

TOWNSHIP OF ESQUIMALT

Long Term Capital Plans

Engineering & Public Works

Capital Plan Overview

20-YEAR CAPITAL PLAN

- Years 1-3 are detailed
- Projections based on information available
- Ongoing refinement needed through asset management plans and project delivery
- Assumes levels of service maintained

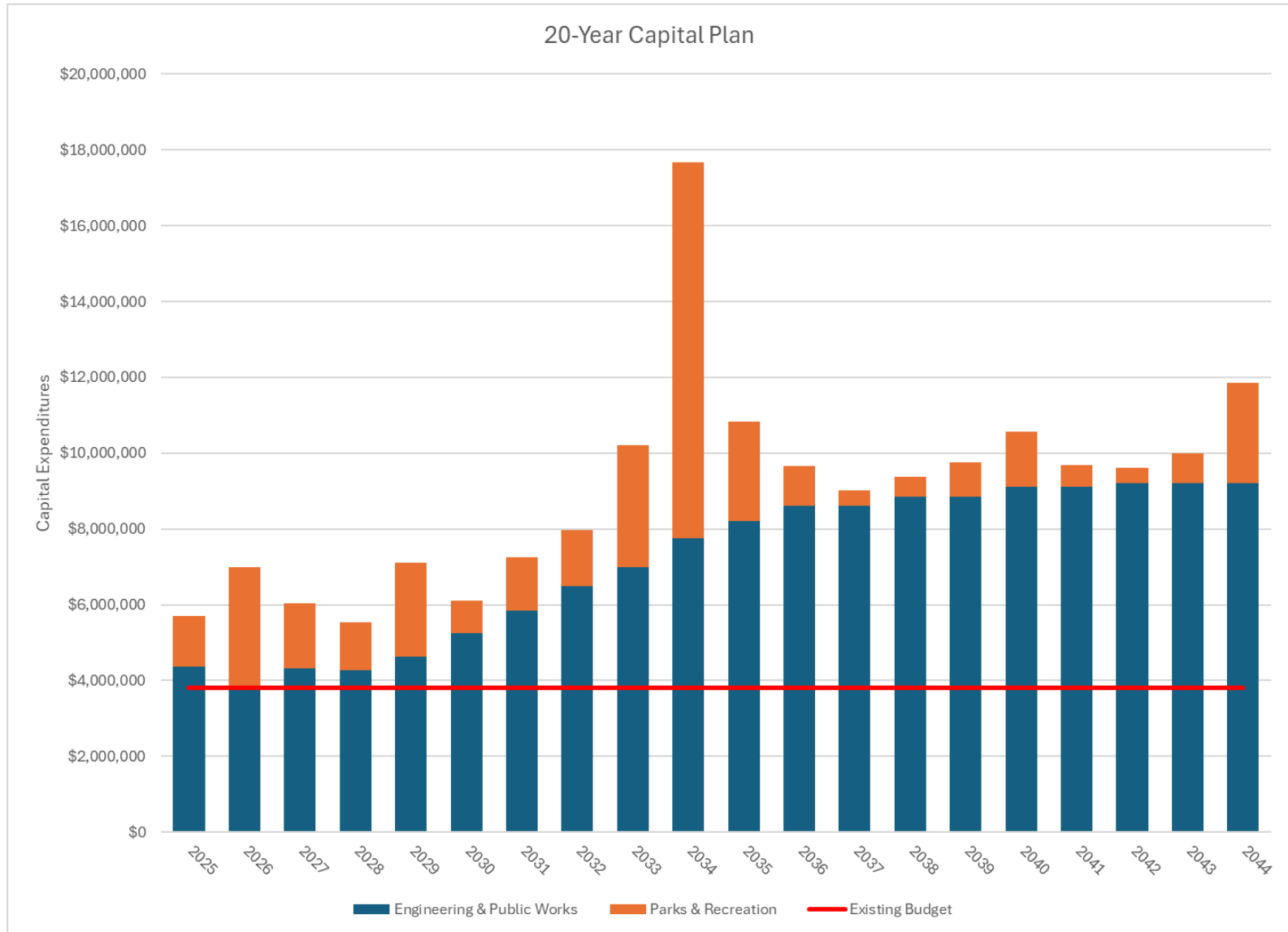
MAJOR DRIVERS

- Short term: active transportation and utility renewals
- Medium to long term: aging infrastructure (sewer, drain, roads, signals)

NOT INCLUDED

- Significant facility renewals
- Fleet renewals
- Bike lanes beyond 2026
- New initiatives

20-Year Capital Plan – Engineering & Public Works



Risks and Impacts

LEVELS OF SERVICE DECREASE

- Insufficient funding leads to quality of levels of service (example: sewer backups into homes increase)

COSTS INCREASE

- Ineffective management of assets results in higher maintenance and repair costs (example: emergency sewer repair in a busy intersection that could have been proactively replaced through trenchless technology)

INACCURATE DATA

- Projections based on current information
- Projections will never be perfect and will require acceptance of risk based on the level of risk tolerance
- Reduce risk through asset management best practices

Next Steps

ASSET MANAGEMENT PLANS

- Implement Sanitary Sewer Asset Management Plan
- Complete Storm Sewer and Facility Asset Management Plans
- Update Pavement Condition Index in 2025

INCREASE CAPITAL DELIVERY CAPACITY

- Project Manager proposed for 2025
- Utilize capital projects to fund increase in Public Works staff

REVIEW / IMPLEMENT OPERATING & MAINTENANCE BEST PRACTICES

- Revise O&M practices as part of asset management plans and implement improvements (example: sewer flushing program)

Parks and Recreation

Capital Plan Overview

CAPITAL PLANNING

- 1/5/20 year plan
- \$75-100 million in recreation infrastructure
- Current projections based predicted service life and detail equipment inventory
- Ongoing refinement needed through asset management plans to reduced the risk to service interruptions

MAJOR DRIVERS

- Aging infrastructure
- Modernization and accessibility
- Green House Gas reduction target (GHG)
- Growth - assumption to maintain current levels of service

NOT CURRENTLY INCLUDED

- Full Facility Replacement
- Fleet renewals
- New infrastructure
- New initiatives

20-Year Capital Plan – Parks and Recreation



Risks and Impacts

STRATEGIC PRIORITY -Good Governance & Organizational Excellence

- Well maintained infrastructure and amenities supports the delivery of services
- Esquimalt continues to be a vibrant place for those who live, work, and play here, now, and into the future

LEVELS OF SERVICE

- A critical component of long-term planning
- Insufficient funding and planning may impact in levels of service (example: less hours of operation)

INACCURATE DATA

- Projections based on current information
- Projections will never be perfect and will require acceptance of risk based on the level of risk tolerance

Next Steps

PLANNING

- Facilities Energy Audit (currently posted RFP) Capital Planning and Asset Management (work underway)
- TOE Facility Condition Assessment (2025)
- Recreation Strategic Plan (2025 subject to funding approval)

REVIEW / IMPLEMENT OPERATING & MAINTENANCE BEST PRACTICES

- Revise O&M practices as part of asset management plans
- Investigate preventative maintenance programs/software that will help reduce risk and impact to service levels

2025 Budget

Parks and Recreation
Engineering and Public Works

2025 Changes

2025 BUDGET LIMITATIONS

- Insufficient funding available to fund all original requests

STAFF INITIATED CHANGES

- Reduced budget by over \$3.5M through:
 - Defer the Recreation Centre roof and HVAC replacements to begin in 2026
 - Defer the garbage enclosure program to begin in 2026
 - Utilize existing project funding to renew traffic signals
 - Reduce sanitary sewer budget to fund only initiated projects

FURTHER CONSIDERATIONS

- Scope reduction or deferral of Esquimalt Road Phase 2
- Deferring the construction of a new sidewalk on Kinver from 2025 to 2026

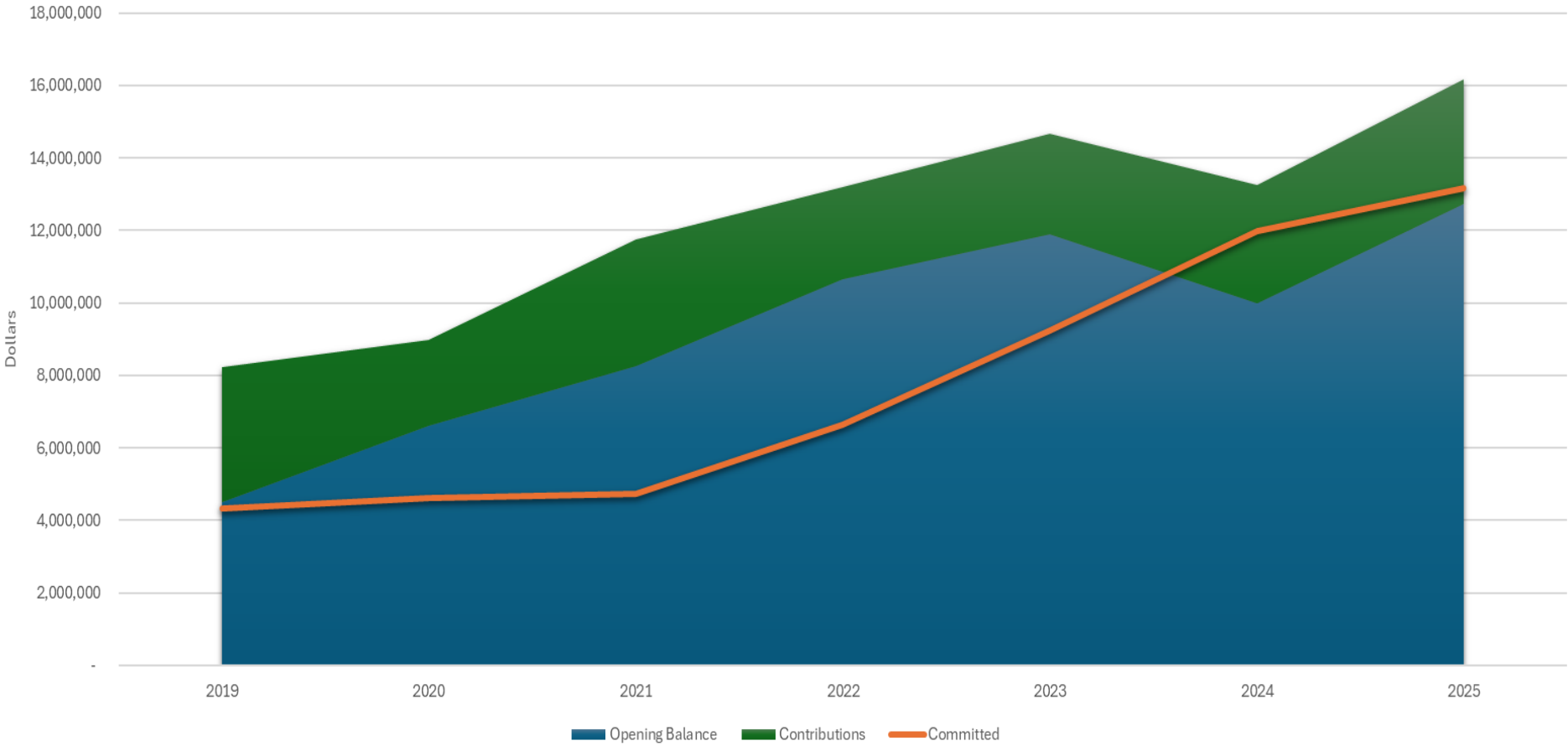
TOWNSHIP OF ESQUIMALT

Long Term Capital Funding

Infrastructure

Infrastructure Reserves

Infrastructure Reserves
2019-2025



Infrastructure Reserves

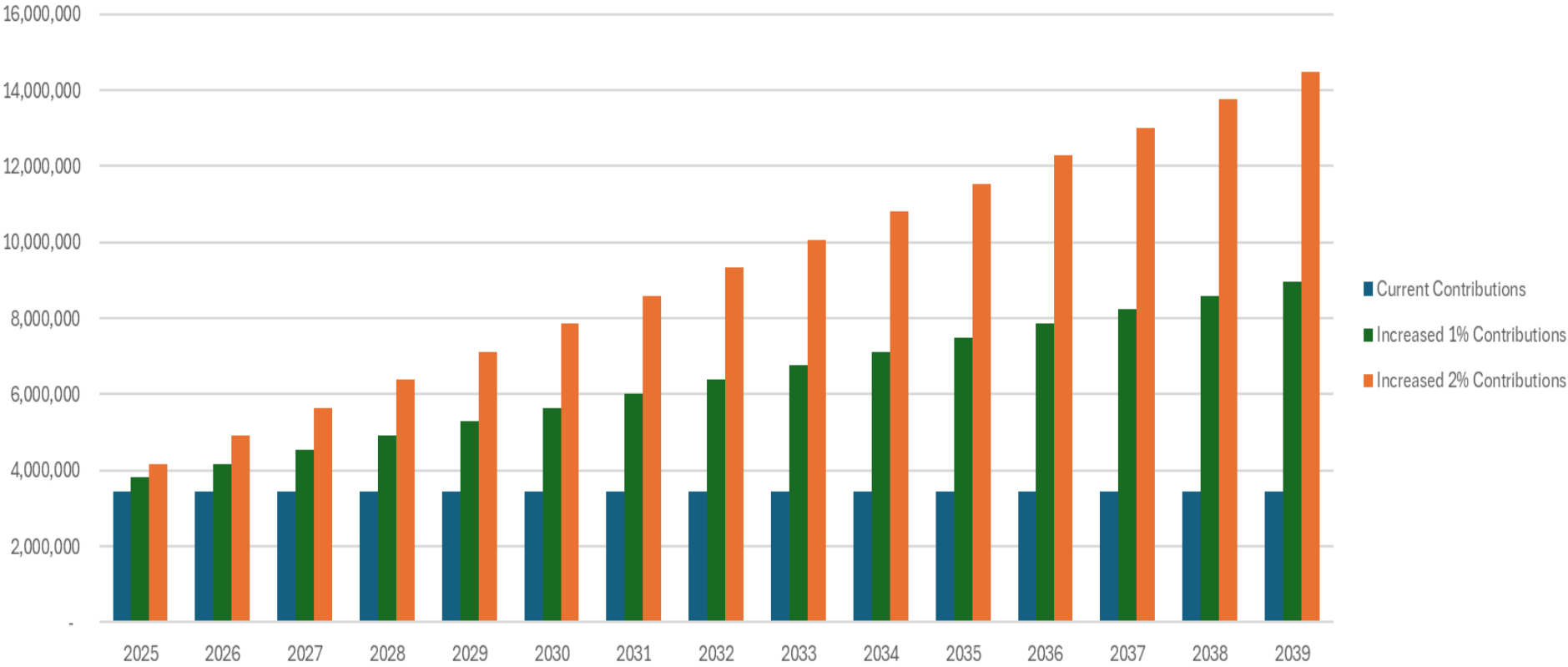
- Capital Projects Reserve, Infrastructure Reserve, and Canada Community Building Fund
- Long term infrastructure replacement is not sustainable with current funding levels
 - Staff
 - Asset Management Consultant
 - Engineering Consultants
- Annual funding gap identified as \$5.5M with at least \$35M of infrastructure overdue for replacement

Infrastructure Reserves

- **BUDGET RECOMMENDATIONS:**
- Approve annual increased contributions of 2% for the period of 2025-2039
- Revisit contribution levels in 2030
- Would increase total available infrastructure reserves by:
 - \$11.0M by 2029
 - \$40.5M by 2034
 - \$88.3M by 2039

Infrastructure Reserves Funding Plan

Contribution Comparison



Machinery & Equipment

Machinery & Equipment Reserve

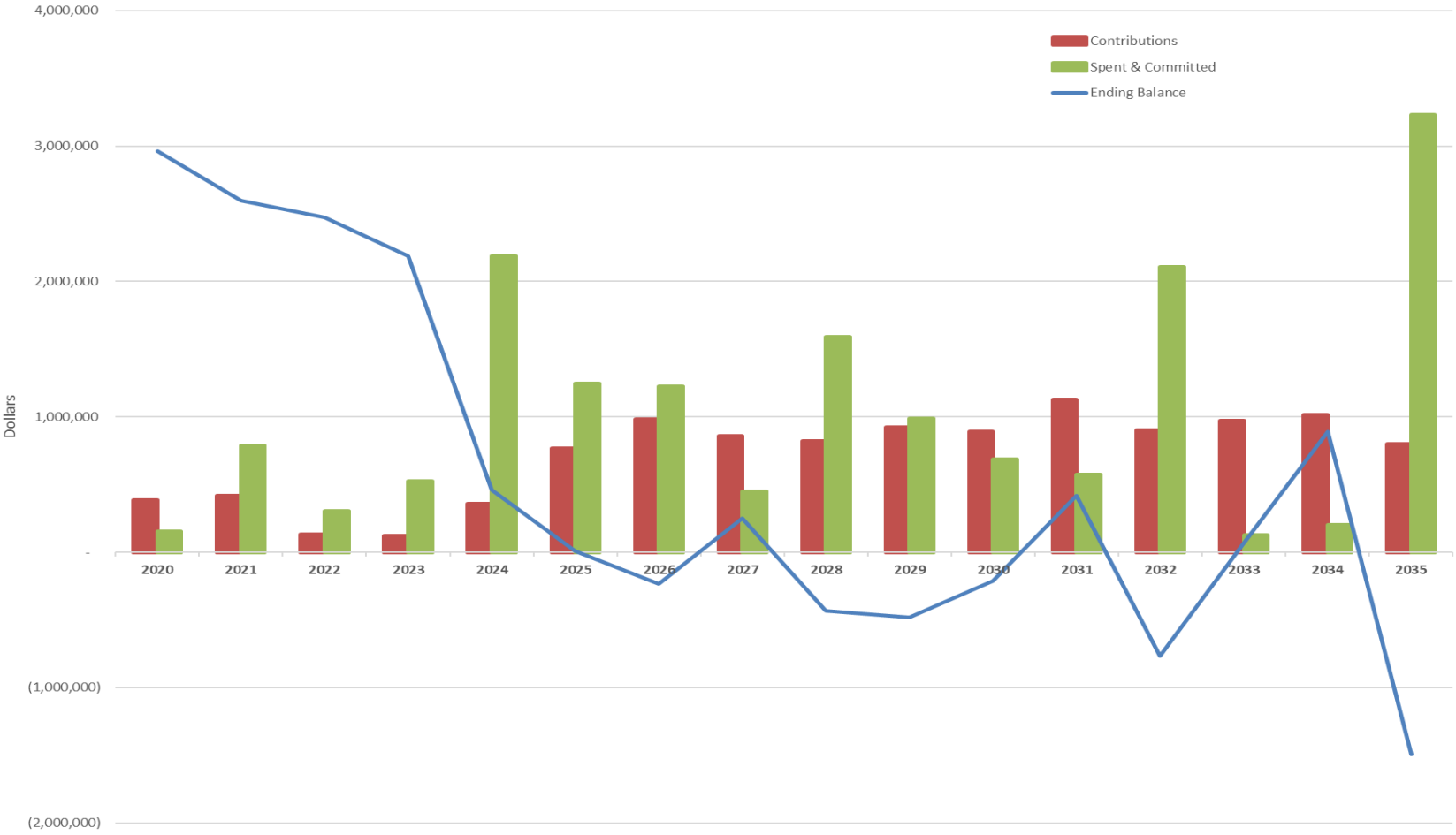
- Funds the replacement of Township's fleet, IT hardware, major equipment
- Annual contributions are made each year based on long term replacement plan (self funding)
- Major adjustment to useful life and replacement cost estimates in 2024
 - Increase of \$5.2M in total estimated replacement costs over the next 15 years
 - Increased cost of PW and Fire vehicles; potential electrification options

Machinery & Equipment Reserve

- Without additional contributions in 2025, funds will be fully depleted by current year planned acquisitions
- Increased annual contributions are planned but will require new taxation
- Short term committed increased contributions will resolve issue and ensure short and long-term sustainability

Machinery & Equipment Forecast

Fleet Replacement
2020-2035

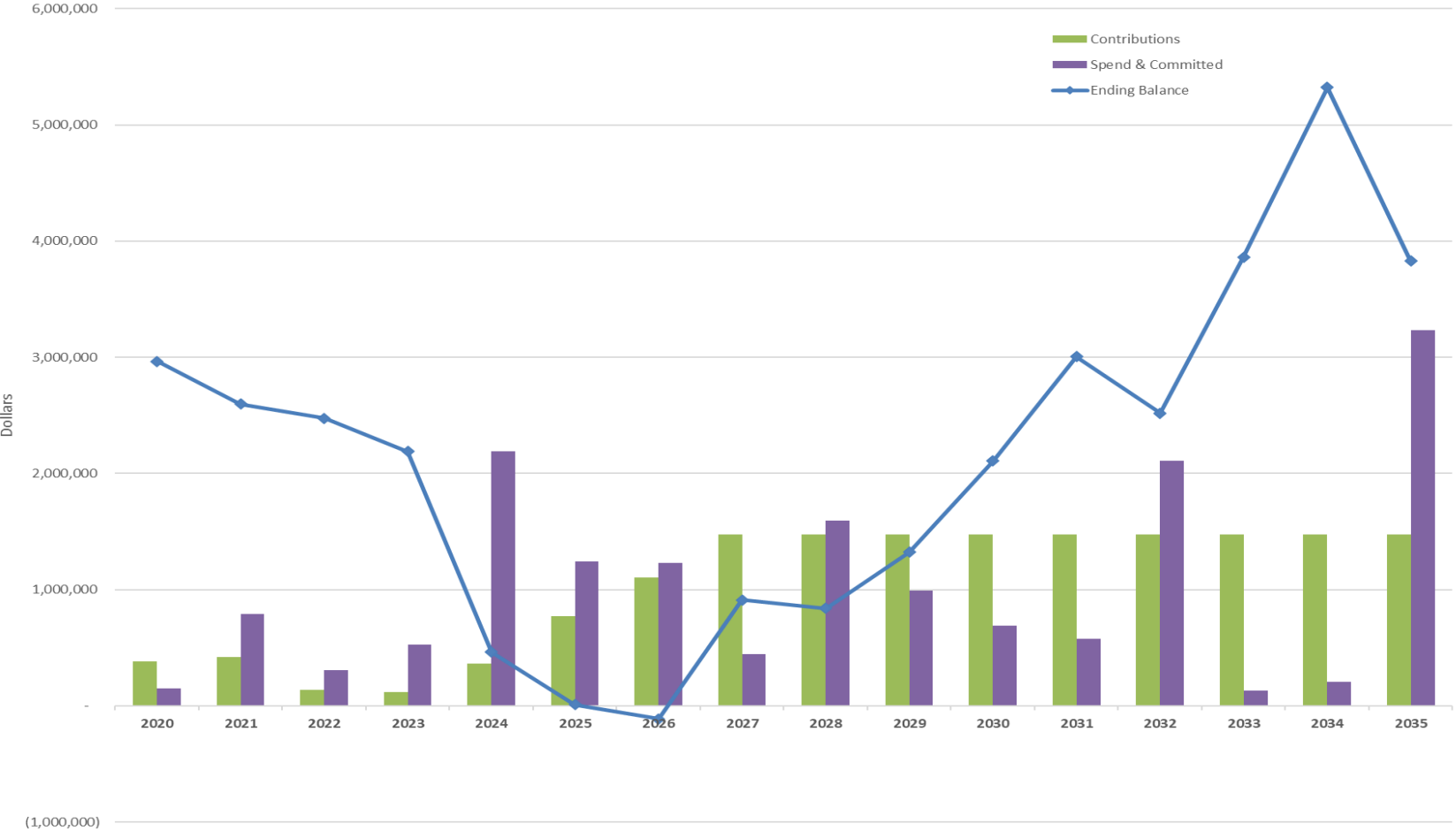


Machinery & Equipment Reserve

- **BUDGET RECOMMENDATIONS:**
- Approve annual increased contributions of 1% for the period of 2025-2028
- Re-examine reserve contribution levels within 2029 budget

Machinery & Equipment Reserve Funding Plan

Fleet Replacement
2020-2035



Infrastructure Planning Summary

- Increasing demands will require more robust and mature capital program management
 - staff will continue this work under Council priority of Good Governance and Organizational Excellence.
- Recent focus on asset management planning and infrastructure funding
- Since 2023, Council approved funding for:
 - Storm Master Plan
 - Sewer Master Plan
 - Facilities Management Plan
 - EV Fleet Plan
 - *Pavement Condition Assessment*
- Consistent message - now being accompanied by estimated funding requirements