



# Policy #1031

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**Policy Title:** Asset Management

**Policy No.:** 1031

**Approval:** County Council

**Effective Date:** August 23, 2018  
**Amended Date:** February 13, 2019

**Supersedes Policy No.:** New

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**Policy Statement:** Mountain View County relies on a wide range of diversified assets to provide essential services to its community at the levels expected by stakeholders. In order to meet its strategic objectives, Mountain View County is committed to the implementation and ongoing management of a structured approach to Asset Management which will assist in guiding the County's processes and future direction.

**Purpose:** Mountain View County is committed to developing and maintaining an Asset Management Plan that ensures the delivery of high quality services to the community through the ownership and responsible operation, maintenance and rehabilitation of existing physical and new infrastructure assets.

- Principles:**
1. Provide leadership and visible commitment to Asset Management;
  2. Communicate to stakeholders the management approach endorsed by the County;
  3. Ensure that it conforms to the principles detailed in the Municipal Statutory Plans.
  4. Supports transparency and demonstrates to stakeholders the legitimacy of decision making processes by combining strategic plans, budgets, service levels and risks;
  5. Provide a framework for the implementation of an Asset Management system that is consistent within the organization and meets Council's priority objectives; and
  6. Develop and maintain support organization wide for the implementation of an Asset Management system.
  7. Provide a framework to review the Asset Management Plan at a minimum of 5 year increments.



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Procedure No.: 1031-01  
Approval: CAO  
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## 1. Definitions

- 1.1 "Asset" means existing or future physical assets owned by the County including but not limited to asphalt, chip seal and gravel roads, bridges, gravel, facilities, machinery, equipment, vehicles, land and land improvements.
- 1.2 "Asset Management Plan" means the municipality's asset management objectives and strategies on achieving the Policy requirements. The Strategy is focused on making the municipality's asset management practices real and tangible and is the basis for driving real improvements in evidence-based decision-making and more reliable financial planning and forecasts.

## 2. General Procedures

- 2.1 Asset Management Plans will be based on current and future service levels as established by Council.
- 2.2 Administration shall be responsible for the development of long-term Asset Management Plans for all asset types along with the creation of on-going inspection routines.
- 2.3 The County will undertake an initial review of current practices to identify opportunities for improvement which will likely include a number of stand-alone projects needed to be build and reinforce the different components of the Asset Management System
- 2.4 The strategic documents listed below and not limited to, tie into AM, are part of the County's overall approach and the AM system:
  - 2.4.1 Strategic Plan - Expresses a long-term vision for the development of Mountain View County. It serves as a link and supports the municipality's various plans and policies.
  - 2.4.2 Financial Plan - Legislative requirement of three year operating and five-year capital plans.
  - 2.4.3 Asset Management Policy - Defines Council's expectations for Asset Management
  - 2.4.4 Asset Management Procedure - Outlines senior management's commitment to implement the Council approved policy and associated approach.
  - 2.4.5 Asset Management Plans - Describes how the assets will be managed throughout their life cycle in support of service delivery. They must be approved by the Directors of all County departments.

2.4.6 Statutory Plans – Statutory plans are planning policy documents that guide future land use and development. The policies assist in the evaluation of application for change of use; subdivision and development by directing future land uses and identify the requirements for development that include servicing, environmental protection etc. The hierarchy of statutory plans identify that mandatory Intermunicipal Development Plans (IDPs) are the highest document followed by the Municipal Development Plan (MDP) that is also mandatory and optional Area Structure Plans (ASPs) and optional Concept Plans. If there is any conflict between these documents, the highest in the hierarchy shall prevail. The County has IDPs with our urbans, is developing IDPs with our rurals, has an MDP and various ASPs and Concept Plans.

2.4.7 By-laws and Municipal Policies – Motions of Council passed to provide direction to Administration.

2.5 The County will develop an Asset Management Plan with the following principles:

2.5.1 Service Delivery to Customers: The County will clearly define level of service objectives that balance community expectations and regulatory requirements with risk, affordability and available resources, and will do the following:

- a) Manage assets appropriately in order to efficiently and effectively deliver the defined levels of service.
- b) Monitor and periodically review level of service objectives to ensure that they meet or support community and Council expectations and other strategic objectives.
- c) The County will ensure transparency and accountability to the community on service delivery. This will include regular communications to Council to share information on service performance as well as technical information such as asset condition.
- d) The County will comply with all relevant legislative, regulatory and statutory requirements.
- e) The County will implement an AM system that incorporates risk-based and information-driven decision-making frameworks that appropriately consider the potential impacts of asset failure on ongoing service delivery.
- f) The municipality will ensure that decisions regarding the need for new assets are made with appropriate due diligence and that these needs are evaluated with a focus on service delivery to the community and supported with a valid business case that articulates costs and benefits.
- g) The County will prioritize and direct resources and expenditure in order to deliver levels of service and other community benefits at an acceptable level of risk.

2.5.2 Long-Term Sustainability and Resilience: The County's Asset Management decision-making will consider the needs of both current and future generations and the potential challenges associated with changing community demographics and expectations related to service delivery, as well as potential modifications to legislative requirements.

- a) The County's AM decision-making will consider the potential effects of climate change and other environmental changes and how the increased severity and frequency of climatic events may directly affect levels of service. Where appropriate, the County will adopt a proactive approach to mitigating the potential impacts of climate change.

- b) The County will consider socio-cultural, environmental and economic factors and implications when making and implementing AM decisions.

2.5.3 Holistic “big picture” Approach: To support AM decision-making, the municipality will take steps to connect the appropriate departments, functions and support activities in order to build effective working relationships and encourage information-sharing. These departments and functions include planning, engineering, operations, maintenance, and finance.

- a) AM decision-making will drive optimum value for the community by focusing on the “big picture”. The municipality will therefore ensure that decisions are made collaboratively and consider all life-cycle stages and the inter-relationships between asset performance, operational performance and overall service performance. Decision-making will also recognize the interconnected nature of asset systems and how decisions about one set of assets may potentially interact with or affect assets controlled by other departments or functions.

2.5.4 Fiscal Responsibility and AM Decision-Making: The County will use existing plans and develop and maintain future plans for infrastructure renewal, for the purchase or construction of new infrastructure and for the decommissioning of redundant infrastructure.

- a) This may also include:
  - i) Developing long-term projections of investment needs;
  - ii) Applying rigorous analysis, including consideration of risk, to identify short-term investment needs;
  - iii) Implementing processes to ensure that proposed investment plans address needs efficiently and effectively;
  - iv) Implementing processes to address the operational budget implications and capital investments;
  - v) Exploring efficiency opportunities where appropriate, including new technologies; and
  - vi) Analyzing investment plans and associated funding requirements and putting in place mechanisms to ensure long-term financial sustainability.
- b) The County will evaluate relevant asset investment decisions based on consideration of the whole-life costs associated with managing those assets through their entire life cycle.
- c) The County will develop prioritized capital investment plans that reflect community and stakeholder expectations with regard to level of service and other strategic objectives.
- d) The County will evaluate the magnitude, nature and overall balance of investment plans considering the aggregate value derived for the community, affordability, willingness to pay and intergenerational equity.

2.5.5 Innovation and Continual Improvement: The County views continual improvement as a key part of our AM approach and will focus on driving innovation in the development of tools, techniques and solutions.

- a) The County will monitor and periodically review the effectiveness of AM processes and the wider AM system in supporting the delivery of strategic objectives and will make adjustments as required.
- b) The County will assess the AM competencies required to implement the AM system and provide the necessary support, education and training to County Staff.
- c) The County will review the AM policy in conjunction with its review of the AM procedure, at a minimum of every four years. AM plans will be reviewed on a continual basis and approved by Council as part of the annual budget process.

2.5.6 Asset Life Cycle Procedures: The Asset Management Plan will manage the complete life cycle of the Asset including:

- a) Asset Acquisition
- b) Asset Maintenance
- c) Asset Renewal/Replacements
- d) Funding for Asset Renewal/Replacements
- e) Asset Disposal

### 3. Asset Management Plan Review

- 3.1 Long-term AM Plans will be reviewed on a continual basis and updated annually to coincide with the budget cycle. Should material changes occur during the fiscal year, administration will communicate changes required to Council.