

Policy No.:	161.22	Council Approval: November 8, 2022 Resolution No.: 315/22 Date: November 8, 2022
Policy Title:	Asset Management	
Department:	Infrastructure & Property Services	
Reviewed:	5 years from approval date	
Revised:		
Supersedes		
Policy/Bylaw:	139.20	

1. Policy Statement

1.1 The Town of Blackfalds (the “Town”) recognizes the need to implement an Asset Management (“AM”) Strategy to achieve the medium to long term financial sustainability of the organization. The Town will develop and operate an AM Strategy and promote the use of Asset Management principles in all Town departments.

2. Reason for Policy

2.1 The purpose of this Asset Management Policy is to facilitate the logical, methodical and informed decision making for the Town’s Asset Management Program to achieve greater Asset Life-cycle management and effective allocation of resources. The policy specifically addresses the following Principals:

- 2.1.1. Provide a consistent and accurate means of tracking and reporting of the Town’s assets (including the planning, creation, operation, maintenance and disposal of assets);
- 2.1.2. Provide a framework which enables the Town to promote and enhance the provision of services at a level that balances customer expectations with cost and business risk;
- 2.1.3. Meet legislative reporting and organizational financial planning requirements; and
- 2.1.4. Integration of Asset Management practices within long-term financial planning and budgeting strategies.

3. Related Information

- 3.1 International Standards Organization (ISO) Standards 55000:2014
- 3.2 International Standards Organization (ISO) Standards 55001:2014
- 3.3 International Standards Organization (ISO) Standards 55002:2018
- 3.4 International Standards Organization (ISO) Standards 55010:2019

4. Definitions

- 4.1 “**CAO**” means the Town of Blackfalds Chief Administrative Officer.
- 4.2 “**Asset**” (Infrastructure) means an item, thing, or entity that has potential or actual value to an organization.
- 4.3 “**Asset Life-cycle**” means the full life-cycle span of an asset from the point when a need for it is first established, through design, construction, acquisition, operation and any maintenance or renewal, through to its decommissioning or disposal.
- 4.4 “**Asset Management**” means the process of making decisions about the use and care of infrastructure to deliver in a way that considers current and future needs, manages risk and opportunities, and makes the best use of resources.
- 4.5 “**Asset Management Plan**” means the documented information that species the activities, resources, and timescales required for an individual asset, or grouping of assets, to achieve the Town’s Asset Management objectives.
- 4.6 “**Asset Management Program**” means how the Town’s organizational objectives are to be converted into Asset Management objectives, including the approach for developing the Asset Management Policy, Asset Management Strategy, and Asset Management Plans, in supporting achievement of the Asset Management objectives.
- 4.7 “**Asset Management Strategy**” means the documented information that specifies how the Town’s Asset Management objectives are to be converted into Asset Management objectives, the approach for developing Asset Management Plans, and the role of the Asset Management Program in supporting the achievement of the Asset Management objectives.
- 4.8 “**Critical Asset**” means an asset for which the financial, business or service level of consequences of failure are sufficiently severe to justify proactive inspection and rehabilitation.
- 4.9 “**Community**” refers to all members of the public that live in, work in, operate businesses and visit the Town of Blackfalds.
- 4.10 “**Level of Service**” means the defined standard for the provision of a particular service. Components of defining these standards include quality, quantity, reliability, responsiveness, environmental acceptability, and cost.
- 4.11 “**Principles**” means to provide direction on applying AM within the municipality, and guidance on what the AM program should cover. The Principles should be aligned with the community vision and existing Municipal Sustainability Plan and other strategic plans to ensure the consistency between the municipality’s strategic direction and asset management efforts.
- 4.12 “**Resilience**” means the capacity of the Town to function, so that the people living and working in it survive and thrive no matter what the changes, stresses or shocks they encounter.

4.13 **“Risk”** means the degree of price volatility and/or chance of failure carried by an asset factoring the impact of failure and asset criticality.

4.14 **“Sustainability”** means meeting the needs of the present without compromising the ability of future generations to meet their own needs.

5. Responsibilities

5.1 Municipal Council to:

5.1.1 Approve by resolution this policy and any amendments.

5.1.2 Consider the allocation of resources for successful implementation of this policy in the annual budget process.

5.1.3 Prioritize effective stewardship of assets and articulate community values.

5.1.4 Consider the Level of Service sustainability delivered to the community.

5.2 Chief Administrative Officer to:

5.2.1 Recommend this policy and any amendments for adoption by Council.

5.2.2 Implement this policy and approve procedures and exceptions.

5.2.3 Ensure policy and procedure reviews occur and verify the implementation of policies and procedures.

5.2.4 Be a visible champion for the implementation of the Asset Management Policy across the organization.

5.3 Corporate Leadership Team (Directors and CAO) to:

5.3.1 To lead the adoption of the policy within departments.

5.3.2 Communication of policy across the Town.

5.4 Director of each Department to:

5.4.1 Ensure implementation of this policy and procedure.

5.4.2 Ensure that this policy and procedure is reviewed every five years.

5.4.3 Make recommendations to the Chief Administrative Officer of necessary policy or procedure amendments.

5.5 Manager to:

5.5.1 Understand and adhere to this policy and procedure.

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- 5.5.2 Ensure employees are aware of this policy and procedure and allocate sufficient resources as necessary.
- 5.6 Asset Management Coordinator to:
- 5.6.1 The Asset Management Coordinator is delegated authority by the CAO, to lead in the development and management of an Asset Management Strategy. This includes the promotion of the AM Strategy and providing support to department managers to identify current AM strategies and implement changes identified in the Strategy.
- 5.6.2 The development and maintenance of an asset registry to track assets.
- 5.7 Asset Management Advisory Team to:
- 5.7.1 An Asset Management Advisory Team (AMAT) will be established and provide advice on an ad-hoc basis for matters concerning corporate asset management initiatives. The AMAT will be chaired by the Asset Management Coordinator and meetings will be held at the call of the chair. This group will be a cross-functional team with members from departments and business units that hold responsibility for municipal assets. The whole or part of the AMAT may be convened as appropriate for the matter at hand. Committee members may include:
- i. Infrastructure and Property Services Director
 - ii. Corporate Services Director
 - iii. Community Services Director
 - iv. Infrastructure Services Manager
 - v. Parks & Recreation Manager
 - vi. Finance Manager
 - vii. IT Services Manager
 - viii. Asset Management Coordinator
 - ix. Financial Analyst
 - x. Public Works Foremen (Fleet Management)
 - xi. Emergency and Protective Services Manager
 - xii. Abbey Centre Manager

6. Exclusions

- 6.1 N/A

7. Special Situations

7.1 N/A

8. Appendix

9. End of Policy

PROCEDURE	Policy No.:	161.22
	Policy Title:	Asset Management
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1. Preamble

1.1 Asset Management Strategy Objectives

1.1.1 The following objectives that emphasize Asset Management best man will be implemented as part of the Town’s Asset Management Program:

- i. Clearly define Levels of Service that support customer needs and meet regulatory requirements, while accounting for risk, costs and available resources;
- ii. Establish and maintain a record of the value and depreciation rates of all tangible assets owned by the Town;
- iii. Review, on an on-going basis, business processes related to asset acquisition, risk management, asset maintenance, asset disposition, and service provision;
- iv. Establish a set of corporate standards that ensure consistency in the decision- making process as to how assets are managed;
- v. Modify business processes as necessary to ensure continuous improvement, and ensure operational effectiveness and efficiency;
- vi. Ensure legislative requirements and regulatory standards are met; and
- vii. Achieve continuous improvement in asset management process through on-going improvements to data quality to provide increased forecast reliability.

2. General

2.1. Asset Management Advisory Team & Staffing Requirements

2.1.1. To ensure the success of the AM Strategy, a cross functional asset management team will be established. The Asset Management Advisory Team (AMAT) will be made up of subject matter experts in their functional departments. Each of these subject matter experts will be responsible for providing departmental specific asset management requirements to help facilitate the development of the AM Strategy. The AMAT will provide advice on an ad-hoc basis during the initiation of asset management activities, and on an on-going basis during development of planning and asset management activities.

2.1.2. To support AM initiatives for the Town, a new full-time staff member, Asset Management Coordinator, will be required. The AMAT will be chaired by the Asset Management Coordinator and meetings will be held at the call of the chair.

2.2. Public Participation

- 2.2.1. The Town will develop a Participant Involvement Program that identifies key internal and external stakeholders and customers that are to be engaged as part of consultation for Asset Management Plans. This can include conducting a public engagement session to obtain public input on important asset management matters for the Town. All information obtained from public participation will be reviewed and considered for inclusion in the AM Strategy and/or asset-specific Asset Management Plans.

3. Other Considerations

3.1 10 Year Capital Plan

- 3.1.1 The Town recognizes that the implementation of an AM Strategy is directly correlated to the Town's Ten-Year Capital Plan. As AM for the Town evolves and priorities are determined, the re-prioritization of Capital projects so the Town can meet its asset management needs and maintain fiscal responsibility.

3.2 Operational Budget

- 3.2.1 On an annual basis, the Town reviews its annual operating budget. As part of this process, annual repairs and maintenance costs for assets are identified if information is available. The amount of budget allocated for annual repairs and maintenance is directly influenced by the age and condition of Town assets. As part of the Town's commitment to the sustainable financial planning and budget strategy, overall life-cycle costs, including ongoing repairs and maintenance, will be accounted for.

3.3 Municipal Sustainability Plan

- 3.3.1 In the 2020 Municipal Sustainability Plan (MSP), the vision for the Town of Blackfalds is defined as "a progressive and growing family community, situated in an economically sustainable, collaborative, healthy, safe, and beautiful living environment, where opportunities are abundant and realized through partnerships and innovation." Of the MSP five sustainability pillars for the Town, Infrastructure and Buildings, has been identified as the one which includes the entire built environment in Blackfalds.

- 3.3.2 The following are key excerpts from the Infrastructure and Buildings sustainability pillar that pertain to Asset Management:

- i. Ensure Blackfalds is a livable community that people seek out for its high quality of life;
- ii. Maintain a range of facilities to service diverse interests and needs;
- iii. Take a proactive approach to growth and new infrastructure and repair;
- iv. Invest in infrastructure across the entire municipality;

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- v. Buildings are of high-quality design and environmental performance;
 - vi. Neighborhoods in Blackfalds are designed to encourage walkability; and
 - vii. Infrastructure projects are considered and negotiated among multiple levels of government.

3.4 Level of Service

- 4.3.1 In order to effectively develop, and maintain a sustainable AM Strategy, the Town of Blackfalds recognizes that the Level of Service for community services are directly influenced by budget and administrative policy, where applicable.

3.5. Reporting

- 3.5.1. A draft version of the Asset Management Strategy will be developed that incorporates AMAT, external, and customer consultation requirements as necessary. Once the final Strategy is approved, this Procedure may be updated to align with the Strategy.

4. End of Procedure

Approval

-Original Signed-

Chief Administrative Officer

November 9, 2022

Date