



Strategic Asset Management Policy

Background

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

Purpose

The purpose of this policy is to establish consistent standards and guidelines for management of the Township's assets. This will be done by applying sound technical, social, economic and environmental principles that consider present and future needs of users, and the service expected from the assets. This means leveraging the lowest total life cycle cost of the ownership with regard to the service levels that best meet the needs to the community, while ensuring risks are appropriately managed.

Guiding Principles

To successfully use asset management to support the achievement of the Township's strategic objectives, management must ensure that the following principles are applied in the asset management systems:

Holistic

The Township shall take a comprehensive approach that looks at the "big picture" (i.e. the combined implications of managing all aspects rather than treating each aspect individually). This includes interdependencies and contributions of different assets within the asset management system during all phases of the life cycle.

Sustainable

The Township shall make appropriate decisions and provisions which 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 that the value provided by its human resources goes beyond the cost they represent. They have an impact on the levels of services, in the short and long term. Human resources must be adequately equipped, trained and accountable to meet the demands placed on them.

Affordable

The Township will choose practices, interventions and operations that aim to minimize the life cycle cost of asset ownership, while satisfying the levels of service. These decisions will be based on balancing strategic goals, service levels, risks, value and cost.

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, management of risk, and service delivery performance.

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

Forward Looking

The municipality shall take a long-term view while considering demographic and economic trends in the region

Budgeting and Planning

The municipality shall take into account any applicable budgets or fiscal plans, such as fiscal plans released under the:

- a. Fiscal Transparency and Accountability Act, 2004
- b. 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 Municipality shall promote economic competitiveness, productivity, job creation and training opportunities.

Transparency

The Municipality shall be evidence-based and transparent. Subject to any prohibitions under an Act or otherwise by bylaw 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 the public, and
- share information with implications on infrastructure and investment decisions with the Government and broader public sector entities

Consistency

The municipality shall ensure the continued provision of core public services.

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
- Endeavoring 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 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. This includes local job creation and training opportunities, 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.

Integration

Where relevant and appropriate, the Township shall 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.

Scope and Responsibility

The asset management policy applies to all assets owned by the Township of Ramara and all aspects of each asset including design, construction, operation, maintenance and disposal. This policies applies to Council, staff, contractors, volunteers, Committees and consultants for the Township of Ramara. In addition, the Township may rely on natural and shared assets in our planning and sustainability process. Where operations are supported by these assets, we will work collaboratively with the asset owners, regulatory bodies, upper tier governments, neighbouring Municipalities and residents to promote the principles outlined in this policy.

The roles and responsibilities for executing this policy include the following:

Council

- Authority of the Strategic Asset Management Policy
- Approve by resolution the asset management plan and its update every five years; and
- Conduct annual reviews of the management plan implementation progress on or before July 1st of every year, that 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; and
 - Support ongoing efforts to continuously improve and implement the asset management plans.
 - Ensures integration of asset management systems into strategic plan and annual business plans.

Chief Administrative Officer

- Executive endorsement of the asset management plans

Senior Management Team

- Maintain the Strategic Asset Management Policy by overseeing its update every five 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 investments 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

Finance

- Carry out its mandate by:
 - Preparing long-term infrastructure renewal plans;
 - Supporting asset management policy implementation; and
 - Supporting continuous improvement through benchmarking service levels.
- Report on:
 - The status of the Township's infrastructure; and
 - The adequacy of the annual budget and forecast to meet state-of-good repair requirements and manage related risks.

General Policy

Budgeting

Asset management planning will be integrated into the Township's processes for annual budgeting and long-term financial planning. Asset management plans will be used as a resource in the development of these plans and budgets. Asset management planning will be aligned with financial plans related to the municipality's water assets; including any plans related to wastewater assets, or plans prepared under the Safe Drinking Water Act, 2002

Community & Strategic Planning

Asset management planning will be aligned with local land-use planning and be used as a resource in the development of the municipality's Official Plan. Additionally, asset management planning will be aligned to Provincial land-use plans and policies; and the Township's current strategic plans.

Risk Management

Levels-of-service will be established in order to ensure that risks are minimized in the delivery of infrastructure services. The Township will adopt an approach of continuous improvement and application of best practices in relation to asset management planning.

Climate Change

Climate change will be considered as part of the Township's risk management approach and be embedded in local asset management systems. This approach will 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. The Township will continue to work with the County of Simcoe in regard to climate change mitigation and adaptation.

Stakeholder Engagement

The Township is committed to provide opportunities for municipal residents and other interested parties to provide input into the municipality's asset management planning.

Definitions

In this policy, the following definitions are used:

- a) "Asset Management Plan: - 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, performance measures and planned actions to ensure the assets are providing the expected level of service, and financing strategies to implement the planned actions.
- b) "Capitalization Thresholds" – The Township's Strategic 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 purpose 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.
- c) "Infrastructure" – Municipal tangible capital assets primarily for public use or benefit in Ontario.