



Corporation of the Town of Cobourg

Division: All Divisions

Effective Date: July 1, 2024

Department: All Departments

Approval Level: Council

Policy Title: Asset Management Policy

Section #

4-2

Policy #

PW-OPS19

Purpose

The Corporation of the Town of Cobourg is committed to providing quality and accessible services that supports a vibrant inclusive community in a fiscally sustainable manner. The purpose of this policy is to establish consistent standards and guidelines for the management of the Town's assets by applying sound technical, social, and economic principles that consider present and future needs of users and the level of service expected from the assets.

Asset management is an integrated approach, involving all Town departments to delivering value to the community through the effective management of existing and new infrastructure assets. The intent is to maximize benefits, reduce risk and provide satisfactory levels of service to the community in a sustainable manner for as low a cost as possible. Good asset management practices are fundamental to achieving sustainable and resilient communities. The policy outlines the fundamental asset management principles to be implemented across the Town of Cobourg.

To guide the organization, the following policy statements have been developed.

Definitions

Asset is an item, thing or entity that has potential or actual value to an organisation. (ISO 55000:2014)

Asset management is the coordinated activity of the Town to realize value from its assets.

Asset management plan is a document that states the process of making the best possible long-term decisions regarding the building, operating, maintaining, renewing, replacing, and disposing of infrastructure assets. The objective is to maximize benefits, manage risk, and provide satisfactory levels of service to the public in a financially sustainable manner.

Capitalization threshold is the value of a municipal infrastructure asset at or above which a municipality will capitalize the value of the asset (approved in the capital budget), and below which it will expense the value of the asset (approved in the operating budget).

Life cycle is the time interval that starts with the identification of the need for an asset and ends with the disposal of the asset. Life cycle includes identification of the need, acquisition of the asset, implementation and use of the asset, maintenance of the asset, and retiring/replacing of the asset.

Life cycle costs are all the costs which are incurred during the lifecycle of a capital asset, from the time it is purchased or constructed, to the time it is taken out of service for disposal.



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This may include but is not limited to capital costs, operating costs, maintenance costs, renewal costs, replacement costs, etc.

Levels of Service is a system to define (qualify) and measure (quantify) a Municipality's commitment to deliver service at a specified level of quality and reliability.

Rehabilitation is work performed to rebuild or replace parts or components of an asset, to restore it to a required functional condition and extend its life, which may incorporate some modification. This generally involves repairing the asset to deliver its original level of service (e.g., slip-lining of sewer mains) without resorting to significant upgrading or renewal, using available techniques and standards.

Replacement is the complete replacement of an asset that has reached the end of its life cycle in order to provide a similar, or agreed alternative, level of service.

Sustainable in the context of asset management is about meeting the needs of the future by balancing social, economic, cultural, and environmental outcomes or needs when making decisions today.

Administration The Chief Administrative Officer hereby designates the Public Works Department to implement and administer this policy and any related procedures.

Policy

- a) The Town will develop an asset management plans (AMP) that align with the requirements of Ontario Regulation 588/17 Asset Management Planning for Municipal Infrastructure and the Town's Tangible Capital Asset Policy.
- b) The Town shall maintain and manage infrastructure assets at defined levels to support public safety, community well-being, and community goals.
- c) The Town shall adopt a sustainable approach to asset management, ensuring that the asset base is not increased without considering the impact on the ability of the Town to fund future maintenance and rehabilitation/replacement.
- d) The Town shall establish infrastructure replacement and acquisition strategies through the use of full life cycle costing principles.
- e) The Town shall establish and monitor standards and service levels to ensure that they meet/support community and Council goals and objectives.
- f) The Town shall budget for the appropriate level of maintenance of assets to deliver appropriate service levels and extend the useful life of assets.
- g) The Town will plan for and provide stable long-term funding to replace and/or renew and /or decommission infrastructure assets.
- h) The Town will prioritize and direct resources and expenditures in order to deliver levels of service and other community benefits at an acceptable level of risk.



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- i) The Town will utilize qualitative description and technical metrics as published in O.Reg 588/17 for core assets while ensuring non-core assets are evaluated based on required level of service as established by Council considering public input.
- j) The Town will coordinate planning for interrelated municipal infrastructure assets with separate ownership by pursuing collaborative opportunities with neighbouring municipalities wherever viable and beneficial.
- k) The Town will create a Strategic Asset Management Plan (SAMP) which will detail the long-term approach to managing assets and outline the organisations objectives. The SAMP will direct the creation of needed asset management plans for each objective.
- l) The Town will provide opportunities for residents to offer input into asset management planning wherever and whenever possible.
- m) The Town will comply with all relevant legislative, regulatory, and statutory requirements.

Scope

This Policy applies to all tangible assets owned and/or managed by the Town. The table below provides examples of assets owned by the Municipality and the department that oversees each service area.

Service	Asset Type	Responsible Department or Division
Storm Water	Sewers, Stormwater Management Facilities, Pumping Stations	Public Works
Sanitary Collection	Sanitary Sewers, Pumping Stations	Public Works
Wastewater Treatment	Water Pollution Control Plants	Public Works
Drinking Water Distribution	Watermains, towers, booster stations	Lakefront Utilities Services Inc.



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Drinking Water Treatment	Water Treatment Plant	Lakefront Utilities Services Inc.
Transportation	Roads, Bridges and Culverts, Sidewalks, Traffic Signals, Street Lighting	Public Works
Parks and Recreation	Sport fields, Playgrounds, Trails, Outdoor ice rink, Public Restrooms	Community Services
Parking	Pay & display machines, meters, ticketing devices, software	Public Works and Legislative Services
Facilities	Municipal offices, Fire Hall, Police Station, Arenas, Community Centre	Various
Fleet and Equipment	Fire Trucks, Police Vehicles, Snowplows, Ice Resurfacers, Transit Buses, bunker gear, lawn mowers	Various
Information Technology Systems	Hardware, Software, Communication Equipment	Corporate Services

Roles and Responsibilities

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

The following details the responsibilities of the key stakeholders within the Town:



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i. Council

- a) Exercise stewardship of assets, adopt policy and financial plans.
- b) Maintain adequate organizational capacity to support the core practices of the asset management program.
- c) Monitor and adjust levels of service metrics based on Regulations, Staff recommendations, and public consultation.
- d) On-going review of policies at required intervals.

ii. CAO

- a) Provide leadership to set the direction and priorities for development of the asset management plan across the municipality.
- b) Ensure that adequate resources are available to implement and maintain asset management practices.
- c) Maintain compliance with the asset management policy and provincial asset management regulations.
- d) Promote a holistic approach to asset management through both change management and culture management.
- e) Develop and update communication plans to assist with the timely communication of asset management information to all stakeholders.

iii. Executive Lead (Director of Public Works)

- a) Oversee the maintenance of the asset management plan on an ongoing basis but at least every 5 years.
- b) Develop and maintain budgets for the appropriate level of maintenance, rehabilitation, extension and decommission of assets through collaboration with divisional directors.
- c) Assign key staff to perform, monitor, and report on progress of asset management activities corporate wide who will promote interoperability amongst Town departments.
- d) Ensure timelines specified in Regulations are adhered to.

iv. Treasurer

- a) Develop financial forecasting and funding strategies associated with the Corporate Asset Management plan for a 10 year horizon.
- b) Ensure financial funding strategies are integrated into the annual Corporate budget planning process.
- c) Annual financial reporting.



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v. Senior Management

- a) Develop policy and asset management programs for their respective service areas.
- b) Oversee asset management planning and implementation activities that fall within their service area.
- c) Establish and monitor levels of service.
- d) Provide departmental staff coordination.
- e) Track and report on asset management program progress and results.
- f) Maintain communication with the Executive Lead and the appointed designate regarding all asset management plans and policies.
- g) Ensure timelines as developed by the Executive Lead are adhered to.

vi. Departmental Staff

- a) Implement and maintain levels of service as described in the asset management plans.
- b) Utilize technology tools developed as part of the asset management program.
- c) Conduct condition assessments in accordance with the asset management plan.
- d) Monitor and update infrastructure lifecycle and costing.
- e) Maintain asset inventories.
- f) Communicate all asset management information to the Senior Manager of their respective division.

Guiding Principles

In order to achieve the asset management objectives, the following principles will be applied whenever possible to all aspects of the asset management program in accordance with the *Infrastructure for Jobs and Prosperity Act, 2015*:

Forward looking: The Town shall take a long-term view while considering demographic and economic trends in the area.

Budgeting and planning: The Town shall consider any applicable budgets or fiscal plans, including those adopted through Ontario legislation.

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

Economic development: The Town shall promote economic competitiveness, productivity, job creation, and training opportunities.



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Transparency: The Town shall be evidence-based and transparent basing infrastructure decisions on information that is, or is made, publicly available. Implications on infrastructure should be factored into investment decisions and shared with the public.

Consistency: The Town shall ensure the continued provision of core public services.

Environmentally conscious: The Town shall minimize the impact of infrastructure on the environment by respecting and helping maintain ecological and biological diversity, and infrastructure should be designed to be resilient to the effects of climate change.

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

Community focused: The Town shall 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 spaces within the community, and promoting accessibility for persons with disabilities.

Innovation: The Town shall create opportunities to make use of innovative technologies, services, and practices, particularly where doing so would utilize technology, techniques, and practices developed in Ontario.

Integration: The Town shall be mindful and consider the principles and content of non-binding provincial or municipal plans and strategies established under an Act or otherwise, in planning and making decisions surrounding the infrastructure that supports them, to the extent that they are relevant.

Administration

The Chief Administrative Officer hereby designates the Public Works Division to implement and administer this policy and any related procedures.

Cross Reference

Policy # (related policy)



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<p>Report #</p> <p>PW-2024-016</p>	<p>Revision Purpose/Description:</p> <p>Ontario Regulation 588/17 Asset Management Planning for Municipal Infrastructure requirement to review every five (5) years</p>	<p>Municipal Clerk Approval:</p>  <hr/> <p>Signature</p>	<p>Council Approval Date:</p> <p>June 26, 2024</p>
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