

# Aspects of Asset Management



**2014 CIFA SRF Workshop**

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# Managing Assets

- Everyone does it
  - Every utility has assets ...  
and therefore manages them
- But not everyone actually plans ...



# What is Asset Management?

- EPA Definition

“Asset management is a planning process that ensures that you get the most value from each of your assets and have the financial resources to ...”

- National (NZ) Asset Management Steering (NAMS) Group

“asset management is to meet a required level of service, in the most cost effective manner, through the management of assets for present and future customers.”



# What is Asset Management?

- Like the Taoist story of the physician known as the greatest physician ...
  - Eldest brother – sees the spirit of sickness
  - Elder brother – sees symptoms before anyone
  - The physician – fixes apparent problems but not even the greatest of the family.
- Town Manager
  - “Spending the right amount of money, on the right thing, at the right time” – Cameron McHargue



# Key Aspects of AMPs

- Inventory
- Assessment
- Plan for Replacement
  - Level of service
  - Capital Improvement Plan
- Operations and Maintenance Plan
- Review / Update the AMP
  - Plan becomes a program



# What do you have?

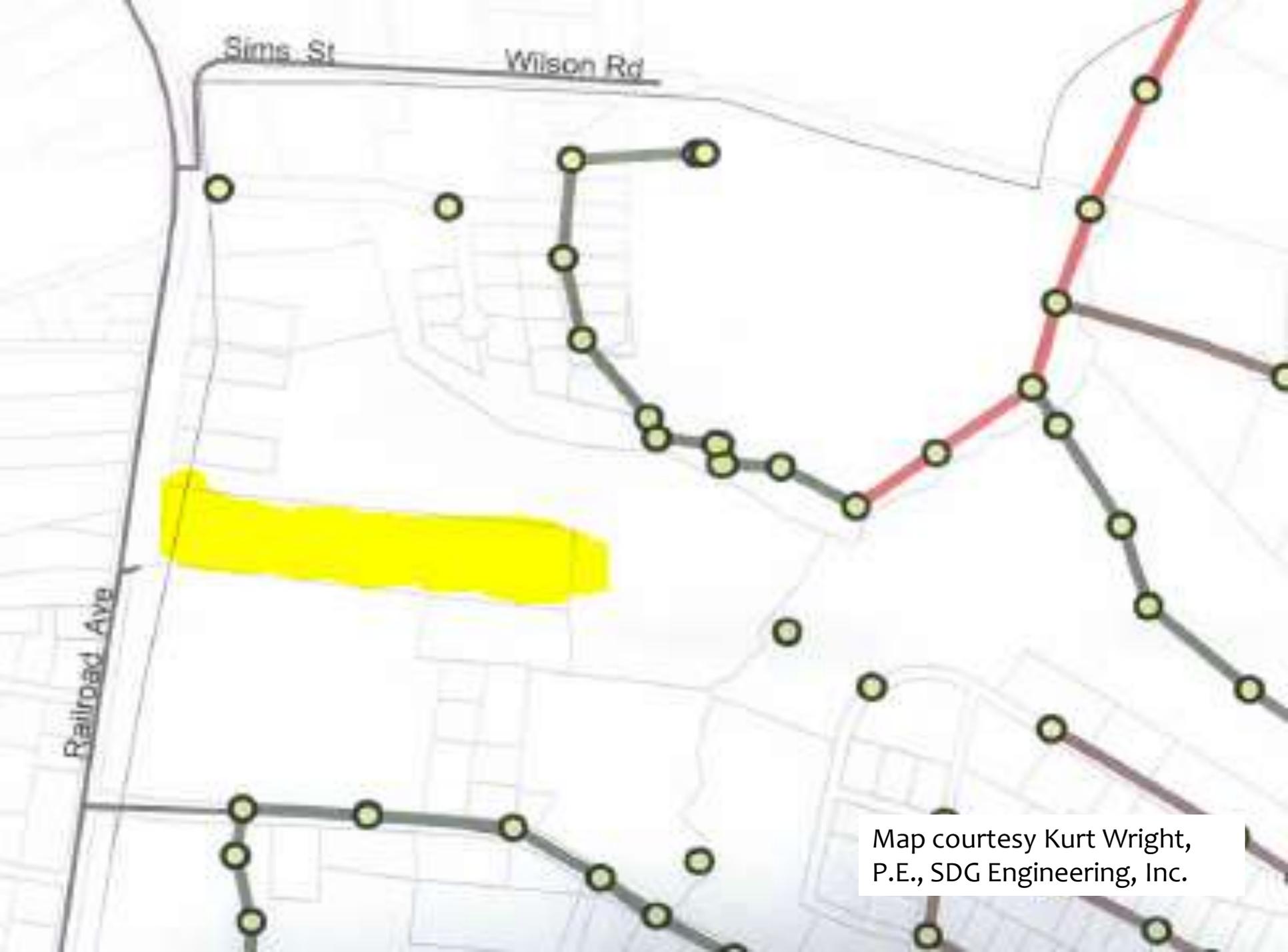
- Inventory
  - What
  - Where
  - Map of Collection & Distribution System
- Assessment
  - Condition
  - Expectations



# Small Textile Towns

- Developed an AMP for Priority Points
  - Sewer only utility – 30 miles of sewer
  - Inventory – 60 miles of sewers
- Rehabilitation Project
  - CIPP to reduce I/I and comply with EPA AO
  - Change in project scope – sewer not in street; under houses ...



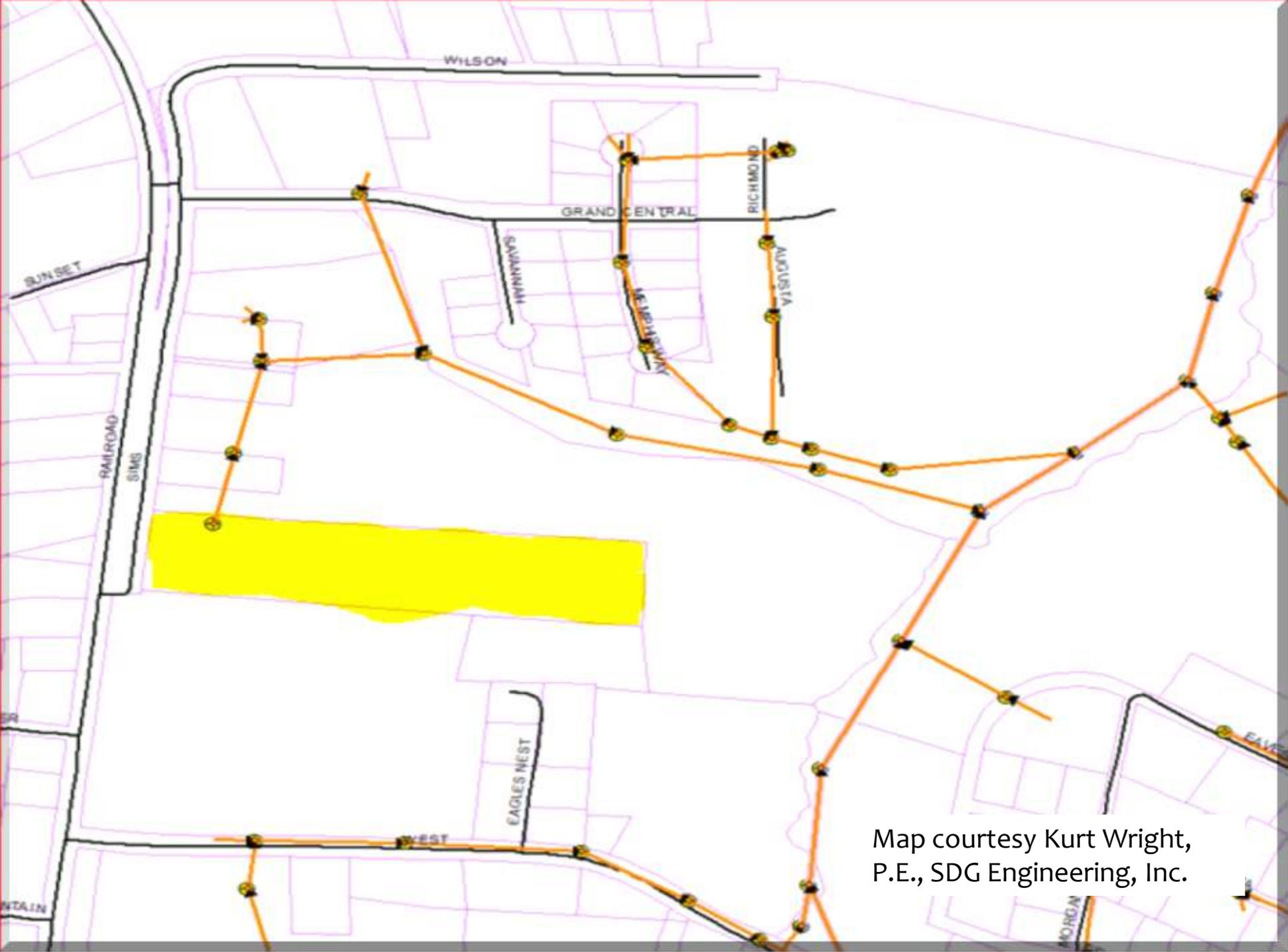


Sims St

Wilson Rd

Railroad Ave

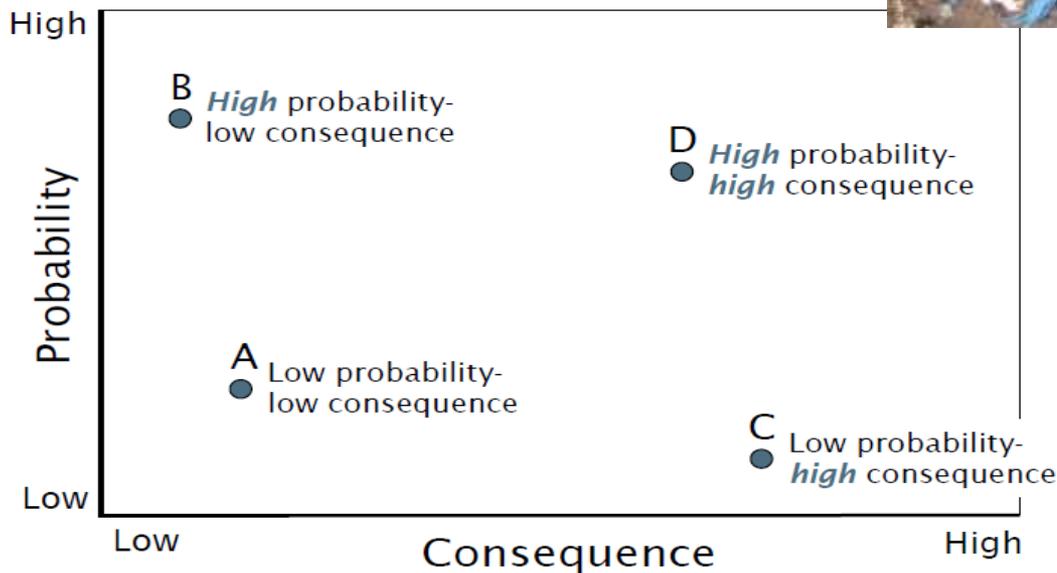
Map courtesy Kurt Wright,  
P.E., SDG Engineering, Inc.



Map courtesy Kurt Wright, P.E., SDG Engineering, Inc.

# Planning

- Level of Service
- Consequence of Failure



Fund D first even though B may fail first. Monitor C closely.

# Planning

- Capital Improve Plan

- 5 yr., 10 yr., etc.
- Prioritize “D’s” first

- Financial Plan

- Rates ...
- AMP helps develop understanding of needs / costs

“After reading in the paper about the other town budgets, I just don't understand why we would have to go up on our garbage fee. ... **We are going up on sewer rates which I understand**, I just don't think this is the time to go up on the garbage fee.”



# Role of the SRF

- Priority for Projects Implementing AMPs
- Set Asides for Technical Assistance
- Loans
  - Funding general FSP with a project
- Coordinating with state programs



# Resources

- EPA
  - Small Systems
  - Public Officials Guide
  - Bridging the Gap (Penn State)
- Environmental Finance Centers
- Buried Asset Management Institute
- NAMS (International Infrastructure Management Manual)
- AWWA
- WEF

