

The Corporation of the Township of North Frontenac

By-law # 48-19

Being a By-law To Adopt a Strategic Asset Management Policy for the Corporation of the Township of North Frontenac

Whereas Ontario Regulation 588/17 made under the Infrastructure for Jobs and Prosperity Act, 2015, provides that a municipality shall adopt and maintain a Strategic Asset Management Policy by July 1, 2019;

Now Therefore the Council of the Corporation of the Township of North Frontenac, hereby enacts as follows:

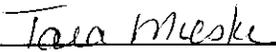
1. **That** the Strategic Asset Management Policy, attached to and forming part of this By-law as Schedule "A" is hereby adopted.
2. **That** this By-law shall come into force and take effect on the day of final passing thereof.

Read a first and second time this 14th day of June, 2019.

Read a third time and finally passed this 14th day of June, 2019.



Mayor



Clerk



Strategic Asset Management Policy

Strategic Asset Management Policy

1.0 Purpose

The purpose of this policy is to provide leadership in the commitment to the development and implementation of the Township's Asset Management Plan. It is intended to guide the consistent use of Asset Management across the organization, to facilitate logical and evidence based decision-making for the management of Municipal Infrastructure Assets and to support the delivery of sustainable community services now and in the future.

By using sound Asset Management practices, the Township will work to ensure that all Municipal Infrastructure Assets meet expected performance levels and continue to provide desired service levels in the most efficient and effective manner. Linking service outcomes to infrastructure investment decisions will assist the Township in focusing on service, rather than budget driven asset management approaches.

The Policy demonstrates an organization-wide commitment to the good stewardship of municipal infrastructure assets, and improved accountability and transparency to the community through the adoption of best practices regarding asset management planning.

2.0 Background

The Township is responsible for providing a range of essential services to the community, including transportation networks; emergency services; fire services; public facilities; recreation; and more. To deliver these services, it owns and manages a diverse municipal infrastructure asset portfolio of roads, bridges, culverts, vehicles, machinery, facilities and much more. As the social, economic and environmental well-being of the community depends on the reliable performance of these municipal infrastructure assets it is critical to implement a systemic, sustainable approach to their management.

Asset Management is such an approach, and refers to the set of policies, practices and procedures that allow an organization to realize maximum value from its municipal infrastructure assets. An asset management approach allows organizations to make informed decisions regarding the planning, building, operating, maintaining, renewing, replacing and disposing of municipal infrastructure assets through a wide range of lifecycle activities. Furthermore, it is an organization-wide process that involves the coordination of activities across multiple departments and service areas. As such, it is useful to adopt a structured and coordinated approach to outline the activities, roles and responsibilities required of organizational actors, as well as the key principles that should guide all asset management decision-making.

A comprehensive and holistic asset management approach will support efficient and effective delivery of expected levels of service and ensure that due regard and process are applied to the long-term management and stewardship of all municipal infrastructure assets. In addition, it will align the Township with provincial and national standards and Regulations such as the *Infrastructure for Jobs and Prosperity Act, 2015* and Ontario Regulation 588/17, 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 Plan, and ensuring that critical municipal infrastructure assets and vital services are maintained and provided to the community in a reliable, sustainable manner.

3.0 Definitions

As used herein the following definitions shall apply unless otherwise indicated

- i. Asset Management (AM) – is an integrated approach, involving all municipal departments, to planning for and managing existing and new assets in order to maximize benefits, reduce risk and provide satisfactory levels of service to the community in a sustainable manner. Good AM practices are fundamental to achieving sustainable and resilient communities.
- ii. Asset Management Plan (AMP) – Documented information that specifies the activities, resources, and timescales required for an individual asset, or a grouping of assets, to achieve the organizations asset management objectives.
- iii. Capitalization Threshold – The value of a municipal infrastructure asset at or above which a municipality will capitalize the value of it and below which it will expense the value of it as included in the Townships Tangible Capital Asset (TCA) Policy.
- iv. Municipal Infrastructure Asset– means an infrastructure asset, including a green infrastructure asset, directly owned by a municipality or included on the consolidated financial statements of a municipality.

4.0 Roles and Responsibilities

The Policy requires the commitment of key stakeholders within the Township's organizational structure to ensure the Policy contains a clear plan that can be implemented, reviewed and updated. The development and continuous support of the Township's AMP requires a wide range of duties and responsibilities from key stakeholders as defined below.

A. Council

- Approve the AMP and its updates at least every five years in accordance with O.Reg 588/17 requirements.
- Support ongoing efforts to continuously improve and implement the AMP.
- Establish Levels of Service.

B. Chief Administrative Officer (CAO)

- Maintain compliance with the Asset Management Policy and Provincial Asset Management Regulation.
- Provide corporate oversight to goals and directions and ensure the AMP aligns with the Township's Strategic Plan.

C. Executive Lead (Treasurer)

- Manage policy and policy updates.
- Provide organization-wide leadership in AM practices and concepts.
- Coordinate and track AMP implementation and progress.
- Track, analyze and report on AMP progress and results.

D. Department Managers

- Oversee asset management planning activities that fall within their service area and support of others.
- Provide departmental staff coordination.
- Develop and monitor levels of service and make recommendations to Council.
- Provide input/support to Executive Lead (Treasurer) in the tracking, analyzing and reporting on AMP progress and results.

E. Department Staff

- Implement and maintain levels of service.
- Provide support and direction for AM practices within their department.

5.0 Strategic Alignment

Asset Management planning will not occur in isolation from other municipal goals, plans and policies. Rather, an integrated approach will be followed to successfully develop a practical AMP that align with the overarching accountabilities and aspirations of our community. The Council, CAO and Managers will review this Policy and ensure that it is consistent with the other Policies, Plans, By-laws and Regulations currently in place such as but not limited to the following:

- The Official Plan – To ensure that public service facilities are adequate and have the capacity to support further growth and development (e.g. schools, fire and police services, social and medical, ambulance, air ambulance and leisure services). To provide for the ongoing maintenance, protection, and where necessary, the replacement of community, and Municipal Capital Assets and to sustain existing public service facilities. In this regard, Council will undertake an ongoing program of capital planning for the replacement of capital assets which have reached the end of their life cycle.
- Strategic Plan – Which provides for the Township’s Mission and Vision
Current statements:
 - Mission – The Township of North Frontenac’s mission is the effective, efficient and sustainable delivery of services to its citizens.
 - Vision – The Township of North Frontenac will preserve our unique and pristine natural environment to promote a strong, resilient rural community.
- Capital Budget – The decision framework and infrastructure needs identified in the AMP form the basis on which future capital budgets are prepared.
- By-Laws, standards, and policies – The AMP will influence and utilize policies and By-laws related to infrastructure management practices and standards.
- Regulations – The AMP shall recognize and abide by industry and senior government Regulations.

6.0 Guiding Principles

- A. Forward looking – The Township shall take a long-term view while considering demographic and economic trends in the Region.
- B. Budgeting and planning – The Township shall take into account any applicable budgets or fiscal plans, such as fiscal plans released under the *Fiscal and Transparency Act, 2004* and Budget adopted under Part VII of the *Municipal Act, 2001*.
- C. Prioritizing – The Township shall clearly identify infrastructure priorities which will drive investment decisions.
- D. Economic development – The Township shall promote economic competitiveness, productivity, job creation and training opportunities.

- E. Transparency – The Township shall be evidence-based and transparent. Make decisions with respect to infrastructure based on information that is publicly available or made available and share information with implications on infrastructure and investment decisions with the government and broader public sector, in accordance with the Township’s Communication Plan as amended, to enhance communications mechanisms and information to reach all Public.
- F. Consistency – The Township shall ensure the continued provision of core public services, such as roads and emergency services.
- G. Environmentally conscious – The Township shall minimize the impact of infrastructure on the environment by respecting and helping maintain ecological and biological diversity; augmenting resilience to the effects of climate change.
- H. Health and Safety – The Township shall ensure that the health and safety of workers involved in the construction and maintenance of infrastructure assets is protected.
- I. Community Focused – The Township shall promote community benefits, being the supplementary social and economic benefits arising from an infrastructure project that are intended to improve the well-being of the community affected by the project, such as:
- Local job creation and training opportunities;
 - Improvement of public space within the community;
 - Promoting accessibility for persons with disabilities.
- J. Innovation – The Township 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.
- K. Integration – The Municipality shall where relevant and appropriate, be mindful and consider the principles and content of non-binding provincial or municipal plans and strategies established under an Act or otherwise, in planning and making decisions surrounding the infrastructure that supports them.

7.0 Policy Statement

- The Asset Management Plan and progress made on the plans will be considered annually in the creation of the municipalities capital budgets, operating budgets and long term financial plans

- Climate change will be considered as part of Municipality's risk management approach embedded in local asset management planning methods. This approach will balance the potential cost of vulnerabilities to climate change impacts and other risks with the cost of reducing these vulnerabilities. The balance will be struck in the levels of service delivered through operations, maintenance schedules, disaster response plans, contingency funding and capital investments.
- The Municipality recognizes the residents and businesses as stakeholders and neighbouring municipal bodies, provincial agencies and regulated utilities partners in service delivery. Accordingly, the municipality will foster informed dialogue with these parties using the best available information and engage with them by providing opportunities for residents and other stakeholders served by the municipality to provide input in asset management planning and coordinating asset management planning with other infrastructure asset owning agencies such as municipal bodies.
- The Township will explore innovative funding and service delivery opportunities including but not limited to grant programs, Public-Private Partnerships (P3), alternative financing and procurement approaches, and shared provision of services, as appropriate.
- The Township will align all asset management planning with the Province of Ontario's land-use planning framework, including and 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 the Township's Official Plan. The Asset Management Plans will reflect how the community is projected to change and the related asset impacts.