



Strategic Asset Management Policy

Current Version	1.20
Approving Committee:	Council
Initial Date of Adoption:	June 24, 2019
By-law:	2021-030
Department of Origin/author:	Business Services
Review date:	April 2021

Version	Date	Meeting Type	Resolution #	Reason for Change
1.20	April 2021	Regular Council	2021.46.4	Updating governance and staff roles
1.10	June 24, 2019	Regular Council	2019.12.13	Adoption of the Policy



Strategic Asset Management

Intent

Asset management is an integrated approach, involving all township departments, to realize value from existing and new assets. This Policy outlines the fundamental asset management principles that will be developed and implemented across the Township and the Council's commitment to Asset Management.

Scope

The inclusion of an asset within an asset management plan will be determined based on the service rendered by that asset, and whether the service delivery requires deliberate management by the Township. The core or general infrastructure assets threshold used to determine which assets are to be included in the asset management plan is therefore a guideline for the application of Council-endorsed principles in professional judgment. This differs from the tangible capital asset policy in that it takes a qualitative approach to capitalization for the purposes of the asset management policy, not a set capitalization threshold.

Guidance

The Township's vision is to proactively manage its assets to best serve the Township's objectives, including:

- a. Effectively delivering services
- b. Supporting sustainability and economic development, and
- c. Maintaining prudent financial planning and decision making

The objectives of the policy are to:

- a. Provide a framework for implementing asset management to enable a consistent and strategic approach at all levels of the organization while fostering the integration of municipal documents such as:
 - The Strategic Plan
 - The Official Plan
 - Infrastructure Master Plan(s)
 - Water and Wastewater Financial Plans
 - Annual Capital and Operating Budgets
 - Approved Service Standards
- b. Provide transparency and demonstrate to stakeholders the legitimacy of decision-making processes which combine strategic plans, budgets, service levels, and risks
- c. Commit the Township to support the implementation of asset management methods that are consistent within the organization and meet Council's strategic objectives



Expectations

The policy ensures that Loyalist Township staff follow a consistent and regulatory-compliant approach to making decisions regarding infrastructure planning and investment. The decision-making approach shall consider the following principles:

- a. **Forward Looking** – Loyalist Township shall take a long-term view while being mindful of residents needs by being mindful of demographic and economic trends
- b. **Budgeting and Planning** – Loyalist Township shall consider all applicable budgets or fiscal plans and complete life cycle analysis
- c. **Prioritizing** – Loyalist Township shall clearly identify infrastructure priorities which will inform infrastructure investment decisions
- d. **Economic Development** – Loyalist Township shall promote economic competitiveness, productivity, job creation and training opportunities
- e. **Transparency** – Loyalist Township shall be evidence-based and transparent, and, subject to any prohibitions under an Act or otherwise by law on the collection, use, or disclosure of information, the Municipality shall:
 - Make decisions with respect to infrastructure based on information that is publicly available or made available to public, and;
 - Share information with implications on infrastructure and investment decisions with the Government and broader public sector entities
- f. **Consistency** – Loyalist Township shall ensure the continued provision of core public services
- g. **Environmentally Conscious** – Loyalist Township shall minimize the impact of infrastructure on the environment by:
 - Respecting and helping maintain ecological and biological diversity;
 - Designing infrastructure to be resilient to the effects of climate change, and;
 - Endeavoring to make use of acceptable recycled aggregates
- h. **Health and Safety** – Loyalist Township shall ensure that the health and safety of workers involved in the construction and maintenance of infrastructure asset is protected
- i. **Community Focused** – Loyalist Township shall promote community benefits, being the supplementary social and economic benefits arising from an infrastructure project that are intended to improve the well-being of a community affected by the project, such as:
 - Local job creation and training opportunities (including for apprentices, within the meaning of section 9 of the Infrastructure for Jobs and Prosperity Act, 2015),
 - Improvement of public space within the community, and;
 - Promoting accessibility for persons with disabilities
- j. **Innovation** – Loyalist Township shall create opportunities to make use of innovative technologies, services, and practices, particularly where doing so would utilize technology, techniques, and practices developed in Ontario
- k. **Integration** – Loyalist 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



Roles and Responsibilities

The policy requires the commitment of key stakeholders within the Township's organizational structure. The following details the responsibilities of the key stakeholders within the Township:

- a. **Council:**
 - Provide strategic direction
 - Approve the strategies and plans as proposed by the Asset Management Executive Lead by a resolution passed by the Township Council
 - Serve as representative of stakeholder and community needs
 - Approve funding for both capital and operating budgets associated with Asset Management through the budget process
- b. **Asset Management Executive Lead:** Director of Business Services
 - Provides Asset Management Steering Team coordination
 - Provide Township-wide leadership and support in asset management practices and concepts
 - Ensure the AM Program aligns with corporate strategy and targets
 - Measure the ongoing contribution of the AM system to the municipality's goals, and adjust content and direction if necessary
 - Provides motivation and leverage to ensure successful implementation of AM Program
 - Facilitate communication and change management as it relates to asset management
- c. **Steering Committee:** Directors from each department and the CAO
 -
 - Proactive in shaping the AM culture
 - Supports the AM Executive Lead in promoting AM principles and best practices
 - Ensures adequate resources are available for the AM project implementation and overall AM development
 - Provides departmental sponsorship for asset management practices and concepts
 - Provides overall guidance and direction for AM development and implementation
 - Approves project prioritization criteria and weighting
- d. **AM Lead:** Asset Management Manager
 - Provides Township-wide leadership in AM practices and concepts
 - Provides AM Network Team coordination
 - Facilitates skills development as it relates to asset management across the Township
 - Facilitates communication and change management as it relates to asset management
 - Coordinates Township-wide AM progress tracking and benchmarking
- e. **AM Network Team:** Managers from each Division of the Township
 - Provides expertise and input to AM Program from respective service areas
 - Ensures services and/or infrastructure they are accountable for are properly represented and accommodated in the AM Program



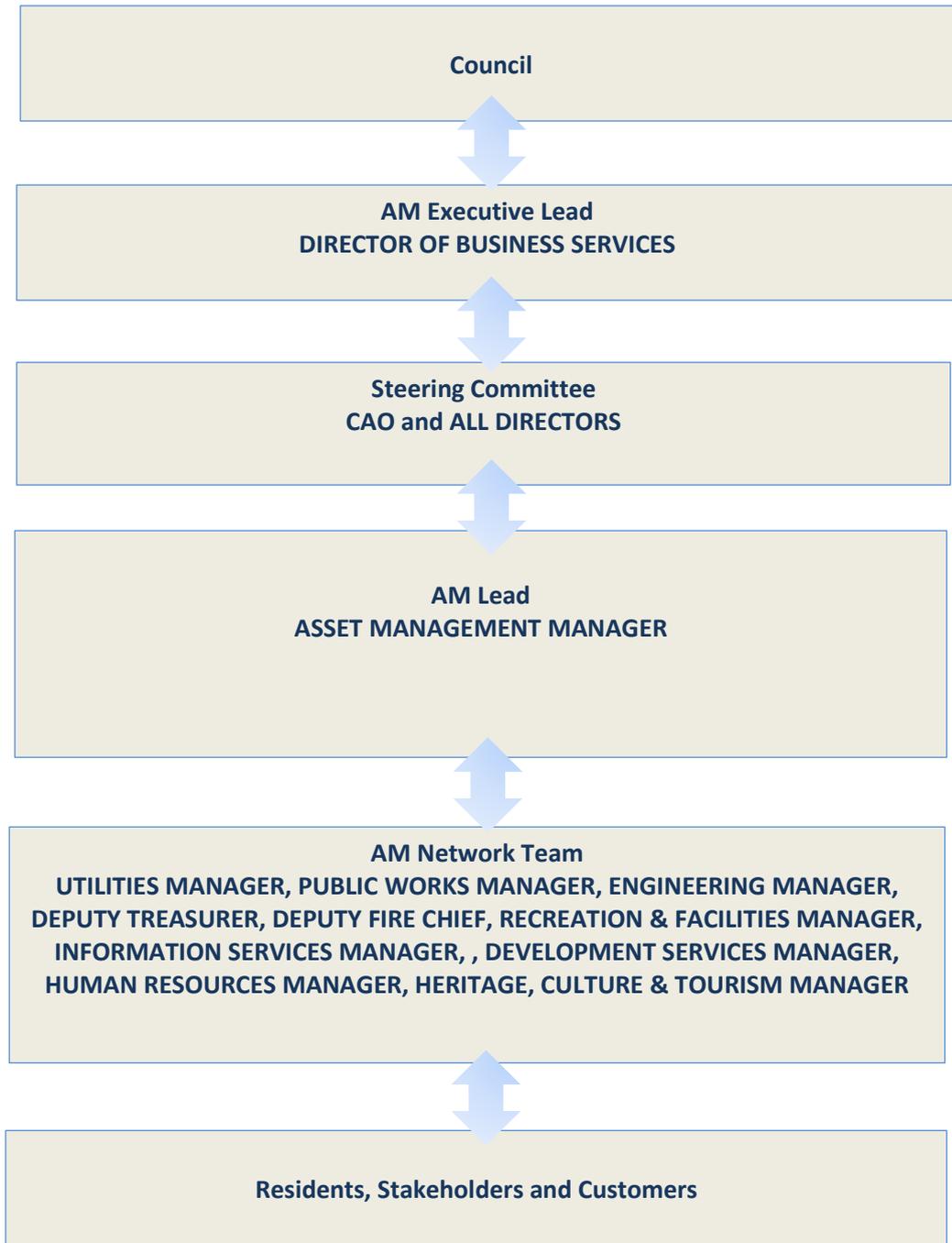
- Prepare the Service Area asset management plans
- Provide skills development to employees in specific asset management disciplines
- Participate in regular asset management network coordination and planning meetings with other representatives
- Participate in implementation task teams as part of the AM development process

f. Residents, Stakeholders and Customers:

- Participate in public information sessions, and stakeholder engagement initiatives, where possible
- 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.



Figure 1 : Loyalist Townships Governance Structure





Review Period

The policy is to be reviewed by the Asset Management Steering Committee annually, and following any changes in regulatory requirements, or updates to the Corporate Strategic Plan. Staff shall report to Council on asset management progress on or before July 1 in each year.

The annual review must address:

- The Township's progress in implementing its asset management plan
- Any factors impeding the Township's ability to implement its asset management plan
- A strategy to address the identified factors
- The Township's compliance with Ontario Regulation 588/17 as amended

Definitions

- a. **Asset management plan** – a strategic document that states how a group of assets are to be managed over a period. The plan describes the characteristics and condition of infrastructure assets, the levels of service expected from them, planned actions to ensure the assets are providing the expected level of service, and financing strategies to implement the planned actions.
- b. **Capitalization threshold** – the value of the infrastructure asset at or above which the Township will capitalize the value of it and below which it will expense the value of it
- c. **Core Infrastructure Assets** – any municipal infrastructure asset that is a:
 - Water asset that relates to the collection, production, treatment, storage, supply, or distribution of water,
 - Wastewater asset that relates to the collection, transmission, treatment, or disposal of wastewater,
 - Stormwater management asset that relates to the collection, transmission, treatment, retention, infiltration, control, or disposal of stormwater,
 - Road, or
 - Bridge or culvert
- d. **Infrastructure** – municipal tangible capital assets primarily for public use or benefit in Ontario
- e. **Level of service** – the parameters or combination of parameters that reflect social, political, economic and environmental outcomes that the organization delivers. Levels of service statements describe the outputs or objectives the organizations activities that are intended to be delivered to customers
- f. **Lifecycle costs** – the total cost of an asset throughout its life including planning, design, construction or acquisition, maintenance, rehabilitation, and disposal costs
- g. **General Infrastructure Assets** – any municipal infrastructure asset that is not defined as core infrastructure assets.