

	Corporate Policy Manual
	Section: CORPORATE ADMINISTRATION
	Policy # CA-06 Pg. 1 of 8 STRATEGIC ASSET MANAGEMENT POLICY
Revision Date:	Issue Date: September 10, 2018
Approved by: Senior Management Team	Review Date: September 10, 2023

1. BACKGROUND

Asset Management can be best defined as an integrated business approach within an organization that aims to minimize the lifecycle costs of owning, operating, and maintaining assets, at an acceptable level of risk, while continuously delivering established level of service for present and future stakeholders. By implementing asset management processes, infrastructure needs can be prioritized over time, ensuring municipal assets are maintained while minimizing repair and rehabilitation costs.

The Township is responsible for the maintenance and operation of assets valuing \$231 million. These assets are critical for the delivery of service levels expected by the residents of the Township of Wilmot.

2. POLICY STATEMENT

The Township commits to meeting the regulatory requirements for core infrastructure assets by July 1, 2021, all other infrastructure assets by July 1, 2023, and all municipally owned assets by July 1, 2024.

The Township will implement a program based on lifecycle and risk management of the Township's infrastructure assets with a primary goal of achieving lowest total cost of ownership while meeting desired levels of service. In addition to a comprehensive and accurate data set, the core aspects of continuous improvement and best practices for asset management planning will be implemented, including;

- i) Condition Assessment Protocols
- ii) Risk and Criticality Models
- iii) Lifecycle Management
- iv) Financial Strategy Development
- v) Level of Service Framework

3. PURPOSE

The purpose of this policy is to meet the regulatory requirements for Asset Management Planning and ensure consistent application of the asset management program across the Township. Further, the Township's intent is to reduce risk and provide desirable levels of service to the community in a fiscally responsible and environmentally sustainable manner. Asset management planning is fundamental in achieving the Township's vision to be a cohesive, vibrant and welcoming countryside community.

4. SCOPE

This Policy applies to all identifiable municipally owned infrastructure assets such as, roads, sidewalks, bridges, water mains, sewers, fleet, buildings, and parks. Assets will be evaluated based on their full lifecycle costs, including the costs of acquiring, operating, maintaining, renewing and disposing of assets.

4.1 Capitalization Threshold*

The Township currently has a capitalization threshold of \$10,000 for the existing 10-year capital forecast, and pre-defined capitalization thresholds within the TCA policy for various asset types reported under PSAB 3150. From an Asset Management perspective, the Township includes all identifiable municipally owned infrastructure, regardless of a capitalization threshold.

Through the on-going asset management efforts at the Township, staff will endeavor to update TCA reporting thresholds to bring alignment between the implementation of O.Reg 588/17 and PSAB 3150 regulatory requirements.

5. ASSET MANAGEMENT PROGRAM

The asset management program aims to improve and sustain asset management practices across the organization. Overall, the goal of the asset management program is to help the Township maintain its assets at appropriate levels of service by applying the right intervention, on the right asset, at the right time.

5.1 Documents within the Asset Management Program:

- Township of Wilmot Strategic Plan
- Township of Wilmot Strategic Asset Management Policy
- Township of Wilmot Asset Management Plan
- Township of Wilmot Tangible Capital Assets Policy
- Township of Wilmot Park, Facilities and Recreation Services Master Plan
- Township of Wilmot Trails Master Plan
- Township of Wilmot Fire Master Plan
- Township of Wilmot Arts & Culture Master Plan (Future)

5.2 Relationship between Asset Management Plan, Budgets and Financial Plans*

The Township will utilize information from the Asset Management Program to promote evidence based decision making within the existing 10-year Capital Forecast framework and future longer term infrastructure planning. The information held within the asset registry, specifically regarding condition and risk assessments will be utilized to strengthen the foundation of capital planning and analysis. Efforts will take place to build a long term capital plan that is fully integrated on a single platform with a growing dataset on asset management.

The Township shall maintain strategic alignment between the Asset Management Plan and the legislative planning documents associated with the Safe Drinking Water Act, 2002, and the existing network of sanitary infrastructure. Efforts will ensure that the information garnered under the Asset Management Program will seamlessly flow into annual updates of Water and Sanitary Infrastructure and operational planning.

The Township will also ensure that asset management planning is also aligned with the Township's Official Plan, Development Charges Background Study, and will endeavor to align with related Master Plan documents.

5.3 Relationship between Asset Management Plan and Regulatory Policies and Plans*

The Township shall take into account any applicable budgets or fiscal plans released under the following:

1. Fiscal Transparency and Accountability Act, 2004
2. Budgets adopted under part VII of the Municipal Act, 2001
3. Ontario's Land Use Planning Framework
4. Any relevant policy statements issued under subsection 3(1) of the Planning Act, any provincial plans as defined in the Planning Act and the Township's Official Plan.

6. ASSET MANAGEMENT GOALS AND PRINCIPLES

6.1 Asset Management Goals:

Goal	Definition
Financial Stability	Continuously demonstrate fiscal responsibility while ensuring Township owned infrastructure is maintained to an appropriate level of service.
Risk Reduction	Achieve a balance between desired levels of service and the amount of acceptable risk, while managing resources and infrastructure priorities.
Levels of Service	Provision and maintenance of defined service quality for a particular activity or service area, against which service performance may be measured.

6.2 Asset Management Principles

Principle	Definition
Value-Based/Affordable	The Township will choose practices, interventions and operations that aim at reducing the lifecycle cost of asset ownership, while satisfying levels of service. Decisions are based on balancing service levels, risks and costs.
Prioritizing*	The Township shall clearly identify infrastructure priorities which will drive investment decisions.
Economic Development*	The Township shall promote economic competitiveness, productivity, job creation, and training opportunities.
Transparency*	The Township shall be evidence-based and transparent. Additionally, subject to any prohibitions under an act or otherwise by law on the collection, use, or disclosure of information, the Township shall: <ul style="list-style-type: none"> - Make decisions with respect to infrastructure based on information that is publicly available or make available to the public, and - Share information with implications on infrastructure and investment decisions with senior levels of Government and broader public sector entities.

Principle	Definition
Consistency*	The Township shall ensure the continued provision of core public services.
Innovation*	The Township shall create opportunities to make use of the innovative technologies, services, and practices, particularly where doing so would utilize technology, techniques, and practices developed in Ontario.
Risk-based	The Township will manage the asset risk associated with attaining the levels of service by focusing resources, expenditures, and priorities based upon risk assessments and the corresponding cost/benefit recognizing that public safety is the priority.
Integration*	The Township shall, where relevant and appropriate, be mindful and consider the principles and content of non-binding provincial or municipal plans and strategies established under an Act or otherwise, in planning and making decisions surrounding the infrastructure that supports them.
Health and safety*	The Township shall ensure that the health and safety of workers involved in the construction and maintenance of infrastructure assets is protected.
Stakeholder focused	The Township will have clearly defined levels of service and apply asset management practices to maintain the confidence of stakeholders in how Township assets are managed.
Forward looking*	The Township shall take a long-term view while considering the impacts of demographic and economic trends on infrastructure needs.
Environmentally Conscious*	<p>The Township shall minimize the impact of infrastructure on the environment by:</p> <ol style="list-style-type: none"> 1. Respecting and helping maintain ecological and biological diversity, 2. Augmenting resilience to the effects of climate change, and 3. Endeavoring to make use of acceptable recycled aggregates & materials.

Principle	Definition
Climate Change Adaptability*	<p>The Township's is committed to include, as part of its asset management planning:</p> <ul style="list-style-type: none"> ○ The actions that may be required to address the vulnerabilities that may be caused by climate change to the municipality's infrastructure assets, in respect of such matters, as, <ul style="list-style-type: none"> ▪ Operations, such as increased maintenance schedules, ▪ Levels of services, ▪ Lifecycle management, ○ The anticipated costs that could arise from the vulnerabilities described in subparagraph above, ○ Adaptation opportunities that may be undertaken to manage the vulnerabilities described above, ○ Mitigation approaches to climate changes, such as previously established greenhouse gas emission reduction goals and targets, and ○ Disaster planning and contingency funding.
Community Focused*	<p>The Township shall promote community benefits, being the supplementary social and economic benefits arising from an infrastructure project that are intended to improve the quality of life of a community affected by the project, such as:</p> <ol style="list-style-type: none"> 1. Local job creation and training opportunities (including for apprentices, within the meaning of section 9 of the Infrastructure for Jobs and Prosperity Act, 2015) 2. Improvement of public space within the community, and 3. Promotion accessibility for persons with disabilities.
Service Focused	<p>The Township will consider all the assets in a service context and take into account their interrelationship as opposed to optimizing individual assets in isolation.</p>
Collaboration*	<p>The Township is committed to coordinate planning for asset management, where municipal infrastructure assets connect or are interrelated with those of our upper-tier municipality, neighbouring municipalities or jointly-owned municipal bodies.</p> <p>The Township is committed to provide opportunities for municipal residents and other interested parties to provide input in to the Township's asset management planning.</p>

7. RESPONSIBILITIES

ROLES	RESPONSIBILITIES
<p>Council*</p>	<ul style="list-style-type: none"> • Approve Strategic Asset Management Policy and Plan • Approve asset funding to ensure required financial stability to Asset Management through the Annual Budget. • Conduct an annual review of the Township's asset management progress on or before July 1 in each year, starting the year after the Township's asset management plan is completed.*
<p>Executive Lead* Chief Administrative Officer</p>	<ul style="list-style-type: none"> • Communicate the vision of asset management at a corporate level • Review and approve documents and strategies proposed by the Asset Management Working Group. • Endorse asset management plan and policy.
<p>Asset Management Working Group Senior Management & Asset Management Coordinator</p>	<ul style="list-style-type: none"> • Create, review, approve and implement Asset Management documents and strategies, where the implications are organization wide or external • Endorse every asset management policy and plan • Participate in the process of aligning asset management strategies and plans with organizational strategies and objectives • Communicate the vision of asset management at a corporate level, encourage engagement with the processes, and provide the guidance necessary to ensure alignment and integration across the organization.
<p>Residents & Stakeholders</p>	<ul style="list-style-type: none"> • Provide feedback related to levels of service, service experience, and service expectations. • Notify the Township, via appropriate means, when service deficiencies or failures are observed

*Required under Ontario Regulation 588/17

8. REVIEW PERIOD*

The Policy is to be reviewed by the Asset Management Working group every 5 years.

In addition, Council will conduct an annual review of the Township's asset management progression on or before July 1 each year, starting the year after the Township's asset management plan is completed.

The annual review process will address:

- (a) The Township's progress in implementing its asset management plan;
- (b) Any factors impeding the municipality's ability to implement its asset management plan; and
- (c) A strategy to address factors described in (b).

9. PERSON(S) RESPONSIBLE FOR ASSET MANAGEMENT:

Executive lead:

- Chief Administrative Officer