



Town of Whitby Policy

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| Policy Title: | Strategic Asset Management Policy |
| Policy Number: | CA 250 |
| Reference: | Ontario Regulation 588/17 and Bill 6, Infrastructure for Jobs and Prosperity Act, 2015, and Council Resolution #132-19 |
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| Point of Contact: | Supervisor, Asset Management Financial Services |

Policy Statement

The Corporation of the Town of Whitby is committed to responsibly managing all Town-owned infrastructure assets. Town assets represent the collaborative investment of the citizens of Whitby and the planning and management of Town Staff. The Town will base its infrastructure decisions on prioritization guidelines which incorporate the state of existing infrastructure, levels of service, risk, climate change, protection of the environment, economic growth, future planned events (the Town and other agencies) and financial capacity.

Purpose

The Asset Management Policy provides the framework to employ sound Asset Management practices and principles consistently across the Corporation. This policy is the basis for decision-making to increase the efficiency and effectiveness of managing municipal infrastructure and services. The Town endeavours to provide acceptable levels of service as economically as possible so these services can be delivered in a sustainable manner for now and into the future. The Town will link investments in infrastructure to service outcomes, considering the long-term implications of short-term decisions.

This policy connects the Town's values and strategic priorities as outlined in the [Community Strategic Plan](#). The practice of asset management is inherently Collaborative, Accountable, Respectful, and Engaged.

Collaborative: Full lifecycle asset management requires asset and data managers from all departments to work together to optimise asset management strategies.

Accountable: Asset management plans and reports improve transparency and enable accountability for current asset management practices.

Respectful: Acknowledging our asset management duties and making plans to manage our assets demonstrates respect for the contribution of tax-payers, past and present.

Engaged: Asset management is a daily practice for many Town employees and requires full engagement with their position.

The Asset Management Policy along with the Goals of Council, the Official Plan, Development Charges Background Study, Annual Operating and Capital Budgets, Community Strategic Plan, Long-Term Financial Strategy, Zero Carbon Whitby Plan, Climate Emergency Response Plan (CERP), Fleet Master Plan and the Corporate Sustainability Plan help govern how infrastructure assets are prioritized for maintenance, rehabilitation and reconstruction.

Scope

This policy outlines the asset management governance of all seven (7) service areas — Road Right-of-way, Facilities, Parks, Library Resources, Fleet, TIS, and Fire — that are summarized in the Municipal Asset Management Plan (MAMP). This policy and its updates align the Town of Whitby with the requirements in the Infrastructure for Jobs and Prosperity Act 2015 and [Ontario Regulation 588/17 Asset Management Planning for Municipal Infrastructure](#).

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1 Definitions

Asset Management (AM) is an integrated business approach that an organization employs to minimize the lifecycle costs of owning, operating, and maintaining assets at an acceptable level of risk, while continuously delivering expected levels of service for present and future customers.

Capitalization Threshold is the minimum construction/purchase cost used to determine if assets are to be capitalized in the PSAB reporting. Capitalization thresholds are not used in Asset Management reporting.

Climate Change refers to the rapid change in global long-term weather patterns that are caused by increased global temperatures due to increased atmospheric concentrations of greenhouse gases (carbon dioxide, methane, nitrous oxide).

Climate Emergency Response Plan (CERP), developed in two phases outlines the resilience (Phase 1) and mitigation (Phase 2) measures the Town of Whitby will need to investigate to decrease the effects of climate change.

Fleet Master Plan sets the priorities and goals for the Fleet Division and provides recommendations to achieve these targets.

Green Infrastructure are assets that nature has provided or are human-made that provide ecological, environmental and environmental functions and benefits to the Town. An example of a green infrastructure asset is Lynde Creek that provides a natural drainage system and flood mitigation from the headwaters of the Oak Ridges Moraine to Lake Ontario, this creek not only provides drainage benefits but is also a habitat for numerous species of plants and animals.

Infrastructure pertains to all tangible capital assets (roads, trails, buildings, vehicles, fire equipment, computers, and library collections) that are owned by the Town of Whitby.

Levels of Service (LOS) are the combination of deliverables, such as, safety, proximity, accessibility, reliability, quality, quantity, availability that are desired by Council to reflect the needs of our community.

Lifecycle Activities are all the activities (planning, designing, constructing, preventative maintenance, rehabilitation, reconstruction) that are performed on an asset throughout its useful life. These activities are performed to ensure the assets are maintained as efficiently as possible while meeting service level targets.

Long Range Financial Plan is a strategic document that will use expenditure and revenue forecasts to calculate the financial capacity of the municipality. Financial strategies and prioritization of expenditures may need to be employed to achieve financial sustainability in the long-term.

Municipal Asset Management Plan (MAMP) is a strategic document that illustrates how a group of assets are to be managed over time. The MAMP summarizes the inventories, conditions, service levels, lifecycle activities to ensure the service levels are maintained, incorporate growth, integrate the costs for climate change adaptation and mitigation, and the funding requirements to perform the lifecycle activities of the various asset classes. **Public Sector Accounting Board 3150 (PSAB 3150)** is the requirements of municipalities to report on the historical value reporting of their tangible capital assets.

MAMP Working Committee : is an inter-departmental working group with representatives from all Town asset service areas and staff from the Financial Services department.

Service Areas are groups of asset classes that collectively provide a service to our residents and visitors to our community. The Town has seven (7) distinct service areas which are Facilities, Fire, Fleet, Library Resources, TIS, Parks and Road Right-of-Way. **Zero Carbon Whitby Plan** provides how the Town of Whitby will have zero carbon emissions by 2045 in an effort to mitigate climate change.

2 Responsibilities

Municipal Asset Management is a hierarchical and multi-departmental discipline. The following outlines the Asset Management responsibilities of the following representatives of the Corporation of the Town of Whitby:

- Council
- Senior Leadership Team
- Public Works Department Asset Management Lead/Champion
- MAMP Working Committee
- Corporate Services Department – Financial Planning
- All Staff

Council will:

- Receive updates to the Municipal Asset Management Plan.
- Complete an annual review of the asset management planning progress within the Town, identifying the progress in implementing the asset management plan, any impediments faced and a strategy to overcome these impediments.
- Approve the Asset Management Policy.
- Approve corporate priorities, levels of service, and future infrastructure investments.
- Approve the Municipal Asset Management Plan (MAMP) through a Council Resolution. The 2024 Municipal Asset Management Plan will document all existing levels of service and the 2025 MAMP will have proposed levels of service that have input from the community and Council and optimized lifecycle activities.
- Approve asset funding through the annual budgets.

Senior Leadership Team will:

- Maintain compliance with this Asset Management Policy and the provincial asset management regulation.
- Provide overall direction and support the Asset Management initiative with representation within their respective service area(s).
- Incorporate and foster an awareness of Asset Management across all Departments.
- Ensure that the Asset Management Policy initiatives remain consistent with the Community Strategic Plan and in compliance with this Asset Management Policy.
- Confirm that asset management practice is integrated into the Budgets, Capital Forecasts, Sustainable Development Plan, Fleet Master Plan, Climate Emergency Response Plan (CERP) and all master plans.
- Support the various levels of service and the corresponding lifecycle treatments that have been developed by the various Asset Management Data Stewards.

Financial Service Department - Asset Management Team will:

- Lead, reinforce and support the asset management initiative with representation across all departments.
- Provide direction to consistently apply asset management practices across the Corporation
- Create and implement Asset Management Strategies.
- Create and implement Asset Management Plans.
- Lead the development of corporate asset management tools and practices and oversee their application across the organization.
- Provide updates to the Senior Leadership Team.
- Lead the updates to the Municipal Asset Management Plan – and report to Council.
- Attend Industry Events/Conferences– to promote continuous learning and improvement to the management of Town assets.

MAMP Working Committee / Service Area Asset Management Stewards will:

- Provide a forum for discussion of asset management strategy, integration and best practices.
- Ensure asset management information is kept up to-date and accurate.
- Monitor asset management practices and develop and research improvements.
- Establish Departmental accountability and responsibility for asset inventories, condition, and performance.
- Assist in the creation and implementation of service area specific asset management strategies.
- Document existing levels of service and develop proposed levels of service for the assets within their service areas.
- Communicate with industry leaders and other municipalities to ensure our maintenance and renewal strategies are current and provide the highest returns.
- Receive new development plans, provide direct and indirect lifecycle costs related to the new development and redevelopment of infrastructure assets, and provide a written report on the long term financial viability of the new development with respect to the individual service area.
- Attend Industry Events/Conferences – to promote continuous learning and improvement to the management of Town assets.
- The service area asset management stewards will ensure their assets are maintained in compliance with the Strategic Asset Management Policy and Asset Management Procedure.

Financial Services Department – Financial Planning will:

- Include the Asset Management funding requirements as identified in the Municipal Asset Management Plan in the Corporate Long Range Financial Plan, budgets and financial forecasts.

- Identify what the municipality can afford to spend on infrastructure assets and work with departments to prioritize funding requirements.
- Maintain alignment between the MAMP and other financial plans.
- Provide financial direction to all Service Areas.
- Maintain the financial assets and records.
- Provide communications to all interested parties on the financial status of the Corporation.
- Build and maintain the link between the Municipal Asset Management Plan and the budgeting process.
- Explore other sources of revenue to assist in offsetting the costs of maintaining infrastructure assets.
- Validate the need of each significant new asset considering the future operating costs.

All Staff will:

- Assist in creating and maintaining a culture of Asset Management.
- Engage in Asset Management as it pertains to one's position within the Corporation through recommendations for improving business processes.

3 Regulatory Requirements

In accordance with Bill 6, Infrastructure for Jobs and Prosperity Act and the Ontario Regulation 588/17, Asset Management Planning for Municipal Infrastructure, the Town of Whitby will:

Use Asset Management planning to guide the Capital Budget and long-term financial forecast by projecting replacement and maintenance needs for each service area based on current condition data and lifecycle management strategies.

Continuously improve asset management and monitor the best practices of industry leaders.

Maintain a long-term view of economic and demographic trends occurring within the Town, Region, and Province.

Use risk metrics, economies of scale, and opportunity costs to identify infrastructure priorities for better decision-making.

Promote economic competitiveness, productivity, job creation and training opportunities throughout the municipality.

Ensure the health and safety of workers is protected while working on municipal infrastructure.

Foster and employ innovation, technology, and practices that are developed in Ontario.

Make evidence-based, transparent decisions related to capital projects.

Promote accessibility for all people through new infrastructure designs and rehabilitating existing assets.

Minimize the impact of building new or rehabilitating existing infrastructure has upon the environment.

Promote community engagement in asset management planning.

Identify and address infrastructure risks and vulnerabilities as a result of climate change. Infrastructure will be adapted to alleviate the effects of climate change. Building upon Phase 1 of the Town of Whitby's Climate Emergency Response Plan (CERP) which identified areas where the effects of Climate Change could have adverse effects upon municipal infrastructure, the prioritization and costing of the capital projects that are necessary to adapt to Climate Change will be incorporated into the MAMP. Capital projects for climate change adaptation include; calibration of the Town's storm model, identification and prioritization of upsizing bridges/culverts/storm sewers, identification of flooding along high-risk Town roads, and the utilization of shade structures/splash pads, and trees to deal with the higher temperatures.

The Town's corporate commitment to mitigation approaches to climate change through decreasing greenhouse gas emissions and decreasing electricity consumption are outlined in the Zero Carbon Whitby Framework. Mitigation efforts required at the community level are outlined in Phase 2 of the Climate Emergency Response Plan.

Continue disaster planning through the Emergency Operation Centre (EOC) training and required contingency funding through the Town of Whitby's Contingency Reserves Policy.

Align with Ontario's Land-use Planning Framework by estimating future costs related to new development, cost-effective land-use planning, and infrastructure assets are functionally viable over their lifecycle.

Document current technical and community levels of service for all non-core assets which is to be approved by Council before July 1, 2024.

Develop the proposed technical and community levels of service (LOS) for all assets before July 1, 2025. These proposed LOS will have community engagement, through a survey, and Council input as these levels of service have to financially sustainable for the next ten (10) years. Developing these LOS will ensure that the municipal assets are maintained in accordance with the needs of the community and Council as well as being financially sustainable for the long-term.

Develop optimized lifecycle activities, favouring preventative maintenance, for all asset classes.

Coordinate and manage infrastructure assets corporately, with the Region of Durham, with our neighbouring municipalities, and with utility providers.

Provide measurable state of the infrastructure information that can be used to determine performance trends of municipal assets.

Serve as a roadmap for decision making through prescribed treatments for all asset classes and using GIS to map capital programs to ensure there are no programming conflicts or missed opportunities.

Develop service levels that are both affordable and effective to maintain our municipal infrastructure.

Manage risk and criticality of infrastructure assets.

Assist in the planning for long-term financial sustainability.

4 Application and Review

Municipal goals, plans and policies that will impact or be impacted by the Asset Management Plan shall be outlined in an Asset Management Procedure.

The Asset Management Policy will be reviewed and updated as required at least every five (5) years.

The MAMP will be updated every four (4) years and will be reported to Council in the Spring of that year. The MAMP report will be updated on the Town's website after this report has been approved by Council.

Growth of future assets shall be incorporated into MAMP document as necessary.

This Policy is hereby approved by Council Resolution #_____ on this _____ day of _____, 20__.