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Municipal infrastructure at risk of 'rapid deterioration': CIRC

by LINDSEY COLE Jan 21, 2016

The results of the 2016 Canadian Infrastructure Report Card (CIRC) show nearly 35 per cent of municipal infrastructure assets are in need of attention, at risk of rapid deterioration.

With almost 60 per cent of the nation's core public infrastructure owned and maintained by municipal governments, and the total value estimated at $1.1 trillion, the report states it represents "a call to action," say stakeholders.

"This report card stresses, perhaps even more than the first one that was released in 2012, the high cost to putting off necessary reinvestment to rehabilitate critical infrastructure," explains Michael Atkinson, president of the Canadian Construction Association (CCA).

Informing the Future: The 2016 Canadian Infrastructure Report Card examined the state of municipal roads and bridges, public transit, buildings, sport and recreation facilities, stormwater, wastewater and potable water infrastructure. It's a continuation that builds off of a 2012 collaboration between four organizations, the CCA, the Canadian Public Works Association, the Canadian Society for Civil Engineering and the Federation of Canadian Municipalities (FCM).

A total of 120 municipalities participated from November 2014 to January 2015. The voluntary survey contained nearly 100 detailed questions on the inventory, condition and management of municipally-owned or leased infrastructure.

It asked municipalities to assess their infrastructure based on a five-point rating scale, from very good to very poor.

The findings reveal roads, municipal buildings, sport and recreation facilities and public transit are the asset classes most in need of attention.

What's more, the 2016 CIRC found rates of reinvestment are lower than targets recommended by asset management practitioners. Roads and sidewalks, stormwater and sport and recreation infrastructure presented the largest gaps in terms of current and target rates of reinvestment. For example, the lower target reinvestment rate for roads and sidewalks is two per cent, but the current reinvestment rate is only 1.1 per cent.

"Pretty well in every one of the asset management classes they looked at...the current reinvestment rate is below the recommended asset management reinvestment rate," Atkinson explains.

"I think that tells a pretty critical story. The current reinvestment rate is not going to get those assets back into a state of good repair."

"The bottom line is that the longer we wait to act on these repairs, the more expensive it will get. Canada needs to start planning for the future by reinvesting in our existing assets now," says Raymond Louie, president of the FCM in a statement.

Andy Manahan, executive director of the **Residential and Civil Construction Alliance of Ontario**, says the timing of the report is relevant considering the emphasis that is being placed on infrastructure planning and investment at all levels of government.

"We really are behind the eight ball in terms of the asset classes for infrastructure," he says. "That's a challenge. We have to get our act together."

For the first time a section was also included in the CIRC pertaining to asset management, providing a glimpse on the state of Canadian municipal asset management practices.

Sixty-two per cent of large municipalities, 56 per cent of medium-sized municipalities and 35 per cent of small municipalities reported having a formal asset management plan in place.

"All communities, particularly smaller municipalities, would benefit from increased asset management capacity," the report notes. Nearly 40 per cent of responding municipalities reported publishing a state of infrastructure report.

"I believe this (the CIRC) is going to effectively promote the adoption of more formal asset management plans by bringing to light the fact that many don't have one," Atkinson says, adding this section also addressed climate change and whether a municipality formally considered this factor.

The results show 10 per cent for small municipalities and 27 per cent for both large and medium municipalities.

"That's something that hopefully, by this report taking note of that fact and even asking the question, is going to cause many more municipalities and other custodians of other critical infrastructure to factor in climate change adaptation in their asset management plans."

Manahan adds while the message of the CIRC is a good one, encouraging well-planned long-term investment, he would like to see a bigger picture with more municipalities beyond the 120 involved. The FCM's membership at the time of the survey was just under 2,000.

"This is heading in the right direction obviously...but if we really want to get a full picture we need much higher participation in the survey itself," he adds. "If you did have the full slate of municipalities would the situation be even worse? That's a hypothetical that's very difficult to answer."

The report recommends increasing reinvestment rates, which will save money in the long-term. Without it, "Canada's core municipal infrastructure will gradually decline, costing more money and risking service disruption."

Atkinson says from the CCA's perspective, these report cards are important because "what gets measured gets done. Having an ongoing snapshot of the state of municipal infrastructure's important, not only to show that we're behind, but also I think over time it should serve as a good measuring stick."

He also says the report emphasizes the need for all levels of government to play a role in supporting municipal infrastructure.

"I think infrastructure investment is seen, quite correctly by government, as one of the best, if not the best, means by which to stimulate the economy in the short-term," he says.

"Infrastructure reinvestment, investment, I think is a proven means by which to do that. The timing is critical."