



Meeting Date: October 1, 2025

Prepared By: Aubrey Guevarra-Jongsma, Asset Management Coordinator

Submitted by: Aubrey Guevarra-Jongsma, Asset Management Coordinator

Report No: PWE 48-2025

Subject: 2025 Asset Management Plan

Recommendation:

THAT Report PWE 48-2025 re: 2025 Asset Management Plan be received;

AND THAT the 2025 Asset Management Plan attached to this report be approved;

AND FURTHER THAT staff be directed to publish the 2025 Municipal Asset Management Plan on the municipal website.

Purpose:

The purpose of this report is to present Council with the updated Asset Management Plan, which fulfills the requirements of Ontario Regulation 588/17 and aligns with the principles and standards outlined in ISO 55000 and ISO 55001 for effective asset management.

Background:

Ontario Regulation 588/17, established under the Infrastructure for *Jobs and Prosperity Act, 2015*, requires municipalities to develop and maintain comprehensive asset management plans. The regulation promotes sustainable infrastructure investment, informed decision-making, and transparency in municipal service delivery. It follows a phased implementation schedule: by 2022, municipalities were required to address core infrastructure assets—such as roads, bridges, water, wastewater, and stormwater—by documenting current levels of service and lifecycle activities. By 2024, asset management plans must expand to include all municipal assets. Finally, by 2025, plans must incorporate proposed levels of service, detailed lifecycle strategies, and a financial strategy covering a minimum 10-year period. This framework encourages alignment with land-use planning, climate adaptation, and long-term fiscal sustainability.

In support of best practices, the Municipality's Asset Management Plan also aligns with the ISO 55000 series of international standards. ISO 55000 provides foundational principles and terminology for asset management, emphasizing value delivery through assets, alignment with organizational objectives, and leadership commitment. It promotes sustainability, adaptability, and continuous improvement across all asset types and sectors.

Building on these principles, ISO 55001 outlines the specific requirements for establishing, implementing, maintaining, and improving an asset management system. It provides a structured approach to managing assets throughout their lifecycle, focusing on performance optimization, risk management, and financial planning. ISO 55001 supports organizations in achieving strategic goals, enhancing service delivery, and ensuring long-term resilience through effective asset management practices.

Analysis:

The Municipality of Middlesex Centre's **2025 Asset Management Plan** provides a comprehensive framework for managing over **\$1.5 billion** in municipal infrastructure. It ensures the sustainable delivery of essential services—including water, wastewater, stormwater, roads, bridges, fleet, facilities, and parks—while aligning with provincial regulations, community expectations, and long-term financial planning. Since the 2021 plan, Middlesex Centre has made notable progress in asset management maturity, as measured using the Federation of Canadian Municipalities' Asset Management Readiness Scale. Key competencies such as accountability, training, and policy integration have reached or surpassed best-practice benchmarks.

The Municipality's infrastructure portfolio includes \$724 million in roads and bridges, \$611 million in water, wastewater, and stormwater systems, and \$172 million in facilities, parks, and fleet. Currently, 54% of these assets are rated in good or better condition, supported by reinvestment strategies aimed at addressing aging infrastructure and evolving service needs. The plan defines current, target, and proposed levels of service for each asset category, in compliance with Ontario Regulation 588/17, and identifies key risks—including climate change, population growth, regulatory changes, and technological shifts—along with mitigation strategies to maintain service reliability and resilience.

With a projected 33% population increase by 2034, the plan integrates growth forecasts into infrastructure planning, emphasizing scalable infrastructure, development charges, and alignment with master plans to ensure readiness for future demands. It also introduces a structured five-year improvement roadmap focused on enhancing data governance, conducting condition assessments, and improving performance monitoring. The plan commits to annual reviews and formal updates every five years, ensuring that asset management practices remain responsive, transparent, and aligned with the evolving needs of the community.

Financial Implications:

The financial strategy outlined in the 2025 Asset Management Plan is grounded in two long-range financial plans developed by **BMA Management Consulting Inc.**—the **Tax Long-Range Financial Plan** and the **Water, Wastewater, and Stormwater Long-Range Financial Plan**—both formally adopted by Council on June 4, 2025. These plans provide the fiscal foundation for sustainable infrastructure investment and service delivery across the Municipality.

To support asset renewal and lifecycle management, the Municipality has planned an annual tax levy increase of 8.4%, along with utility rate increases ranging from 6.1% to 10.0% for water, wastewater, and stormwater services. These adjustments are intended to narrow the infrastructure funding gap and strengthen reserve contributions for future capital investments. However, only a small portion of the tax increase is specifically allocated to asset management initiatives. As a result, despite these measures, the Municipality is projected to face a **cumulative infrastructure deficit of \$219.3 million by 2034**, with much of this shortfall occurring in tax-supported assets such as roads, bridges, fleet, and facilities. Inconsistent implementation of the proposed rate and levy increases could further widen the funding gap, deepen the infrastructure deficit, delay critical investments, and escalate long-term costs.

Strategic Plan:

This matter aligns with following strategic priorities:

- Sustainable Infrastructure and Services - Objective 4.3 – Continue with our asset management plan and apply a financial sustainability lens to all municipal assets and infrastructure.
 - It highlights how the municipality is progressively updating its asset management plan and building reserve funds for the timely repair/replacement of assets.
 - Additionally, it addresses the communication of the municipality's approach to funding capital projects.

Attachments:

Appendix – A1 Asset Management Plan 2025

Appendix – A2 AMP 2025 Council Presentation