Asset Management Plan
Development and “Gap” Analysis

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What is an Asset Management Plan?

- A comprehensive plan for long-term sustainability
- A tool to help utility managers make better decisions about repairing or replacing equipment and CIP projects
- Connects level of service with the condition of the system, improvement plans, and funding
What is an Asset Management Plan?

- A way to put all the pieces together

- A future NPDES permit requirement for major systems.
How Do We Start?

- Where are we?
- Where should we be?
- How do we get there?
- How do we make sure others understand why we are here now?
Gap Analysis

- Determines current position
- Clarifies future vision
- Develops a plan to fill the gap
Gap Analysis

• Determining current position
  ▫ Examine present policy and procedure
  ▫ Gather existing data
  ▫ Examine current IT capabilities
  ▫ Assess current skills, knowledge and culture
Gap Analysis

- Clarify future vision
  - Review and integrate regulations
  - Examine standards or best practices
  - Discuss desired expectations and outcomes
  - Determine what data would be useful
Gap Analysis

• Develop a plan to fill the gap
  ▫ Identify gaps between current practices and future needs
  ▫ Research possible skills, tools, and systems that can close the gaps
  ▫ Decide what processes will work best for your organization
  ▫ Develop an implementation plan and timetable
City of Wyoming Case Study

- Needed a quick turnaround due to SAW grant application due date
- RFP sent out in the first week of October
- Received 2 proposals

- Chose Black & Veatch
- Began the project in late October
Project Scope

- Strategic Asset Management (SAM) questionnaire
- Independent data review of current systems by B&V
- Interview workshops with key staff
- Confirm plan vision
- Identify gaps
- Complete assessment and implementation plan
Standards Used

- Proposed NPDES permit language
- WERF Strategic Asset Management (SAM) assessment tool
- Publically Available Specification 55 (PAS 55)
  - Produced by the Institute for Asset Management in the United Kingdom
  - Was being developed into the International (ISO55000)
RESULTS
NPDES Language

• **4 Requirement**
  ▫ **Maintenance staff**
    • Sufficient but needs documentation
  ▫ **Collection map**
    • Mapping fairly complete, staff training needed to implement fully
  ▫ **Inventory and assessment of fixed assets**
    • Condition, cost, depreciated value. Risk evaluation not complete
  ▫ **OM&R budget and rate sufficiency for the sewer and treatment works**
    • No replacement fund started and CIP needs to be included in rate methodology
NPDES Language

• Yearly Reporting
  ▫ Need policy, frameworks, strategy and objectives
  ▫ Procedure for reviewing and changing plan
  ▫ Track AM related activities
SAM Gap Assessment

Most substantial gaps identified:

- Developing and documenting AMP strategy and policy including
  - Explicit linkage of AMP to level of service commitment
  - Including AMP roles and responsibilities into the organizational structure
- Formally connecting risk assessment to AM decisions
- Training and professional development for staff on asset management
### Average score: 1.6

Average score of 1.6 indicates that we are aware of Asset Management and in the process of developing a program.
Conclusion

• 4 Focuses, 27 Action Items
  ▫ Asset Management Program Structure
  ▫ Asset Risk Management
  ▫ Operational Improvements
  ▫ Information Management

• 27 Action items identified
  ▫ Including:
    • Strategic Asset Management planning, increase documentation, assign roles and responsibilities, establish risk framework, execute business risk evaluation, procure software and hardware for IT system, staff training
We didn’t win the lottery

- What now?
  - Focus on fulfilling NPDES permit requirements
  - Make educated guesses about grant acquirement and timeline
  - Get started
Moving Forward

- Strategic Asset Management Plan
- Build Asset Inventory Database
- Implement Asset Management Program
- Performance evaluation and improvements
Moving Forward

Strategic Asset Management Plan

- Policy
- Strategy
- Objectives
- Key Performance Indicators
Questions?