

ASSET MANAGEMENT STRATEGY PURPOSE AND SCOPE

Vision

"A thriving community offering quality family living, that encourages economic prosperity through innovative and progressive thinking."

The asset management strategy will allow the Town to:

- Be able to provide all relevant information required to make informed decisions regarding the Town's infrastructure (both operational and for capital planning).
- Plan for the entire lifecycle of assets:
 1. where possible to extend the lifecycle of assets
 2. make recommendations on service delivery/standards
 3. reduce lifecycle costs
 4. review maintenance costs / programs
- Keep all data and information current (for mapping, planning and maintenance purposes).
- Review community service standards and applicable service delivery models.





BASELINE ASSESSMENT

Our baseline assessment of asset management practices was completed using the Federation of Canadian Municipalities' Asset Management Readiness Scale.

The assessment was completed on August 18, 2020, by:

Name	Role
Blair Bullock	Director of Corporate Services

While completing this assessment it was very clear the Town is in its infancy with regards to asset management. We are very early in our journey and that it will be a long road as it will require a complete shift in approach and processes with buyin required across the organization, both at the Council and Administration/Operation levels. This work however will come with significant dividends if done property and utilized in our operational and capital decisions.

Policy and Governance

Past Readiness Level	2020-08	1 (one)
Current Readiness Level	2021-08	1 (one)

Why we are at our current level: We are committed to asset management and recognize some of the benefits, but we don't have any strategy, roadmap, or policy finalized or approved by Council.

People and Leadership

Past Readiness Level	2020-08	1 (one)
Current Readiness Level	2021-08	1 (one)

Why we are at our current level: Council has supported this process by approving our application for this Cohort Training, and another FCM grant application for Asset Management, however no municipal funding has been approved and Council isn't directly involved in the process.

Data and Information

Past Readiness Level	2020-08	1 (one)
Current Readiness Level	2021-08	2 (two)

Why we are at our current level: We have anecdotal information on the condition of our assets and have basic financial TCA information supporting minimum PS-3150 reporting requirements. We also have some more detailed information from our recent IMP, however no processes in place to keep this information current.

Planning and Decision-Making

Past Readiness Level	2020-08	1 (one)
Current Readiness Level	2021-08	2 (two)

Why we are at our current level: We prepare annual capital and operating budgets, as well as, 3-year operating and 5-year capital plans, but no AM plan to help direct these.

Contribution to Asset Management Practice

Past Readiness Level	2020-08	1 (one)
Current Readiness Level	2021-08	2 (two)

Why we are at our current level: Our current AM training and development approach is largely driven by the personal initiative of staff. We are aware of the need to mitigate risks and to provide/attend training, but nothing formalized.





ASSET MANAGEMENT CONNECTIONS

This strategy considers:

Strategic Plan (2017)

The Town of Claresholm's core values: Community Pride, Healthy & Active Living, Diversity, Stability & Security. Goals include:

- Policy & planning for responsible & sustainable growth
- Economic & community development to revitalize Claresholm and manage our growth
- Sound, responsible governance & internal operations
- Improve and expand partnerships, collaborations, relationships
- Livable community for a vibrant, healthy quality of life

In developing these goals, Council will facilitate and provide leadership for change to achieve the vision for the Town of Claresholm, in relation to desired service levels, infrastructure maintenance and upgrades in consideration of the asset management policy.

Intermunicipal Collaboration Framework (ICF) (2020)

The purpose of the Regional ICF is to advance, promote, and encourage opportunities and programs for collaboration amongst the Municipalities for their joint benefit, as well as the ultimate benefit of the residents. The Municipalities wish to, where possible, provide for integrated and strategic planning, delivery and funding of intermunicipal services and steward resources efficiently.

Intermunicipal Development Plan (IDP) (2021)

The purpose of this Intermunicipal Development Plan, in accordance with the MGA, is to prescribe policy for future land use and development, and any other matters relating to the physical, social or economic development of an area that the Councils of the Town and Municipal District consider necessary. As well, it plans for orderly and properly controlled development surrounding the urban area which allows for timely expansion with minimal land use conflicts. This plan illustrates the Town's growth directions and plans for expansion taking into account road networks, infrastructure upgrades, and other asset management considerations.



Municipal Development Plan (MDP) (2018)

The purpose of the MDP is to provide a planning framework for the future sustainable growth and development of the Municipality that will assist in realizing the physical, social and economic opportunities in Claresholm. The MDP includes policy directions that will outline internal land use patterns for the Town and its growth areas. The asset management policy and strategy documents, and implementation of projects will take into consideration future growth needs when planning for capital projects to ensure alignment with the MDP.

Infrastructure Master Plan (IMP) (2021)

The Infrastructure Master Plan provides a general framework for the Town of Claresholm in regards to infrastructure upgrades, maintenance and improvements required for growth. The IMP provides the Town with a roadmap for infrastructure needs in the Town. The IMP identifies existing system improvement requirements, rehabilitation and servicing recommendations for the infrastructure systems owned and operated by the Town. The existing system improvements and future growth area servicing requirements were established based on analysis of the condition and risk of transportation, water distribution, wastewater collection, and stormwater management systems and assets. The IMP will be incorporated into the Town's long-term development planning and capital planning to determine the improvement areas and future developments.

The IMP recommendations are beyond the financial ability of the Town to meet, therefore when incorporating these recommendations into the Town's long-term development planning and capital planning, additional internal assessments of condition, service levels and risk considerations will need to be assessed to determine priority of projects and where the Town's limited resources will be spent.

Parks & Recreation Master Plan (2017)

The plan has been developed with a livable community's approach to ensure sustainable growth and development. This plan provides the Town with an effective, and efficient planning tool that reflects change to the Town's goals and objectives which incorporate public and stakeholder input. Recommendations are based on an analysis of life cycle conditions, site assessments, comparisons to similar communities and stakeholder input. The asset management strategy will consider the communities wants/needs, and take into consideration the desired levels of service in regards to recreation when planning for infrastructure upgrades.



Stormwater Management Plan (2015)

The plan has been developed to assess capacity and performance of the Town's stormwater system, assess future stormwater infrastructure required to support ongoing development, review the Town's stormwater impact on Frog Creek Drain, and develop an improvement program considering future capacity requirements, development pressures and regulatory requirements.

Through the capital improvement program recommendations on rehabilitation or upgrade options of the system can be used within the asset management program to provide a strategic plan, taking into consideration existing capacity, as well as future capacity, based on potential growth and re-development.

Capital Planning Process

The capital planning process is currently not well defined with any sort of documented process. The Town does have a number of different studies and plans that provide recommendations and rank priorities and suggested timing on different capital upgrades. These include the Town's Infrastructure Master Plan, Storm Water Management Plan, and our Recreation Master Plan. However, these plans in general are more aggressive than the Town can afford in terms of funding these projects on the timelines suggested and does not include many of the other capital projects required, such as equipment purchases or most building projects. The Infrastructure Master Plan has only recently been completed and therefore has not actually been used in a capital planning process yet.

In addition to the plans noted, capital requests are received by the Director of Corporate Services from the various department heads, including the Director of Infrastructure, Utilities Manager, Fire Chief, and Museum Director. These requests do not have any set criteria to assess their legitimacy or urgency, other than through commentary or urgency communicated by the department heads, nor are they ranked against those recommended in the plans by any set criteria.

All of these capital projects recommended by the plans or requests from the department heads are then taken to the Facility and Infrastructure Planning Committee to discuss and review the projects, hear reasoning as to their need or benefit, review funding availability, and with the assistance of the Director of Corporate Services and the CAO, develop a capital plan that can be fully funded and recommend the plan to Council for approval.

This process has worked, however provides little quantitative or qualitative data to support which projects are selected and which ones are postponed or declined. Therefore, instituting a more data driven asset management process, assessing condition and risk of all assets in the Town and service levels, these assets would provide greater reasoning and explanation to the residents as to the expenditures and priorities of Council in their capital project selection.



Tangible Capital Assets Accounting Process.

Policy #3.2.01 – TCA Capitalization and Amortization Policy is used to guide the classification, capitalization and amortization of all tangible capital assets. The policy is fairly generic in its classifications and utilizes specified useful life periods and amortization rates for each type or class of asset, therefore there may be significant variances between projected and actual useful life and some misleading information with regards to annual capital costs and to amortization of these assets. In general, all TCAs are amortized using a declining balance method, with the exception of buildings and land improvements which use a straightline method. Half-year rule is used in the first year of amortization, amortizing only 50% of a full year's amortization, with no amortization in the year of disposal.

This policy with its useful life periods and amortization rates may need to be reviewed and adjusted as a part of this asset management system to better reflect actual annual costs of our assets through amortization. This will also better display and communicate within our financial statements the costs to the public and amounts needed to be put into reserves to help replace or maintain such assets in the future, as well as to better predict the estimated date of replacement required.

Asset Inventory/Database.

In connection with the TCA Capitalization and Amortization Policy all assets of the Town are recorded and tracked in an asset inventory spreadsheet. This data will be an important piece of information when compiling the assets of the Town and documenting the original value and amortized value of these assets and the overall position the Town is in with its Tangible Capital Assets, and the Town's current infrastructure deficit.

Due to inflation and changes in standards and technology, original cost is also not a good predictor of replacement cost, so where practical to do so (engineering structures – roads, underground infrastructure, etc.) replacement costs will be estimated to provide more accurate current infrastructure deficits and financial requirements.

Going forward the asset inventory will be stored and managed through GIS-centric Asset Management Software in order to allow for simpler data collection and management. A centralized asset database allows for quick review and update of data from the field. Once centralized this information can be reviewed, updated, and summarized more easily to support informed asset management decisions.





OBJECTIVES AND GOALS

Objective:

1. The municipality's Council & staff displays organizational alignment & commitment to asset management.

Goals to support this objective:

- a. To complete the organization of the asset management team
- b. Create an Asset Management Strategy and Roadmap
- c. Adopt an Asset Management Policy
- d. Hold quarterly Asset Management meetings

Objective:

2. Allocate limited resources in asset planning & decision-making processes, based on life cycle modelling, multi criteria prioritization, sustainable levels of service & risk management.

Goals to support this objective:

- a. Ensure we include operational and life cycle impact, costs, and risk (impact on taxes or service fees, risk or potential loss of service, etc) in all RFDs and budget discussions with Council.
- b. Review Municipal services and staffing levels in relation to asset management risk and service levels.
- c. Creation and maintenance of an asset replacement forecast.

Objective:

3. Provide consistent means of collecting & capturing data, both quantitative & qualitative to incorporate into the municipality's decision-making processes.

Goals to support this objective:

- a. Document current levels of services provided in all departments and average cost of maintenance trends over last 5 years.

- b. Update GIS mapping on an annual basis for as-builts on any construction or work done in the year.
- c. Implement digital work order and work completion documentation system to be used on a daily basis to track maintenance, repairs, and installations (MuniSight).
- d. Develop a process to regularly update condition/risk assessments of assets and record/update within our asset management program.

Objective:

- 4. Provide training, support, & resources to municipal Council & staff to ensure proper development & maintenance of the asset management system.

Goals to support this objective:

- a. Provide training to municipal Council & staff on asset management relative to their position
- b. Ensure all staff are aware of where to go for support, information, or training on asset management processes and policies.

Objective:

- 5. Ensure infrastructure projects, investments, & commitments are resilient & withstand turnover of people & leadership.

Goals to support this objective:

- a. Council will adopt and keep updated an asset management policy.
- b. Develop a process/template for documentation of key asset management processes.
- c. Ensure current staff knowledge is captured and recorded within the Town's mapping and document storage systems to allow staff as required to have access.





IMPLEMENTATION ROADMAP

To achieve Council’s vision of economic prosperity through innovative and progressive thinking we need to adopt an asset management program to integrate a lifecycle approach to ensure effective stewardship of infrastructure assets to maximize benefits, manage risk, and provide satisfactory levels of service to the public in a sustainable manner.

Goal	Activity	Responsibility	How will we know if we’re successful?	Year
1 a.	Set up AM team	Dir of Cor. Serv.	Creation of team	2021
1 b.	Create AM documents	AM team	Documents adopted and utilized	2021
1 c.	Adopt AM policy	Council	Policy adopted	2021
1 d.	Hold quarterly meetings	AM team	Meetings scheduled & taken place	4 x annually
2 a.	Info. for Council	AM Team Council	Up-to-date and complete information provided to Council	annually
2 b.	Review service & staffing levels	AM Team Council	Info. recorded & reviewed	annually
2 c.	Asset replacement forecast	AM Team	Relevant information provided & recorded	ongoing
3 a.	Document levels & costs	Staff	Information is accurate & up-to-date	ongoing
3 b.	Update GIS	Staff	Most up-to-date GIS info as possible	ongoing
3 c.	Digital work order process	Staff	Staff utilization of program & reports created	2021 & ongoing
3 d.	Condition & risk assessments	Staff	Assessments created and utilized	ongoing
4 a.	Training	AM Team	All staff understand roles, responsibilities & program	As required
4 b.	Support	AM Team	Staff knows who to go to for support	ongoing
5 a.	Maintain AM Policy	Council	Annual review completed	annually
5 b.	Document key AM processes	Staff	Reports can be created and utilized for budget decision making	ongoing
5 c.	Knowledge captured	Staff	Flow of information withstands turnover of staff	ongoing



Claresholm

Where **Community** Takes Root

COMMUNICATIONS AND CONTINUOUS IMPROVEMENT

Stakeholder Group	Connection to Asset Management Strategy	Communications Approach
Asset Management Team	Data input, project coordination & recommendations	Meetings
Facility & Infrastructure Planning Committee	Review projects Recommendations made to Council	Committee meetings
Council	Makes Decisions, reviews policy	Council RFD's & Info Briefs

We will assess our asset management practices annually and will compare our progress to the baseline. We will update our strategy as needed to reflect our progress and learning.





Claresholm
Where **Community** Takes Root

Program partners:

Canada



FEDERATION
OF CANADIAN
MUNICIPALITIES

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CANADIENNE DES
MUNICIPALITÉS

About FCM

The Federation of Canadian Municipalities (FCM) is the national voice of municipal government. In leading the municipal movement, FCM works to align federal and local priorities, recognizing that strong hometowns make for a strong Canada.



About AUMA

Founded in 1905, the Alberta Urban Municipalities Association (AUMA) represents 269 urban municipalities including cities, towns, villages, summer villages, and specialized municipalities. AUMA works with federal and provincial governments and business and community stakeholders on a broad range of issues to strengthen the economic, social, cultural, and environmental vitality of its member municipalities.



RMA
RURAL MUNICIPALITIES
of ALBERTA

About RMA

The Rural Municipalities of Alberta (RMA) is an independent association representing Alberta's 69 counties and municipal districts. Since 1909, the RMA has helped rural municipalities achieve strong, effective local government.



INFRASTRUCTURE ASSET MANAGEMENT ALBERTA

About IAMA

Infrastructure Asset Management Alberta (IAMA) represents the greater community of any person, organization or agency engaged in or has an interest in infrastructure asset management.