



## **Asset Management Policy–CF-9**

EFFECTIVE: September 28, 2021  
AUTHORIZED BY: Council  
RESOLUTION: 21-24-253  
REPLACES: October 19, 2015

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### **POLICY**

It is the policy of the City of Quesnel to undertake asset management across the organization in a systematic and coordinated way to ensure that the City's assets are maintained at a level that supports the delivery of sustainable community services, reflecting the long term strategic goals of the organization including infrastructure re-investment and financial stability.

### **PURPOSE OF POLICY**

The purpose of this policy is to set guidelines for developing asset management plans across the organization that include the application of sound, technical, social and economic principles that considers present and future needs of users, and service levels from the asset.

Well managed and maintained infrastructure assets are essential to the Community's priorities set out in the City of Quesnel's Integrated Community Sustainability Plan of Building a Strong Diverse Economy, Enhancing the Quesnel Experience, Ensuring a Clean and Healthy Environment and Maintaining and Managing our Natural Resources. These assets include but are not limited to efficient transportation networks, economical and reliable water distribution networks, safe and reliable sewage collection systems, reliable information technology systems, productive fleets and accessible parks, recreation and civic facilities.

Though these assets age and deteriorate, by using sound asset management practices, council and the community can be assured that the assets meet performance levels and are used to deliver the desired service in the long term.

Sections 165 and 166 of the Community Charter outline the legislated requirements and timelines for Council to adopt the five year financial plan bylaw and the tax rate bylaw.

### **POLICY STATEMENTS**

Asset management is a broad strategic framework that encompasses many disciplines and involves the entire organization. To guide the organization the following policy statements have been developed:

1. The City of Quesnel will maintain and manage infrastructure assets at defined levels to support public safety, community well-being and community goals.
2. The City of Quesnel will monitor standards and service levels to ensure that they meet and support the Community's goals and objectives and Council's vision, strategic plan, goals and

objectives.

3. The City of Quesnel will develop and maintain asset inventories of all its infrastructures
4. The City of Quesnel will establish infrastructure replacement strategies through the use of full life cycle costing principles.
5. When making land use and development decisions, the City of Quesnel will consider the long term cost implications of their decisions.
6. Before purchasing a new asset, the City of Quesnel will fully understand the life cycle costs required and any effect the funding required will have on the replacement plan of current assets.
7. The City of Quesnel will plan financially for the appropriate level of maintenance of assets to deliver service levels and extend the useful life of assets.
8. The City of Quesnel will plan appropriately for the disposal of assets, including regular reviews of assets with Council that consider possible disposals.
9. Where appropriate, the City of Quesnel will consider and incorporate asset management in its other corporate plans.
10. The City of Quesnel will report to citizens regularly on the status and performance of work related to the implementation of this asset management policy.

## CONTEXT

Asset management is formalized through various corporate documents. Council and staff will consider this policy and integrate it in the development of other corporate documents where possible and appropriate including such documents as:

- The Official Community Plan
- The City's Corporate Strategic Plan
- Corporate Financial Plans
- Operational plans and budgets
- Annual reports
- Design criteria and specifications
- Infrastructure servicing, management and replacement plans
- Community Social Plans
- Parks and Recreation Plans
- Facility Plans
- North Cariboo Recreation Plans (with the Cariboo Regional District)

## PRINCIPLES

The City of Quesnel will follow the following principles with respect to asset management

1. Manage assets sustainably considering the City's environmental, social and economic responsibilities and the life cycle costs of assets.
2. Optimize the use of available resources.
3. Make informed asset decisions
4. Articulate and evaluate trade-offs, and record the basis for a decision.
5. Integrate corporate, financial, business, technical and budgetary planning for assets.
6. Maintain organizational accountability and responsibility for asset inventory, condition, use and performance.
7. Consult with stakeholders where appropriate.
8. Define and articulate asset performance, maintenance and replacement standards and outcomes.
9. Consider the effects of climate change in the design, renewal and replacement of assets.
10. Consider the criticality of the services provided and minimize the risks of downtime.

11. Develop and demonstrate improvement towards best practices.
12. Report on the performance of its Asset Management Program

## PROCEDURE

To guide the process of making informed asset decisions, whenever a new capital asset (or significant replacement) is considered, an analysis will be completed that will require the following:

- A cost estimate (the cost estimate must indicate the year of estimate and contingency included)
- Review of operating requirements and any ongoing costs/savings
- Review of any potential due diligence work that still needs to be completed
- Anticipated funding sources
- Sign off by various departments to ensure any life cycle, climate change, regulatory issues have been considered.

This analysis will be included with the Council Report that introduces the potential new capital project for either capital budget approval or a grant application.

## ROLES AND RESPONSIBILITIES

Asset management is an ongoing process. The following roles have responsibilities in the process.

ROLE	RESPONSIBILITIES
Council	<ul style="list-style-type: none"> <li>• Ultimate responsibility for City assets. Stewardship of assets through adoption of policies and budget. Establish levels of service. Identification of Issues.</li> </ul>
Financial Sustainability and Audit Committee (FSAC)	<ul style="list-style-type: none"> <li>• Provide leadership for the budget preparation, including the capital funding available and potential projects.</li> </ul>
Chief Administrative Officer (CAO)	<ul style="list-style-type: none"> <li>• Implementation of policies, development of guidelines and practices, ongoing review of assets and identification of issues to Council</li> <li>• Risk management</li> </ul>
Director of Corporate and Financial Services	<ul style="list-style-type: none"> <li>• Reporting on Asset Management Progress</li> </ul>
Directors	<ul style="list-style-type: none"> <li>• Develop and maintain asset inventories</li> <li>• Assess infrastructure condition and service levels</li> <li>• Develop and maintain financial plans for the appropriate maintenance and replacement of assets</li> <li>• Use of full life cycle costing principles</li> <li>• Early identification of risks</li> </ul>