

## STRATEGIC ASSET MANAGEMENT POLICY

<b>Policy:</b> Strategic Asset Management Policy	<b># of Pages:</b> 6
<b>Meeting Type:</b> Council	<b>Date of Council Endorsement:</b>
<b>Report ID:</b> ID-22-25	<b>Resolution Number:</b>

### POLICY STATEMENT

The Corporation of the Township of Ramara is committed to providing quality services to residents in an economically responsible manner that supports a vibrant, safe and healthy community. With this commitment, assets will be managed in a way that allows the Township to achieve its goals, plans, and policies, and to ensure compliance with the requirements of [O.Reg. 588/17: Asset Management Planning for Municipal Infrastructure](#).

### OBJECTIVE

This policy establishes consistent management standards and guidelines for the Township's assets. This will be done by applying sound technical, social, economic, and environmental principles that consider the present and future needs of users, and the service expected from the assets. To accomplish this, the Township will leverage the lowest total lifecycle cost of the ownership of assets with consideration of the service levels that best meet the community's needs, while ensuring risks are appropriately managed.

### DEFINITIONS

In this policy, the following definitions are used:

**Asset Management Plan:** A strategic document that outlines how a group of assets are to be managed over a period of time. The plan describes the characteristics and condition of assets, the level of service expected, sets performance measures and planned actions to ensure the assets are providing the expected level of service, and the financial strategies to implement planned actions.

**Capitalization Thresholds:** The Township's Strategic Assets Management Policy applies to all assets that have a role in service delivery and 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 purpose of financial reporting.

**Infrastructure:** Municipal assets intended primarily for public use or for the benefit of Ontario.

## GENERAL POLICY

### Budgeting

The Township will strive to align asset management planning with its annual budgeting and long-term planning processes, subject to available resources.

Asset Management Plans should be used as a resource in the development of these plans and budgets. Asset management planning will be aligned with various financial plans completed related to the infrastructure, specifically drinking water financial plans prepared under the *Safe Drinking Water Act*, 2002, wastewater assets, or other assets.

### Community and Strategic Planning

Asset management planning should be aligned with local land-use planning and be used as a resource in the development of the Township's [Official Plan](#). Additionally, asset management planning will be aligned to provincial land-use plans, policies and the Township's current [Strategic Plans](#).

### Risk Management

Levels of service will be established to minimize risks in the delivery of infrastructure services. The Township will complete asset management planning utilizing continuous improvement and an assessment of applicable best practices.

### Climate Change

The Township acknowledges that incorporating climate change considerations into its risk management strategy is a best practice and will work towards embedding these considerations within its asset management systems, as capacity allows.

This approach will balance the potential cost of vulnerabilities to climate change impact and other risks with the cost of reducing these vulnerabilities. It will also guide the Township in maintaining the levels of service delivered through operations, maintenance schedules, disaster response plans, contingency funding, and capital investments. The Township will continue to work with the other public agencies, such as the County of Simcoe, Province of Ontario, and the Government of Canada, regarding climate change mitigation, adaption principles, and actions.

## Community Member Engagement

It is important for the Township to work towards fostering an inclusive and transparent asset management process. To help achieve this, the Township will continue to strive to seek input from a variety of organizations and community members, including residents, related agencies and government bodies, staff, consultants, Indigenous communities, and any other interested parties.

By creating and prioritizing meaningful engagement, the Township will be able to ensure its asset management strategies are reflective of collective needs of all relevant parties, leading to more informed decision-making and sustainable municipal growth.

## GUIDING PRINCIPLES

To successfully support the achievement of the Township's strategic objectives through asset management, the following principles are considered in the decision making for the asset management systems:

- **Holistic** - The Township will work towards a comprehensive approach that considers all aspects of the assets managed by the Township rather than treating each aspect individually. This approach includes the interdependence and contributions of different assets within the asset management system during all phases of the lifecycle.
- **Sustainable** - The Township will strive to make appropriate decisions and provisions that will allow assets to better meet future challenges. These include demographic changes, customer expectations, legislative requirements, technological factors, climate change, and other environmental considerations.
- **Human Capital** - The Township recognizes the value provided by its human resources goes beyond the cost they represent. They have an impact on the levels of service in the short- and long-term. Human resources must be adequately equipped, trained, and accountable to meet the demands placed on them.
- **Affordability** - The Township will choose practices, interventions, and operations that aim to minimize the lifecycle cost of asset ownership, while satisfying the appropriate levels of service. These decisions will be based on balancing strategic goals, service levels, risks, value, and cost.
- **Forward Looking** - The Township aims to consider long-term visioning and planning while considering demographic and economic trends in the region.
- **Prioritizing** - The Township will work to clearly identify infrastructure priorities that will drive investment decisions.
- **Economic Development** - The Township aims to promote economic competitiveness, productivity, job creation and training opportunities.
- **Transparency** - The Township is committed to being evidence-based and transparent. Subject to any prohibitions under [\*The Infrastructure for Jobs and\*](#)

[Prosperity Act](#) or otherwise by law on the collection, use or disclosure of information, the Township will:

- 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 will work to maintain the ongoing delivery of core public services.
- **Environmentally Conscious** - The Township aims to lessen infrastructure's impact on the environment by:
  - Respecting and helping maintain ecological and biological diversity;
  - Augmenting resilience to the effects of climate change; and
  - Endeavoring to make use of acceptable recycled aggregates.
- **Health and Safety** - The Township strives to ensure that the health and safety of workers, the community, and the environment, involved in the construction and maintenance of infrastructure assets is protected.
- **Community Focused** - The Township will work to promote community benefits, being supplementary to social and economic benefits, arising from an infrastructure project intended to improve the well-being of a community. This includes local job creation and training opportunities, improvement of public spaces within the community and promoting accessibility.
- **Innovation** - The Township will strive to seek opportunities to make use of innovative technologies, services, and practices, particularly when doing so would utilize technology, techniques and practices developed in Ontario.
- **Integration** - Where relevant and appropriate, the Township will take into account 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.

## SCOPE AND RESPONSIBILITY

The asset management policy applies to all assets owned by the Township including the design, construction, operation, maintenance, and disposal of each asset. This policy applies to Council, Committees, staff, contractors, volunteers, and consultants for the Township.

Additionally, the Township is committed to acknowledging natural and shared assets as part of its planning and sustainability efforts. When these assets support operations, the Township will foster meaningful partnerships with asset owners, regulatory bodies, upper-tier governments, neighboring municipalities, and residents to uphold the principles of this policy.

The roles and responsibilities for executing this policy are:

**Council**

- Authority of the Strategic Asset Management Policy and its review at least every five (5) years; and
- Approve by resolution the Asset Management Plan and its update at least every five (5) years.

**Chief Administrative Officer**

- Executive endorsement of the Asset Management Plans.

**Senior Leadership Team with the Asset Management Coordinator**

- Maintain the Strategic Asset Management Policy by overseeing its update every five (5) years or as required;
- Maintain compliance with the Strategic Asset Management Policy and provincial asset management regulations;
- Clearly identify the infrastructure priorities, in accordance with Council and corporate priorities as well as the Strategic Plan, which drive investment decisions;
- Oversee asset management planning activities that fall within their service area and in support of others;
- Oversee that levels of risk for each asset class are updated annually based on the degree to which assets are meeting or not meeting approved asset levels of service; and
- Support asset management policy implementation.

**Director of Infrastructure with the Asset Management Coordinator**

- Conduct annual reviews of the asset management plan implementation progress on or before July 1 of every year, which includes:
  - Progress on ongoing efforts to implement the asset management plans;
  - Consideration of the Strategic Asset Management Policy;
  - Any factors affecting the ability of the Township to implement its Asset Management Plans;
  - Consultation with senior management;
  - A strategy to address these factors including the adoption of appropriate practices;
  - Support ongoing efforts to continuously improve and implement the Asset Management Plans;
  - Ensure integration of asset management systems into strategic plans and annual business plans; and
  - Prepare and present long-term infrastructure renewal plans and support continuous improvement through benchmarking service levels.

## Continuous Improvement

Operation and maintenance practices are a key component of the asset management process. The Township is committed to continuously improving operation and maintenance practices as they can significantly impact asset lifecycle cost, the expected age of the asset, management of risk, and service delivery performance.

[\*The Infrastructure for Jobs and Prosperity Act\*](#) sets out principles to guide asset management planning for municipalities in Ontario. The Township of Ramara will strive to incorporate the principles whenever possible into the day-to-day operations of the Township.

## RELATED CORPORATE WIDE PLANS AND POLICIES

- [Official Plan](#)
- [Economic Development Strategy](#);
- [Strategic Plan, 2023 - 2026](#)
- [Active Transportation Plan](#); and
- [Recreation Master Plan](#)

## PREVIOUS ENDORSEMENT

Meeting Date	Meeting Type	Report ID	Resolution #
April 20, 2020	<a href="#">Committee of the Whole</a>	WD-08-20	CW.62.20