

**Township of Terrace Bay
Policy Statement C-3-38**

Strategic Asset Management Policy

1. BACKGROUND

The Corporation of the Township of Terrace Bay is committed to providing service to residents in a fiscally responsible manner that supports a healthy and vibrant community. With this commitment in mind, assets must be managed in a way that allows the Township to achieve its goals, plans and policies.

2. PURPOSE

The purpose of this policy is to establish consistent standards and guidelines for management of the Township's assets applying sound technical, social and economic principles that consider both the present and future needs of users, and the service levels expected from the assets. This means balancing the lowest total lifecycle cost of ownership against the service levels that best meet the needs of the community while being cognizant of the level of acceptable risk.

3. SCOPE

This policy applies to all departments involved in planning, maintaining or operating the Township's capital infrastructure assets. The Township is responsible for providing a range of services to the community, including but not limited to:

- cemetery,
- drinking water,
- fire and emergency services,
- landfill,
- library,
- municipal administration,
- recreation facilities and opportunities.
- tourism facilities and;
- transportation infrastructure, and;
- wastewater collection & treatment

To effectively deliver these services, the Township owns and manages a diverse capital infrastructure asset portfolio including but not limited to:

roads	culverts	parks	water mains	wells	sanitary sewers
water treatment plant	pumphouse	wastewater treatment	sewage lagoons	public works garage	cemetery
recreational trails	sidewalks	library	cultural centre	community centre	skate park
tennis courts	pool	arena	curling club	gorge walkway	lighthouse
	beach and docks	administrative office	fire hall	mobile equipment	

4. ALIGNING ASSET MANAGEMENT GOALS WITH EXISTING PLANS AND POLICIES

The Township of Terrace Bay has developed and adopted:

- an Asset Management Plan,
- a Drinking Water System Financial Plan,
- an Emergency Management Plan,
- an Energy Conservation & Demand Management Plan
- an Official Plan,
- a Strategic Plan,
- a Tangible Capital Asset Policy and;
- a Zoning Bylaw.

These plans and policies were created primarily to meet legislative requirements, but collectively work together to achieve the Township's long-term vision to be a progressive, vibrant and encompassing community.

The asset management plan will provide Council and staff the guidance to proactively manage the Township's assets to best serve the Township's strategic goals and objectives, including:

- To be a vibrant community, committed to growth and delivering services that advance the quality of life for our citizens
- To be a community supportive of our volunteers and businesses and protective of our environment
- To achieve all of this within our financial means.

All of these Township plans rely, to some extent on the physical assets owned by the Township and the commitment of staff to ensure their strategic use. These plans will be reviewed regularly by staff and annual spending requirements in support of the plans' objectives will be incorporated into the budgeting process. This includes the long-term maintenance, repair, and replacement of existing assets along with the acquisition of new assets to meet the evolving needs of the Township. Therefore, asset management planning should not occur in isolation from other municipal goals, plans and policies.

The asset management plan needs to reflect how the community is projected to change and the related asset impact. The Township will facilitate this by:

- analyzing potential future growth (or decline)
- analyzing the costs and viability changes associated thereof and;
- incorporating them into the future plans and strategic documents.

In particular, in accordance with O. Reg 588/17:

- This policy and the asset management plan will be reviewed in conjunction with Strategic Plan updates to ensure continued alignment with the Township's strategic goals and direction.
- This policy and the asset management plan will be reviewed in conjunction with the Township's Drinking Water Financial Plan as well as any financial plans in relation to wastewater.
- This policy and the asset management plan will be reviewed in conjunction with the Official Plan and Zoning Bylaw in addition to Ontario's land-use planning framework, including

any relevant policy statements issued under subsection 3 (1) of the *Planning Act* and any applicable provincial plans as defined in the *Planning Act*.

5. FINANCIAL PLANNING AND BUDGETING

The asset management plan and progress made on the plan will be considered annually in the development of the Township's annual capital and operating budgets as well as part of the annual monitoring of progress on the Township's Strategic Plan.

Department Managers will reference the asset management plan for their area in order to look up forecasted spending needs identified in the plan, verify progress made on the plan, and identify potential gaps.

Finance staff will be involved in the asset management planning process to coordinate the information from the department personnel in the preparation of the budget submission.

6. GOVERNANCE AND CONTINUOUS IMPROVEMENT

The policy requires the commitment of key stakeholders within the Township's organization to ensure the policy guides the development of a clear plan that can be implemented, reviewed and updated.

Council

- is entrusted with the responsibility of overseeing the management of the assets
- will approve the Asset Management Planning documents and required updates every five (5) years
- will support efforts to improve the plan and ensure it includes changes necessitated by updates to other Township strategic documents

Executive Lead

- the CAO/Clerk will assume the lead role and be responsible for the maintenance of and reporting on the activity related to the management of the Township's assets

Management

- will oversee the policy implementation and ensure both the Asset Management Plan and the Asset Management Policy are in compliance with Provincial Asset Management regulations as well as any other relevant legislation.
- will ensure that current year and long-range asset requirements are incorporated into the budget presented to Council annually.
- will assist, through the utilization of condition assessment information and service level requirements to annually update the Township's long and short-term asset requirements.
- will update the Policy and Plan to reflect changes as needed and present them for Council approval at least every five (5) years.

7. GUIDING PRINCIPLES

Section 3 of *The Infrastructure for Jobs and Prosperity Act, 2015* sets out principles to guide asset management planning in municipalities in Ontario. The Township of Terrace Bay will strive to incorporate the following principles whenever possible into the management of its assets:

- Infrastructure planning and investment should take a long-term view, and decision-makers should take into account the needs of Ontarians by being mindful of, among other things, demographic and economic trends in Ontario.
- Infrastructure planning and investment should take into account any applicable budgets or fiscal plans, such as budgets adopted under Part VII of the *Municipal Act, 2001*.
- Infrastructure priorities should be clearly identified in order to better inform investment decisions respecting infrastructure.
- Infrastructure planning and investment should ensure the continued provision of core public services, such as health care and education.
- Infrastructure planning and investment should promote economic competitiveness, productivity, job creation and training opportunities.
- Infrastructure planning and investment should ensure that the health and safety of workers involved in the construction and maintenance of infrastructure assets is protected.
- Infrastructure planning and investment should foster innovation by creating opportunities to make use of innovative technologies, services and practices, particularly where doing so would utilize technology, techniques and practices developed in Ontario.
- Infrastructure planning and investment should be evidence based and transparent, and, subject to any restrictions or prohibitions under an Act or otherwise by law on the collection, use or disclosure of information,
- Where provincial or municipal plans or strategies have been established in Ontario, under an Act or otherwise, but do not bind or apply to the Township, the Township should nevertheless be mindful of those plans and strategies and make investment decisions respecting infrastructure that support them, to the extent that they are relevant.
- Infrastructure planning and investment should promote accessibility for persons with disabilities.
- Infrastructure planning and investment should minimize the impact of infrastructure on the environment and respect and help maintain ecological and biological diversity, and infrastructure should be designed to be resilient to the effects of climate change.
- Infrastructure planning and investment should endeavour to make use of acceptable recycled aggregates.
- Infrastructure planning and investment should promote community benefits, being the supplementary social and economic benefits arising from an infrastructure project that are intended to improve the well-being of a community affected by the project, such as local job

creation and training opportunities, improvement of public space within the community, and any specific benefits identified by the community.

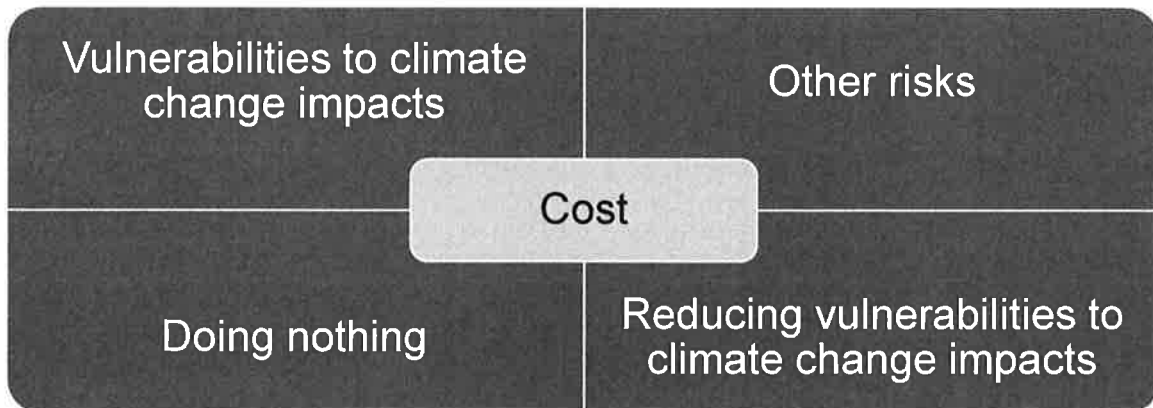
- Any other principles that may be prescribed for municipalities.

In addition, the Township must adhere to the requirements outlined in the Minimum Maintenance Standards (MMS) currently in-force, as well as with any other legislation specific to the Township.

8. CLIMATE CHANGE

Climate change will be considered as part of the Township's risk management approach embedded in local asset management planning methods.

This approach will balance the potential cost of vulnerabilities to climate change impact along with 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.



9. CAPITALIZATION THRESHOLDS

This policy applies to all assets in the asset management planning process whose role in service delivery requires deliberate management by the Township. Infrastructure assets will be capitalized as per the Tangible Capital Asset Policy (C-3-23) at the actual value.

10. STAKEHOLDER ENGAGEMENT

The Township of Terrace Bay recognizes the importance of stakeholder engagement as an integral component of asset management. The Township recognizes its residents and businesses as well as its neighbouring communities as stakeholders in service delivery. Accordingly, the Township will commit to engaging with these parties and all stakeholders using the best available information and engage with them by:

- Providing opportunities for residents and other stakeholders served by the Township to provide input in asset management planning; and
- Coordinating asset management planning with other infrastructure asset owning agencies such as neighbouring municipalities and regulated utilities.