

THE TOWN OF PLYMPTON-WYOMING			
Subject:	<b>Strategic Asset Management Policy</b>	<b>Section</b>	<b>Policy</b>
Effective Date:	June 12, 2019	Approved By: Norma Roddick-Preece	
Revision Date:			

## PURPOSE

It is the policy of the Town of Plympton-Wyoming that Council is to establish consistent standards and guidelines for management of the Town's capital assets.

The purpose of the policy is to:

- Provide a level of commitment and develop a framework for implementing asset management to enable a consistent and strategic approach. This allows the municipality to facilitate logical and evidence based decision-making for the management of municipal assets and to support the delivery of sustainable community services now and in the future.
- Provide transparency and accountability by demonstrating to community stakeholders the legitimacy of decision-making processes which combine strategic plans, budgets, lifecycle costs, service levels, and risk.
- Provide guidance to staff responsible for asset management and support the implementation of the plan consistent with the strategic objectives of Council.

## POLICY

### Definitions

In this policy the following definitions are used:

- **Asset Management Plan (AMP)** - Means 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, planned actions to ensure the assets are providing the expected level of service, and financing strategies to implement the planned actions.
- **Capitalization Threshold** – The value of a municipal capital infrastructure asset at or above which the Town will capitalize the asset's value and below which it will expense the asset's value.
- **Level of Service** – The 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.
- **Lifecycle Costs** - The total cost of ownership over the life of an Asset. This may include but is not limited to capital costs, operating costs, maintenance costs, renewal costs, replacement costs, environmental costs and user delay.
- **Sustainable** - Meeting the needs of today without compromising the needs of future generations. It is about maintaining or improving the standard of living by protecting human health, conserving the environment, using resources efficiently and advancing long-term economic competitiveness. It requires the integration of environmental, economic and socio-cultural priorities into policies and programs with actions at all levels.
- **Tangible Capital Asset** - Non-financial assets having physical substance that are acquired, constructed or developed, including land, land improvements, roads, water and wastewater lines, storm sewer lines, buildings, vehicles, equipment, and other capital assets acquired by capital lease or through donation.

### **Alignment with Plans and Policies**

The Town has developed and adopted a Strategic Plan, an Official Plan, an Emergency Management Plan, a Community Improvement Plan, and an Asset Management Plan. These plans were designed to meet the legislative requirements and work together to achieve the Town's goal of delivering efficient municipal services and provide a sustainable and desirable community. These plans will be reviewed regularly by staff and will be incorporated into the budgeting process.

The Town will ensure that asset management planning is aligned with any financial plans prepared under the Safe Drinking Water Act, 2002 and with plans related to the water and wastewater capital assets.

The Town will align all asset management planning with the Province of Ontario's land-use planning framework. This includes relevant policy statements issued under section 3(1) of the *Planning Act*, provincial plans as defined by the *Planning Act*, and all municipal official plans.

In addition, the existing Town policies and plans complement the asset management planning documents by providing details for the implementation of strategic objectives.

## Policy Statement

To guide the Town, the following policy statements have been developed:

1. The Town will develop an Asset Management Plan (AMP) that incorporates all municipal tangible capital assets. The capitalization threshold guidelines in the Town's tangible capital asset policy will apply. The AMP and Strategic Asset Management Policy (SAMP) will be reviewed and updated every five years.
2. The Town will continually enhance and improve asset management practices regarding asset management planning.
3. The AMP will be reviewed and considered annually in the development of the Town's capital budgets, operating budgets, and long-term financial plans. This includes the development of financial plans that determine the level of funding required to achieve short-term operating and maintenance needs, in addition to long-term funding needs to replace and/or renew municipal capital assets.
4. The Town will implement an AMP that will promote efficient lifecycle costs, lifecycle activities and risk management of all municipal infrastructure assets. A primary goal will be to achieve the lowest total cost of ownership while meeting desired levels of service.
5. The Town will consider climate change as part of the risk management approach embedded in asset management planning methods. This approach will balance anticipated costs that could arise from climate change impacts with the cost of reducing these vulnerabilities. The Town will consider the desired levels of service, lifecycle management, operations, maintenance schedules, disaster response plans, contingency funding, and capital investments along with adaptation opportunities and mitigation approaches when considering climate change risks.
6. The Town will coordinate planning for connected or interrelated municipal infrastructure assets by pursuing collaborative opportunities with upper-tier municipalities, neighbouring municipalities and jointly-owned municipal bodies wherever viable and beneficial.
7. The Town will develop processes and provide opportunities for municipal residents and other interested parties to offer input into asset management planning wherever and whenever possible.

## Responsibility

The Treasurer will assume the lead role and be responsible for the maintenance of and reporting on the activity related to the management of Town assets. The Treasurer will oversee the policy implementation and ensure both the AMP and the SAMP are in compliance with regulations.

The Director of Public Works together with the other department heads will assist with updates to the AMP through the utilization of condition assessment information and service level requirements to update the long and short term asset requirements.

Management will ensure that current year and long range asset requirements are incorporated into the annual budget presented to Council. Management will update the AMP and SAMP to reflect changes as needed and present them for Council approval at least every five years. Changes will include those reflected in updates to the roads needs study, bridge inspection reports, structural assessment reports and all other condition assessments commissioned for assets covered by the plan.

Council, on behalf of the citizens, will be entrusted with the responsibility of overseeing the management of the assets. They will approve the AMP and SAMP and required updates every five years. They will review management's implementation of the plan as part of the annual budget process. They will support efforts to improve the plan and ensure it includes changes required due to updates to other Town strategic documents.

## Infrastructure Planning Principles

The Infrastructure for *Jobs and Prosperity Act, 2015* sets out principles to guide asset management planning in municipalities in Ontario. The Town of Plympton-Wyoming will strive to incorporate the following principles whenever possible into the day to day operation of the Town:

- **Forward looking** - The Town shall take a long-term view while considering demographic and economic trends in the area.
- **Budgeting and planning** - The Town shall take into account any applicable budgets or fiscal plans, such as fiscal plans released under the *Fiscal Sustainability, Transparency and Accountability Act, 2019* and budgets adopted under Part VII of the *Municipal Act, 2001*.
- **Prioritizing** - The Town shall clearly identify infrastructure priorities which will drive investment decisions.
- **Consistency** - The Town shall ensure the continued provision of core public services.
- **Economic development** - The Town shall promote economic competitiveness, productivity, job creation, and training opportunities.
- **Health and safety** - The Town shall ensure that the health and safety of workers involved in the construction and maintenance of infrastructure assets is protected.
- **Transparency** - The Town shall be evidence-based and transparent. Additionally, subject to any prohibition under an Act or otherwise by law on the

collection, use, or disclosure of information, the Town 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.

- **Environmental conscious** – The Town shall minimize the impact of infrastructure on the environment by respecting and helping maintain ecological and biological diversity, by augmenting resilience to effects of climate change and by endeavouring to make use of acceptable recycled aggregates.
- **Community focused** - The Town shall promote community benefits, being the supplementary social and economic benefits arising from an infrastructure project that is intended to improve the well-being of a community affected by the project, such as local job creation and training opportunities, improvement of public spaces within the community, and promoting accessibility for persons with disabilities.
- **Innovation** - The Town 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** - The Town shall be mindful and consider the principles and content of non-binding provincial or municipal plans and strategies established under an Act or otherwise when planning and making decisions surrounding the infrastructure that supports them.

## PROGRAM HISTORY

REVISION	DATE	PREPARED BY