



## Township of Coleman Strategic Asset Management Policy

<b>In accordance with By Law No.:</b> 19-25	<b>Effective Date:</b> June 17, 2018
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### 1. Background

1.1. The Corporation of the Township of Coleman is committed to providing service to residents in a fiscally responsible manner, that supports a healthy and vibrant community. With this commitment in mind, assets must be managed in a way that allows the Township to achieve its goals, plans and policies.

### 2. Purpose

2.1. The purpose of this policy is to establish consistent standards and guidelines for management of the Township's assets applying sound technical, social and economic principles that consider present and future needs of users, and the service expected from the assets. This means leveraging the lowest total lifecycle cost of ownership with regard to the service levels that best meet the needs of the community while being conscious of the risk of failure that is acceptable.

2.2. The standards and guidelines must adhere to the following:

#### **Statutory requirements**

The Infrastructure for Jobs and Prosperity Act, 2015 sets out principles to guide asset management planning in municipalities in Ontario. The Township of Coleman will strive to incorporate the following principles whenever possible into the day-to-day operation of the Township:

- **Forward looking:** The Township shall take a long-term view while considering demographic and economic trends in the Region.
- **Budgeting and planning:** The Township shall take into account any applicable budgets or fiscal plans, such as fiscal plans released under the Fiscal Transparency and Accountability Act, 2004 and Budgets adopted under Part VII of the Municipal Act, 2001.
- **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 prohibition under an Act or otherwise by law on the collection, use, or disclosure of information, the Township shall make decisions with respect to infrastructure based on information that is publicly available or made available to the public and share information with implications on infrastructure and investment decisions with the Government and broader public sector entities.
- **Consistency:** The Township shall ensure the continued provision of core public services.
- **Environmental conscious;** the Township shall minimize the impact of infrastructure on the environment by respecting and helping maintain ecological and biological diversity, by augmenting resilience to effects of climate change and by endeavouring to make use of acceptable recycled aggregates.
- **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.
- **Community focused:** The 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 improvement of public spaces within the community, and promoting accessibility for persons with disabilities.
- **Innovation:** the 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.

In addition the Township must adhere to the requirements outlined in the Minimum Maintenance Standards currently in force, and any other legislation specific to the Municipality.

### 3. Existing Plans and Policies

3.1. The Township has developed and adopted a Strategic Plan, an Official Plan, an Emergency Management Plan, a Multi-Year Accessibility Plan, and an Asset Management Plan. These plans were designed to meet the legislative requirements and work together to achieve the Township's mission. These plans are reviewed as required by staff, particularly throughout the budgeting process. All of the Township's plans rely to some extent on the physical assets owned by the Township and the commitment of staff to ensure their strategic use. This includes the long term maintenance, repair, and replacement of existing assets along with the acquisition of new assets to meet the evolving needs in the Township.

### 4. Scope and Responsibility

4.1. The CAO will assume the lead role and will be responsible for the maintenance of and the reporting on, the activities related to the management of Township assets. The

Public Works Foreman will assist in this task through the utilization of condition assessment information, and service level requirements to update the long and short term asset requirements.

- 4.2. This information will be reviewed by the Finance Committee, and considered during annual budget deliberations.

## 5. Definitions

In this policy the following definitions are used:

- 5.1 “**Asset**” - An item, thing or entity that has potential or actual value to an organization
- 5.2 “**Asset management Plan**” - Means a strategic document that states how a group of assets are to be managed over a period of time. 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.
- 5.3 “**Capitalization Thresholds**” – The Township’s Asset Management Policy applies to all assets whose role in service delivery requires deliberate management by the Township. The Service-focus intent of this policy differentiates its requirements for identifying assets from the capitalization thresholds which are developed for the purposes of financial reporting. For this reason, the capitalization threshold developed for financial reporting will not be the guide in selecting the assets covered by the asset management planning process.
- 5.4 “**Infrastructure**” - Means municipal tangible capital assets primarily for public use or benefit in Ontario.
- 5.5 “**Level of Service**” - Parameters, or combination of parameters, which reflect social, political, environmental and economic outcomes that the organization delivers. Parameters can include but are not necessarily limited to, safety, customer satisfaction, quality, quantity, capacity, reliability, responsiveness, environmental acceptability, cost and availability.
- 5.6 “**Lifecycle Costs**” - The total cost of ownership over the life of an Asset. This may include but is not limited to capital costs, operating costs, maintenance costs, renewal costs, replacement costs, environmental costs and user delay.

## 6 Guiding Principles

- 6.1 The policy requires the commitment of key stakeholders within the Township’s organization to ensure the policy contains a clear plan that can be implemented, reviewed and updated.
- 6.2 **Council**, on behalf of the citizens, will be entrusted with the responsibility of overseeing the management of the assets. They will approve the Asset Management Planning documents and required updates as required. They will review management’s implementation of the plan as part of the budget process. They will support efforts to

improve the plan and ensure it includes changes necessitated by updates to other Township strategic documents.

- 6.3 **Management** will oversee the policy implementation and ensure that both the Asset Management Plan and the Asset Management Policy are in compliance with Provincial Asset Management regulations. Management will ensure that current year and long range asset requirements are incorporated into the budget presented to Council. Management will update the Policy and Plan to reflect changes as needed and present them for Council approval as required.

## 7. General Policy

- 7.1 The asset management plans and progress made on the plans will be considered in the development of the Township's capital budgets, operating budgets, and any long-term financial plans (if applicable).
- 7.2 Department heads will reference the asset management plan for their department, to determine forecasted spending requirements in the plan, to verify any progress made on the plan, to identify potential gaps, and to prioritize spending needs, during the budgeting process.
- 7.3 The CAO will be involved in the asset management planning process to coordinate the information from the department heads in the preparation of the budget submission.
- 7.4 Climate change will be considered as part of the Township's risk management approach to balance the potential cost of vulnerabilities to climate change impact and other risks, with the cost of reducing these vulnerabilities. The balance will be struck in the levels of service delivered through operations, maintenance schedules, disaster response plans, contingency funding, and capital investments.
- 7.5 The Township recognizes the need for stakeholder input into the planning process and will foster informed dialogue using the best available information.