

ASSET MANAGEMENT POLICY
For
Town of Thessalon

February 16, 2022



**Infrastructure
Solutions**

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POLICY STATEMENT

The Town will protect and enhance the quality of life by making the best possible decisions regarding assets in a way that provides targeted levels of service and manages risk in a cost-effective manner throughout the entire asset life cycle in order to create customer value through enhancing community asset management. The Town will manage infrastructure assets with a strategic approach, based on continuous improvement with the goal of improving overall infrastructure.

PURPOSE

The Town is dedicated to the development and maintenance of its entire asset inventory in order to provide residents with sustainable, reliable services, are regulatory compliant, and ensure assets will serve for their designated life. This policy demonstrates a commitment to the stewardship of the Town capital infrastructure assets and to improved accountability and transparency. This policy will support the Town in focusing its infrastructure efforts on managing risks, addressing priorities, and meeting short and long-term needs within the bounds of possible funding.

VISION

Providing for a good quality of life for those who live, work and vacation in Thessalon is a guiding principle of the Town. Thessalon will continue to contribute to a good quality of life by encouraging economic diversity, providing for housing choice and affordability as well as open space and accessible shorelines to encourage an active lifestyle. It is important to consider and mitigate the impacts of change on the qualities that make the Town a desirable place to live.

MISSION

To advance local economic development and tourism through activities and actions which will help retain existing enterprises, organizations, and services, as well as encourage economic growth.

STRATEGIC ALIGNMENT

The Town will follow an Integrated Approach to successfully develop practical Asset Management Plan that align with the overarching accountabilities and aspirations of our community. This policy will endeavour to work in concert with Council strategic direction and related plans and policies which impact on scope.

The Council will review this policy and incorporate it into the asset management planning approach that fosters the integration of municipal documents such as the Financial Plan, Strategic Plan, and Integrated Community Sustainability Plan.

GUIDING PRINCIPLES

The key guiding principles for planning, and investment of the Asset Management Policy in line with the Town’s Vision and Mission and are following:

Customer focused: The Municipality will have clearly defined levels of service and apply asset management practices to maintain the confidence of customers in how Town assets are managed.

Value-based affordable: The Municipality will choose practices, interventions and operations that aim at reducing the lifecycle cost of asset ownership, while satisfying agreed levels of service. Decisions are based on balancing service levels, risks, and costs.

Systematic: Adopting a formal, consistent, repeatable approach to the management of infrastructure assets, will enable services to be provided in the most cost-effective manner.

Optimal: Make informed decisions between competing factors such as service delivery, asset quality & value, cost and risk by determining which option will deliver the optimal lifecycle value.

Fact Based Decision Making: Uses of a formal but flexible, consistent, and repeatable approach to cost effectively manage our infrastructure assets.

Sustainable: The Town will make the appropriate decisions and provisions to better enable its' assets to meet future challenges, including population growth, people expectations, legislative requirements, technological and environmental factors, without compromising the ability of future generations to meet their own needs.

Sustainable: Make the appropriate decisions and provisions to better enable its' assets to meet future challenges, including population growth, customer expectations, legislative requirements, technological and environmental factors, without compromising the ability of future generations to meet their own needs

Regulatory Compliant: The Town will comply with all relevant legislative, regulatory and statutory requirements.

FINANCIAL PRACTICES

The Town will integrate findings from the Asset Management Plan into its long-term financial planning and budgeting processes. The department level budget submission prepared by each service area will be evaluated by the administration in the preparation of the Town's annual budget. The asset management plan will be referenced in the preparation of their budget submission to help them:

- Identify all potential revenues and costs (including operating, maintenance, replacement, and decommission) associated with forthcoming infrastructure asset decisions;
- Evaluate the validity and need of each significant new capital asset, including considering the impact on future operating costs; and
- Incorporate new revenue tools and alternative funding strategies where possible.

For the purposes of managing water/wastewater assets, financial plans will be used as a basis for establishing user fees, and the strategic plan will be referenced in order to ensure alignment with the budgeting process.

GOVERNANCE AND CONTINUOUS IMPROVEMENT

Council's annual asset management review will be completed in order to continuously improve and review the current progress. It will include:

- Progress on ongoing efforts to implement the asset management plan;
- Consideration of the asset management policy;
- Any factors affecting the ability of the Town to implement its asset management plan and a strategy to address these factors including the adoption of appropriate practices.

Council, having stewardship responsibility, is the final decision maker on all matters related to Asset Management in the Town. The Council and the Management Staff are committed to the success of Asset Management Planning. The development and continuous support of the Town's Asset Management Plan requires a wide range of duties and responsibilities. Within asset management planning, the following stakeholders have been defined for the tasks listed:

1. Council

- Develop policy and policy updates;
- Approve the Asset Management Policy and direction of the Asset Management Plan and its updates every five years;
- Conduct annual reviews of Asset Management Plan implementation progress on or before October;
- Maintain adequate organizational capacity to support the core practices of the Asset Management Plan;
- Prioritize effective stewardship of assets in adoption and ongoing review of budget; and
- Monitor levels of service.

2. Management Staff

- Responsible for facilitating Asset Management Planning across the Town and maintaining compliance with the regulation;
- Provide corporate oversight to goals and directions and ensure the Asset Management Plan aligns with the Town's strategic plan;
- Ensure that adequate resources are available to implement and maintain core Asset Management practices;
- Ensure Asset Registers are kept up-to-date regarding the condition, creation /acquisition, maintenance, renewal, refurbishment and disposal of assets;
- Establish and monitor levels of service; and
- Track, analyze and report on Asset Management Plan progress and results.

3. Asset Management Committee

- Facilitate in carrying out activities as per the Asset Management Plan;
- Establish and monitor levels of service;
- Provide support and direction for Asset Management Plan;
- Track, analyze and report on Asset Management Plan progress and results.

POLICY DIRECTION

Action Item	Responsible	Due Date
Ensure Asset Registers are kept up-to-date regarding the condition, creation /acquisition, maintenance, renewal, refurbishment and disposal of assets	Management Staff/Finance	Ongoing
Maintain Council’s basic understanding of asset management and governance roles.	Council	Annually
Measure and compare the goals and desired outcomes stated in asset management plan against what was achieved	Council	Annually
Address and investigate failure in plan implementation and reactive measures	Management Staff	Ongoing
Reporting progress of asset management plan to the Council and Government (as and when required)	Management Staff	Annually
Update the Asset Management Plan	Council	2024/2025

STAKEHOLDER ENGAGEMENT

The Town recognizes the residents, businesses, provincial agencies and regulated utilities as an integral part of the asset management approach. The Town may engage with stakeholders by:

- Provide sufficient information and education for stakeholders to make an informed decision.
- Providing opportunities for residents and other stakeholders served by the Town to provide input in asset management planning; and
- Coordinating asset management planning with other infrastructure asset owning agencies such as municipal bodies and regulated utilities.

CLIMATE CHANGE

The Town will address the risks and vulnerabilities of municipal infrastructure assets to climate change and the actions that may be required including, but not limited to, adaptation opportunities and mitigation approaches.

CONSEQUENCES OF NON-COMPLIANCE

Failure to adhere to this policy may result in:

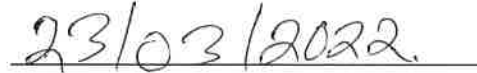
- The risk that the Town is not investing in the asset infrastructure it manages at the most optimal times in the asset’s lifecycle. This risk potentially compromises the safety and service delivery provided by the infrastructure owned and managed by the Town.
- The risk of sub-optimal planning of growth, maintenance and replacement of existing assets and the development of new assets.
- The risk of compromising the alignment of financial, strategic plan and asset management plan which may lead to lack of expenditure optimization and reduced level of service.

REVIEW PERIOD

This policy will be reviewed, if necessary, updated at least every five (5) years from its effective date.



William Rosenberg, Mayor



Date