



Infrastructure Services

Prepared for: Council-in-Committee

Report: IS-16-2025

Meeting Date: July 7, 2025

1. Title

Town of Fort Erie 2025 Asset Management Plan

2. Recommendations

That: That Council receives Report IS-16-2025 for information purposes; and further

That: Council directs that the costs of implementation and maintenance of the Asset Management Plan be included in future budget deliberations.

3. Relation to Council's Corporate Strategic Plan

Priority: Quality of Life and Community Well-Being

Initiative: Implement a comprehensive plan for parks, recreation, trails, beaches, open space and natural areas that provides for infrastructure, programming and services that meets the needs of the growing community.

Priority: Sustainable and managed growth

Initiative: Developing a strategy to accommodate growth through phased servicing

Priority: Environmental and Climate Change Resiliency

Initiative: Create, adopt and implement a Climate Change Plan and Policy Framework that incorporates adaptation, resiliency and mitigation strategies.

Initiative: Improve resilience of and response to shoreline protection, stormwater management, drainage and flood control through infrastructure investments and maintenance.

4. List of Stakeholders

Mayor, Council and Staff of the Town of Fort Erie
The Ratepayers of the Town of Fort Erie
GEI Consultants Inc.

5. Purpose of Report

The purpose of this report is to provide Council with an update on the Asset Management Plan (AMP) implementation progress as part of the Town's 2023-2026 Corporate Strategic Plan and to meet the requirements of Ontario Regulation 588/17 and O. Reg 193/21 amended to O. Reg 588/17.

6. Analysis

Why is Asset Management Important?

Asset management is a continuous and strategic process that guides how the Town plans, maintains, renews, and replaces its infrastructure—such as roads, buildings, parks, and water systems—over their full lifecycle. Rooted in international standards (ISO 55000), it ensures the Town makes informed decisions that maximize the value of public investments, support reliable service delivery, and maintain financial sustainability over the long term.

To comply with Ontario Regulation 588/17, the Town is required to maintain an Asset Management Plan (AMP), which is also essential for securing funding from programs like the Canada Community-Building Fund (CCBF) and Ontario Community Infrastructure Fund (OCIF). Council adopted the Town's Asset Management Policy and Strategy through Report IS-14-2019, establishing the foundation for a structured and consistent approach. The AMP helps the Town assess asset conditions, align spending with strategic plans, define levels of service, support budgeting, and prioritize investments.

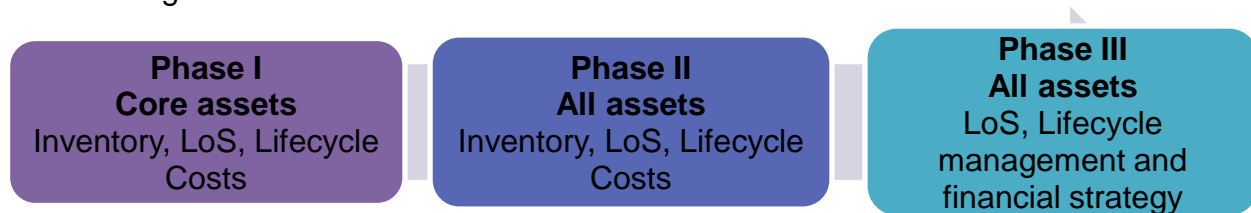
In August 2023, GEI Consultants was retained under Contract ISE-23P-AMPLAN to advance the concurrent phases of AMP as required by the regulation.

AMP Milestones

Regulatory Milestones:

The Town's Asset Management Plan (AMP) is a strategic document that guides infrastructure investment decisions, supports long-term financial planning, and ensures the sustainability of municipal assets. It enables evidence-based budgeting by outlining required investments, timelines, and risks associated with deferring maintenance or replacement. The AMP also supports regulatory compliance, strengthens eligibility for funding programs, and provides insight into asset condition, service levels, and risk exposure. As a living document, it is updated regularly to reflect improved data, evolving practices, and emerging priorities.

Phase I of the AMP, which exceeded the provincial July 1, 2022, requirement by including both core and facility assets, was completed in 2019. Phase II and III, submitted in 2024 to meet the July 1, 2024, and 2025 deadlines, expand the AMP to include all Town assets, propose Levels of Service, and incorporate lifecycle management and financial strategies in alignment with Ontario Regulation 588/17.



The current Asset Management Plan and Policy can be viewed in Appendix 1 – Town of Fort Erie's [Asset Management Policy and Strategy](#) and Appendix 2 – Town of Fort Erie [2024 Asset Management Plan](#) and is attached to this report.

The 2024 AMP was submitted to The Ministry of Infrastructure and accepted and deemed “not outstanding”.

Asset Data and CMMS Milestones:

We are approaching the finish line on the asset management and work order system implementation. We are at 90% of Phase I. Phase II will include continuous improvement and activities to foster system integration and maturation. Throughout the development of this AMP, many data gaps were filled to provide more accurate information for Town assets.

The Town is continuing to improve the asset register by refining the data and reconciling differences granularly to track changes. Once this is completed, and the Asset module with the information is accepted, we will then look to further refine and inform life-cycle activities, financial information, condition and many other reporting requirements from “**one source of truth**”. The Town has procured and configured PSD Citywide, an integrated asset management platform comprising the Assets, Maintenance, GIS, and Decision Support modules. This advanced system represents a significant enhancement to our operational toolkit. It is designed to streamline workflow management, foster cross-departmental collaboration, and clearly define responsibilities across all relevant departments. PSD Citywide is expected to elevate the Town’s ability to manage infrastructure strategically, support evidence-based decision-making, and ensure long-term service delivery efficiency.



Assets



Maintenance



GIS



Decision Support

State of the Infrastructure – All assets (2024):

Since the completion of the 2019 Asset Management Plan (AMP), the Town has made significant progress in strengthening its asset management capacity and systems. Key improvements include the addition of dedicated staff to lead implementation efforts, along with enhancements to the asset registry and related data. These upgrades have improved the accuracy of asset condition, replacement values, and service life data, reducing reliance on assumptions and desktop analysis.

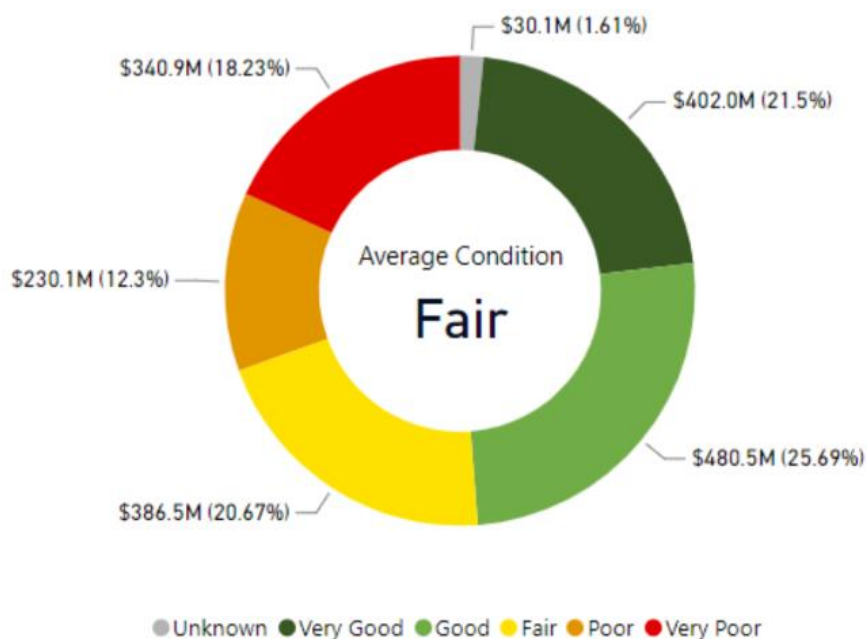
Staff engagement has also increased, with departments working collaboratively toward a unified and consistent data approach. In addition, the Town is in the final stages (90% complete) towards project close-out with PSD Citywide, a modern Enterprise Asset and Work Order Management System (AWOMS), which will improve connectivity among staff, enhance data quality, support informed decision-making, and enable more efficient reporting.

Continued improvement and monitoring are still required. The recommendations can be found in the Appendix 2 – Town of Fort Erie’s Asset Management Plan.

As previously reported, the overall condition of the Town’s assets is generally positive, with approximately 67% classified as being in fair or better condition. At present, less than 2% of assets have an undetermined condition. Targeted efforts are already underway to address this data gap and enhance the completeness of our asset inventory.

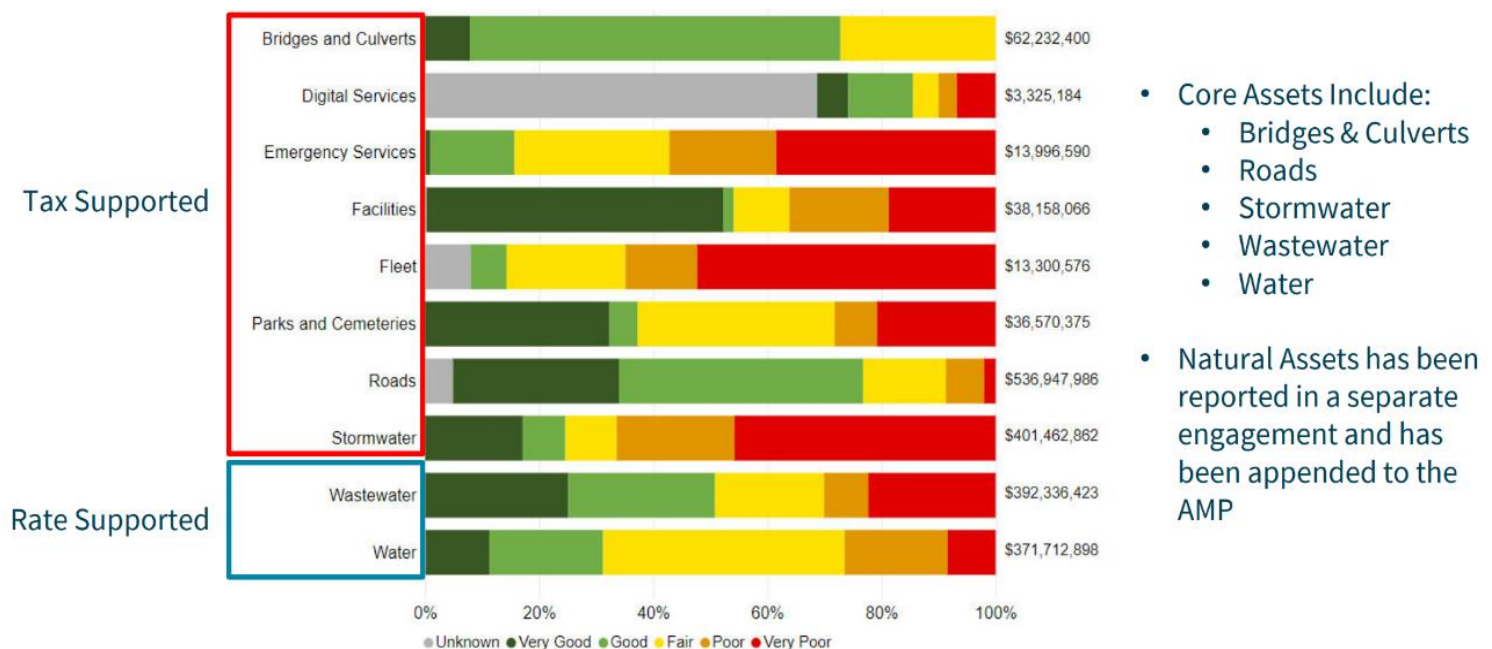
Figure 1 provides a visual summary of the current condition ratings—both assessed and assumed—across all asset classes. It is important to note that asset management is an evolving process that relies on continuous improvement. One of the key recommendations emerging from this review is the need to improve the accuracy and completeness of condition data in areas where information is currently lacking.

Figure 1: Overall Asset Condition by Replacement Value



The Town is responsible for a diverse portfolio of infrastructure assets spanning both core and non-core service areas. Core assets include Bridges and Culverts, Roads, Stormwater, Sanitary, and Water systems. Non-core assets encompass Parks, Facilities, Emergency Services, Information Technology and Natural Assets, among others. Figure 2 highlights those assets that are supported through tax and rate-based funding. Collectively, the Town's assets have an estimated replacement value of approximately \$2.16 billion (2024). These assets form the foundation for delivering reliable, high-quality, and cost-effective municipal services to residents and businesses.

A strategic objective of the Town is to achieve an overall infrastructure condition rating of 'Good'. This target will guide the development of the forthcoming financial plan and inform key investment decisions presented to Council.

Figure 2: Town of Fort Erie's State of the Infrastructure**Financial Strategy:**

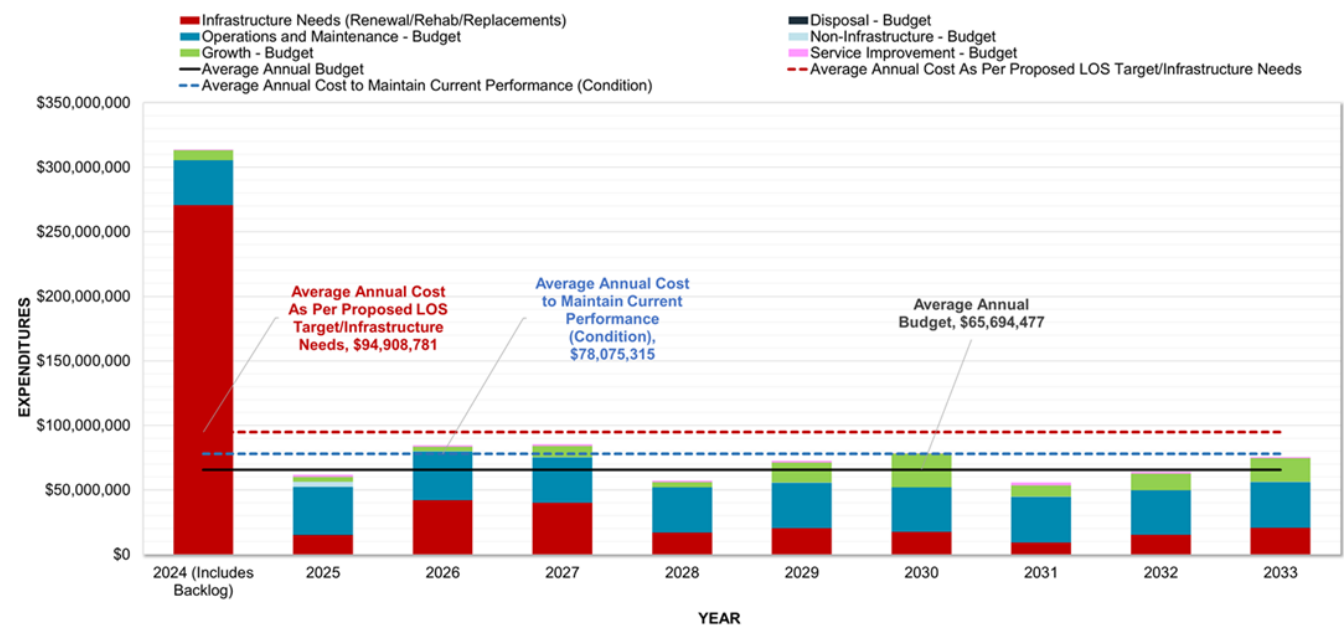
As part of the Asset Management Plan (AMP), a detailed financial analysis was conducted to evaluate the Town's infrastructure funding needs in relation to service level objectives and lifecycle strategies. The assessment considered the average annual funding currently available (based on 2024 values), the expenditures required to maintain existing Levels of Service (LOS), *and* the ideal investment levels needed to achieve the Town's proposed LOS targets aligned with long-term infrastructure planning.

To determine the funding gaps, projected expenditure requirements were compared against the Town's capital and operating budgets, including associated forecasts. This assessment was carried out through the evaluation of three distinct scenarios:

- Scenario 1 evaluates the annual cost required to maintain current service levels, independent of existing asset condition ratings.
- Scenario 2 examines the anticipated impact of current funding levels on asset performance (condition) over a 10-year horizon.
- Scenario 3 estimates the average annual budget needed to achieve the proposed LOS, based on infrastructure demands identified through lifecycle strategies.

A summary of these scenarios is presented in Figure 3, providing a comparative overview of the projected outcomes under each approach. This analysis forms a key foundation for understanding the financial implications of maintaining and enhancing municipal infrastructure. Further technical detail and the full financial modeling results are available in Appendix 2 of the AMP report.

Figure 3: Town of Fort Erie Required Expenditures - Scenario Comparison



Infrastructure Gap:

The infrastructure funding gap is determined by analyzing the variance between forecasted expenditures required for asset renewal, rehabilitation, and replacement—under each scenario—and the average annual budget currently allocated to these asset categories.

The Asset Management Plan (AMP) identifies a projected shortfall of approximately \$12 million per year to sustain the current Levels of Service (LOS). To achieve the proposed LOS targets, as defined by the lifecycle strategies outlined in this plan, the estimated annual funding gap increases to approximately \$29 million. A detailed breakdown of these figures is provided in Table 1.

Table 1: Average Annual Expenditures and Infrastructure Gap

Lifecycle Activity	Average Annual Budget	Average Annual Cost to Maintain Current LOS	Average Annual Cost As Per Proposed LOS Target/ Infrastructure Needs
Disposal	\$15,000	\$15,000	\$15,000
Growth	\$10,907,595	\$10,907,595	\$10,907,595
Non-Infrastructure	\$521,100	\$521,100	\$521,100

Lifecycle Activity	Average Annual Budget	Average Annual Cost to Maintain Current LOS	Average Annual Cost As Per Proposed LOS Target/ Infrastructure Needs
Operations & Maintenance	\$35,443,628	\$35,443,628	\$35,443,628
Renewal, Rehabilitation & Replacement	\$17,577,181	\$29,958,019	\$46,791,485
Service Improvement	\$1,229,973	\$1,229,973	\$1,229,973
Total	\$65,694,477	\$78,075,315	\$94,908,781
Average Annual Spending Gap		\$12,380,838	\$29,214,304
Percentage Increase Required to Address Gap		19%	44%

Financial Pressures and Strategic Response:

The impacts of sustained, historically high inflation, coupled with the availability of more accurate, condition-based data, have resulted in emerging funding shortfalls. These pressures underscore the need for a recalibrated financial strategy.

The Town's forthcoming revised financial strategy will outline a sustainable approach to infrastructure investment, grounded in a comprehensive review of funding sources that include reserves, grants, debt instruments, and the tax or rate implications of capital planning. The strategy will also evaluate reserve targets across asset classes and incorporate key financial indicators such as customer affordability and debt capacity. These elements will inform policy updates and support the ongoing refinement of Level of Service (LOS) evaluations, leveraging increasingly accurate asset condition data as the Town transitions from assumed to verified asset information.

Council's Role in Asset Management:

Council plays a pivotal leadership role in setting the Town's strategic direction and establishing service level expectations that reflect community priorities, regulatory obligations, and resource availability. To make informed, forward-thinking decisions, Council must be supported by accurate and timely asset data.

Through ongoing collaboration with Town staff and informed by the findings in this plan, Council will be well-positioned to guide the delivery of safe, reliable, and sustainable services. In the near term, Council's focus will include:

- Allocating the necessary resources to achieve agreed-upon Levels of Service.
- Promoting a broader understanding of asset management principles among Council, staff, and key stakeholders.

- Reviewing and updating asset management policies and procedures in alignment with the Town's approved roadmap.

Continuous Improvement and Performance Monitoring:

Town staff are actively developing a detailed workplan to strengthen asset management planning in accordance with best practices and regulatory expectations. As implementation of Ontario Regulation 588/17 – Asset Management Planning for Municipal Infrastructure progresses, workload demands are anticipated to increase.

Key areas of focus moving forward include:

- Determining the revenue levels required to maintain or enhance current LOS across service areas.
- Advancing the asset register by addressing data gaps, resolving discrepancies, and integrating it with the Town's financial systems to establish a single source of truth, supported by an updated Tangible Capital Asset (TCA) policy.
- Enhancing data quality and confidence through standardized condition assessment programs across most service areas.
- Regularly updating asset replacement values to reflect current market conditions.
- Strengthening lifecycle management frameworks to support long-term asset sustainability.
- Improving system integration—specifically aligning the Asset and Work Order Management System (AWOMS) with other corporate systems and financial planning processes.
- Monitoring plan implementation and delivering annual updates to Council to maintain momentum and accountability.
- Integrating asset management and budgeting processes to ensure strategic alignment.
- Assessing risk by evaluating the likelihood and consequences of asset failure and identifying the potential service impacts of underfunding.

To support the growing scope of work, Town staff will monitor resource needs. At present, asset management responsibilities are supported by one Project Manager and one Asset Management Analyst.

Looking ahead, staff are committed to developing systems and processes that maximize the efficiency of existing resources. These efforts will ensure value for taxpayers while advancing regulatory compliance and elevating the Town's asset management maturity.

Closing:

This Asset Management Plan is a living document grounded in the best available data at the time of publication. It integrates key components such as the state of infrastructure, current and proposed Levels of Service, asset management strategies, risk considerations, future demand, and financial planning.

The Plan is fully compliant with all requirements of Ontario Regulation 588/17 and will evolve through future iterations as more robust data and strategies become available.

7. Financial, Staffing and Accessibility (AODA) Implications

The needs and endeavours require on-going attention and effort. Staff have taken the information provided within the AMP to further develop a revenue funding model to inform the

financial strategy. This will consider all sources of revenue for the Town and prioritize investments while considering life cycle activities, asset condition, performance and risk. This will be presented to Council in the upcoming months for review and approval.

Considerations to minimize or reduce barriers are an underlying component of the Asset Management Plan. Accessibility impacts, in relation to the AODA, will be considered while making decisions and recommendations within the asset management plan.

8. Policies Affecting Proposal

By-law 2023-136 adopted Council's 2023-2026 Corporate Strategic Plan. This includes maintaining and investing in sustainable infrastructure that serves the entire community and builds a strong, vibrant and attractive community.

By-law 78-2019 adopted the Asset Management Policy that includes the Ontario Regulation 588/17 made under the Infrastructure for Jobs and Prosperity Act, 2017 – Asset Management Planning for Municipal Infrastructure.

9. Comments from Departments, Community and Corporate Partners

Corporate Services has been in receipt of the consultant's summary information highlighted in the report and will continue to meet with department staff and the consultant to further assess and develop a comprehensive financial plan to be reported in the upcoming months.

10. Alternatives

Council has the option to suggest modifications to parts of the AM Plan and the resulting initiatives as they see fit. However, a significant amount of thought has gone into the development of the AMP and new systems and changes to them may put the Town's compliance at risk with the Regulation.

11. Communicating Results

The 2024 Asset Management Plan has been approved and communicated via ongoing asset management awareness.

A copy of the current plan is posted on the [Town's Let's Talk Fort Erie](#) website. The new plan will be posted there as well, once approved.

12. Conclusion

To support compliance with Ontario Regulation 588/17, the Town has developed a comprehensive Asset Management Plan (AM Plan) that establishes a clear pathway toward corporate alignment and maximized asset value in alignment with our strategic objectives. This foundational document, along with its phased implementation, represents a significant step forward in how we steward municipal infrastructure. It lays the groundwork for meeting future Asset Management requirements by promoting sustainability, predictability, and reduced risk across all Town-owned assets.

13. Report Approval

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Reviewed and Submitted by:
Jordan Frost, P.Eng, PTOE
Acting Director of Infrastructure Services

Approved by:
Chris McQueen, MBA
Chief Administrative Officer

14. Attachments

Appendix 1 – Town of Fort Erie Asset Management Policy and Strategy
Appendix 2 – Town of Fort Erie 2024 Asset Management Plan