

<b>Policy Title:</b> Asset Management Policy	<b>Policy Number:</b> P148
<b>Policy Category:</b> Finance	
<b>Approval Date:</b> March 11, 2025	<b>Policy Owner:</b> Financial Services
<b>Approved by:</b> Board	<b>File Reference:</b> 0340-50

**INTENT**

The Comox Valley Regional District (CVRD) is responsible for a wide range of regional, sub-regional, and local services. The delivery of these services requires ownership and responsible operation, maintenance, renewal, upgrade and / or disposal of assets including land, buildings, equipment, machinery, vehicles, water and wastewater infrastructure, parks and greenspace, and natural assets.

Asset management is an integrated approach to deliver value to our communities through the effective management of existing and new assets.

The intent is to maximize benefit, manage risk, and provide satisfactory levels of service in a socially, environmentally, economically, and culturally responsible way. Good asset management practices are fundamental to achieving sustainable and resilient communities.

A successful asset management program requires the involvement of all CVRD departments.

The purpose of this policy is to:

1. Establish responsible governance for the practice of asset management.
2. Document the CVRD’s commitment to asset management and the continuous improvement (measured progress) of the asset management program.
3. Define guiding principles for the development, implementation, and integration of the asset management program.
4. Delineate the roles and responsibilities for the delivery of the asset management program and sustainable service delivery.

**SCOPE**

- This policy applies throughout the CVRD, including employees, volunteers, contractors, and elected officials.
- This policy applies to all existing and new assets owned, managed, or used by the CVRD to provide services.

- CVRD owns a wide range of asset types that deliver services to the people of the Comox Valley. Each year the CVRD may receive or construct new assets.
- In addition, CVRD may rely on natural assets or other assets that it does not own, in order to deliver services.
- Where service provision is supported by other assets not owned by CVRD, we will work collaboratively with those asset owners and promote the principles outlined in this policy.
- CVRD recognizes the importance of natural assets and will include these in its inventories and asset management practices. Examples include water bodies, wetlands and wildlife corridors.

## DEFINITIONS

- **Asset:** an item, thing or entity that has potential or actual value to an organization.
  - **Engineered Assets** are owned, bought or constructed by the CVRD.
  - **Natural Assets** are naturally occurring features which perform or support CVRD service delivery and may include artificial features that mimic naturally occurring features such as the watershed, ditches, ponds and wetlands. Natural assets may or may not be owned by the CVRD.
  - **Intangible Assets** also provide value to the organization and include people, processes, relationships, culture, reputation, or the economic context.
- **Asset Management:** the coordinated activities to deliver value to the community from its assets in the achievement of sustainable service delivery and its organizational objectives.
- **Asset Management Program:** the set of policies, governing principles, strategies, processes, practices, and enablers (such as technology tools, data, materials, equipment, and human resources) that are applied to manage assets through their lifecycle.
- **Asset Management Plans:** A plan developed for the management of infrastructure assets that combines multidisciplinary management strategies (including technical and financial) over the lifecycle of the asset in the most cost-effective manner to deliver a specified level of service. It specifies the activities, resources and timescales required for individual assets (or asset grounds) to achieve the organization's asset management objectives. A significant component of the plan is therefore a long-term program of works and cash flow projection for the activities. Each plan will vary in complexity depending on the asset group it pertains to.
- **Disposal:** actions necessary to decommission, dispose, or repurpose assets that are no longer required.

- **Level of Service:** service level delivered to the public by the CVRD. This can take the form of the selection of services that are provided, the standard of infrastructure in place, or the standard to which an asset is maintained. The desire for a particular level of service will directly affect utility user rates or taxation.
- **Lifecycle:** a series of stages through the age of an asset that characterizes the ability of the asset to meet an expected level of service and retain its identity as an asset.
- **Lifecycle Cost:** costs associated with an asset from identification of need until disposal including costs associated with design, construction, acquisition, operations, maintenance, energy, and cost of carbon, upgrades, renewals, and disposal. Costs may be direct or indirect.
- **Risk:** a chance of an event occurring that could have a negative impact; it is measured in terms of a combination of the likelihood of an event and its **consequences**. Consequences may affect the environment, community (social), service delivery, lifecycle cost, strategic and operational objectives, or ability to fulfil regulatory requirements.
- **Stakeholders:** includes but not limited to CVRD residents, elected officials, **community** partners (such as neighbouring municipalities, nations, and non-profit partners), staff, and organizations that affect or are affected by, Asset decisions.
- **Sustainable Service Delivery:** providing the desired services, at the desired **level**, to the appropriate people at the right time in the most effective and responsible manner possible.

## PRINCIPLES

### 1. **Decisions about service delivery are prioritized in a clear, consistent, and transparent way based on trade-offs between level of service, lifecycle cost, and risk.**

- Levels of service are defined and based on regulatory requirements, best practices for lifecycle optimization, risk management, customer expectations and willingness to pay.
- The full lifecycle cost of any new asset is determined and used to understand cumulative impacts to operations.
- Development standards reflect the lifecycle costs of infrastructure.
- A risk framework (considering both likelihood and consequence) is in place.
- Service delivery investment decisions are informed by a clear and transparent set of criteria.
- Trade-offs between level of service, cost, and risk are documented and understood.

**2. The CVRD demonstrates organizational alignment and commitment to sustainable service delivery.**

- Relevant corporate strategies, policies, and plans are informed by each other and together support sustainable service delivery considering socio-cultural, environmental, and economic consequences and responsibilities.
- Have a system wide approach to asset management using formal, consistent and repeatable methods across all services.
- Elected officials and the executive management team support staff in providing sustainable service delivery.
- Standard operating procedures support sustainable service delivery.

**3. Appropriate information and tools are available, integrated, and used alongside professional judgement to inform decisions.**

- The CVRD continues to develop and maintain a complete and accurate asset inventory.
- Limitations of qualitative and quantitative data are documented and understood.
- Data is accessible to all who need it.
- Suitable software systems are in place and integrated to the extent practical and staff are knowledgeable in their use.
- The outputs of software systems and other tools are used as inputs to collaborative discussions in which decisions are ultimately made using professional judgement.

**4. Sufficient financial resources are in place to enable sustainable service delivery and continuous improvement in asset management.**

- Financial decisions are in alignment with the fiscal framework and strategic documents.
- The setting of taxation, user rates, fees, and charges is informed by the full lifecycle cost of service delivery.
- Funding levels are predictable and well planned over the long term and consider the multigenerational life of infrastructure.
- Staff understand the funding available to support long-term capital planning.

**5. Sufficient human resources are in place to enable sustainable service delivery and continuous improvement in asset management.**

- Human resource levels are appropriate for the target level of service.
- Staff knowledge and experience is valued, retained, and captured within processes and procedures.

- Staff are provided with professional development opportunities to build knowledge and skillset in asset anagement.
- A cross-functional team is in place to champion sustainable service delivery.
- All staff involved in infrastructure service delivery understand their role and see how their work contributes to a sustainable service delivery.

**6. The CVRD continuously improves sustainable service delivery and measures, tracks, and communicates progress.**

- Asset management plans align with targets and recommendations in the Corporate Energy and Emissions Plan.
- Greenhouse gas emissions reduction is considered in capital planning decisions and the design and / or rehabilitation of infrastructure, with the goal of phasing out the resilience on fossil fuels.
- Climate change impacts are considered in land use and capital planning decisions, operations and the design and /or rehabilitation of infrastructure.
- The role of natural assets is considered in the CVRD’s approach to climate change adaptation and mitigation.

**7. Stakeholders are appropriately engaged in decisions about sustainable service delivery.**

- Levels of Service and trade-offs between costs and services are informed by and understood by staff, elected officials, stakeholders, and the public.
- Public input used to inform decisions about service delivery is representative of the target customer.

**ROLES AND RESPONSIBILITIES FOR LEADING IMPLEMENTATION**

ROLE	RESPONSIBILITY
<b>Board of Directors</b>	<ul style="list-style-type: none"> <li>• Provides strategic direction and governance to the organization</li> <li>• Represents the community’s values and best interests when making decisions and setting risk and service levels</li> <li>• Adopts and revises the Asset Management Policy as required</li> <li>• Approves sufficient funding and resources for sustainable service delivery through the annual financial planning process</li> </ul>

ROLE	RESPONSIBILITY
<b>Chief Administrative Officer</b>	<ul style="list-style-type: none"> <li>• Provides an organization-wide perspective on sustainable service delivery</li> <li>• Ensures the asset management program remains consistent with corporate objectives</li> <li>• Oversees involvement of executive management team and ensures sustainable service delivery related responsibilities are allocated effectively amongst staff</li> </ul>
<b>Chief Financial Officer</b>	<ul style="list-style-type: none"> <li>• Executive sponsor of the asset management program providing overall leadership for advancements and alignment to corporate objectives</li> <li>• Ensures effective corporate internal services are provided through the asset management department</li> <li>• Development, implementation and maintaining the fiscal framework and strategy</li> <li>• Decision making system and process as see within annual budget process</li> </ul>
<b>General Manager of Engineering Services</b>	<ul style="list-style-type: none"> <li>• Executive sponsor of the asset management program providing overall leadership for advancements and alignment to corporate objectives</li> <li>• Oversees the vast majority of CVRD assets</li> <li>• Ensures sustainable service delivery are allocated effectively amongst engineering services staff</li> </ul>
<b>Other General Managers</b>	<ul style="list-style-type: none"> <li>• Champion of the asset management program</li> </ul>
<b>Asset Management Steering Committee</b>	<ul style="list-style-type: none"> <li>• Provides corporate oversight to the asset management program</li> <li>• Ensure program is operationally executable, and the goals and directions are maintained</li> <li>• set priorities, endorses roadmap, approve work programs and allocates resources</li> <li>• Ensures staff training is available ensures staff gain an adequate level of understanding as to the importance of sustainable service delivery and asset management and their role is in implementing the asset management plans for their department</li> </ul>

ROLE	RESPONSIBILITY
<p><b>Manager of Asset Management</b></p>	<ul style="list-style-type: none"> <li>• Lead the development and implementation of CVRD’s asset management program and reports on sustainable service delivery</li> <li>• Maintains the line of sight between corporate objectives and the asset management program, recognizing and responding to shifts in organizational context, strategies, or impacts to sustainable service delivery</li> <li>• Provides leadership, coordination, and support to ensure effective and efficient delivery of departmental plans and prioritize areas for improvement</li> <li>• Maintains knowledge of industry best practices, stays connected to local knowledge bases, and builds internal asset management knowledge through training and engagement</li> <li>• Supports department, leads multiple asset management initiative</li> <li>• Establishes and maintains a corporate master asset registry</li> </ul>
<p><b>Department Managers</b></p>	<ul style="list-style-type: none"> <li>• Integrate Asset Management Policy with other CVRD’s policies, strategies, plans and processes</li> <li>• Responsible for the management of the asset registry to which they are assigned</li> <li>• Accounts for the timely data entry into the corporate asset management system, its accuracy and relevance as well as for defining the key performance indicators of their assets</li> <li>• Responsible for the continual optimization/improvements of processes and resource allocation by using the information generated by the system</li> <li>• Participate in daily risk management and complete the required analyzes</li> <li>• Develop appropriate financial plans and service expectations within the asset registry for which they are accountable</li> </ul>

Approval Date	Approved By	Description of Change