



Municipality of Brighton

Strategic Asset Management Policy

June 17, 2019

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1.0 Background

A Strategic Asset Management Policy conveys Council's commitment to asset management and provides policy statements to guide staff in carrying out the municipality's business strategies, plans and activities leading to the development and reiteration of an Asset Management Plan.

The Corporation of the Municipality of Brighton is committed to successfully delivering service to residents that support a healthy and vibrant community, requiring the ownership and responsible operation, maintenance and rehabilitation of physical assets. These assets include land, buildings, equipment, vehicles, road, sidewalk, storm, water and wastewater infrastructure.

2.0 Policy Statement

The Strategic Asset Management Policy provides staff with a consistent and regulatory-compliant approach to making decisions regarding infrastructure planning and investment. This policy supports the Municipality in focusing its infrastructure efforts on managing risks, addressing priorities, and meeting short and long-term needs in a way that is affordable and sustainable for community stakeholders.

3.0 Purpose

The purpose of this policy is to establish consistent standards and guidelines for management of the Municipality's assets by:

- applying sound technical, social and economic principles that consider present and future needs of users and the service expected from the assets;
- meeting the approved service levels in the most efficient and effective way possible through asset lifecycle management;
- prioritizing the need for existing and future assets to effectively deliver services;
- maintaining prudent financial planning decision making.

4.0 Goals

The Municipality of Brighton is committed to incorporating Asset Management Principles into the decisions and actions taken by the organization. In order to accomplish this commitment, we must first understand the needs and wants of community stakeholders and determine the actions necessary to deliver these services in the most efficient, sustainable and economical manner. Setting goals will assist in this undertaking.

a. Short-term goals of the Municipality

- update the 2013 Asset Management Plan by July 1, 2021, including all municipal assets in accordance with Ont. Reg 588/17;
- inform and educate Council and key Staff about the benefits of Asset Management practices and how it can be integrated into operations
- formalize data collection to realize a complete and accurate asset

register.

b. Long-term goals of the Municipality

- establish channels to communicate ongoing initiatives and provide community consultation opportunities;
- integrate the asset register into an asset management software for more efficient and effective tracking and updating.

5.0 Asset Management Principles

The standards and guidelines will adhere to the following:

a. Statutory Requirements

In order to achieve the goals and benefits of Asset Management, the Municipality will apply the following principles as outlined in the Jobs and Prosperity Act, 2015:

- **Forward looking:** The Municipality shall take a long-term view while considering demographic and economic trends in the Region.
- **Budgeting and planning:** The Municipality shall take into account any applicable budgets or fiscal plans, such as fiscal plans released under the Fiscal Transparency and Accountability Act, 2004 and Budgets adopted under Part VII of the Municipal Act, 2001.
- **Prioritizing:** The Municipality shall clearly identify infrastructure priorities which will drive investment decisions.
- **Economic development:** The Municipality shall promote economic competitiveness, productivity, job creation, and training opportunities.
- **Transparency:** The Municipality shall be evidence-based and transparent. Additionally, subject to any prohibition under an Act or otherwise by law on the collection, use, or disclosure of information, the Municipality shall make decisions with respect to infrastructure based on information that is publicly available or made available to the public and share information with implications on infrastructure and investment decisions with the Provincial and Federal Governments and broader public sector entities.
- **Consistency** - The Municipality shall ensure the continued provision of core public services (water, wastewater, storm sewers, roads and bridges).
- **Environmental conscious** - the Municipality shall minimize the impact of infrastructure on the environment by respecting and helping maintain ecological and biological diversity, by augmenting resilience to effects of climate change and by 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.
- **Community focused** - The Municipality shall promote community benefits, being the supplementary social and economic benefits arising from infrastructure projects 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 Municipality 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.

b. Existing Plans, Policies and Studies

The Municipality has developed and adopted a Strategic Plan, an Official Plan, a Storm Water Masterplan, an Emergency Management Plan, a Fire Master Plan, a Recreation Trails and Greenspace Vision Plan, King Edward Park Indoor Facilities Masterplan an Accessibility Plan, a Waterfront Master Plan and an Asset Management Plan. These plans were designed to meet legislative requirements and to work together to achieve the principle of providing innovation and excellence in service delivery. Plans are reviewed regularly by staff and annual spending requirements in support of the plans' objectives are incorporated into the annual budgeting process and future long-term financial plans.

All municipal plans rely to some extent on the physical assets owned by the Municipality and the commitment of staff to ensure their strategic use. This includes the long-term maintenance, repair, and replacement of existing assets along with the acquisition of new assets to meet the evolving needs in the Municipality.

The Municipality adopted a Tangible Capital Asset Policy (TCA Policy) in 2009. The thresholds used for useful life were broad and based on industry standards in order to determine amortization for Public Sector Accounting Board (PSAB) purposes. The TCA Policy includes a register of all assets or groups of assets that meet or exceed prescribed valuations within its schedule. This register and corresponding segments for assets will be used as a starting point for all plans and studies to ensure consistency in reporting.

Additionally, the Municipality of Brighton has undertaken a Road Needs Study, Development Charges Study and Water and Wastewater Rate Study to complement the municipal plans. These studies provide strategic financial plans and pertinent information for the implementation of objectives.

6.0 Scope

This Strategic Asset Management Policy conforms to the standardized requirements as defined in Ontario Regulation 588/17.

Core assets including roads, bridges, water, sanitary and stormwater assets will be incorporated into the Asset Management Plan.

Non-core assets including vehicles, equipment, land, land improvements and buildings will be considered and incorporated into the Asset Management Plan if they meet the capital threshold, as identified in the Tangible Capital Asset Policy

7.0 Definitions

In this policy the following definitions are used:

- **Asset Management (Asset Management Activities, Asset Management Program, Asset Management Practices)**– The coordinated activity of an organization to realize value from assets. It considers all capital asset types meeting the capital threshold, and includes all activities involved in the asset’s life cycle from planning and acquisition/creation; to operational and maintenance activities, rehabilitation, and renewal; to replacement or disposal and any remaining liabilities. Asset management is holistic and normally involves balancing costs, risks, opportunities and performance benefits to achieve the total lowest lifecycle cost for each asset.
- **Asset Management Plan** - Documented information that specifies the activities, resources, and timescales required for an individual asset, or a grouping of assets, to achieve the organization’s asset management objectives. Under O. Reg. 588/17, by 2021 Asset Management Plans for core municipal infrastructure assets will be required to include: the current levels of service being provided; the current performance of each asset category; a summary of assets in each asset category, their replacement cost, average age, condition information, and condition assessment protocols; lifecycle activities required to maintain current levels of service; discussion of population and economic forecasts; and documentation of processes to make inventory- and condition-related background information available to the public.
- **Infrastructure** - Municipal tangible capital assets primarily for public use or benefit in Ontario.
- **Level of service** – Parameters, or combination of parameters, which reflect social, political, environmental and economic outcomes that the organization delivers. Parameters can include, but are not necessarily limited to safety, customer satisfaction, quality, quantity, capacity, reliability, responsiveness, environmental acceptability, cost, and availability.
- **Lifecycle activities** – Activities undertaken with respect to a municipal infrastructure asset over its service life including constructing, maintaining, renewing, operating and decommissioning, and all engineering and design work associated with those activities.
- **Thresholds** – The Municipality’s Strategic Asset Management Policy applies to all assets whose role in service delivery requires deliberate management by

the Municipality. The Tangible Capital Asset Policy and its schedule defines the minimum dollar value of an asset or asset group to be included (capital threshold) as well as the useful life that is applied to each asset (useful life threshold)

8.0 Governance and Continuous Improvement

The policy requires the commitment of key stakeholders within the Municipality's organization to ensure the policy contains a clear plan that can be implemented, reviewed and updated. The following outline the persons and responsibilities to achieve the desired outcome:

- a. Council, on behalf of the citizens, will be entrusted with the responsibility of overseeing the management of the assets, as follows:
 - approve the Asset Management Planning documents and required updates every five years;
 - maintain adequate organizational capacity to support the core practices of the Asset Management program;
 - review management's implementation of the plan as part of the annual budget process;
 - articulate community values, establish levels of service and define priorities;
 - support efforts to improve the plan and ensure it includes changes necessitated by updates to other Municipal strategic documents.

Council shall conduct an annual review of its asset management progress on or before July 1st of each year. This annual review shall address:

- the Municipality's progress in implementing its Asset Management Plan;
 - any factors impeding the Municipality's ability to implement its Asset Management Plan;
 - a strategy to address the factors described above.
- b. Chief Administrative Officer
 - lead the endorsement and implementation of the Strategic Asset Management Policy across the organization.
 - c. Champion – Executive Lead
- The Manager of Capital Infrastructure, with support from the Director of Finance and Administrative Services will assume the lead role and be responsible for the maintenance of and reporting on the activity related to the management of municipal assets. The Champion – Executive Lead will:
- provide organization-wide leadership in Asset Management practices and concepts;
 - consolidate data in electronic format to improve completeness and accuracy of the asset register;
 - report annually to Council on the status of Asset Management as part of the budget process;

- report every five years to Council with any Strategic Asset Management Policy and Asset Management Plan updates.

d. Asset Management Team

All information related to the management of municipal assets will be reviewed with the Asset Management Team (AMT) and presented to the Council annually for consideration during the budget deliberations.

The AMT's mandate is to review and provide input on the utilization of condition assessment and service level information to update the long and short-term asset requirements. The AMT will consist of the following positions:

- Manager of Capital Infrastructure;
- Director of Finance and Administrative Services;
- Director of Public Works and Infrastructure;
- Director of Parks and Recreation;
- Fire Chief;
- Chief Administrative Officer;
- Resource support from Clerk and Director of Planning and Development

The AMT will:

- guide staff on the corporate goals for Asset Management;
- oversee the policy implementation and ensure both the Asset Management Plan and the Strategic Asset Management Policy comply with Provincial Asset Management regulations;
- ensure that current year and long-range asset requirements are presented to Council annually as part of the budget process;
- update the Policy and Plan to reflect changes as needed and present them for Council approval at least every five years.

e. Departmental Staff

- observe and comply with the requirements of the Asset Management Policy;
- utilize new business processes and technology tools developed as part of the Asset Management program
- participate in departmental teams to carry out Asset Management activities, as assigned;
- provide support for Asset Management practices within their department.

9.0 Communication

The Municipality of Brighton is committed to accountability and transparency and recognizes the importance of consulting with stakeholders affected by our decisions. Stakeholder engagement can improve a project's success by gaining insights from other points of view in order to deliver the best approach. These engagements are an opportunity to discuss alternate solutions, risks, opportunities, environmental impacts or considerations, evaluation criteria and design options.

a. Coordination with Neighbouring Municipalities

The Municipality is committed to engaging our neighbours as early as possible to coordinate planning for asset management where municipal infrastructure assets connect or are interrelated. These neighbours include:

- Northumberland County
- City of Quinte West
- Township of Cramahe
- Municipality of Trent Hills

The Municipality shall directly coordinate with affected municipalities early in the process on all municipal projects, including:

- direct circulation for all studies, plans or Class Environmental Assessments undertaken by the municipality for coordinated projects;
- early informal engagement with municipal staff;
- formal engagement;
- project coordination meetings.

b. Boards, Agencies and Community Partners

The Municipality regularly consults with and receives comments from our Boards, Agencies and Community Partners. Consultation with these stakeholders shall occur on municipal projects that affect common operations and infrastructure.

- Accessibility Advisory Committee
- Lower Trent Conservation Authority;
- School Boards;
- Police Service Board;
- Presqu'île Provincial Park;
- Ministry of Transportation;
- Brighton Public Library Board;
- Ministry of Environment and Climate Change

c. Resident Participation and Input

Asset management shall involve public engagement to assist with envisioning future infrastructure needs. The Strategic Asset Management Policy and Asset Management Plan will be posted on the municipal website and available to the public upon request.

Communication with the stakeholders to encourage participation and engagement may include surveys, open houses and public consultation during budget meetings, as well as providing pertinent information on the municipal website.

10.0 Climate Change

The Municipality recognizes the challenges of managing the effects of climate change. The Asset Management Plan shall set protocols to identify the risks of climate change, how those risks will impact the community and what is required to mitigate or adapt to them. This approach will balance the potential cost of vulnerabilities to climate change impact and 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, as follows:

a. Vulnerabilities

Risk management is a key function of asset management. The Asset Management Plan shall include sections that establish the principles and framework to govern risk management and assess vulnerabilities due to climate change.

b. Operations and Maintenance Schedules

The Asset Management Plan shall review or establish operation and maintenance schedules with consideration to the hazards and risks created by climate change.

c. Levels of Service

The Asset Management Plan shall review the hazards and risks created by climate change and how this may impact the Municipality's objective in meeting defined levels of service.

d. Lifecycle Management

The Asset Management Plan shall review the hazards and risks created by climate change for its impact on an asset's lifecycle, and provide recommendations for the monitoring, review and actions necessary to address.

e. Disaster Planning and Contingency Funding

The Municipality has an Emergency Plan in place to guide the community through emergencies and help support the community by delivering essential services in the event of an emergency. The Asset Management Plan will support the Municipality's Emergency Plan. Various hazards, risks to public safety and infrastructure risks identified in the Emergency Plan will be identified in the Asset Management Plan.

The Municipality of Brighton has established an Emergency Reserve and is committed to annual contributions to the Reserve to assist with emergencies that may arise due to climate change.

11.0 Land Use Planning

The Asset Management Plan shall promote efficient development and land use patterns which sustain the financial well-being of the Municipality over the long-term, to ensure that the necessary infrastructure and public facilities are or will be available to meet current and projected needs and to promote cost-effective development patterns and standards to minimize land consumption and servicing costs.