

THE CORPORATION OF THE MUNICIPALITY OF ST.-CHARLES

BY-LAW 2019-30

BEING A BY-LAW TO ADOPT A STRATEGIC ASSET MANAGEMENT POLICY

WHEREAS Section 9 of the *Municipal Act, 2001, S.O. 2001, c. 25*, as amended, provides that a municipality has the capacity, rights, powers and privileges of a natural person for the purpose of exercising its authority under the *Municipal Act* or any other Act;

AND WHEREAS Section 5 (3) of the *Municipal Act, 2001, S.O. 2001, c. 25*, as amended, provides that a municipal power, including a municipality's capacity, rights, powers and privileges under Section 9, shall be exercised by by-law unless the municipality is specifically authorized to do otherwise;

AND WHEREAS Section 3 (1) of Ontario Regulation 588/17 under the *Infrastructure for Jobs and Prosperity Act, 2015* requires that every municipality shall prepare a strategic asset management policy;

AND WHEREAS Section 4 of Ontario Regulation 588/17 under the *Infrastructure for Jobs and Prosperity Act, 2015* requires that every municipality shall prepare its first strategic asset management policy by July 1, 2019 and shall review and, if necessary, update it a least every five years;

AND WHEREAS Council deems it expedient to adopt a strategic asset management policy;

NOW THEREFORE THE COUNCIL FOR THE CORPORATION OF THE MUNICIPALITY OF ST.-CHARLES HEREBY ENACTS AS FOLLOWS:

1. THAT Council adopts the "Strategic Asset Management Policy" for the Municipality of St.-Charles identified as Schedule "A" attached hereto and forming part of this By-law.
2. THAT should any sections of this By-law, including any section or part of any schedule attached hereto, be declared by a court of competent jurisdiction to be ultra vires, the remaining sections shall nevertheless remain valid and binding.
3. THAT this By-law shall come into force and take effect on the day it is passed.

READ A FIRST, SECOND AND THIRD TIME AND FINALLY PASSED IN OPEN COUNCIL THIS 19TH DAY OF JUNE 2019.


DEPUTY MAYOR


CLERK

SCHEDULE "A" TO BY-LAW 2019-30

STRATEGIC ASSET MANAGEMENT POLICY

1. POLICY STATEMENT

The Municipality 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 Municipality will manage infrastructure assets with a strategic approach, based on continuous improvement with the goal of improving overall infrastructure.

2. PURPOSE

The Municipality 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 Municipality capital infrastructure assets and to improved accountability and transparency. This policy will support the Municipality in focusing its infrastructure efforts on managing risks, addressing priorities, and meeting short and long-term needs within the bounds of possible funding.

3. VISION

The Municipality is focussed on providing a safe and affordable community where residents, young and old, support each other through a shared sense of commitment, friendship and community spirit. The future shall be determined by the skills and aspirations of the most valuable asset, people.

4. STRATEGIC ALIGNMENT

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

The Council will review this policy and incorporate it into the asset management planning approach that fosters the integration of the Strategic Plan.

5. CORE VALUES

The Municipality's commitment to recreation, health, education and rural roots are the foundations that shall guide them into the future.

6. GUIDING PRINCIPLES

The key guiding principles for planning, and investment of the Strategic Asset Management Policy in line with the *Municipality's core values* and are following:

Forward looking: The Municipality will take a long-term view while considering demographic and economic trends in the region.

Prioritizing: The Municipality will clearly identify infrastructure priorities which will drive investment decisions.

People focused: The Municipality will provide assurance to our people through clearly defined levels of service and adhere to optimal asset management processes and practices, including investment, that are supported by continually updated asset data and performance measures.

Risk-based: The Municipality will manage the asset risk associated with attaining the agreed levels of service by focusing resources, expenditures, and priorities based upon risk assessments and the corresponding cost/benefit, recognizing that public safety is the priority.

Sustainable: The Municipality 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.

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

Optimal: The Municipality will 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.

Environmentally Conscious: The Municipality 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, and
- Endeavouring to make use of acceptable recycled aggregates.

Health and Safety: The Municipality shall ensure that the health and safety of workers involved in the construction and maintenance of infrastructure assets is protected.

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

7. FINANCIAL PRACTICES

The Municipality 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 budget committee in the preparation of the Municipality'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 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.

8. 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 Strategic Asset Management Policy;
- Any factors affecting the ability of the Municipality 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 Municipality. The Council and the CAO are committed to the success of asset management planning. The development and continuous support of the Municipality'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 Strategic 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 December 1;
- 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) CAO (Chief Administrative Officer)

- Responsible for facilitating asset management planning across the Municipality and maintaining compliance with the regulation;
- Provide corporate oversight to goals and directions and ensure the Asset Management Plan aligns with the Municipality’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

- Participate in implementation task teams to carry 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.

9. 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	CAO	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	CAO	Ongoing
Reporting progress of Asset Management Plan to the Council and Government	CAO	Annually
Engage and inform community of the Policy and the progress of the Asset Management Plan in public forum.	CAO	Annually
Update the Asset Management Plan	Council	2021, 2022, 2023, 2024, 2025

10. CLIMATE CHANGE

The Municipality 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.

11. STAKEHOLDER ENGAGEMENT

The Municipality recognizes the residents, businesses, provincial agencies and regulated utilities as an integral part of the asset management approach. The Municipality will 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 Municipality 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.

12. CONSEQUENCES OF NON-COMPLIANCE

Failure to adhere to this policy may result in:

- The risk that the Municipality 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 Municipality.
- 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.

13. REVIEW PERIOD

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