



TOWN OF PINCHER CREEK POLICY



Approved by:	Date:	Policy Number:
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Title:	ASSET MANAGEMENT POLICY	

1. Policy Statement

The Town of Pincher Creek owns a variety of infrastructure Assets which support the delivery of services to the community. These Assets require responsible acquisition, operation, maintenance, rehabilitation and eventual replacement and/or disposal.

The intent of Asset Management (AM) is to maximize benefits, manage risk and provide satisfactory Levels of Service to the community in a sustainable manner.

This Policy outlines the fundamental AM principles to be implemented across the Town of Pincher Creek.

2. Purpose

The purpose of this Asset Management (AM) Policy is to:

- 2.1 Provide guidance to staff in carrying out the Town’s long-term strategies, mid-term AM plans and current AM activities;
- 2.2 Provide clear direction for Asset Management through defining key principles that underpin AM and assist with developing the Town’s AM objectives; and
- 2.3 Provide clarity to what outcomes are required when implementing the AM Policy.

3. Definitions

- 3.1 “Asset” means an item, thing or entity that has potential or actual value to an organization. The value can be tangible or intangible, and financial or non-financial.
- 3.2 “Asset Management” (AM) means an integrated process, bringing together skills, expertise, and activities of people; with information about a community’s physical

assets; and finances; so that informed decisions can be made, supporting sustainable delivery.

3.3 “Council” means the Council of the Town of Pincher Creek.

3.4 “Senior Management” means all director and management level positions within the Town of Pincher Creek administration.

3.5 “Levels of Service” means the social and economic goals of the community and may include and of the following parameters: safety, customer satisfaction, quality, quantity, capacity, reliability, responsiveness, environmental acceptability, cost and availability. The defined Levels of Service are any combination of the above parameters deemed important by the municipality

3.6 “Policy” means a statement of the Town’s overall intention in certain areas of responsibility. To be used for guidance when action is being taken in those areas, narrow enough to give clear guidance, but broad enough to leave room for administrative discretion.

3.7 “Town” means the Town of Pincher Creek, in the Province of Alberta.

4. Responsibilities

4.1 Town Council is responsible for:

- Approving the Asset Management (AM) Policy;
- Articulating community values and defining priorities;
- Approving funding and resources to implement the AM Policy and associated requirements; and
- Approving Asset funding through multi-year and long-range financial plans.

4.2 Chief Administrative Officer is responsible for:

- Leading the implementation of the AM Policy across the Town.

4.3 Senior Management is responsible for:

- Leading the adoption of the AM Policy within their departments and for allocating appropriate resources to its implementation and associated requirements.

4.4 Staff is responsible for:

- Observing the requirements of the AM Policy.

5. Scope

The Town of Pincher Creek owns a wide range of Asset types that deliver services to the people of Pincher Creek. Each year the Town may receive or construct new Assets. In addition, the Town of Pincher Creek may rely on natural Assets, in order to deliver services. This Asset Management (AM) Policy applies to the Assets owned by the Town.

Below is a summary of the services that the Town of Pincher Creek provides and gives examples of the Asset groups and Asset types owned by the Town that support the delivery of those services:

ASSET GROUP/TYPE	ASSET EXAMPLES
Transportation	Roads, sidewalks, pathways, bridges, etc.
Water	Water treatment, watermains and services, pump stations, pressure reducing stations, treated water reservoirs, raw water intakes, etc.
Wastewater	Wastewater treatment, wastewater mains and services, wastewater lift stations, etc.
Stormwater	Stormwater mains and services, storm ponds, etc.
Solid Waste	Garbage bins, etc.
Facilities	Multi-Purpose Facility (Pool), Arena, Town Hall, RCMP Building, etc.
Land	Bare land, land improvements, etc.
Fleet (Vehicles & Equipment)	Grader, excavator, pick-up trucks, etc.
Information Technology	Hardware, software, office equipment, etc.
Natural Assets	Water bodies, wetlands, trees, etc.

6. Principles

The following outlines fundamental Asset Management (AM) principles that will be developed over time and implemented across all Town departments for application when making decisions pertaining to the infrastructure Assets the Town owns.

6.1 Service Delivery to Customers

The Town will clearly define Level of Service objectives, through Level of Service frameworks and in specific Asset Management plans, that balance community expectations and regulatory requirements with risk, affordability and available resources, and will do the following:

- Manage Assets appropriately in order to efficiently and effectively deliver the defined Levels of Service; and
- Monitor and periodically review Level of Service objectives to ensure that they meet or support community and Council expectations and other strategic objectives.

The Town will implement an AM system that incorporates risk-based and information driven decision-making frameworks that appropriately consider the potential impacts of Asset failure on ongoing service delivery.

The Town will ensure that decisions regarding the need for new Assets are made with appropriate due diligence; and that these needs are evaluated with a focus on service delivery to the community and supported with a valid business case that articulates costs and benefits.

6.2 Long-Term Sustainability and Resilience

The Town's AM decision-making will consider the needs of both current and future generations and the potential challenges associated with changing community demographics and expectations related to service delivery, as well as potential modifications to legislative requirements. The Town will consider the triple bottom line, including social, environmental, and economic impacts when making and implementing AM decisions.

The Town will consider succession planning/contingency planning for key roles within Senior Management and administration to ensure stability and resilience of the AM program.

6.3 Holistic “Big Picture” Approach

To support AM decision-making, the Town will take steps to connect the appropriate departments, functions and support activities in order to build effective working relationships and encourage information-sharing. These departments and functions include planning, engineering, operations, maintenance, finance, community services and other strategic planning functions such as sustainability.

AM decision-making will drive optimum value for the community by focusing on the “big picture.” The Town will therefore ensure that decisions are made collaboratively and consider all life cycle stages and the interrelationships between Asset performance, operational performance and overall service performance. Decision-making will also recognize the interconnected nature of Asset systems and how decisions about one set of Assets may potentially interact with or affect Assets controlled by other departments or functions.

6.4 Fiscal Responsibility and Asset Management Decision-Making

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 includes:

- Developing long-term projections of investment needs;
- Applying rigorous analysis, including consideration of risk, to identify short-term investment needs;
- Implementing processes to ensure that proposed investment plans address needs efficiently and effectively;
- Implementing processes to address the operational budget implications of capital investments;
- Exploring efficiency opportunities where appropriate, including new technologies; and
- Analyzing investment plans and associated funding requirements and putting in place mechanisms to ensure long-term financial sustainability.

The Town will evaluate relevant Asset investment decisions based on consideration of the whole-life costs associated with managing those Assets through their entire life cycle.

The Town will develop prioritized capital investment plans that reflect community and stakeholder expectations with regard to Level of Service and other strategic objectives.

6.5 Innovation and Continual Improvement

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

The Town will assess the AM competencies required to implement the AM system and provide the necessary support, education and training to AM staff.

The Town will review the AM Policy in conjunction with its review of the AM strategy, every four to five years.

7. Related Information

Town of Pincher Creek Asset Management Strategy (to be developed)
Town of Pincher Creek Annual Operating Budget
Town of Pincher Creek Annual Capital Budget
Town of Pincher Creek Long-Term Financial Plan (to be developed)
Town of Pincher Creek Policy #152-16 Tangible Capital Assets Policy
Town of Pincher Creek Policy #167-18 Financial Policy
ISO 55000 series Standards for Asset Management

8. End of Policy