



SUBJECT:	Municipal Asset Management Policy
AUTHORITY:	O.Reg. 588/2017-Asset Management Planning for Municipal Infrastructure under the Infrastructure for Jobs and Prosperity Act, 2015.
DATE ISSUED:	June 11, 2019

1. PURPOSE

- a) The purpose of the policy is to guide the Township of Wainfleet’s process of infrastructure asset management planning.

2. POLICY STATEMENT

- a) The Township of Wainfleet is committed to meeting the regulatory requirements for core infrastructure assets by July 1, 2021, all other infrastructure assets by July 1, 2023, and all municipally owned assets by July 1, 2024. The goal of the policy is to help the Township of Wainfleet provide services to residents in a fiscally responsible manner, by allowing Township administration to allocate infrastructure funding according to expected infrastructure asset performance (level of service) over time.

3. DEFINITIONS

Asset – has a physical nature, significant economic resource, and provides delivery of programs and services.

Asset Management (AM) – the coordinated activity of an organization to realize 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 management is holistic and normally involves balancing costs, risks, opportunities and performance benefits to achieve the total lowest lifecycle cost for each asset.

Asset Management Plan (the “Plan”) – Documented information that specifies the activities, resources, and timelines required for an individual asset, or a grouping of assets, to achieve the organization’s asset management objectives.

Capitalization Threshold – the value of a municipal infrastructure asset at or above which a Township will capitalize the value of it and below which it will expense the value of it.

Level of Service – 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.

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.



Municipally Owned Infrastructure – an infrastructure asset directly owned by a Township or included on the consolidated financial statements of the Township.

Public – refers to Wainfleet taxpayers, residents and businesses.

4. SCOPE

- a) This policy applies to all identifiable Municipally-Owned Infrastructure assets such as roads, bridges, buildings, vehicles, equipment and parks.

5. PROCEDURE/GUIDELINES

1. The Township’s Asset Management program aims to improve and sustain Asset Management practices across the Township. The goal of the Asset Management program is to help the Township maintain its assets at appropriate Levels of Service by applying the right intervention, on the right asset, at the right time.
2. The Asset Management Plan is to be the starting and end point of financial, engineering, and administrative activities regarding municipal infrastructure assets needs and allocations. This includes, but is not limited to the development and maintenance of: master plans, strategic plans, long-term financial plans, policies, capital and operational budgets, and multi-year forecasts. Schedule 1 provides a schematic of the relationship between the documents.
3. The Asset Management Plan development process is to be built on top of the existing organizational processes. This will minimize the necessary time and effort to full asset management implementation within the Township. Schedule 2 provides the Operational Process of Asset Management Framework.
4. The Township will utilize information from the Asset Management program to promote evidence based decision making within its capital budgets and future longer term infrastructure planning.
5. All positions with the Township are responsible for Asset Management planning to varying extents. The Treasurer, Public Works Manager, and the CAO/Clerk are the leaders of this team effort.
6. The Treasurer of the Township will assume the lead role and be responsible for the maintenance of and reporting on the activity related to the management of the Township assets. The Manager of Operations together with other department managers will assist in this task through the utilization of condition assessment information and service level requirements to update the long and short term asset requirements.



7. Upon exhausting internal capacities, the Township will pro-actively seek assistance from appropriate academic, private, public, and non-profit service providers in order to continuously improve and adopt appropriate asset management planning practices.
8. The Asset Management Plan and progress made on the Plan will be considered annually in the development of the Township's capital and operating budgets.
9. As part of the annual departmental budget process, Township staff will reference the Asset Management Plan for their area in order to evaluate the forecasted spending needs identified in the plan, verify any progress made, identify any potential gaps and prioritize spending needs for the year.
10. The Township's finance staff will be involved in the Asset Management planning process to coordinate the information from the departments in the preparation of the budget submission.
11. The following principles will be considered in practicing asset management planning:
 - a. 25 year performance (Level of Service) and corresponding expenditure graphs for each asset class (category), as well as, for all asset classes (categories) aggregated into one.
 - b. Performance (Level of Service) measures break down into four main categories,
 - i. conditional - defined by professionals
 - ii. conditional - defined by Public
 - iii. functional - defined by professionals
 - iv. functional - defined by Public
 - c. Performance measure (level of service indicator) development and future projections are to be based upon the following methods:
 - i. Application of reliability (risk) theory to financial, engineering, and administrative information, and / or,
 - ii. Application of asset inspection information, and / or,
 - iii. Application of industry averages, and / or,
 - iv. Application of asset age.
 - d. Over time, the goal is to have performance (level of service) of all asset classes (categories) based upon the method in section c.i.
 - e. An Asset Management system composed of the interaction between the organization (staff) and its technology (computer applications) is to be developed, implemented, and maintained.
 - f. The Asset Management System is to be used to:
 - i. Model assets' Life Cycle Activities
 - ii. Model 25 year deterioration of all asset classes (categories) at the most granular (detailed) level of asset information inventory
 - iii. Program 25 year scenario(s) of improvement activities at the most granular (detailed) level of asset information inventory



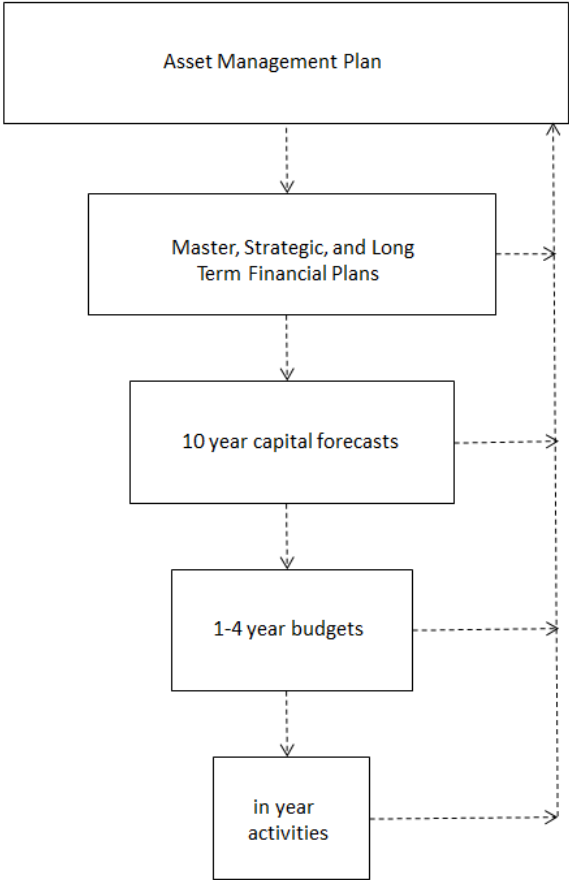
- iv. Generate multi-year work plans
 - v. Generate improvement activity – project sheets
- g. Infrastructure planning principles as per *Infrastructure for Jobs and Prosperity Act, 2015*.
12. Asset Management planning will consider climate change aspects as they relate to the management of infrastructure assets. This includes, but is not limited to:
- a. Identifying vulnerable assets at the most detailed level of asset information inventory
 - b. Capturing climate change items (e.g. greenhouse gas emission scenarios) in 25 year programming of infrastructure improvement activities
13. The Township’s Asset Management Plan will address Township relevant information provided in, but not limited to, any of the following:
- a. Ontario’s land-use planning framework,
 - b. Policy statements under subsection 3 (1) of the *Planning Act*,
 - c. Provincial plans as defined by the *Planning Act*, and
 - d. Township’s official plan.
 - e. Water asset financial plans, including any prepared under the *Safe Drinking Water Act, 2002*,
 - f. Sanitary asset financial plans.
14. The Township will develop and maintain an Asset inventory of all municipal infrastructure assets. The inventory will include a unique asset ID, description, location information (where applicable), value, condition, estimated life, estimated cost to repair, rehabilitate or replace.
15. The Township will develop an Asset Management Plan that incorporates all Municipally Owned Infrastructure that meet the Capitalization Threshold outlined in the Township’s Tangible Capital Asset Policy. The Asset Management Plan will be updated at least every five years in accordance with O. Reg. 588/17 requirements.
16. The Asset Management Plan will address Wainfleet relevant information of connected or interrelated public infrastructure assets of other communities, public organizations, and levels of government.
17. As elected officials, Council is entrusted with the responsibility of overseeing the management of the Township’s Assets. Council’s duties and responsibilities under the Township’s Asset Management program include:



- a. Approving the Township’s Asset Management Policy and required updates every five years.
 - b. Reviewing management’s implementation of the Asset Management Plan as part of the annual budget process.
 - c. Supporting efforts to improve the plan and ensure it includes any necessary changes resulting from updates to other Township strategic documents.
 - d. Approving the Township’s Asset Management Plan.
18. Public input may be obtained when required and from time to time through a public engagement effort on Asset Management.



Schedule 1 – Asset Management Framework





Schedule 2 – Operational Process of Asset Management Framework

Legend

core asset management
section(s) or unit(s)
and / or location of data

