

# **RESORT VILLAGE OF SHIELDS**

## **MUNICIPAL ASSET MANAGEMENT POLICY**

Approval Date: March 19/18

### **1.0 COUNCIL ASSET MANAGEMENT POLICY STATEMENTS**

Asset management is a broad strategic framework that encompasses many disciplines and involves the entire organization. The term asset management, as used in this document, is defined as “the application of sound technical, social and economic principles that considers present and future needs of users, and the service from the asset”. To guide the organization, the following policy statements have been developed:

- a) The Resort Village of Shields will maintain and manage infrastructure assets at defined levels to support public safety, community well-being and community goals.
- b) The Resort Village of Shields will monitor standards and service levels to ensure that they meet/support community and Council goals and objectives.
- c) The Resort Village of Shields will develop and maintain asset inventories of all its infrastructures.
- d) The Resort Village of Shields will establish replacement strategies through the use of full life cycle costing principles.
- e) The Resort Village of Shields will plan financially for the appropriate level of maintenance of assets to deliver service levels and extend the useful life of assets.
- f) The Resort Village of Shields will plan for and provide stable long term funding to replace and/or renew and/or decommission infrastructure assets.
- g) Where appropriate, the Resort Village of Shields will consider and incorporate asset management in its other corporate plans.
- h) The Resort Village of Shields will report to its citizens regularly on the status and performance of work related to the implementation of this asset management policy.

## **2.0 BACKGROUND AND PURPOSE OF COUNCIL POLICY**

Council has a mandate to provide a wide range of services. In order to guide staff with the effective implementation of those services, Council typically adopts policies for important issues that can be used by staff to support Council's vision, goals and objectives.

### **Council Vision and Goals for Infrastructure Assets**

Council's vision and goal for the community is a safe, livable, sustainable and economically vibrant community underpinned by well managed and maintained infrastructure assets. These assets include but are not limited to efficient transportation networks, economical and reliable water distribution networks, safe and reliable sewage collection systems, reliable information technology systems, productive fleets, and accessible parks, recreation and civic facilities.

Though these assets age and deteriorate, by using sound asset management practices, Council and the community can be assured that the assets meet performance levels, are used to deliver the desired service in the long term and are managed for present and future users.

This policy is to articulate Council's commitment to asset management, and guides staff using the policy statements. In doing so, this policy also outlines how it is to be integrated within the organization in such a way that it is coordinated, cost effective and organizationally sustainable. This policy also demonstrates to the community that Council is exercising good stewardship, and is delivering affordable services while considering its legacy to future residents.

Staff will implement the policy through the development and use of asset management guidelines and practices. Since the performance of asset management is organization specific, reflective of knowledge, technologies and available tools, and will evolve over time, the responsibility for guidelines and practices are delegated to staff.

## **3.0 POLICY PRINCIPLES, GUIDELINES AND INTEGRATION**

The key principles of the asset management policy are outlined in the following list.

The organization shall:

- Make informed decisions, identifying all revenues and costs (including operation, maintenance, replacement and decommission) associated with infrastructure asset decisions, including additions and deletions. Tradeoffs should be articulated and evaluated, and the basis for the decision recorded.
- Integrate corporate, financial, business, technical and budgetary planning for infrastructure assets.
- Establish organizational accountability and responsibility for asset inventory, condition, use and performance.

- Consult with stakeholders where appropriate.
- Define and articulate service, maintenance and replacement levels and outcomes.
- Use available resources effectively.
- Manage assets to be sustainable.
- Minimize total life cycle costs of asset.
- Consider environmental goals.
- Consider social and sustainability goals.
- Minimize risk to users and risks associated with failure.
- Pursue best practices where available.
- Report the performance of its asset management program.

### **Guidelines and Practices**

This policy shall be implemented by staff using accepted industry guidelines and practices (such as those recommended by the Federation of Canadian Municipalities, e.g., InfraGuide) and staff shall consider the use of an asset management strategy and asset management plans.

The organization will also comply with required capital asset reporting requirements, and integrate the asset management program into operational plans throughout the organization.

Strategic asset management plans may also be developed for a specific class of assets, or be generic for all assets, and should outline long term goals, processes and steps toward how they will be achieved. The asset management plans should be based on current inventories and condition (acquired or derived), projected performance and remaining service life and consequences of losses (e.g., vulnerability assessments). Operational plans should reflect these details. Replacement portfolios and associated financial plans should consider alternative scenarios and risks, as well as include public consultation.

### **Context and Integration of Asset Management within Organization**

The context and integration of asset management throughout the organization's lines of business is typically formalized through references and linkages between corporate documents. Where possible and appropriate, Council and staff will consider this policy and integrate it in the development of corporate documents such as:

- Official Community Plan
- Business plans
- Strategic plans
- Financial plans
- Capital Budget plans
- Operational plans and budgets
- Infrastructure servicing, management and replacement plans
- Parks & Recreation plans
- Facility plans

#### 4.0 KEY ROLES FOR MANAGING THE ASSET MANAGEMENT POLICY

Municipal policies are approved by Council. While staff, public and other agencies may provide input on the nature and text of the policy, Council retains the authority to approve, update, amend or rescind policies.

<b>Role</b>	<b>Responsibility</b>
Identification of issues, and development of policy updates	Council & Staff
Establish levels of service	Council, staff & public
Exercise stewardship of assets, adopt policy & budgets	Council
Implementation of policy	CAO & staff
Development of guidelines and practices	CAO & staff
On-going review of policies	Council & staff

#### Implementation, Review and Reporting of Asset Management Work

The implementation, review and reporting back regarding this policy shall be integrated within the organization. Due to the importance of this policy, the organization’s asset management program shall be reported annually to the community, and the implementation of this policy reviewed by Council at the mid-point of its term.

<b>Actions</b>	<b>Responsibility</b>
Adopt Asset Management Policy	Council & CAO
Monitor & Review infrastructure standards & service levels	Council & CAO
Develop & Maintain infrastructure strategies	Committees & Operations Manager
Develop & Maintain Asset Inventories	Committees & Operations Manager
Assess infrastructure conditions & service levels	Operations Manager
Establish & Monitor infrastructure replacement levels through the use of full life cycle costing principles	Operations Manager
Develop & maintain financial plans for the appropriate level of maintenance, rehabilitation, extension and decommission of assets	CAO & Operations Manager
Report to Citizens on status of the community’s infrastructure assets and asset management program.	Council & CAO