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2024 CGM AMP
Acknowledgement

Land Acknowledgment
We acknowledge that Covent Garden Market resides on the traditional lands of the Anishinaabeg, Haudenosaunee, Lūnaapéewak and Attawandaron. We acknowledge all the treaties that are specific to this area: the Two Row Wampum Belt Treaty of the Haudenosaunee Confederacy/Silver Covenant Chain; the Beaver Hunting Grounds of the Haudenosaunee NANFAN Treaty of 1701; the McKee Treaty of 1790, the London Township Treaty of 1796, the Huron Tract Treaty of 1827, with the Anishinaabeg, and the Dish with One Spoon Covenant Wampum of the Anishnaabek and Haudenosaunee. This land continues to be home to diverse Indigenous people (First Nations, Métis, and Inuit) whom we recognize as contemporary stewards of the land and vital contributors to society. As representatives of the people of the Covent Garden Market, we are grateful to have the opportunity to work and live in this territory.

Staff Acknowledgment
The Corporate Asset Management office would like to acknowledge the efforts of Covent Garden Market staff for the effort and support they put forth to help accumulate the data and develop the findings of this Asset Management Plan. We are also sincerely thankful to the Covent Garden Market Board of Directors and City of London Council for their support.

City of London Council (2022-2026)
Mayor: Josh Morgan
Councillors: Hadleigh McAlister (Ward 1), Shawn Lewis (Ward 2), Peter Cuddy (Ward 3), Susan Stevenson (Ward 4), Jerry Pribil (Ward 5), Sam Trosow (Ward 6), Corrine Rahman (Ward 7), Steve Lehman (Ward 8), Anna Hopkins (Ward 9), Paul Van Meerbergen (Ward 10), Councillor Skylar Franke (Ward 11), Elizabeth Peloza (Ward 12): David Ferreira (Ward 13), and Steven Hillier (Ward 14)

Covent Garden Market Board of Directors
Members: John Fyfe-Millar (Chair), Donna Szpakowski (Vice-Chair), Claudio De Vincenzo (Member), Justin Dias (Member), Mike Marsman (Member), Tyrrel De Langley (Member), Zeba Hashmi (Member), David Ferreira (Councillor), and Steven Hillier (Councillor).

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## Section 1. Executive Summary

<table>
<thead>
<tr>
<th>Summary</th>
<th>Maintain Current LOS</th>
<th>Achieve Proposed LOS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Replacement Value ($millions)</td>
<td>$55</td>
<td>$55</td>
</tr>
<tr>
<td>Cumulative 10-Year Infrastructure Gap ($millions)</td>
<td>$3</td>
<td>None identified</td>
</tr>
<tr>
<td>Infrastructure Gap as a Percentage of Replacement Value</td>
<td>5.5%</td>
<td>None identified</td>
</tr>
</tbody>
</table>
1.1: 2024 Covent Garden Market Asset Management Plan Introduction

Covent Garden Market (CGM) stands as a vibrant cultural and culinary hub in the heart of London, Ontario, bridging the gap between rural producers and urban consumers. Since its establishment in 1845, it has evolved into a premier destination for those seeking farm-fresh quality and a diverse array of foods, including the region's finest selection of organic products, award-winning meats, ethnic foods, and the largest assortment of cheese in Southwestern Ontario. Beyond its culinary offerings, CGM is a hub of arts and culture, housing various cultural organizations and artists on its mezzanine and even featuring a theatre. With its indoor and outdoor public spaces, including the seasonal Rotary Rink, the Market serves as a central point for community engagement and special events. From the Market Hall and Market Lounge to the Rotary Square, it offers versatile spaces for both public and private functions, contributing significantly to the local economy and the vibrancy of the city. CGM is not just a place to shop; it's a place where the community comes together to learn, enjoy, and celebrate the richness of Southwestern Ontario's culture and history.

This Asset Management Plan (AMP) is designed to enhance the management of CGM’s infrastructure assets in a way that connects CGM strategic plan, City of London, and community objectives to day-to-day and long-term infrastructure investment decisions in order to provide the best possible service to the community. This is accomplished by:

- Aligning with the regulatory landscape, by meeting the requirements of Ontario Regulation 588/17 – Asset Management Planning for Municipal Infrastructure (O. Reg. 588/17), and positioning CGM for capital grant funding applications.
- Understanding the current state of the infrastructure systems (value, quantity, age, condition, etc.).
- Measuring and monitoring levels of service (LOS) to quantify how well infrastructure systems are meeting expectations.
- Communicating asset lifecycle management activities (e.g., how infrastructure is operated, maintained, rehabilitated, replaced, and disposed).
- Determining the optimal costs and reinvestment rates of the asset lifecycle activities split between those that maintain current LOS and those that achieve proposed LOS;
- If necessary, establishing an infrastructure gap financing strategy to fund the expenditures that are required to meet Covent Garden Market Board of Directors (Board) approved LOS and associated lifecycle activities.

Based on this analysis, key findings of the 2024 CGM AMP are:

- There are $55 million dollars of infrastructure assets under CGM management;
- Overall, CGM assets are in Good condition;
- The capital budget funds the majority of CGM assets with minimal amount valued at $34 thousand funded by Operating budget.
- Capital budget cumulative 10-year maintain current LOS infrastructure gaps of approximately $3 million exist;
- No proposed Level of Service (LOS) has been identified, and as a result, no infrastructure gap related to achieving a proposed LOS has been determined.
- No infrastructure gaps have been assessed for operating budget funded assets; and
- The average planned capital budget for 2023-2032 (based on the 2023 annual budget update) represents a reinvestment rate of 0.90%, which is less than the recommended average maintain current LOS reinvestment rate of 1.81.
A summary of these results is presented in the following tables and figures:

- Table 1.1 summarizes the infrastructure gaps and presents them as a percentage of CGM’s infrastructure assets replacement value;
- Figure 1.1 summarizes the overall condition distribution of the assets;
- Table 1.2 presents the reinvestment rates for planned budget, maintain current LOS, and achieve proposed LOS as applicable; and

• Figure 1.2 shows the optimal maintain current LOS and achieve proposed LOS expenditures, as applicable, compared to planned budget and additional reserve fund availability, and the resulting infrastructure gaps.

### Table 1.1 2024 AMP Summary Information

<table>
<thead>
<tr>
<th>Summary Information</th>
<th>Maintain Current LOS</th>
<th>Achieve Proposed LOS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Replacement Value ($ Millions)</td>
<td>$55</td>
<td>$55</td>
</tr>
<tr>
<td>10-Year Infrastructure Gap ($ Millions)</td>
<td>3</td>
<td>None identified</td>
</tr>
<tr>
<td>Infrastructure Gap as a Percentage of Replacement Value</td>
<td>5.5%</td>
<td>None identified</td>
</tr>
</tbody>
</table>

### Figure 1.1 Overall Condition

<table>
<thead>
<tr>
<th>Condition</th>
<th>Percentage</th>
</tr>
</thead>
<tbody>
<tr>
<td>Very Good</td>
<td>98%</td>
</tr>
<tr>
<td>Good</td>
<td>2%</td>
</tr>
<tr>
<td>Fair</td>
<td>0%</td>
</tr>
<tr>
<td>Poor</td>
<td>25%</td>
</tr>
<tr>
<td>Very Poor</td>
<td>50%</td>
</tr>
<tr>
<td>Not Assessed</td>
<td>75%</td>
</tr>
</tbody>
</table>

### Table 1.2 Approved Budget, Maintain Current LOS, and Achieve Proposed LOS Annual Reinvestment Rates

<table>
<thead>
<tr>
<th>Current Annual Reinvestment Rate (Planned Budget)</th>
<th>Maintain Current LOS Recommended Annual Reinvestment Rate</th>
<th>Achieve Proposed LOS Recommended Annual Reinvestment Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>0.90%</td>
<td>1.81%</td>
<td>Non identified</td>
</tr>
</tbody>
</table>
1.2: Summary of Asset Management Plan Structure

The AMP is designed to provide the reader with a strong functional knowledge of the basis of this report along with the process and data behind the development and results. This is achieved through the following report structure:

- **Introduction** section provides an overview of the provincial and municipal policies that govern asset management reporting requirements and the City’s Corporate Asset Management (CAM) Program as well as a summary of the various components of the AMP that culminate together to provide meaningful information that supports asset and budget decisions.

- **Detailed Asset Management Plan** section summarizes CGM existing asset inventory, its replacement value, condition, age distribution, and how CGM stores its asset data. This section then explores the LOS delivered by the assets, the associated lifecycle management strategies, and activities, and concludes with an analysis of the identified infrastructure gaps and supporting financing strategies.

- **Conclusion and Recommendations** section outlines the findings and observations made throughout the AMP
development and reporting process and establishes the recommendations that will be used to guide future asset management activities, subject to CGM Board approval.

- **Appendix A. O.Reg.588/17 Asset Management Plan Requirements** section encompasses a detailed mapping of the legislated requirements to the various sections and/or sub-sections of this AMP.

### 1.3: Executive Summary Conclusion and Recommendations

**Conclusion**

Based on input from CGM staff and asset data collected, the CGM AMP represents a tactical outcome of the City's CAM Program. It outlines the current strategy for CGM to manage its infrastructure valued at $55 million and details the required investments in the asset portfolio to maintain the current LOS and achieve the proposed LOS objectives.

The 2023 maintain current LOS infrastructure gaps of $882 thousand compared to the $55 million capital funded asset base is considered well managed gaps. However, the cumulative 10-year maintain current LOS of $3 million is concerning. This growth in the infrastructure gaps has the potential to escalate beyond CGM's ability to manage services effectively. There is no intent to allow this to occur. As such further action is needed to address both the understanding and forecasted growth of the gaps.

Choices are available as to how CGM manages the infrastructure gap:

- CGM can continue to deliver services at their current or proposed levels by committing to make required investments thereby mitigating or even eliminating the infrastructure gaps. This funding can come from either tax supported or non-tax supported sources of financing.

However, funding sources are limited, thus, CGM must continue to manage its services in an affordable manner with due regard to market prices and staff impacts.

- Paying for the gaps is not the only opportunity. In rare cases, CGM can reduce LOS to match its ability to pay. However, there may be unwillingness to give up the range of services currently offered, along with a strong desire to enhance these services, particularly in light of public interest and the educational value they provide. Balancing these aspirations with financial and operational constraints is a significant challenge, requiring careful management and strategic decision-making.

- A third opportunity for CGM is to find more efficient and effective methods of delivering the services, including altering the asset mix that facilitates service provision to the community. Whenever feasible, CGM strongly endorses this approach and consistently invests in enhancements. A key component of this strategy is the ongoing effort to refine asset management practices.

Overall, CGM has a long-standing practice of pursuing all possible means to achieve service delivery goals and has been reasonably successful delivering quality services. In effect CGM adopts a blend of the three approaches outlined and is continuously seeking to improve these strategies.
Recommendations
The City’s CAM Program is founded on the principle of continuous improvement with the object of increasing line-of-sight quality of data/information and the tools and techniques that are used to inform services and asset management decision-making. This increased quality will lead to greater confidence in the analysis documented and decisions formed through the AMP and supporting processes.

Based on these objectives the Recommendations section of this AMP outlines administrative projects that will enhance the management of and reporting against CGM’s $55 million worth of infrastructure assets. These recommendations are structured to address short- and long-term asset management objectives and are categorized according to distinct asset management knowledge areas.

Each of these recommendations will be completed with leading support from the City’s CAM staff per the approved asset management service level agreement. They will be pursued utilizing existing staff, other resources, and budgets to the fullest extent feasible.
Section 2. Introduction
2.1: Supporting Covent Garden Market Goals through the Corporate Asset Management Program

Covent Garden Market (CGM) stands as a historic center for culture and business in London, Canada. Established in 1845, the market originated from a land donation by business owners in the City of London, located near the intersections of Richmond, King, and Dundas Streets. Farmers would gather to sell their products on Tuesdays, Thursdays, and Saturdays. The Market remained the business and cultural heart of the city well after World War 1. In 1955, nine businessmen formed the Covent Garden Building Inc. to construct a new Market building, which was completed in 1958. By 1998, the need for another new building became evident, and with significant public anticipation, the new Market opened in October 1999.

Today, CGM provides a diverse array of services, featuring a wide selection of food items and unique products, complemented by a weekly farmers’ market and a variety of cultural festivals and events that highlight the London community’s spirit. Throughout the year, the Market organizes a multitude of events on its public square and mezzanine, encompassing music, festivals, and community gatherings.

These service delivery outcomes are based on CGM’s strategic community and organizational objectives established through the CGM Strategic Plan. This Plan outlines the mission, vision, and values that guide CGM in a manner that resonates with the core values of our community. The 2024-2027 CGM Strategic Plan summarizes these objectives as follows:

Our Mission
We are a vibrant and historic destination for Londoners and visitors to experience unique foods, local products, and cultural events. We support independent businesses, celebrate diversity, and bring the community together.

Our Vision
Become London’s historic hub of culture, entertainment, and commerce, where the community comes together to embrace and promote diversity, make memories, and foster local business.

Our Values
- Enjoyment
- Innovation
- Welcoming
- Collaboration
- Communication
- Community Steward

The City’s Corporate Asset Management (CAM) Program is designed to enhance the management of the infrastructure assets (both City of London and Agencies, Boards, and Commissions assets) in a way that connects strategic objectives to day-to-day decisions related to when, why, and how investments are made into infrastructure systems that support service delivery. Like the strategic planning and budgeting processes, this is an iterative process that continuously improves through each cycle. For further information regarding the CAM Program refer to the City’s CAM Policy.

This Asset Management Plan (AMP) was developed through the City’s CAM Program based on an approved Service Level

---

1 CAM Policy https://london.ca/council-policies/corporate-asset-management-policy
Agreement between CGM and the City. By following this development process the AMP achieves the following:

- Sets out the plan for managing the infrastructure assets to ensure they can provide services at levels that meet the community and CGM Board of Directors (Board) approved objectives.
- Forecasts the expected impact that the 2023 annual budget update, inclusive of 2023-2032 capital plan (hereon referred to as “planned budget”), will have on the state of the infrastructure assets.
- Understanding of the changes in lifecycle strategies and associated risks if there are funding gaps between the planned budget and the expenditures required to maintain current LOS or achieve proposed LOS.
- Fulfill O. Reg. 588/17 mandated requirements and maintain eligibility for current and future other levels of government capital funding programs.

2.2: Provincial Asset Management Planning Requirements

This AMP builds upon existing CGM asset management activities and leverages others that have been developing since the establishment of the City’s CAM department and CAM Program. London’s legislated asset management journey began in 2008 when Canada’s Public Sector Accounting Board (PSAB) established new requirements for municipalities to practice tangible capital asset (TCA) accounting. This accounting process resulted in the development of the first comprehensive inventory of all assets owned by the City (both directly and non-directly owned assets). In 2012, the Province then published ‘Building Together: Guide for Municipal Asset Management Plans’ to encourage and support municipalities in Ontario to develop AMPs in a consistent manner.

Building Together outlines the information and analysis that municipal asset management plans are to include and was designed to provide consistency across the province for asset management. To encourage the development of AMPs, the Provincial and Federal governments began to frequently make AMPs a prerequisite to accessing capital funding programs. In 2015, Ontario passed the ‘Infrastructure for Jobs and Prosperity Act’, which affirmed the role that municipal infrastructure systems play in supporting the vitality of local economies. After a year-long industry review process, in January 2018, the Province created O. Reg. 588/17 under the Infrastructure for Jobs and Prosperity Act. O. Reg. 588/17 further expands on the Building Together guide, mandating specific requirements for municipal asset management policies and AMPs.

Among others, these requirements mandated:

- Municipalities to complete Council approved and publicly available AMPs for all assets presented on the consolidated financial statements, excluding Joint Water Boards. It is noted CGM financial are consolidated within the City’s financial statements. The following dates are provincially required:
  - By July 1, 2024, the O. Reg. 588/17 requires an AMP that documents the current LOS being provided, the costs to maintain them, and the financing strategy to fund the expenditures necessary to maintain current LOS for all infrastructure systems in the City.
  - By July 1, 2025, the O. Reg. 588/17 requires an AMP that documents the current LOS being provided and the costs to achieve them, and the financial strategies to fund the expenditures
necessary to maintain current LOS and achieve proposed LOS for all infrastructure systems in the City.

- That these AMPs be updated annually and comprehensively reviewed and updated every 5-years.

For a complete reconciliation and mapping of how this AMP complies with all O. Reg. 588/17 requirements (both July 1, 2024, and July 1, 2025, requirements) see Appendix A.

O.Reg.588/17 Asset Management Plan Requirements.

2.3: Developing the Asset Management Plan

This AMP is the culmination of efforts from staff across the CGM who are involved with managing infrastructure assets, including staff involved with finance, technical staff involved with planning and executing the construction, acquisition, and maintenance of infrastructure assets, and staff who operate and maintain infrastructure assets. Through this collaborative development process the AMP addresses the following questions:

- What do we own and why?
- What is it worth?
- What condition is it in?
- What are its current and proposed service levels?
- What activities do we employ to manage the assets?
- What does it all cost?

A more modern asset management question is also to ask, “Is this asset providing the community the service it expects and is willing to pay for?”

To answer these questions as best as possible, the CAM Program and this AMP are structured based on several interdependent development strategies that support answering or providing insight into the responses to these questions.

These development strategies and processes (steps) are categorized as:

- State of Local Infrastructure
- Levels of Service
- Asset Lifecycle Management Strategy
- Forecasted Infrastructure Gaps and Financing Strategies
- Discussion and Conclusion

To enhance readers understanding of the data and information presented, the following explanations are provided regarding each development strategies purpose, processes, and results.

2.3.1: State of Local Infrastructure

The State of Local Infrastructure is the initial building block of the AMP and is intended to provide the following information:

- Inventory of assets – What do we own?
- Valuation of assets (replacement value) – What is it worth?
- Age and Expected Useful Life (EUL) of assets – How old is it and when does it need to be replaced?
- Condition of assets – What Condition is it in?

This information is a fundamental building block of an AMP and helps inform future management of infrastructure assets based on individual and collective needs.

It is important to note replacement values seek to utilize best available information to identify all asset costs associated with replacing assets. As such this AMP reflects capital financing pressures that go beyond what can be accommodated in the CGM 2023-2032 planned budget.

A sample of the capital financing pressures captured in the AMP are:

- Inflation - the rising cost of goods and services can put additional strain on the budget for infrastructure projects to maintain current LOS.
• Climate – addressing the impact of climate change and implementing climate-related initiatives can require significant financial resources,
• Achieve Proposed LOS – meeting the desired LOS may require additional investments to improve the condition of existing infrastructure, and
• Aging Infrastructure – the need to upgrade or replace versus rehabilitating aging assets can contribute to capital financing pressures.

By acknowledging capital financing pressures and considering both current and future challenges, the AMP sets the foundation for strategic infrastructure planning and helps to prioritize and address infrastructure needs effectively.

2.3.2: Levels of Service

Asset related LOS are specific parameters that describe the extent and quality of asset related services; they are not an exhaustive presentation of all service levels provided to the community. These LOS link an asset’s performance to target performance goals associated with CGM’s strategic plans, budgets, and other relevant policies and reports. Additionally, in accordance with O. Reg. 588/17 requirements, these LOS are quantified and reported between the costs to maintain current LOS and achieve proposed LOS when applicable, which are defined as:

• Maintain Current LOS – is defined as the persistent efforts of an organization to manage its assets through comprehensive lifecycle activities and effectively allocating necessary financial resources with the aim of consistently delivering its services at the current established service levels.
• Achieve Proposed LOS – is defined as the strategic initiatives undertaken by an organization to modify its service levels represented in a new proposed standard of service provision. This could involve modifying the condition, scope, or accessibility of the services beyond their current levels, based on strategic goals (e.g., regulatory requirements, master plans, other CGM approved targets, etc.). The achievement of these proposed service levels may require changes in quantity of assets and/or frequency and scope of asset related lifecycle activities.

LOS metrics are organized in a hierarchical manner. At the forefront are the direct LOS metrics, which serve as the primary benchmarks. From these, we can provide clear lines-of-sight to determine the cost to maintain current LOS and achieve proposed LOS. Next in line are the related LOS metrics. These are closely tied to the direct LOS metrics due to their primarily formal relationship. However, pinpointing their associated costs can be more intricate.

Overall, CGM strives to provide services to the community that are accessible, cost efficient, demonstrate environmental stewardship, and reliable. As shown in Figure 2.1, to obtain a desired LOS, CGM faces a complex trade-off challenge, which includes three parameters: Cost, LOS, and Risk.
The asset lifecycle management strategies are the set of planned actions that will enable the assets to provide the approved LOS in a sustainable way, while managing risk, at the lowest lifecycle cost possible.

This part of the AMP describes the asset lifecycle activities applied to the assets. This includes the typical practices and actions, and risks associated with each asset activity. From here three scenarios that forecast the condition profile of the asset portfolio based on planned budget, the required budget to maintain current LOS, and the required budget to achieve proposed LOS are provided.

2.3.4: Forecasted Infrastructure Gaps and Financing Strategies
In this part of the AMP identified infrastructure gaps are summarized and illustrated in both table and figure format. The infrastructure gaps are a dollar amount based on the difference between:

- The amount of money that needs to be spent on assets to maintain current LOS and achieve proposed LOS for the community, and
- The amount of funding presently identified in the planned budget and capital reserve fund over a 10-year period (2023-2032).

In other words, what CGM plans to spend versus what the asset needs are. Ideally, the infrastructure gaps decline over time as greater investments are made to replace older infrastructure, to improve the condition of infrastructure, and to minimize the risks associated with failing assets.

Next are the infrastructure gap financing strategies, which set out the approach to ensuring that appropriate funds are available to facilitate the delivery of infrastructure dependent services. These strategies are meant to strengthen current budgeting processes by reinforcing a long-term perspective on the impact of providing various asset-related LOS and the required investments versus the affordability to the community, which is consistent with the outcomes and expected results of the 2024-2027 CGM Strategic Plan and 2023-2027 City of London Strategic Plan.

2.3.5: Discussion and Conclusion
The discussion part of the AMP looks at current and future opportunities and challenges associated with addressing infrastructure gaps. This discussion includes opportunities and challenges that are both in and outside of the control of CGM and CGM Board. Among others, this includes consideration of the following:

- Service delivery characteristics,
- Cost pressures, and
- Growth and service improvement planning.
The final element of the detailed AMP is the conclusion section. In this section the results are summarized and to facilitate interpretation of the AMP data accuracy and data reliability ratings with supporting commentary are provided. The goal is to transparently provide the reader with knowledge of the validity and limitations of the information provided and to highlight continuous data improvement plans.

2.4: Assumptions and Limitations
As previously stated, this AMP is designed to enhance the management of CGM infrastructure assets in a way that connects strategic objectives to day-to-day decisions related to when, why, and how investments are made into infrastructure systems. However, all AMPs are developed within the context of various assumptions and limitations.

The following points summarize the assumptions and limitations of this AMP:

- The scope of this AMP covers the assets directly owned by CGM as of December 31, 2022, and associated planned budgets approved in the 2023 annual budget update. Thus, timing differences exist between when this AMP was developed versus current 2024-2027 MYB approvals. Based on O. Reg. 588/17 requirements these differences are permissible and are minimized through the AMP annual update process as well as the CAM Program continues to explore opportunities to limit such timing differences.
- This AMP is compliant with the July 2024 and July 2025 requirements of O. Reg. 588/17 in that it encompasses both maintain current LOS and achieve proposed LOS as well as associated forecasted infrastructure gaps and supporting financing strategies.
- The AMP addresses condition information in three ways:
  - Condition may be technically assessed and reported on in a quantifiable technique. This method is the most accurate and most expensive (e.g., facility condition);
  - Condition may be assumed based on age and expected useful life; and
  - Finally, condition may be based on the expert opinion of staff using the asset.
- Unexpected events (e.g., severe storms attributed to climate change, etc.) will not disrupt infrastructure replacement and renewal projects over the period of analysis.
- The planned budget and expected reserve fund availability will occur as planned over the period of analysis.
- CGM is not listed within the current City 2021 Development Charges Background Study and as such growth budgets and implications are excluded from this analysis.
Section 3. Detailed Asset Management Plan
3.1: State of Local Infrastructure

3.1.1: Asset Inventory and Valuation

Covent Garden Market (CGM) owns and operates assets with a total replacement value of approximately $55 million. These assets include the market building, various types of equipment and fixtures. Each asset is managed and maintained to meet both legislated and non-legislated service requirements with the aim of providing the highest level of cultural engagement and educational value possible for the community.

Table 3.1 summarizes the assets by type, inventory/quantity, and replacement values. The asset replacement values have been identified using different CGM databases including financial systems, VFA Facilities Management software, and internal expert opinion. These replacement values aim to capture current market prices for the fully replacement of identified assets. For further information regarding costing refer to State of Local Infrastructure in the Introduction section.

To further contextualize the necessity of these assets the following summarizes CGM’s organizational and service delivery structures.

CGM sustains its operations with a variety of assets, including a market facility, furniture and fixtures, operational equipment, parking management, and computer equipment. CGM assets are key for bringing the London community together, offering fresh food, and making a fun place for people to shop and eat. They help everyone experience the local culture and are part of why the market is known for being friendly and supportive of local businesses. It’s a place that really shows the community spirit and local pride, with spaces for events that everyone can enjoy. The strategic deployment of these assets promotes accessibility and long-term sustainability, dovetailing with the CGM’s Strategic Plan.

Facility and Sitework

CGM is a true Farmers’ Market, as defined by Ontario’s Food Premises Regulation (O. Reg. 493/17), located at 130 King Street in London, Ontario. The market's building, constructed in 1999, has a significant presence with its 49,200 square foot ground-level area.

The second level mezzanine is open to the market in the centre, spreads over 20,000 square feet and offers 9,000 square feet of space available for leasing, specifically for arts, culture, and community initiatives. Adjacent to the west side of Talbot Street, the Market Square spans roughly 30,000 square feet, serving as a public area for various activities.

The main entrance is positioned on the building's west side and accommodates spaces for 47 permanent vendors, with 41 positioned on the ground floor and an additional 6 on the mezzanine. More than sixty farmers and artisans take part in the weekly Outdoor Farmers’ and Artisan Market, conducted seasonally on the Rotary Market Square.

Designated areas within the market are allocated for buskers to entertain, contributing to the lively atmosphere. CGM also hosts a diverse array of events, both indoor and outdoor, year-round, enhancing its role as a community hub.

The building’s current replacement value is estimated at approximately $54.5 million.

The building is classified as an Ontario Building Code Group E - Mercantile occupancy and is designed as a main ground floor and a mezzanine, equipped with a sprinkler system, and barrier-free. CGM staff are responsible for the management and maintenance of the market building and its internal systems. This ensures that the facility meets its functional requirements, serves as a community gathering place, and functions as an
accessible, commercial, social, and cultural resource for the public, while operating in a safe and efficient manner.

**Equipment and Fixtures**
Valued at $525 thousands, the 'Equipment and Furniture' assets category includes a variety of office essentials such as workstation tables and fireproof cabinets, which are essential for administrative efficiency. Alongside these, various seating, benches, and table configurations cater to the comfort of visitors. Operational machinery like tow lifts and balers, and logistical items like parking equipment, play a key role in material handling and managing the market's underground parking. Additional items such as office desks, chairs, and kitchen appliances support daily activities, while audio and lighting systems facilitate event hosting.

**Computers, Monitors, and Servers**
Valued at $18 thousands, the ‘Computer, Monitors, and Servers’ asset type at CGM constitutes computer towers, monitors, and servers that are integral to market operations and the delivery of its services.
These assets improve operational efficiency through inventory management, transaction processing, and logistics coordination. It also supports in customer engagement via digital marketing and social media, helps in vendor management, and supports data analysis for decision-making. The strategic management and maintenance of these assets are critical to the market success and its service to the public.

<table>
<thead>
<tr>
<th>Asset Type</th>
<th>Asset</th>
<th>Inventory</th>
<th>Unit</th>
<th>Replacement Value (Thousands)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Facility and Sitework</td>
<td>Building and Site development</td>
<td>1</td>
<td>Ea.</td>
<td>$54,551</td>
</tr>
<tr>
<td>Equipment and Fixtures</td>
<td>Tables, benches, chairs, parking equipment, appliances, etc.</td>
<td>824</td>
<td>Ea.</td>
<td>$525</td>
</tr>
<tr>
<td>Computers, Monitors, and Servers</td>
<td>Computers, monitors, servers, etc.</td>
<td>17</td>
<td>Ea.</td>
<td>$18</td>
</tr>
<tr>
<td><strong>Total</strong></td>
<td></td>
<td></td>
<td></td>
<td><strong>$55,094</strong></td>
</tr>
</tbody>
</table>
3.1.2: Age Summary
Figure 3.1 shows CGM average asset age as a proportion of the average Expected Useful Life (EUL). This comparison provides a visual representation of how close assets are to the ends of their lifecycle, which demonstrates CGM's ability to replace such assets on-time. Overall, the data affirms that CGM facility and all other assets are well within their expected useful lives.

Facility and Sitework
The age of the facility is calculated based on the original date of construction in 1999, as per the building condition assessment report. The facility is well within its average industry standard EUL of 40-years. This contributes to the stability of its operation and maintenance costs. It is important to note that 40-years was selected as the EUL based on the non-structural components of buildings which have the longest EUL. In practice the many components that comprise a building are slated for renewal based upon a combination of factors including age, condition, consequence of failure, likelihood of failure, etc., and the practical EUL is largely indefinite while the building continues to serve its intended/required purpose in its given geographic location.

The building is maintained in a good condition through regular upkeep. Its condition reflects a conservative approach to management, ensuring basic functionality without significant exceedance of operational standards. Future considerations may include assessments for necessary improvements or updates to align with evolving standards and maintain its utility and relevance in a practical manner.

Equipment and Fixtures
The average age of the Equipment and Fixtures assets is determined through the acquisition year recorded in CGM's databases for each asset or group of assets. The estimation of each asset's average EUL is based on internal expert assessments and historical data. This category includes various assets, each possessing its own acquisition date and EUL. The calculated average age is 9 years, in comparison to the average EUL of 18 years. It is typical for assets within this category to exhibit varying ages due to staggered acquisition timelines. Hence, the average age falling within the EUL indicates robust and effective asset management practices at CGM.

Computers, Monitors, and Servers
The average age of assets is determined through the acquisition year documented in CGM's databases for each asset or collective assets. The average EUL of each asset is inferred from internal expert evaluations and past performance records. This category encompasses assets such as computer towers, servers, and monitors, each marked by its own purchase date and anticipated service duration. The determined average age stands at 5 years, relative to an average expected service life of 8 years. Typically, computers are assigned an EUL of 5 years, whereas servers are attributed a 15-year EUL. It is common for the ages of assets in this category to differ due to the phased acquisition schedules. Hence, the average age falling within the EUL indicates robust and effective asset management practices at CGM.
### 3.1.3: Asset Condition

The condition of the assets was determined using one of the three methods below based on data availability and accuracy:

1. **Existing condition rating systems** (e.g., Facility Condition Index, etc.),
2. Estimated based on age and the remaining expected useful life of the assets, and
3. Estimated based on expert opinion, in the absence of 1 or 2 above, or where there was low confidence that age and EUL appropriately represented the asset condition.

Based on these methodologies, asset conditions are recorded on a ratings scale of 1 to 5. Table 3.2 provides the definitions of each condition scale used in the CAM Program and in this AMP.

#### Table 3.2 Condition and Scale Definitions

<table>
<thead>
<tr>
<th>Grade</th>
<th>Summary</th>
<th>Definition</th>
</tr>
</thead>
<tbody>
<tr>
<td>1</td>
<td>Very Good Fit for the future</td>
<td>The infrastructure in the system or network is generally in very good condition, typically new or recently rehabilitated. A few elements show general signs of deterioration that require attention.</td>
</tr>
<tr>
<td>2</td>
<td>Good Adequate for now</td>
<td>The infrastructure in the system or network is in good condition; some elements show general signs of deterioration that require attention. A few elements exhibit significant deficiencies.</td>
</tr>
<tr>
<td>3</td>
<td>Fair Requires attention</td>
<td>The infrastructure in the system or network is in fair condition; it shows general signs of deterioration and requires attention. Some elements exhibit significant deficiencies.</td>
</tr>
<tr>
<td>4</td>
<td>Poor At risk</td>
<td>The infrastructure in the system or network is in poor condition and mostly below standard, with many elements approaching the end of their service life. A large portion of the system exhibits significant deterioration.</td>
</tr>
<tr>
<td>5</td>
<td>Very Poor Unfit for sustained service</td>
<td>The infrastructure in the system or network is in unacceptable condition with widespread signs of advanced deterioration. Many components in the system exhibit signs of imminent failure, which is affecting service.</td>
</tr>
<tr>
<td>-</td>
<td>Not Assessed</td>
<td>This category is reserved for assets where data is either missing, not updated, or cannot be considered reliable. Flagging this data helps identify where gaps in information exist and may allow for the development of assessment plans to improve future data.</td>
</tr>
</tbody>
</table>
Figure 3.2 presents the condition distribution of all CGM assets. It shows that approximately 98% of the assets are in Good condition dominated by the condition of the facility itself which is in a state of good condition.

Figure 3.3 provides a breakdown of CGM condition for the Facility, Equipment and Fixtures, and Computer, Monitors, and Servers.

**Facility**
The CGM facility condition is regularly evaluated through comprehensive condition assessments, which establish and update an industry-standard Facility Condition Index (FCI) that reflects the overall condition of the facility and its sub-components (building envelope, mechanical and electrical systems, etc.). The assessment is used as a primary source in identifying the repair, rehabilitation, and/or replacement strategies for the building internal systems and components. Note, the facility condition rating presents the physical condition of the building and are not a representation of the functionality required to satisfy CGM service delivery (i.e. size, location, ability to accommodate certain types of functions or equipment, etc.).

The current condition assessment identifies that the facility is overall in Good condition. However, based on the recent building condition assessment for CGM and the parking garage, there were several deficiencies that were noted which require attention in the short term.

In the context of a community-centric retail and cultural service hub, such a material amount of facility assets in Good condition is indicative of satisfactory performance, noting lifecycle reinvestments in short, medium term to longer term are still required to maintain the facility’s ability to support operations.

Such concerns could range from aging infrastructure and internal building systems nearing the end of their useful life, which may lead to potential interruptions in building functionality, to more superficial wear and tear that impacts both the facility's functionality and aesthetic appeal.

**Equipment and Fixtures**
Looking into the condition distribution of the Equipment and Fixtures asset type, 85% of the assets are in fair or better condition. The conditions of these assets are based on either asset age or internal expert opinion of CGM staff.

In the lifecycle management of an asset inventory, the presence of some assets categorized as ‘Poor’ condition is a typical phase, indicating these assets are scheduled for replacement. The 12% of assets in the Poor or Very Poor condition, specifically the picnic tables and benches, as well as some chairs, small interior tables, and radios devices, indicate a necessity for investment in the short-term. This investment is critical to replace these deteriorating assets promptly, which is integral to preserving the asset portfolio within an acceptable state of repair.

**Computers, Monitors, and Servers**
Looking into the condition distribution of this asset type, 99% of the assets are in fair or better condition. The conditions of these assets are based on either asset age or internal expert opinion of CGM staff. Computers unit are all in good condition; however, the server are approaching its expected useful life, indicating a necessity for investment for renewal in the short-term. This investment is critical to replace these deteriorating assets promptly, which is critical for maintaining the integrity, efficiency, and security of an organization’s IT infrastructure.
Figure 3.2 Overall Condition

Figure 3.3 Asset Condition Detail
3.2: Levels of Service
Asset management Levels of Service (LOS) link strategic plans and budget service delivery objectives to corresponding asset performance metrics. As such this AMP strives for LOS performance measures linked to:

- 2023-2027 CGM Strategic Plan,
- 2023-2027 City of London Strategic Plan, and
- 2023 Annual Budget Update.
- Various Industry best practices

These LOS foundations guide the establishment of customer service deliver values (herein referred to as “customer values”), which in turn guide the development of overarching AMP LOS objectives. Informed by these objectives, CGM and CAM staff collaborate to formulate effective metrics that can be linked to asset performance. Table 3.3 lists the LOS customer value definitions created through this development process.

The selection and development of meaningful LOS linked to decision making and cost, requires a long-term continuous improvement methodology. Thus, the LOS used in the 2024 CGM AMP are focused on traditional asset management metrics like reinvestment rate and condition. Continuous effort will be made towards expanding costed LOS as part of future CGM AMP development processes and practices.

Table 3.3 Customer Values Definition

<table>
<thead>
<tr>
<th>Customer Value</th>
<th>Corporate Definition and Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accessible</td>
<td>Service is accessible by the community, not exclusive, it is inclusive to those who wish to/may use the service to the greatest extent possible, regardless of age, ability, etc. Includes metrics related to asset accessibility and legislated requirements. For example, Accessibility for Ontarians with Disabilities Act (AODA).</td>
</tr>
<tr>
<td>Cost Efficiency</td>
<td>Presents service area budgets, and where possible measures financial performance in terms of providing the maximum service outcomes (more output for less cost) out of the available operating and capital budgets. Examples include annual cost to provide the service, asset lifecycle budget as a percentage of current replacement value.</td>
</tr>
<tr>
<td>Environmental Stewardship</td>
<td>Service is provided in means that considers, controls, or reduces impacts to the environment. Includes metrics related to the assessment of service provision based on environmental stewardship and sustainability practices. Examples include annual monitoring of utility usage in relation to the square footage of the facility., or fuel consumption-based greenhouse gas emissions.</td>
</tr>
<tr>
<td>Reliability</td>
<td>Service is fit for its purpose. Includes metrics related to the reliability of services such as condition of assets.</td>
</tr>
</tbody>
</table>

2024 CGM AMP
**Direct and Related LOS**

Selected LOS metrics are organized in a hierarchical manner. At the forefront are the direct LOS metrics, which serve as the primary benchmarks. From these, we can readily determine the cost to maintain current LOS and, achieve proposed LOS. Next in line are the related LOS metrics, which are closely tied to the direct LOS metrics but in some cases cannot be readily costed.

After review with CGM staff, direct LOS considered most representative of asset-based services and able to be costed over a 10-year projected period (2023-2032) are documented as in Table 3.4, and the supporting related LOS are documented in Table 3.5. These LOS will be expanded upon as part of future AMPs development.

### 3.2.1: Direct Levels of Service

**Table 3.4 Direct Levels of Service**

<table>
<thead>
<tr>
<th>Customer Value</th>
<th>Focus</th>
<th>Service Performance Measure</th>
<th>2022 Performance</th>
<th>Proposed Target (2022 to 2031)</th>
</tr>
</thead>
<tbody>
<tr>
<td>Cost Efficiency</td>
<td>Technical</td>
<td>Overall reinvestment rate of Capital funded assets</td>
<td>0.90%</td>
<td>1.81%</td>
</tr>
<tr>
<td>Environmental Stewardship</td>
<td>Technical</td>
<td>Annual electric energy consumption kilowatt-hour per square foot</td>
<td>4.821 kWH/sf</td>
<td>Positive Downwards</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Annual natural gas consumption cubic meters per square foot</td>
<td>0.361 m3/sf</td>
<td>Positive Downwards</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Annual water consumption cubic meters per square foot</td>
<td>0.041 m3/sf</td>
<td>Positive Downwards</td>
</tr>
<tr>
<td>Reliability</td>
<td>Customer</td>
<td>Overall assets in fair or better condition</td>
<td>100%</td>
<td>100%</td>
</tr>
</tbody>
</table>

### 3.2.2: Related Levels of Service

**Table 3.5 Related Levels of Service**

<table>
<thead>
<tr>
<th>Customer Value</th>
<th>Focus</th>
<th>Service Performance Measure</th>
<th>2022 Performance</th>
</tr>
</thead>
<tbody>
<tr>
<td>Accessible</td>
<td>Technical</td>
<td>Percentage of entrances that are FADS or AODA compliant</td>
<td>100%</td>
</tr>
<tr>
<td></td>
<td></td>
<td>Percentage of washrooms that are FADS or AODA compliant</td>
<td>100%</td>
</tr>
<tr>
<td>Reliability</td>
<td>Technical</td>
<td>Number of incidents in facilities per 10,000 square feet</td>
<td>8.90</td>
</tr>
<tr>
<td>Reliability</td>
<td>Technical</td>
<td>Percentage of planned maintenance activities as a proportion of total maintenance activities</td>
<td>28%</td>
</tr>
</tbody>
</table>
3.3: Asset Lifecycle Management
3.3.1: Asset Lifecycle Management Activities

The asset lifecycle management activities are the range of actions funded through the operating and capital budgets that are practiced on the assets. Asset lifecycle activities are generally grouped into the categories shown in Table 3.6.

Table 3.6 Definitions for Lifecycle Activities

<table>
<thead>
<tr>
<th>Activities</th>
<th>Description</th>
</tr>
</thead>
<tbody>
<tr>
<td>Non-Infrastructure Solutions</td>
<td>Actions or policies that can lower costs or extend useful lives.</td>
</tr>
<tr>
<td>Maintenance</td>
<td>Including regularly scheduled inspection and maintenance or more significant repairs and activities associated with unexpected events.</td>
</tr>
<tr>
<td>Renewal/Rehab</td>
<td>Significant repairs designed to extend the life of the asset.</td>
</tr>
<tr>
<td>Replacement/Construction</td>
<td>Activities that are expected to occur once an asset has reached the end of its useful life and renewal/rehab is no longer an option.</td>
</tr>
<tr>
<td>Disposal</td>
<td>Activities associated with disposing of an asset once it has reached the end of its useful life or is otherwise no longer needed by the municipality.</td>
</tr>
<tr>
<td>Service Improvement</td>
<td>Planned activities to improve an asset’s capacity, quality, and system reliability.</td>
</tr>
<tr>
<td>Growth</td>
<td>Planned activities required to extend services to previously unserved areas – or expand services to meet growth demands.</td>
</tr>
</tbody>
</table>
3.3.2: Asset Lifecycle Management Strategy
CGM employs a combination of lifecycle management activities to maintain current LOS while striving to optimize costs based on defined risks. This strategy includes activities for maintenance, rehabilitation, replacement, disposal, and regular investments in and business process improvements, while continuing to prepare for introducing service improvements.

When feasible, CGM also strives to further optimize these lifecycle activities by coordinating and synchronizing work across multiple assets or asset categories, which can result in cost and service efficiencies. Additionally, with significant asset investments, CGM seeks to optimize asset use and redundant capacity, often achieved through risk benefit cost analyses and cost effectiveness analyses.

This strategy is not static. Selected lifecycle activities are reviewed and modified based on continual industry benchmarking, staff training, professional networking, online reviews, consultant recommendations, and trial and error through scenarios and pilot programs. CGM is also committed to climate change adaptation and mitigation planning, which may trigger asset investment needs.

The current CGM lifecycle management activities (practices and planned actions) are presented as follows:

- Table 3.7 lists specific asset management practices or planned actions by lifecycle activity for the Facility, Equipment and Fixtures, and Computers, Monitors, and Servers.
- Table 3.8 lists specific risks associated with asset management practices or planned actions by lifecycle activity.
<table>
<thead>
<tr>
<th>Activity</th>
<th>Specific Asset Management Practices or Planned Actions</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Non-Infrastructure Solutions</strong></td>
<td>CGM Facility and Sitework</td>
</tr>
<tr>
<td></td>
<td>• The Facility is maintained and renewed through a specialized Facilities Team and their use of data provided by the Property Condition Assessment and Facility Condition Index Analysis provided by external consultants as well as other facilities management applications, which combined with comprehensive condition assessments and Facilities Team experience, determines the lifecycle management needs of the facility.</td>
</tr>
<tr>
<td></td>
<td>• Needs include the direct care of the building envelope, mechanical and electrical systems, etc.</td>
</tr>
<tr>
<td></td>
<td><strong>All Asset Types</strong></td>
</tr>
<tr>
<td></td>
<td>• Various controls and approval processes to safeguard assets.</td>
</tr>
<tr>
<td></td>
<td>• Financial planning strategies to control costs.</td>
</tr>
<tr>
<td></td>
<td>• Ongoing use and development of computerized maintenance management system.</td>
</tr>
<tr>
<td></td>
<td>• Updating and applying design standards.</td>
</tr>
<tr>
<td></td>
<td>• Operational continuous improvements.</td>
</tr>
<tr>
<td></td>
<td>• Improvements to employee capabilities, communications, training, etc.</td>
</tr>
<tr>
<td></td>
<td>• Changes to current and proposed LOS.</td>
</tr>
<tr>
<td></td>
<td>• Developing asset management program.</td>
</tr>
<tr>
<td></td>
<td>• Leadership networks with peers through conferences and committees to learn from other’s experiences.</td>
</tr>
<tr>
<td>Maintenance</td>
<td>CGM Facility and Sitework</td>
</tr>
<tr>
<td></td>
<td>• Planned inspections and regular general maintenance schedules ensure the facility is fit for service.</td>
</tr>
<tr>
<td></td>
<td>• A work order system and online interface exists for City of London and CGM Facility Management Team employees to generate and document capital works requests and completions.</td>
</tr>
<tr>
<td></td>
<td><strong>All Asset Types</strong></td>
</tr>
<tr>
<td></td>
<td>• Scheduled preventative maintenance programs for most assets.</td>
</tr>
<tr>
<td></td>
<td>• Scheduled inspection programs for key assets.</td>
</tr>
<tr>
<td></td>
<td>• Maintenance also triggered by public/community partners feedback (when applicable).</td>
</tr>
<tr>
<td>Renewal/Rehabilitation</td>
<td>CGM Facility and Sitework</td>
</tr>
<tr>
<td></td>
<td>• The Facility is regularly evaluated through comprehensive condition assessments, which establish and update an industry-standard Facility Condition Index (FCI) score that accurately reflects the overall condition of the facilities (splits into components of building envelope, mechanical and electrical systems, etc.). These condition assessments, the expertise of Facility Management Team, and computer software programs used, determine the cost and timing of renewal requirements.</td>
</tr>
<tr>
<td></td>
<td><strong>All Asset Types</strong></td>
</tr>
<tr>
<td></td>
<td>• Adopt advanced technologies for CGM’s diverse assets, such as specialized audio-visual systems, market furnishings, and digital devices, to maintain the current LOS.</td>
</tr>
<tr>
<td>Activity</td>
<td>Specific Asset Management Practices or Planned Actions</td>
</tr>
<tr>
<td>--------------------------</td>
<td>---------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------</td>
</tr>
</tbody>
</table>
| **Replacement/Construction** | **CGM Facility and Sitework**  
  - The Facility is regularly evaluated through comprehensive condition assessments, which establish and update an industry-standard Facility Condition Index (FCI) score that accurately reflects the overall condition of the facilities (splits into components of building envelope, mechanical and electrical systems, etc.). These condition assessments, the expertise of Facilities Team, and computer software programs used, determine the cost and timing of replacement requirements. **All Asset Types**  
  - Adopt advanced technologies for CGM’s diverse assets, such as specialized audio-visual systems, market furnishings, and digital devices, to maintain the current LOS.                                                                                                                                  |
| **Disposal**             | **CGM Facility and other types of assets**  
  - Appropriate and proper disposal occur when assets are replaced or renewed.  
  - Dispose of assets under the applicable regulation and environmental standards.                                                                                                                                                                                                                                                                                                                                                                                                       |
| **Service Improvement**  | **CGM Facility and other types of assets**  
  - Strategic plans, and consultation with community partners and users of the facility determines service improvement needs.  
  - Based on strategic service review results, implement service deliver changes that improve asset performance, cost, and risk.  
  - Adopt advanced display technologies in CGM to enhance or achieve the proposed LOS, leveraging contemporary solutions in markets and retail environments to enrich visitor experience and engagement.                                                                                                                                                                                                                                           |
<p>| <strong>Growth</strong>               | Continuously monitor the impacts of growth on service delivery and participate in Assessment Growth Policy process to secure appropriate levels of growth asset funding (when applicable).                                                                                                                                                                                                                                                                                                                                                       |</p>
<table>
<thead>
<tr>
<th>Activity</th>
<th>Specific Risks Associated with Asset Management Practices or Planned Actions</th>
</tr>
</thead>
</table>
| Non-Infrastructure     | • Lack of a realization of the benefit from the activity (e.g., the life is not extended or the cost of managing an asset increases rather than decreases).  
                          • Need for revised plans, reports, and recommendations.  
                          • Asset management plans or proposed network solutions not followed.  
                          • Poor quality asset information/planning assumptions incorrect.  
                          • Occurrence of climate change, adverse weather/unforeseen events, and emergencies, resulting in funds being diverted to assets that were not originally planned.  
                          • Growth projections not as planned or service provision changes.  
                          • Extending useful life past optimum can increase the risk of critical failure of major components.  
                          • Assets beyond expected useful life can have significantly higher maintenance costs and reduced salvage value.  
                          • Inability to mitigate malware/cyber-attacks resulting from deteriorated and non-supported asset.  
                          • Financial risks – economic fluctuations, inflation, expenditure type changes (e.g. change in IT industry – shift to operating licenses financed through operating budgets versus historical capital expenditure nature), etc. |
| Maintenance            | • Completing planned maintenance activities while managing the need to execute reactive maintenance activities.  
                          • Incorrectly planned maintenance activities can lead to premature asset failure.  
                          • Enough resources available to complete a series of unplanned, urgent work requests that are submitted in close succession.  
                          • Overscheduling preventative maintenance can lead to excessive maintenance and additional costs with no actual benefits.                                                                 |
| Renewal/Rehabilitation | • Incorrect assumptions regarding improved expected useful life after rehabilitation.                                                                                                                                                                             |
| Replacement/Construction| • Cost over-runs during large, complex design and construction projects.  
                          • Lack of knowledge regarding best practices and market offerings (e.g., new offerings and standards).  
                          • Minimizing service and repairs at end of life increases the chance of failures.                                                                                                                 |
| Disposal               | • Disposal incorrectly performed or cost overruns resulting from increase disposal requirements compared to initial estimates.  
                          • Timing for replacements has an operational impact. Delaying or holding inventory requires storage and can adversely affect the function and value of the retiring asset. |
| Service Improvement    | • Service improvement is either not required or incorrectly assessed.                                                                                                                                                                                                  |
| Growth                 | • Incorrect growth assessments may result in overabundance or underabundance of assets.  
                          • Risk of insufficient or excess funding to construct/acquire or maintain new assets.  
                          • Potential insufficient knowledge of and supporting policies for new asset types.                                                                                                                  |
3.3.3: Lifecycle Management Scenario Forecasts – Planned Budget, Maintain Current LOS, and Achieve Proposed LOS

**General Approach**

The type and frequency of lifecycle management strategies and activities impact both an asset’s condition and its ability to enable service delivery. Because of this relationship, the AMP typically presents three different lifecycle management scenarios and their associated funding requirements. To align with the categories of Asset Lifecycle Management Activities outline above, each scenario is broken down by the operating, renewal (inclusive of replacement, rehabilitation, and disposal), service improvement, and growth funding requirements.

In summary these scenarios are defined as:

1. **Planned Funding** – This scenario presents the budget constrained to the level of expenditure approved in the 2023 annual budget update.
2. **Maintain Current LOS** – forecasts the level of investment required to maintain current LOS performance.
3. **Achieve Proposed LOS** – forecasts the level of investment required to achieve proposed LOS. The approach considers the desired level of service documented in CGM strategic plan and other documents.

Each scenario is further explained in the following sections. After each scenario is presented, the Forecasted Infrastructure Gap and Financing Strategy section provides an overview of the results along with the short- and long-term financing strategies that will be used to manage the gap and work towards long term service, financial, and infrastructure sustainability.

Aligned with the City’s Climate Emergency Action Plan (CEAP), the like-for-like lifecycle rehabilitation and renewal activities tied to each scenario will be substituted with green-for-like whenever feasible. This means that instead of simply replacing existing infrastructure with a similar one (like-for-like), there will be an increased focus on incorporating more energy efficient and greenhouse gas (GHG) emissions friendly infrastructure solutions (green-for-like). Such investments will incrementally support long term net zero targets.

**A. Scenario One: Planned Funding**

The CGM average annual activity and planned funding is summarized in Table 3.12. This scenario presents the budget constrained to the current level of planned expenditures. If there is insufficient budget in any particular year to complete a rehabilitation or replacement activity on an asset that has reached its expected useful life age trigger, then the asset remains in a Poor or Very Poor condition state until there is sufficient budget in a future year to complete the lifecycle activity.

For this analysis, average annual activity for operating and capital budgets are presented as the average expenditure budget from the 2021 and 2022 fiscal years. Planned funding operating budget is equal to the 2023 fiscal year budget. Planned funding capital budgets (e.g., renewal, service improvement, and growth) are the annual average of the approved 10-year capital plan for 2023-2032. Growth activities are analyzed using the 2021 Development Charges Background Study Update. Thus, no growth projects are identified.
Table 3.9 Scenario One – Average Annual Planned Budget ($Thousands)

<table>
<thead>
<tr>
<th>Activity Type</th>
<th>Average Annual Activity for 2021 and 2022</th>
<th>Planned Funding</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating</td>
<td>3,467</td>
<td>3,712</td>
</tr>
<tr>
<td>Renewal, Replacement, Rehabilitation, Disposal</td>
<td>0²</td>
<td>493</td>
</tr>
<tr>
<td>Service Improvement</td>
<td>None identified</td>
<td>None Identified</td>
</tr>
<tr>
<td>Growth</td>
<td>None identified</td>
<td>None Identified</td>
</tr>
</tbody>
</table>

B. Scenario Two: Maintain Current LOS

The cost to maintain current LOS are summarized in Table 3.10. This approach forecasts the lifecycle activities that are required to maintain the current performance of the LOS metrics. The analysis considers the current age and condition of assets along with the expected useful life age triggers for rehabilitation and replacement activities to forecast the funding requirements into the future. The analysis of the facility component incorporates the calculation of the reinvestment rate, which is derived from an evaluation of the facility's current condition using the FCI. This approach ensures that the determined reinvestment rate aligns with best practices for maintaining market-type facilities.

Furthermore, the calculation of required investments is specifically aimed at maintaining the existing condition of the market facility, ensuring its continued state of good repair. These calculated expenditure requirements are then compared to planned funding identified in scenario one in addition to available reserve fund to determine if infrastructure gaps exist.

Based on this analysis, Table 3.10 identifies a cumulative 10-year infrastructure gap of $3 million if CGM is to maintain current LOS.

Table 3.10 Scenario Two - Average Annual Cost to Maintain Current LOS ($Thousands)

<table>
<thead>
<tr>
<th>Activity Type</th>
<th>Planned Funding</th>
<th>Additional Reserve Fund Drawdown</th>
<th>Cost to Maintain Current LOS</th>
<th>Maintain Current LOS Infrastructure Gap</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating Budget</td>
<td>3,712</td>
<td>None identified</td>
<td>3,712</td>
<td>None identified</td>
</tr>
<tr>
<td>Renewal, Replacement, Rehabilitation, Disposal</td>
<td>493</td>
<td>200</td>
<td>994</td>
<td>301</td>
</tr>
<tr>
<td>Service Improvement</td>
<td>None identified</td>
<td>None identified</td>
<td>None identified</td>
<td>None identified</td>
</tr>
<tr>
<td>Growth Activities</td>
<td>None identified</td>
<td>None identified</td>
<td>None identified</td>
<td>None identified</td>
</tr>
</tbody>
</table>

Due to interruptions in business operations caused by the pandemic, capital budget allocations have been deferred to subsequent years.
C. Scenario Three: Achieve Proposed LOS

There have been no identified needs to achieve proposed CGM levels of service, Table 3.11 reiterates this.

Table 3.11 Scenario Three - Average Annual Cost to Achieve Proposed LOS ($Thousands)

<table>
<thead>
<tr>
<th>Activity Type</th>
<th>Planned Funding</th>
<th>Additional Reserve Fund Drawdown</th>
<th>Cost to Maintain Current LOS</th>
<th>Incremental Cost to Achieve Proposed LOS</th>
<th>Achieve Proposed LOS Infrastructure Gap</th>
</tr>
</thead>
<tbody>
<tr>
<td>Operating Budget</td>
<td>3,712</td>
<td>None identified</td>
<td>3,712</td>
<td>None identified</td>
<td>None identified</td>
</tr>
<tr>
<td>Renewal, Replacement, Rehabilitation, Disposal</td>
<td>493</td>
<td>200</td>
<td>994</td>
<td>None identified</td>
<td>None identified</td>
</tr>
<tr>
<td>Service Improvement</td>
<td>None identified</td>
<td>None identified</td>
<td>None identified</td>
<td>None identified</td>
<td>None identified</td>
</tr>
<tr>
<td>Growth Activities</td>
<td>None identified</td>
<td>None identified</td>
<td>None identified</td>
<td>None identified</td>
<td>None identified</td>
</tr>
</tbody>
</table>

3 Incremental investment to achieve proposed LOS considers requirements to enhance the current condition and 2024-2027 MYB business cases.
4 Infrastructure gap to achieve proposed LOS is inclusive of maintain current LOS infrastructure gap and incremental investment to achieve proposed LOS.

3.4: Forecasted Infrastructure Gaps and Financing Strategy

3.4.1: Forecasted Infrastructure Gaps

The infrastructure gap is a dollar amount based on the difference between:

- the amount of money that needs to be spent on CGM assets required to provide services, and
- the amount of funding presently identified in budgets and reserve funds over a 10-year period (2023-2032).

In other words, what CGM plans to spend versus what the assets need. Ideally, the infrastructure gap declines over time as greater investments are made to replace older infrastructure, to improve the condition of infrastructure and to minimize the risks associated with failing assets and insufficient asset compliments.

CGM identified infrastructure gap is summarized below in Table 3.12 and illustrated in Figure 3.4. Over the 10-year analysis period, the cumulative maintain current LOS infrastructure gap is expected to be $3 million.

The gap to maintain current LOS is 5.5% of CGM’s $55 million infrastructure replacement value of the capital funded assets.

CGM facility pressures are the primary contributor to the gap. These needs include lifecycle renewals of existing infrastructure systems.

Rehabilitation and replacement investments are based on the Property Condition Assessment report, review, and critiquing consultant assessments, and considering industry best practices to maintain the facility’s current condition.

Currently, there is no specifically identified Proposed LOS, as CGM has effectively managed their assets to maintain a state of good repair. This proactive approach has ensured that there is
no existing infrastructure gap to address in order to achieve a proposed LOS.

Table 3.12 Average Annual Budget and Gap Analysis ($Thousands)

<table>
<thead>
<tr>
<th>Asset Type</th>
<th>Planned Funding</th>
<th>Reserve Fund Availability</th>
<th>Investment to Maintain Current LOS</th>
<th>Incremental Investment to Achieve Proposed LOS</th>
<th>Infrastructure Gap to Maintain Current LOS</th>
<th>Infrastructure Gap to Achieve Proposed LOS</th>
</tr>
</thead>
<tbody>
<tr>
<td>Covent Garden Market</td>
<td>493</td>
<td>200</td>
<td>994</td>
<td>None identified</td>
<td>301</td>
<td>None identified</td>
</tr>
</tbody>
</table>

Figure 3.4 Maintain Current and Achieve Proposed LOS Cumulative Infrastructure Gap (Millions)
3.4.2: Infrastructure Gap Financing Strategy

At present, Canada lacks a defined standard or guidance for assessing the acceptability of municipal infrastructure gaps. Nevertheless, the fundamental objective of asset management is that CGM actions are collectively (both financial and non-financial) anticipated to tackle the growth in projected infrastructure gaps.

Typically, the infrastructure gap financing strategies supports this objective by setting out the approach to ensuring that appropriate funds are available to support the delivery of infrastructure dependent services. This is done by completing the AMP well in advance of the multi-year budgeting process so that its results help inform the requested operating and capital budgets. However, due to lagging impacts of the pandemic, the AMPs for all the City’s agencies, boards, and commissions were delayed post 2024-2027 MYB development. As such this infrastructure gap financing strategy does not present alternative financing options. In replacement of alternative financing strategies, in 2025, this AMP will be updated and reported to CGM Board of Directors and City Council based on the approved 2024-2027 MYB and 2025 annual budget update.
3.5: Discussion
3.5.1: Lifecycle Management Scenarios

The lifecycle management section included three scenarios – planned budget, maintain current LOS, and achieve proposed LOS.

Scenario One planned budget is identified to have constraints on CGM’s capacity to effectively maintain infrastructure. This leads to a deterioration in asset condition. This decline might not be immediate but, over time, it becomes more visible to the public, causes operating problems, increases the operating and maintenance costs, and leads to higher repair or replacement costs in the future.

Scenario Two maintain current LOS funding is greater than what is currently allocated, illustrating the financial strain of maintaining a healthy asset portfolio and CGM services. This scenario acknowledges the need for continual investment in assets to maintain their current state, eliminating the degradation in LOS that would result from the first scenario.

Scenario three demonstrates the absence of a proposed LOS since CGM has consistently maintained its assets in a state of good repair. Hence, there is no identified infrastructure gap to achieve a proposed LOS.

Scenarios one and two result in different LOS depending on the funding provided for asset lifecycle renewal and service improvement actions. Thus, the choices made will have an implication for asset condition and CGM operational effectiveness.

3.5.2: Current and Future Challenges

General

CGM faces dynamic opportunities and challenges that impact service delivery and infrastructure. For example, some of these conditions and trends include:

- Economic (e.g., budget pressures/inflation, post pandemic industry recovery)
- Organizational (e.g., recruitment and retention of staff, continued quest/community engagement and partnerships)
- Technology (e.g., operational continuity, interactive technology, security)
- Cultural and Social (e.g., Cultural representation, diversity, community engagement, ethics, education)
- Operational (e.g., Funding, staffing, visitor engagement, conservation, space management)
- Political/Legal (e.g., multi-tier governmental, regulatory compliance, intellectual property)
- Environmental (e.g., sustainability, climate change)

To help navigate these factors, the CGM 2023-2027 Strategic Plan outlines a detailed roadmap aiming to significantly elevate the Market's standing. It specifies actionable strategies for growth and success over five years, addressing challenges and capitalizing on opportunities to reach unprecedented levels. The Strategic plan provides an in-depth analysis of the Market and direct CGM efforts to be recognized as a top and unique destination within London.

The following commentary summarizes the main current and future challenges impact infrastructure needs and costs.

Pandemic Disruption and Inflation

Pandemic disruption greatly impacted CGM operations. CGM was closed March 18, 2020, to April 1, 2020, and operated in limited capacity for much of 2020 and 2021. As we emerged from the pandemic, inflationary pressures beyond those
accounted for within the 2020-2023 MYB and associated 10-year capital plans started developing in 2021 and continued throughout 2022 and into 2023 due to COVID-19 induced supply chain disruptions and supply-demand imbalances. As of 2023, these higher input costs have been incorporated into the 2024 CGM AMP and are a material component of the infrastructure replacement values and a 10-year infrastructure gap reported. These capital financing pressures represent a significant risk to the condition and LOS associated with CGM infrastructure assets.

**Climate Change**

In 2019, London City Council declared a climate emergency at the urging of the community. As it relates to CGM’s impact on climate, there are current and future challenges that must be contended with. It is important to address these challenges thoroughly and promptly if we are to leave a positive legacy for future generations.

Future AMP analysis could include facilities energy efficiency and GHG reduction investments (i.e., green for like lifecycle renewal and green service improvement costs) and analyzing energy reduction measures identified in the 2023-2027 Strategic Plan.

**Aging Infrastructure**

CGM facility, constructed in 1999, stands as a relatively modern addition to the City of London’s vibrant urban landscape. Unlike the older infrastructure that characterizes other facilities owned and maintained by City of London, CGM benefits from its newer construction, which initially requires less intensive maintenance. However, as with any physical asset, CGM is not immune to the natural deterioration associated with aging. Without timely and proactive lifecycle renewals and maintenance, CGM will face the expected deterioration that can compromise its operational functionality and the welcoming environment it aims to provide. This is illustrated in the 2024-2027 MYB business case #P-66 for facility repairs including the parking garage repairs as recommended by the property condition assessment. Not advancing the project may result in significant parking loss for CGM and Budweiser Gardens visitors and daily downtown commuters; potential closure if needed.

**Sustainable Operation**

CGM addresses financial sustainability and infrastructure maintenance as key priorities. By innovating monetization strategies and implementing continuous facility upgrades, CGM aims to enhance its operational efficiency and inclusivity for all stakeholders. These efforts are critical for maintaining the market’s historical landmark status and ensuring it remains a vibrant, self-sufficient hub within the community, embodying operational excellence amid evolving challenges.

**Cultural**

CGM’s Strategic Plan for 2023-2027 positions it as London’s definitive town square, a vibrant meeting place for diverse cultures and ideas. To actualize this vision, some enhancements to the market’s infrastructure and assets may be required. This includes upgrading buildings to accommodate a wider variety of events and commerce, aimed at fostering local entrepreneurship. Additionally, investing in equipment and adopting modular, adaptable designs for the physical spaces will support the diverse needs of vendors and the community. Implementing advanced technological tools is also essential for creating interactive experiences, driving innovation through retail, and building community through events. These strategic upgrades will ensure CGM remains a central hub for culture, entertainment, and commerce in downtown London, maintaining
its status as a historically rich, culturally inclusive destination amidst the city's evolving cultural landscape.

**Growth**

London is experiencing steady to above-average growth in both population and employment. This growth requires enhanced city-wide services and expands the capacity requirements for retail and cultural assets, prompting required investments in the development or improvement of its infrastructure. Although CGM is not listed in the 2021 Development Charges Background Study, the city's ongoing expansion presents an opportune moment for CGM to further cement its status as a key cultural destination. Accordingly, assessing CGM's future infrastructure and programming needs, in light of the city's growth, could illuminate and justify the consideration of additional funding sources.

3.6: Conclusion

Valued at over $55 million, CGM assets are overall in Good condition, indicating that historically there has been sufficient investment in sustaining these assets to maintain the current LOS. However, to maintain current LOS additional investments are required, with preliminary calculations at approximately $9.9 million, over 10-years (2023-2032). It is also noted that if supply chain issues and rising costs continue, the timely rehabilitation, replacement, and acquisition of CGM assets will be in jeopardy and could result in degradation of the services ultimately delivered. Table 3.13 presents the summary of the State of Local Infrastructure, Infrastructure Gap, and Reinvestment Rates for CGM assets.
### Table 3.13 Summary of the State of Local Infrastructure, Infrastructure Gap, and Reinvestment Rates (Millions)

<table>
<thead>
<tr>
<th>Asset Type</th>
<th>Replacement Value</th>
<th>Current Condition</th>
<th>Infrastructure Gap Maintain Current LOS</th>
<th>Infrastructure Gap Achieve Proposed LOS</th>
<th>Current Annual Reinvestment Rate</th>
<th>Recommended Annual Reinvestment Rate</th>
</tr>
</thead>
<tbody>
<tr>
<td>Covent Garden Market</td>
<td>$55</td>
<td>Good</td>
<td>$3</td>
<td>None Identified</td>
<td>0.90%</td>
<td>1.81%</td>
</tr>
</tbody>
</table>

**Reliability and Accuracy Commentary**

Figure 3.5 visually presents CGM and CAM staff assessment of this AMP’s data reliability and accuracy with supporting commentary following. In summary this assessment rates data reliability and data accuracy as moderate.

Based on the materiality of assets, key rating considerations and conclusions are:

- Facilities valuation and needs is based on Property Condition Assessment report and corroborated with Altus Group standard costing. However, full implementation of VFA Facilities Management software within operations is undergoing a phased approach, which was not complete at the point of AMP completion.

- Equipment and Fixture, and Computers, Monitors, and Servers inventories are an amalgamation of data sources. Majority of valuation, condition, and investment actuals and forecasts are primarily based on expert opinion. Further processes, systems, and controls are required to improve these data sets.

These ratings are consistent with many City of London service areas. To improve these ratings, a review of systems and processes that support CGM asset registries is recommended over the 2024-2027 MYB and beyond. Such investments will raise the reliability and accuracy of the data, noting the long-term goal is to have all asset registries within advanced asset management focused software applications.

---

5 Source: Reinvestment rates based on investment to maintain current LOS (net of select assets funded from operating budget).
Section 4. Conclusion and Recommendations
4.1: Conclusions

4.1.1: Key Findings

CGM infrastructure systems are an integral piece of cultural, entertainment and retail services and play a key role in achieving CGM 2023-2027 Strategic Plan objectives and goals.

This AMP is a strategic document that describes the state of CGM’s infrastructure and the approach to managing assets over their lifecycle to maintain current LOS at the lowest lifecycle cost possible. It was produced through extensive efforts of CGM and City CAM staff leveraging the City’s CAM Policy and Program as well as knowledge gained from the City's 2014, 2019, 2023 AMPs. Over time, each successive AMP will play a larger role in informing infrastructure and service decision-making.

The key findings of the AMP are:

- There is $55 million worth of infrastructure under the direct ownership and control of CGM. This infrastructure represents a diverse array of assets including the market facility, equipment, fixtures, and computer equipment.
- The overall condition of CGM assets is rated as Good, primarily due to the Good condition of the market facility. However, CGM equipment, fixtures, and computer equipment includes a combination of assets in different condition with the majority of them in Fair or better condition.
- Good condition indicates that the infrastructure initially requires less intensive maintenance. However, as with any physical asset, CGM is not immune to the natural deterioration associated with aging. Without timely and proactive lifecycle renewals and maintenance, CGM will face the expected deterioration that can compromise its operational functionality and the welcoming environment it aims to provide.

- Asset lifecycle renewal is financed through Capital budgets, with limited number of assets ($34 thousands) financed through operating budget.
- Based on the existing CGM planned funding, the 10-year maintain current LOS infrastructure gap is approximately $3 million and there is no identified infrastructure gap to achieve proposed LOS.
- Through the 2024-2027 MYB a portion of this gap has been approved for funding by the CGM Board, but this budget is currently being deliberated by City of London Council.
- Future AMPs will be brought forward to align with the development of MYBs and will present financing strategies to mitigate remaining infrastructure gaps annual growth while balancing the impact of tax and non-tax affordability on the community.

4.1.2: Ontario Regulations 588/17 Compliance

O. Reg 588/17 has a phased approach with two timelines of July 1, 2024, and July 1, 2025, that are applicable to the City’s agencies, boards, and commissions (ABCs). The July 1, 2024, timeline is where all City infrastructure assets, including those of ABCs, will have an AMP documenting maintain current LOS and financial strategies to fund these expenditures. The final deadline of July 1, 2025, builds on the July 1, 2024, timeline with the additional requirement to document achieve proposed LOS and financial strategies to fund these expenditures for all types of municipal infrastructure assets.

This AMP is compliant with the July 1, 2024, and July 1, 2025 O.Reg. 588/17 requirements. A detailed reconciliation of this AMP’s compliance with the O. Reg. 588/17 requirements is contained in Appendix A. O.Reg.588/17 Asset Management Plan Requirements.
4.2: Recommendations

The City’s CAM Program is founded on the principle of continuous improvement with the object of increasing line-of-sight quality of data/information and the tools and techniques that are used to inform services and asset management decision-making. This increased quality will lead to greater confidence in the analysis documented and decisions formed through the AMP.

Based on these objectives, Table 4.1 recommendations will ensure that this process and AMP continues to help CGM manage its $55 million asset portfolio to provide affordable and sustainable service delivery and keep compliant with the regulatory requirements. These recommendations are structured to address short- and long-term objectives and are categorized according to distinct asset management knowledge areas, considering the current state, future needs, and overall CGM strategic objectives and goals.

Short term objectives are those that are recommended for completion over the 2024-2027 MYB period. Long term objectives are those that are recommended for completion beyond the 2024-2027 MYB period. Each of these recommendations will be completed with leading support from the City’s CAM staff per the approved asset management service level agreement. They will be pursued utilizing existing staff, other resources, and budgets to the fullest extent feasible.

Table 4.1 2024 CGM AMP Recommendations

<table>
<thead>
<tr>
<th>Category</th>
<th>Improvement Initiative details</th>
<th>Key Benefits</th>
<th>Time Period</th>
</tr>
</thead>
<tbody>
<tr>
<td>Asset Inventory/ Knowledge</td>
<td>Enhance data attributes and data accuracy of existing asset registries (asset inventory databases).</td>
<td>• Provides a sound basis for decision making on the asset base and enables more efficient reporting.</td>
<td>Short Term</td>
</tr>
<tr>
<td></td>
<td>By asset type, develop a standardized methodology for determining asset conditions.</td>
<td>• Enables consistency of asset management practices across CGM assets and improves decision-making.</td>
<td>Long Term</td>
</tr>
<tr>
<td>Level of Service</td>
<td>Develop more asset related LOS metrics and their performance targets.</td>
<td>• Ensuring the consistent delivery of services at expected standards, and aligning operational performance with customer expectations.</td>
<td>Long Term</td>
</tr>
<tr>
<td>Lifecycle Management and Decision Making</td>
<td>Develop and implement investment strategies for CGM infrastructure based on asset registries and strategic plans.</td>
<td>• Enables a clear understanding of the investment priorities for each asset type and investment period.</td>
<td>Short Term</td>
</tr>
<tr>
<td></td>
<td>Incorporate and align the AMP into CGM strategic planning exercises to better reflect asset and service delivery capability.</td>
<td>• Strategic plans developed on a sound basis reflecting the actual capability of the asset</td>
<td>Long Term</td>
</tr>
<tr>
<td>Category</td>
<td>Improvement Initiative details</td>
<td>Key Benefits</td>
<td>Time Period</td>
</tr>
<tr>
<td>-------------------------------</td>
<td>-----------------------------------------------------------------------------------------------</td>
<td>------------------------------------------------------------------------------</td>
<td>-------------</td>
</tr>
<tr>
<td>Risk Management</td>
<td>Develop and implement a Maintenance Management Strategy incorporating enhanced maintenance practices.</td>
<td>• Lifecycle cost savings, and productivity and LOS improvements.</td>
<td>Long Term</td>
</tr>
<tr>
<td>Risk Management</td>
<td>Enhance CGM asset risk framework in line with the City’s CAM Risk Management Strategy.</td>
<td>• Better targeted asset interventions.</td>
<td>Long Term</td>
</tr>
<tr>
<td>Financial Management</td>
<td>Improve infrastructure funding through appropriate alignment of operating and capital budgets.</td>
<td>• Clarity in financial planning and reporting.</td>
<td>Short Term</td>
</tr>
<tr>
<td>Financial Management</td>
<td>Explore opportunities to address the infrastructure gap through various financing strategies.</td>
<td>• Achieve service and financial sustainability.</td>
<td>Long Term</td>
</tr>
<tr>
<td>Systems and Technology</td>
<td>Leveraging either City or CGM software solutions, implement centralized asset registry technology.</td>
<td>• Implementation will streamline asset management, enhancing operational efficiency, decision-making accuracy, and compliance.</td>
<td>Long Term</td>
</tr>
<tr>
<td>People and Staff</td>
<td>Enhance asset management governance within each CGM service area.</td>
<td>• Enhances oversight of asset interventions and reporting.</td>
<td>Long Term</td>
</tr>
<tr>
<td>People and Staff</td>
<td>Add asset management duties in relevant positions job description.</td>
<td>• Proactive identification of staff, skills, and qualifications; improved asset management.</td>
<td>Long Term</td>
</tr>
<tr>
<td>Monitoring and Reporting</td>
<td>Develop a comprehensive AMP every 4-years aligned with the City’s multi-year budget process.</td>
<td>• Informed budget decision-making.</td>
<td>Short Term</td>
</tr>
<tr>
<td>Monitoring and Reporting</td>
<td>Annual review the progress of this AMP. The annual progress review will address implementation of the recommendations and any factors impeding completion progress.</td>
<td>• Regulatory compliance.</td>
<td>Short Term</td>
</tr>
<tr>
<td>Monitoring and Reporting</td>
<td>With the support of City CAM staff, when possible incorporate infrastructure related data and public feedback opportunities in existing CGM public engagement practices.</td>
<td>• Enhanced adaptability to changing community needs.</td>
<td>Short Term</td>
</tr>
</tbody>
</table>

2024 CGM AMP
Appendix A. O.Reg.588/17 Asset Management Plan Requirements
## A1. O.Reg.588/17 Asset Management Plan Compliance Reconciliation

Table A1.1 O.Reg.588/17 July 1, 2024, Requirements

<table>
<thead>
<tr>
<th>O.Reg.588/17 Section</th>
<th>Requirement</th>
<th>Mapping to AMP</th>
</tr>
</thead>
<tbody>
<tr>
<td>0</td>
<td>Summary of assets in each category</td>
<td>Sections - #3.1.1</td>
</tr>
<tr>
<td>5.(2) 3.</td>
<td>Replacement cost of assets in each category</td>
<td>Sections - #3.1.1</td>
</tr>
<tr>
<td>5.(2) 3.</td>
<td>Average age of assets in each category</td>
<td>Sections - #3.1.2</td>
</tr>
<tr>
<td>5.(2) 3.</td>
<td>Condition of assets in each category</td>
<td>Sections - #3.1.3</td>
</tr>
<tr>
<td>5.(2) 3.</td>
<td>Description of municipality’s approach to assessing condition of assets in each category</td>
<td>Sections - #3.1.3</td>
</tr>
<tr>
<td>5.(2) 1.</td>
<td>Current levels of service</td>
<td>Sections - #3.2.2</td>
</tr>
<tr>
<td>5.(2) 2.</td>
<td>Current performance measures of assets in each category based on established metrics</td>
<td>Sections - #3.2.1 and #3.2.2</td>
</tr>
<tr>
<td>5.(2) 4.</td>
<td>Lifecycle activities needed to maintain current levels of service for 10 years</td>
<td>Sections - #3.3.2</td>
</tr>
<tr>
<td>5.(2) 4.</td>
<td>Costs of providing lifecycle activities needed to maintain current LOS, based on assessment of lifecycle, options, risks, lower cost</td>
<td>Sections - #3.3.3</td>
</tr>
<tr>
<td>5.(2) 4.</td>
<td>Link or description of assessment of current LOS lifecycle, options, risks, lower cost</td>
<td>Sections - #3.3.2</td>
</tr>
<tr>
<td>5.(2) 5.</td>
<td>For population &lt;25K, description of population or economic forecast assumptions, and how these connect to lifecycle cost projections for current LOS</td>
<td>Not Applicable</td>
</tr>
<tr>
<td>5.(2) 6.i.</td>
<td>For population 25K or more, population and employment forecasts</td>
<td>Not Applicable</td>
</tr>
<tr>
<td>5.(2) 6.ii.</td>
<td>For population 25K or more, lower tier in Greater Golden Horseshoe (GGH), Sched 7 or portion of upper tier growth plan forecast, or assumptions</td>
<td>Not Applicable</td>
</tr>
<tr>
<td>5.(2) 6.iii.</td>
<td>For population 25K or more, upper/single tier outside GGH, population and employment forecasts, or assumptions</td>
<td>See City of London 2023 CAM Plan⁶</td>
</tr>
<tr>
<td>5.(2) 6.iv.</td>
<td>For population 25K or more, lower tier outside GGH, portion of upper tier growth plan forecast</td>
<td>Not Applicable</td>
</tr>
<tr>
<td>5.(2) 6.vi.</td>
<td>For population 25K or more, capital, and significant operating costs for each of 10 years, to maintain LOS to accommodate increase in demand cause by growth</td>
<td>Sections - #3.3.3</td>
</tr>
<tr>
<td>7.(1)</td>
<td>Date of review and update of AMP - within 5 years</td>
<td>Include once finalized</td>
</tr>
<tr>
<td>8.</td>
<td>Endorsement of AMP by executive lead</td>
<td>Include once finalized</td>
</tr>
<tr>
<td>8.</td>
<td>Approval of AMP by municipal Council resolution</td>
<td>Include once finalized</td>
</tr>
<tr>
<td>9.(1)</td>
<td>Date of municipal Council review of AM progress - before July 1, every year</td>
<td>Include once finalized</td>
</tr>
<tr>
<td>9.(2)</td>
<td>Annual municipal Council review includes progress, factors impeding implementation, strategy to address factors</td>
<td>Include once finalized</td>
</tr>
<tr>
<td>10</td>
<td>Website availability of policy and AMP, copy provided if requested</td>
<td>Include once finalized</td>
</tr>
</tbody>
</table>

---

⁶ [https://london.ca/sites/default/files/2023-10/Corporate%20Asset%20Management%20Plan%202023.pdf](https://london.ca/sites/default/files/2023-10/Corporate%20Asset%20Management%20Plan%202023.pdf)
### Table A1.2 O.Reg.588/17 July 1, 2025, Requirements

<table>
<thead>
<tr>
<th>O.Reg.588/17 Section</th>
<th>Requirement</th>
<th>Mapping to AMP</th>
</tr>
</thead>
<tbody>
<tr>
<td>6.(1) 1.</td>
<td>Proposed levels of service for each of 10 years</td>
<td>Sections - #3.2.1</td>
</tr>
<tr>
<td>6.(1) 2.</td>
<td>Explanation of why proposed LOS are appropriate, based on options, delta, achievability, affordability</td>
<td>Sections - #3.3</td>
</tr>
<tr>
<td>6.(1) 2.</td>
<td>Link or description of assessment of proposed LOS options, delta, achievability, affordability</td>
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<td>6.(1) 3.</td>
<td>Proposed performance measures of assets based on metrics established by the municipality (e.g., measures for energy usage, operating efficiency, etc.)</td>
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<td>6.(1) 4.</td>
<td>Lifecycle management strategy: Identification of lifecycle activities needed to provide proposed levels of service for a 10-year period, based on assessment of full lifecycle, options, risks, lowest cost</td>
<td>Sections - #3.3.3</td>
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<td>Link or description of assessment of proposed LOS lifecycle, options, risks, lower cost</td>
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<td>6.(1) 4. ii.</td>
<td>An estimate of annual costs for undertaking identified lifecycle activities over a 10-year period.</td>
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<td>6.(1) 5.</td>
<td>For population &lt;25K, description of population or economic forecast assumptions, and how these connect to lifecycle cost projections for proposed LOS</td>
<td>Not Applicable</td>
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Glossary
Definitions

Achieve Proposed Levels of Service: is defined as the strategic initiatives undertaken by an organization to modify its service levels represented in a new proposed standard of service provision. This could involve modifying the condition, scope, or accessibility of the services beyond their current levels, based on strategic goals (e.g., Regulation Requirements, Master Plans or Strategic Plan Targets). The achievement of these proposed service levels may require changes in frequency and/or scope of asset lifecycle activities.

Asset: Non-financial assets having physical substance that are acquired, constructed, or developed and:

- are held for use in the production or supply of goods and services for rental to others, for administrative purposes or for the development, construction, maintenance, or repair of other tangible assets;
- have useful economic lives extending beyond an accounting period of one year;
- are to be used on a continuing basis; and
- are not for resale in the ordinary course of operations.

For the CGM, capital assets have the following characteristics:

- Beneficial ownership and control clearly rests with CGM, and
- The asset is utilized to achieve CGM plans, objectives, and services with the intention of being used on a continuous basis and is not intended for sale in the ordinary course of business.

Asset Management: is an integrated approach, involving all organization departments, to effectively manage existing and new assets to deliver services to customers. The intent is to maximize benefits, reduce risks and provide satisfactory levels of service to the community in a sustainable manner.

AMP: CGM Asset Management Plan which combines multi-disciplinary management techniques (technical and financial) over the life cycle of infrastructure assets to provide a specific level of service in the most cost effective manner and manage risks associated with municipal infrastructure assets. This typically includes plans to invest, design, construct, acquire, operate, maintain, renew, replace, and decommission assets.

CAM Program: A set of interrelated or interacting components of the City and its agencies, boards, and commissions that establishes asset management policies and objectives and the processes needed to achieve those objectives. An asset management program also includes the organization structure, roles, responsibilities, business processes, plans, and operations of asset management practices.

Capitalization Threshold: The threshold represents the minimum cost an individual asset must have before it is to be recorded as a capital asset on the statement of financial position.

City: The Corporation of the City of London.

Consequence of Failure: A measure of the direct and indirect impacts on the city in the event of an asset failure.

Core Municipal Infrastructure Asset: Defined by O.Reg 588/17, any municipal infrastructure asset that is a, Water asset that relates to the collection, production, treatment, storage, supply or distribution of drinking water; Wastewater asset that relates to the collection, transmission, treatment or disposal of
wastewater, including any wastewater asset that from time to time manages stormwater; Stormwater management asset that relates to the collection, transmission, treatment, retention, infiltration, control or disposal of stormwater; Road; or Bridge or culvert.

**Critical Asset:** An asset for which the financial, business, or service level consequences of failure are sufficiently severe to justify proactive inspection, rehabilitation, or replacement, and is considered a municipal infrastructure asset.

**Customer:** Any person or entity who from the municipal infrastructure asset or service, is affected by it or has an interest in it either now or in the future.

**Direct Levels of Service:** Levels of service that are most representative of a municipal service and can be costed over a 10-year projected period.

**Green Infrastructure Asset:** Defined by O.Reg. 588/17, means an infrastructure asset consisting of natural or human-made elements that provide ecological and hydrological functions and processes and includes natural heritage features and systems, parklands, stormwater management systems, street trees, urban forests, natural channels, permeable surfaces, and green roofs.

**Infrastructure Asset:** All or part of physical structures and associated facilities that form the foundation of development, and by or through which a public service is provided to the city, such as highways, bridges, bicycle paths, drinking water systems, social housing, hospitals, courthouses, and schools, as well as any other thing by or through which a public service is provided to the city.

**Maintain Current Levels of Service:** is defined as the persistent efforts of an organization to manage its assets through comprehensive lifecycle activities and effectively allocating necessary financial resources with the aim of consistently delivering its services at the current established service levels.

**Metrics:** Information than supplements levels of service (whether direct, related, or required under Ontario Regulation 588/17). Considered useful but a lagging indicator, meaning they do not readily provide strategic insight or can be easily costed to a municipal service.

**Municipal Infrastructure Asset:** An infrastructure asset (core and non-core municipal infrastructure assets), including a green infrastructure asset, directly owned by a municipality, or included on the consolidated financial statements of a municipality, but does not include an infrastructure asset that is managed by a joint municipal water board.

**Public:** Residential, commercial, industrial, and institutional partners, and any other party that rely on municipal infrastructure assets.

**Related Levels of Service:** Levels of service that have a causal relationship with direct levels of service but cannot be easily costed over 10-year projected period.

**Replacement Value:** The cost CGM would incur to completely replace a municipal infrastructure asset, at a selected point in time, at which a similar level of service would be provided. This definition can also be referred to as ‘Replacement Cost’.

**Tangible Capital Assets (TCA):** A legislative reporting requirement specified by Section PS 3150 in the Public Sector Accounting Board Handbook to identify asset inventories, additions, disposals, and amortization on an annual basis.
Acronyms

ABC: Agencies, Boards, and Commissions
AMP: Asset Management Plan
AODA: Accessibility for Ontarians with Disabilities Act
Board: Covent Garden Market Board of Directors
CAM: Corporate Asset Management
CAM Plan: Corporate Asset Management Plan
CEAP: Climate Emergency Action Plan
CGM: Covent Garden Market
DC: Development Charges
EUL: Expected Useful Life
FCI: Facilities Condition Index
GHG: Green House Gases
IT: Information Technology
kWH/sf: Kilowatt hours per square foot
LCR: Lifecycle Renewal
LOS: Levels of Service
MESL: Maintain Existing Service Levels
m3/sf: Cubic Meters per Square Foot
MYB: Multi-Year Budget
O. Reg.: Ontario Regulation
RF: Reserve Fund
RV: Replacement Value
TCA: Tangible Capital Asset
VFA: Facilities Management Software