Asset Management: Getting Started and Moving Forward

October 2023

The training has been developed by NAMS Canada in partnership with the Association of Manitoba Municipalities.

This initiative is offered through the Municipal Asset Management Program, which is delivered by the Federation of Canadian Municipalities and funded by the Government of Canada.

Workbook & Resources

Module 1: What is Asset Management

Learning Outcomes

1. Understand key asset management concepts
2. Express what asset management is in your own words
3. Awareness of the importance of considering climate change and natural assets in asset management discussions
4. Awareness of additional resources available for understanding basic AM fundamentals through FCM, AMM and other sources.

Notes:

Module 2: Why is AM Important

Learning Outcomes

1. Understand why asset management is important
2. Express, in your own words, how asset management supports informed decision making
3. Utilize Asset Management Information to support informed decision making
4. Awareness of resources from FCM, AMM and other sources to communicate the importance of asset management to your stakeholders

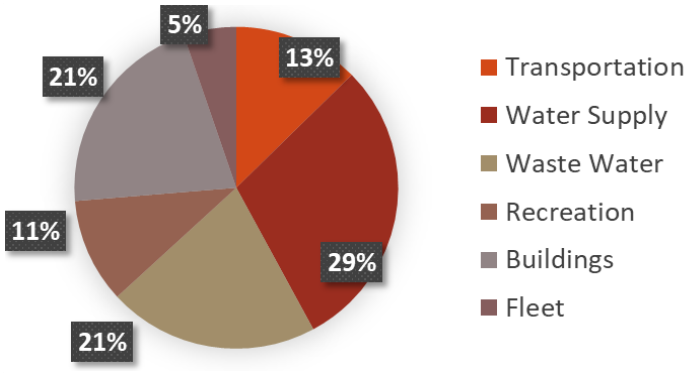
Notes:

MUNICIPALITY OF NEVERLAND
Summary of Current AM State

The municipality in Southeastern Manitoba has a population of 5,000. The main economy is agriculture & construction. The municipality provides many services to the community including transportation, water, wastewater, recreation, parks, and community buildings.

MUNICIPALITY OF NEVERLAND ASSETS

- Roads, Culverts and Bridges
- Water Treatment Plant and Lift Stations
- Distribution Mains
- Sanitary Sewer Treatment Plant
- Collection Mains
- Parks and Playgrounds
- Trails and Paths



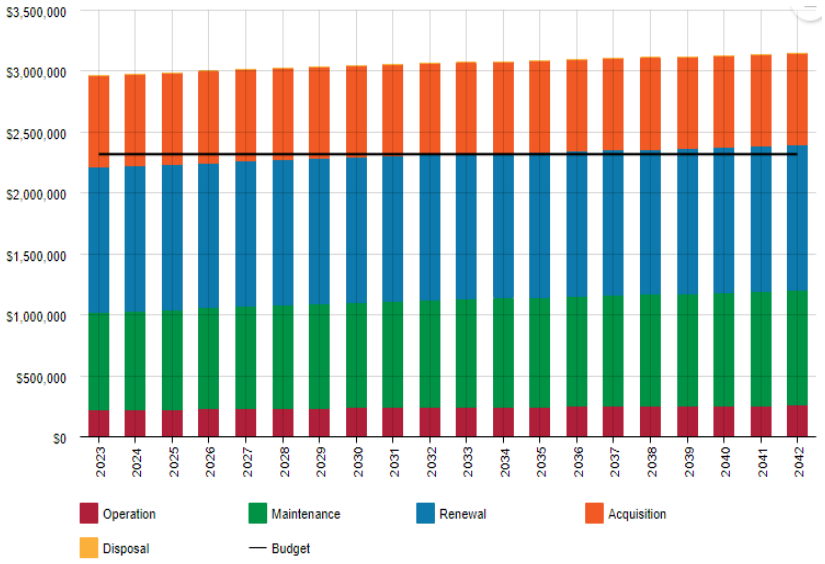
VALUATION SUMMARY

Replacement Cost
$94,999,664

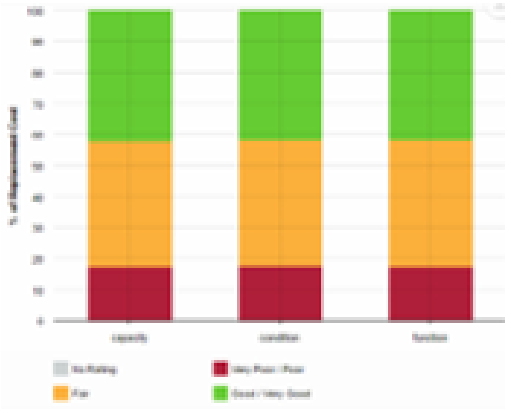
Depreciated Replacement Cost
$25,445,204

Annual Asset Consumption
$2,628,569

LIFECYCLE SUMMARY



STATE OF THE ASSETS



LEVELS OF SERVICE

Recent Community Consultation was conducted:
Community values for infrastructure are growth and ability to attract & retain people to the area
High level of satisfaction due to recent investment in recreation development
LOS for operations and renewals has been declining

RISK MANAGEMENT

A risk management plan has been developed. The main risks are identified as:

- Insufficient income to renew existing assets
- Insufficient income to operate and maintain existing assets
- Lack of staff resources to complete all operations and maintenance work
- Increased likelihood and severity of flooding leading to culvert failure and road washouts
- Affordability of services for the community

Interpret Asset Management Information

What is the general message in the report? Do you anticipate LOS to improve, decline, or stay the same?
Do you have any concerns with the confidence of information presented? Why?
What additional questions might you ask?

What elected officials should be asking:

- Do we know what the community 'wants' or expects from the service? What are people willing to pay for it?
- What are the upcoming costs and when? Are they affordable?
- Do we have the capacity? Time, Knowledge, & Resources
- What are the risks associated with the service provided? Are we comfortable accepting the risks?
- What climate change risks are there?
- Does this align with organizational Strategy & Goals?
- What won't get done if we support this?
-
-
-

Module 3: AM in the Real World

Learning Outcomes

1. Understand integrated planning and the role of the asset management system (policy, strategy and plans)
2. Understand how maturity assessment supports priority setting and roadmap development.
3. Consider the next step and resources required for your organization to advance their AM maturity
4. Aware of resources from FCM, AMM and other sources for implementing AM and documenting AM maturity

Notes:

Post-It Activity: What Are your Next Steps

	Activity	Resources Required	Timeline	Responsibility
Policy & Governance				
People & Leadership				
Data & Information				
Planning & Decision Making				
Contribution to AM Practice				

Module 4: AM Success Enablers

Learning Outcomes

1. Identify success enablers for sustainable service delivery.
2. Understand the role of success enablers for asset management
3. Apply concepts to develop either an Asset Management Policy or Asset Management Steering Committee Terms of Reference document.
4. Be aware of resources through FCM, AMM and other sources for AM Policy and Terms of Reference for Steering Committees.

Notes:

Asset Management Policy Template

Policy Adopted (dd/mm/yyyy)

Purpose: This Policy articulates the _____(Community's name) commitment to effective asset management. The purpose of this Policy it to:
Deliver infrastructure services in a way that meets established levels of service:
Provide direction to help our community make decisions and prioritize core infrastructure needs:
Provide direction for the consistent application of asset management by Council and staff; and;
Reflect the organizations' strategic goals with respect to managing infrastructure.
Asset management enables the protection of community-owned assets that deliver core community services, including the water system, sewer system, roads and drainage, recreation, buildings, vehicles, and heavy mobile equipment (adjust as necessary).

ASSET MANAGEMNENT POLICY STATEMENTS

Asset management is an organization-wide approach for managing infrastructure assets to enable the provision of community services. The tangible assets of the _____ (Community Name) are managed in accordance with the following principles and the policy statements that support them:

A) Levels of Service	The _____ has established and strives to deliver levels of service that: -Comply with all legislated requirements: -Protect and uphold public safety, community well-being and the environment; and -Reliably meet the informed expectations of stakeholders and the public.
B) Informed Decision Making	Assets management decisions are based on sufficient, reliable and current inventory information. A consistent approach has been adopted for decision making, including data management, risk analysis, evaluating trade-offs, and record keeping. Decision that guide capital planning are made with a holistic view of systems needs across all asset categories, integrated with existing policies, and balanced according to community priorities. Opportunities for regional collaboration are identified and leveraged.
C) Minimum Sustainable Cost	The _____ strives to uphold service levels at the minimum sustainable cost by minimizing expenditures on capital and operational costs, without deferring or under funding maintenance or renewal. A proactive approach has been taken, enabled through long-term financial planning that considers the full lifecycle costs of assets.
D) Continuous Improvement	The Asset Management Policy and Plans are developed, implemented, evaluated and renewed on an ongoing cycle. Adequate resources are provided for implementation and training to enable the management of municipal assets according to current best practices.

Asset Management Policy Template con't

CONTEXT AND INTEGRATION

The context and integration of asset management throughout the organization is formalized through references and linkages between corporate documents. Where possible and appropriate, Council and staff will consider this Policy and integrate it in the development or updating of corporate documents.

KEY RESPONSIBILITIES FOR MANAGING THE ASSET MANAGEMNT POLICY

The performance of asset management is organization specific, reflective of knowledge, technologies and available tools, and will evolve over time. Council retains the sole authority to approve, update, amend, or rescind this Policy. Council has the authority to delegate implementation responsibilities to staff, while providing the resources necessary to support staff in performing delegated responsibilities.

A full list of responsibilities for implementing the Asset Management Policy is outlined below:

Area of Responsibility	Body Responsible
Ongoing review of policies, updating where needed	Council
Exercise stewardship of assets	Council
Establish a budget for asset management	Council, staff delegate
Monitor and review infrastructure standards at established intervals	Council, staff delegate
Report to citizens on status of the community's assets and assets management program	Council, staff delegate
Manages infrastructure-related risks	Council, staff delegate
Document and regularly re-evaluate levels of service	Council, staff delegate
Develop and maintain guidelines and practices	Staff delegate
Develop and maintain infrastructure strategies and service plans	Staff delegate
Develop and maintain asset inventories	Staff delegate
Assess infrastructure condition and service levels	Staff delegate
Establish and monitor infrastructure replacement levels through the use of full lifecycle costing principles	Staff delegate
Develop and maintain financial plans for the appropriate level of maintenance, rehabilitation, extension and decommission of assets	Staff delegate

AM Policy Activity Questions

- Do you agree with the "Purpose" statements? Anything to add or remove?
- What services does your organization provide? What are the division of Asset Classes that you will report on?
- Does your organization agree with the "Policy Statements"? Anything to add or remove?
- Is the "Context and Integration" appropriate? Does the Policy link to Council's Strategic Longer-Term Plans and Long Term Financial Plan?
- What would appropriate timelines be for the Area of Responsibilities?
- Is your organization in a position to review and/or follow this Asset Management Policy?

Terms of Reference for Asset Management Steering Committee Template

Purpose: To monitor progress on our Municipality's Asset Management Roadmap/Workplan, which includes but is not limited to:

- Promoting awareness of the Town's commitment to asset management.
- Promoting awareness of the workplan activities among departmental staff.
- Recommending (or assigning) responsibilities and timelines for Workplan activities.
- Making recommendations on allocation of resources (eg. staff and budget) to implement the workplan
- Monitoring and reporting progress on activities and timelines
- Recommending amendments to the Workplan or additional activities to support integration to good asset management practices for the municipality.
-
-

Committee Composition: The Committee Chair shall be (CAO or designate?). Other Committee members will include *(ensure a cross-functional team – where applicable include a key individual from finance, public works, engineering, etc.*)

Meetings: The committee will meet (frequency – e.g. biweekly or monthly - it is *suggested that times are set in advance on a regular schedule, e.g. first Wednesday of each month at 9 a.m.)*

Authority and Reporting: Written minutes will be prepared at each meeting and circulated to

_____(all staff?) which will document progress to date on each activity in the Workplan.

The Committee receives it authority from_____ (*this should be the CAO/Town Manager)* and will report to_____ (*whom? Frequency? This should be the CAO if CAO is not a committee member. The statement may be omitted if the CAO is on the committee. The CAO may also wish to report to Council on progress annually. Including this in the Terms of Reference is optional.)*

Terms of Reference for AM Steering Committee Activity Questions

- Do you agree with the "Purpose" statements? Anything to add or remove?
- Who would be the Committee's Chair? Who will be included in your organizations cross-function team?
- Would be an appropriate timeline for meeting? How or what would a meeting look like?
- Who, what, and when would the committee report to?
- Is your organization in a position to review and/or follow this Terms of Reference for a Steering Committee?

Resources

RISK

- Managing Risk (PDF)- FCM and National Research Council-This guide provides an overview of the risk management process, risk analysis, and case studies that highlight best practice.

- Risk-Assessment-Tool (Excel)-Asset Management Ontario (AMONTario)- Template for Identifying and Analyzing Risks using risk rating criteria

LEVEL OF SERVICE

- "I Want a Five-Star Experience for a Two-Star Price"Setting and Communicating Levels of Service (PDF)-Rural Municipalities of Alberta (RMA); Alberta Urban Municipalities Association (AUMA); Infrastructure Asset Management Alberta (IAMA)-This workbook is designed to assist elected officials in defining levels of service, incorporating it into decision making, and communicating with the community

- Association of Municipalities of Ontario (AMO), Asset Management Ontario-Excel Templates with examples of Level of Service Parameters for various asset types:

  - Template - Roads & Bridges
  - Template - Water
  - Template - Wastewater
  - Template - Stormwater
  - Template - Facilities

LIFECYCLE COSTING

- Whole Lifecycle Perspective in Asset Management - (YouTube Video)--Asset Management Ontario (AMONTario) "My Town" Series. This video explains how to take informed decisions considering the lifecycle of an asset, including the cost to own, maintaining, operate, repair, and dispose of over its life.

NATURAL ASSETS AND CLIMATE CHANGE

- Integrating Natural Assets into Asset Management (PDF)-Union of BC Municipalities, Asset Management BC, and the BC Ministry of Municipal Affairs and Housing-This primer introduces the key concepts, rationale, and an approach for including natural assets throughout the AM process.

- Climate Resilience and Asset Management (Video Series)-FCM's Municipalities for Climate Innovation Program-This video series will help viewers gain an understanding of why municipalities need to consider climate as part of a holistic approach to managing infrastructure assets, why we need climate data to inform decision-making, and what actions Canadian municipalities are taking.

Resources

SUCCESS ENABLERS

- Starting the asset management conversation with your municipal council (Powerpoint)- FCM's Municipal Asset Management Program-This presentation can be easily adapted and used to give municipal council an overview of asset management and its value to the municipality.
- Questions to ask BEFORE your municipality considers asset management software (PDF)-FCM's Municipal Asset Management Program-This guide provides basic information on AM software, what it can do, and the questions to ask internally and to suppliers before procuring software.
- Scoping your asset management project (Webpage Tip Sheet)-FCM's Municipal Asset Management Program-These tips will help municipalities clearly define and communicate the objectives of an AM project to consultants to facilitate the evaluation and selection process.
- Ensuring continuation of asset management once consultant services are complete-(Webpage Tip Sheet)-FCM's Municipal Asset Management Program-These tips will help to engage the municipal team during the planning and development of a consultant-led AM project to ensure post-project momentum.

ASSET MANAGEMENT MATURITY

- Assessing your community using FCM's Asset Management Readiness Scale-(Video)-FCM's Municipal Asset Management Program-This 15-minute video explains how to do a self-assessment using the FCM AMRS tool. Learn more about the format of the scale and tips to make your self-assessment accurate and representative of all relevant municipal sectors.
- The Building Blocks of Asset Management (PDF)-FCM's Municipal Asset Management Program-A how-to guide for reaching Level 1 of FCM's Asset Management Readiness Scale

ASSET MANAGEMENT POLICY

- It's Got Teeth but Doesn't Bite: Developing and Implementing an Effective Asset Management Policy (PDF)-Rural Municipalities of Alberta (RMA); Alberta Urban Municipalities Association (AUMA); Infrastructure Asset Management Alberta (IAMA)) - This workbook guides elected officials through the process of creating an AM policy, defining community values, and outlining the principles that guide AM decisions.

TEMPLATES

- Committee Terms of Reference Template- (PDF) - AIM Network-This template can be readily adapted to create the Terms of Reference for an Asset Management Committee.
- Asset Management Policy Toolkit (PDF)-Northwest Territories Association of Communities (NWTAC)-This guide and template assist communities in developing an AM policy that is tailored to the local context and articulates Council's commitment. It includes a ready-to-fill policy template.

CASE STUDIES

- City of Selkirk – Raising the Bar on Asset Management
- Town of The Pas-Access to municipal asset data enables collaboration in The Pas
- Village of Dunnotar-Dunnottar's asset management plan is creating a sustainable future

FCM Evaluation Survey

AMM and FCM Resources

Workshop Resource List

AMM Infrastructure & Asset Management Webpage

FCM Asset Management Resource Library

FCM Upcoming Training

NAMS Canada

- Website: www.namscanada.org
- Monthly Newsletter
- ASK NAMS Community Discussion Forum
- Email: support@namscanada.org
- Phone: 1(800)-923-7647

NAMS Canada Upcoming Training