

Subject: Strategic Asset Management Policy	Authority, Ref. & Sec. Infrastructure For Jobs And Prosperity Act, 2015, S.O. 2015, c. 15 O. Reg. 588/17: Asset Management Planning For Municipal Infrastructure		
Policy Classification: Corporate Policy	Pages: 5	Year 19	Month Day 06 19
Approved by: Council Resolution: C-2019-0390	Contact Position for Inf. Chief Administrative Officer		

1.0 POLICY STATEMENT:

1.1 Purpose

The purpose of the Town's Strategic Asset Management Policy (SAMP) is to provide leadership and commitment to the development and implementation of the Town's asset management program. The structure and content of the SAMP is meant to comply with Ontario Regulation 588/17 (O. Reg. 588/17) and establish principles as intended under The Infrastructure for Jobs and Prosperity Act, 2015.

1.2 Scope

This policy applies to all departments involved in planning, constructing, maintaining, operating, or utilizing for purposes of delivery of services, the Town's infrastructure assets.

2.0 DEFINITIONS:

*Asset*¹: Item, thing or entity that has potential or actual value to an organization. Value can be tangible or intangible, financial or non-financial, and includes consideration of risks and liabilities.

*Asset Management*¹: Coordinated activity of an organization to realize value from assets. Realization of value will normally involve an appropriate balancing of costs, performance and risks, opportunities and performance benefits.

*Asset Management Plan (AMP)*¹: Documented information that specifies the activities, resources, and timescales required for an individual asset, or a grouping of assets, to achieve the *Town of Georgina's* asset management objectives (ISO 55000).

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.

*Life Cycle*¹: stages involved in the management of an asset.

Strategic Asset Management Policy (SAMP): The Strategic Asset Management Policy shall guide the overall direction of the asset management plan, providing clear direction as to the appropriate focus and level of asset management practice expected. It shall establish the key principles, overall mission and goals for the plan.

¹INTERNATIONAL STANDARD ISO 55000, First edition, 2014-01-15, Published in Switzerland

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3.0 BACKGROUND

The Town is responsible for providing a range of essential services to the community, including safe and reliable transportation infrastructure, environmental infrastructure, drinking water, and recreation programs. To deliver these services, the Town owns and manages a diverse municipal infrastructure asset portfolio including roads, bridges, culverts, water and wastewater mains, storm sewers, equipment, land, land improvements, recreation and cultural facilities, parks, and trails. 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 systemic, sustainable approach to their management.

Asset management is such an approach, and refers to the set of policies, practices and procedures that allow an organization to realize maximum value from its infrastructure assets. An asset management approach allows organizations to make informed decisions regarding the planning, building, operating, maintenance, renewing, replacing and disposing of infrastructure assets through a wide range of lifecycle activities. Furthermore, it is an organization-wide process that involves the coordination of activities across all Town Departments. As such, it is useful to adopt a structured and coordinated approach to outlining the activities, roles and responsibilities required of all stakeholders, as well as the key principles that should guide all asset management decision-making.

A comprehensive asset management approach will support efficient and effective delivery of expected levels of service and ensure that due regard and process are applied to the near and long-term management and stewardship of all municipal infrastructure assets.

The application of this policy is an important step towards incorporating the Town's strategic mission, vision and goals through its asset management program, and ensuring that critical municipal infrastructure assets and services are maintained and provided to the community in a consistent, reliable and sustainable manner.

4.0 KEY PRINCIPLES

The Infrastructure for Jobs and Prosperity Act, 2015 (IIPA) is meant to encourage principled, evidence-based strategic asset management planning in the Province of Ontario. The Town shall consider the principles outlined in Section 3 of the IIPA and Section 3 of O. Reg. 588/17 when making decisions respecting infrastructure. (4)

4.1 IIPA – Infrastructure Planning Principles (Section 3)

- a) Infrastructure planning and investment should take a long-term view, and decision makers should take into account the needs of citizens by being mindful of, among other things, demographic and economic trends.
- b) Infrastructure planning and investment should take into account any applicable budgets or fiscal plans.
- c) Infrastructure priorities should be clearly identified in order to better inform investment decisions respecting infrastructure.

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- d) Infrastructure planning and investment should ensure the continued provision of core public services, such as health care and education.
- e) Infrastructure planning and investment should promote economic competitiveness, productivity, job creation and training opportunities.
- f) Infrastructure planning and investment should ensure that the health and safety of workers involved in the construction and maintenance of infrastructure assets is protected.
- g) 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.
- h) 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,
 - i. 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
 - ii. information with implications for infrastructure planning should be shared between the Municipality and broader public sector entities, and should factor into investment decisions respecting infrastructure.
- i) 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 Municipality, as the case may be, the Municipality 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.
- j) Infrastructure planning and investment should promote accessibility for persons with disabilities.
- k) 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.
- l) Infrastructure planning and investment should endeavour to make use of acceptable recycled aggregates.
- m) Infrastructure planning and investment should promote community benefits, being the 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, such as local job creation and training opportunities, improvement of public space within the community, and any specific benefits identified by the community.

5.0 ALIGNMENT WITH THE TOWN'S STRATEGIC DIRECTION

5.1 Index of Endorsed Plans, Policies and Goals

The Town of Georgina shall maintain a list of all current policies, goals and plans as endorsed by Council that are supported by the Town's Asset Management Plan (AMP). For each such

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policy, goal or plan, a Director shall be appointed and listed to be responsible for maintaining and updating the specific document. It is intended that these items be supported by the Town's SAMP.(1)

5.2 Alignment with Financial Plans

The asset management plan(s) (AMP) shall be considered during the development or update of all Town financial plans including those created under the Safe Drinking Water Act, 2002. (6)

5.3 Alignment with Municipal and Provincial Planning

The SAMP shall align with the Town's Official Plan, and any relevant policy statements or frameworks issued under Section 3 (1) of the Planning Act and Provincial Plans. (7)

6.0 ASSET MANAGEMENT MISSION, GOALS AND PRINCIPLES

6.1 Guiding Principles

The Town shall strive to implement a data driven, evidence based, service needs analysis taking into account infrastructure and non-infrastructure solutions for proposed development and rehabilitation or replacement of assets. The analysis shall consider lifecycle costs and other associated factors. Existing assets shall be inventoried, valued and assessed over the life cycle of the asset.

The Town shall review and continually improve the AMP program formally on a five year basis. The Town shall strive to review the program annually through process reviews, audits and benchmarking including for; resource requirements, training, technology and adoption of appropriate levels of best practice. The Town shall identify funding gaps across the asset portfolio. Where a funding gap exists the Town shall commit to a program to reduce the funding gap. Changes and updates to the SAMP can be made as part of the defined process or as new information becomes available. (3)

6.2 Annual Budget Validation

AMP will be a guiding document(s) for the development of the annual budget. The capital projects from the AMP will be validated within other service areas and optimized with capital projects from all service areas to provide the best value to the Town. (2)

6.3 Climate Change

The Town commits to consider as part of its asset management planning, the impacts and vulnerabilities that may be caused by climate change as required by O. Reg. 588/17. (5)

6.4 Capitalization Thresholds

The Town of Georgina's Tangible Capital Asset Policy (TCAP) describes the capitalization thresholds that are used to determine if an item is a capital asset for each category for Town purposes. The Town's AMP shall follow the capitalization threshold policy table contained in the TCAP. Assets that require deliberate management by either operational or capital means will be included even if they fall below the capitalization threshold amount. (8)

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6.5 Internal and Third Party AMP Coordination

The AMP and resultant goals, policies and plans will consider other assets that may be impacted by a specific project scope and timing. The Town shall employ the practices of cross asset integration which shall consider not only Town assets, but other assets that may have a direct or indirect impact on Town asset lifecycle and performance, such as other levels of government and private utilities. This is particularly true of linear assets within the road allowance (such as water, sewer, storm, gas, electrical and telecommunication infrastructure). The Town of Georgina is committed to coordinating its asset management planning and working with other public and private sector entities to ensure efficient and effective service delivery. (9)

6.6 Public Availability and Consultation Requirements

The Town of Georgina will publish the SAMP and a list of all current goals, policies or plans that are supported by the AMP on the Town's website. The Town will consider public feedback as it relates to the SAMP and AMP as part of the public budgetary development process and five year reviews as required by O. Reg. 588/17. Information provided shall include applicable legislation, inventory details of existing assets and asset management practices. Additionally a copy of the SAMP and the AMP shall be provided to any person who requests it. (12)

7.0 ROLES AND RESPONSIBILITY

7.1 Council

Council shall be responsible for the management of all municipal assets. Council will review the SAMP annually as part of the budget process. Since the Asset Management Plan (AMP) is a guide for the financial plans along with the annual budget, Council shall be informed of the capital AMP outputs annually. Council shall review the SAMP on a 5 year basis. (11)

7.2 Executive Lead

The Chief Administrative Officer (CAO) shall be the executive lead, and responsible for the maintenance and reporting activity of the Town's asset management planning. The CAO may delegate to other staff as may be required to meet the obligations set out by the Town's SAMP, AMP or provincial regulation. (10)

7.3 Directors

Directors shall be responsible for the maintenance and update of any assigned goals, policies or plans that are supported by the AMP.

** The number in brackets (ie. (10)) represents the portion of Section 3 from O. Reg. 588/17 that the Town's SAMP is compliant with.*