



Town of Fort Macleod  
Asset Management Policy



Date: September 20<sup>th</sup>, 2022  
Version: 1.0



## Policy Statement

Asset management aims to develop sustainable procedures and processes to maintain and operate infrastructure assets throughout the municipality. These goals are achieved through the continuous cooperation of all departments and the council. This Asset Management Policy outlines the key asset management (AM) principles to be implemented across the Town of Fort Macleod. The Asset Management Policy will provide the framework for the development of the Town's Asset Management Strategy and Plans to ensure long-term sustainable service delivery.

## Intent

The purpose of the Asset Management Policy is to outline asset management practices specifically curated to meet the needs and strategic goals of the Town of Fort Macleod. These practices will allow for a coordinated, dependable, and sustainable approach across the municipality. This policy is meant to ensure that the Town of Fort Macleod has sufficient knowledge about managing infrastructure assets and an understanding of the long-term consequences of neglecting infrastructure.

This policy will:

- a) Define over-arching principles to guide asset management initiatives while considering current and future generation's needs.
- b) Outline principles that enable the Town of Fort Macleod to manage infrastructure assets in a way that is cost-effective and sustainable.
- c) Demonstrate principles that allow for Environmental and Fiscal stewardship, concerning asset management.



## Scope

The Town of Fort Macleod is responsible to manage assets to deliver sustainable services to ratepayers. These assets include roads, fleet equipment, sanitary and storm sewer networks, water supply network, buildings, bridges, culverts, parks, recreational assets, and other infrastructure. All of which require acquisition, operations, maintenance, disposal, and renewal over the asset life cycles. Infrastructure assets shall be collected in a centralized database to ensure informed decision-making as the Town invests in new assets. This Asset Management Policy applies to all assets owned and operated by the Town, any assets owned by the Town of Fort Macleod and operated by others as well as any assets owned by others managed by the Town.

## Role of Asset Management Policy

Asset management is an integrated approach involving various business units, departments, and functions across a municipality. The role of the Asset Management Policy is to define the fundamental principles that the Town is trying to achieve with the adoption of asset management. Along with the Asset Management Policy, other key Asset Management components are the Asset Management Strategy and the Asset Management Plan. The distinction and relationship between these documents are listed below:

- Asset Management Policy – defines the principles of Asset Management
- Asset Management Strategy – defines how the municipality plans to achieve the Asset Management Policy
- Asset Management Plan – defines the specific operational actions required to achieve the overall Asset Management Strategy

## Asset Inventory

The Town of Fort Macleod owns and manages an extensive Asset Inventory. It is outlined as such below:

- Road Network
- Water Network
- Sanitary Sewer Network
- Storm Sewer Network
- Building Infrastructure
- Bridges & Culverts Infrastructure
- Fleet & Equipment Assets
- Parks & Recreation Assets
- Airport Assets
- Signage Assets



## Principles

### Sustainability And Environmental Adaptability

“Services and infrastructure assets will be socio-culturally, environmentally and economically sustainable in the long-term and consider the needs of both, current and future generations.”

The Town shall:

- a) Consider risk, life-cycle-costs and defined levels of service when investing in infrastructure assets.
- b) Undertake a comprehensive approach to Asset Management Planning considering socio-cultural, environmental, and economic factors.
- c) Utilize available information to forecast changes in demographics service demand.
- d) Consider how increased frequency and severity of climatic events may directly affect the delivery of levels of service. Where appropriate, the municipality shall adopt a proactive approach to mitigating the potential impacts of climate change.

### Holistic “Big Picture” Approach

“Improve collaboration between departments and to create efficiencies in operations.”

The Town shall:

- a) Develop cross-departmental communication processes and functional groups to support asset management planning.
- b) Consider the state of infrastructure assets owned and/or managed by the county in system wide context, as well as individual asset.
- c) Maximize efficiency of existing infrastructure by managing the condition, risk and delivered level of service.
- d) Implement asset evaluation methods to continually monitor and improve the overall state of infrastructure assets and service delivery.

### Service Delivery to Customers and Information Management

“Provide defined levels of service that balance ratepayer expectations with related cost and risk following community priorities.”

The Town shall:

- a) Define levels of service targets considering stakeholder quality of life, minimizing long-term costs, and asset management strategic risks.
- b) Deliver target levels of service by effectively and effectively managing all infrastructure networks.



- c) Maintain transparency with stakeholders regarding levels of service targets and asset performance.
- d) Ensure alignment of levels of service with strategic objectives, as well as legislative, statutory, and regulatory requirements.
- e) Monitor and periodically review the defined levels of service and update accordingly.
- f) Maintain a comprehensive infrastructure asset inventory, updated periodically.

## Fiscal Responsibility & Decision Making

“Demonstrate fiscal responsibility in decision making and develop a repeatable process to make defensible decisions in capital transactions.”

The Town shall:

- a) Consider the inter-generational effects of infrastructure investment throughout the asset management decision-making process.
- b) Standardize processes to conduct asset management research and to develop supporting documentation.
- c) Consider full life-cycle costs including acquisition, operation, maintenance, and disposal when making infrastructure planning decisions to minimize the long-term cost of ownership.
- d) Consider investment needs, funding requirements, and projected revenue when developing long-term financial plans.
- e) Implement infrastructure maintenance strategies which sustain defined levels of service and maximize asset value.
- f) Comply with all the statutory financial tracking and reporting requirements.

## Continuous Improvement

“Develop a culture of continual improvement to progress asset management processes and ensure delivery of services effectively and efficiently”

The Town shall:

- a) Continually seek improvements in asset management processes by incorporating innovation, tools, techniques, and solutions.
- b) Monitor and review asset management processes for progress and effectiveness, make revisions where applicable to improve the process.
- c) Promote long-term cross-departmental efficiency and effectiveness in service delivery and asset management decision making.
- d) Assess progress and provide support, education, and training to further develop the asset management program.



## Roles & Responsibilities

The drivers of the Town of Fort Macleod's Asset Management Journey will be both Adrian Pedro, the Director of Operations and Kris Holbeck, the Director of Finance.

The successful development and implementation of the municipality's asset management strategy and plan will rely on the active commitment of the council and staff. The following lays out the Roles and responsibilities for council and municipal staff are laid out below.

### Council

- Provide direction on levels of service & priorities
- Adopt Asset Management Policy, Strategy, Plan, and Roadmap
- Perform periodic review of asset management practices and direction
- Allocate resources through operating & capital budgets to support funding requirements laid out in the plan and long-term funding schedules

### Chief Administrative Officer

- Ensures and oversees corporate adoption of asset management policy, processes, and strategies
- Establishes an asset management steering committee
- Appoints the cross-functional representatives from relevant departments to serve on the steering committee as well as chair of the steering committee
- Reviews all asset management information before presentation to Council

### Department Managers

- Lead the adoption of the Asset Management policy within their departments
- Allocate appropriate resources for the implementation of the policy and associated processes
- Consult with asset management steering committee



# Asset Management Concepts & Training

## Risk Assessment

Risk assessment is a term used to assess the overall process or method where analysis of hazards and risk factors have the potential to cause harm, evaluation of that hazard, and elimination of that hazard all align to one solution. Within asset management, risk assessment considers threats to the asset, consequences of asset failure, and preventative measures to lower overall risk. Within the asset management survey, it is mentioned that currently there is critical infrastructure in the municipality that the risks that they expose is identified and assessed somewhat. It is currently identified in the 10-year capital plan and the concept is very familiar to staff and council.

## Level of Service

Level of Service within asset management are defined as specific parameters that describe the extent and quality of services that a municipality provides to its ratepayers. This can be a lengthy process of identifying your services, the associated assets, doing a self-evaluation of current Level of Service, identifying the performance metrics you want to measure, the current gaps, and then preparing a strategy and plan to bridge those gaps. Currently, the Town of Fort Macleod has a good understanding of Level of Service, with a fair general condition of the current asset inventory, Inspections are currently delegated by the director as required; ideally inspections would occur on a regular basis on a rotating schedule to cover all asset types.

## Asset Management Training Initiatives

Based on the Asset Management Survey, initiative has been shown with regards to training. Training is a key part of integrating Asset Management into everyday workflows and bringing the concepts to the forefront of decision making for the future. Shown below are the concepts that would be beneficial in the short term to be learned and applied:

- Asset Management Introductions
- Asset Management Plan & Roadmap Overview
- Data Collection & Condition Assessment Overview
- Level of Service & Risk Overview
- Tangible Capital Asset Introduction



## Definitions

**Asset Management:** the process of making decisions about the use and care of the infrastructure to deliver services in a way that considers current and future needs, manages risks and opportunities, and makes the best use of resources.

**Asset:** A physical object that is a significant economic resource and provides the delivery of a program or service.

**Asset Register:** A list of all the municipality's assets including details such as condition, location, and level of service.

**Level of Service:** a measure of the quality, quantity, and/or reliability of service from the perspective of residents, businesses, and customers in the community.

**Risk:** events or occurrences that will have undesired impacts on services

**Asset Risk:** events where an asset fails to perform as it was designed/needed to

**Strategic Risk:** events or occurrences that impact the ability to achieve strategic and service objectives

**Lifecycle:** the time interval that commences with the identification of the need for an asset and terminates with the disposal of the asset

**Long-term cost (Life-cycle cost):** the financial and human resources required throughout the life cycle of the asset

**Long-term financial plan:** a plan that documents the process of aligning financial capacity with long-term service objectives.

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