



Hamilton

STRATEGIC ASSET MANAGEMENT POLICY AND CORPORATE ASSET MANAGEMENT PROGRAM UPDATE

June 14, 2023

Recommendation

1 . Strategic Asset Management Policy

- That Appendix “A” attached to report PW23044 respecting the Strategic Asset Management Policy be approved

2. Corporate Asset Management Program Update

- That Appendix “B” attached to report PW23044 respecting an Update on the Corporate Asset Management Program be received.

Asset Management Goal

- To meet a required level of service (LOS), in the most cost-effective manner, through the management of assets for present and future customers.

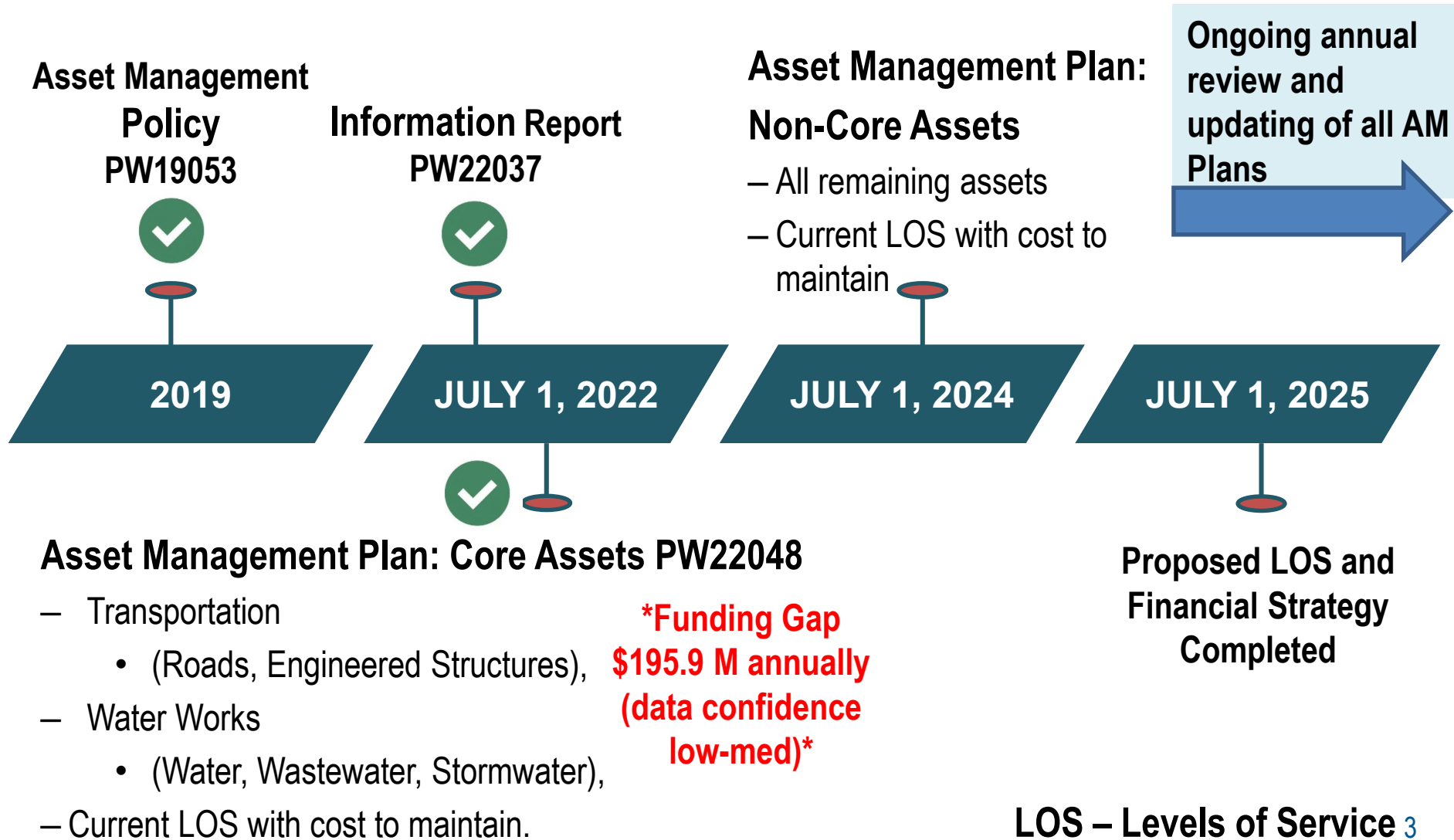
Benefits

- Governance and accountability,
- Effective and sustainable decisions,
- Enhanced customer service,
- Effective risk management,
- Improved financial efficiency.

Ontario 

O. Reg. 588/17:
Asset Management
Planning for
Municipal Infrastructure

Ontario Regulation 588/17 Mandates



Strategic Asset Management Policy

Four different levels of documents contribute to the overall asset management approach, the Asset Management Policy, Strategy, Asset Management Plans and Operational Plans/Programs.

Ontario Regulation 588/17: Asset Management Planning for Municipal Infrastructure requires that all municipalities prepare a Strategic Asset Management Policy by July 1, 2019, and shall review and, if necessary, update it at least every five years.

In June 2019 Council approved report PW19053 Strategic Asset Management Policy in order to affirm the City's commitments to asset management through defined principles and processes, and to align and integrate asset management into strategic planning processes.

Appendix "A" attached to Report PW23044 reflects the recommended updated Strategic Asset Management Policy.

Strategic Asset Management Policy

Appendix “A” attached to Report PW23044 reflects the recommended updated Strategic Asset Management Policy for Council approval.

Updates Include:

- Increasing the scope to include all non-core assets as well as core
- Realigning principles to asset management best practice:
 - Service delivery to customers,
 - Long term sustainability and resilience,
 - Integrated and systematic approach,
 - Fiscal responsibility and asset management decision making,
 - Innovation and continuous improvement, and,
 - Addition of equity framework.

Corporate Asset Management Program Update

Appendix “B” attached to Report PW23044 reflects a Corporate Asset Management Program Update for Council.

Updates included in Appendix “B”:

- Corporate Asset Management Steering Committee
 - Terms of Reference; Committee Members

- Resourcing Plan
 - Approval of permanent Corporate Asset Management Division (10 FTE)

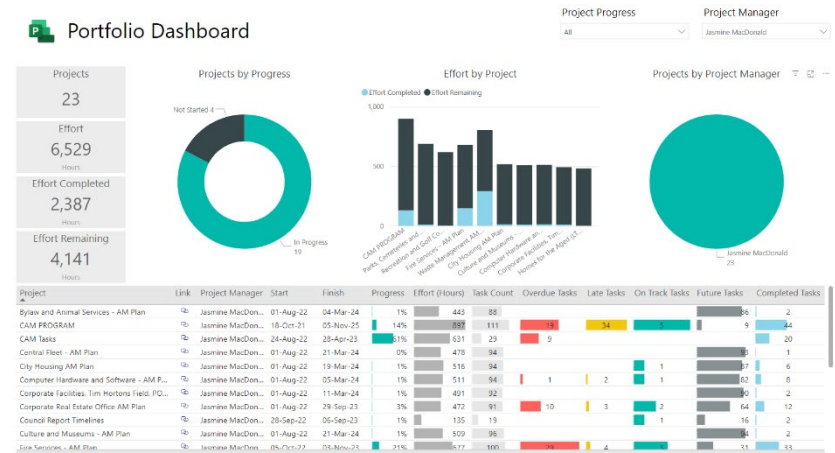
- Overall CAM Program Development
 - CAM Strategy being built; Governance and Communications released
 - Standard Operating Procedures (SOPs)
 - 17 SOPs identified; 2 released (Nonconformance and Risk) rest due Q4 2024.
 - Asset Management Training
 - In-house AM training modules built by our AM Professionals using SharePoint
 - 24 Staff completed Certification in Asset Management Planning.

Corporate Asset Management Program Update

Updates included in Appendix “B”:

- Asset Management Plans – Master Schedule
 - Implementation Plan and dashboard
 - Plan is highly dependent on obtaining qualified resources

- Continuous Improvement
 - As presented to Council on June 15, 2022 (PW22048 Core Asset Management Plan), 8 key themes were identified with the continuous improvement items, some progress made to date includes:
 - Level of Service (LOS): Customer engagement enhancements in progress
 - Lifecycle model templates developed/workshops in progress
 - Climate Change framework/training module created
 - Engagement with Corporate Finance to align AM Plans with budget process
 - Condition assessment studies in progress; standardized approach
 - Financial strategies identified by Corporate Finance

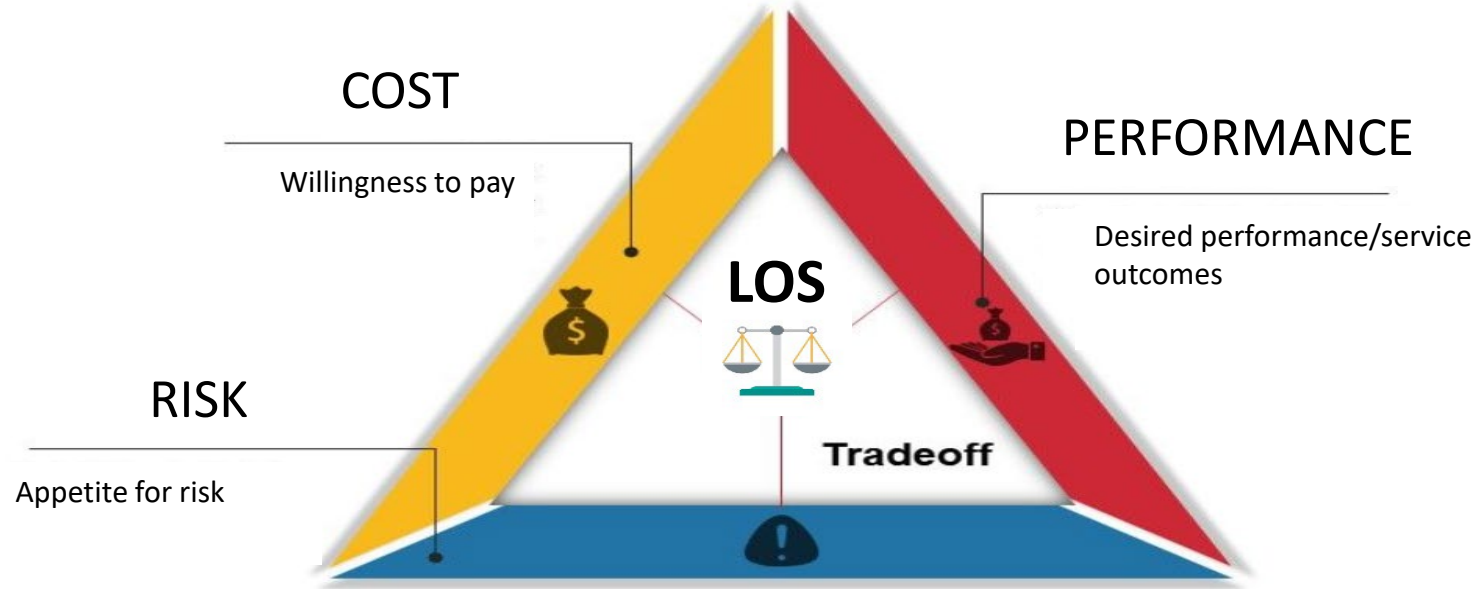


Corporate Asset Management Program Update

Updates included in Appendix “B”:

- Challenges & Successes
 - Many successes realized over the last year including:
 - establishing asset management methodologies
 - training and education material
 - Asset owner engagement across the organization
 - Some challenges include:
 - Asset Owner availability and capacity to participate;
 - Lack of Asset Management knowledge across the organization;
 - Conflicting priorities

Future State – By 2025



- Proposed levels of service will be achieved through the balance of cost, risk and service/asset performance.
- Prioritization of operating and capital funds becomes critical in order to ensure the best balance is achieved.
- Must find the balance that delivers the greatest value to the City.



Hamilton

QUESTIONS?