

		POLICY AND PROCEDURE MANUAL	
Category: Administrative Services	Number: ADM.04(C)	ASSET MANAGEMENT POLICY	
Type:		Authority:	Approved By:
<input checked="" type="checkbox"/> Policy <input type="checkbox"/> Procedure		<input checked="" type="checkbox"/> Council <input type="checkbox"/> Administrative	<input checked="" type="checkbox"/> Council <input type="checkbox"/> Chief Administrative Officer <input type="checkbox"/> Department Head
Office of Primary Responsibility: Asset Management			
Date Adopted: June 19, 2017	Council Resolution No: RC17/326	Date to be Reviewed: June 19, 2022	
Manner Issued: Pipeline, email			

BACKGROUND:

The District of Mission relies on a large and diverse asset portfolio to deliver many essential services to the community. The scale and criticality of these services to the community's wellbeing drives the need to implement a systemic approach to managing this portfolio.

Council's vision for the District is to be "a responsive, forward-thinking organization which plans and builds for the future while managing the assets of the community and providing core municipal services to residents and businesses in an accountable, effective and efficient manner". Integral to this vision is the effective management and maintenance of the District's infrastructure assets. These assets include, but are not limited to, a diverse transportation network, a safe and economical water distribution system, reliable drainage and sanitary sewage collection systems, and accessible parks and recreation facilities.

This Asset Management Policy directly aligns with the District's 2016 to 2018 Strategic Plan goals:

- Ensuring ongoing maintenance and optimize use of its infrastructure;
- Supporting an excellent quality of life for citizens; and
- Integrating sustainability into planning and operations.

PURPOSE:

The purpose of this policy is to document the District's commitment to asset management and provide a set of principles that guide the District's asset management program. This policy also demonstrates to the community that Council is being proactive in exercising good stewardship, and is committed to delivering affordable services, while maintaining the District's sustainability.

This policy does not intend to commit to any specific funding; only to illustrate that asset management is supported at all levels of municipal government, and the District is working towards improving its asset management practices.

POLICY:

1. Definitions

“Asset” means an item which has a physical nature, is an economic resource, and provides the delivery of programs and/or services.

“Asset Management” means a systematic process to guide the planning, acquisition, operation and maintenance, rehabilitation, replacement, and disposal of assets, including site remediation and clean-up. Its objective is to maximize asset service delivery potential, manage related risks, and minimize costs of ownership, while delivering acceptable levels of service to the public in a sustainable manner.

“Asset Management Framework” means the corporate level document that sets out the principles and provides guidance for the implementation, operation, and maintenance of the Asset Management Program. Refer to the District of Mission’s “Asset Management Framework” for a list of other asset management definitions.

“Asset Management Leadership Team” means an asset management committee, containing representation from all departments, intended to lead their departments through the asset management best practices and also provide advice to council

“Council” means the duly elected officials of the District, those being the Mayor and Councilors.

“Council Policy” means Policy statements that provide strategic direction on programs and services delivered by the District which impact or affect citizens or customers, and/or Policy statements that require Council’s approval because of legislative or regulatory requirements.

“District” means the District of Mission.

“Policy” means general statements or guidelines that are high-level in nature, as opposed to being operationally oriented, which direct a plan, course of action or decision, according to a standard or performance outcome.

2. ASSET MANAGEMENT POLICY

Asset management is a broad strategic framework that encompasses many disciplines and involves the entire organization. To guide the District, the following policy statements have been developed.

Insofar as the District has the asset management capability, the District will:

- Maintain and manage assets at defined levels of service to ensure that they meet customer expectations, compliance and legislative requirements, and technological and environmental factors;
- Monitor standards and service levels to ensure that they meet and support Council goals and objectives;
- Plan financially for the appropriate level of maintenance of assets to deliver service levels and extend the useful life of assets;
- Develop and maintain asset inventories of all asset infrastructure;
- Adopt risk-based decision making processes that consider the probability and consequences of asset failure to minimize the District’s risk exposure;
- Establish infrastructure replacement strategies through the use of full life-cycle costing principles;

- Plan for and provide stable long term funding for the renewal, replacement and decommissioning of infrastructure assets;
- Incorporate asset management into planning and development decisions;
- Consider and incorporate asset management in its other corporate plans; and
- Report to citizens regularly on the status and performance of work related to the implementation of this asset management policy.

3. PRINCIPLES, GUIDELINES AND INTEGRATION

Asset management principles and practices shall support the District's goal to provide the services required to support the District's residents and business needs, in a sustainable manner. To achieve the goals of this Policy, the District will:

- Make informed decisions, identifying all revenues and costs (including operation, maintenance, replacement, and decommissioning) associated with infrastructure asset decisions, including future assets contributed by development;
- Integrate corporate, financial, business, technical, and budgetary planning for infrastructure assets;
- Ensure that the lowest life-cycle cost of an asset is achieved while maintaining agreed levels of services and an acceptable risk exposure level;
- Consider environmental, social, and sustainability goals;
- Maintain a long term financial plan which demonstrates that the full costs of an asset are intended to be borne equitably by current and future residents;
- Identify critical assets and the risks associated with their failure, assessing risks periodically and monitoring and addressing these risks within available resources;
- Prioritize annual capital investment plans and review asset management strategies and plans; and
- Utilize a corporate approach to asset management.

Guidelines and practices

This policy shall be implemented by staff using accepted asset management best practices and guidelines. The District shall comply with required capital asset reporting requirements, and integrate the asset management program into operational practices throughout the District.

Context and Integration

The context and integration of asset management throughout the District is formalized through linkages between corporate documents. Council and staff will consider this policy and integrate it in the development of corporate documents such as:

- Official Community Plan;
- District of Mission Strategic Plan;
- Long Term Financial Plan;
- Neighbourhood Plans; and
- Master Plans, including transportation, utilities, parks, and facilities.

Existing plans, policies, bylaws and procedures are to be updated to include asset management when revised. All new plans, policies, bylaws and procedures are to include asset management best practices.

4. KEY ROLES AND RESPONSIBILITIES

Asset management must be practiced at all levels of an organization, although the responsibility for asset management varies by role. The following is a list of asset management responsibilities for key roles within the District:

Council

- Approve Asset Management Policy and Plans
- Consider asset renewal funding requests through the annual budget process

Asset Management Leadership Team (AMLT)

- Lead the development of corporate asset management strategy, tools and practices and oversee their application across the organization
- Establish levels of service
- Advise and assist Council in matter related to asset management
- Report to citizens on status of the community's infrastructure assets and asset management program.

Finance Department

- Provide financial direction to the Departments
- Work with asset owners to incorporate asset management plans into the Long Term Financial Plan

Asset Stewards (Engineering, Public Works, Parks, Fire, Infrastructure Technology, Forestry)

- Stewardship over their assets
- Preliminary planning and budgeting of asset acquisition and maintenance
- Develop and maintain asset management plans for the maintenance, rehabilitation, extension, decommissioning, and replacement of assets
- Develop and maintain infrastructure strategies including development and service plans, using full life-cycle costing principles
- Assess infrastructure condition and service levels
- Develop and maintain asset registry in their area of responsibility
- Coordinate maintenance of assets

5. IMPLEMENTATION, REVIEW AND REPORTING

The implementation, review, and reporting regarding this policy shall be integrated within the organization. Due to the importance of this policy and asset management in general, the organization's asset management program, including this policy, shall be reported annually to Council and the community.

RELATED POLICIES, PROCEDURES, AGREEMENTS AND/OR BYLAWS:

- Subdivision Control Bylaw 5650-2017
- FIN.10 Budget Management Policy
- FIN.46 Capital Asset Accounting Policy

***** END OF POLICY *****

RECORD OF AMENDMENTS/REVIEW

<u>Date Adopted</u>	<u>Date Reviewed</u>	<u>Amended (Y/N)</u>	<u>Date Reissued</u>	<u>Authority (Resolution #)</u>