



More of. Less of. Same of.

A Future Ready North Huron



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PSD Citywide

Primary purpose of today's town hall

Have a collaborative, big picture dialogue with you on North Huron's **infrastructure services**

Information and education to understand the practice of **Asset Management**, establishing **Levels of Service** and the process involved in determining actionable service level objectives



Agenda

- 1** Understanding Asset Management and Levels of Service
- 2** Discuss North Huron's infrastructure services
- 3** Discuss factors that may shape the Township in the short- and long-term
- 4** Discuss how changes to quantity and quality may impact costs



What is Asset Management?

And why does North Huron need Asset Management Planning?



What is Asset Management?

- Getting the most value out of your assets while spending the least to achieve an **acceptable service level**.

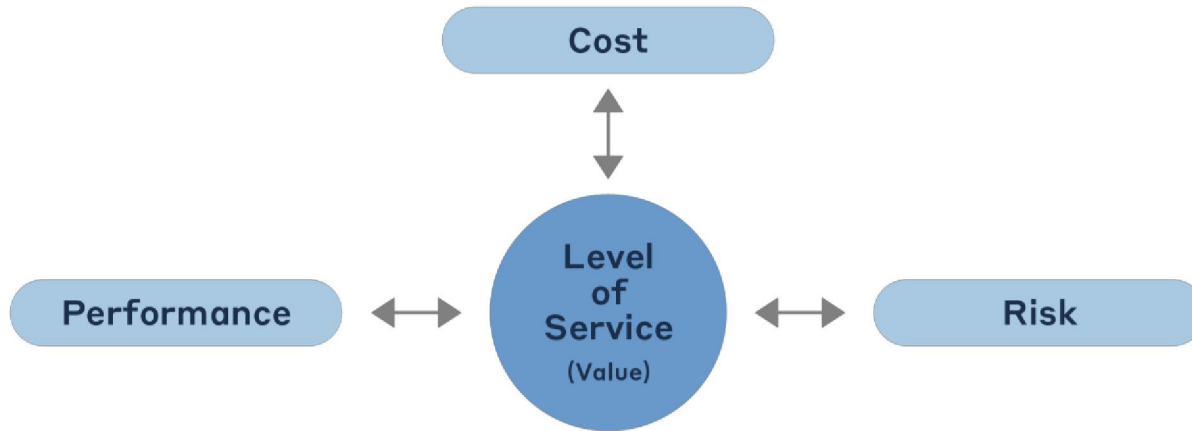
“Best Bang for your Buck”

- Asset Management involves looking at what the Township owns, what condition its in, whether they're meeting the needs of the community, and saving today for tomorrow's expenses.

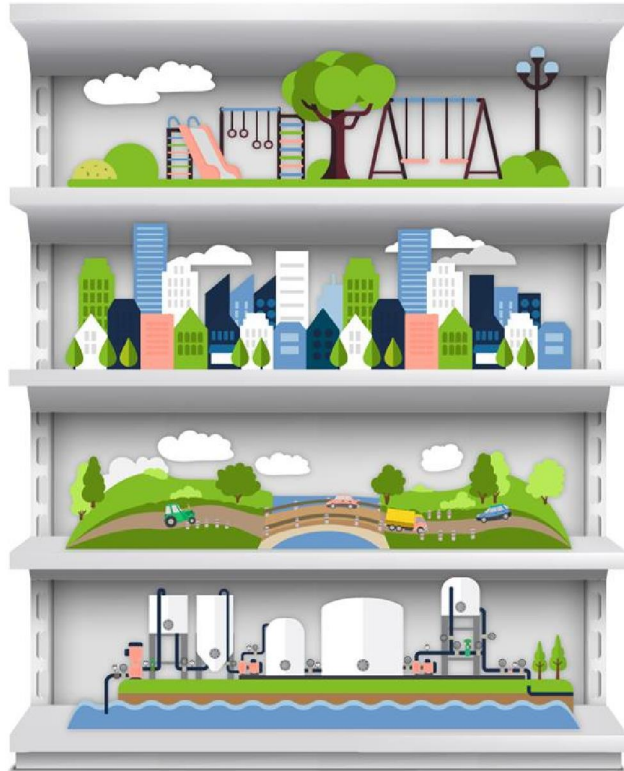


Why can't we have it all?

- Asset Management is a balancing act between **cost, performance, and risk**. Changes to one will impact the other two.



Why does North Huron need Asset Management?



- **Regulatory compliance** – Is it the law? Yes!
- **Improved reliability** – Structured approach to asset maintenance means less “emergency” repairs and lower costs
- **Better long-term system integrity** – Longer term planning and projections provide the facts needed to guide policy and decision makers
- **Cost savings** – Asset management can minimize operational and replacement costs and helps minimize the lifecycle costs.
- **Eligibility for funding** – Asset Management Planning is a condition for several provincial and federal grants such as **OCIF and Canada Community-Building Fund**



So what is an “Asset Management Plan”?

Based on a set point in time (referred to as ‘year-end’), an Asset Management Plan is a report that addresses:

- What is the current state of municipal infrastructure?
 - How old is everything we own, what condition is it in, how much longer will it last?
- What process improvements can increase confidence in analysis and decision-making?
 - Suggestions such as condition assessment updates, data tracking, updating replacement costs to today’s dollar (considering inflation and construction costs)
- What is the Municipality’s financial capacity to meet long-term capital requirements?
 - How much is the Municipality spending, is it enough to maintain what we already own, and how do we close that gap?





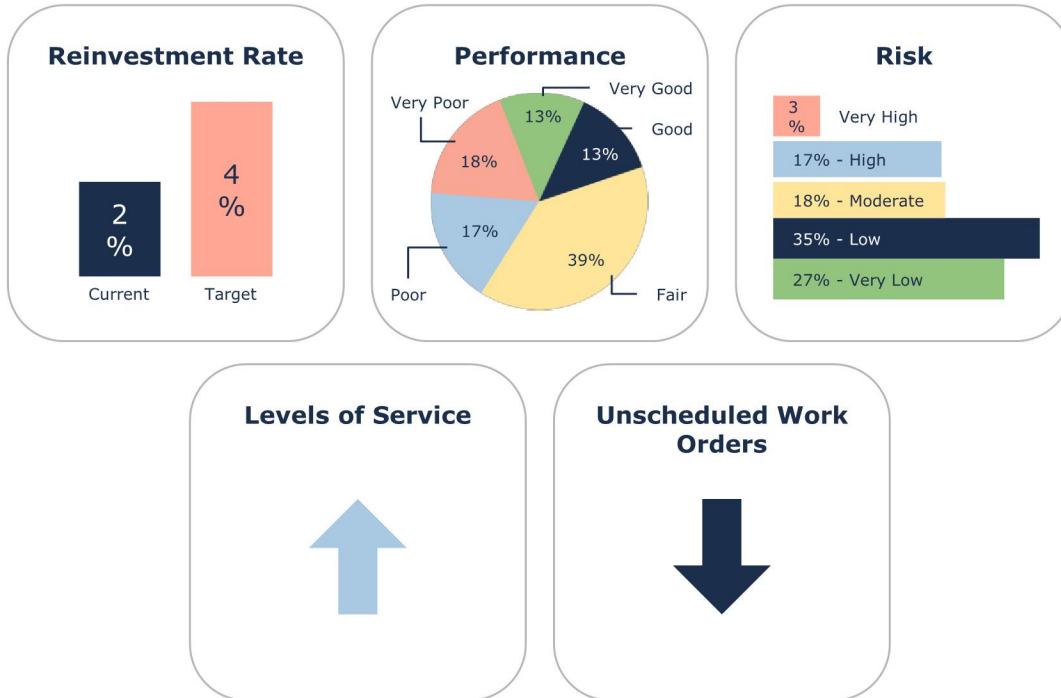
What are Levels of Service?

Reality



What is Levels of Service (LoS)?

A measure of the service outcomes that the community receives.



- Reliable
- Available
- Quality
- Safe and Regulatory
- Sustainability



Levels of Service

Links asset performance to target performance goals



Legal
(Statutory or Regulatory)
Requirements



Community
(Customer)
Expectations



Asset
(Technical)
Levels of Service



Levels of Service: Provide Line of Sight



**Aligns Strategic
Documents &
Staff Input**

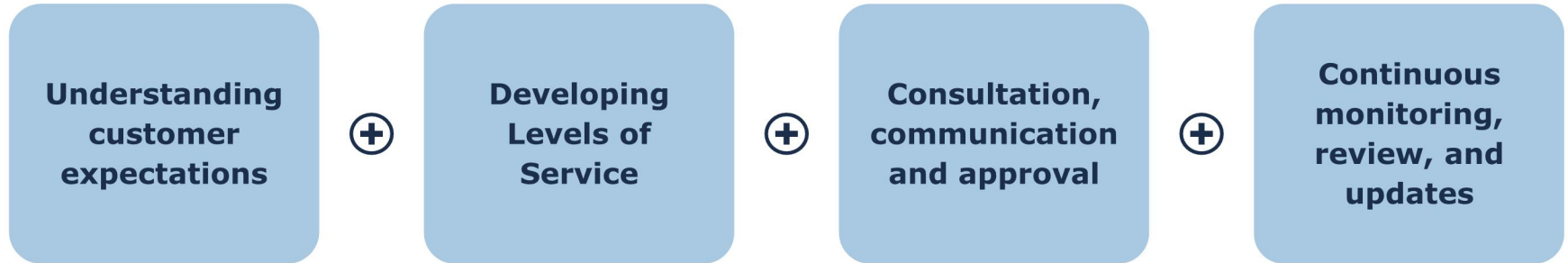


**Identifies
Infrastructure
Priorities**



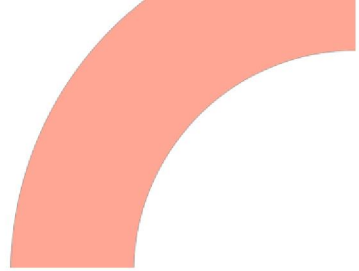
**Maps Infrastructure
Priorities against
LoS Values**

Levels of Service Analysis



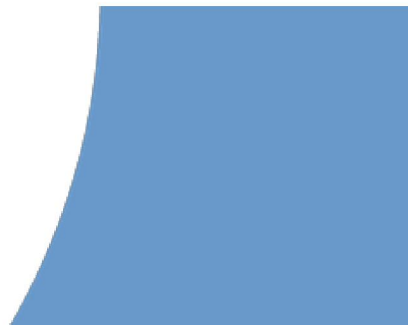
Levels of Service O.Reg 588/17





North Huron's Current Infrastructure

Program and Services

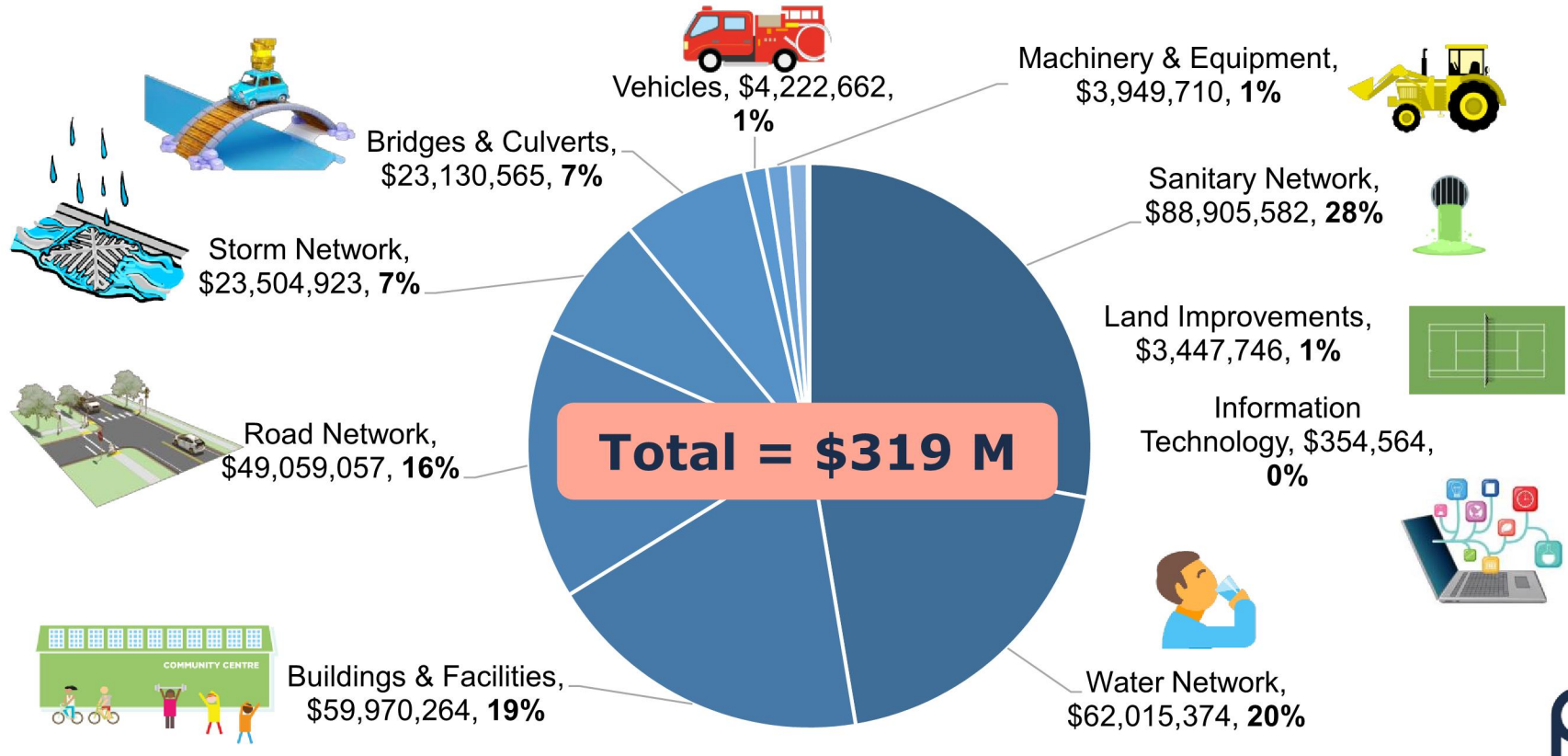


North Huron's current infrastructure program and services

- Transportation network of roads and bridges to move people and goods, support agriculture operations, and the local economy
- Water distribution network to provide safe, quality drinking water
- Parks and recreation facilities to provide community programs and quality of life
- Vehicles and equipment that support service delivery, including fire services



North Huron's current infrastructure program and services

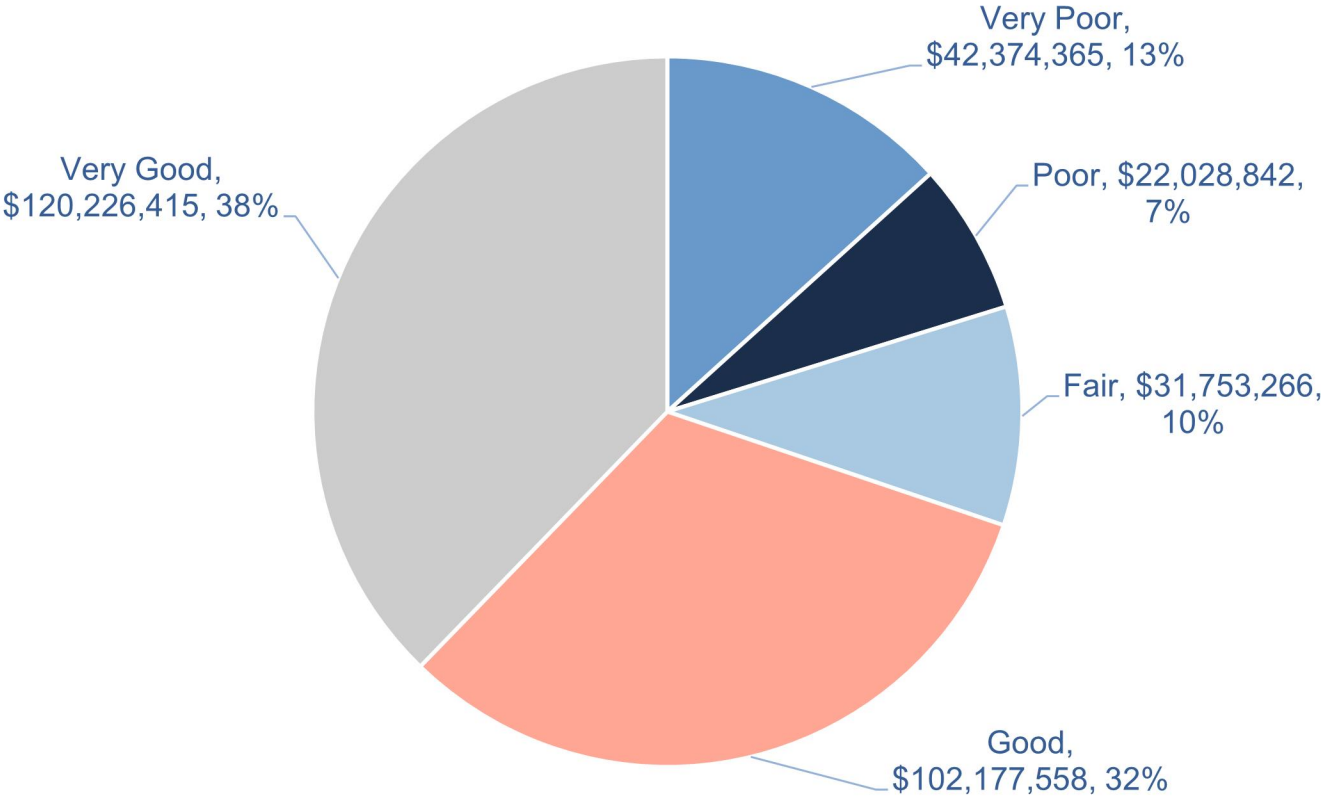


Your ownership of these services

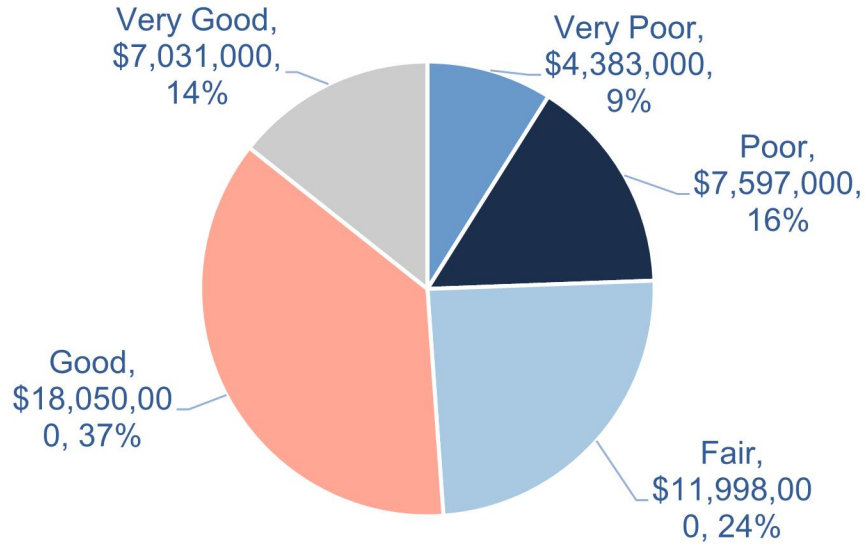
North Huron's population is approximately 5,052 residents with total private dwellings of 2,227. This means that each North Huron resident has a stake in infrastructure ownership of approximately \$63,056. Put differently, that's \$139,904 per household.



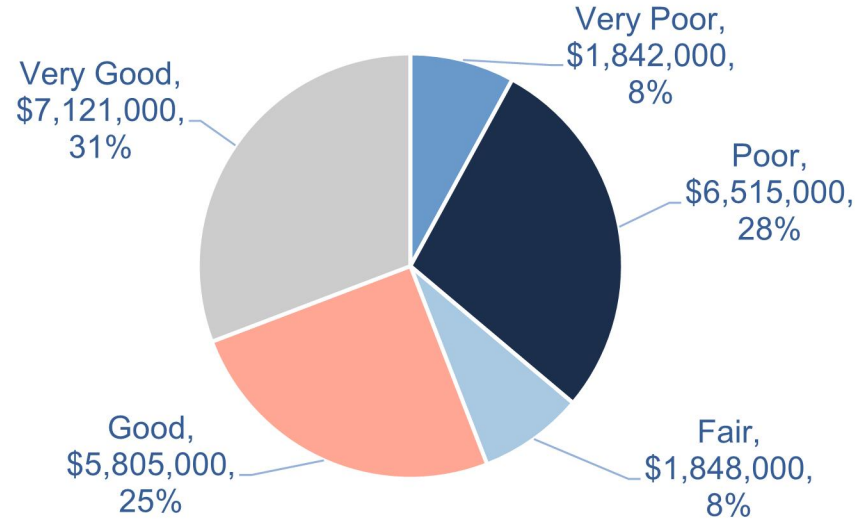
What is the condition of North Huron's infrastructure assets?



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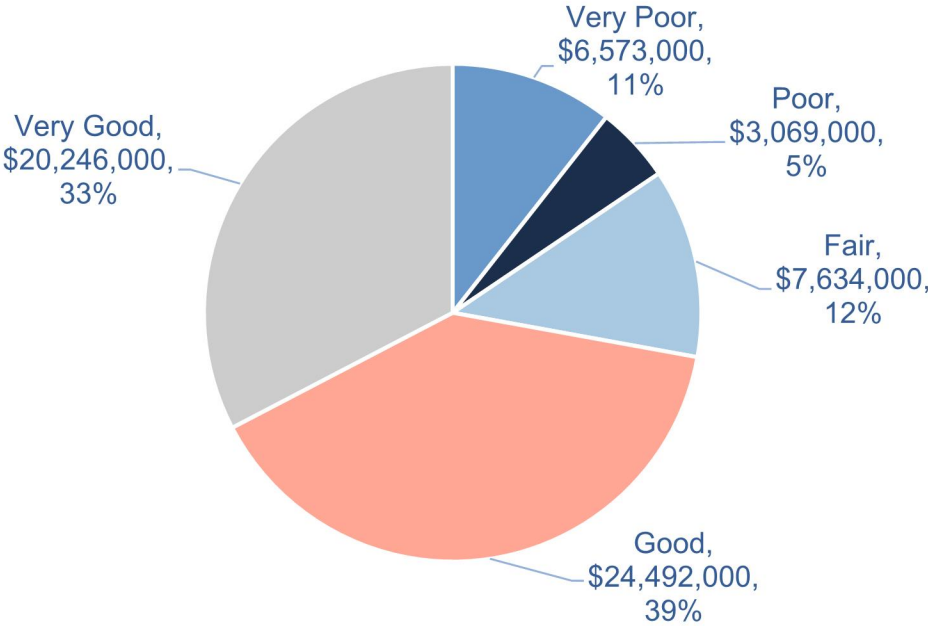
Road Network



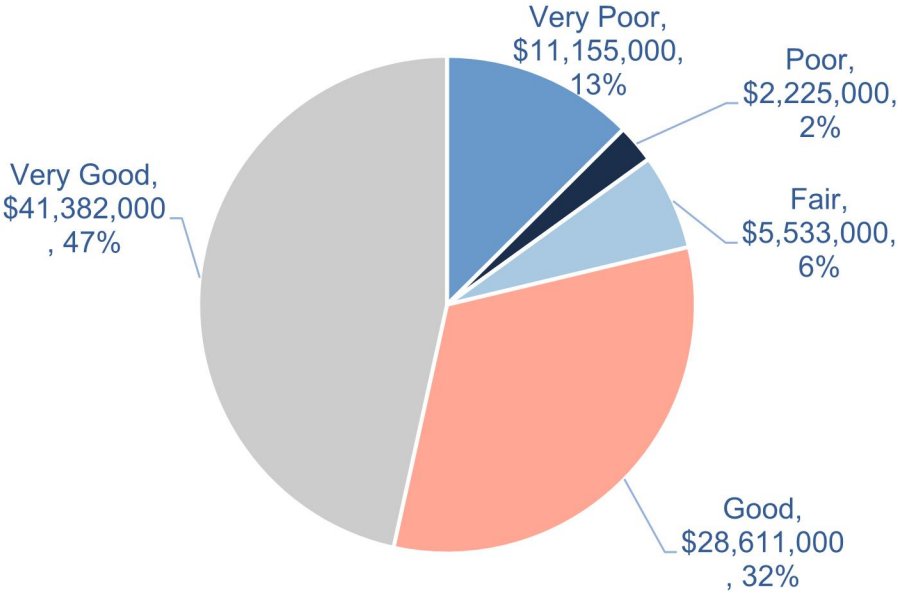
Bridges & Culverts



What is the condition of North Huron's infrastructure assets?



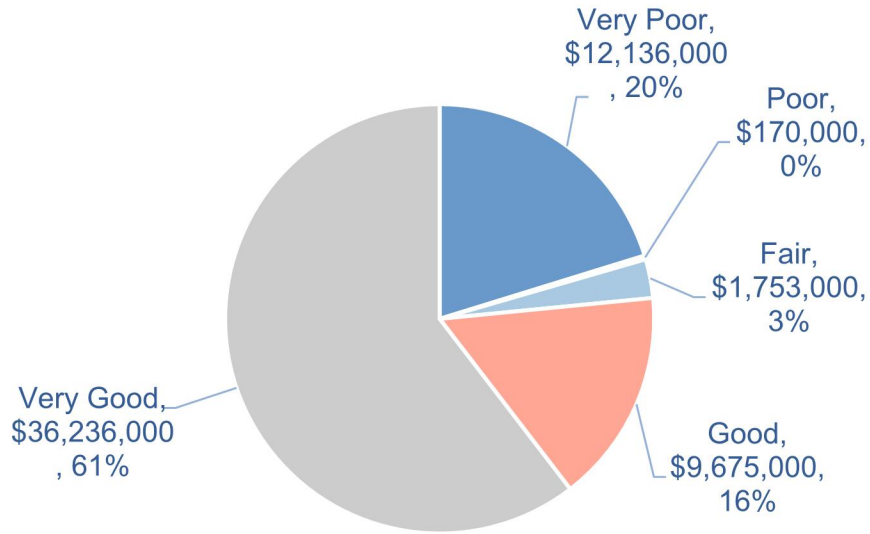
Water



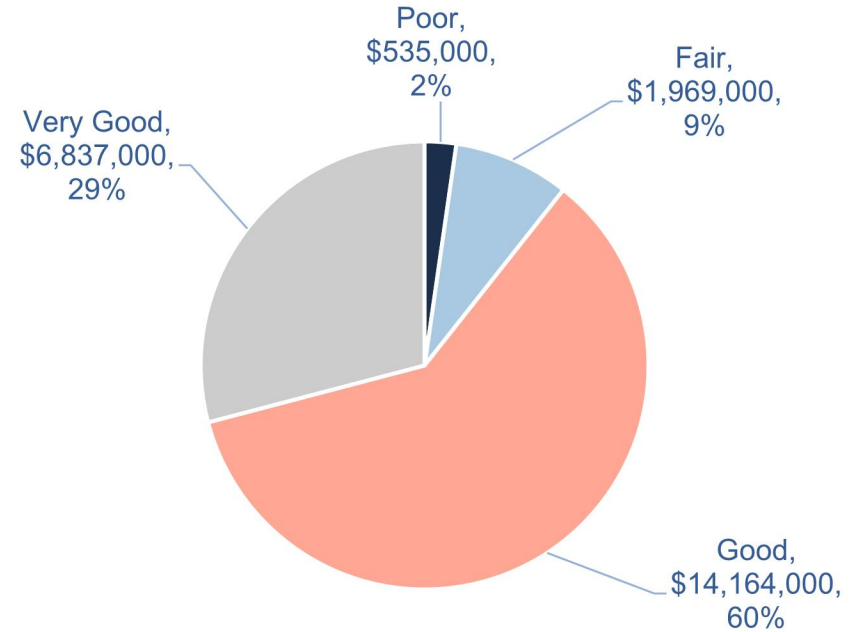
Wastewater



What is the condition of North Huron's infrastructure assets?



Buildings



Stormwater



Why is condition information important?

The physical condition of assets helps identify repair needs so that service quality can be maintained, and disruptions to residents can be minimized.



Food for Thought

Data, such as condition ratings, are only useful if it reflects reality.

How do your experiences with different infrastructure align with this data?

Did anything surprise you?





Factors that may shape tomorrow's infrastructure

Planning for the future



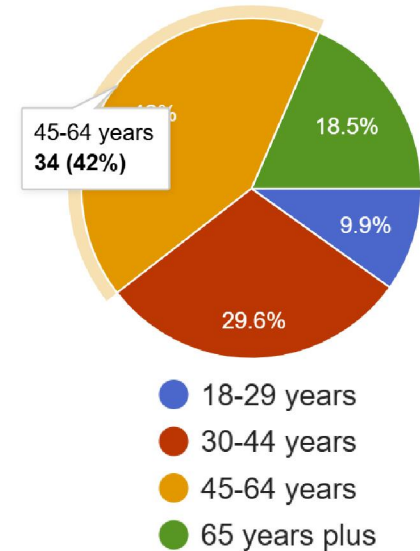
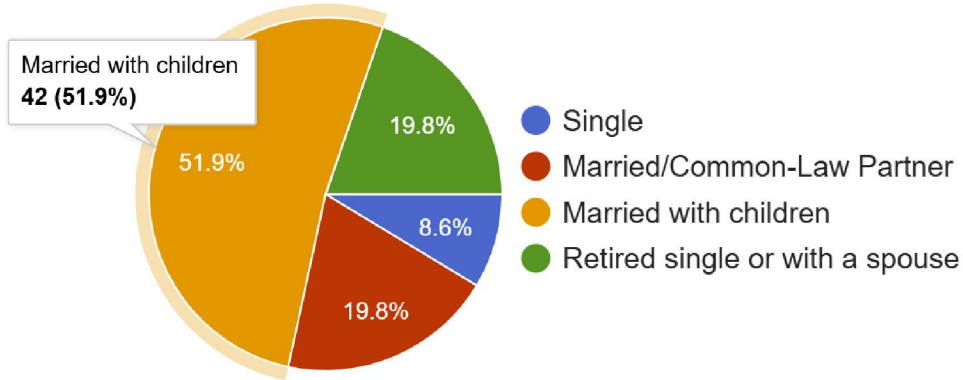
Planning for the future

- Once built, infrastructure such as roads, buildings, parks, and watermains will shape a community for decades and define its identity.
- To ensure these investments are in the best interest of residents and taxpayers, and can keep up with evolving expectations, it's important to understand and incorporate broader changes, trends, and factors, such as:
 - Changes in population
 - Economic development goals
 - Environmental sustainability
 - The condition of existing assets
 - Service affordability
 - (Unexpected events)



Where do you fit?

Resident Stakeholder Demographics



Food for Thought

Lifestyles change as you reach different stages of life. Priorities can shift based on age (have you recently retired?), family dynamics (did you recently expand your family?), technological advances (have you considered purchasing an electric vehicle?) and many other factors.

How have your day-to-day routines changed in the past 5-10 years?
Which infrastructure services have you become less reliant on?
More interested in or more reliant on?



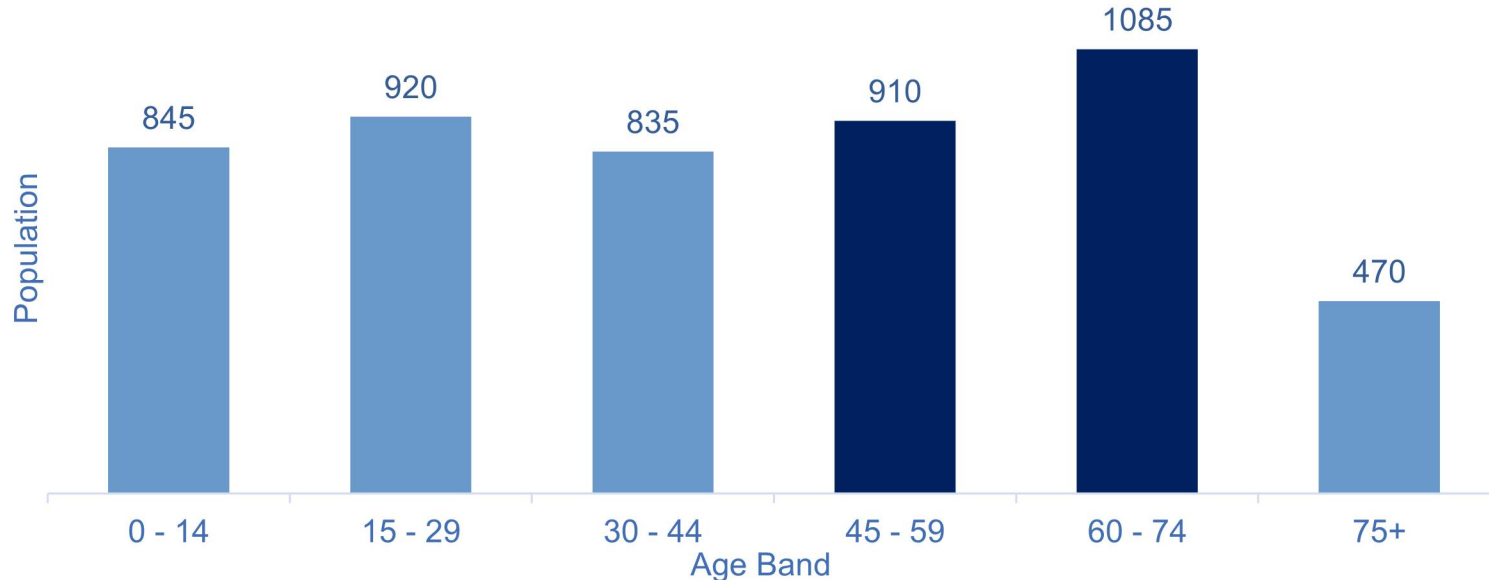
Factor: Changes in population

- Township of North Huron population increased from 4932 in 2016 to 5052 in 2021 – a 2.4% increase
- Ontario's population increased by 5.8%
 - Growth will affect services, however, there will be more properties paying taxes towards those services
 - Important to ensure you can afford what you already have before expanding services



Factor: Changes in population

North Huron's current population will see more people enter retirement age in the next decade. This may also change which infrastructure services are desired.



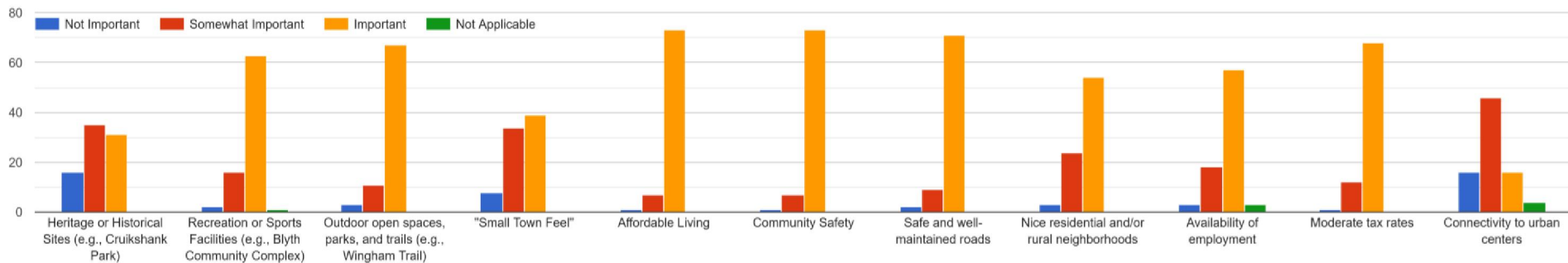
Food for Thought

How have past population changes impacted your experiences with different infrastructure services, such as recreational facilities, parks, and roads?

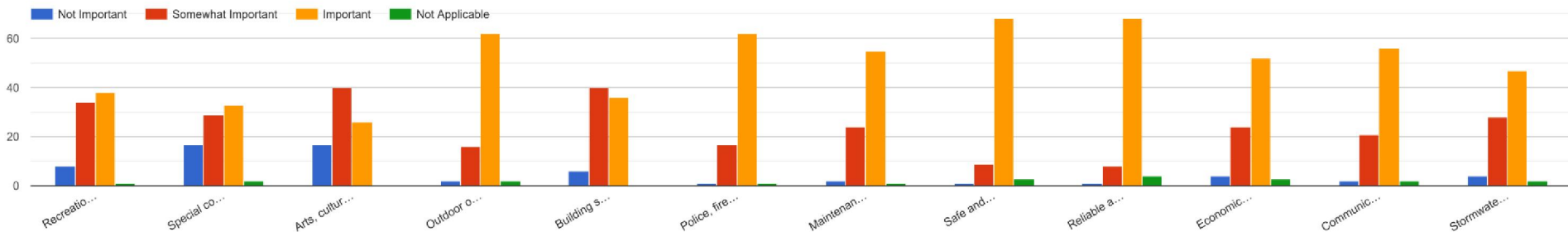


Factor: Public perception

8. Please indicate how important the following features are in making the Municipality a great place to live:

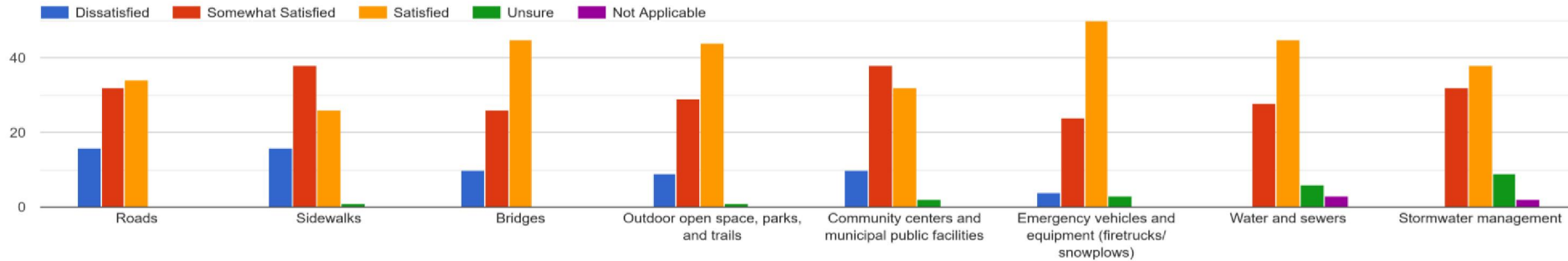


9. How important are the following municipal (or municipally supported) services to your household?

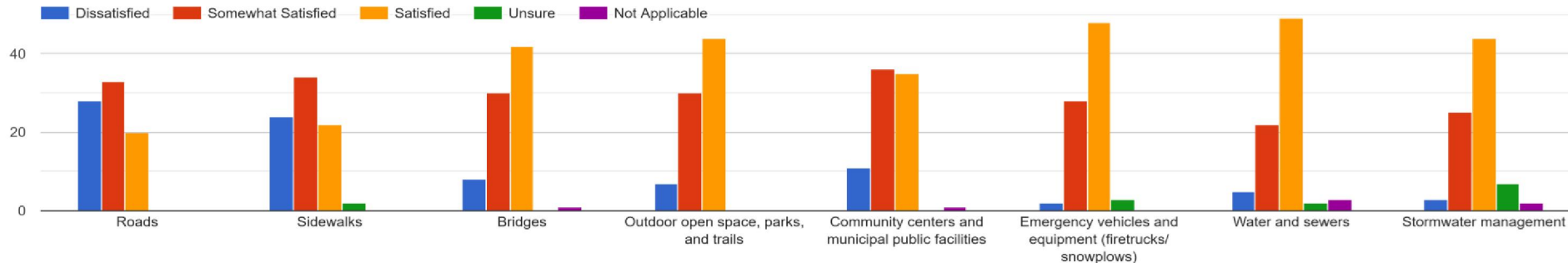


Factor: Public experience

10.1 How would you describe your experience with different infrastructure? - Availability:

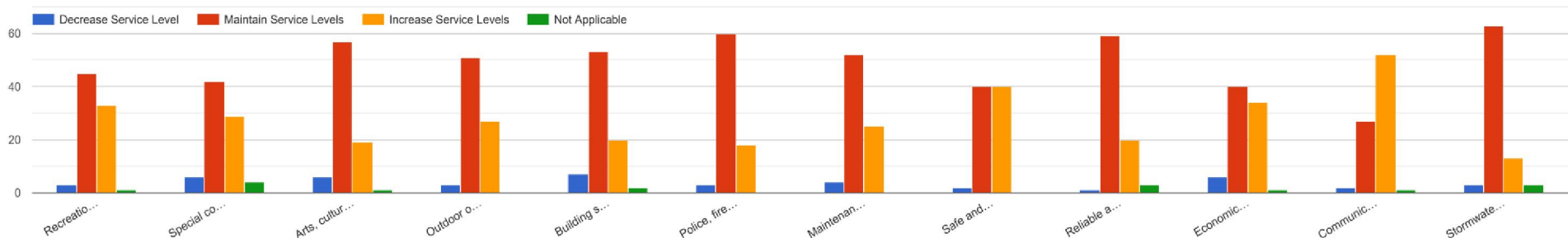


10.2 How would you describe your experience with different infrastructure? - Reliability and Condition:

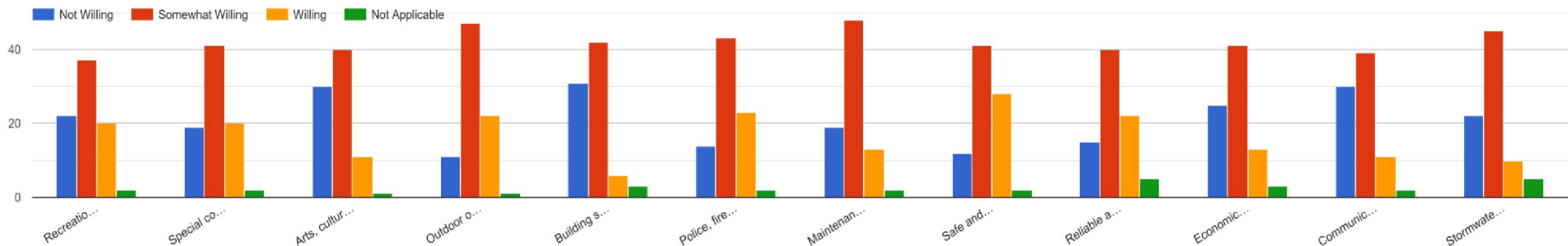


Factor: Public willingness

11. In your experience with the municipal (or municipally supported) services offered, would you decrease, maintain, or increase service levels for each of the services provided?



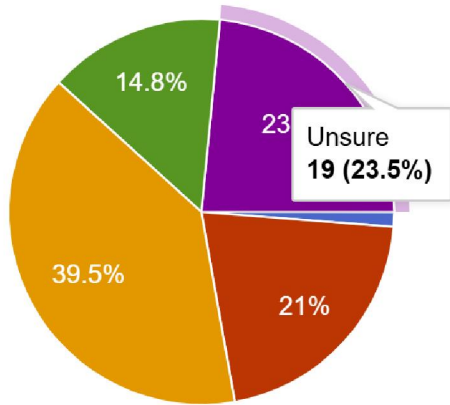
12. For each of the following services, indicate your preference for spending and willingness to pay for improvements:



Factor: Public knowledge

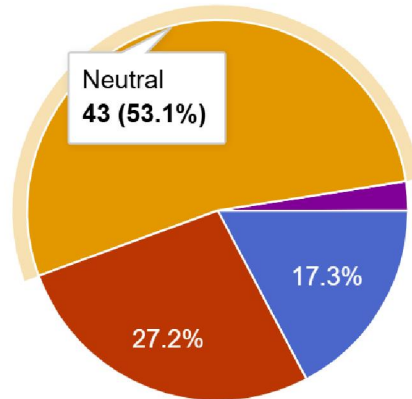
Resident Stakeholder Knowledge

Right Investments for today's residents?

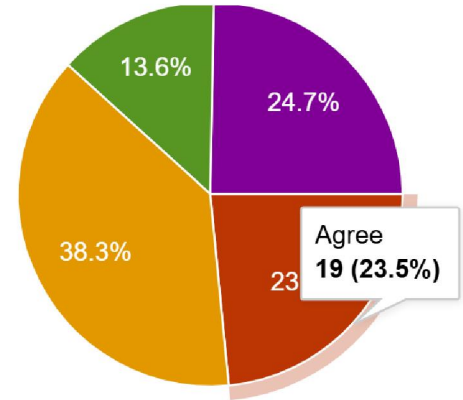


- Strongly Agree
- Agree
- Disagree
- Strongly Disagree
- Unsure

Current overspending in any service areas?

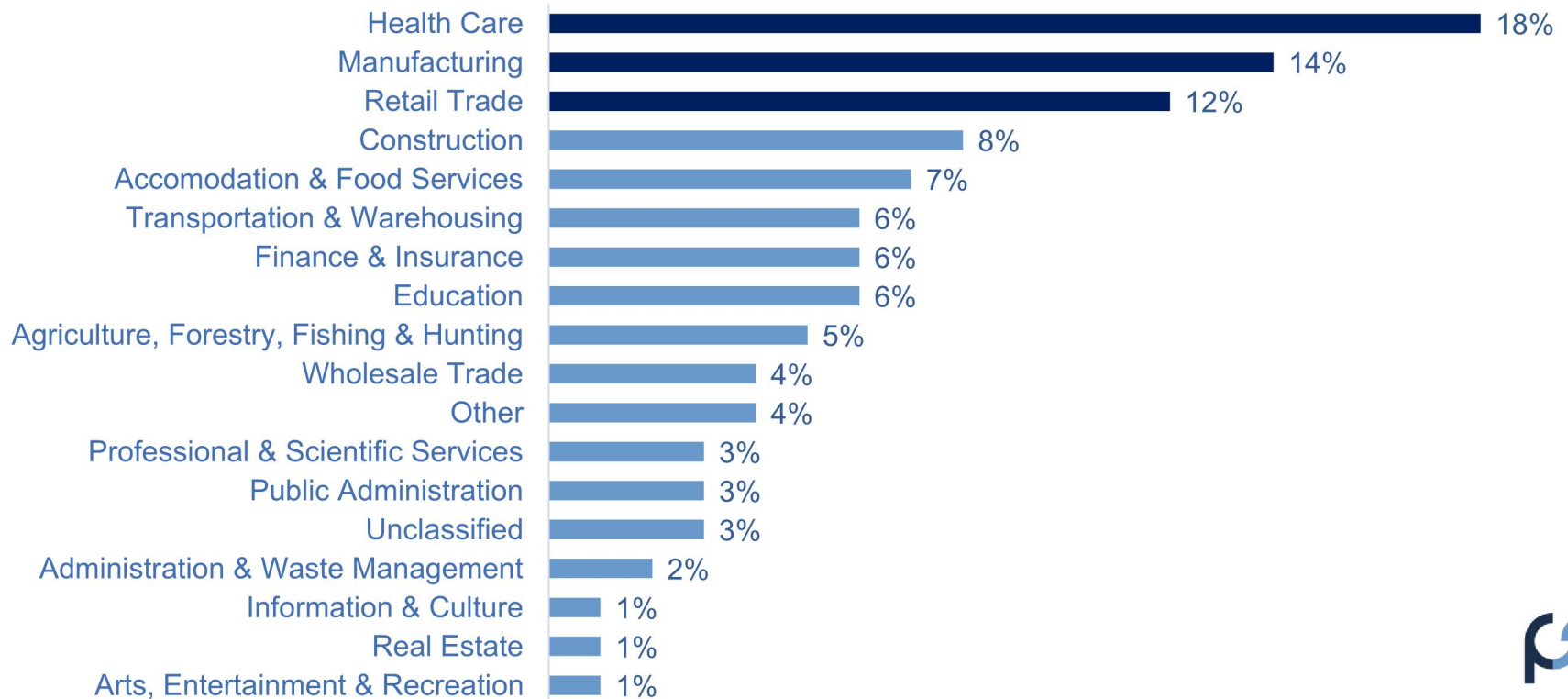


Right Investments for the future?



Factor:

Economic Development goals and community direction



Factor: Full costs of infrastructure assets

- To maintain high quality of services, assets require ongoing investment through their entire life, which can span decades.
- These costs can consume significant portions of a budget.
- Since funds are always limited:
 - important to make the right spending decisions upfront by building the right infrastructure
 - important to recognize and understand trade-offs, or giving up A to get B



Example – Buying a New House



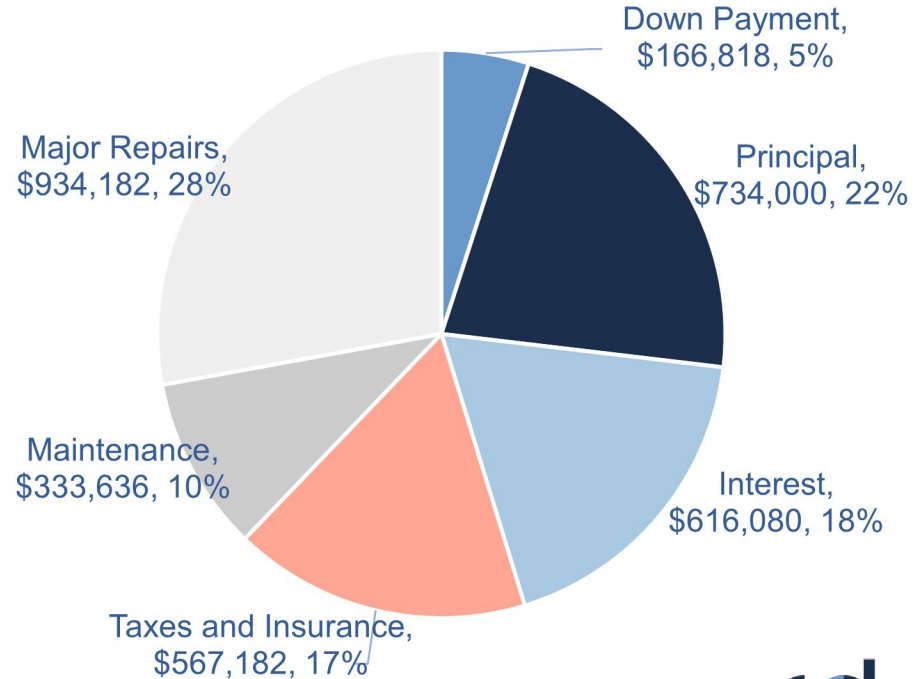
Minimal maintenance for first few years, but then:

- Dishwasher: 10 years
- Hot Water Heater: 12 years
- Washer/Dryer: 10 years
- Roof: 15-20 years
- Furnace: 20 years
- etc.

Start saving from the beginning

How much does it really cost to own a house today?

- In 2024 the true cost of owning a \$834,000 home in Ontario over 30 years (lifecycle cost)
- Repairs and maintenance estimated at \$1.3 M.
- A \$834,000 home today would cost \$3,336,364 after 30 years.
- Could you invest your \$834,000 differently.
- More importantly, how can you make that \$1.3 M do more?
 - What's the trade-off



How much does it really cost to own a house?

- With limited funds, important to understand trade-offs, and make the right decisions to get the best value from spending
 - A new kitchen vs. an energy efficient heating/cooling system
 - A finished basement today vs. saving for potential roof repairs in 5 years
 - A pool vs. redoing the driveway
 - A big screen TV or a new refrigerator
- Equally important to plan for ongoing costs so that you can maintain your lifestyle.
- Infrastructure assets are very similar.





Questions and Discussion

Stay informed and be a part of the discussion!

