



# *Asset Management (AM) Policy & Strategy*

Monday, March 20, 2017

# *Introduction*



# **AGENDA**

- 1) Current State of AM Practice in Municipality of North Grenville (MNG)**
- 2) Proposed AM Policy**
- 3) Proposed AM Strategy**
- 4) Next Steps**
- 5) Questions and Answers**

# *The Need for AM*

- MNG has the responsibility to manage its assets to deliver sustainable services to its customers
- Existing infrastructure is aging
- Increased growth and demand for better roads, bridges, sidewalks, etc.
- Higher standards for health and safety as well as environmental and other legislative requirements

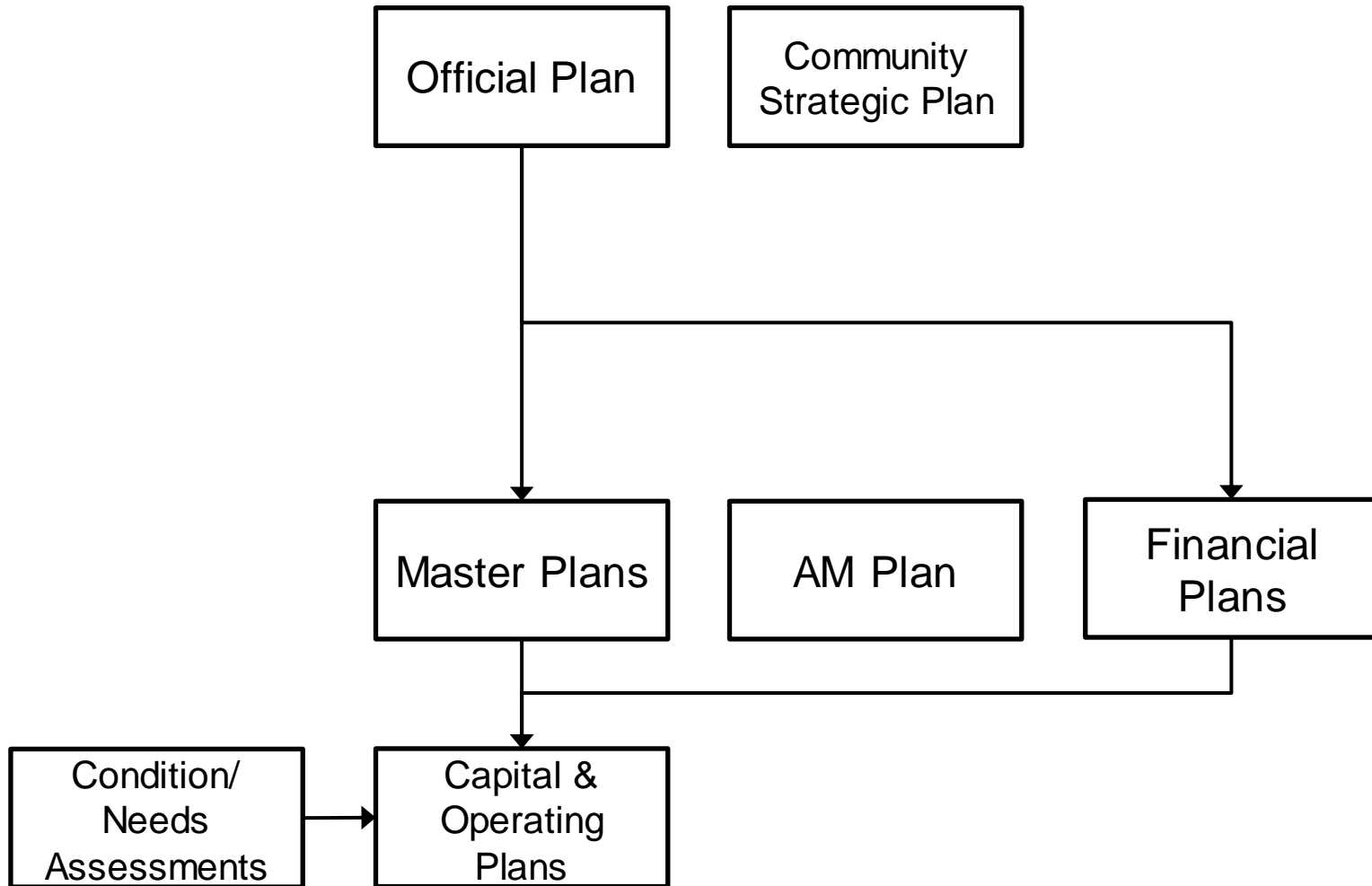
# *The Objective of AM*

- AM involves the balancing of costs and risks against the desired performance of assets, to achieve the Levels of Service (LOS) objectives.

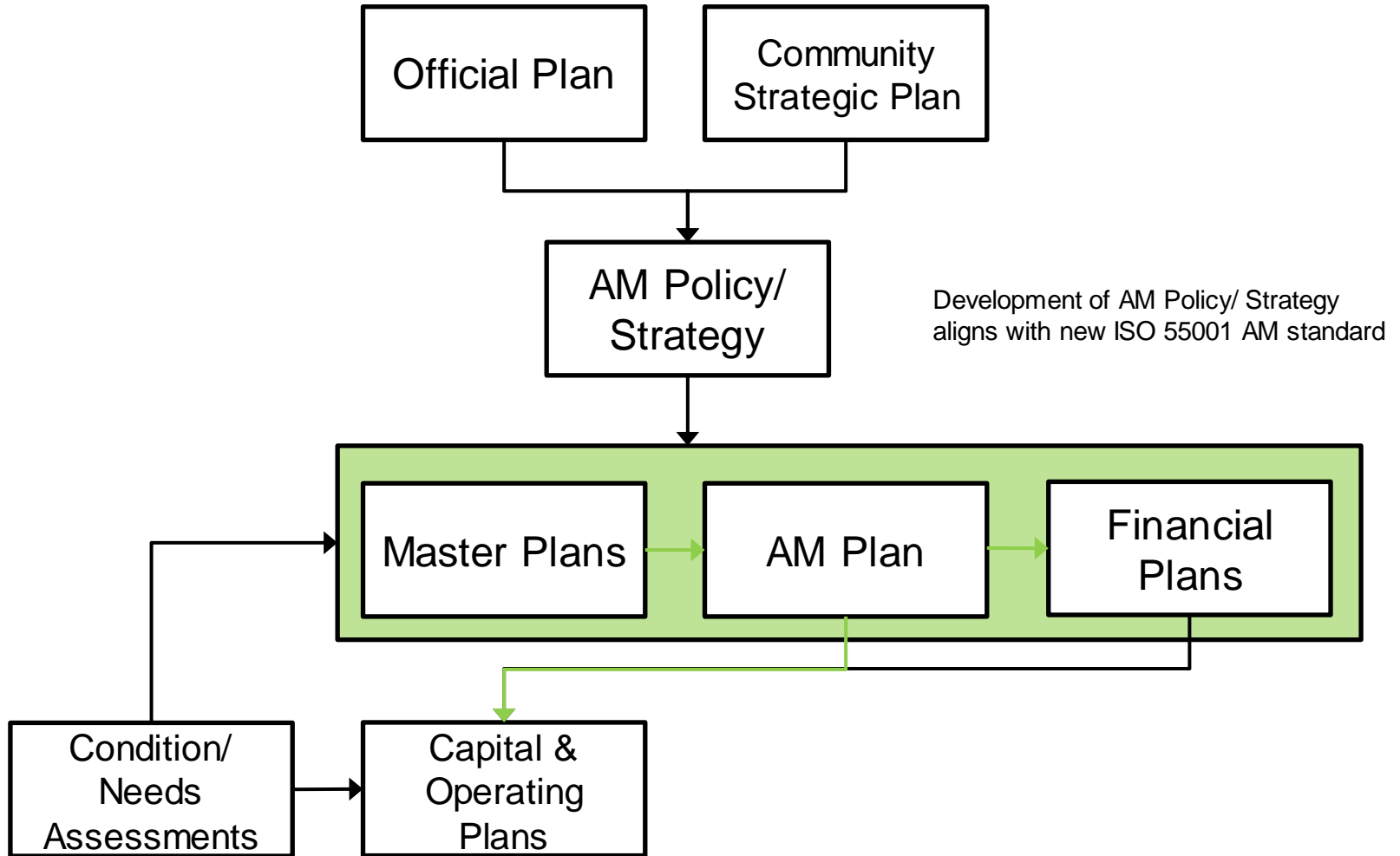
# *Canadian Context*

- Increased awareness and promotion of AM within Canada has included the federal government highlighting the importance of AM in the New Building Canada Plan
- Province of Ontario requires AM plans as eligibility for some provincial funding
- Most recent Gas Tax Fund Agreement requires administrators of the fund to formally report on “progress made on improving Local Government Asset Management”

# Current State of MNG Plans



# Proposed Enhancement





# *AM Policy Purpose*

- To outline the fundamental AM principles that will be implemented in the Municipality
- To lay out key roles and responsibilities, assets and services in scope

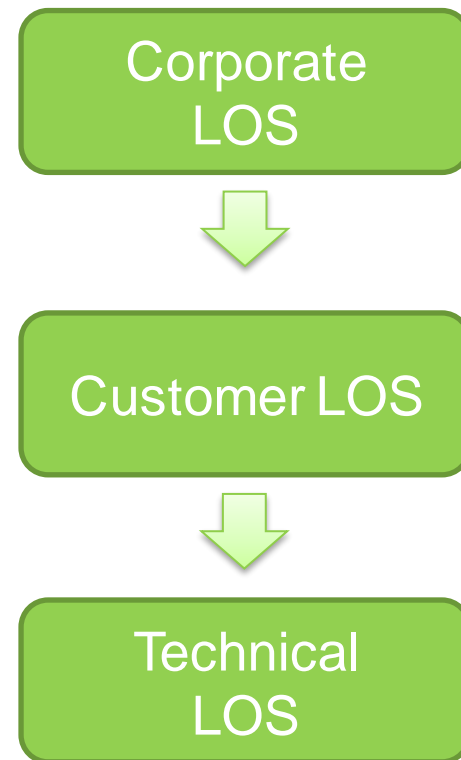
# *Proposed AM Policy Principles*

- Service Delivery to Customers
- Holistic
- Sustainable
- Innovation & Continual Improvement

# Levels of Service

*Service Delivery to Customers* is a key principle and requires a definition of Levels of Service at different levels:

- Corporate LOS = ‘why we’re here’
  - High-level, statements
- Customer LOS = ‘what the customer gets’
  - Written in language that the customer understands
- Technical LOS = ‘what we do’
  - Things about assets / activities we measure



# *AM Strategy Purpose*

- To describe how AM will be structured to implement the principles in the AM Policy.
- To further define roles and responsibilities, asset and services
- To outline MNG governance and framework structures
- To set key improvement areas

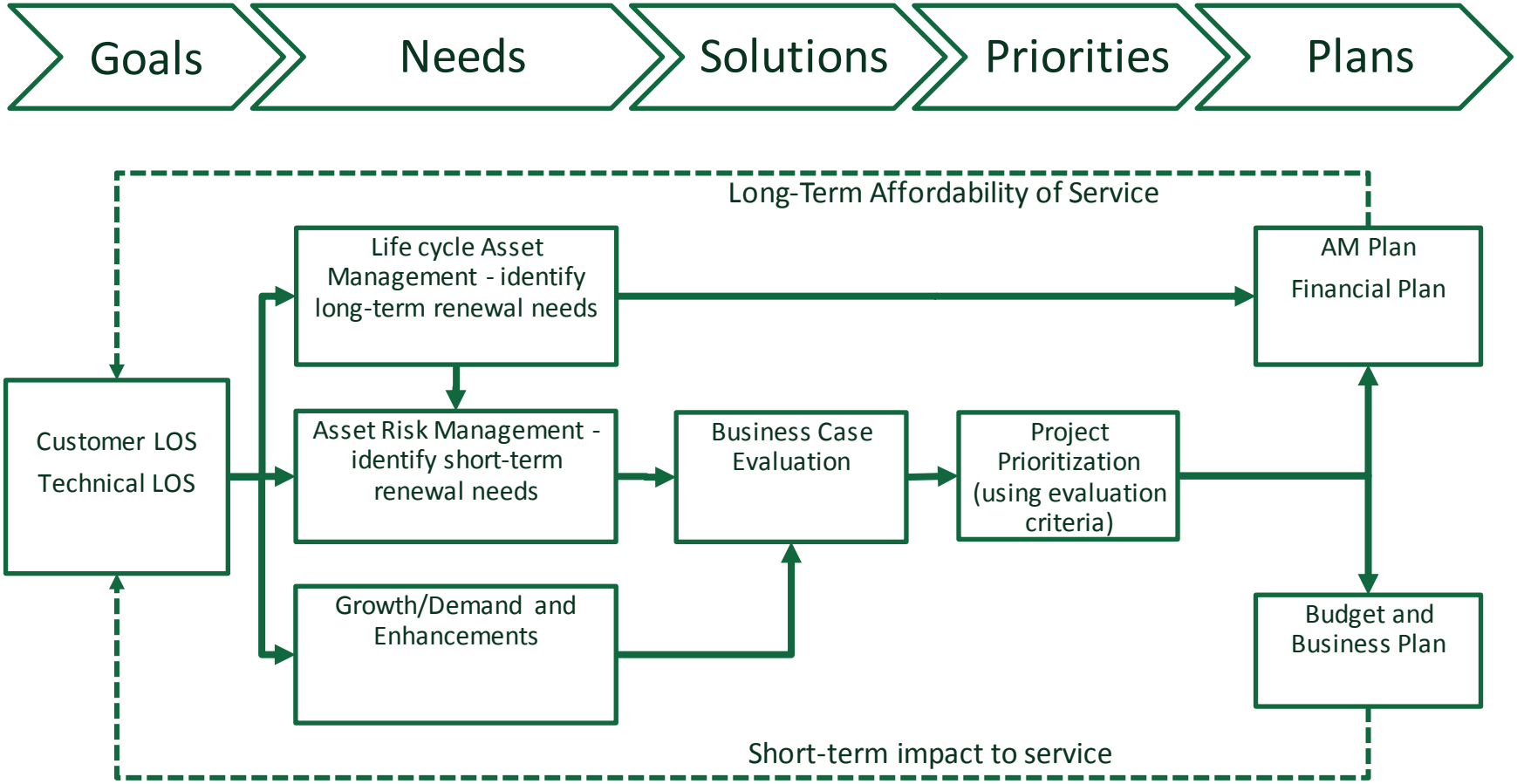
# Scope of Services

<b>Customer-Facing Services</b>	<b>Support Services</b>
Water (Treatment & Supply)	Fleet & Equipment
Sewage (Collection & Disposal)	Information Technology Systems
Storm Water (Collection & Disposal)	
Solid Waste	
Parks and Recreation	
Facilities	

# Proposed AM Framework



# AM Decision Making Process

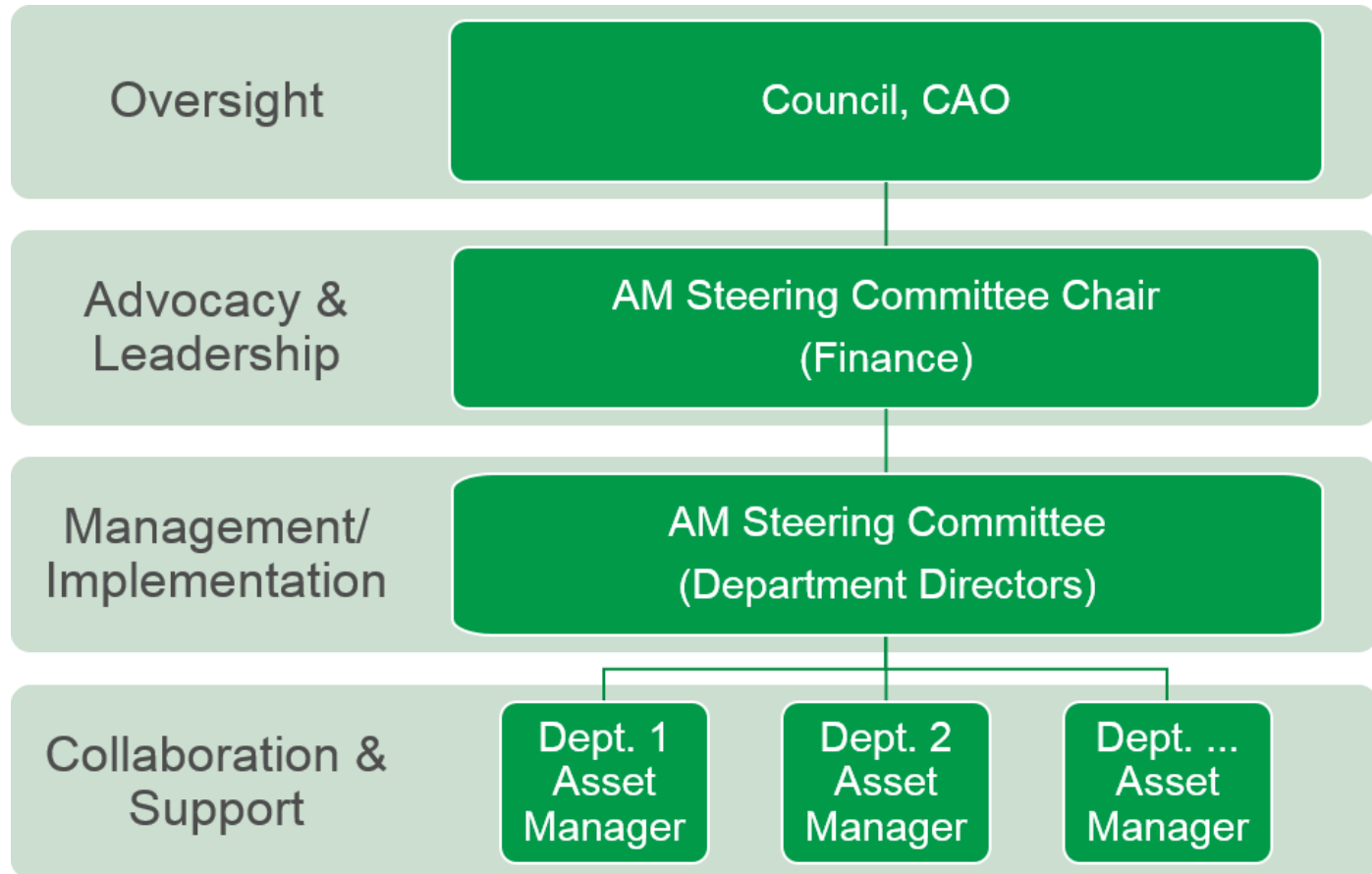


# *Evaluation Criteria – Capital Projects*

- Legislative requirements
- Committed projects
- Serious threat to Public Health and Safety
- Phased project
- Dependent project
- Critical lifecycle maintenance items
- Growth related projects
- Serious lifecycle maintenance items
- Lifecycle maintenance items
- Operating cost reduction or efficiency
- General benefit to the Municipality
- Lifecycle maintenance items



# AM Governance Structure



# *Next Steps*

- Formalize AM Policy/Strategy
- Update AM Plan (to also include fleet and facilities).
- Initiate Key Improvement Initiatives



**QUESTIONS?**