**TOWN OF NEEPAWA**
**BY-LAW NO. 3211-22**

**BEING A BY-LAW OF THE TOWN OF NEEPAWA TO ESTABLISH A PROGRAM TO SUSTAINABLY MANAGE THE CAPITAL ASSETS OF THE TOWN OF NEEPAWA**

**WHEREAS** *The Municipal Act* provides as follows:

*Section 3. The purposes of a municipality are*

*(a) to provide good government;*
*(b) to provide services, facilities or other things that, in the opinion of the council of the municipalities, are necessary or desirable for all or a part of the municipality; and*
*(c) to develop and maintain safe and viable communities.*

**AND WHEREAS** the Town of Neepawa wishes to promote best practices in asset management at the local government level and deems this by-law as advisable, in the public interest and consistent with the social, environmental and economic sustainability of the Town.

**THEREFORE, BE IT RESOLVED THAT** the Town of Neepawa hereby enacts as follows:

**TITLE**

1. This By-Law shall be known as the Town of Neepawa "Capital Asset Management By-Law".

**OBJECTIVES**

2. The objectives of this By-Law are to:

- Establish and ensure the maintenance of a comprehensive and current registry of all municipal Capital Assets owned by the Town of Neepawa;
- Ensure that municipal infrastructure is constructed, maintained and decommissioned in a manner that facilitates the social, environmental and economic sustainability of the Town;
- Endeavour to maintain Town Capital Assets in the most natural, energy-efficient and reliable manner that costs the least to operate over the life-cycle of the asset;
- Promote and facilitate the delivery of municipal services that achieve the standards set out by council from time to time;
- Ensure the Town has the necessary tools to better adapt municipal infrastructure to the local impacts of climate change;
- Empower Town administration to establish policies, processes and strategies and source and allocate the resources necessary, to maintain municipal Capital Assets at standards set by council, transparently and in alignment with established leading practices.

**DEFINITIONS**

3. Unless the context otherwise requires:

***"Asset Registry"*** - means the official recording of Capital Assets owned by the Town and containing all of the data and information generally considered necessary for the delivery of asset management processes.

***"Asset Life Cycle***" – means the time interval that commences with the identification of the need of an asset and terminates with the decommissioning of the asset or any associated liabilities.

***"Asset Management Plan"*** – means a plan, or series of plans, developed by the Town that specify the activities, resources and timescales required for an individual asset, or grouping of assets, to achieve defined level of service objectives.

***"Asset Management Program (AM)"*** - refers to the Program that encompasses all aspects of the management of each asset through its lifecycle.

***"Capital Asset"*** - means a Natural or Engineered Asset deemed material by the Town and included in the Town's Asset Registry.

***"Capital Asset Management"*** - means the practice of using an integrated, lifecycle approach to systematically plan, source, construct, operate, maintain, renew and

decommission municipal infrastructure assets to manage risk and sustainably achieve a prescribed level of service to the public.

***"Chief Administrative Officer"*** or ***"CAO"*** - means the Chief Administrative Officer as the designated employee of the municipality, or their delegate.

***"Council"*** - means the elected municipal Council for the Town of Neepawa.

***"Engineered Assets"*** - means an asset that has been designed and constructed or manufactured by humans for the delivery of municipal services.

***"Levels of Service"*** - means the standards set by the Town for the characteristics, condition, and/or performance of a municipal asset class, sub-class, or individual asset.

***"Life-Cycle Costs"*** - means the sum of all recurring and one-time costs related to the procurement, ownership, operation, maintenance and dispose of an asset or process.

***"Natural Asset"*** - means a naturally occurring land, water, air or subservice feature which performs or supports the delivery of a municipal service.

***"Sustainability"*** - means the ability to maintain the characteristics and processes at a particular level, indefinitely into the future.

***"Town"*** - means the municipal corporation of the Town of Neepawa.

**REPORTING TO COUNCIL**

4. The CAO, on an annual basis, shall provide Council with:

    a. a summary of the condition of the Town's capital assets; and

    b. an evaluation of the Town's ability to provide municipal infrastructure at the levels of service approved by Council.

**PROGRAM TO MANAGE CAPITAL ASSETS**

5. The Town shall establish and maintain a systematic, robust and effective Capital Asset Management program to ensure municipal infrastructure is planned, created, operated, maintained, renewed and decommissioned in accordance with the principles of social, environmental and economic sustainability and delivering upon Levels of Service as established by Council.

6. Capital Asset Management shall be considered a core service of the Town and its principles shall be integrated within existing business planning and operating processes.

**ASSET REGISTRY**

7. The Town shall establish and maintain a comprehensive and current Asset Registry.

8. Such registry shall include data and information pertaining to the Town's Capital Assets generally considered appropriate for the effective delivery of a Capital Asset Management program for a community of the size and complexity of Neepawa.

**NATURAL ASSETS**

9. The Town recognizes the inherent value of Natural Assets in the delivery of municipal services and will, where practicable, identify and manage Natural Assets in a similar manner as Engineered Assets.

10. Where practicable, the Town shall seek to substitute the use of Engineered Assets in situations where Natural Assets will achieve comparable Levels of Service.

**LEVELS OF SERVICE**

11. Following generally accepted Capital Asset Management methodologies, the Town shall establish Levels of Service for the Town's Capital Assets.

12. The Town's Capital Asset Levels of Service shall be approved by resolution of Council.

13. Establishment of such Levels of Service shall consider the capacity of the Town to sustain the levels, as well as the reasonable expectations of the community.

14. At a minimum, the Levels of Service shall meet all legislative and regulatory requirements for municipal Capital Assets.

**ASSET LIFE-CYCLE MANAGEMENT**

15. In all decisions related to the planning, procurement, creation, operation, maintenance, renewal and decommissioning of Capital Assets, the Town shall consider the full life-cycle of the asset.

16. The Town shall establish and maintain policies, practices and strategies that generally strike a sustainable balance between maximizing the service life of Town Capital Assets while minimizing their Life-Cycle Costs.

**ASSET EVALUATION**

17. The Town shall establish, implement and maintain an asset inspection and condition evaluation system that provides the necessary data to maintain the Town's Asset Registry and supports the Town's asset reporting regime set out in clause 4 of this by-law.

18. The Town's inspection and asset condition evaluation system will be demonstrably aligned with generally accepted asset management practices and will consistently provide reliable condition and value information for the Town's Capital Asset Management program.

**LIFE-CYCLE COSTING**

19. The Town shall, as practicable, consider the full Life-Cycle Costs of Capital Assets in all decisions relating to the creation of new, and the upgrading of exiting, municipal services and infrastructure.

**FUNDING**

20. Asset renewal and maintenance schedules, as determined by the Town's Capital Asset Management program, shall be an integral part of the Town's annual business planning and budget processes.

21. The Town shall establish long-term funding policies and plans that support the planning, procurement, creation, operation, maintenance, renewal and decommissioning of Capital Assets at the Levels of Service approved by Council.

22. Unless otherwise determined by Council, the maintenance of exiting Capital Assets shall generally take precedence over the creation of new Capital Assets.

**MUNICIPAL GOVERNMENT CAPACITY**

23. The Town shall cultivate and retain the capacity to ensure the reliable and effective delivery of Capital Asset Management for the Town.

24. The Town shall ensure relevant employees receive the necessary training in asset and financial management to competently manage the Town's Capital Assets.

25. The Town shall ensure that all members of Council receive an appropriate orientation to the Town's Capital Asset Management program, and ongoing training as deemed necessary to ensure they can competently oversee this program.

**RESPONSIBILITIES**

26. Capital Asset Management is a Municipal responsibility that involves all employees and members of Council to achieve the effective implementation and sustainable delivery of municipal services.

27. Council shall be responsible for:

    a. Governance and high-level oversight of the Town's Capital Asset Management program as articulated by this by-law, other by-laws, or policies.

    b. Approving Levels of Service that reflect, to the best of Council's ability, and within the context of the Town's financial capacity, the reasonable expectations that the residents of the Town have for municipal services.

    c. Ensuring the supply of sufficient resources to enable the Town to achieve the objectives and responsibilities set-out in this by-law.

    d. Ensuring that all members of Council receive adequate orientation to the Town's Capital Asset Management program and other relevant training to allow them to competently discharge their responsibilities as set-out in this by-law.

28. The Chief Administrative Officer is responsible for:

    a. Overseeing the development and maintenance of a robust and sustainable Capital Asset Management program.

    b. Establishing policies, practices, procedures and allocating the required resources to competently deliver the Town's Capital Asset Management program.

    c. Defining levels of service that balance customer expectations with risk, affordability and timing constraints.

    d. Entrenching lifecycle costing into the evaluation of competing investment strategies.

    e. Monitoring the performance of assets in supporting service delivery and tracking the effectiveness of AM practices with a view towards continuous improvement.

    f. Where practical, striving to go beyond minimum legislative solutions to make Town assets more resilient to changing social, environmental and economic conditions.

    g. Seeking funding and service delivery opportunities to address infrastructure investment pressures.

    h. Providing regular updates to Council on the state of the Town's assets and forecasted trends.

**BY-LAW REVIEW**

29. This by-law shall be reviewed no less than every five years from the date it is passed.

**SEVERABILITY**

30. The invalidity of any provisions of this by-law with an Act or Regulation in force in the Province of Manitoba or a decision of Court, shall not affect the validity or enforceability of any other provisions of this by-law, which shall remain in full force and effect.

DONE AND PASSED in council as a By-Law of the Town of Neepawa, in the Province of Manitoba duly assembled this 1st day of March, 2022.

*Blake McCutcheon, Mayor*

*Colleen Synchyshyn, CAO*

Read a first time this 15th day of February, 2022
Read a second time this 1st day of March, 2022
Read a third time this 1st day of March, 2022