



Asset Management Policy

COW – May 23, 2017

Main Presentation Points

1. High level overview of Asset Management – What it means for Sturgeon County?
2. A detailed look at the draft Asset Management Policy
3. Questions

What Is Asset Management (AM)

- Asset management (AM) is a **structured** approach to Long-term management of assets to achieve a **desired** Level of Service.
- Asset Management is a business model. It's not something we do, it's the way we do everything.
- Most municipalities conduct AM as part of their operation ... but not in the most structured way.
- Asset Management provides significant opportunity to increase overall value, efficiency and benefit to the public.
- Long term strategy for managing assets
 - Lifecycle optimization
 - Reduced risk
 - Eliminate silo effect
- Long term funding strategy
 - Balance needs and revenue
 - Reduce competition for funds
 - Achieve sustainability
 - Plan for growth

Corporate Goal

- Infrastructure Asset Management was identified as a Corporate Initiative (Goal 1.2.B) in 2017-19 Corporate Business Plan.
- To achieve this goal, the initiative was broken into three (3) phases:
 - o Phase 1 – Policy and Plan
 - o Phase 2 – Planning of Implementation
 - o Phase 3 – Implementation- Asset Gathering, including but not limited to:
 - 1) Develop a State of the Infrastructure Report by completing an inventory and condition assessment of all Sturgeon County infrastructure assets;
 - 2) Develop the desired level of service and determine the risk levels and infrastructure deficit associated with the inventory.
- Phase 1 was to be delivered by Engineering Services and Phases 2 and 3 by Municipal Services.
- The purpose of having an Asset Management Policy and plan in place is to provide overarching guiding principles and direction to manage County Infrastructure assets.

Phase 1 - AM Policy and Strategy Update

Phase I: AM Policy

- Opus Stewart Weir was contracted to draft the Asset Management Policy and Plan (Strategy).
- This phase of the project also included the development of a Business Case and Position Profile for an Asset Management Coordinator who would be the Asset Management champion within Sturgeon County (to be brought forward at the appropriate time).
- The draft policy was developed in a number of “Policy Development Workshops” held starting in late 2015 with further input from staff and senior leadership.
- The Asset Management Policy describes the organization’s intentions and directions for asset management.

Phase 1 - Asset Management Strategy (Ongoing)

- The strategy is based on the results of a high-level Asset Management “Gap Assessment” and collaboration with County staff on AM practices regarding service delivery.
- The Asset Management Strategy is still under development and will be presented to council at COW when complete.

Phase 1 - AM Policy and Strategy Update

- SLT has approved the Policy and staff are conducting further Department stakeholder engagement on the Asset Management Strategy which will be presented at a future Council meeting.
- Upon acceptance, the Asset Management Policy will guide future strategic Plans.

Phase 1 : Communication/ Financial

- There was no External Communications during this project however coordination and engagement with several internal stakeholders was required to achieve the milestones and deliverables. The primary Departments that were engaged were:
 - Senior Leadership Team
 - Engineering
 - Transportation
 - Fleet and Building Maintenance
 - Legislative Services
 - Information Services
 - Economic Development
 - Agriculture Services
 - Community Services
 - Finance
 - Current Planning and Development
 - Emergency Services
- The financial and human resource impacts will need to be determined as part of Phase 2 (Implementation). Administration will bring forward recommendations during the 2018 budget process.

AM Policy: Purpose and Statement

Policy Purpose

- The Asset Management Policy describes Sturgeon County's intentions and directions for asset management. It describes the principles and framework to be adopted in applying asset management to achieve the County's strategic objectives.

Policy Statement

- Council's Mission and goal is to provide quality, cost-effective services and infrastructure to meet the diverse needs of Sturgeon County, while improving competitiveness and sustainability.
- The Asset Management Policy describes Sturgeon County's intentions, commitment and directions for asset management. Asset management practices implemented in accordance with this policy will provide information for evidence-based decision-making which will drive quality, cost-effective services that can be sustainably delivered to the community.
- This policy applies to those areas or business units within the County that manage tangible capital assets or asset systems that deliver services to the citizens of Sturgeon County.
- This policy and related asset management procedures and practices integrate with, but do not replace, existing corporate strategic, business planning and budget management systems and processes already in place.

AM Policy: Responsibilities

Responsibilities

- The County Commissioner will be responsible for implementation and compliance of this policy.
- The Senior Leadership Team (SLT) will be responsible for:
 1. Administering the Asset Management Policy.
 2. Establishing an Asset Management Governance structure, and assigning roles and responsibilities.
 3. The implementation and continuous improvement of asset management procedures, practices, and systems.
 4. Maintaining the necessary corporate capacity (including, but not limited to, resourcing, financial support, staff competencies, business processes, data and integrated information systems) to implement and improve the elements and practices of asset management to support the achievement of Sturgeon County's organizational objectives.

AM Policy: Principles

Principles

- To attain the County's goal of asset management, the following principles are to be applied to all elements, documents, procedures, tools, and practices of asset management within the County's asset management system:
 - Corporate
 - Systematic
 - Systemic
 - Risk-based
 - Optimal
 - Sustainable
 - Integrated
 - Aligned

AM Policy: Procedures

Procedures

- The implementation and improvement plan for Sturgeon County's asset management practices will incorporate the following procedures;
 - Make informed evidence-based decisions
 - Use lifecycle costing
 - Integrate planning for assets
 - Establish organizational accountability and responsibility
 - Define and articulate service, maintenance and replacement levels
 - Optimize total life cycle costs of assets.
 - Manage assets to be sustainable.
 - Consider financial, environmental, and social sustainability goals.
 - Minimize risks
 - Pursue best practice
 - Better reporting on County's Assets.

AM Policy: Expected Outcomes

Outcomes

- Implementation and adherence to this policy is expected to result in reduced Asset risk in
 - Investments
 - Planning
 - Maintenance
 - Replacement Programing
 - Service levels
 - Capital Budgeting

Summary

Questions?