

**RURAL MUNICIPALITY OF MONTROSE NO. 315**

**BYLAW NO 2018-2**

**A BYLAW ESTABLISH AN ASSET MANAGEMENT POLICY FOR THE  
RURAL MUNICIPALITY OF MONTROSE NO. 315**

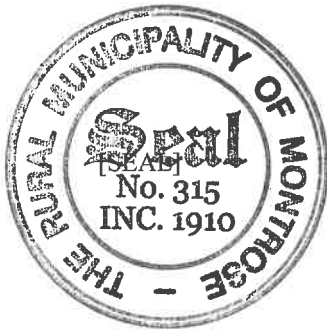
**WHEREAS** the Municipal Gas Tax Fund Agreement requires municipalities to develop an Asset Management Plan.

**AND WHEREAS** the Rural Municipality of Montrose No. 315 has developed an Asset Management Plan in order to comply with the Municipal Gas Tax Fund.


**AND WHEREAS** the Rural Municipality of Montrose No. 315 may from time to time review the Asset Management Plan to coincide with a Strategic Plan of the Rural Municipality of Montrose No. 315 by way of a Five-Year Capital Works Plan.

**NOW THEREFORE** the Council of the Rural Municipality of Montrose No. 315 hereby enacts the following:


1. That the Council of the Rural Municipality of Montrose No. 315 does hereby adopt the Asset Management Plan, attached hereto as Schedule "A".
2. That "Schedule "A" forms part of this bylaw.

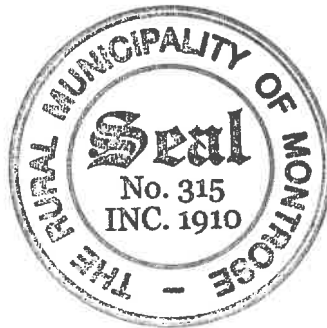


  
\_\_\_\_\_  
Reeve

  
\_\_\_\_\_  
Administrator

Bylaw 2018-2 is read a third time and adopted  
This 14th day of June, 2018.

  
\_\_\_\_\_  
Administrator



## ***Municipality of Montrose No. 315 Municipal Asset Management Policy***

### **1.0 COUNCIL ASSET MANAGEMENT POLICY STATEMENTS**

Asset Management is a broad strategic framework that encompasses many disciplines and involves the entire Municipality. The term asset management, as used in this document, is defined as "the application of sound technical social and economic principles that considers present and future needs of users, and the service from the asset". To guide the Municipality, the following policy statement have been developed:

- a) The Rural Municipality of Montrose No. 315 will maintain and manage infrastructure assets at defined levels to support public safety, community well-being and community goals.
- b) The Rural Municipality of Montrose No. 315 will monitor standards and service levels to ensure that they meet and/or support community and Council goals and objectives.
- c) The Rural Municipality of Montrose No. 315 will develop and maintain asset inventories of all its infrastructures.
- d) The Rural Municipality of Montrose No. 315 will establish infrastructure replacement strategies through the use of full life cycle costing principles.
- e) The Rural Municipality of Montrose No. 315 will plan financially for the appropriate level of maintenance of assets to deliver service levels and extend the useful life of assets.
- f) The Rural Municipality of Montrose No, 315 will plan for and provide stable long-term funding to replace and/or renew and/or decommission infrastructure assets.
- g) Where appropriate, the Rural Municipality of Montrose No. 315 will consider and incorporate asset management in its other corporate plans.

h) The Rural Municipality of Montrose No. 315 will report to citizens regularly on the status and performance of work related to the implementation of this Asset Management Policy.

## **2. BACKGROUND AND PURPOSE OF COUNCIL POLICY**

Council has a mandate to provide a wide range of services. In order to guide staff with the effective implementation of those services, Council typically adopts policies for important issues that can be used by staff to support Council's vision, goals and objectives.

### **Council Mission and Goals for Infrastructure Assets**

#### **Mission Statement**

Our mission is to maintain and enhance the economic, cultural and social well-being of our ratepayers.

We accomplish our mission by providing services to the public which cannot feasibly be achieved individually such as transportation, protective, environmental, public health, and welfare, economic development, recreational and cultural services for the benefit of the public as a whole.

Council's mission and goals for the community is a safe, livable, sustainable and economically vibrant community underpinned by well managed and maintained infrastructure assets.

These assets include but are not limited to efficient transportation networks, economical and reliable water distribution networks, safe and reliable sewage collection systems, reliable information technology systems, productive fleets, and accessible parks, recreation and civic facilities.

Though these assets age and deteriorate, by using sound asset management practices, Council and the community can be assured that the assets meet performance levels are used to deliver the desired service in the long term and are managed for present and future users.

This policy is to articulate Council's commitment to asset management, and guides staff using the policy statement. In doing so, this policy also outlines how it is to be integrated within the Municipality in such a way that is coordinated, cost effective and

organizationally sustainable. This policy also demonstrates to the community that the RM is considering its legacy for future residents.

Staff will implement that policy through the development and use of asset management guidelines and practices. Since the performance of asset management is Municipality specific, reflective of knowledge, technologies and available tools, and will evolve over time, the responsibility for guidelines and practices are delegated to staff.

### **3.0 POLICY PRINCIPLES, GUIDELINES AND INTEGRATION**

The key principles of the asset management policy are outlined in the following list.

The Municipality shall:

- make informed decision, identifying all revenues and costs (including operation, maintenance, replacement and decommission) associated with infrastructure asset decision, including additions and deletions. Trade-offs should be articulated and evaluated, and the basis for the decision recorded.
- integrate corporate, financial, business, technical and budgetary planning for infrastructure assets.
- establish Municipality accountability and responsibility for asset inventory, condition, use and performance.
- consult with stakeholders where appropriate
- define and articulate service, maintenance and replacement levels and outcomes.
- use available resources effectively.
- manage assets to be sustainable.
- minimize total life cycle costs of assets.
- consider environmental goals.
- consider social and sustainability goals.

- minimize risks to users and risks associated with failure.
- pursue best practices where available
- report the performance of its asset management program.

### **Guidelines and Practices**

This policy shall be implemented by staff using accepted industry guidelines and practices (such as those recommended by the Federation of Canadian Municipalities e.g. InfraGuide) and staff shall consider the use of an asset management strategy and asset management plans.

The Municipality will also comply with required capital asset reporting requirement and integrate the asset management program into operational plans throughout the Municipality.

Strategy asset management plans may be developed for a specific class of assets, or be generic for all assets, and should outline long term goals, processes and steps toward how they will be achieved. The asset management plans should be based on current inventories and condition (acquire or derived), projected performance and remaining service life and consequences of losses (e.g. vulnerability assessment) Operational Plans should reflect these details. Replacement portfolios and associated financial plans should consider alternative scenarios and risks, as well as include public consultation.

### **Context and integration of Asset Management within the Municipality**

The context and integration of asset management throughout the Municipality's lines of business is typically formalized through references and linkages between corporate documents. Where possible and appropriate, Council and staff will consider this policy and integrate it in the development of corporate documents such as:

- Official Community Plan
- Capital Budget Plan
- Operational plans and budgets (including vehicle and fleet plans and budgets)
- Annual Reports
- Infrastructure servicing, management and replacement plans e.g. Transportation plans
- Facility Plans
- Corporate Financial Plan

#### 4.0 KEY ROLES FOR MANAGING THE ASSET MANAGEMENT POLICY

Municipal policies are approved by Council while the CAO and other agencies may provide input on the nature and test of the policy, Council retains the authority to approve, update, amend and rescind policies.

Role	Responsibility
Identification of issues, and development of policy updates	Council and CAO
Establish levels of service	Council, CAO and Public
Exercise stewardship of asset, adopt policy and budget	Council
Implementation of Policy	CAO / Foreman
Development of guidelines and practices	CAO
On-going review of policies	Council and CAO

#### Implementation, review and reporting of asset management work

The implementation, review and reporting back regarding this policy shall be integrated within the municipality. Because of the importance of this policy, the municipality's asset management program may be provided to the community upon request and implementation of this policy will be reviewed annually by council.

Actions	Responsibility
Adopt Asset Management Policy	Council and CAO
Monitor and review infrastructure standards and service levels at established intervals	Council and CAO
Develop and maintain infrastructure strategies including development and service plans	Planning, Foreman/Public Works, CAO
Develop and maintain asset inventories	CAO
Assess infrastructure condition and service levels	Council, Foreman and CAO
Establish and monitor infrastructure replacement levels through the use of full life cycle costing principles	Foreman and CAO working with Council committees
Develop and maintain financial plans for the appropriate level of maintenance rehabilitation, extension and decommission of assets	Foreman and CAO making recommendations to Council
Report to citizens on status of the community's infrastructure assets and asset management program through the annual report to ratepayers.	CAO, Foreman and Council