

Report from: Engineering, Facilities and Environmental Services and Financial Management Services

Report Date: June 19, 2024

Meeting Date: June 24, 2024

Report Number: EFESFMS-104-2024

File: 68.81.99, 10.57.10

Subject: 2024 Strategic Asset Management Policy Update

Strategic Pillar:

This report aligns with the following St. Catharines Strategic Plan pillars: Economic, Social, Environmental, Cultural and Organizational Excellence



Recommendation

That the updated Strategic Asset Management Policy, attached in Appendix A of [Report EFESFMS-B007-2024](#), be approved.

Summary

This report serves the administrative purpose of updating the Strategic Asset Management Policy, originally approved by the Budget Standing Committee on June 17, 2024 through [Report EFESFMS-B007-2024](#) (attached as Appendix A). This update is necessary to ensure alignment with the *O.Reg. 588/17* requirement of Council approval.

Relationship to Strategic Plan

The adoption of the Policy will result in clearer linkages between Asset Management Policies and the Strategic Plan. The recommendation specifically supports the following goals of Environmental Stewardship the strategic direction to prepare community for impacts of climate change particularly increasing frequency and severity of weather-related events.

Report

O.Reg. 588/17 requires “every municipality prepare its first strategic asset management policy by July 1, 2019, and shall review and, if necessary, update it at least every five

years.” The regulation also requires the policy be posted to the municipality’s website, in accordance with this provision staff will post the policy once it is approved by Council.

The Policy emphasizes the integration of Asset Management (AM) with the City's Strategic and Development Plans, crucial for sustaining economic, social, environmental, cultural pillars, and organizational excellence. Guiding principles outlined in the policy facilitate consistent decision-making compliant with regulatory requirements. Climate change considerations and Environmental Stewardship are integrated into the policy, aligning with regulatory mandates. The policy mandates annual updates on AM status, ensuring ongoing transparency and accountability.

Financial Implications

Based on recent reporting requirements, continued capital funding is expected to be contingent upon demonstrated growth in Asset Management practice including the development of Asset Management Plans. To date, both (Federation of Canadian Municipalities (FCM) grant, and Canada Community Building Fund (formerly Federal Gas Tax) funding require reporting on the state of Asset Management Systems and practices and its continuing development.

While the adoption of the Policy has no specific financial requirements, it will result in a clearer alignment between Corporate Asset Management (CAM) and financial budgets and plans. It is expected that as Asset Management Plans are further implemented, significant ongoing funding will be required to close the annual infrastructure gap.

Environmental Sustainability Implications

There are no environmental implications associated with this report. For many assets, climate impacts make it more difficult to achieve the desired level of service. Climate change can amplify risk and increase the costs to manage the assets. The policy includes considerations for addressing potential climate change impacts, improving resiliency, promoting energy efficiency and reducing greenhouse gas emissions.

Operational Implications

As the City advances with the Asset Management Plan (AMP), invests in green assets, and addresses the infrastructure gap, continuous operational funding will be necessary.

Conclusion

The adoption of this updated policy will result in greater emphasis on building a sustainable community, protection of assets against climate change and on CAM's clearer roles and responsibilities. In addition to meeting ongoing legislated requirements included in *O. Reg. 588/17*, the Policy provides overarching direction and guidance to the City to help ensure that it is doing the right work on the right assets at the right time.

Notifications

This policy will be provided on the City's website to satisfy the *O. Reg. 588/17* requirement for publication of the policy. Notification should also be given to the St. Catharines Public Library Board.

Prepared and Submitted by

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Ricci Cheung
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Approved by

Anthony Martuccio
Director of Engineering, Facilities and Environmental Services

Kristine Douglas
Director of Financial Management Services / City Treasurer

Appendices

A. Report EFESFMS-B007-2024 - 2024 Strategic Asset Management Policy Update



Corporate Report Budget Standing Committee

Report from: Engineering, Facilities and Environmental Services and Financial Management Services

Report Date: June 3, 2024

Meeting Date: June 17, 2024

Report Number: EFESFMS-B007-2024

File: 68.81.99, 10.57.10

Subject: 2024 Strategic Asset Management Policy Update

Strategic Pillar:

This report aligns with the following St. Catharines Strategic Plan pillars: Economic, Social, Environmental, Cultural and Organizational Excellence



Recommendation

That the updated Strategic Asset Management Policy, attached as Appendix 1, be approved.

Summary

The updated Strategic Asset Management Policy is included as Appendix 1 for approval to meet the legislated requirement within Provincial Regulation 588/17: Asset Management Planning for Municipal Infrastructure Regulation (O.Reg 588/17). This updated policy primarily focuses on the City's increasing dedication to environmental stewardship, alongside a commitment to accountability and transparency. It prominently highlights the City's initiatives aimed at preserving existing assets and constructing new ones that are resilient to climate change. The policy aims to provide clearer delineation of roles and processes within asset management while also kickstarting sustainability initiatives to enhance community service.

Relationship to Strategic Plan

The adoption of the Policy will result in clearer linkages between Asset Management Policies and the Strategic Plan.

The Policy is a high-level strategic document. Asset management shall be aligned with and supports each pillar of the Strategic Plan. The policy is a foundational document to assist the City in creating long-term strategies to chart a course that ensures the City of

St. Catharines will be a safe, innovative, sustainable, and caring city today and for future generations.

The Policy's Strategic Directions and Priority Initiatives are as follows:

Organizational Excellence Goal: The City of St. Catharines will achieve excellence in financial and service sustainability and high customer satisfaction.

- Strategic Directions:
 - Balance fiscal stewardship with services and service levels
 - Examine City services and service levels to balance neighbourhood quality with opportunities for taxpayer affordability
 - Maintain quality assets in a good state of repair; identify and close the municipal infrastructure gap
- Priority Initiatives
 - Managed Public Debt based on Modernized Asset Management

Environmental Stewardship Goal: St. Catharines will be recognized as a leader in environmental sustainability and resilient in the face of escalating climate change events.

- Strategic Directions:
 - Prepare community for impacts of climate change particularly increasing frequency and severity of weather related events
 - Ensure community planning is consistent with environmental sustainability through compliance with Garden City Plan, Regional Official Plan Amendments and Provincial Policy Statemen

Background

The City's stewardship of varied and complex assets with an estimated replacement value of \$7.2 billion directly impacts the quality of life enjoyed in St. Catharines. These assets including water, wastewater, drainage systems, transportation networks, buildings, recreational facilities, and green infrastructure, which require ongoing management.

Corporate Asset Management (CAM) is the coordination of activities across the Corporation to optimize value from its assets over all stages of the assets' life cycle. The asset life cycle includes Planning, Design, Constructing, Acquiring, Operating, Maintaining, Preserving, Renewing, Replacing and Disposing. Asset optimization requires balancing costs, risk and opportunities and the level of service provided to customers.

Within the context of municipalities being the steward of the majority of public infrastructure in Canada, coupled with significant infrastructure deficits, the province has passed legislation requiring more emphasis on CAM in Municipal government. O. Reg. 588/17 is a progression of the Municipal Infrastructure Strategy launched in 2012 and the Infrastructure for Jobs and Prosperity Act of 2015. It expands asset

management requirements beyond the preparation of Asset Management Plans (AMP), which the City provided in 2023 to comply with earlier legislation.

The Asset Management Working Group (AMWG), comprising key City staff from a variety of disciplines, was formed in 2018, and has been tasked with complying with the new regulations and furthering CAM. Other municipalities have also been developing their own Policies to meet the legislated deadline, so content and approaches have been shared. Provincially funded resources, including the Municipal Finance Officers' Association Strategic Asset Management Policy Toolkit, were also used in drafting the City's Policy. Senior management was also engaged throughout the process so the City could develop a Policy that fits the City of St. Catharines. The Strategic Asset Management Policy was approved by Council on May 22, 2019.

Report

On May 22, 2019, City Council approved the Strategic Asset Management Policy, aimed at ensuring alignment with corporate strategies and financial plans. This Policy covers operational areas under the authority of the City Council, while excluding certain entities operating under different legal frameworks. It prioritizes assets crucial for community service provision and those with significant impact upon failure.

O.Reg. 588/17 requires "every municipality prepare its first strategic asset management policy by July 1, 2019, and shall review and, if necessary, update it at least every five years." The regulation also requires the policy be posted to the municipality's website, in accordance with this provision staff will post the policy once it is approved by Council.

The Policy emphasizes the integration of Asset Management (AM) with the City's Strategic and Development Plans, crucial for sustaining economic, social, environmental, cultural pillars, and organizational excellence. Guiding principles outlined in the policy facilitate consistent decision-making compliant with regulatory requirements. Climate change considerations and Environmental Stewardship are integrated into the policy, aligning with regulatory mandates. The policy mandates annual updates on AM status, ensuring ongoing transparency and accountability.

The latest updates to the policy enhance accountability and transparency in line with the city's vision. They also clearly identify green infrastructure alongside other built infrastructure and enhance comprehension of asset lifecycles. These adjustments foster sustainability, efficiency, and informed decision-making, thereby upholding responsible management of community resources for present and future generations.

In addition to the requirement for a policy, legislation also mandates a review, and an update to the policy at least every five years. Following a staff review of the existing Policy FMS-001-2019, several updates have been made as stated:

- Updated the key focus of the City's Policy.
- Added the City's vision to maintain consistency with the City's mission and goals.

- Added Green Infrastructure as a new asset covered under the Policy to work towards sustainability.
- Added a Dual-Purpose Approach of Corporate Asset Management to ensure transparency and accountability.
- Updated the Asset Life Cycle definition by adding more steps to provide more insights.
- Added the role of Corporate Asset Manager.
- Updated the definition of Level of Service.
- Expanded the policy to include Service Delivery Area or Asset Operators.
- Added the fifth pillar of sustainability- Organizational Excellence.
- Added information about the Garden City Official Plan to enhance alignment of the Asset Management Policy with the Garden City Official Plan to fulfill future community needs.
- Added the alignment with the City of St. Catharines Climate Adaptation Plan.
- Added Levels of consistency between other plans under the section of creating alignment between Corporate Strategic plans and asset management planning.
- Enhanced wording to on the Impacts of Climate Change under the section of Other Matters.
- Updated Core Working Group Members and Additional Members under the section of Appendix 1.

The updated Strategic Asset Management Policy and changes made in the policy are attached as Appendix 1 of this report. Appendix 2 of this report summarizes the rationale of proposed changes in the Policy.

Financial Implications

Based on recent reporting requirements, continued capital funding is expected to be contingent upon demonstrated growth in Asset Management practice including the development of Asset Management Plans. To date, both FCM grant, and Canada Community Building Fund (formerly Federal Gas Tax) funding require reporting on the state of Asset Management Systems and practices and its continuing development.

While the adoption of the Policy has no specific financial requirements, it will result in a clearer alignment between CAM and financial budgets and plans. It is expected that as Asset Management Plans are further implemented, significant ongoing funding will be required to close the annual infrastructure gap.

Environmental Sustainability Implications

There are no environmental implications associated with this report. For many assets, climate impacts make it more difficult to achieve the desired level of service. Climate change can amplify risk and increase the costs to manage the assets. The policy includes considerations for addressing potential climate change impacts, improving resiliency, promoting energy efficiency and reducing greenhouse gas emissions.

Operational Implications

As the City advances with the Asset Management Plan (AMP), invests in green assets, and addresses the infrastructure gap, continuous operational funding will be necessary.

Conclusion

The adoption of this updated policy will result in greater emphasis on building a sustainable community, protection of assets against climate change and on CAM's clearer roles and responsibilities. Increasing the integration between planning for asset management and strategic and financial planning will support the achievement of the City's mission to provide quality municipal services to enhance social fabric, environmental sustainability, cultural vitality, and organizational excellence contributing to the growth of our community. In addition to meeting ongoing legislated requirements included in O. Reg. 588/17, the Policy provides overarching direction and guidance to the City to help ensure that it is doing the right work on the right assets at the right time.

Notifications

This policy will be provided on the City's website to satisfy the O. Reg. 588/17 requirement for publication of the policy. Notification should also be given to the St. Catharines Public Library Board.

Prepared and Submitted by

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Approved by

Anthony Martuccio
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Kristine Douglas
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Appendices

1. Updated Strategic Management Policy
2. Policy Changes Rationale

Subject: Strategic Asset Management Policy

Prepared by: Financial Management Services

Approved by: Deputy CAO, David Oakes

Issue Date: April 10, 2019

Policy #: FMS-001-2019:

Review Date: April 10, 2024

Revision Date: May 28, 2024

Policy

This policy expresses the commitment of the City of St. Catharines to undertake Corporate Asset Management (CAM) in a manner which supports the City's focus on accountability, affordability, innovation, and responsible stewardship of community resources.

Corporate asset management shall support the City's vision to become a safe, innovative, sustainable and caring city today and for future generations.

Purpose

The purpose of the Strategic Asset Management Policy (Policy) is to:

1. Outline the requirement for alignment between the City's Strategic Plans and Corporate Asset Management;
2. Identify the goals of Corporate Asset Management;
3. Set out factors the City will use to prioritize planning and investing in Corporate Asset Management;
4. Highlight the requirement for the integration of Asset Management Plans into financial budgets and plans;
5. Identify the key roles and responsibilities for Corporate Asset Management;
6. Inform how other matters including, public engagement, climate change, communication, reporting and review will be considered within Corporate Asset Management.

Scope

The Strategic Asset Management Policy applies to all operational areas under the direct authority of St. Catharines City Council that contribute to service delivery using City-owned infrastructure or assets that require deliberate management. This includes the City's controlled authorities, boards, or commissions within St. Catharines' boundaries. Assets covered by this policy include but are not limited to the transportation network, sewer and drainage networks, water distribution systems, buildings, facilities, vehicles/fleet, information technology, land and land improvements and green infrastructure.

Corporate Asset Management embodies a dual-purpose approach.

The first focuses on current costs and replacement values and requires applying professional judgement when determining which assets to focus and report on. The factors considered include the assets' contribution to the provision of services to the community, the impact of asset failure and asset value.

The second focuses on financial reporting requirements based on dollar value thresholds and utilizes historical cost in compliance with Generally accepted accounting principles (including Public Sector Accounting Standards, Handbook section 3150 - Tangible Capital Assets). This provides transparency and accountability regarding the acquisition, use, and disposal of tangible assets within an organization. Reporting aids in strategic decision-making by helping the City understand the value, depreciation, and potential future costs associated with these assets. More details on the second focus can be found in the Tangible Capital Asset Policy.

Definitions

Asset is a City owned physical item requiring deliberate management that has value to the City because it is used in the delivery of the goods and services to its customers and stakeholders. Assets include but are not limited to the transportation infrastructure, sewer and drainage networks, water distribution systems, buildings, facilities, vehicles / fleet, information technology, land and land improvements and green infrastructure.

Asset Life Cycle are the stages involved in the management of the asset. The stages include planning, design, constructing, acquiring, operating, maintaining, preserving, renewing, replacing and disposing. Each stage of the asset life cycle has identifiable costs.

Asset Management Plan (AMP) is the document that specifies for a defined set of Assets, the activities, resources, and timescales required to achieve the City's objectives for the specified assets, including levels of service and complies with O. Reg. 588/17. AMPs will also include Council approved updates to a Plan.

Asset Management System is a set of interrelated and interacting elements which includes policy, strategy, plans, processes, data, and software utilized to achieve CAM objectives.

Corporate Asset Management (CAM) is the City's coordinated activities across the Corporation employing the asset management system, to optimize the value from its assets, over the asset life cycle. The optimization of asset value requires balancing costs, risk, opportunities, and levels of service, considering all related assets rather than each asset in isolation.

The Corporate Asset Manager role will be a shared responsibility and shall be assigned based on the scope of the project

Green Infrastructure means an infrastructure asset consisting of natural or human-made elements that provide ecological and hydrological functions and processes and includes natural heritage features and systems, parklands, stormwater management systems, street trees, urban forests, natural channels, permeable surfaces and green roofs.

Level of Service is a statement that describes the output or objectives the City intends to deliver for a particular activity or service delivered by the City. Service levels can relate to (but are not limited to) capacity and use, cost, quality, reliability, availability, responsiveness, safety, customer satisfaction, and environmental stewardship.

O. Reg. 588/17 is the Ontario Regulation 588/17 Asset Management Planning for Municipal Infrastructure, made under the Infrastructure for Jobs and Prosperity Act, 2015.

Service Delivery Area or Asset Operators are a team of staff who engage with internal and external stakeholders to deliver services.

Policy Statements

A. Strategic Alignment

1. Corporate Asset Management shall be aligned with and support the Corporate strategy

The City's overarching strategy is laid out in the following documents:

- The St. Catharines Strategic Plan and the five pillars of sustainability.
- The City's Garden City Official Plan and other future Council approved development plans which in turn reflects the direction provided by the Comprehensive Regional Growth Plans issued by the Province and Niagara Region, which provide the prescribed population growth and related development strategies/mandates. The Garden City Official Plan informs future community investment needs through the identification of land uses framework, intensities, road typology, and other policy directives. These policies are informed by the City's various master plans. The implementation costs, maintenance resources, and asset management lifecycle requirements are to be contemplated through new policy development and included in multi-year capital, operating, and asset budgets.
- The City of St. Catharines' Climate Adaptation Plan sets out goals and highlights where the impacts of climate change can be expected and how this will affect our municipal operations and services.

2. The City will create alignment between Corporate strategic plans and Asset Management Planning

- Asset management planning will be aligned with other municipal documents and will consider direction provided in the policy and incorporate the applicable portions of the AMPs, and identify the levels of consistency between plans including but not limited to:
 - All master plans;
 - Operational plans;
 - Design criteria and specifications
 - Development Charge background studies; and
 - Financial strategies, such as the multi year budget, capital forecasts and those required under the Safe Drinking Water Act
- Likewise, AMPs will reference Council approved strategic plans and identify the level of consistency between the plans.

B. Goals

The objective of the policy is to provide a framework for:

1. Implementing Corporate wide, a consistent approach to CAM, which balances costs, risk, opportunities, and level of service
2. Integrating CAM and AMPs within strategic plans and budgets
3. Providing guidance to staff responsible for CAM and AMPs
4. Supporting transparency and accountability to customers and stakeholders and providing for community input through public engagement
5. Addressing climate change within CAM

This policy meets all the requirements outlined in O. Reg. 588/17.

C. Principles

The City will adopt the following guiding principles in managing its assets:

1. **Customer Focused:** The City will apply CAM including defined levels of service to promote confidence of customers in how the City assets are managed, core services are provided and community wellbeing is fostered for all.
2. **Forward looking:** The City will consider current and long-term needs when making decisions and provisions to better enable its assets to meet future demands, including changing demographics and populations, customer expectations, legislative requirements, technology, and environmental factors (climate change).
3. **Service based:** The City will take a holistic approach to CAM both in assessing levels of service, prioritizing capital spending, and maintaining assets. When assessing levels of service provided by its assets, the City will take into account all related assets rather than each asset in isolation.
4. **Evidence based:** The City's CAM will be based on relevant and reliable information that will form the basis of transparent decision making aimed at reducing asset life cycle costs.
5. **Risk based:** The City will take a risk-based approach to prioritizing projects for the acquisition and renewal of assets. Risk will be considered in relation to the likelihood of the asset failing and the impact of asset failure. Asset failures that may impact health and safety shall be ranked as the highest priority for investment.

6. **Value based and affordable:** The City will deliver the greatest value from its investment in assets respecting available funding and its customers' ability to pay.
7. **Continually evolving:** CAM and asset management systems will continue to evolve and improve through ongoing evaluation of best practices, innovation, and consideration of future directions, regulations and requirements.
8. **Cooperation and Coordination with other governmental plans and strategies:** The City will consider strategies, policies and plans of other governmental entities established under an act or otherwise, to promote integration and provide efficient and effective service delivery for all of our customers and stakeholders.

D. Integration between Asset Management Plans and Financial Plans and Budgets

1. The City will integrate the results of its AMPs into its capital and operating budgets, financial planning, and specific capital investment decisions. The budgets will consider forecast spending needs, identified risks, opportunities, levels of service, and provide commentary on how the proposed budgets impacts current AMPs and progress to date.
2. AMPs will be completed by multi-disciplinary teams, including representation from Engineering, Facilities and Environmental Services, Financial Management Services, and other appropriate departments to support the validation of assumptions, costs, revenues, and financial strategies included within the plan. AMPs will reference and align to community development plans, as outlined by the provincial, regional and municipal development plans.
3. Financial plans, budgets and AMPs for the City's water and wastewater assets will also be aligned in a manner that is consistent with items 1 and 2 above.

E. Roles and Responsibilities

Effective ongoing CAM requires a commitment by key City personnel. The personnel in identified roles are Council, Chief Administrative Officer, or designate, Asset Management Working Group, Corporate Asset Manager, and Departmental Directors, who each undertake different activities and assume key responsibilities. The related roles and responsibilities are outlined below.

Council is entrusted with the responsibility of acting on behalf of the citizens to set the level of services delivered, considered in conjunction with the cost of service provision and associated risks. Having a stewardship responsibility for a diverse portfolio of assets, Council is the final decision maker on all matters related to CAM at the City, approving strategy, plans and budgets. As required by O. Reg. 588/17, Council shall fulfil specific responsibilities as listed below:

- Approval of the City's Strategic Asset Management Policy;
- Approval of the City's AMPs and subsequent to initial AMP approval, AMP updates at least every five years;
- Subsequent to initial AMPs approval, complete an annual review on or before July 1 of each year. The annual reviews will address the City's progress in implementing AMPs, factors impeding AMPs implementation, and strategies to address impediments. The review will be completed in consultation with key administration as determined by the CAO;
- Providing support for ongoing improvement and implementation of AMPs in a manner that demonstrates a commitment to its success.

The Chief Administrative Officer (CAO) or their designate holds the role of Executive Lead for CAM and is responsible for:

- maintaining compliance with related policy, regulations, legislation, including endorsement of AMPs;
- providing direction that demonstrates commitment to the success of and continued improvement of CAM, AMPs and Asset Management Systems.

Asset Management Working Group (AMWG) consists of key management from multiple departments (see Appendix 1) is responsible for:

- supporting the Executive Lead in fulfilling their role;
- providing corporate collaboration to guide CAM, AMPs, Asset Management Systems;
- championing continuous improvement within their respective service areas and the City.

The Corporate Asset Manager is responsible for:

- supporting the AMWG in their roles and responsibilities and supports the development of the City's Asset Management System;
- coordinating with departments to establish corporate work plans and priorities to meet legislated requirements and respond to Council's direction.

Departmental Directors are responsible for:

- overseeing asset management activities that fall within their service area;
- contributing in a manner that supports a multi-disciplinary approach to CAM

and promotes its ongoing success;

- liaising with members of the AMWG to ensure they are supporting CAM and that departmental planning is aligned to AMPs.

Service Delivery Area or Asset Operators are responsible for:

- overseeing asset management activities within their respective area;
- helping to set service objectives and monitoring progress;
- offering expertise in the development of city plans, strategies, assessments, and workflows;
- collecting and tracking asset information and other data related to other assets within their functional area;
- Applying operation, maintenance, preservation, rehabilitation and disposal practices to achieve levels of service, mitigate risk and comply with regulatory requirements.

Other City Staff are responsible for:

- supporting the development, implementation and improvement of the asset management system in their daily roles and responsibilities;
- capturing quality data as part of the daily operations.

While the actual position titles listed above may vary over time and between organizations, equivalent positions will hold the same level of responsibility for asset management.

F. Other Matters

1. Engagement

For the City to cost effectively provide the appropriate level of service to its customers and stakeholders, it needs to consider both current and future needs and incorporate these perspectives into its AMPs. Accordingly, the City will provide opportunities for the customers and stakeholders to provide input on asset management planning.

2. Climate Change

The impacts of climate change can have a significant impact on the assets we manage and the services they provide.

How climate change will impact an asset(s) can vary significantly depending on the location and the type of service(s) provided, as will the way in which we respond and manage those impacts. Climate change has the potential to substantially affect the effectiveness and lifespan of infrastructure, and yet climate change is still one of the most complex challenges facing municipalities today.

Addressing climate change falls under two categories, Mitigation (taking actions to reduce the emissions that contribute to climate change such as greenhouse gases) and Adaptation (changing policy, processes, designs and asset management strategies to reduce the risks and negative impacts from extreme weather and long-term climatic changes).

As a minimum the City shall consider both how to manage its existing assets given the potential climate change impacts, and how to create resilience to climate change in any new works or acquisitions. Additionally, the way in which the City constructs new assets should recognize that there is opportunity to build in resilience to climate change impacts. Building resilience will have benefits of:

- Assets will better withstand the impacts of climate change in the future
- Services can be sustained into the future
- Assets that can endure impacts of climate change may potentially lower the lifecycle cost and reduce their carbon footprint

The City's CAM will consider options to promote energy efficiency and reduce greenhouse gas emissions in alignment with the City's Greenhouse Gas Emissions Target, and considering financial capacity and stakeholder support.

The City will balance the risks and vulnerabilities to climate change with the cost of reducing these vulnerabilities. The climate adaption strategies responding to these vulnerabilities may include disaster planning, emergency response plans, and financial contingency planning.

APPENDIX 1

Core Working Group Members

The core working group will consist of the following eight representatives: Deputy Chief Administrative Officer

Director Engineering, Facilities and Environmental Services (EFES)

Director of Community, Recreation and Culture Services (CRCS)

Director of Financial Management Services and City Treasurer (FMS)

Director of Municipal Works (MW)

Capital Planning Supervisor (FMS)

Manager of Engineering and Construction (EFES)

Manager of Environmental Services (EFES)

Manager of Facilities and Energy (EFES)

Manager of Infrastructure Assets (EFES)

Senior Manager of Information Technology, (CSS)

Additional Members (Contributing as requested)

Director of Planning and Building Services (PBS)

Fire Chief (FS)

Associate Director of Financial Management Services

Manager of Corporate Communications (Office of CAO)

GIS Solutions Architect (EFES)

Other service area experts as needed.

The following schedules in Appendix 2 highlight the changes in the Asset Management Policy update and the rationale for making the change.

Change (Under Policy)	Rationale
<p>Change in focus of the policy: Previously: Focus on providing quality services that enhance social, environmental, sustainability and cultural vitality.</p> <p>Now: Focus on accountability, affordability, innovation and being responsible stewardship of community resources.</p>	<p>In recent years, the city has shifted its focus to maintaining a high level of excellence, embracing innovative ideas and choices, and providing affordable resources to its residents. Additionally, the city is committed to stewardship by protecting public interest and environment through responsible actions and prudent use of earth’s resources.</p>
<p>Added City’s Vision.</p> <p>Vision: Become a safe, innovative, sustainable, and caring city today and for future generations.</p>	<p>Update for alignment and consistency with the City’s mission and goals.</p>

Change (Under Scope)	Rationale
<p>Added Green Infrastructure as a new asset covered under the policy.</p> <p>Definition of Green Infrastructure</p>	<p>The city is expanding its scope and focusing on working towards sustainability.</p> <p>The previous policy did not specifically name natural assets. The new policy has been updated to highlight green infrastructure including natural assets to ensure they are considered alongside other assets.</p>
<p>Added a Dual-Purpose Approach of Corporate Asset Management.</p>	<p>Corporate Asset Management involves a dual-purpose approach: first, it focuses on current costs and replacement values, requiring professional judgement to prioritize assets based on service contribution, failure impact, and value.</p> <p>Second, it emphasizes financial reporting based on dollar value thresholds using historical cost, ensuring transparency and</p>

	<p>accountability in asset management, aiding strategic decision-making as detailed in the Tangible Capital Asset Policy.</p>
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Change (Under Definitions)	Rationale
<p>More detailed steps added in Asset Life Cycle</p> <p>Previously: Planning, Acquisition, Operation, Maintenance and Retirement</p> <p>Now: Planning, Design, Constructing, Acquiring, Operating, Maintaining, Preserving, Renewing, Replacing and Disposing.</p>	<p>Provide more insights into the different stage of an asset over its life</p>
<p>Added role of a Corporate Asset Manager</p> <p>Which will be assigned based on the scope of the project to enhance collaboration with subject matter experts.</p>	<p>Encourage asset management practices to the entire corporation.</p>
<p>Change in definition of level of service.</p> <p>1)Previously: A defined service standard for a particular activity or service delivered by the city.</p> <p>Now: A statement that describes the output or objectives the city intends to deliver for a particular activity or service delivered by the city.</p> <p>2)Previously: Service levels can relate to (but are not limited to) quality, quantity, capacity, costs, reliability, availability, responsiveness, safety, customer satisfaction and environmental acceptability.</p>	<p>The change provides for better clarity as to how to measure level of service.</p>

<p>Now: Service levels can relate to (but are not limited to) capacity and use, cost, quality, reliability, availability, responsiveness, safety, customer satisfaction and environmental stewardship</p>	
<p>Added in definition of Service Delivery Area or Asset Operators</p> <p>Now: Service Delivery Area or Asset Operators are a team of staff who engage with internal and external stakeholders to deliver services.</p>	<p>Increase the scope of asset management as it relates to service delivery areas or asset operators.</p>

Change (Under Policy Statements)	Rationale
<p>Previously: Four Pillars of Sustainability Now: Five pillars of Sustainability</p>	<p>Update for consistency with the City's mission and goals.</p>
<p>Added Information about Garden City Official Plan: The Garden City Official Plan informs future community investment needs through the identification of land uses framework, intensities, road typology, and other policy directives. These policies are informed by the City's various master plans. The implementation costs, maintenance resources, and asset management lifecycle requirements are to be contemplated through new policy development and included in multi-year capital, operating, and asset budgets.</p>	<p>Enhance alignment of the Asset Management Policy to the Garden City Official Plan in order to fulfil future community needs. Also includes the requirement to update the costs related to this new development in the multi-year budgets.</p>
<p>Added The City of St. Catharines Climate Adaption Plan: The City of St. Catharines Climate Adaptation Plan sets out goals and highlights where the impacts of climate change can be expected and how this will affect our municipal operations and services.</p>	<p>Climate change has the potential to impact how we deliver services. The update identifies the requirement for alignment between the Climate Adaptation Plan and asset management planning.</p>

<p>Added Levels of consistency between plans under the section of creating alignment between Corporate Strategic plans and asset management planning</p> <p>Asset management planning will be aligned with other municipal documents and will consider direction provided in the policy and incorporate the applicable portions of the AMPs, and identify the levels of consistency between plans including but not limited to:</p> <ul style="list-style-type: none"> •All master plans; •Operational plans; •Design criteria and specifications; •Development Charge background studies; and •Financial strategies, such as the multi-year budget, capital forecasts and those required under the Safe Drinking Water Act 	<p>Asset Management planning aligns with municipal documents, incorporating AMPs and assessing consistency across master plans, operational plans, design criteria, development charge background studies and financial strategies.</p>
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Changes (Under Other Matters)	Rationale
<p>Added: Service Delivery Area or Asset Operators are responsible for:</p> <ul style="list-style-type: none"> • overseeing asset management activities with in their respective area; • helping to set service objectives and monitoring progress; • offering expertise in the development of city plans, strategies, assessments, and workflows; • collecting and tracking asset information and other data related to other assets within their functional area; • Applying operation, maintenance, preservation, rehabilitation and disposal practices to achieve levels of service, mitigate risk and comply with regulatory requirements. 	<p>Responsibilities expanded to all staff responsible for service deliver in alignment with the most recent Asset Management Plan</p>

<p>Other City Staff are responsible for:</p> <ul style="list-style-type: none"> • supporting the development, implementation and improvement of the asset management system in their daily roles and responsibilities; • capturing quality data as part of the daily operations. 	
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Changes (Under Other Matters)	Rationale
<p>Added Climate Change:</p> <p>The impacts of climate change can have a significant impact on the assets we manage and the services they provide.</p> <p>How climate change will impact an asset(s) can vary significantly depending on the location and the type of service(s) provided, as will the way in which we respond and manage those impacts. Climate change has the potential to substantially affect the effectiveness and lifespan of infrastructure, and yet climate change is still one of the most complex challenges facing municipalities today.</p> <p>Addressing climate change falls under two categories, Mitigation (taking actions to reduce the emissions that contribute to climate change such as greenhouse gases) and Adaptation (changing policy, processes, designs and asset management strategies to reduce the risks and negative impacts from extreme weather and long-term climatic changes).</p> <p>As a minimum the City shall consider both how to manage its existing assets given the potential climate change impacts, and how to create resilience to climate change in any new works or acquisitions. Additionally, the way in which the City constructs new assets should recognize that there is opportunity</p>	<p>This Section enhanced Climate change significantly impacts municipal assets and services, requiring both mitigation (reducing emissions) and adaption (adjusting policies and designs). The City must manage existing assets and build new ones resilient to climate change, promoting energy efficiency and reducing greenhouse gas emissions. Strategies include disaster planning, emergency response and financial contingency planning.</p>

<p>to build in resilience to climate change impacts. Building resilience will have benefits of:</p> <ul style="list-style-type: none"> • Assets will better withstand the impacts of climate change in the future • Services can be sustained into the future • Assets that can endure impacts of climate change may potentially lower the lifecycle cost and reduce their carbon footprint <p>The City's CAM will consider options to promote energy efficiency and reduce greenhouse gas emissions in alignment with the City's Greenhouse Gas Emissions Target and considering financial capacity and stakeholder support.</p> <p>The City will balance the risks and vulnerabilities to climate change with the cost of reducing these vulnerabilities. The climate adaption strategies responding to these vulnerabilities may include disaster planning, emergency response plans, and financial contingency planning.</p>	
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Changes (Under Appendix 1)	Rationale
<p>Change in the core working group members.</p> <p>Members Removed:</p> <ol style="list-style-type: none"> 1) Director Transportation and Environmental Services and City Engineer (TES) 2) Director of Parks, Recreation and Culture Services (PRCS) 3) Manager of Engineering and Construction (TES) 	<p>Updated core working group membership for new position titles or new/removed members.</p>

<p>4) Senior Manager Facilities and Energy (TES) 5) Manager of Accounting and Payroll (FMS) 6) Manager of Corporate Communications (Office of CAO) 7) Corporate Asset Manager (FMS)</p> <p>Members Added: 1)Deputy Chief Administrative Officer 2) Director Engineering, Facilities and Environmental Services (EFES) 3)Director of Community, Recreation and Culture Services (CRCS) 4)Director of Municipal Works (MW) 5)Capital Planning Supervisor (FMS) 6)Manager of Engineering and Construction (EFES) 7)Manager of Environmental Services (EFES) 8)Manager of Facilities and Energy (EFES) 9)Manager of Infrastructure Assets (EFES) Senior Manager of Information Technology, (CSS)</p> <p>Members Kept Unchanged: 1) Director of Financial Management Services and City Treasurer (FMS)</p>	
<p>Change in Additional Members</p> <p>1)Director of Fire and Emergency Services and Fire Chief (FEMS) 2) Director of Municipal Works (MW) 3) Senior Manager of Information Technology, (CSS) 4) Human Resources Consultant, Accessibility, (CSS) 5) Manager, Geomatics (TES) 6) Senior Operations Manager (Fleet) (TES)</p>	<p>Updated “additional members” membership for new position titles or new/removed members.</p>

<p>Members Added:</p> <ul style="list-style-type: none">1) Fire Chief (FS)2) Associate Director of Financial Management Services3) Manager of Corporate Communications (Office of CAO)4) GIS Solutions Architect (EFES)	
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