

THE CITY OF TIMMINS

BY-LAW No. 2019-8349

Being a by-law to authorize the Corporation of the City of Timmins to adopt a City of Timmins Asset Management Policy

WHEREAS Council of the Corporation of the City of Timmins considers it desirable to adopt an Asset Management Policy.

NOW THEREFORE THE Council of The Corporation of the City of Timmins enacts the following as a By-law:

1. THAT The Corporation of the City of Timmins adopts the Asset Management Policy as prepared and presented by Director of Finance a copy of the policy is attached hereto and marked as Schedule "A" to this By-law.
2. THAT the Asset Management Plan be referred to during annual budget deliberations.
3. THAT the Asset Management Plan be revised as municipal priorities change.

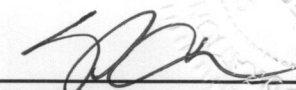
THAT the Asset Management Plan shall be updated regularly and reviewed by Council.

READ a first and second time this 25th day of June, 2019.

READ a third and final time and enacted and passed this 25th day of June, 2019.



MAYOR (George Pirie)



CLERK (Steph Palmateer)

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**CERTIFIED TRUE COPY
OF BY-LAW NO. 2019-8349**

**(SGD) GEORGE PIRIE
MAYOR**


CLERK

**(SGD) STEPH PALMATEER
CLERK**

**The Corporation of
City of Timmins**



Policy & Procedure

ASSET MANAGEMENT POLICY

Finance Department

Policy No: COT-FIN- 003

PURPOSE

The purpose of this policy is to provide leadership and commitment to the development and implementation of the Municipality's Asset Management Program while adhering to regulatory requirements for Asset Management Planning. The intent of this policy is to provide a corporate approach with consistent standards and guidelines across the Municipality, to facilitate logical and evidence based decision making for managing municipal infrastructure assets, and to support the delivery of sustainable services to our community now and into the future.

By implementing sound technical, social and economic asset management principles, the Municipality will work to ensure that all municipal infrastructure assets provide desired levels of services to the community in a fiscally and environmentally responsible manner with acceptable levels of associated risk. Asset Management Planning is therefore fundamental to achieving the City's mission to promote a sustainable, diversified economy by enhancing community services and infrastructure, engaging people and celebrating Timmins as a great place to live, learn and play.

DEFINITIONS

Asset – An item, thing or entity that has actual or potential value to an organization. The value can be tangible or intangible and financial or non-financial.

Asset Management (AM) – An organization's coordinated activities involving all departments, to effectively manage existing and new assets. The objective is to maximize asset benefits, manage related risks, minimize costs, and provide satisfactory levels of service to the community in a sustainable manner. It involves data-driven decision making and actions throughout the lifecycle of the assets and takes into account the present and future needs of its users.

Corporate Asset Management – Application of asset management principles on a corporate level to ensure a coordinated, consistent, cost effective, and organizationally sustainable approach across all Municipal departments. Create efficiency by harmonizing service levels and business processes wherever possible.

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Asset Management Plan (AMP) – Strategic document that specifies the activities, resources, and time frames required for an individual asset or group of assets to achieve an organization’s asset management objectives. The plan provides an understanding of the characteristics and condition of infrastructure assets, the current and expected levels of service, public and business risks of asset failures, planned actions to ensure the assets are providing expected levels of service, and financing strategies to implement these planned actions.

Asset Management System – The people, processes, tools and other resources involved in the delivery of asset management. Included in the system are the Asset Management Policy, Asset Management Principles, and Asset Management Plans to achieve these objectives.

Levels of Service (LOS) – Measures of quality, performance, or output of the service provided by an asset or group of assets. LOS statements describe the outputs or objectives for which the Municipality intends to deliver its services to customers. Examples can include but are not limited to safety, customer satisfaction, quality, availability, responsiveness, environmental acceptability, and reliability.

Lifecycle – Time interval that commences from identifying the needs for an asset and terminates with the disposal of the asset.

Lifecycle Cost – Total cost, both recurring and one time (non-recurring), over the full lifecycle of an infrastructure asset including but not limited to the planning, design, construction, acquisition, operation, maintenance, rehabilitation, renewal, and disposal costs.

Infrastructure – Tangible capital assets directly owned by the Municipality primarily for public use or benefit.

Tangible Capital Assets (TCA) – Non-financial assets having physical substance that are used on a continuing basis in the City’s operations, have useful lives beyond one accounting period, and are not for sale in the ordinary course of operations.

Capitalization Threshold – The value of a municipal asset at or above which the municipality will capitalize the value of it. The municipality sets these pre-determined thresholds within the TCA policy reported under PSAB requirements.

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SCOPE

The Asset Management Policy applies to all assets within the City's portfolio including but not limited to buildings, roads, sidewalks, bridges, parks, water mains, sewers, pumping stations, fleet, and IT Systems.

These assets will be evaluated based on full lifecycle costs including acquisition, operation, maintenance, replacement, renewal, and disposition. The Asset Management Policy ensures that as these assets age and deteriorate overtime, they will continue to meet acceptable levels of service over the long-term for present and future users.

RESPONSIBILITIES

The Asset Management Policy shall be approved by the Council of the City of Timmins and communicated to the public through the City's website. Responsibilities for developing and implementing companion guidelines will be the responsibility of City Staff. Specific roles are outlined below.

Council

- Approve the Asset Management Policy and Plans
- Serve as representatives for stakeholder and community needs
- Approve funding for both the capital and operating budgets associated with Asset Management through the annual budget

Executive Lead

- Executive Sponsor of the Asset Management Program
- Communicate the vision of Asset Management at a corporate level and provide leadership to the Asset Management Steering Committee and Working Groups
- Review and approve strategies proposed by the Asset Management Steering Committee
- Champion the Asset Management Policy and Plan

Asset Management Steering Committee

- Provide a corporate pool of expertise, with representation across business areas, to provide corporate support and oversight for the Asset Management Program
- Participate in the process of aligning Asset Management Strategies and Plans with organizational strategies and objectives

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- Establish policies and practices that ensure a uniform approach to Asset Management across the organization
- Coordinate financial, strategic planning, information technology and the Asset Management Program
- Coordinate the development of Asset Management Plans that include project timelines, resource allocations, and budget forecasts
- Ensure organization-wide accountability for achieving and reviewing Corporate Asset Management Goals and Objectives
- Lead in the development of Corporate Asset Management tools and oversee their application
- Encourage information sharing and collaboration across departments
- Disseminate Steering Committee information within their respective departments and throughout the organization
- Provide input and direction to Corporate Asset Management work plans and ensure consistency with other initiatives
- Lead the effective implementation of Corporate Asset Management initiatives

Asset Management Working Groups

- Provide input on departmental needs, current status of assets and current levels of service
- Lead the development and maintenance of asset inventories, condition assessments, risk assessments, and related asset management initiatives in line with Asset Management principles and industry best practices
- Participate in the regular review of all documentation, data and asset measurement tools to ensure continued relevance of existing policies
- Define performance measures and levels of service that balance customer expectations with risk, affordability and timing constraints
- Adopt risk-based decision making that considers the likelihood and consequence of asset failure in terms of public safety and level of service
- Monitor the performance of assets in supporting service delivery and work towards continuous improvement
- Participate in the development of Asset Management work plans related to their respective departments
- Establish and monitor infrastructure replacement levels through the use of full lifecycle costing principles
- Develop and maintain financial plans for the appropriate level of maintenance, rehabilitation, and decommissioning of assets

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- Endorse Asset Management Policy and Plans within respective departments

Stakeholders & Residents

- Provide feedback related to levels of service, service experience and service expectations
- Notify the City when service deficiencies or failures are observed

PROCEDURE

The Asset Management Policy details the mission, goals, and principles for a systematic, consistent and coordinated approach to the management of municipal assets. The policy expresses the Municipality's commitment to Asset Management and guides staff using the policy statements. This policy aligns with the City of Timmins 2020 Community Strategic Plan to develop a stronger, healthier and more vibrant city, one that relies on more than natural resources for its prosperity

The City of Timmins commits to meeting the regulatory requirements of Ontario Regulation 588/17. In specific, Asset Management Plans (AMP) will be in place for core infrastructure assets by July 1, 2021, all other infrastructure assets by July 1, 2023, and the AMPs will be enhanced to include Levels of Service and Lifecycle Management by July 1, 2024. In addition, Municipal Council shall conduct an Annual Review of the AM Planning Progress and every 5 years the Asset Management Plan shall be reviewed and updated by the Asset Management Steering Committee.

ASSET MANAGEMENT MISSION:

The mission of Asset Management is to protect and enhance the quality of life for the residents of Timmins by making the best possible decisions regarding municipal assets in a way that provides targeted levels of services and manages risk in a cost effective way throughout the entire asset lifecycle.

ASSET MANAGEMENT GOALS

Corporate Asset Management (CAM) is an integrated business approach that relies on well devised strategies, sustainable assets, trained knowledgeable staff and good communication to achieve desired service results. The CAM program focusses everyone in the organization on four fundamental goals:

- Provide levels of service that meet expectations and ensure a high quality of life for the

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community through:

- Defining targeted levels of service
 - Evaluating and communicating the cost to provide services
 - Quantifying the impacts of decisions on service
 - Focus on continuous improvement
- Manage risks through:
 - Understanding risk exposure
 - Understanding potential vulnerabilities to climate change
 - Establishing the organizations acceptable levels of risk
 - Developing risk management strategies
 - Implement appropriate condition assessment, inspection, and performance evaluation strategies for all relevant assets
 - Implement appropriate climate change adaptation and mitigation strategies
 - Demonstrating sustainable full lifecycle planning through:
 - Quantifying and tracking the full lifecycle costs for assets
 - Ensuring budgets are supported by asset management practices
 - Bridging the gap between capital and operating budgets
 - Ensuring accountability, transparency and engagement through:
 - Documenting asset management business processes
 - Fact-based decision making that uses a consistent approach to manage municipal assets
 - Comply with legislative, regulatory and statutory requirements
 - Developing stakeholder engagement strategies to ensure that internal and external stakeholders are able to contribute to asset management initiatives where appropriate.

ASSET MANAGEMENT PRINCIPLES:

The City of Timmins strives to provide exceptional municipal service and value. Asset Management at the City is to be guided by the following principles in order to achieve the purposes of this policy.

Service Excellence: Achieving quality and showing results.

- Adopt a whole-organization, all asset approach to asset management that holistically considers the interdependencies between asset systems and services throughout their full lifecycle

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- Meet and comply with all relevant legislation, regulatory and statutory requirements
- Corporate asset management documents will be derived from and consistent with the organizations strategic plan, long-term goals, organizational policies, budgets and financial plan
- Approach asset management in a collaborative, cross-disciplinary perspective while also regularly engaging with relevant stakeholders to maximize value from the assets and services
- Provide opportunities for municipal residents and other related parties to provide input into municipality's asset management planning

Financial Stability: Managing our resources to achieve maximum public value.

- Ensure that asset management principles are applied to tangible and intangible assets, and that value is considered holistically, in aspects such as financial, social and environmental
- Develop and implement an evidence-based, systematic approach to asset management that is transparent and customer focused
- Optimize asset decisions on lowest lifecycle cost, acceptable risk levels of service to allow for long-term planning that will enhance service and sustainability while ensuring resilience and adaptability

Innovation: Modernizing our services and how we work.

- Integrate asset data systems to minimize duplication of effort and improve overall information
- Strive for asset management practices, processes and capabilities in-line with current industry best practices
- Commitment to continual improvement in asset management, the asset management system, asset management system and asset management performance
- Implement and review asset management documents, objectives, and requirements to ensure that they remain relevant and consistent with the organizational plans and other relevant organizational policies.
- Reviews of the asset management system at no longer than 5 year intervals,

CORPORATE ASSET MANAGEMENT PROGRAM:

This policy, together with individual Asset Management Plans and associated working procedures and practices will form the Corporate Asset Management Program. Included in this program will be the asset listing, asset management registry, decision support models and the asset management plans. This program will assist the Municipality to sustain, improve and rationalize the services it provides today and ensure future generations enjoy the same if not improved levels of service

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DOCUMENTS

References / Références:

Ontario Regulation 588/17 Asset Management Planning for Municipal Infrastructure
Infrastructure for Jobs and Prosperity Act, 2015
Timmins 2020 Strategic Plan

Related Procedures / Rappports aux procédures:

Tangible Capital Assets (TCA) Policy – Policy No: COT-FIN-001

FORMS

List of forms, which may be relevant, this policy.

N/A


SUMMARY INFORMATION

Policy Name: Asset Management Policy

Issue Date:

Next Review Date:

Approved by:



Approval Date:

June 25, 2019

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