

The Corporation of the Township of Huron-Kinloss



BY-LAW

2017- 106

Being a by-law to adopt an Asset Management Policy for the Township of
Huron-Kinloss

WHEREAS The Council for The Corporation of the Township of Huron-Kinloss deems it expedient to establish policies;

WHEREAS the *Municipal Act S.O. 2001, c 25, Section 5(3)*, as amended provides that a municipal power, including a municipality's capacity rights, powers and privileges under section 9, shall be exercised by by-law;

NOW THEREFORE the Council of The Corporation of the Township of Huron-Kinloss enacts as follows:

- 1.0 That The Corporation of the Township of Huron-Kinloss Council hereby adopts an Asset Management Policy as contained in the attached Schedule "A" to this by-law.
- 2.0 This by-law shall come into full force and effect upon final passage.
- 3.0 This by-law may be cited as the "Adopt Asset Management Policy By-Law".

Read, Enacted, Signed and Sealed this 16th day of October, 2017.

A handwritten signature in black ink, appearing to read "Mitch Twolan".

Mitch Twolan, Mayor

A handwritten signature in black ink, appearing to read "Sonya Watson".

Sonya Watson, Clerk



Policy & Procedures

Section: 2.0 Finance/Treasury

Policy: Asset Management Policy

By-Law: 2017-106

Date: 16 October 2017

Revision: N/A

Coverage:

This policy shall cover all assets owned by the Township of Huron-Kinloss.

Policy Statement:

- a) The Township will implement a municipal asset management program through all departments. The program will promote lifecycle and risk management of all assets, with the goal of achieving the lowest total cost of ownership while meeting desired levels of service.
- b) The Township will develop and maintain an asset inventory of all capital assets which includes unique id, description, location information, value (both historical and replacement), performance characteristics and/or condition, estimated remaining life and estimated repair, rehabilitation or replacement date; and estimated cost for the repair, rehabilitation or replacement.
- c) The Township will develop an asset management plan that incorporates all infrastructure categories and asset that meet the capitalization threshold outlined in the organization's Tangible Capital Asset Policy, and it will be updated on a biennial basis to promote, document and communicate continuous improvement.
- d) The Township will implement continuous improvement protocols and adopt best practices regarding asset management planning, including:
 - i. Complete and Accurate Asset Data
 - ii. Condition Assessment Protocols
 - iii. Risk and Criticality Models
 - iv. Lifecycle Management
 - v. Financial Strategy Development
 - vi. Level of Service Framework
- e) The Township will integrate asset management practices with its long-term financial planning and budgeting strategies. 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 assets based on full lifecycle costing.

- f) The Township will develop performance metrics and reporting tools to transparently communicate and display the current state of asset management practice.
- g) The Township will consider the risks and vulnerabilities of infrastructure assets to climate change and the actions that may be required including, but not limited to, anticipated costs that could arise from these impacts, adaptation opportunities, mitigation approaches, disaster planning and contingency funding.
- h) The Township will align all asset management planning with the Province of Ontario's land-use planning framework, including any relevant policy statements issued under section 3(1) of the *Planning Act*; shall conform with the provincial plans that are in effect on that date; and, shall be consistent with all municipal official plans.
- i) The Township will coordinate planning between interrelated infrastructure assets with separate ownership structures by pursuing collaborative opportunities with neighbouring municipalities and jointly-owned municipal bodies wherever viable and beneficial.
- j) The Township will provide opportunities for municipal residents and other interested parties to provide input into asset management planning wherever and whenever possible.

Legislative Authority:

Not applicable

Contents:

1.0 Purpose:

The purpose of this policy is to ensure the development of the Township's asset management program, including roles and responsibilities, to facilitate logical and informed decision-making for the management of the Township's infrastructure, and to support the delivery of sustainable community services.

By using sound asset management practices, the Township can ensure that all infrastructure assets meet performance levels and continue to provide desired service levels in the most efficient and effective manner.

This policy demonstrates an organization-wide commitment to the good stewardship of infrastructure assets, and the adoption of best practices regarding asset management planning.

2.0 Background:

Asset management refers to the policies, practices and procedures that combine to make the best possible decisions regarding the building, operating, maintaining, renewing, replacing and disposing of infrastructure assets. Furthermore, asset management is an organization-wide process that involves the coordination of activities across multiple departments. As such, it is useful to implement a structured and coordinated approach to outlining the activities, roles and responsibilities required of organizational actors and the key principles that should guide all asset management decision-making.

A comprehensive and holistic approach to asset management will ensure service levels are being delivered in the most efficient and effective manner, and that due regard and process are applied to the long-term management and stewardship of the Township's capital infrastructure assets. In addition, it will align the Township with provincial and national standards and regulations enabling the organization to take full advantage of available grant funding opportunities.

The approval of this policy is an important step towards integrating the Township's strategic mission, vision and goals with its asset management program, and ensuring that vital services and critical infrastructure are maintained and provided to the community at all times.

3.0 Alignment with the Township's Strategic Direction:

This policy aligns with the organizational objectives and key strategic documents of the Township of Huron-Kinloss, including: *The Official Plan for the Township of Huron-Kinloss* and *Our Future Huron-Kinloss Sustainability Plan*.

The Official Plan for the Township of Huron Kinloss:

1.3 Huron-Kinloss celebrates a unique mix of welcoming communities and natural beauty.

1.4 a) To maintain and enhance the Township as a vibrant, caring, progressive community, rich in its diversity of amenities, with quality of life and economic prosperity strived for throughout the Township's communities.

1.4 p) To ensure the cost-effective provision and maintenance of transportation systems and municipal services, as required to service existing and future residents and businesses.

4.1 – The Township is committed to managing and establishing an efficient, cost-effective and multifaceted transportation network capable of serving the local community and visitors.

4.2 - To promote an improved system of arterial, collector and local roads which provide for the safe and efficient movement of local and through traffic.

Our Future Huron-Kinloss Sustainability Plan:

Our Mission: Support the communities of today to inspire the generations of tomorrow.

P5.3 – Continue to keep roads and transportation infrastructure well maintained and seek opportunities for continuous improvement.

P5.4 – Develop and maintain a Comprehensive Capital Asset Management Plan to be financially prepared to meet future infrastructure needs.

**4.0 Roles and Responsibilities:
Council**

- Approve the asset management policy and direction of the asset management program
- Approve future amendments to the asset management policy
- Establish and monitor levels of service

Senior Management Team

- Will provide corporate oversight to goals and directions and ensure the asset management program aligns with the Township’s strategic plan.
- Ensure that adequate resources are available
- Track, analyze and report on asset management program benefits

Project Lead (Treasurer)

- Provide organization-wide leadership in asset management practices and concepts
- Provide departmental staff coordination
- Coordinate and track asset management program implementation and progress

Departmental Staff

- Utilize the new business processes and technology tools

- Participate in implementation task teams as part of the asset management development
- Provide support and direction for asset management practices within their department

5.0 Key Principles:

The Township shall consider the following principles as outlined in section 3 of the *Infrastructure for Jobs and Prosperity Act, 2015*, when making decisions regarding asset management:

- 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.
- Infrastructure planning and investment should take into account any applicable budgets or fiscal plans.
- Infrastructure priorities should be clearly identified in order to better inform investment decisions respecting infrastructure.
- Infrastructure planning and investment should ensure the continued provision of core public services, such as health care and education.
- Infrastructure planning and investment should promote economic competitiveness, productivity, job creation and training opportunities.
- Infrastructure planning and investment should ensure that the health and safety of workers involved in the construction and maintenance of infrastructure assets is protected.
- 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.
- 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,
 - 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
 - information with implications for infrastructure planning should be shared between the Township 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 Township, as the case may be, the Township 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.