

Section III – Items for the Information of the Board

TO: Chair and Members of the Board of Directors
Friday, September 23, 2022 Meeting

FROM: Michael Tolensky, Chief Financial and Operating Officer

RE: **ANNUAL CAPITAL PLAN FOR ADMINISTRATIVE BUILDINGS & PUBLIC FACILITIES**

KEY ISSUE

Business continuity and provision of critical services by developing long-term financial planning and essential maintenance decision-making framework for administrative buildings and public facilities.

RECOMMENDATION:

IT IS RECOMMENDED THAT this report be received, for information;

AND THAT the Annual Capital Plan and Asset Management Strategy inform annual budget and funding discussions with participating municipalities.

BACKGROUND

On Friday, February 26, 2021 Board members received Toronto and Region Conservation Authority's (TRCA) Asset Management Strategy, which predicated sustainable land and infrastructure practices upon sound asset management practices. The practice, which requires municipal funding, ensures aging buildings and ancillary assets are safe for use and that the service levels customers and municipal partners are accustomed to receiving are maintained.

The majority of TRCA's tangible capital assets are aged and require significant ongoing maintenance and renewal. For many of our assets significant investment is necessary to ensure structural integrity, and safe operation. Responsible asset management ensures prolonged safe parks and building operations by annually reviewing and maintaining state of good repair projects.

While the existing Conservation Authorities Act does not require asset management planning for conservation authorities, TRCA strives to meet or exceed Ontario's municipal asset management planning regulation (O. Reg 588/17). The process ensures TRCA's strategic asset planning initiatives, financial planning and municipal capital requests are aligned with our partners.

The information outlined in this report is part of staff's annual commitment to report priority funding requirements to the board for administrative buildings and public facilities. Initiated last year, the objective is to reassure partner municipalities, during their budget and levy discussions, that TRCA applies best practice approach to capital prioritization planning and development.

RATIONALE

Annual capital planning is based upon facility condition assessments (FCA) of administrative buildings (Boyd, Restoration Services & Swan Lake/Dave Barrow Centre for Conservation), and

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12 conservation parks (Albion Hills, Boyd, Black Creek Pioneer Village, Bruce's Mill, Claireville, Claremont, Glen Haffy, Heart Lake, Indian Line, Kortright Centre, Lake St. George and Petticoat Creek).

While staff annually utilize industry metrics regarding facility conditions, once FCAs are finalized staff also undertake a risk-based analysis to categorize funding requirements into critical and preventative maintenance repairs & replacements:

- Critical: Not functioning as intended; significant deterioration and distress observed; substantial repairs required immediately or within the next year to restore functionality. The predominate considerations in determining what items are deemed critical is the degree to which the failure of the asset impacts safety and service delivery.
- Preventative: Functioning as intended; normal deterioration and slight distress observed; minor repairs required to maintain functionality.

The primary objective of this categorization is to:

- Provide long-term sustainable levels of service that are functional and safe;
- Provide municipal partners with tangible financial information that aids planning process by identifying where asset support is required within their respective jurisdiction; and,
- Inform grants to senior levels of government and for fundraising purposes.

Relationship to Building the Living City, the TRCA 2013-2022 Strategic Plan

This report supports the following strategies set forth in the TRCA 2013-2022 Strategic Plan:

Strategy 1 – Green the Toronto region's economy

Strategy 3 – Rethink greenspace to maximize its value

Strategy 4 – Create complete communities that integrate nature and the built environment

Report prepared by: Andrew Savor

Email: andrew.savor@trca.ca

For Information contact: Alexander Schuler, (416) 625-6846

Email: alexander.schuler@trca.ca

Date: August 15, 2022

Attachments: 3

Attachment 1: Gross Expenditures for 2024 & 10-Year Capital Plan

Attachment 2: Gross Expenditures for 2024, Including Prior Year SOGR Backlog

Attachment 3: 10-Year Capital Plan – Average Annual Gross Expenditures (Post 2024)