

<b>TITLE:</b>	<b>ASSET MANAGEMENT</b>		
<b>SECTION:</b>	<b>Operational Services</b>	<b>POLICY No. V-3702</b>	
<b>Adopted:</b>	February 19, 2018	<b>Resolution:</b>	41/ 2018
<b>Amended:</b>		<b>Resolution:</b>	

## 1. VISION AND PURPOSE

The purpose of this policy is to set guidelines for implementing consistent Asset Management processes within the District of Highlands.

The vision for the community includes providing a safe, livable and sustainable community with well managed and maintained infrastructure assets. These assets include the Wark-Colquitz Aquifer, efficient transportation networks, public safety vehicles and equipment, information technology systems, and accessible parks, community and civic facilities.

The District of Highlands is committed to implementing a systematic Asset Management methodology to apply appropriate Asset Management best practices across all areas of the organization. This includes ensuring that assets are planned, created, operated, maintained, renewed and disposed of, where appropriate, in accordance with the District's priorities.

The District of Highlands owns and operates \$51 Million of Engineered Assets to support delivery of service to the community.

Although the equivalent values have not been fully established, the District also recognizes the additional and significant contribution made by Natural Assets in the delivery of service to the community.

Adopting Asset Management principles will assist Council in achieving its strategic plans and community long term financial objectives.

## 2. TERMS

The following terms are used within this policy and are defined as follows:

**Asset Management:** an integrated, lifecycle approach to effective stewardship of infrastructure assets to maximize benefits, manage risk and provide satisfactory levels of service to the public in a sustainable manner.

**Engineered Assets:** assets that have been constructed and are owned by the District (e.g. roads, buildings and vehicles), land that is owned by the District and supports assets (e.g., land under roads or buildings), or land that is undeveloped and owned by the District. These assets must be operated, maintained, managed, and, apart from land, ultimately replaced as they wear out.

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Natural Assets: naturally occurring land or subsurface features which perform or support service delivery to the District (e.g., the Wark-Colquitz Aquifer which filters and stores water, woodlands and the creeks which convey and treat storm water run-off). This category also includes artificial features that mimic naturally occurring features (e.g., ditches, ponds and wetlands). If these assets did not exist, Engineered Assets would be required to provide these services. Natural Assets must be operated and maintained but, if managed appropriately, require no replacement.

Risk: analysis of the 'likelihood' and the 'consequences' of a given event. Establishing the risk associated with lower infrastructure performance due to levels of service or postponement of asset replacement will identify system vulnerabilities and assist in prioritizing work. For example, puddles on a gravel walkway may have a high likelihood of occurring but the consequences are not significant. In comparison, an ageing bridge structure may have a high likelihood of failure and the consequences may be significant.

Sustainable: meeting the needs of the present without compromising the ability of future generations to meet their own needs. In relation to Asset Management a sustainable approach takes into consideration the current and future benefits and costs of existing and new assets or services.

Level of Service: the service level delivered to the public by the District. This can take the form of the selection of services that are provided (e.g., bike lanes, doggie bags, or a new community hall), the standard of infrastructure in place (e.g., concrete sidewalks versus gravel paths), or the standard to which an asset is maintained (e.g., the frequency of scheduled road sweeping or line painting). The desire of Council or the public for a particular Level of Service will directly affect taxation.

### 3. OBJECTIVES

To ensure adequate provision is made for operations, maintenance and long-term replacement of major Engineered and Natural Assets by:

- Maintaining assets in the most natural, energy-efficient and reliable manner that costs the least to operate over the life cycle of the asset;
- Managing District of Highlands Engineered and Natural Assets by implementing appropriate Asset Management strategies and appropriate financial resources for those assets;
- Fostering an environment where all District of Highlands employees take an integral part in overall management of District assets by creating and sustaining Asset Management awareness throughout the organization through training and development;
- Continually seeking opportunities for improving efficiencies in operations, maintenance and asset replacement practices;
- Demonstrating transparent and responsible Asset Management processes that align with established best practices; and
- Meeting legislative requirements for Asset Management.

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#### 4. PRINCIPLES

- A consistent Asset Management Strategy will be used for implementing systematic Asset Management leading practices;
- Natural Assets are recognized by Council as performing essential service delivery and will be identified and managed in a similar manner as Engineered Assets;
- Asset Management plans will be developed and maintained for major service/asset categories. The plans will be informed by community consultation and financial planning and reporting;
- An inspection and condition assessment regime will be used to ensure agreed service levels are maintained and to identify asset renewal priorities;
- Asset renewals and levels of service will form the basis of annual budget estimates;
- Training in asset and financial management will be provided for relevant staff.

#### 5. SCOPE

This policy applies to all District of Highlands activities.

#### 6. LEGISLATION

All aspects of Asset Management within the District shall be conducted in accordance with applicable legislation.

#### 7. RELATED DOCUMENTS

Asset Management Strategy and associated Asset Management Plan, Integrated Community Sustainability Plan, Official Community Plan.

#### 8. RESPONSIBILITIES

Asset Management is a corporate responsibility that involves all staff and members of Council in the effective implementation of sustainable service delivery.

##### 8.1. Council is responsible for:

- adopting this Asset Management Policy and future updates;
- allocation of resources;
- providing high level oversight of the delivery of the District's Asset Management Strategy; and

##### 8.2. The Chief Administrative Officer is responsible for:

- developing Asset Management strategies, plans, and procedures;
- reporting to Council and updating the community regularly on the status, effectiveness, and performance of work related to the implementation of this Asset Management Policy;
- establishing financial plans for consideration by Council that will ensure stable, long-term funding for replacement, renewal and/or disposal of assets;

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- ensuring that the most up to date information on the District's Natural and Engineered Assets is gathered and maintained;
- using industry standard unit costs and service lives for all infrastructure components, considering variations due to unique local conditions;
- planning financially for the appropriate level of maintenance for assets to deliver established Levels of Service with the goal to extend the useful life of District assets; and
- valuing and depreciating assets in accordance with appropriate best practices.

9. REVIEW DATE

This policy has a life of 3 years. It will be reviewed in 2021.