

*RURAL MUNICIPALITY OF CLAYTON NO. 333*

*ASSET MANAGEMENT STRATEGY*

*JUNE 13, 2018*



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## ***Purpose and Scope***

The Municipality's purpose is to:

- Provide clear communication to all stakeholders on asset management;
- Identify organizational roles and responsibilities for asset management;
- Identify and implement asset management system objectives and how they support the Municipality's strategic objectives and responsibilities.

The Municipality's scope is as follows;

- Operating equipment and vehicles;
- Roads, bridges and culverts;
- Water and Wastewater Utilities;
- Office Technology;
- Waste Management;
- Fire Protective Services;
- Buildings.

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## **Background**

The Municipality of Clayton No. 333 maintains a large network of assets within the local government area which includes the maintenance and repair of roads, bridges and culverts.

Council acknowledges that there will be increased pressure in the future to provide assets at desired levels of service. Periods of growth will put pressure on future funding as assets age, and demand for maintenance, repair and upkeep increases.

Historically, these costs have dealt with future needs without considering their funding requirements, nor the rehabilitation needs for existing infrastructure. As infrastructure ages the need to replace rather than repair has become an issue.

The Municipality recognizes that they need a strategy that provides a clear course of action for improving asset management capability and supports Council's long term financial plan.

The Municipality currently has a Capital Asset Policy in place which includes an asset inventory but is inadequate for asset monitoring and planning.

Asset management is a process of logic used to guide the planning, acquisition, operation, maintenance, renewal and disposal of assets. Its objective is to maximize asset service delivery potential and manage related risks and costs over the entire life of the asset.

Asset management is about how assets are "looked after", both on a day-to-day basis (such as maintenance and operations) and in the medium-to-long term.

An Asset Management Strategy will ensure that Council's assets are capable of providing services of an agreed quality, in a sustainable manner, for present and future ratepayers.

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## ***Strategic Alignment***

This Asset Management Strategy will:

- serve as the foundation guiding the Municipality's strategic planning objectives;
- Ensure clear understanding of the organizational objectives and mission for stakeholders;
- Contain existing strategic plans that relate to the assets;
- Articulates senior management commitment to asset management and continual improvement;
- Provides directions regarding expectations and mandatory requirements for asset management and defines the key principles that underpin asset management in the municipality;
- Defines what the municipality intends to achieve from asset management activities and by when;
- Identifies and prioritizes key initiatives that support delivery of the asset management policy;
- High-level overview of resources, time scales for implementation;
- Provide approach to managing assets over the short, medium and long term;
- Outline long-term plans for the assets including service expectations, timelines and funding and resource requirements.

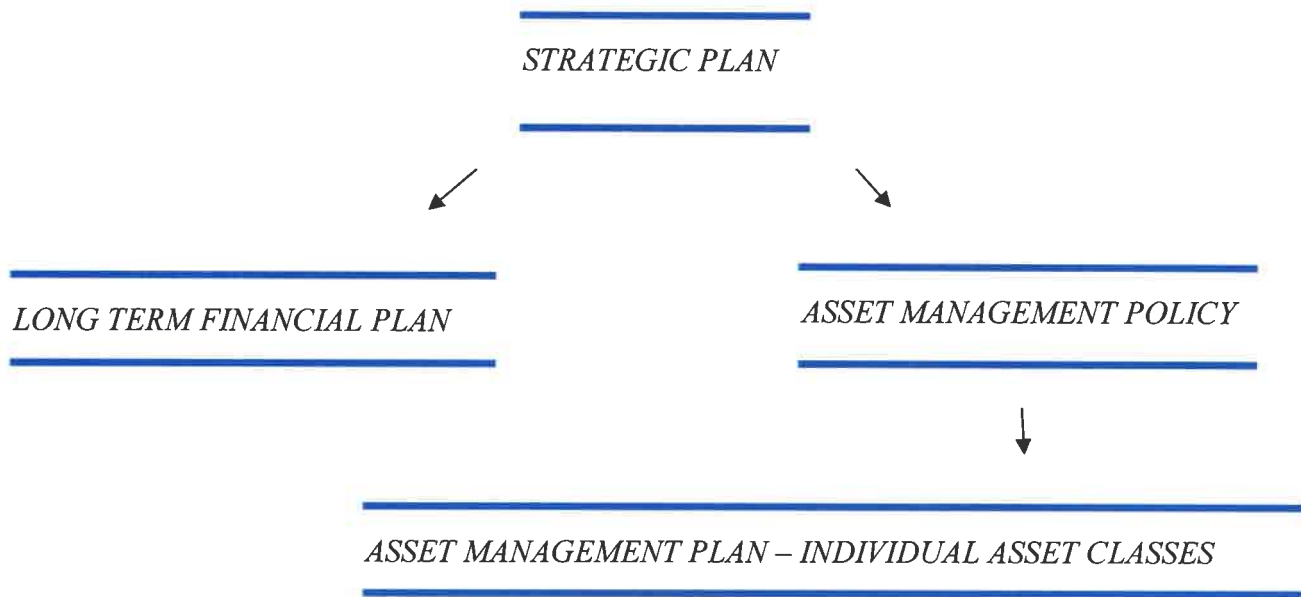
The Strategic Plan will ensure strong performance in all the management plans, including the ways in which we manage the Municipality's assets.

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## ***Business Context and Analysis***

The Municipality will undertake a more comprehensive business context analysis that will inform future iterations of the Asset Management Strategy.



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## ***Needs and Expectations of Stakeholders***

In addition to internal staff and Council, key external stakeholders identified for the successful implementation of this strategy include ratepayers, hamlet boards, Federal and Provincial Government, neighboring councils, developers and contractors.

Stakeholder engagement on the Asset Management Strategy to be included following community engagement, when implemented.

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## ***Asset Management Decision-Making Approach***

The current levels of budget funding may not be sufficient to maintain existing ageing assets and the present Asset Register is inadequate for asset monitoring and planning. Services and level of services are not clearly defined and long-term effects of potential decisions are not determined and made available.

This Asset Management Strategy will provide Council with a set of strategic priorities to facilitate better asset management practices into the future.

## ***Asset Management Objectives and Performance Targets***

- COMPLIANCE: The Municipality shall comply with all regulatory requirements that govern our services.
- COORDINATION: The services the Municipality provides shall be within the stakeholders' ability to pay and budgetary restraints.
- QUALITY: The services provided will be of the best quality that the Municipality is able to supply with the available resources and staff.
- SUSTAINABILITY: The Municipality shall evaluate options and make decisions by directly evaluating triple bottom line (socio-cultural, environmental and economic) factors.

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## ***Asset Management Framework***

- a) Ratepayer and Stakeholder Expectations;
- b) Long Term Finance Plan;
- c) Asset Management Policy;
- d) Asset Management Strategy;
- e) Asset Management Plan.

## ***Key Asset Management Improvement Initiatives***

- Expand the scope of the current Asset Management Plan to include all Municipal Assets;
- Improve data collection and refine the service life of data;
- Enhance the alignment of the Asset Management Plan and the long Term Financial Plan and all other relevant plans.

## ***Asset Management Roles and Responsibilities***

### **Council**

- Act on behalf of and represent the interest of ratepayers and stakeholders;
- Establish the vision, service mandates and corporate management policies;
- Adopt, review and update the Asset Management policy and ensure that an Asset Management strategy is in place;
- Set priorities and articulate values to the administrator;
- Maintain the necessary corporate capacity to support the elements and practices of an Asset Management system.

### **Administrator**

- Act on behalf of and represent the interests of Council;
- Provide direction to the Asset Management Steering Committee;
- Report on the status and effectiveness of Asset Management within the Municipality;
- Update the Asset Management Strategy, Plans and Policy as required or directed;
- Provide direction on Municipality wide projects and initiatives.
- Schedule and complete periodic reviews to assess the effectiveness of the Asset management System in achieving the Asset Management objectives and supporting organizational objectives and Council priorities.

### **Foreman and Staff**

- Act on behalf of and represent the interest of Council;
- Report on the status and effectiveness of Asset Management within the Municipality to the Administrator;

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## ***Asset Management Strategy risks and Opportunities***

### Risks

- The capacity for existing staff to take on additional responsibilities and the ability of the Municipality to fund and fill new positions to fulfill Asset Management requirements;
- The level of Asset Management awareness and readiness for change within the Municipality;
- Documented decision-making processes and objectives may not align with Council and/or Stakeholders expectations.

### Opportunities

- Cooperation with the East Central Municipal Alliance to mitigate a smooth transition and/or training opportunity;
- Cooperation with Staff, Administration and Council to identify and classify assets.

## ***Continual Improvement, Monitoring and Innovation***

- a) Use existing data and monitoring activities;
- b) Use SMART (Specific, Measurable, Achievable, Realistic and Time-bound) measures to monitor assets;
- c) Discuss innovations from staff on monitoring ideas.

## ***Review***

This Strategy Shall be reviewed at the same time as the Asset Policy, every 4 years or less at the discretion of the current Council after the first review, which shall be February 2019.

X

Duane Hicks  
Reeve



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Kelly Kim Rea  
Administrator

