

STRATEGIC ASSET MANAGEMENT POLICY



WHEREAS establishing a Strategic Asset Management Policy is a requirement under the *Infrastructure for Jobs and Prosperity Act, 2015*, as set out by Ontario Regulation 588/17;

AND WHEREAS the Town of Petawawa provides a range of services to the public;

AND WHEREAS the provision of these services requires the ownership and responsible management of physical assets;

AND WHEREAS it is imperative that the Town has a plan to manage these assets in order to meet desired service levels, manage risks, and to provide long-term financial sustainability;

NOW THEREFORE the Strategic Asset Management Policy is a document that details the policies and strategies that together form a framework for the Town's asset management process. This framework is intended to enable the Town to make consistent and sound decisions, plan for future needs, and provide public confidence with respect to the management of municipal infrastructure.

1.0 PURPOSE, GOALS AND OBJECTIVES

The Town's goals and objectives with respect to its capital assets relate to the level of service being provided to Town constituents and stakeholders. Services should be provided at expected service levels, as defined within the Town's asset management plan or other strategic service-related documents. Town assets should be maintained at condition levels that provide a safe and functional environment in alignment with the expected service levels and strategic intent. Additionally, the Town is committed to providing services and maintaining assets in a financial sustainable manner. Asset management will enable the Town to balance service level expectations of constituents and stakeholders with financial sustainability. Therefore, the asset management plan and its implementation will be evaluated based on the Town's ability to meet these goals and objectives.

2.0 DEFINITIONS

For the purpose of this document, the following definitions apply and reflect industry accepted practices, including ISO 55000 – International Standard for Asset Management.

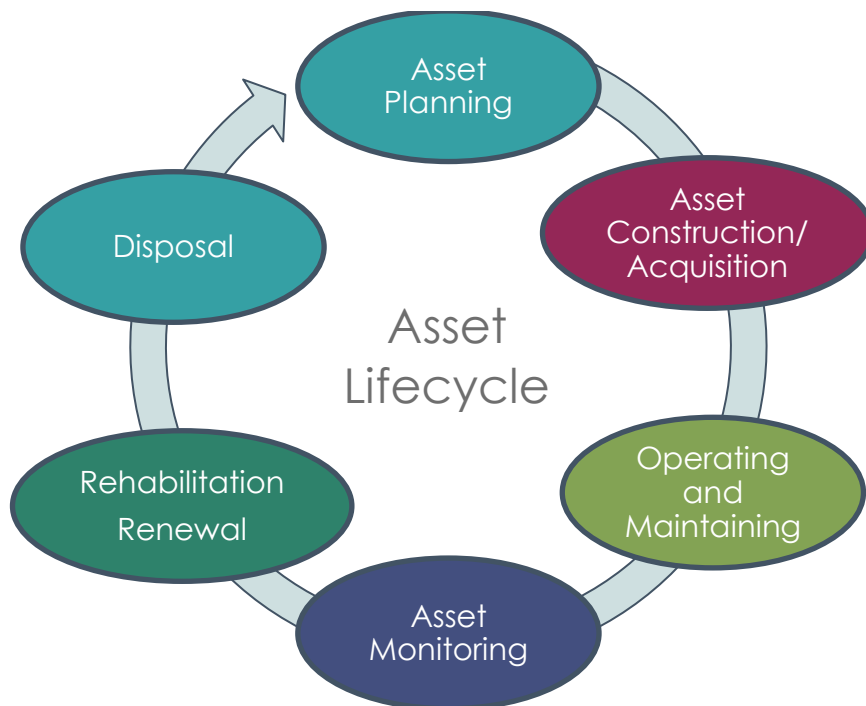
“Asset” an item, thing or entity that has potential or actual value to an organization.

“Asset Management” coordinated activity of an organization to realize value from assets.

“Asset Management Plan” documented information that specifies the activities, resources and timescales required for an individual asset, or a group of assets, to achieve the organization's asset management objectives.

“Lifecycle” stages involved in the management of an asset.

“Level of Service” parameters or a combination of parameters, which reflect social, political, environmental and economic outcomes that the organization delivers.



3.0 **SCOPE**

The Strategic Asset Management Policy applies to all physical assets that enable the Town to provide services, and that require management and long-term planning by the Town. These may include natural assets such as street trees, beaches, and ponds. The Town will coordinate asset management planning where assets connect or are interrelated with assets owned by other municipalities or municipal bodies (e.g. sidewalks on County roads).

The service focus of the Town’s asset management plan may require assets to be defined differently from the definitions within the Town’s Tangible Capital Assets Policy (e.g. assets that do not meet the minimum capitalization thresholds set out in the Tangible Capital Assets Policy). The determination of scope of costs to be included as ‘assets’ within the Town’s asset management process will be consistent with the Town’s Tangible Capital Assets Policy, with consideration for additional costs where material to the asset management strategy.

4.0 **PRINCIPLES**

The Town commits to following the principles set out in this section when making decisions in respect of infrastructure and asset management planning.

These principles were designed to encompass those contained in section 3 of the *Infrastructure for Jobs and Prosperity Act, 2015*.

Service Delivery – Service levels and performance targets shall be established and form the basis for asset management strategic decision making with respect to infrastructure. The Town will manage risks associated with the defined service levels and performance targets by prioritizing asset management activities to ensure public safety, based on risk assessments and cost/benefit analysis. The Town will ensure that infrastructure planning and investment is focused on promoting community benefits by ensuring alignment with the Town’s various strategic documents, as identified in section 5.0 of this policy. Furthermore, the Town will ensure that infrastructure planning and investment promotes accessibility for persons with disabilities.

Long-term sustainability – As part of its commitment to long-term sustainability, the Town will consider potential vulnerabilities that may be caused by climate change. These vulnerabilities will be considered in developing the asset management strategies that outline the actions and associated costs that may be required to manage potential risks. Specific consideration will be given to regulatory requirements regarding how climate change may affect asset design standards, asset lifecycles, asset maintenance requirements, and level of service objectives. Furthermore, the Town will consider mitigation approaches to climate change, and disaster planning and contingency funding as part of its asset management planning practice. The Town will seek to minimize the environmental impacts of infrastructure and will endeavour to make use of acceptable recycled aggregates where appropriate.

Holistic approach – The Town will take a holistic approach to asset management that takes into consideration all aspects and stages of the asset lifecycle and the inter-relationships between them. Within this approach, the Town will consider not only capital costs, but also significant capital planning costs, operating costs, and service performance impacts. Additionally, the Town will approach asset management from a multi-disciplinary perspective, recognizing that there needs to be deliberate collaboration between various areas of the organization.

Fiscal responsibility – The Town will utilize an evidence-based approach to decision making that balances service levels, risks, and costs, and aims at maximizing value from assets and services. Appropriate asset management funding will be provided with consideration for economic factors, such as affordability, indebtedness, and external funding available.

Innovation and continual improvement – The Town views continuous improvement as an essential element of successful asset management. As required by the *Infrastructure for Jobs and Prosperity Act, 2015*, the Town will review its asset management progress annually, and will present the findings of these reviews to Council on or before July 1 in each year. The annual review will address the Town’s progress in implementing its asset management plan, factors impeding the Town’s ability to implement its asset management plan, and strategies to address these impeding factors. The Town will continue to monitor

industry best practices and innovation opportunities, and periodically update its asset management process. As part of this commitment to continual improvement, the Town will support staff professional development initiatives in this area.

Public engagement – The Town will provide opportunities for residents and other interested parties to provide input in asset management planning, for example, through the annual budget process.

5.0 STRATEGIC ALIGNMENT AND INTEGRATION

The Town's asset management plan will be aligned with the following Town documents:

- Petawawa Strategic Plan;
- Economic Action Strategy;
- Parks and Recreation Master Plan;
- Neighbourhood Parks and Greenspaces Management Plan;
- Active Transportation Plan;
- Official Plan and legislative land-use planning requirements;
- Energy Plan;
- Water and Wastewater Rate Study and any associated financial plans, including financial plans prepared under the *Safe Drinking Water Act, 2002*;
- Development Charges Study;
- Infrastructure studies;
- Emergency Response Plan (identification of risks);
- Fire Master Plan.

Following updates or material changes to any of the documents listed above, the Town will consider potential impacts on the asset management plan to ensure continued alignment.

In addition to ensuring alignment between the Town's general asset management practices and the various strategic documents listed above, the Town will also ensure that its asset management plan is considered in developing annual budgets and long-term financial plans that entail municipal assets. This will be achieved by annually presenting to Council the implementation of the asset management plan and its implications for annual budgets and/or long-term financial plans.

6.0 ROLES AND RESPONSIBILITIES

Stakeholder Group	Responsibilities
Council	<ul style="list-style-type: none"> • Approve the Strategic Asset Management Policy and Asset Management Plan (as updated at least every 5 years) • Receive annual reporting on the status and performance of the Asset Management Plan • Review and approve funding associated with Asset Management through the annual budget process • Provide opportunities for the public to provide input into asset management planning – as identified in the Public Engagement principle under section 4.0 of this policy • Provide resources for implementation of the Strategic Asset Management Policy and Asset Management Plan
CAO	<ul style="list-style-type: none"> • Identify resources required for implementation of the Strategic Asset Management Policy and Asset Management Plan • Coordinate annual reporting on the status and performance of the Asset Management Plan • Periodic review of the Strategic Asset Management Policy and Asset Management Plan, at least every 5 years
Asset Management Working Group	<ul style="list-style-type: none"> • Define levels of service measures/metrics and suggest proposed levels of service targets • Incorporate lifecycle costing and levels of service considerations when evaluating competing asset investment needs and developing asset management strategies • Update the Strategic Asset Management Policy and prepare the Asset Management Plan, at least every 5 years

Residents, Constituents and Stakeholders	<ul style="list-style-type: none"> • Provide input to the Town, for example, through participation in the annual budget process
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7.0 REVIEW PERIOD

This policy will be reviewed by the CAO, in consultation with the Town’s Asset Management Working Group, at least every 5 years (as required by Ontario Regulation 588/17), and following any changes in regulatory requirements.

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