



## Policy 58/2022

### POLICY TITLE: Asset Management Policy

**DATE ADOPTED:** June 14, 2022

**SCHEDULED REVIEW DATE:** January 31, 2025

#### REPLACES: NEW

**AUTHORITY:** The Municipal Government Act, Section 3, defines the purposes of a municipality to be: (a) to provide good government; (a.1) to foster the well-being of the environment; (b) to provide services, facilities or other things that, in the opinion of council, are necessary or desirable for all or a part of the municipality; (c) to develop and maintain safe and viable communities, and (d) to work collaboratively with neighboring municipalities to plan, deliver and fund intermunicipal services.

#### POLICY PURPOSE:

The Town of Bentley recognizes that to meet the Town's Vision for the future, infrastructure, and assets both existing and new assets must be effectively managed to ensure that they are sustainable for future generations to enjoy. This means that the Town embraces an Asset Management approach that is founded on delivering Levels of Service that the community and Mayor and Council supports and managing Risk and cost within reasonable levels. The Town will apply sound technical, social, and economic principles that consider the present and future needs of users when making investment decisions. It is the balance between Citizen Expectations-Level of Service-Risk and Cost that drive service decisions.

#### DEFINITIONS:

**Asset:** An item that has potential or actual value to the municipality. This can be an engineered structure or a natural asset delivering service. Value can be tangible or intangible, financial or non- financial, and includes consideration of risks and liabilities. Assets are defined as a class of assets with a total aggregated value of greater than \$50,000.

**Asset Management:** Coordinated activity of the municipality to realize value from assets. The application of sound technical, social, and economic principles that considers present and future needs of users, and the service delivered from the asset

**Externally Managed Assets:** The Town has ownership of assets that are managed and operated by other parties (e.g., the Curling Club).

**Level of Service:** The parameters, or combination of parameters, which reflect social, political, environmental, and economic outcomes that the organization delivers. Service level parameters can include, but are not necessarily limited to, safety, customer satisfaction, quality, quantity, capacity, reliability, responsiveness, environmental acceptability, cost, and availability.

**Life Cycle Costs:** The total cost throughout its life including planning, design, acquisition and support costs and any other costs directly attributable to owning or using the asset

**Risk:** The relationship between the likelihood of an event happening and the consequences of that event

**Sustainability:** Meeting the needs of today without compromising the needs of future generations.

Maintaining or improving the standard of living by protecting human health, conserving the environment, using resources efficiently and advancing long-term economic competitiveness.

#### **POLICY STATEMENT:**

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

- a) The Town of Bentley will maintain and manage infrastructure assets at defined levels to support the Town's Strategic Plan, public safety, and community well-being.
- b) The Town of Bentley will set and monitor standards and service levels to ensure that they meet/support community and Council goals and objectives
- c) Council will review the Town's Level of Service Register and Risk Register annually as part of the Budget Process.
- d) The Town of Bentley will undertake periodic service level reviews to ensure that services, program and assets support community and Council expectations and other strategic objectives.
- e) The Town of Bentley will establish infrastructure replacement strategies using full life cycle costing principles.
- f) The Town of Bentley will plan financially for the appropriate level of maintenance of assets to deliver service levels and maximize and extend the useful life of assets.
- g) The Town of Bentley will plan for and provide stable long-term funding to replace, renew and decommission infrastructure assets throughout its Life Cycle.
- h) Where appropriate the Town of Bentley will consider and incorporate asset management in its other corporate plans as they continue to be updated into the future
- i) The Town of Bentley will report to citizens annually on the status of community owned/operated infrastructure and the performance of work related to the implementation of this asset management policy. This report will provide a public facing forecast on the sustainability of the County's community infrastructure.

#### **POLICY PRACTICES:**

##### **1. Implementation Plan**

- a. The CAO shall develop and establish an Implementation Plan to guide the Administration's activities in developing an Asset Management System and Asset Management Plan(s).
- b. The CAO shall delegate appropriate authorities and accountabilities to staff to fully activate the Implementation Plan.
- c. The CAO shall communicate to Council the anticipated timelines, progress and level of resourcing required to fully implement the desired Asset Management System.

##### **2. Guidelines and Practices**

The Town will incorporate best practices as part of implementing the Asset Management System, including:

- a) Maintaining a current register of Assets and Conditions.
- b) Making informed decisions, identifying all revenues and costs (including operation, maintenance, replacement and decommission) associated with infrastructure asset decisions, including additions and deletions. Tradeoffs will be articulated and evaluated, and the basis for the decision recorded.
- c) Integrating corporate, financial, business, technical and budgetary planning for infrastructure assets;
- d) Defining and articulate service, maintenance and replacement levels and outcomes;
- e) Using available resources effectively;
- f) Managing assets to be sustainable;
- g) Minimizing total life cycle costs of assets;
- h) Considering environmental goals;

- i) Considering social and sustainability goals;
- j) Minimizing risks to users and risks associated with failure.

### 3. Organizational Capacity

The Town considers Asset Management as a Core Service delivered by the Town and will:

- a) grow and maintain the capacity to ensure the reliable and effective delivery of an Asset Management Program as a Core Service delivered by the Town;
- b) ensure relevant employees receive the necessary training in asset and financial management to competently manage the Town's Infrastructure Assets;
- c) ensure that all members of Council receive an appropriate orientation to the Town's Asset Management Program, and ongoing training as deemed necessary to appropriately oversee the program.

### 4. Asset Management Team

The CAO will establish a Cross Departmental Asset Management Team to coordinate and oversee the implementation of the Town's Asset Management System.

- a) The CAO will designate a Lead for the Asset Management Team.
- b) The Asset Management Team will have responsibility for implementing the Town's Asset Management System through the leadership of the corporate Departments.

### 5. Context and Integration

The CAO will ensure that the concepts and principles contained in the Asset Management Policy and Plan(s) are reflected in other Town documents such as:

- Official Community Plan
- Business plans
- Corporate strategic plan
- Corporate financial plan
- Capital Budget plan
- Operational plans and budgets (including vehicle and fleet plans and budgets)
- Neighborhood plans
- Annual reports
- Design criteria and specifications
- Infrastructure servicing, management, and replacement plans, e.g., transportation plans
- Community social plans
- Parks and recreation plans
- Facility plans

- 6. Understanding the state of the Town's **Externally Managed Assets** are important to ensure a transparent view of the communities' overall infrastructure obligations and liabilities. The CAO will work with the external groups to develop an approach and timeline for implementing Asset Management Plans for these Externally Managed Assets.

### 7. Annual Reporting

The CAO will annually report to Council the progress of the Town's Asset Management Program, the state of the Town's infrastructure, and the long-term forecast for the Town's infrastructure sustainability.

  
\_\_\_\_\_  
Chief Administrative Officer

June 14, 2022  
Date

  
\_\_\_\_\_  
Mayor

June 14, 2022  
Date