



TOWN OF LUMSDEN

Policy # _____

POLICY

Title: **Asset Management**

Effective: June 9, 2020

Policy Statement:

1. Purpose

The Town of Lumsden (the Town) provides a wide range of services to the Community that support the Town's objectives, sustainable community values and quality of life. The delivery of these services requires the ownership and responsible operation, maintenance and rehabilitation of physical assets including land, buildings, equipment, transportation, drainage, sewer and water infrastructure.

Asset Management (AM) is a comprehensive framework to deliver value to the community through the effective management of existing and new infrastructure assets. The objective is to maximize 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.

This policy outlines the fundamental asset management principles for implementation. These principles, combined with Council's commitment, will provide a consistent and coordinated approach to managing assets that demonstrates sound fiscal stewardship and secure long-term infrastructure sustainability.

2. Alignment

Council has Values and a Vision for the community that will provide a safe, healthy, friendly, sustainable and economically vibrant community. This policy aligns with and supports the Town in efficiently and effectively achieving its Values and Vision, as defined in the Town's Official Community Plan (OCP).

2.1 The values of the Town of Lumsden are:

- *Families and community will work together to support each other, create inter-generational harmony, and ensure Lumsden residents are safe, healthy, and fulfilled.*

- *The patterns and pace of life should be determined primarily by the people's needs for peace, quiet, health, and enjoyable social interaction.*
 - *The community needs a strong, central business core where goods, services, and social interaction are readily available.*
 - *The community should look and act welcoming to all people.*
 - *Heritage resources and other links to the community's economic and cultural roots are necessary.*
 - *Residents have pride in the appearance and aesthetics of their community based on its natural setting in the river valley and wish in the future to enhance Lumsden's tradition in strong environmental stewardship.*
- 2.2 Any future changes to the Town's OCP or stated Values should be reflected in this Policy.

3. Scope

- 3.1 This Policy applies to all Town departments and other agencies or organizations falling within the reporting entity of the Town.
- 3.2 The Town owns a wide range of asset types that deliver services to the community. This Asset Management Policy applies to all existing and new assets owned by the Town and any natural assets that the City does not own, but which currently support the provision of Town services.

4. Roles and Responsibilities

4.1 Council is responsible for:

- Approving policies, procedures, guidelines, and plans as they relate to asset management.
- Articulating community values and priorities.
- Approving funding resources to implement the AM policy and associated requirements.

4.2 Chief Administrative Officer, or delegate, is responsible for:

- Developing and updating the Asset Management Policy, as necessary, and presenting changes to Council.
- Developing, implementing and updating the Asset Management Plan.

5. Asset Management Principles

5.1 Asset Management (AM) is a comprehensive framework to deliver value to the community through the effective management of existing and new infrastructure assets. The Town will incorporate industry best practices including guidelines and standards as applicable.

5.2 Objectives of AM are to:

- Maximize asset service delivery potential.
- Manage related risks and minimize costs of ownership.
- Deliver acceptable levels of service in a sustainable manner.
- Maintain the ability of future generations to meet their own needs.

5.3 Asset management is a broad strategic framework that encompasses many disciplines and involves the entire organization. To provide guidance to the organization, the following principles have been developed.

5.3.1 Service Delivery to Customers

The Town will define levels of service for the community that balance expectations and regulatory requirements with risk, affordability and available resources. Asset management principles will be applied to manage assets at the defined levels to support public safety, community well-being and community goals.

The Town will ensure that decisions regarding new assets are made with appropriate due diligence; and that these needs are evaluated with a focus on service delivery to the community.

5.3.2 Long-term sustainability, resilience and risk.

The Town will make the appropriate decisions and provisions to enable assets to meet current and future challenges, service demands, legislative requirements, and climate change impacts, without compromising the ability of future generations to meet their needs. Associated risks will be identified and incorporated into the evaluation, prioritization and planning of activities to maintain reliability of service and minimize liability.

The Town will consider socio-cultural, environmental and economic factors and implications when making and implementing asset management decisions.

5.3.3. Integrated Planning and Evaluation

The Town will use an integrated and systematic approach for managing assets that will:



- Consider assets in the context of delivering services by looking at interrelationships and interdependencies, as opposed to optimizing individual assets in isolation.
- Understand and incorporate impact of asset activities on other work activities and geographically or operationally connected assets' condition and/or service.
- Implement and sustain asset management principles and practices across all service areas that will consider all impacts of decisions, including impacts to the community as a whole.

5.3.4. Fiscal Responsibility

The Town will develop and maintain appropriate plans for infrastructure renewal, for the purchase or construction of new infrastructure and for the decommissioning of redundant infrastructure. This will include:

- Developing and maintaining long-term plans for infrastructure renewal, construction, and purchase, that include:
 - Appropriate planning resources.
 - Operating and capital investment needs.
 - Life cycle costing.
 - Long-term funding requirements and the appropriate mechanisms for financial sustainability.
- Implementing processes to address operational budget implications of capital investments.

The Town will develop prioritized capital investment plans that reflect community and stakeholder expectations about level of service and other strategic objectives. The Town will evaluate the magnitude, nature and overall balance of investment plans considering the aggregate value derived for the community, affordability, willingness to pay and intergenerational equity.

5.3.5. Innovation and Continual Improvement

The Town views continual improvement as a key part of the asset management approach and will focus on driving innovation in the development of tools, techniques and solutions.

The Town will monitor and periodically review the effectiveness of asset management systems in supporting the delivery of strategic objectives and will adjust, as required.

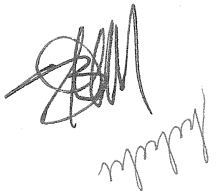
The Town will determine the asset management skills and abilities necessary to implement, monitor and maintain the asset management system and will provide the necessary support, education and training where necessary.

6. Asset Management System

The Town recognizes that AM is a cyclical process involving:

- 6.1 Assessment: Understanding our activities (State of Practice) and our assets (State of Infrastructure).
- 6.2 Planning: Creating alignment between the Town's vision and operational decisions in a strategically planned and resourced manner.
- 6.3 Implementation: Undertaking AM practices within the Town's activities and tracking and communicating the deliverables and results for evaluation and improvement.
- 6.4 Inputs to the successful practice of Asset Management includes and impacts People, Assets, Information and Finances within the Town.
- 6.5 Linkages between Inputs and Processes are through Engagement, Review and Communication.

Adopted by the Council of the Town of Lumsden on June 9, 2020

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