

TOWNSHIP OF DAWSON ASSET MANAGEMENT POLICY

Policy No.: AMP-01
Approved by: Council
Approval Date: June 5th 2019
Effective Date: June 5th 2019
To be reviewed: June 5th 2024

1.1 POLICY STATEMENT

The Township will protect and enhance the quality of life by making the best possible decisions regarding assets in a way that provides targeted levels of service and manages risk in a cost-effective manner throughout the entire asset life cycle in order to create customer value through enhancing community asset management. The Township will manage infrastructure assets with a strategic approach, based on continuous improvement with the goal of improving overall infrastructure.

1.2 PURPOSE

The Township is dedicated to the development and maintenance of its entire asset inventory in order to provide residents with sustainable, reliable services, are regulatory compliant, and ensure assets will serve for their designated life. This policy demonstrates a commitment to the stewardship of the Township capital infrastructure assets and to improved accountability and transparency. This policy will support the Township in focusing its infrastructure efforts on managing risks, addressing priorities, and meeting short and long-term needs within the bounds of possible funding.

1.3 VISION

The Township's vision is to develop exceptional community infrastructure and be a good steward of Township's infrastructure assets. The Township will integrate asset management plans and practices with its long-term financial planning and budgeting strategies. This includes the development of financial plans that determine the level of funding required to achieve short-term operating and maintenance needs, in addition to long-term funding needs to replace and/or renew capital infrastructure assets based on full lifecycle costing.

1.4 STRATEGIC ALIGNMENT

The Township will follow an Integrated Approach to successfully develop practical Asset Management Plan that align with the overarching accountabilities and aspirations of our community. This policy will endeavour to work in concert with Council strategic direction and related plans and policies which impact on scope.

The Council will review this policy and incorporate it into the asset management planning approach that fosters the integration of municipal documents.

1.5 GUIDING PRINCIPLES

The key guiding principles for planning, and investment of the Asset Management Policy are following:

Customer focused: The Township will have clearly defined levels of service and apply asset management practices to maintain the confidence of customers in how assets are managed.

Forward looking: The Township will take a long-term view while considering demographic and economic trends in the region.

Holistic: Taking a comprehensive approach to asset management that looks at the 'big picture' and considers the combined impact of managing all aspects of the asset lifecycle.

Whole Lifecycle Perspective: Consider the full impact of managing assets through their life cycle from acquisition to disposal including level of service, risk, maintenance & operating activities and costs.

Integrated System Focused: Evaluate an asset in terms of its role and value within the context of the greater system, as opposed to examining individual assets in isolation.

Prioritizing: The Township will clearly identify infrastructure priorities which will drive investment decisions.

People focused: The Township will provide assurance to our people through clearly defined levels of service and adhere to optimal asset management processes and practices, including investment, that are supported by continually updated asset data and performance measures.

Risk-based: The Township will manage the asset risk associated with attaining the agreed 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.

Sustainable: The Township will make the appropriate decisions and provisions to better enable its' assets to meet future challenges, including population growth, people expectations, legislative requirements, technological and environmental factors, without compromising the ability of future generations to meet their own needs.

Optimal: The Township will make informed decisions between competing factors such as service delivery, asset quality & value, cost and risk by determining which option will deliver the optimal lifecycle value.

Environmentally Conscious: The Township shall minimize the impact of infrastructure on the environment by:

- Respecting and helping maintain ecological and biological diversity,
- Augmenting resilience to the effects of climate change, and
- Endeavouring to make use of acceptable recycled aggregates.

Regulatory Compliant: The Township will comply with all relevant legislative, regulatory and statutory requirements.

1.6 FINANCIAL PRACTICES

The Township will integrate findings from the Asset Management Plan into its long-term financial planning and budgeting processes. The budget submission prepared by each service area will be evaluated by the budget committee in the preparation of the Township's annual budget. The asset management plan will be referenced in the preparation of their budget submission to help them:

- Identify all potential revenues and costs (including operating, maintenance, replacement, and decommission) associated with forthcoming infrastructure asset decisions;

- Evaluate the validity and need of each significant new capital asset, including considering the impact on future operating costs; and
- Incorporate new revenue tools and alternative funding strategies where possible.

1.7 GOVERNANCE AND CONTINUOUS IMPROVEMENT

Council's annual asset management review will be completed in order to continuously improve and review the current progress. It will include:

- Progress on ongoing efforts to implement the asset management plan;
- Consideration of the asset management policy;
- Any factors affecting the ability of the Township to implement its asset management plan and a strategy to address these factors including the adoption of appropriate practices.

Council, having stewardship responsibility, is the final decision maker on all matters related to Asset Management in the Township. The Council and the Clerk-Treasurer are committed to the success of Asset Management Planning. The development and continuous support of the Township's Asset Management Plan requires a wide range of duties and responsibilities. Within asset management planning, the following stakeholders have been defined for the tasks listed:

1. Council

- Develop policy and policy updates;
- Approve the Asset Management Policy and direction of the Asset Management Plan and its updates every five years;
- Conduct annual reviews of Asset Management Plan implementation progress on or before June every year;
- Maintain adequate organizational capacity to support the core practices of the Asset Management Plan;
- Prioritize effective stewardship of assets in adoption and ongoing review of budget; and
- Monitor levels of service.

2. Clerk-Treasurer

- Responsible for facilitating Asset Management Planning across the Township and maintaining compliance with the regulation;
- Provide corporate oversight to goals and directions and ensure the Asset Management Plan aligns with the Township's strategic plan;
- Ensure that adequate resources are available to implement and maintain core Asset Management practices;
- Ensure Asset Registers are kept up-to-date regarding the condition, creation /acquisition, maintenance renewal refurbishment and disposal of assets;
- Establish and monitor levels of service; and
- Track, analyze and report on Asset Management Plan progress and results.

1.8 POLICY DIRECTION

<u>Action Item</u>	<u>Responsible</u>	<u>Due Date</u>
Ensure Asset Registers are kept up-to-date regarding the condition, creation /acquisition, maintenance renewal refurbishment and disposal of assets.	Clerk-Treasurer	Ongoing
Maintain Council's basic understanding of asset management and governance roles.	Council	Annually

Measure and compare the goals and desired outcomes stated in asset management plan against what was achieved.	Council	2023
Address and investigate failure in plan implementation and reactive measures.	Clerk-Treasurer	Ongoing
Reporting progress of asset management plan to the Council and Government.	Clerk-Treasurer	Annually
Engage and inform community of the Policy and the progress of the asset management plan in public forum.	Clerk-Treasurer	Annually
Update the Asset Management Plan.	Council	2020, 2021, 2022, 2023

1.9 CLIMATE CHANGE

The Township will address the risks and vulnerabilities of municipal infrastructure assets to climate change and the actions that may be required including, but not limited to, adaptation opportunities and mitigation approaches.

1.10 STAKEHOLDER ENGAGEMENT

The Township recognizes the residents, businesses, provincial agencies and regulated utilities as an integral part of the asset management approach. The Township will engage with stakeholders by:

- Provide sufficient information and education for stakeholders to make an informed decision.
- Providing opportunities for residents and other stakeholders served by the Township to provide input in asset management planning; and
- Coordinating asset management planning with other infrastructure asset owning agencies such as municipal bodies and regulated utilities.

1.11 CONSEQUENCES OF NON-COMPLIANCE

Failure to adhere to this policy may result in:

- The risk that the Township is not investing in the asset infrastructure it manages at the most optimal times in the asset's lifecycle. This risk potentially compromises the safety and service delivery provided by the infrastructure owned and managed by the Township.
- The risk of sub-optimal planning of growth, maintenance and replacement of existing assets and the development of new assets.
- The risk of compromising the alignment of financial, strategic plan and asset management plan which may lead to lack of expenditure optimization and reduced level of service.

1.12 REVIEW PERIOD

This policy will be reviewed, if necessary, updated at least every five (5) years from its effective date.