Good asset practices for roads, and managing new demands for this asset type

AMO Asset Management Symposium
April 8, 2016
Agenda

• Background
• Asset Management Strategy
• Infrastructure Gaps
• Advocating for Infrastructure Funding
• Take Aways
Thunder Bay, ON

- Location
- Population
  - 110,000
- History of development
  - Port Arthur and Fort William
  - No development charges
- Tax base
Investment in Road Infrastructure

Road ROW Assets

- Pavement: 708 km
- Gravel: 93 km
- Sidewalks: 489 km
- Bike lanes: 51 km
- Other: ditches, trees, lighting, traffic control, safety devices, multi-use trails, etc.
Asset Management Plan History

- First AMP 2005
- Enhanced Infrastructure Renewal Program
- Provincial funding requirement 2013
- Update 2014
Focus on Pavement

Maintenance  Rehabilitation  Reconstruction
What We’ve Been Spending

• In 2005, Administration recommended to Council to spend between $7-10M/year
• Subsequent recommendation $12M/year
• Since 2005, the amounts of capital being spent on the road network are as follows:

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</thead>
<tbody>
<tr>
<td>Pavement ($M/yr)</td>
<td>7.4</td>
<td>10</td>
<td>7.6</td>
<td>8.4</td>
<td>8.1</td>
<td>5.7</td>
<td>6.7</td>
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<td>9.7</td>
<td>8.9</td>
<td>10.2</td>
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Investment in Road Infrastructure

$12 Million Annually

$19+ Million Annually
Investment in Road Infrastructure

- $12M/yr to maintain existing
- Average investment 2010-2015: $8.3M/yr
- Network upgrades: $14.4M
- Gap needs to be addressed
Capital Costs for Rehabilitation

- Why renewing infrastructure before reconstruction required is important
  - Reconstruction over 250% higher cost vs. rehabilitation
- Average cost increase 2005 to 2010

<table>
<thead>
<tr>
<th></th>
<th>2005</th>
<th>2010</th>
<th>% Change</th>
<th>2014</th>
<th>% Change</th>
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<tbody>
<tr>
<td><strong>Local Road</strong></td>
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<td></td>
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<tr>
<td>Rehabilitation</td>
<td>$17.50</td>
<td>$22.00</td>
<td>+25%</td>
<td>$18.00</td>
<td>3%</td>
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<tr>
<td>Reconstruction</td>
<td>$45.00</td>
<td>$76.00</td>
<td>+69%</td>
<td>$95.00</td>
<td>+111%</td>
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<tr>
<td><strong>Arterial Road</strong></td>
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<tr>
<td>Rehabilitation</td>
<td>$23.00</td>
<td>$31.00</td>
<td>+34%</td>
<td>$31.00</td>
<td>+34%</td>
</tr>
<tr>
<td>Reconstruction</td>
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Prioritizing Projects

- Rehabilitation

- Network Upgrades

- Strategic Projects
New infrastructure requires increased maintenance and future capital resources
Advocating for Infrastructure Funds

Communicating to Council
- Councillor Orientation
- Non Business Meetings
- Ward Meetings
- Contract Award Reports
- PCI Reports to Council

Steps Forward
Wins
Take Aways

• AMP make it your friend and advocate
• NBM
• Informed decision makers
Questions?

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Lower Budget Number Forecast

10 Year Local/Collector OCI Forecast @ $6M/Year

Percent OCI

Higher Budget Number Forecast

10 Year Local/Collector OCI Forecast @ $12M/Year