



TOWN POLICY

POLICY NUMBER: 1810

REFERENCE:

Resolution No.
009.01.23

ADOPTED BY:

Town Council
January 18, 2023

PREPARED BY: Infrastructure, Operations &
Development Services

DATE: January 3, 2023

TITLE: Asset Management Policy

POLICY STATEMENT

This policy articulates Council's commitment to asset management. This policy will advance the creation, implementation, and continuous improvement of the Town's Asset Management System. This policy will guide the asset management system in a coordinated and systematic way to support the achievement of the Town's Strategic Plan, Objectives, and Vision. This policy will provide a framework that will enable the Town to implement asset management plans and strategic asset management plans.

1.0 DEFINITIONS

1.1 The following terms set out in this Policy have the corresponding meanings:

- (a) **"Asset Management" (AM)** means a systematic approach to the governance of Town assets using sound technical, social, and economic principles that considers present and future needs of the community. It is the co-ordinated activity of an organisation to realize value from assets.
- (b) **"Asset Management System"** means a management system for asset management. The Town's Asset Management System is not necessarily a technological system, but a business model or standard management approach outlining the linkages between the key elements and practices of an effective asset management program.
- (c) **"Asset Management Plan" (AMP)** means a set of documents that detail how groups of assets are to be managed over a period. The plan describes the characteristics and condition of infrastructure assets, the levels of service expected from them, planned operational and

the expected level of service, and financing strategies to try to implement the planned actions. This document also addresses the impacts and maintenance risks associated with owning the assets.

- (d) **"Life Cycle"** means the time interval that commences with the identification of the need for an asset and terminates with the disposal of the asset.
- (e) **"Life Cycle Cost"** means the total cost of an asset throughout its life including planning, design, construction, acquisition, operation maintenance, rehabilitation, and disposal costs.
- (f) **"Level of Service"** means a defined service for a particular activity or service area against which service performance may be measured. Service levels usually relate to quality, quantity, reliability, responsiveness, environmental acceptability, and cost.
- (g) **"Strategic Asset Management Plan"** means a document that defines the high-level long-term approach to asset management.
- (h) **"Sustainability"** means achieving or retaining an optimum compromise between performance, costs, and risk of the asset life, while avoiding adverse long-term impacts to the organization from short term decisions.

2.0 APPLICATION

2.1 This policy applies to all departments and employees of the Town that have a direct or indirect link with assets and asset systems that are owned in whole or in part, leased, or operated by the Town. The application will be subject, but not limited, to the following individuals:

- (a) Town of Strathmore Employees; and
- (b) Members of Town Council.

2.2 This policy applies to the following asset categories, but is not limited to:

- (a) Recreation and Civic Facilities;
- (b) Parks and Pathways;
- (c) Roads and Sidewalks;
- (d) Water Distribution;
- (e) Sewer Collection Treatment and Disposal;
- (f) Storm Water Collection and Disposal;
- (g) Natural Assets;

- (h) IT Systems;
- (i) Fleet Vehicles;
- (j) Machinery and Equipment; and
- (k) Fire Suppression Equipment

3.0 RESPONSIBILITIES

3.1 Council is responsible for:

- (a) Approving this policy and any amendments to it;
- (b) Reviewing this policy once every Term; and
- (c) Supporting the development and improvement of the Town's Asset Management Program.

3.2 The CAO is responsible for:

- (a) Communicating the vision of the asset management program at a corporate level;
- (b) Ensuring compliance with the asset management policy; and
- (c) Supporting staff in their role to develop and use Asset Management Plans (AMP).

3.3 Staff are responsible for:

- (a) Implementation of the policy through the development and use of a Strategic Asset Management Plan (SAMP); and
- (b) Continually working to optimize processes for the creation, operation, maintenance, and disposal of assets as well as promote service levels that balance citizen expectations with cost and risk.

4.0 POLICY

4.1 The Town of Strathmore will make reasonable efforts to:

- (a) Maintain and manage municipal assets at defined levels to support public safety, community well being, and the program's and plans of Council;
- (b) Develop and maintain asset inventories of the Town's municipal assets;

- (c) Establish asset replacement strategies using full life cycle costing principles;
- (d) Plan financially for the appropriate level of maintenance of assets to deliver levels of service and extend the useful life of assets, provide stable long-term funding to operate, maintain, replace, renew, or decommission assets;
- (e) Make the commitment to maintain, within reason, the necessary corporate capacity including but not limited to resourcing, financial support, staff competencies, business processes, data and integrated information systems, to support the elements and practices of the asset management program;
- (f) Identify assets that have a role in service delivery to the town and develop strategies within the asset management plan to minimize risk to the service delivery;
- (g) Incorporate asset management in its other corporate plans;
- (h) Develop and enhance asset management knowledge and competencies to ensure the availability of skill sets required for the implementation of asset management programs;
- (i) Establish organization accountability and responsibility for asset inventory, condition, use and performance of assets;
- (j) Define and document service, maintenance and replacement levels and outcomes;
- (k) Minimize total life cycle costs of assets;
- (l) Minimize risk to users and risks associated with failure;
- (m) Achieve/pursue best practices where applicable by using industry guidelines; and
- (n) Report on the performance of the Town's asset management program as required.



MAYOR


DIRECTOR OF STRATEGIC, ADMINISTRATIVE
AND FINANCIAL SERVICES