

CORPORATION de la Cité de / of the City of Clarence- Rockland		Politique <i>Policy No.:</i>	INF2019-01
		Sujet <i>Subject:</i>	Politique stratégique de gestion des actifs Strategic Asset Management Policy
		Categorie <i>Category:</i>	Corporate/Asset Management
Date:	3 juin 2019	Résolution <i>Resolution</i> <i>No:</i>	
Auteur <i>Author:</i>	Emilie St-Denis et Nicholas Brunet	Règlement <i>By-law No:</i>	

1.0 Énoncé de politique

1.0 Policy Statement

Traduction à suivre	This Policy sets out the principles to guide the development of the City's asset management program. The City recognizes the importance of using good asset management practices.
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2.0 But/Objectif

2.0 Purpose/Objective

Traduction à suivre	<p>The purpose of this policy is to provide leadership in and commitment to the development and implementation of the City's Asset Management Program (AMPro). It is intended to guide the consistent use of asset management across the organization, to facilitate rational and evidence-based decision-making for the management of municipal infrastructure assets and to support the delivery of <u>sustainable community services</u> now and in the future.</p> <p>By using sound asset management practices, the City will aspire to ensure that all municipal infrastructure assets meet expected performance levels and continue to</p>
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	<p>provide desired service levels in the most efficient, reasonable and effective manner. Linking service outcomes to infrastructure investment decisions will assist the City in focusing on <u>service</u>, rather than budget driven asset management approaches.</p> <p>This policy demonstrates a <u>corporation-wide</u> commitment to the good stewardship of municipal infrastructure assets, and to improved <u>accountability</u> and <u>transparency</u> to the community through the adoption of best practices relating to asset management planning.</p>
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3.0 Définitions

3.0 Definitions

Traduction à suivre	<p>For the purposes of this policy, the following definitions will apply:</p> <p>Unless otherwise noted, the definitions provided in this document align with those outlined in Ontario Regulation 588/17 (O. Reg 588/17), Asset Management Planning for Municipal Infrastructure, under the <i>Infrastructure for Jobs and Prosperity Act, 2015</i>.</p> <p>Asset Management (AM) – the coordinated activity of an organization to realise value from assets. It considers all asset types and includes all activities involved in the asset's life cycle from planning and acquisition/creation; to operational and maintenance activities, rehabilitation and renewal; to replacement or disposal and any remaining liabilities. Asset</p>
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	<p>management is holistic and normally involves balancing lifecycle cost for each asset (ISO 55000).</p> <p>Asset Management Plan (AMP) – documented information that specifies the activities, resources and timescales required for an individual asset, or a grouping of assets, to achieve the organization’s asset management objectives (ISO 55000). Under O. Reg. 588/17, by 2023 AMPs for core municipal infrastructure assets will be required to include the current levels of service (LOS) being provided; the current performance of each asset category; a summary of assets in each asset category, their replacement cost, average age, condition information, and condition assessment protocols; life cycle activities required to maintain current LOS; discussion of population and economic forecasts; and documentation of processes to make inventory- and condition-related background information available to the public.</p> <p>Asset Management Steering Committee (AMSC) – the City will develop a steering committee to assist in developing and administering the AMP. As indicated in Schedule B of the SAMP, the AMSC will be comprised of the following positions: Director of Infrastructure & Planning, Director of Community Services, Director of Protective Services, Treasurer and the Asset Management Leads. The Directors may delegate other staff to participate as appropriate.</p>
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	<p>Capitalization Threshold – the value of a municipal infrastructure asset at or above which a municipality will capitalize the value of it and below which it will expense the value of it.</p> <p>Green Infrastructure Asset - an infrastructure asset consisting of natural or human-made elements that provide ecological and hydrological functions and processes and includes natural heritage features and systems, parklands, stormwater management systems, street trees, urban forests, natural channels, permeable surfaces and green roofs.</p> <p>Level of Service (LOS) - 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 (ISO 55000).</p> <p>Lifecycle Activities - activities undertaken with respect to a municipal infrastructure asset over its service life, including constructing, maintaining, renewing, operating and decommissioning, and all engineering and design work associated with those activities.</p>
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	<p>Municipal Infrastructure Asset (MIA) - an infrastructure asset, including a green infrastructure asset, directly owned by a municipality or included on the consolidated financial statements of a municipality, but does not include an infrastructure that is managed by a joint municipal water board.</p>
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4.0 Portée

4.0 Scope

Traduction à suivre	<p>This policy applies to all departments involved in planning, maintaining, or operating the City's capital infrastructure assets.</p> <p>The City is responsible for providing a range of essential services to the community, including safe and reliable transportation networks, effective water and wastewater management, accessible facilities, recreational, social and cultural services, protection services as well as planning and development services. To deliver these services, the City owns and manages a diverse municipal infrastructure asset portfolio of roads, bridges, culverts, water distribution networks, sewage collection systems, facilities and an assorted supporting fleet of vehicles and equipment as well as many more. As the social, economic, and environmental wellbeing of the community depends on the reliable performance of these municipal infrastructure assets it is critical to implement a systematic, sustainable approach to their management.</p> <p>Asset management is such an approach, and refers to the set of</p>
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	<p>policies, practices and procedures that allow an organization to realize maximum value from its municipal infrastructure assets in a way that balances levels of service, risk and cost effectiveness throughout the entire asset lifecycle. An asset management approach allows organizations to make knowledgeable decisions regarding the planning, building, operating, maintaining, renewing, replacing and disposing of municipal infrastructure assets through a wide range of lifecycle activities. It is a corporation-wide process that involves the coordination of activities across numerous departments and service areas. Therefore, it is useful to adopt a structured and coordinated approach to outlining the activities, roles and responsibilities required of organizational actors, as well as the key principles that should guide all asset management decision-making.</p> <p>A comprehensive and holistic asset management approach will support <u>efficient</u> and <u>effective</u> delivery of expected levels of service and ensure that the City places due regard on the long-term management and stewardship of all municipal infrastructure assets (MIA). In addition, it will align the City with provincial and national standards and regulations such as the Infrastructure for Jobs and Prosperity Act, 2015 and Ontario Regulation 588/17, enabling the organization to take full advantage of available grant funding opportunities. The approval of this policy is a vital step towards integrating the City's strategic</p>
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	mission, vision and goals with its asset management program, and ensuring that critical MIA and vital services are maintained and provided to the community in a reliable, sustainable manner.
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5.0 Procédures et ligne directrices 5.0 Policy Procedure/Guidelines

Traduction à suivre	<p>5.1 Strategic Alignment</p> <p>Asset management is a key component of the City's planning process therefore this policy must align with multiple other corporate plans and strategies of the City. The following passages outline key strategic priorities which can be found within these documents that the development of an asset management program will support:</p> <p>5.1.1 Strategic Plan 2015-2021 – Destination City of Clarence-Rockland : This policy aligns with the City's strategic plan which is focused on four mutually supportive Pillars: Sense of Community; Health and Wellness; Financial Stability and Environmental Responsibility. The Strategic Plan further advances the concept of <u>responsible management</u> of existent and future development in its mission and vision statements:</p> <p>a. The Vision</p> <p><i>To be the best place to live, by being welcoming, bilingual, self-sufficient, safe and family oriented. Clarence-Rockland will be a healthy, economically sustainable and environmentally sensitive community that will continuously invest in its future.</i></p>
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	<p>b. The Mission</p> <p><i>The City of Clarence-Rockland provides excellent local government services by demonstrating leadership, partnerships and a commitment to meet community needs. Services are delivered efficiently and effectively while respecting financial sustainability, the environment and the cultural well-being of the community.</i></p> <p>5.1.2 2015 Development Charges Background Study</p> <p>The Corporate AM policy will align and support forecast amount, type and location of growth in the City of Clarence-Rockland.</p> <p>5.1.3 2014 Official Plan of the Urban Area of the City of Clarence-Rockland & 2014 Bourget Official Plan</p> <p>The AMP will utilize and influence the land use policy directions for long-term growth and development as provided through the Official Plans.</p> <p>The City will also ensure that asset management planning is aligned with the objectives of many other plans, such as the 2017 Community Improvement Plan, the 2016 Parks and Recreation Master Plan, as well as other future plans, such as the Sanitary Master Plan, Transportation Master Plan, Stormwater Master Plan, etc.</p>
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5.2 Policy and Procedures

1. The City will continue to implement a corporation-wide AMPro through all departments. The program will promote lifecycle and risk management of all municipal infrastructure assets, with the primary goal of achieving the lowest total cost of ownership while meeting desired levels of service. In addition to existing assets, the City will also consider and plan for new acquisitions as well.
2. The City will implement continuous improvement protocols and adopt best practices regarding asset management planning, including:
 - a. Complete and Accurate Asset Data
 - b. Condition Assessment Protocols
 - c. Risk and Criticality Models
 - d. Lifecycle Management
 - e. Financial Strategy Development
 - f. Level of Service Framework
3. The City will continue to develop and maintain an asset inventory of all municipal infrastructure assets which includes unique ID, description, location information, value (both historical and replacement), performance characteristics and/or condition, estimated remaining life and estimated repair, rehabilitation or replacement date; and estimated cost repair, rehabilitation or replacement costs.

	<p>4. The City will develop an Asset Management Plan (AMP) that incorporates all infrastructure categories and Municipal Infrastructure Assets (MIA) that meet the Capitalization Thresholds (CT) outlined in the organization's Tangible Capital Asset Policy, as summarized in Schedule A of this Strategic Asset Management Policy (SAMP). With the exception of Construction in Progress works, all single and pooled municipal infrastructure assets that fall within one of these asset classes and meet the CT will be incorporated in the future AMPs.</p> <p>Future AMPs will also include any assets against which work is completed through approved capital projects, regardless of whether these assets meet existing CT. They may include assets such as computer hardware and software, road gravelling and signs, as individual assets rather than pooled assets. Inclusion of other municipal infrastructure asset that fall below existing CT will be considered, as appropriate, based on the needs associated with managing these assets in a sustainable way to the benefit of the community. Approaches to determining which assets will receive consideration in the AMP will evolve with best management practices.</p> <p>The AMP will be updated as the capital needs and priorities of the City change, as outlined in the most recent 2014 AMP. After</p>
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	<p>2024, it will be updated at least every five years in accordance with O. Reg. 588/17 requirements, to promote, document and communicate continuous improvement of the AMPro.</p> <p>5. The City will integrate AMPs and practices with its long-term financial planning and budgeting strategies. During the annual budgeting process, projects and funding levels shall be reviewed against the background data and results of the asset management plans.</p> <p>a. The City will consider linking taxation rates and/or user fees to inflation indices (e.g., Consumer Price Index (CPI), Non-Residential Building Construction Price Index (NRBCIP), etc.), and/or increasing annual contributions to a capital replacement reserve fund in excess of capital costs in a given year, as appropriate to ensure long-term financial sustainability in MIA investments.</p> <p>6. The City will continue to explore innovative funding and service delivery opportunities, including but not limited to grant programs, public-private partnerships (P3), alternative financing and procurement AFP approaches, and shared provision of services, as appropriate.</p>
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	<p>7. The City will continue to develop meaningful performance metrics and reporting tools to transparently communicate and display the current state of asset management practice to Council and the community, as initiated in the 2014 AMP.</p> <p>8. The City will consider the risks and vulnerabilities of MIAs to climate change and the actions that may be required including, but not limited to, anticipated costs that could arise from these impacts, adaptation opportunities, mitigation approaches, disaster planning and contingency funding. Impacts may include matters relating to operations, levels of service and lifecycle management.</p> <ul style="list-style-type: none">a. The City will adapt to and plan for emergency response actions related to alterations in historical weather patterns due to climate change.b. Following recent flood events, the City will continue to investigate infrastructure needs related to potential climate change impacts as required.c. The City will continue to work with other municipalities and organizations (e.g., Conservation Authorities, etc.) to develop appropriate climate change adaptation and mitigation measures from project planning to implementation phases.
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	<p>9. The City will ensure that all asset management planning is aligned with any of the following financial plans for environmental MIAs (water, wastewater, storm):</p> <ul style="list-style-type: none"> a. Any financial plans prepared under the Safe Drinking Water Act, 2002, such as the annual Clarence-Rockland Water Rate Study, which considers capital and operating infrastructure needs through lifecycle costing approach analysis of financing options, and reserve fund position. b. Financial plans related to the City's other environmental assets, as appropriate, which could include wastewater and/or storm infrastructure asset studies or reports. <p>10. The City will align all asset management planning with the Province of Ontario's land-use planning framework, including any relevant policy statements issued under section 3(1) of the <i>Planning Act</i>; shall conform with the provincial plans that are in effect on that date; and shall be consistent with all municipal official plans.</p> <p>11. The City will coordinate planning for interrelated MIAs with separate ownership structures by pursuing collaborative opportunities with neighbouring municipalities and jointly-owned municipal bodies wherever viable and beneficial.</p>
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12. The City will develop processes and provide opportunities for municipal residents and other interested parties to offer input into asset management planning wherever and whenever possible.

13. The City's AMP will be developed and administered by the Asset Management Steering Committee.

14. The City will review and, if necessary, update this SAMP at least every five years following July 1st, 2019.

5.3 Key Principles

The City shall consider the following principles as outlined in Section 3 of the *Infrastructure for Jobs and Prosperity Act, 2015*, when making decisions regarding asset management:

1. Infrastructure planning and investments should take a long-term view, and decisions-makers should take into account the needs of citizens by being mindful of, among other things, demographic and economic trends.

2. Infrastructure planning and investment should take in account any applicable budgets or fiscal plans.

3. Infrastructure priorities should be clearly identified in order to better inform investment decisions respecting infrastructure.

	<p>4. Infrastructure planning and investment should ensure the continued provision of core public services, such as health care and education.</p> <p>5. Infrastructure planning and investment should promote economic competitiveness, productivity, job creation and training opportunities.</p> <p>6. Infrastructure planning and investment should ensure that the health and safety of workers involved in the construction and maintenance of infrastructure assets is protected.</p> <p>7. Infrastructure planning and investment should foster innovation by creating opportunities to make use of innovative technologies, services and practices, particularly where doing so would utilize technology, techniques and practices developed in Ontario.</p> <p>8. Infrastructure planning and investment should be evidence based and transparent, and, subject to any restrictions or prohibitions under an Act or otherwise by law on the collection, use or disclosure of information,</p> <ul style="list-style-type: none"> a. Investment decisions respecting infrastructure should be made on the basis of information that is either publicly available or is made available to the public, and b. Information with implications for
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	<p>infrastructure planning should be shared between the City and broader public sector entities, and should factor into investment decisions respecting infrastructure.</p> <p>9. Where provincial or municipal plans or strategies have been established in Ontario, under an Act or otherwise, but do not bind or apply to the City, as the case may be, the City should nevertheless be mindful of those plans and strategies and make investment decisions respecting infrastructure that support them, to the extent that they are relevant.</p> <p>10. Infrastructure planning and investment should promote accessibility for persons with disabilities.</p> <p>11. Infrastructure planning and investment should minimize the impact of infrastructure on the environment and respect and help maintain ecological and biological diversity, and infrastructure should be designed to be resilient to the effects of climate change.</p> <p>12. Infrastructure planning and investment should endeavour to make use of acceptable recycled aggregates.</p> <p>13. Infrastructure planning and investment should promote community benefits, being the supplementary social and</p>
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	<p>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, improvement of public space within the community, and any specific benefits identified by the community.</p> <p>5.4 Responsibilities</p> <p>Council :</p> <ol style="list-style-type: none">1. Approve the Asset Management Policy (AMPo) and direction of the AMPro.2. Maintain adequate organizational capacity to support the core practices of the AMPro.3. Prioritize effective stewardship of assets in adoption and ongoing review of policies and budgets.4. Establish and monitor levels of service. <p>Asset Management Steering Committee (AMSC) :</p> <ol style="list-style-type: none">1. Development of policies and policies updates.2. Provide corporate oversight to goals and directions and end ensure the AMPro aligns with the City’s Strategic Plan.3. Ensure that adequate resources are available to implement and maintain core asset management practices.4. Provide departmental staff coordination.5. Establish and monitor levels of service.
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	<ol style="list-style-type: none"> 6. Track, analyze and report on AMPro progress and results 7. External resources will contribute to development of condition ratings, lifecycle calculation, risk analysis and management, and cost estimates. External resources will also be responsible for providing legal advice. <p>Head of Departments :</p> <ol style="list-style-type: none"> 1. Development of policies and policies updates. 2. Provide corporate oversight to goals and directions and ensure the AMPro aligns with the City's Strategic Plan. 3. Ensure that adequate resources are available to implement and maintain core asset management practices. 4. Provide department staff coordination. 5. Establish and monitor levels of service. 6. Track, analyze and report on AMPro progress and results. <p>Departmental Staff :</p> <ol style="list-style-type: none"> 1. Utilize the new business processes and technology tools developed as part of the AMPro. 2. Participate in implementation task teams to carry-out asset management activities. 3. Establish and monitor levels of service. 4. Provide support and direction for asset management practices within their department. 5. Track, analyze and report on AMPro progress and results.
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	<p>Chief Administrative Officer :</p> <ol style="list-style-type: none"> 1. Oversee AMPro progression and achievement of goals for all departments. <p>Residents, Stakeholders and Customers :</p> <ol style="list-style-type: none"> 1. Participate in public information sessions, and stakeholder engagement initiatives, where possible. 2. Provide feedback related to levels of service, service experience and service expectations. 3. Notify the City, via appropriate means, when service deficiencies or failures are observed.
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Review and Amendments

<i>Date:</i>	<i>Révisé par : / Reviewed by:</i>	<i>Rapport No. / Staff Report No.</i>

Schedule A
City of Clarence-Rockland Strategic Asset Management Policy
Tangible Capital Assets Policy

Assets in the asset management plan will be subject to the same capitalization threshold as outlined in the City's Tangible Capital Asset Policy. In this policy, the City has established asset categories and capitalization thresholds in accordance with Public Sector Accounting Board reporting guidelines. This includes single asset capitalization threshold for the following assets:

Asset Category	Asset Capitalization Threshold
Land	\$0 (Capitalize all)
Land Improvements	\$10,000
Leasehold Improvements	\$10,000
Buildings	\$10,000
Machinery & Equipment	\$5,000
Vehicles	\$5,000
Infrastructure (Linear Assets)	\$25,000

Schedule B
City of Clarence-Rockland Strategic Asset Management Policy
Asset Management Steering Committee Proposed Structure

