

A Brief Introduction to Asset Management

AUMA Pre-Convention Workshop

Urban Systems, on behalf of CEA

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Think about the last time you made a decision about community development, infrastructure, budgeting, or financial planning.

What was the process you used to make the decision?

How confident did you feel in that decision? Why?

How did you evaluate trade-offs between service, risk, and cost when you made that decision?

A brief intro to asset
management.

Key message #1.

Asset management is a
mindset and a **process**.

Asset management is **not**:

- A plan
- A project
- A software program
- Your TCA registry

Key message #2.

You implement asset management because it helps you make decisions that support the **resilience of your community.**

It does this by helping you
evaluate trade-offs between
service, risk, and cost.

What is asset management?

Asset management is the **process of making decisions** about the use and care of infrastructure to deliver services in a way that considers current and future needs, manages risks and opportunities, and makes the best use of resources.

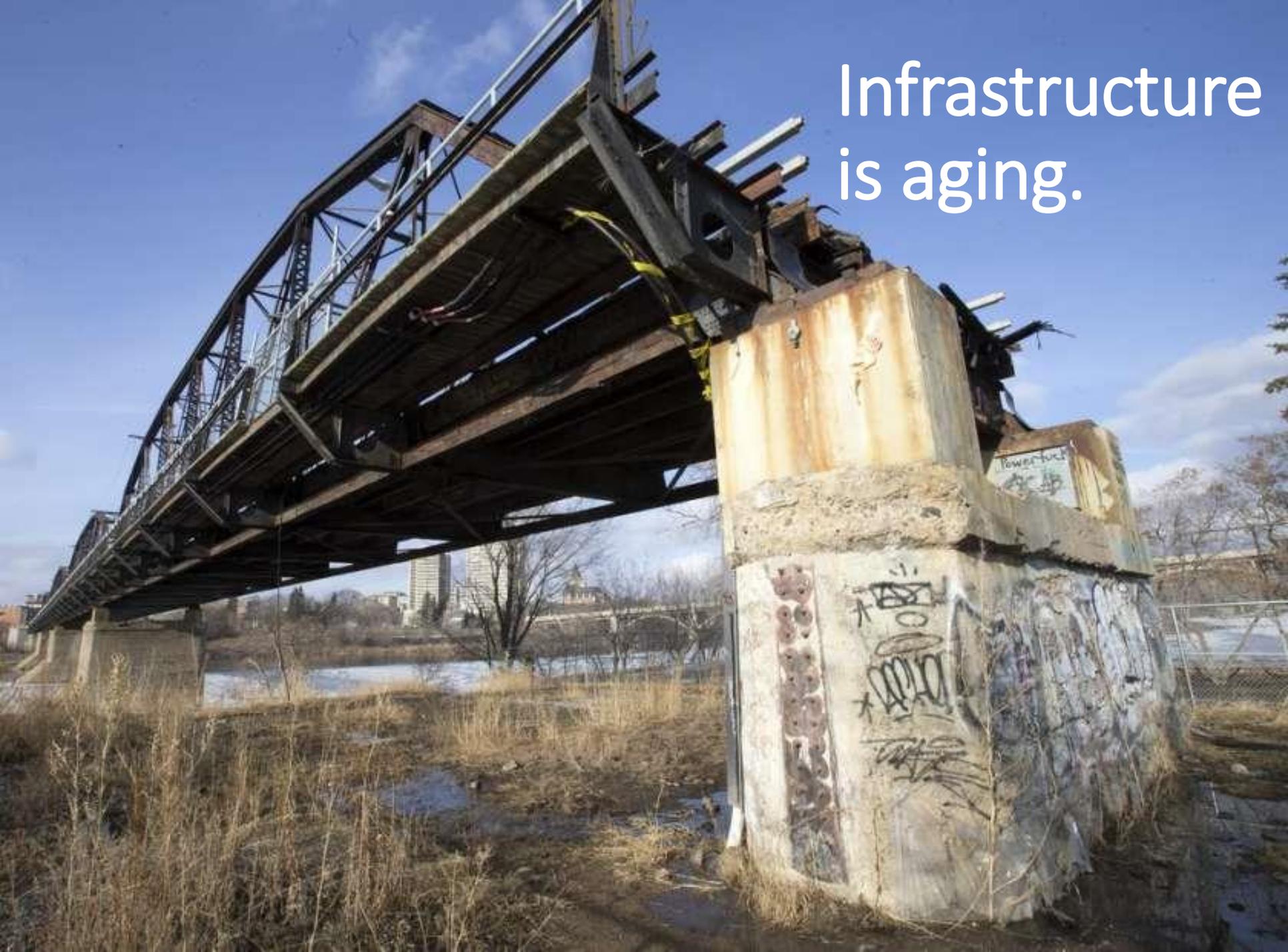
Local governments have been managing assets for years. What's new?

What we know to be the facts:

Infrastructure is critical to our communities and our quality of life.

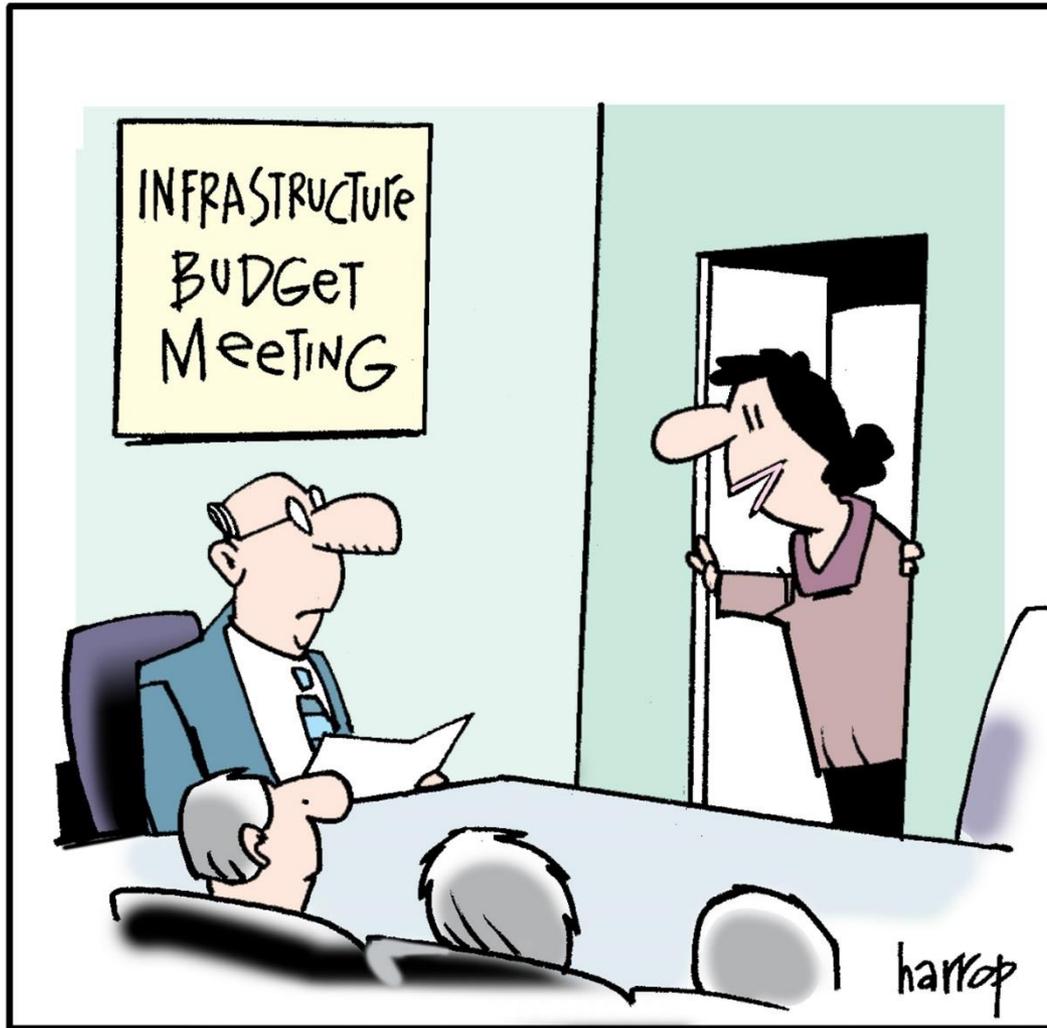


Infrastructure
is aging.



Reinvestment rates are below sustainable targets.

Infrastructure	Lower Target Reinvestment Rate	Upper Target Reinvestment Rate	Current Reinvestment Rate
Potable Water (linear)	1.0%	1.5%	0.9%
Potable Water (non-linear)	1.7%	2.5%	1.1%
Wastewater (linear)	1.0%	1.3%	0.7%
Wastewater (non-linear)	1.7%	2.5%	1.4%
Stormwater (linear)	1.0%	1.3%	0.3%
Stormwater (non-linear)	1.7%	2.0%	1.3%
Roads and Sidewalks	2.0%	3.0%	1.1%
Bridges	1.0%	1.5%	0.8%
Buildings	1.7%	2.5%	1.7%
Sport and Recreation	1.7%	2.5%	1.3%



**Good news! We just found
some more refundable pop bottles!**

LIVE

THE SKY IS FALLING!

CHICKEN LITTLE REVEALS SHOCKING NEWS TO THE WORLD

GRAVITY
▼ 4.25

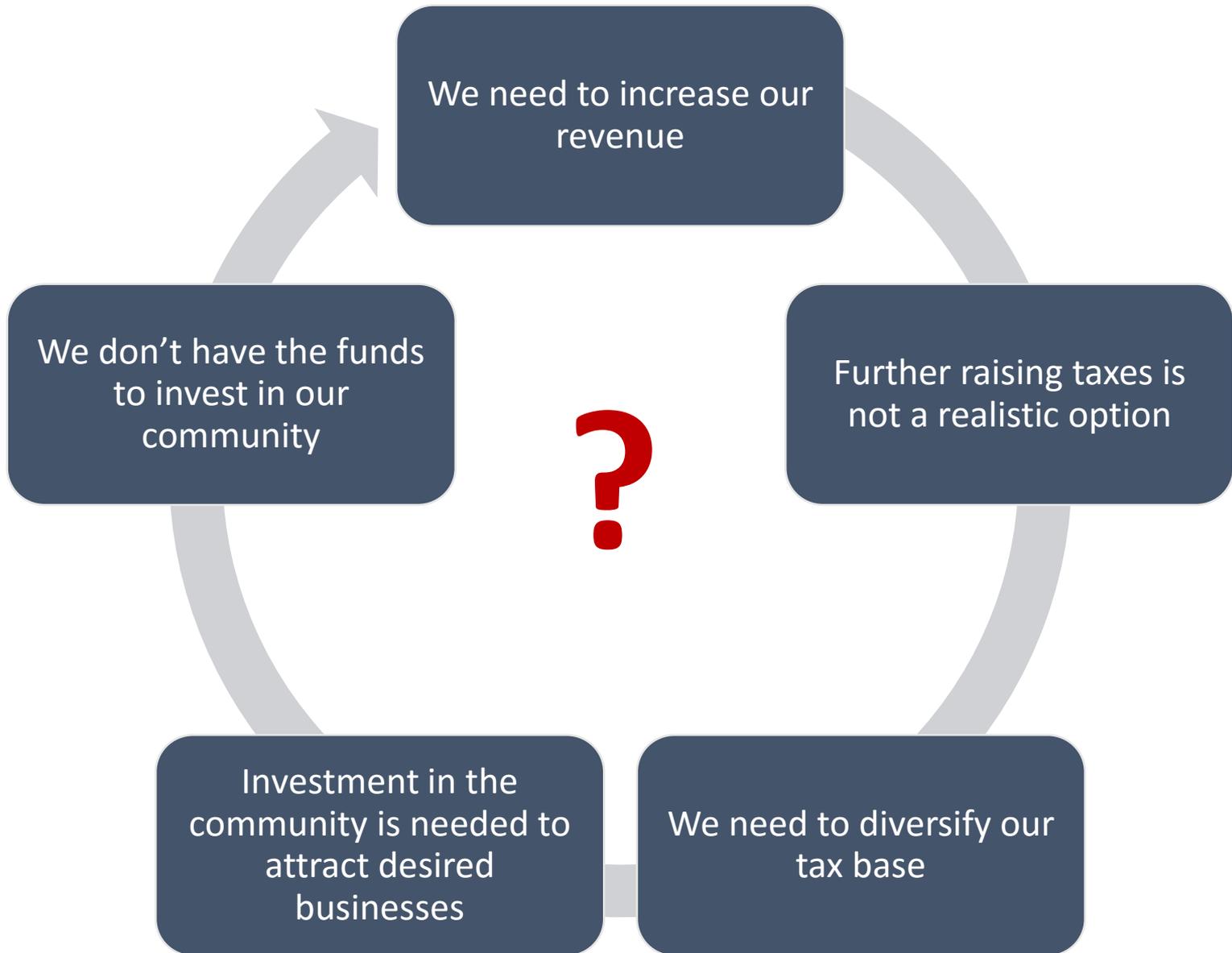


IGN.com 1000.com
REPORTERS REPORT THAT LITTLE WAS A "QUIET KID, KEPT TO HIMSELF"

So why should you implement
asset management practices
now?

Service, risk, and cost trade-offs are becoming increasingly difficult to evaluate without good information and a systematic approach.

In addition to aging infrastructure and low investment levels, we face some difficult decisions today:



When is it the right thing?

Solution to our problems?

What are the potential benefits?

Intermunicipal collaboration

How will it impact our services?

What are the short term and long term risks?

What are the costs?

Prioritizing between core services
vs. discretionary services

Asset management is a process of using information about service, risk, and cost to work through these trade-offs and make informed decisions.

It's about building this capacity in your organization, to deal with these decisions on an ongoing basis.

Provincial approach to AM



PHASE 1 (2015-2017)

1. Complete and publish an inventory of current tools and resources.
2. Support the development and rollout of tools for AM
3. Enhance existing advisory services and training opportunities.



PHASE 2 (2018-2023)

1. Assist municipalities to implement corporate planning regulatory requirements.
2. Expand tools and resources where gaps are identified.

What you need to know about
getting started (or getting better):

#1.

You can start where you are,
with exactly what you have.

#2.

There are tools available to support you.

#3.

Organizational culture is a key piece of the puzzle.

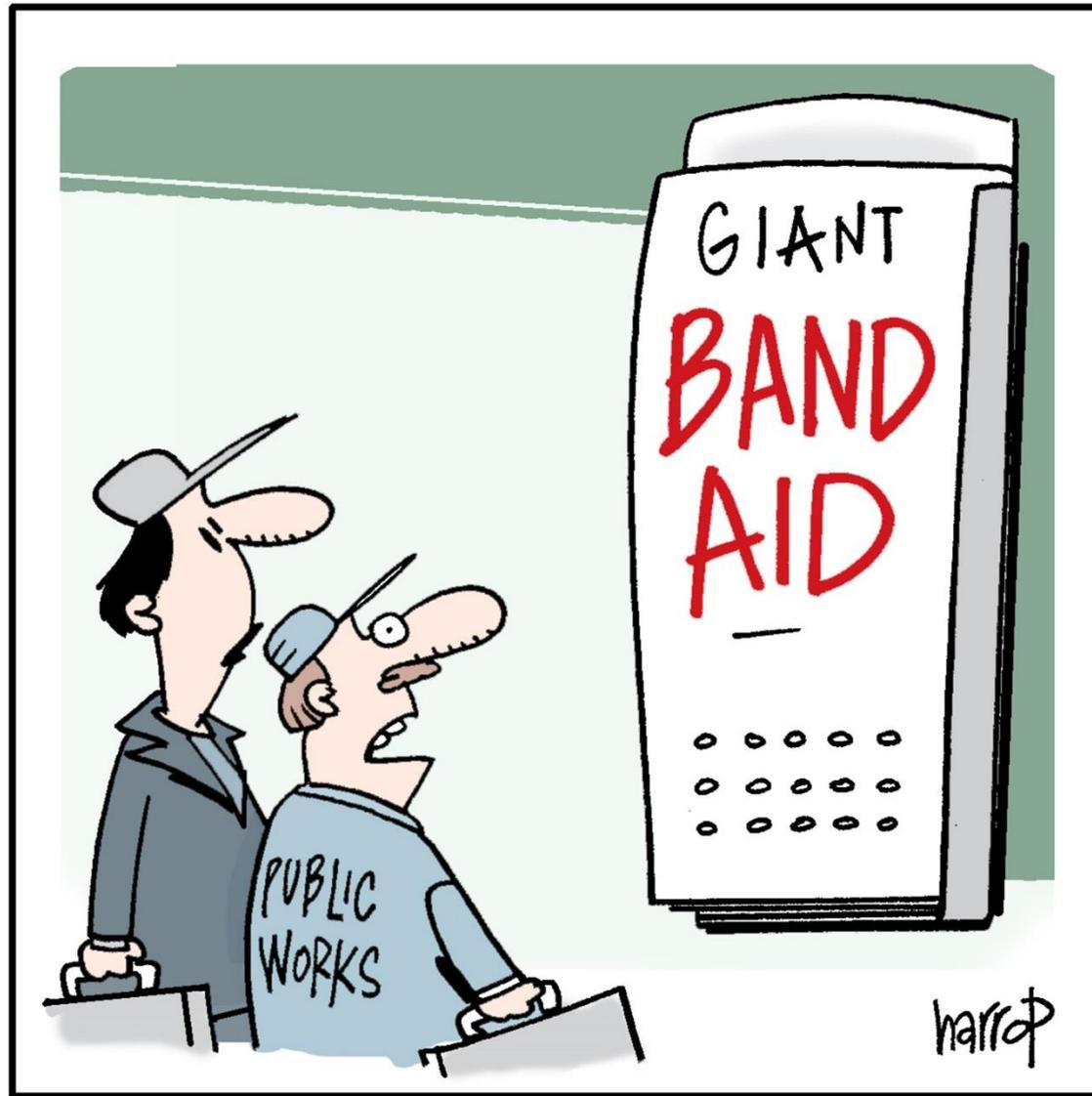
#4.

GIS can be an incredibly useful tool, if you don't let it turn into a monster.

In summary...

Asset management is a
mindset and a process.

Even if the sky is not falling in your community, building asset management capacity will help you make decisions now that support the resilience of your community.



**We've got to budget more money
for pipe repair!**