

Subject: Asset Management System Policy**APPROVALS:****Annette Antoniak**_____
Director_____
Chief Administrative Officer**Recommended Motion:**

THAT the Asset Management System Policy OPE-030 dated April 23, 2019 be approved; and

THAT Administration proceed with taking the necessary actions to support and achieve the asset management strategies and priorities outlined in the service area Asset Management Plans (AMPs).

Summary:

The purpose of this report is to obtain formal approval from Council for the Asset Management System Policy. Such a Policy would provide direction to Administration to allocate resources to improve the management of Municipal assets that provide value, cost-effective, and sustainable services to current and future citizens of the region.

Background:

In 2016 a series of internal interview sessions were held to document current Municipal practices for managing infrastructure assets. The results were bench-marked against the standard of 'Basic Level' Asset Management as per the International Organization for Standardization, ISO 55001. The overall outcome was to identify specific areas to target improvements.

In 2017 Administration began the process of identifying asset management objectives that aligned with the Municipal Strategic Plan. These objectives will become part of an overarching Asset Management strategy.

Since 2017 Municipal departments have collected data on the infrastructure assets they manage. In the future, subsequent infrastructure status reports can be presented as dashboards so that changes in the overall state of infrastructure can be easily understood.

In December 2018, AMPs were completed for seven (7) service areas including

Transportation, Wastewater Treatment, Water Treatment, Facilities, Parks, Fleet and Transit, and Underground Services. These AMPs define the lifecycle strategies to manage assets over their whole lifecycle from acquisition, operations and maintenance, rehabilitation, replacement, to eventual retirement.

The Future:

Asset Management is an evolutionary process and it will take years to achieve an advanced level of asset management. It will require an integrated approach between every department in the organization. More than that, it will require much stakeholder consultation, deliberation, and agreement about the correct balance of services versus cost.

The Municipality must develop processes and performance indicators to measure, monitor and evaluate asset management activity and its outcomes on a regular basis to determine whether the objectives are being met successfully and to identify areas requiring corrective action or improvement. Reviews of performance will verify the continued appropriateness and effectiveness of the Asset Management System.

Budget/Financial Implications:

Operating budgets for 2020 forward may include funding requests for internal or external resources in support of implementation of the AMPs and the overall improvement of Asset Management practice in the Municipality.

Using external resources may be appropriate for asset management activities such as building an initial asset inventory or for condition and capacity assessments of assets or asset networks. However, it is vital that the Municipality support the development of internal capacity and capability, and to document corporate knowledge in processes and procedures.

Rationale for Recommendation:

The recommendation to formally approve the Asset Management System Policy will:

- Ensure a clearer line of sight between Council strategic priorities and service delivery;
- Increase the transparency and consistency associated with making investments in municipal infrastructure; and
- Ensure the sustainable delivery of quality, affordable services and programs to citizens

of the Municipality now and for the future.

Strategic Priorities:

Responsible Government

Attachments:

1. Council Policy - Asset Management System - OPE-030

Asset Management System Policy Presentation