



TOWN OF LINCOLN COUNCIL POLICY

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Policy Title: STRATEGIC ASSET MANAGEMENT POLICY
Policy Number: FA-2018-01
Manual Section:
Authored by Department: Finance & Administration Department
Date of Council Approval: October 1, 2018
Date of Revision(s):

1) PURPOSE

- a) This policy outlines a broad strategic framework for asset management which encompasses many disciplines and involves the entire organization. Asset Management aims to leverage the lowest total lifecycle cost of ownership with appropriate regard for required service levels that best meets the needs of the community and an understanding about an acceptable risk of failure. This policy implements the requirements of Ontario Regulation 588/17 Asset Management Planning for Municipal Infrastructure.

2) APPLICATION OF THE POLICY

- a) This policy shall guide the actions and decision-making of all town employees and elected officials.

3) POLICY STATEMENT

- a) The Town of Lincoln will use the Asset Management Framework developed by the Municipal Finance Officers Association of Ontario (MFOA) as a basis for developing an ongoing asset management process.
- b) The Town of Lincoln will maintain and manage infrastructure assets at defined levels to support public safety, community well-being and community goals.
- c) The Town of Lincoln will monitor standards and service levels to ensure that they meet/support community and Council goals and objectives.
- d) The Town of Lincoln will maintain asset inventories of all its infrastructure.
- e) The Town of Lincoln will establish infrastructure replacement strategies through the use of full life cycle costing principles.
- f) The Town of Lincoln will plan financially for the appropriate level of maintenance of assets to deliver service levels and extend the useful life of assets as determined by industry best practices and evaluation frameworks.
- g) The Town of Lincoln will plan for and provide stable long term funding to replace and/or renew and/or decommission infrastructure assets.
- h) Where appropriate, The Town of Lincoln will consider and incorporate asset management in its other corporate plans
- i) The Town of Lincoln will report to citizens regularly on the status and performance of work related to the implementation of this asset management policy.



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4) DEFINITIONS

- a) "Asset Management" means the application of sound technical, social and economic principles that considers present and future needs of users, and the service from the asset.
- b) "AMP" refers to the Asset Management Plan of The Town of Lincoln
- c) "Capitalization threshold means the value of a municipal infrastructure asset at or above which a municipality will capitalize the value of it and below which it will expense the value of it.

5) MUNICIPAL GOALS, POLICIES AND PLANS SUPPORTED BY THE AMP

- a) Asset Management Planning will support the goal of Financial Sustainability
- b) Departmental and Master plans will aid in the development of appropriate service levels

6) AMP INCORPORATION IN FINANCIAL CYCLE

- a) The asset management process will include input into annual operating and capital budget cycles.
- b) A 10 year Capital Plan shall be updated annually to look at the upcoming requirements compared to funding availability
- c) Funding capacity is determined by identifying all existing predictable sources of funding.
- d) Government grants and other ad-hoc sources of capital will not be included in asset management planning due to their unpredictability

7) APPROACH TO CONTINUOUS IMPROVEMENT AND BEST PRACTICES

- a) Town staff will stay informed on developments in Asset Management through membership in Asset Management Ontario, meeting with other Niagara Area Municipal staff and continuous learning through professional associations.

8) TOWN OF LINCOLN COMMITMENTS

- a) As part of asset management planning, The Town of Lincoln will consider:
 - i) the actions that may be required to address the vulnerabilities that may be caused by climate change to the municipality's infrastructure assets, in respect of such matters as,
 - (1) operations, such as increased maintenance schedules,
 - (2) levels of service,
 - (3) lifecycle management,
 - ii) the anticipated costs that could arise from the vulnerabilities described in i),



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- iii) adaptation opportunities that may be undertaken to manage the vulnerabilities described in i),
- iv) mitigation approaches to climate change, such as greenhouse gas emission reduction goals and targets, and
- v) disaster planning and contingency funding.
- b) The Town of Lincoln will coordinate planning for asset management where municipal infrastructure assets connect or are interrelated with those of The Regional Municipality of Niagara, neighbouring municipalities, or jointly-owned municipal bodies.
- c) The Town of Lincoln will provide opportunities for municipal residents and other interested parties to provide input into the municipality’s asset management planning.

9) CORE MUNICIPAL INFRASTRUCTURE ASSETS

- a) The Public Works department shall be responsible for core municipal infrastructure assets which includes any municipal infrastructure asset that is a:
 - i) Water asset that relates to the distribution of water
 - ii) Wastewater asset that relates to the collection of wastewater, including any wastewater asset that from time to time manages stormwater
 - iii) Stormwater management asset that relates to the collection, transmission, retention, infiltration, control or disposal of stormwater
 - iv) Road
 - v) Bridge or culvert

10) OTHER MUNICIPAL INFRASTRUCTURE ASSETS

- a) The following table outlines which department shall be responsible for the other municipal infrastructure asset classes:

<u>Asset Class</u>	<u>Asset Component</u>	<u>Department</u>
Road Network	Sidewalks	Public Works
	Streetlights	Public Works
Buildings & Structures	All	Community Services
Trees	All	Community Services
Machinery & Equipment	Cemetery	Community Services
	Parks & Facility	Community Services
	Roads & Water	Public Works
	Fire Gear & Equipment	Fire Rescue & Emergency Services



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	Information Technology	Finance & Administration
	Library Books & Video	Lincoln Public Library Board
Land Improvements	Parking Lots – Parks/Facilities	Community Services
	Parking Lots – Other	Public Works
	Playground Equipment	Community Services
	Trails and Pathways	Community Services
	Splash Pad	Community Services
	Outdoor Ice Pad	Community Services
	Swimming Pools	Community Services
	Signs	Public Works
Vehicles	Cemetery	Public Works
	Fire Trucks & Vehicles	Fire Rescue & Emergency Services
	Parks & Facility	Public Works
	Roads	Public Works
	Water	Public Works

11) CONDITION ASSESSMENTS

- a) All asset classes will have updated condition assessments at least every 5 years in accordance with timelines established in the Town of Lincoln Asset Management Process

12) WATER ASSETS

- a) Through the annual DWQMS Infrastructure Review, asset conditions shall be determined based on operational performance, watermain breaks, water quality, customer complaints, leak detection, etc
- b) Physical inspection of water mains is very difficult, expensive and causes disruption of service. For these reasons physical inspection of watermains only occurs for high risk, large transmission mains when there is a requirement
- c) When projects include digging, water pipes are visually inspected
- d) General condition assessment of water assets is done by gathering key information about the main and its environment
 - i) Information includes age, material type, breaks, hydrant flow inspections and soil condition
- e) Condition assessments will be used to update lifecycle information for the financial forecasts



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13) WASTEWATER ASSETS

- a) Sewer mains will be assessed using National Association of Sewer Service Companies (NASSCO) inspection & assessment standards
- b) All gravity sewers & maintenance holes shall be inspected at least every 5 years
- c) Flow monitoring of the whole system will be completed at least every 5 years
- d) Condition assessments will be used to update lifecycle information for the financial forecasts

14) ONTARIO'S LAND-USE PLANNING FRAMEWORK

- a) During annual capital budget cycle, the Planning Department (Planning), Public Works(PW) and Community Services(CS) will take a wholesome look when planning infrastructure.
 - i) Planning will provide information on upcoming land-use developments
 - ii) Planning will review infrastructure for alignment with upcoming land-use
- b) At least every 5 years, a Development Charges study shall be undertaken in order to take a detailed look at the future needs of the community
- c) Planning will be consulted when Public Works and Community Services develop master plans
- d) Planning, PW and CS will share new information as it arises on an ongoing basis
 - i) New or updated development applications
 - ii) Unexpected infrastructure construction or repair
 - iii) Limitations on infrastructure capacity

15) CAPITALIZATION THRESHOLDS

- a) Capitalization thresholds will align with those set out in Town of Lincoln's Tangible Capital Asset Policy

16) STAFF RESPONSIBLE FOR ASSET MANAGEMENT PLANNING

- a) Executive Lead: Chief Administrative Officer
- b) Director of Finance & Administration
- c) Director of Public Works
- d) Director of Community Services
- e) Director of Planning and Development
- f) Fire Chief
- g) Steering committee of cross-departmental staff to execute and update Asset Management Process – Provide council with an annual update by July 1st



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17) MUNICIPAL COUNCIL

- a) Municipal council will:
 - i) be involved with the annual budget process
 - ii) ensure annual budgets are sufficient to, at a minimum, maintain defined service levels which support public safety
 - iii) receive annual updates about the Asset Management progress
 - iv) be engaged as the AMP is updated
 - v) approve the completed AMP
 - vi) approve policy updates

18) REFERENCES

- a) Municipal Finance Officers' Association of Ontario – Asset Management Portal
 - i) <http://www.mfoa-amp.ca>
- b) Ontario Regulation 588/17: Asset Management Planning for Municipal Infrastructure
 - i) <https://www.ontario.ca/laws/regulation/r17588>
- c) Infrastructure for Jobs and Prosperity Act, 2015, s.o. 2015, c. 15
 - i) <https://www.ontario.ca/laws/statute/15i15>
- d) Building together – Guide for Municipal asset management plans
 - i) <https://www.ontario.ca/page/building-together-guide-municipal-asset-management-plans>
- e) Administrative Agreement on the Federal Gas Tax Fund
 - i) <http://www.infrastructure.gc.ca/prog/agreements-ententes/gtf-fte/2014-on-eng.html>

19) POLICY REVIEW PROCESS

- a) This policy will be reviewed at least every five years and updated as necessary in accordance with O. Reg. 588/17

20) LAST REVIEW: