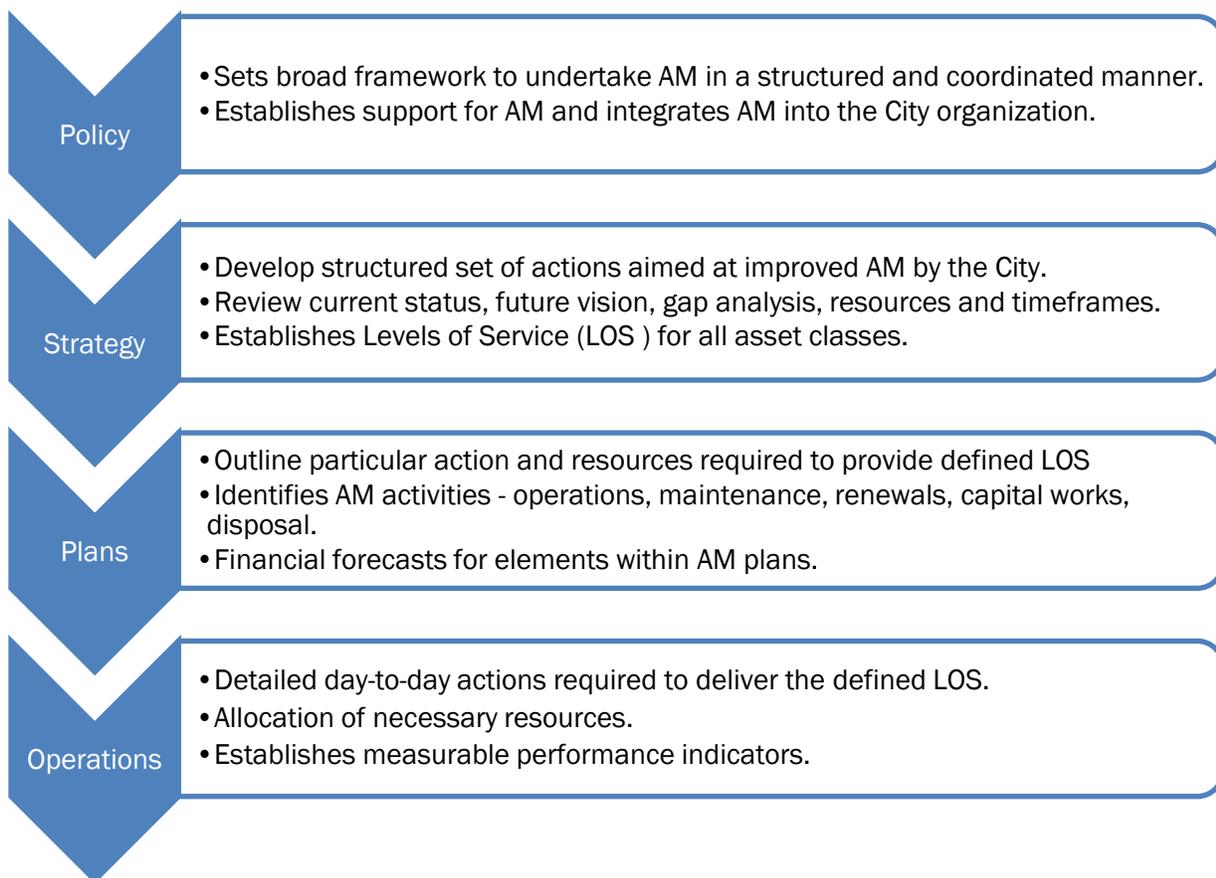


POLICY MANUAL

Title: Corporate Asset Management	Policy No : 9.13 Supersedes:
Authority: <input checked="" type="checkbox"/> Legislative <input type="checkbox"/> Operational Approval: <input checked="" type="checkbox"/> Council <input type="checkbox"/> CMT <input type="checkbox"/> General Manager	Effective Date: July 11, 2017 Review Date: July 2018
Policy Statement: <p>The Corporate Asset Management Policy details the principles for implementing a consistent and coordinated approach in managing City assets to demonstrate sound fiscal stewardship and secure long-term infrastructure sustainability within the City.</p>	
Purpose: <p>The total replacement value of the infrastructure assets owned by the City of Maple Ridge (City) is in excess of \$1 Billion and ranges in size and complexity from larger asset classes such as roads, water, sewers, pump stations, storm drainage systems, facilities, parks, fleet through to smaller classes such as office furniture or computers. The City will continue to evaluate natural assets such as watercourses and forests to incorporate such assets into the overall Asset Management Strategy.</p> <p>Asset Management (AM) is a comprehensive framework to guide the planning, acquisition, operation and maintenance, rehabilitation, disposal and ultimate replacement of municipal infrastructure assets. The objective is to maximise asset service delivery potential, manage related risks and minimize costs of ownership while delivering acceptable levels of service in a sustainable manner that does not compromise the ability of future generations to meet their own needs.</p> <p>The Corporate Asset Management Policy provides the framework to develop a city-wide Asset Management Strategy as well as plans, operational guidelines and practices to ensure the successful execution of maintainable service delivery of community services.</p> Background: <p>As the City grows, new infrastructure is added to the built environment through development and capital projects and over time those assets age and deteriorate. The implementation of sound AM stratagems provide assurance that the City assets (both existing and future) will meet designated levels of service for the long term.</p>	

The framework for developing and implementing AM within the City is based upon a number of steps that range from broad policy statements through to detailed day-to-day actions as illustrated below:



Related Corporate Initiatives:

Asset Management is formalized and integrated into other corporate initiatives and documents such as:

- Vision, Mission & Values Statement
- Official Community Plan
- Community and Neighbourhood Plans
- Financial Plan including Capital and Operating Budgets
- Annual Reports
- Design Criteria and Specifications
- Infrastructure Servicing Plans

In 2004 Council approved the Financial Sustainability Plan policy guidelines (Policy No. 5.52) that laid the groundwork for the continuance of high quality services and to provide a legacy for future generations. The FSP policy outlines 13 guidelines ranging from tax base growth, service demands, efficiencies, debt management, fees and charges capital carryovers, infrastructure maintenance and replacement and will serve as a sound reference as the City develops the Corporate Asset Management Strategy.

The development and implementation of a Corporate Asset Management Strategy by the City will provide guidance through a number of policy statements and principles.

Policy Statements

The City will:

1. Develop and maintain asset inventories of its infrastructure
2. Maintain and manage infrastructure assets at defined service levels
3. Establish and monitor standards and service levels to ensure Council objectives are met
4. Establish infrastructure replacement strategies through the use of full life cycle costing principles
5. Ensure adequate funding to maintain established asset levels of service and maintenance and extend the useful life of assets as well as to replace, renew and/or decommission assets
6. Consider and incorporate asset management strategies in City corporate plans including community planning processes
7. Track progress and provide regular reports

Policy Principles

The City shall:

1. Allocate funding for new assets after considering the full life cycle costs and the economic, environments, and social benefits of the new asset, seeking to minimize the asset total life cycle cost
2. Provide information on future maintenance, operation, upgrade, renewal and/or replacement and decommission requirements
3. Identify the level of service that will be delivered by each asset and how that level of service will be monitored
4. Establish organizational accountability and responsibility for asset inventory, condition, use and performance
5. Ensure corporate governance through demonstrable long-term financial planning based upon sustainable service levels
6. Integrate corporate, financial, business, technical and budgetary planning for infrastructure assets
7. Undertake public consultation with stakeholders as appropriate
8. Minimize risk to users and risks associated with asset failure
9. Utilize best practices where available
10. Update and maintain infrastructure inventory and life cycle data
11. Report on the performance of the asset management strategy and plans

Definitions:

Asset: Has a physical nature, is a significant economic resource and provides the delivery of programs and/or services.

Asset Register: A record of the asset information, typically held in a spreadsheet, database or software system, including asset attribute data such as quantity, type and construction cost.

Condition Assessment: The inspection, assessment, measurement and interpretation of the resultant data, to indicate the condition of a specific component so as to determine the need for some preventative or remedial action.

Cost-Effective Management: The proactive, as opposed to reactive, management of the maintenance, repair and rehabilitation activities required to deliver the desired/required level of service while minimizing the life cycle costs of providing the infrastructure.

Current Replacement Cost: The cost the entity would incur to acquire the asset on the reporting date. The cost is measured by reference to the lowest cost at which the gross future economic benefits could be obtained in the normal course of business or the minimum it would cost, to replace the existing asset with a new modern equivalent asset (not a second-hand one) with the same economic benefits (gross service potential) allowing for any differences in the quantity and quality of output and in operating costs.

Levels of Service: Levels of service statements describe the outputs or objectives an organization or activity intends to deliver to customers.

Life Cycle Costs (LCC): The total cost of an asset throughout its life including planning, design, construction, acquisition, operation, maintenance rehabilitation and disposal costs.

Natural Assets: Naturally occurring land or subsurface features that perform or support service delivery to the City (ex: creeks that convey and treat rain water runoff). Also incorporates man-made features that replicate naturally occurring features (ex: ditches, ponds, wetlands).

Renewal: Works to replace existing assets or facilities with assets or facilities of equivalent capacity or performance capability.

Risk Management: Coordinated activities to redirect and control an organization with regard to risk.

<u>Key Areas of Responsibility</u>	
Action	Responsibility
Adopt the Asset Management Policy	Council
Develop and maintain asset inventories	Public Works & Development Services (PWDS); Finance; Parks; Fire
Assess infrastructure condition and service levels	PWDS; Parks; Fire
Establish and monitor infrastructure replacement levels through life cycle costing principles	PWDS; Finance; Parks; Fire
Develop and maintain comprehensive plans for the appropriate level of maintenance, rehabilitation, extension and decommissioning of assets	PWDS; Finance; Parks; Fire

<p>Monitor and review infrastructure standards and defined service levels</p> <p>Report on the status of the municipal infrastructure and the asset management strategy and plans</p> <p>Both Council and staff have roles to play in the support of this policy. Council acts as the stewards for all City assets and approves the policy, participates in the establishing of levels of service as well as monitoring outcomes. Staff will develop, implement, monitor and review the Corporate Asset Management Strategy as well as advance and implement the operational plans. The Corporate Asset Management Strategy shall be reported to Council and the community on a regular basis and may be reviewed by Council on an interim basis.</p>	<p>Council</p> <p>PWDS; Finance; Parks; Fire</p>
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