

Asset Management Plan Development and “Gap” Analysis

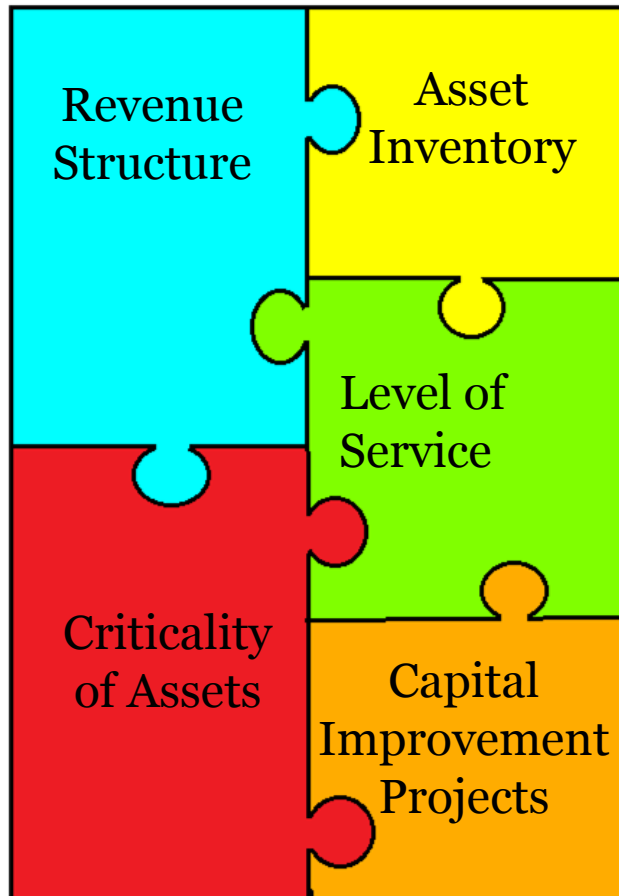
Katie Erickson, City of Wyoming

A decorative graphic consisting of several horizontal lines of varying lengths and colors (teal, white, and light blue) extending from the right side of the slide towards the center.

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?



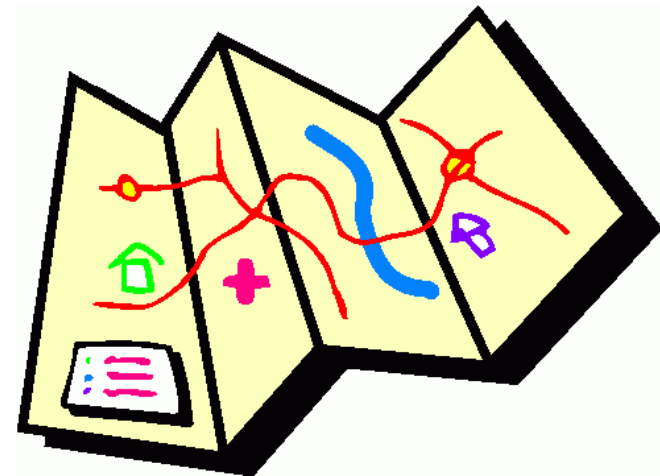
- A way to put all the pieces together
- **A future NPDES permit requirement for major systems.**

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

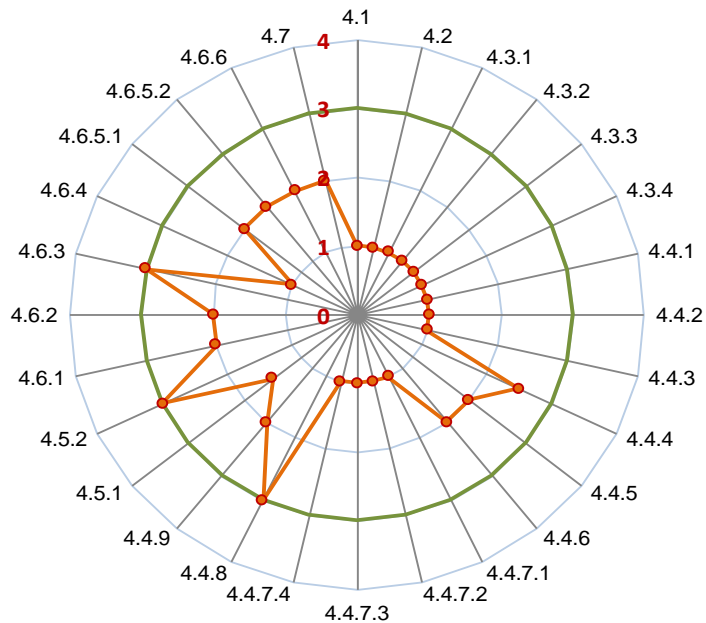
- Yearly Reporting
 - Need policy, frameworks, strategy and objectives
 - Procedure for reviewing and changing plan
 - Track AM related activities

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

PAS 55

Average score: 1.6



Section No	Section Name	Avg Score
4.1	General Requirements	1.0
4.2	Asset Management Policy	1.0
4.3.1	Asset Management Strategy	1.0
4.3.2	Asset Management Objectives	1.0
4.3.3	Asset Management Plans	1.0
4.3.4	Contingency Planning	1.0
4.4.1	Structure, authority and responsibilities	1.0
4.4.2	Outsourcing of asset management activities	1.0
4.4.3	Training, Awareness and Competence	1.0
4.4.4	Communication, participation and consultation	2.5
4.4.5	Asset Management System and Documentation	2.0
4.4.6	Information Management	2.0
4.4.7.1	Risk Management Processes	1.0
4.4.7.2	Risk Management Methodology	1.0
4.4.7.3	Risk Identification and assessment	1.0
4.4.7.4	Use and Maintenance of asset risk information	1.0
4.4.8	Legal and other requirements	3.0
4.4.9	Management of Change	2.0
4.5.1	Life Cycle Activities	1.5
4.5.2	Tools, facilities and equipment	3.0
4.6.1	Performance and Condition Monitoring	2.0
4.6.2	Investigation of Asset Related Failures, Incidents and Non-Comformities	2.0
4.6.3	Evaluation of compliance	3.0
4.6.4	Audit	1.0
4.6.5.1	Corrective and Preventative Action	2.0
4.6.5.2	Continual Improvement	2.0
4.6.6	Records	2.0
4.7	Management Review	2.0

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

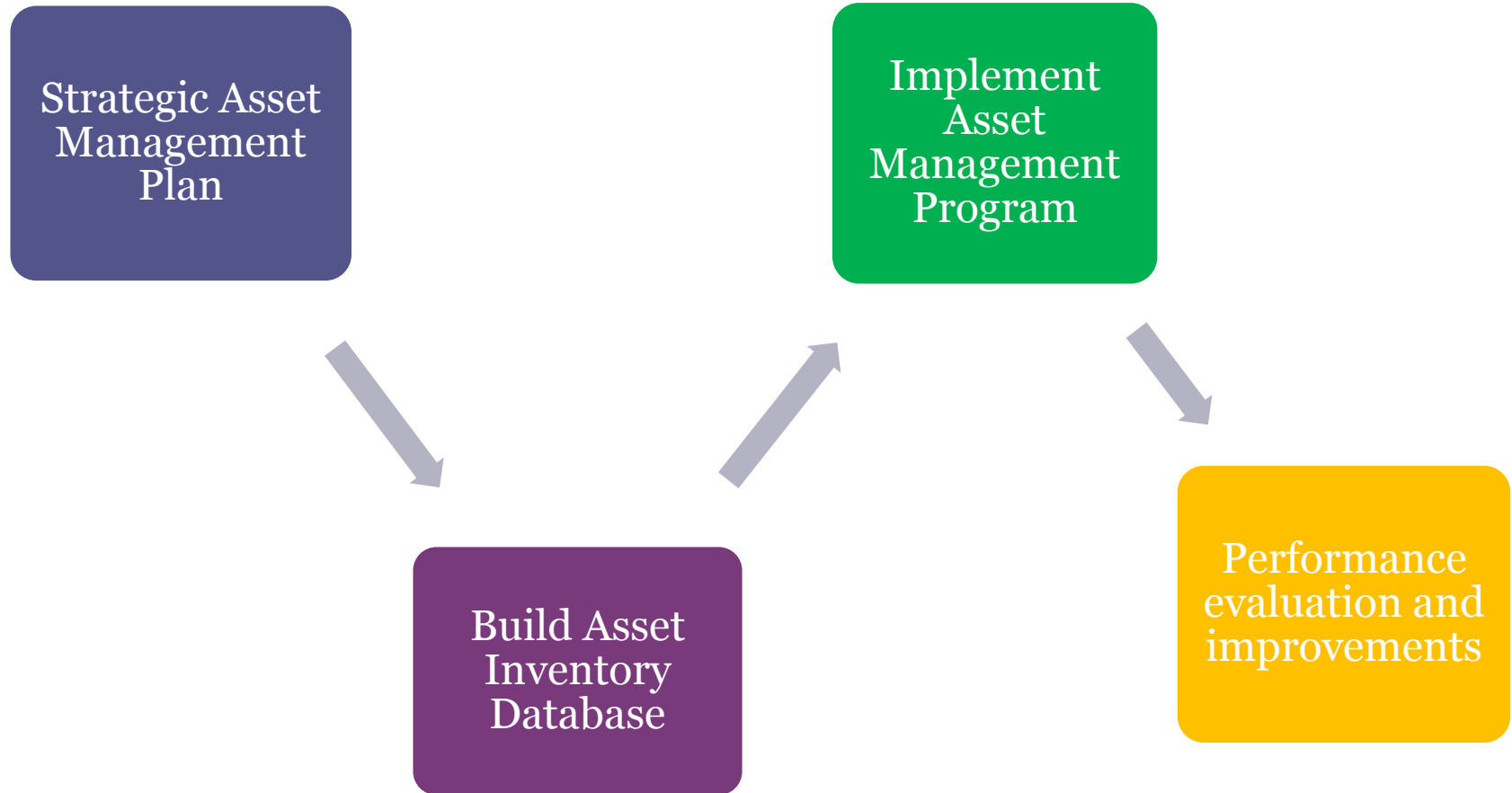


We didn't win the lottery



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

Moving Forward



Moving Forward

Strategic
Asset
Management
Plan

- Policy
- Strategy
- Objectives
- Key Performance Indicators

Questions?