Infrastructure (SOI) provides an overview of the NTC's infrastructure including asset inventory, current replacement value, age or condition, useful expected life, backlog of deferred investment and average annual renewal investment (AARI). NTC's SOI information is summarized in Table 1. The SOI will be updated annually in reports to assist NTC staff and Regional Council in making informed infrastructure investment decisions in support of the development of the future capital budget.

Table 1: NTC SOI summary

SOI Item	NTC's current state
Replacement value (in \$ millions)	\$293.3
Backlog (in \$ millions)	\$52.4
10-year AARI (in \$ millions)	\$17.7
Annual funding gap (in \$ millions)	\$3.3
Average Age (in years)	10
Average Useful Expected Life (in years)	25

The 2024 NTC AMP Addendum builds on previous asset management progress

The approach to prepare the 2024 NTC AMP Addendum builds on the successes of the 2021 Corporate Asset Management Plan and improvements to asset management practices since then.

Progress since 2022:

- Incorporating updated asset condition ratings from standardized condition assessments into the asset management reporting
- Refining lifecycle activities including the implementation of the lifecycle asset strategy, costs and schedules derived from standardized condition assessment.
- Updating unit replacement and current construction costs for NTC assets

Introduced risk measurement as part of the investment forecast to facilitate future risk-based optimization decisions.

Alternatives Reviewed

No alternatives to approval of the 2024 NTC AMP Addendum were considered. The report and addendum are needed for compliance with the O. Reg. 588/17 requirement to publish and report a Council-approved asset management plan for all non-core assets by July 1, 2024.

Relationship to Council Strategic Priorities

The Region's asset management program supports all the Council Strategic Priorities 2023-2026. Building an effective asset management system will ensure that the Region can deliver the right services effectively and efficiently to its customers, that those services are provided equitably, and that long-term sustainability and resilience are factored into investment decisions.

See [Council's 2023-2026 Strategic Priorities](https://www.niagararegion.ca/priorities/default.aspx) for more information:
(<https://www.niagararegion.ca/priorities/default.aspx>)

- Effective Region
- Green and Resilient Region
- Equitable Region
- Prosperous Region

Other Pertinent Reports

[PW 55-2021](#) Moving Transit Forward in Niagara: Creation of a Consolidated Transit Commission
(<https://pub-niagararegion.escribemeetings.com/Meeting.aspx?Id=67f66c8d-bdca-4504-9690-83e36961d138&Agenda=Merged&lang=English>)

[CSD 7-2021](#) 2021 Corporate Asset Management Plan
(<https://pub-niagararegion.escribemeetings.com/Meeting.aspx?Id=26dba92f-aa45-4497-b245-07dde32d7a94&Agenda=Merged&lang=English>)

[C-F-024](#) Asset Management Policy
(<https://niagararegion.ca/projects/asset-management/default.aspx>)

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Appendices

Appendix 1 2024 Niagara Transit Commission Asset Management Plan
Addendum