



TOWNSHIP OF CHAPLEAU STRATEGIC ASSET MANAGEMENT POLICY

1. Background

The Corporation of the Township of Chapleau (the Municipality) endeavours to ensure the prudent use of its financial resources to provide essential services for the residents of the community. The provision of these services is dependent in large part upon the physical assets of the Municipality and in response to the Provincial Infrastructure for Jobs and Prosperity Act, 2015, an Asset Management Plan (AMP) was developed. Ontario Regulation 588/17 outlines in more specific detail AMP content requirements to be phased in over the period of 2019-2024. This document represents the first requirement of the regulation, that being the adoption of a Strategic Asset Management Policy (Policy).

2. Purpose and Scope

It is the purpose of the Policy to ensure that there will be alignment of the Municipality's AMP with other municipal policies and plans. This would include but not be limited to the Official Plan, the Economic Development Strategic Plan and the Water and Wastewater Financial Plan. The Municipal AMP will be in compliance with all relevant Provincial statutes and regulation.

It will be the Municipality's intention to consistently use the AMP when establishing capital spending priorities for all departments with the objective being to support continuous municipal service delivery in a sustainable manner. The Policy will apply to all municipal departments charged with planning for and the maintaining and operating of municipal assets.

The AMP and this Policy will be reviewed and if necessary updated at minimum every 5 years after July 1, 2019.

3. Statutory Requirements and Guiding Principles

As set out in the Infrastructure for Jobs and Prosperity Act, 2015, the Municipality will seek to incorporate the following principles in its asset management planning process:

- a) Infrastructure planning and investment should take a long-term view when considering the needs of residents and be mindful of demographic and economic trends among other things.
- b) Infrastructure planning and investment should consider any relevant budgets or financial plans.
- c) Infrastructure priorities should be clearly identified in order to better inform investment decisions regarding infrastructure.
- d) Infrastructure planning and investment should help ensure the continued

- provision of core public services such as health care and education.
- e) Infrastructure planning and investment should promote economic competitiveness, productivity, job creation and training opportunities.
 - f) Infrastructure planning should ensure that the health and safety of workers involved in the construction and maintenance of infrastructure assets is protected.
 - g) Infrastructure planning and investment should foster innovation by creating opportunities to make use of innovative technologies, services and practices, particularly where doing so would utilize technology, techniques and practices developed in Ontario.
 - h) Infrastructure planning and investment should be evidence based and transparent, and, subject to any restrictions or prohibitions under an Act or otherwise by law on the collection, use or disclosure of information, support investment decisions on infrastructure based upon information that is either publicly available or is made available to the public.
 - i) Information with implications for infrastructure planning should be shared between the Municipality and broader public sector entities, and should factor into investment decisions respecting infrastructure.
 - j) Where provincial or municipal plans or strategies have been established in Ontario, under an Act or otherwise, but do not bind or apply to the Municipality, as the case may be, the Municipality should nevertheless be mindful of those plans and strategies and make investment decisions that support them, to the extent that they are relevant.
 - k) Infrastructure planning and investment should support accessibility for persons with disabilities.
 - l) Infrastructure planning and investment should minimize the impact of infrastructure on the environment, respect ecological and biological diversity, and support resilience to climate change.
 - m) Infrastructure planning and investment should endeavor to use acceptable recycled aggregates.
 - n) Infrastructure planning and investment should promote community benefits, being the supplementary social and economic benefits arising from an infrastructure project that are intended to improve the well-being of a community affected by the project, such as local job creation and training opportunities, improvement of public space within the community and any other specific benefits identified by the community.

4. General Policy

- a) The Municipality will seek to implement continuous improvement practices regarding asset management planning, including but not limited to timely and comprehensive plan updates, condition assessment reviews and risk assessments.
- b) The Municipality's asset inventory and plan will include all infrastructure categories.
- c) The capitalization threshold for the AMP will focus on service and will include assets requiring deliberate management by the Municipality.
- d) The AMP will be utilized when establishing capital budgets and priorities as well as the development of any long term financial plans. This will include informing funding needs for short term operating/maintenance requirements.
- e) The Municipality will consider actions that may be required to address risks and vulnerabilities impacting its infrastructure assets associated with climate change, including impacts to maintenance schedules, service levels, lifecycle management and

costs. Where adaptation or mitigation opportunities are identified they will be explored. Emergency and contingency planning will consider climate change impacts as well.

- f) The Municipality's Water and Wastewater Financial Plan will incorporate asset data contained within the AMP.
- g) The AMP will be consistent with the municipal Official Plan as well as be in alignment with Ontario's land-use planning framework, including any relevant policy statements issued under section 3(1) of the Planning Act and shall conform with any provincial plans in effect on that date.
- h) The process associated with AMP review and updates shall include a public presentation of the documentation prior to adoption. The AMP is available on the municipal web site.

5. Scope and Responsibility

The Chief Administrative Officer and Treasurer will be responsible for the maintenance of the AMP as well as the reporting on activity related to the management of the Municipality's assets. Input from municipal Department Heads will inform the planning process by providing condition assessment updates and assist in determination of capital priorities. This information will be reviewed annually with council during the Capital Budget deliberation process.

Council is responsible for oversight of the AMP. The AMP has been approved by Council and future versions, once updated, will be endorsed by Council as well. Council will review annually during Capital Budget deliberations implementation progress of the AMP, ensure alignment with other Municipal plans and support where possible improvements to the AMP. Improvements to the AMP may arise as a result of improved asset information resulting from more detailed engineering or technical studies.

6. Definitions

- a) **Asset Management Plan (AMP)** - Asset management planning is the process of making the best possible decisions regarding the building, operating, maintaining, renewing, replacing and disposing of infrastructure assets. The objective is to maximize benefits, manage risk, and provide satisfactory levels of service to the public in a sustainable manner. Asset management requires a thorough understanding of the characteristics and condition of infrastructure assets, as well as the service levels expected from them. It also involves setting strategic priorities to optimize decision making about when and how to proceed with investments. Finally, it requires the development of a financial plan, which is the most critical step in putting the plan into action.
- b) **Capitalization Thresholds** – The Municipality's AMP and Policy will include all assets whose role in service delivery requires deliberate management by the Municipality. The intent of the Policy is to focus on service as a requirement for identifying assets to be included in the AMP. The capitalization threshold is defined as the value of a municipal infrastructure asset at or above which the Municipality will capitalize the value of it and below which the Municipality will expense the value of it.
- c) **Infrastructure** - A municipal infrastructure asset, including a green infrastructure asset, directly owned by the Municipality or included on the consolidated financial statements of the Municipality.
- d) **Infrastructure Category** – An aggregate of assets providing the same type of service.

- e) **Green Infrastructure Asset** – an asset consisting of natural or human-made elements that provide ecological and hydrological functions and processes and includes natural heritage features and systems, parklands, stormwater management systems, street trees, urban forests, natural channels, permeable surfaces and green roofs.