



Purpose:

The Township of Zorra is committed to the goals that asset management programs and processes aim to achieve. This policy is intended to guide the consistent use of the asset management across the organization, to enable evidence-based decision-making for management of municipal infrastructure assets and to support the delivery of sustainable community services now and in the future.

Definitions:

“Asset” A tangible item, thing or entity that has potential or actual value to an organization.

“Asset Management (AM)” The coordinated activity of an organization to realize value from assets. It considers all asset types, and includes all activities involved in the asset’s life cycle from planning and acquisition/creation; to operational and maintenance activities, rehabilitation, and renewal; to replacement or disposal and any remaining liabilities. Asset management is holistic and normally involves balancing costs, risks, opportunities and performance benefits to achieve the total lowest lifecycle cost for each asset (ISO 55000).

“Asset Management Plan (AMP)” A strategic document that states how an asset class is to be managed over a period of time. The plan describes the characteristics and condition of assets the levels of service expected from them, planned actions to ensure the assets are providing the expected level of service and financing strategies to implement the planned actions.

“Capitalization Threshold” The value of a municipal infrastructure asset at or above which a Township will capitalize the value of it and below which it will expense the value of it.

“Green Infrastructure Asset” An infrastructure asset consisting of natural or human-made elements that provide ecological and hydrological functions and processes and includes natural heritage features and systems, parklands, storm water management systems, street trees, forests, natural channels, permeable surfaces and green roofs.

“Level of Service” Parameters, or combination of parameters, which reflect social, political, environmental and economic outcomes that the organization delivers (ISO 55000).

“Lifecycle Activities” Activities undertaken with respect to a municipal infrastructure asset over its useful life, including constructing, maintaining, renewing, operating and decommissioning, and all engineering and design work associated with those activities.

“Municipal Infrastructure Asset” An infrastructure asset, including a green infrastructure asset, directly owned by a Township or included on the consolidated financial statements of a Township.

“Useful Life” The total period during which a municipal asset is in use or is available to be used.

Policy:

Statement:



The Township will implement a comprehensive Asset Management Plan (AMP) in alignment with the current strategic vision and mission, the requirements of the Township's Strategic Plan, and Ontario Regulation 588/17. This inclusive framework sets out the strategic principles that will guide future investments that support economic growth and respond to changing needs in a fiscally responsible manner.

This policy applies to all staff involved in asset life cycle management including planning, design/construction/acquisition, operation and maintenance, rehabilitation, renewal/disposal, and monitoring/reporting of assets.

Guiding Principles: (Ont Reg 588/17 Section 3.4)

The Township has six (6) core Strategic Values which serve as the basis for defining and incorporating the fourteen (14) principles required under the *Infrastructure for Jobs and Prosperity Act, 2015* (IJPA). The Township will strive to incorporate the following principles where possible into the day to day operation of the Township:

Our Values

Trust - The trust between community members is what makes Zorra an inclusive community. Community trust is built through sensible planning, reliable services and public engagement.

Respect - The residents of Zorra come from diverse backgrounds. It is through respect for the varied backgrounds and experiences that common ground can be achieved.

Innovation - Zorra must be a community which embraces change. It must remain open to all ideas to become a flexible, progressive municipality which can successfully anticipate and adapt to changing environments.

Accountability - Council and staff must be accountable to Zorra residents and be responsible for actions and inactions.

Teamwork - We will work cooperatively at all levels of the organization and community to accomplish the Township's objectives and to provide our residents with quality service.

Transparency - We will conduct all affairs for the Township openly and with complete transparency, except where prohibited by law.

Trust and Respect:

The Township shall take a long-term view in infrastructure planning and investment; and decision-makers should take into account the needs of citizens by being mindful of, among other things, demographic and economic trends (IIPA Sec 3.1).

The Township shall minimize the impact of infrastructure on the environment by:

1. Respecting and helping maintain ecological and biological diversity;
2. Augmenting resilience to the effects of climate change; and
3. Endeavoring to make use of acceptable recycled aggregates (IIPA Sec 3.11 and 3.12).

Innovation:

The Township shall promote economic competitiveness, productivity, job creation, and training opportunities (IIPA Sec 3.5).

The Township shall 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 (IIPA Sec 3.7).

Accountability:

The Township shall take into account any applicable budgets or fiscal plans, including those adopted through Ontario Legislation (IIPA Sec 3.2).

The Township shall clearly identify infrastructure priorities which will drive investment decisions (IIPA Sect 3.3).

The Township shall ensure the continued provision of core public services within the Township's jurisdiction (IIPA Sect 3.4).

Teamwork:

The Township shall ensure that the health and safety of workers involved in the construction and maintenance of infrastructure assets is protected (IIPA Sect 3.6).

The Township shall 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: 1. Local job creation and training opportunities (including for apprentices, within the meaning of section 9 of the Infrastructure for Jobs and Prosperity Act, 2015), 2. Improvement of public space within the community, and 3. Promoting accessibility for persons with disabilities (IIPA Sect 3.10 and 3.13).

Transparency:

The Township shall, where relevant and appropriate, be mindful and consider the principles and content of non-binding provincial or municipal plans and strategies established under an Act or otherwise, in



planning and making decisions surrounding the infrastructure that supports them (IIPA Sect 3.9 and 3.14),

The Township shall be evidence-based and transparent, basing decision on publicly shared information and make info available to the public (IIPA Sect 3.8).

Governance and Continuous Improvement: (Ont Reg 588/17 Section 3.3, 3.10 and 3.11)

In accordance with, Ontario Regulation 588/17 made under the *Infrastructure for Jobs and Prosperity Act, 2015*, the policy requires the commitment of key stakeholders within the Township of Zorra organization to ensure the policy guides the development of a clear plan that can be implemented, reviewed and updated.

Council is entrusted with the responsibility of overseeing, on behalf of citizens, a large range of services provided through a diverse portfolio of assets. Council, having stewardship responsibility, is the final decision maker on all matters related to asset management in the Township. The Council and senior management are committed to the success of asset management planning. The following details the responsibilities of the key stakeholders within the Township:

Council:

- Approve by resolution the Asset Management Plan (AMP) and its updates every five years from the date when it is fully completed under Section 6 of the regulation;
- Conduct annual reviews of the management plan implementation progress on or before July 1st of every year, starting the year after the AMP is completed and the review must address:
 - Progress on ongoing efforts to implement the Township's AMP;
 - Any factors affecting the ability of the Township to implement its AMP;
 - A strategy to address these factors where applicable; and
 - Support ongoing efforts to continuously improve and implement the Township's AMP.

Director of Finance: (Executive Lead)

- Maintain compliance with the asset management policy and provincial asset management regulations.
- Work with staff to ensure asset management planning incorporates all departments and staff that deal with assets.

Senior Management Team:

- Oversee asset management planning activities that fall within their service area and in support of others.

Strategic Alignment: (Ont Reg 588/17 Section 3.1)



Our Vision

"A vibrant, prosperous , engaged and environmentally conscious community that evokes pride in residents for its accomplishments and continuing resilience as it forges the future"

Achieving this vision will require that an integrated asset management approach be followed to successfully develop the Asset Management Plan (AMP) in alignment with existing policies and plans that have been undertaken throughout the Township:

- Township of Zorra's Strategic Plan
- County of Oxford Official Plan and Township of Zorra's Zoning By-law.
- Multi-Year Accessibility Plan
- Recreation Master Plan
- Road Needs Study and Bridge Inspection Reports

These plans were designed to meet the legislative requirements and work together to achieve the Township's goals and objectives. Spending requirements defined in the budgeting process and in long-term financial planning will reflect the objectives of these plans. Asset management planning therefore will not occur in isolation from other municipal goals, plans and policies.

Financial Planning and Budgeting: (Ont Reg 588/17 Section 3.2 and 3.6)

The Township will integrate asset management planning into the annual capital budget, operating budget and its long-term financial plan. The asset management plan (AMP) will be used as a resource in order to:

- Identifying all potential revenues and costs (including operating, maintenance, replacement and decommission) associated with asset management decisions;
- Evaluating each significant new (growth related) capital asset, including considering the impact on future operation costs
- Incorporating new revenue tools and alternative funding strategies where possible.

Departmental staff will work closely with financial staff in the preparation of the operating and capital budgets to ensure that the lifecycle activities budgeted are necessary to achieve agreed upon levels of service and accommodate growth over the 10-year capital planning horizon.

Climate Change: (Ont Reg 588/17 Section 3.5)

The Township will consider the risks and vulnerabilities of capital assets to climate change and the resulting actions that may be required. The Township will ensure alignment with local, county, provincial and national policies and strategies including construction standards, water use policies and energy standards.



Commitment will be made to the development of tailored actions that make the best use of our resources to mitigate and adapt to climate change, in accordance with our local reduction targets, financial capacity and stakeholder support.

A balance will be struck between levels of service delivered through operations, lifecycle management, maintenance schedules, disaster response plans, contingency funding and capital investments. The asset management plan will encompass this sustainable approach to climate change mitigation and adaptation.

Land Use Planning: (Ont Reg 588/17 Section 3.7)

Asset management planning will be aligned with the County of Oxford's Official Plan and the 2014 Provincial Policy Statement of the Planning Act. The asset management plan will reflect how the community is projected to change with respect to development. The objective being to ensure that infrastructure and public service facilities are provided in a coordinated, efficient and cost-effective manner and that planning for infrastructure is integrated with land use planning so that they are financially viable over their life cycle and available to meet current and projected needs.

To accomplish this objective, the Township will consult with the County of Oxford when the Official Plan is being prepared and/or reviewed and the direction established through the Official Plan and any supporting studies, assumptions and data will be referenced in the development of the asset management plan.

The County of Oxford's Official Plan incorporates the strategic initiatives to protect agricultural and rural natural resources: Prime agricultural areas will be designated, protected and preserved for current and future agricultural production and as a permanent, integral feature of the heritage of Oxford County.

Capitalization Thresholds: (Ont Reg 588/17 Section 3.8)

The policy applies to all assets whose role in service delivery requires deliberate management by the Township. The service-focus intent of this policy differentiates its requirements for identifying assets from the capitalization thresholds which are developed for the purposes of financial reporting. For this reason, assets in the asset management plan are not to be subject to a capitalization threshold, and are to be included based on judgement of whether the asset has value to the overall asset class. The capitalization threshold applied by asset class will be defined in the Tangible Capital Asset Policy.

Stakeholder Engagement: (Ont Reg 588/17 Section 3.9 and 3.12)

The Township Strategic Plan commits to informing and engaging with citizens: *"We are an **engaged** community that values all members and actively encourages involvement, engagement, openness and transparency."*

The Township will provide information and seek input on asset management planning through:



- Opportunities for residents and other stakeholders served by the Township to provide input in asset management planning; and
- Coordinating asset management planning with other infrastructure asset owning agencies such as municipal bodies and regulated utilities.

Next revision date: (every five years)

July 2029.

Accessible Formats:

If you require this document to be in an accessible format, please contact the Director of Corporate Services at clerk@zorra.ca or 519-485-2490 ext. 7228.