



COUNCIL POLICY

Corporate Asset Management

Policy Title	Corporate Asset Management		
Policy Number	360	Approved Date	
Department	Finance	Last Amended	
Mayor Signature		Last Reviewed	
		Signature Date	

1. Policy Statement

The City of Grande Prairie (City) is committed to:

- 1.1. Establishing and implementing a comprehensive Corporate Asset Management Policy to govern its Asset Management Program (AMP). This program serves to systematically identify, assess, and prioritize investments in current and future municipal infrastructure Assets.
- 1.2. Utilizing an integrated and data driven approach to ensure the durability, safety, Sustainability, efficiency and overall capability of these Assets, contributing to an improved quality of life within our community.

2. Purpose

- 2.1. The purpose of this Council policy (policy) is to:
 - 2.1.1. Establish a structured framework that guides the City in effectively managing its municipal infrastructure Assets.
 - 2.1.2. Implement systemic principles and practices that ensure Assets are strategically planned, maintained and renewed to support the City's objectives for safety, Sustainability, efficiency and community well-being.
 - 2.1.3. Demonstrate fiscal responsibility in the delivery of Levels of Service at the lowest overall cost of ownership.
- 2.2. By adhering to this policy, the City aims to enhance Asset performance, mitigate risks, allocate resources optimally and contribute to the overall quality of life for its residents.



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3. Definitions

In this policy:

- 3.1. **"Asset(s)"** means an item(s) that has value or potential value to the City's capital Assets, having the following characteristics:
 - 3.1.1. beneficial ownership and control clearly rest with the City; and
 - 3.1.2. the Asset is utilized to achieve City plans, objectives and services with the intention of being used on a continuous basis and is not intended for sale in the ordinary course of business.
- 3.2. **"Asset Management"** means the systematic and coordinated activities and practices of an organization aimed at achieving optimal and sustainable outcomes in alignment with its objectives. This involves the cost-effective lifecycle management of a wide range of Assets, including both tangible and intangible types, as well as individual components and complex systems.
 - 3.2.1. The scope of Asset Management encompasses all stages of an Asset's lifecycle. It spans from the initial identification of requirements or opportunities to the acquisition/creation phase, followed by operations/utilization, Asset stewardship or care/maintenance responsibilities, and extends through renewal to eventual disposal.
- 3.3. **"City"** means the municipal corporation of The City of Grande Prairie, having authority under the *Municipal Government Act, RSA 2000 C. M-26* and other applicable legislation. Where context requires, City also means the area included within the municipal boundaries of the City.
- 3.4. **"Corporate Asset Management Plan"** means a long-term plan developed for the management of one or more infrastructure Asset classes with a view to operating, maintaining and renewing the Assets within the class in the most cost-effective manner possible, whilst providing a specific level of service. Demonstrating an understanding of:
 - 3.4.1. Existing and desired service levels.
 - 3.4.2. Demands on the Assets.
 - 3.4.3. Financial commitments needed to maintain the Asset.
 - 3.4.4. Policies and programs needed to be sustainable.
 - 3.4.5. Business risk of Asset failure.
- 3.5. **"Corporate Asset Management Program (AMP)"** means a set of interrelated or interacting components of the City that establishes objectives and the processes needed to achieve those objectives. This program also includes the organization structure, roles, responsibilities, business processes, plans and operations of the City's Asset Management practices.



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- 3.6. **"Levels of Service"** means the set of parameters or combinations of parameters that encompass social, political, economic and environmental outcomes delivered by the organization. These statements articulate the intended outputs or objectives that an organization or activity aims to provide to its customers or stakeholders.
- 3.7. **"Natural Assets / Green Infrastructure"** these terms are used interchangeably to describe designed and engineered elements created to mimic natural functions and processes in the service of human interests. While green infrastructure can provide numerous ecosystem services, the current emphasis primarily pertains to ecological and hydrological functions and processes for managing elements such as water.
- 3.7.1. Examples include stormwater management systems, parklands, urban forests, green roofs and permeable surfaces.
- 3.8. **"Resilience"** means the City's capacity to ensure the well-being and prosperity of its residents and workers despite various stresses, shocks, or transformations that might arise. This capacity includes the capability to endure disruptions and to flexibly adjust to evolving circumstances, encompassing factors such as climate change, emergencies, urban growth and shifting demands.
- 3.9. **"Risk-Informed"** means applying structured risk-based management practices to identify, analyze, assess and respond to uncertainties that could affect Asset Management outcomes.
- 3.10. **"Risk Management"** the principles outlined in ISO 31000 (Risk Management), risk management refers to the structured application of management policies, procedures, and practices to a defined set of activities. These activities are designed to establish the relevant context, engage in effective communication and stakeholder consultation, as well as identify, analyze, evaluate, treat, monitor and periodically review risks. The aim is to systematically mitigate, control or exploit uncertainties that could impact the achievement of Asset Management objectives.
- 3.11. **"Sustainability"** means that within the realm of infrastructure Asset Management and considering the challenges posed by climate change, sustainability refers to the strategic approach of planning, designing and managing Assets in a way that fulfills present needs without jeopardizing the ability of future generations to fulfill their own requirements. This involves achieving equilibrium between economic prosperity, social responsibility, and environmental stewardship, thereby ensuring the long-term Resilience, adaptability, and viability of both Assets and the communities they serve.

4. General Principles

- 4.1. **Strategic Planning and Alignment:** Prioritize Asset Management strategies that align with the City's objectives, ensuring the efficient utilization of resources and attainment of desired outcomes.
- 4.2. **Lifecycle Management:** Implement a holistic approach that manages tangible and intangible capital Assets across their lifecycles – from initial planning and acquisition to ongoing operation, maintenance, renewal, and eventual disposal. These processes should be Risk-Informed, in order to justify renewal.



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- 4.2.1.** An Asset should be replaced under the following circumstances (see [Schedule "A"](#)):
- a. Financial Sustainability:** An Asset shall be replaced when it is no longer financially viable to maintain or repair. This decision should be based on a thorough evaluation of the costs associated with ongoing maintenance compared to the costs of replacement.
 - b. Levels of Service:** If an Asset is unable to consistently provide the required Levels of Service as specified, it should be considered for replacement. This decision should consider factors such as performance degradation and the impact on the intended service outcomes.
 - c. Safety Risk:** Replacement may be necessary if an Asset poses an unacceptable safety risk to staff or members of the public. Safety considerations should be a primary concern and assessed through comprehensive risk assessments.
- 4.2.2.** These replacement decisions align with International Standards Organization (ISO) 55000 principles, emphasizing the importance of optimizing Asset performance, managing risks and achieving the desired Levels of Service while taking financial Sustainability and safety into account. ISO 55000 is an international standard that provides a framework for effective Asset Management, particularly in industries with significant physical Assets like utilities, transportation and manufacturing. Its core principles guide organizations in balancing costs, risks and performance throughout the lifecycle of their Assets to maximize value.
- 4.3. Resilience and Sustainability:** The City places a strong emphasis on Sustainability and climate Resilience within its Asset Management practices. This involves incorporating Sustainability principles to ensure the long-term viability and adaptability of Assets amidst changing conditions. Notably, Natural Assets and Green Infrastructure are essential components of this approach.
- 4.4. Continuous Improvement:** Foster a culture of continuous improvement by regularly assessing Asset Management practices, adapting to emerging trends and integrating industry best practices.
- 4.5. Interdisciplinary Collaboration & Future Forward Thinking:** Foster collaboration among various departments and stakeholders to ensure integrated and holistic Asset Management solutions which are working together for future generations by making informed decisions that balance present needs with the long-term well-being of the community and its Assets.
- 4.6.** The City will apply these principles by:
- 4.6.1.** consulting with stakeholders, where appropriate, with special consideration to social, environmental and Sustainability goals;
 - 4.6.2.** making Risk-Informed decisions, identifying all revenues and costs associated with infrastructure Assets;
 - 4.6.3.** integrating corporate, financial, business, technical and budgetary planning for infrastructure Assets;



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- 4.6.4. managing Assets to be sustainable and pursue best practices where available;
- 4.6.5. establishing organizational accountability and responsibility for Asset inventory, condition, use and performance through the Asset Management policy; and
- 4.6.6. reporting the performance of its Asset Management Program (AMP) to CLT and Council.

5. Responsibilities

- 5.1. City Council will review and approve any revisions to this policy.
- 5.2. City Manager will review and approve any procedures related to this policy.
- 5.3. City Administration will carry out this policy based on established procedures.

6. Legislative Authority & Other Reference

- 6.1. *Municipal Government Act, RSA 2000, c M-26*
- 6.2. International Standards Organization ISO 55000 – Asset Management
- 6.3. International Standards Organization ISO 31000 – Risk Management

7. Attachments

- 7.1. See [Schedule "A"](#), Asset Replacement Flowchart

8. Version History

Action	Date	Description
New Policy		Replaces Council Policy 354, Asset Management



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Schedule "A": Asset Replacement Flowchart

