

MANAGING YOUR ASSETS

CREATING YOUR
SUSTAINABILITY STORY



MANAGING YOUR ASSETS

AVOIDING YOUR
MEDIocre STORY



AGENDA

1. Introduction to Asset Management:

- *what it is

- *why it matters

- *what is your role

2. Truth serum about our service sustainability challenges

3. Robust conversation

My life as an
ASSET MANAGEMENT
advocate



MY INTENTION

Make everything as simple as possible,
but not simpler.

Albert Einstein.

MY WHY

We must all suffer from one of two pains:
the **pain of discipline** or the **pain of regret**.
The difference is discipline weighs ounces
while regret weighs tons.

Jim Rohn

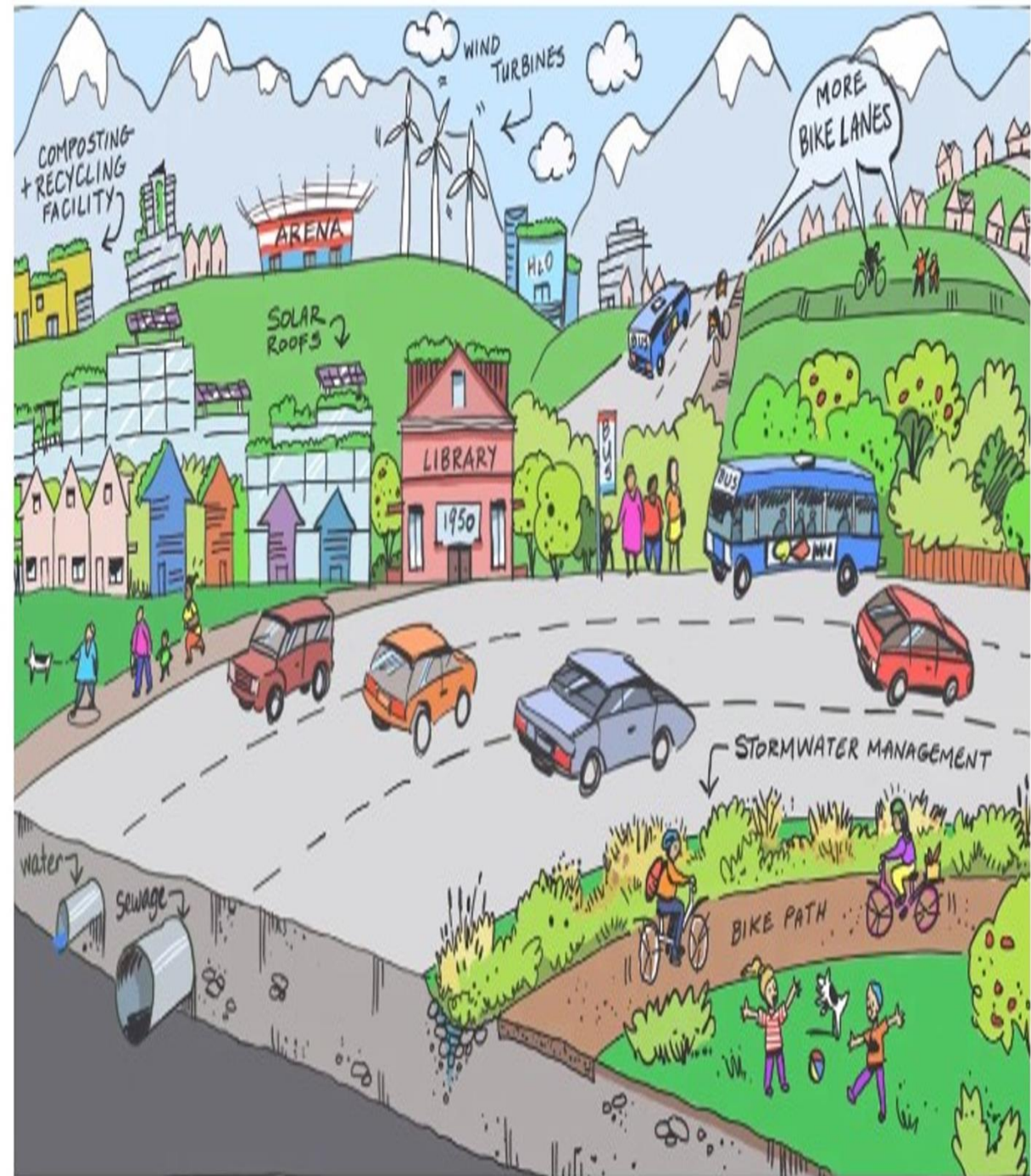


1. What are you curious about when it comes to asset management?

WHAT IS THE
PURPOSE OF
LOCAL
GOVERNMENT?



The purpose of Local Government is to provide safe, sustainable, secure services in a seamless, cost-effective manner.



LOCAL GOVERNMENT ARE BODILY SERVICES

24 - 7 - 365

Shelter: *land use planning*

Hydration: *drinking water*

Sanitation: *bathing, teeth brushing, flushing, garbage, recycling,*

Movement: *sidewalks, roads, bike lanes, transit*

Wellbeing: *recreation centers, trails, parks, public spaces*

Safety: *emergency planning, fire protection*

58

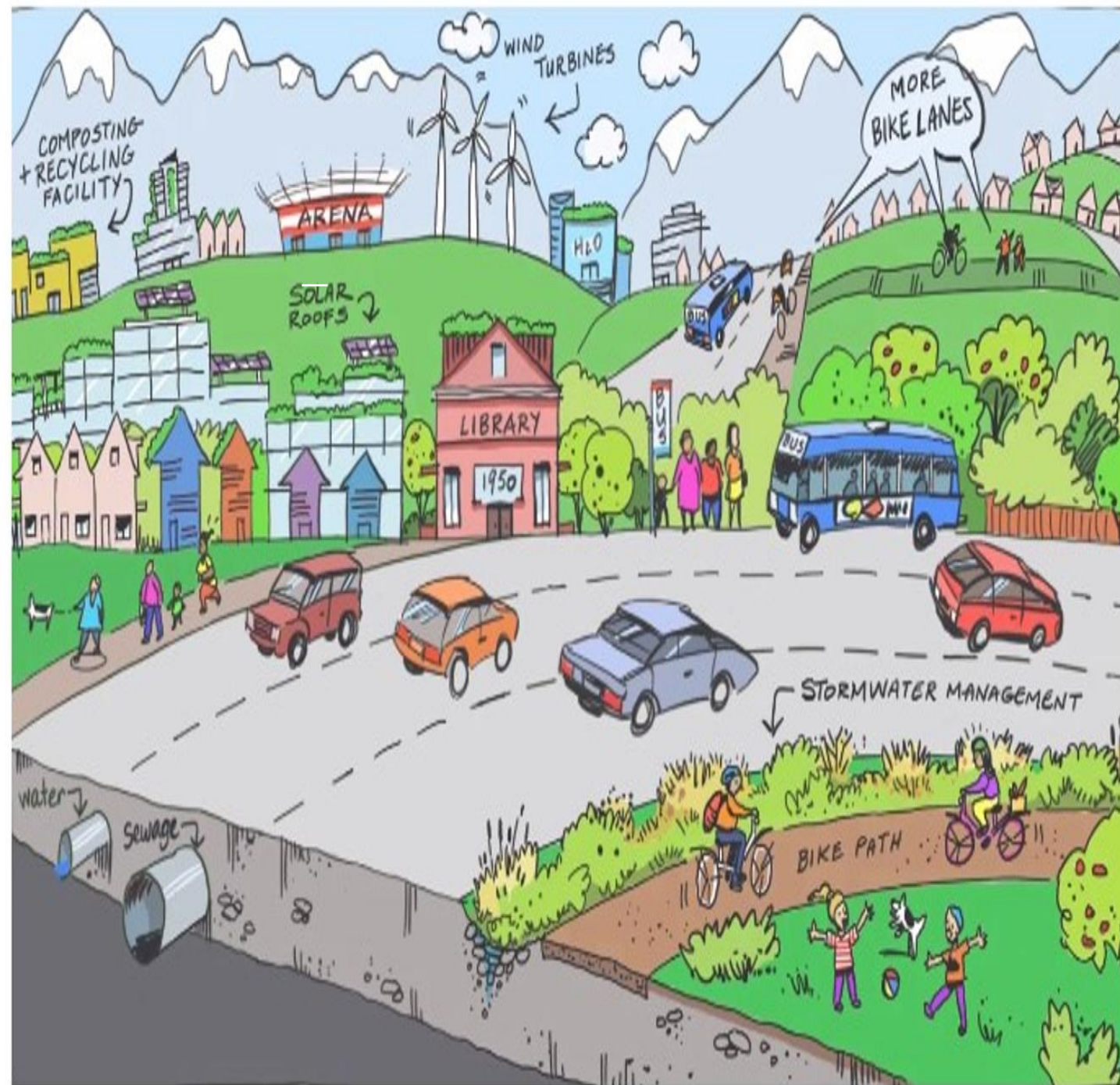


Why do we
need
Elected
Officials?

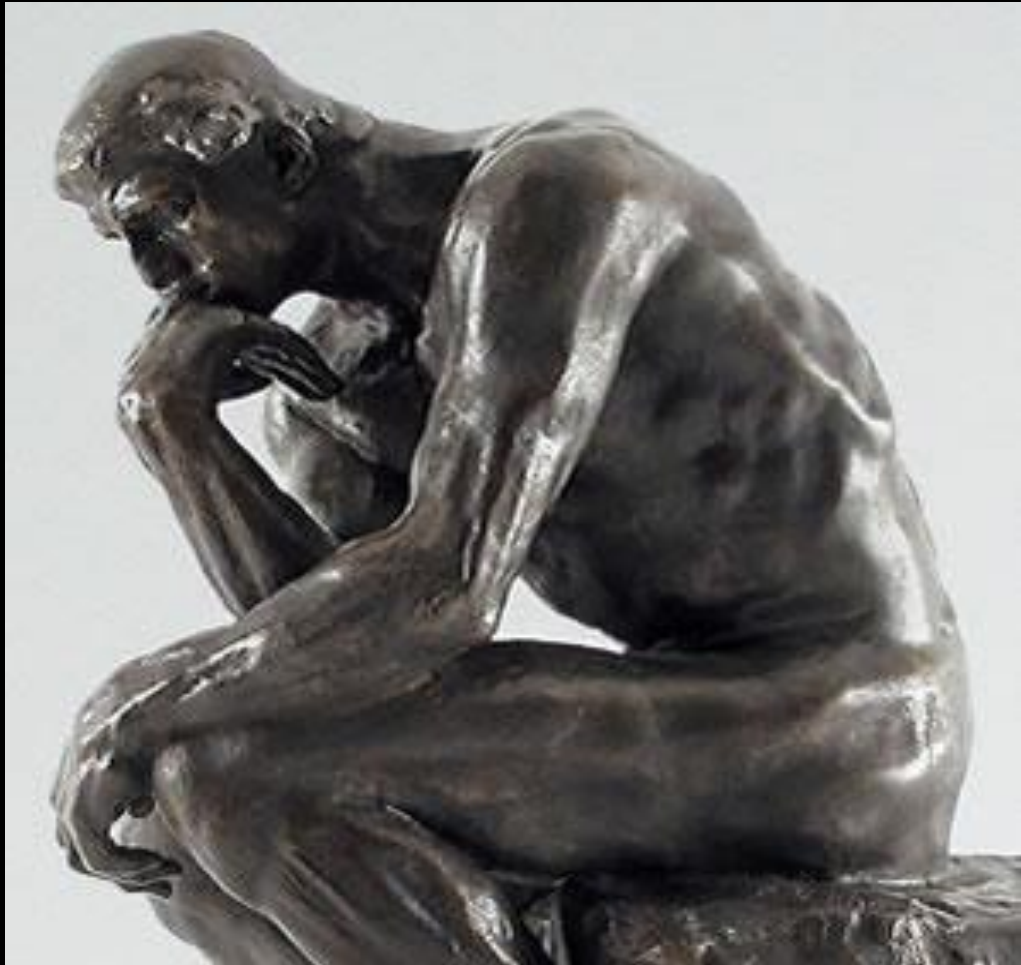


I promise to
make this
town GREAT
AGAIN!

Stewardship and governance over the organization that provides services to your community.



What DO I DO?



Your job is
TO THINK

1

What services
does our
community **need**
and want now
and in the future?

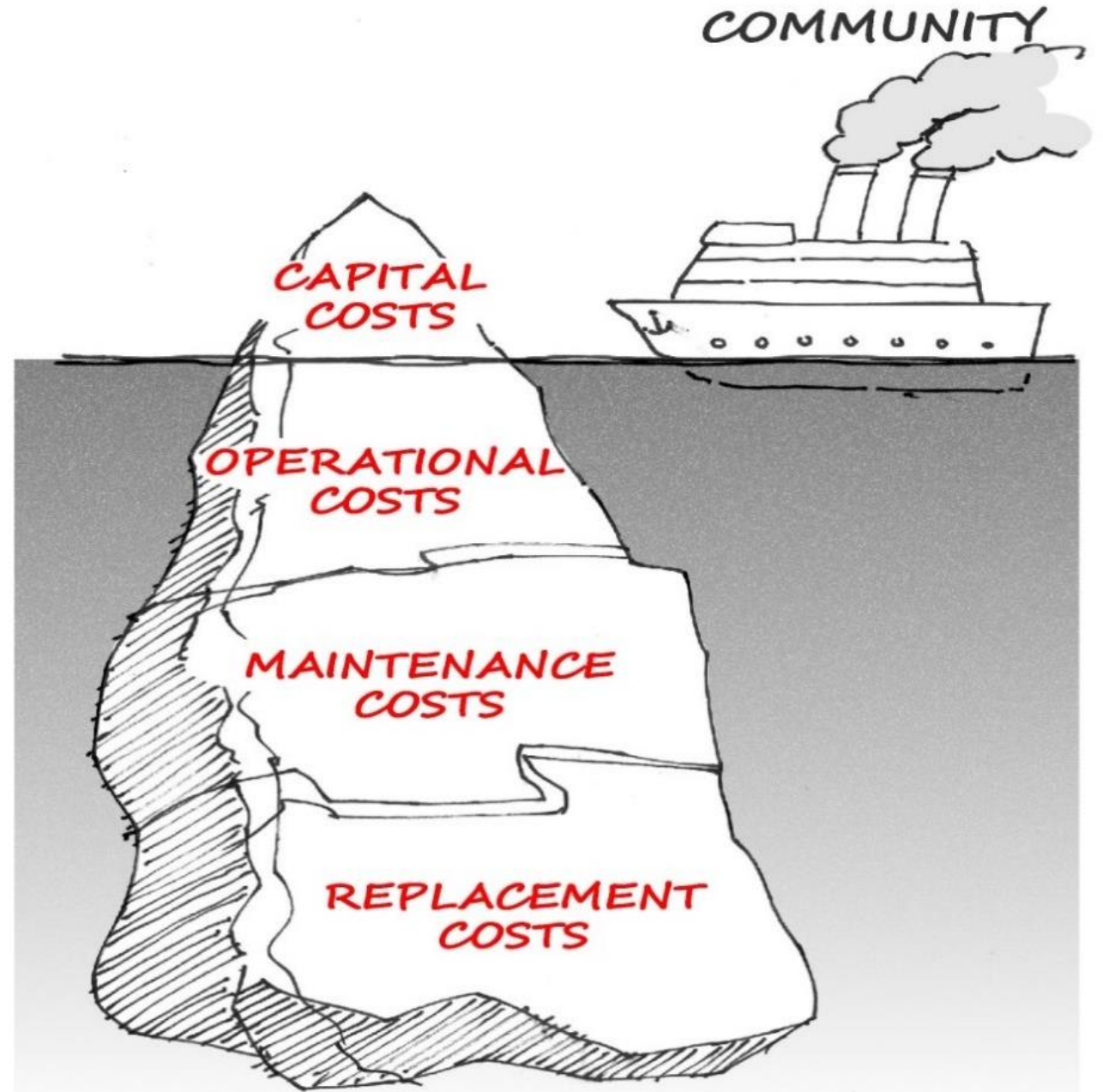
(and at what level)

2

What are the
services our
community is
willing and able
to pay for?

3

What are we spending to maintain our services?
Is it enough? What should we be spending? Are our services at risk? Are we sustainable? Can we prove it?



What is Asset Management?



If your local government provides safe, sustainable, secure services in a predictable, cost-effective manner...

...then the quality of your services is directly linked to keeping infrastructure assets in state of good repair.

Or not



If your local government provides safe, sustainable, secure services in a seamless, cost-effective manner...

You must manage your assets in a structured and strategic way that is in alignment with community expectations.

Or not



To provide safe,
sustainable, secure
services in a seamless,
cost-effective manner...

You **MUST** determine your
capital investment
priorities and set realistic
expectations with limited:

- Financial capacity
- Staff resources
- Data on asset lifecycle costs, condition and risk assessments

Or not



Asset Management starts with...

What services do we provide?

WHY?

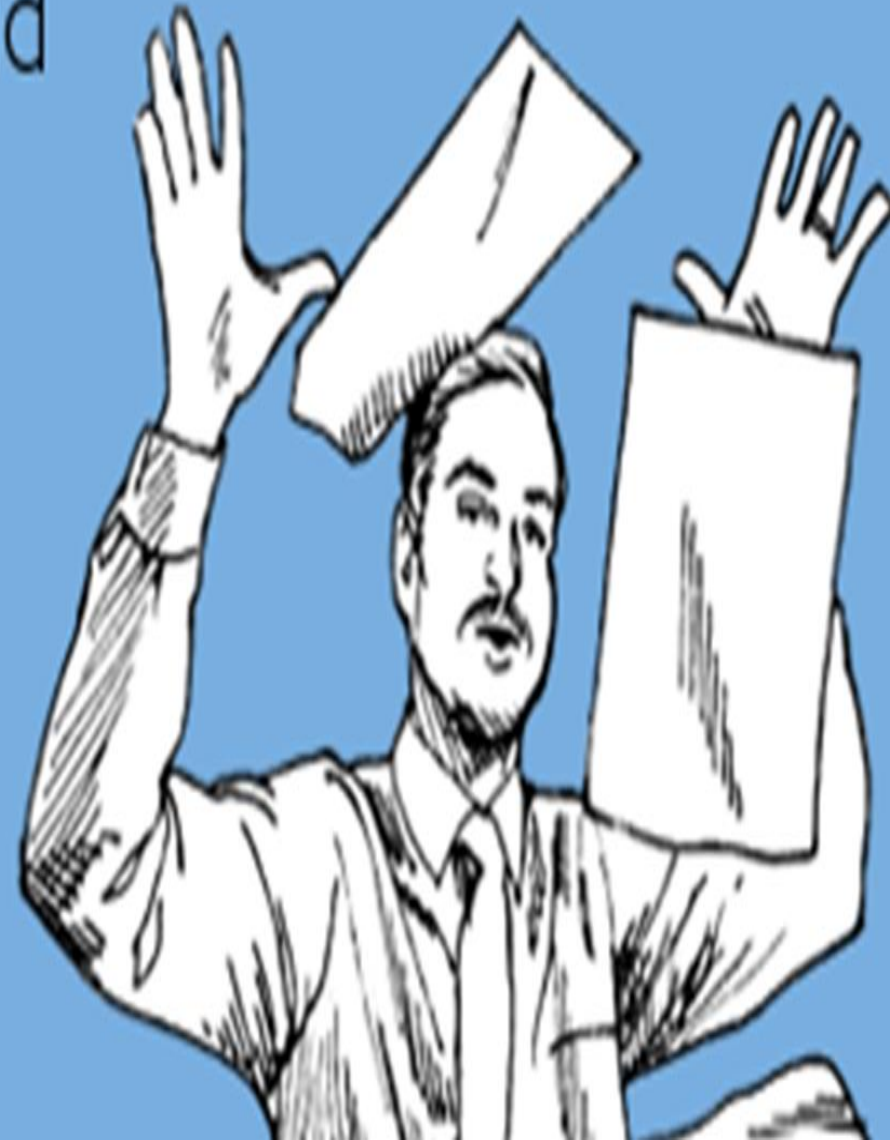
EXERCISE

- List all the services you can think of that you are now responsible for governing?
- Mark symbol (oxygen-aspirin-jewelry)
- Place them on your 'tree'
- Compare notes with your fellow Eos and staff



I paid my taxes
at the Town of
Golden and all I
got were these
lousy services!

"Oh, I just LOVE
tax season," said
no one ever.



Transportation networks including roads,
sidewalks, bike lanes, trails,
Snow clearing, street sweeping, pothole filling
Storm drain management
Clean, clear, safe drinking water
Waste water systems
Community and cultural events
Garbage and recycling pick up
Parks and sports fields
Sports facilities
Play places & recreation programs for ALL ages
Bylaw enforcement
Enforcement of building standards

Flood protection
Fire protection
Emergency management
Community safety programs
Public inquiries
FOI requests
Grant writing
Support for seniors
Assistance in finding your lost dog
Land use planning and zoning for the future
Signage
Attractive public spaces

Asset Management starts with...

What services do we provide and WHY?

What level of service do we provide?

Is this service level:

Sustainable?

Fully funded?

Needed, desired?

How do we achieve sustainability? AM Mindset

- What do we own?
- Where is it?
- What is it worth?



- What condition is it in?
- What do we need to do and by when?
- How much money do we need?

- What are the risks and consequences?
- Where are we vulnerable?

- Do we still need it?
- What do the regulators require?
- What are the public's expectations?

Transportation:

Roads – 16 kms

- Collector (Forsters landing) – 1km
- Rural Local (ie Kirk St) – 4.8km
- Urban Local (ie Main St E/W) – 5.2km
- Gravel (ie STP Rd) – 2.2km
- Lane (ie Alleys) – 2.3km

Sidewalks – 7.2kms

Curbs & Gutters

Trails – 5.7kms incls Sinclair Creek

Parking lots – 6

1 w EV Charger

Road Bridge – 1

Foot Bridges – 2

Streetlights ~ 10

Decorative Lights - 108

Road & other Signs ~ 200

Sewer:

Sewer Treatment Plant

- Lagoons – 2
- Muffin Monster
- Blowers – 2
- Primary Treatment Tanks - 2
- Sludge Sock & Pumps – 2
- Rapid Infiltration Basins - 6

Sewer Lines – 18.4kms

Manholes – 163

Lift Stations – 2

Valves – 40

Diffusers - 48

Buildings/Structures:

Municipal Office/Council

Chamber

Firehall

RHS Centre/Brent's Shack

Amenities Building

Public Works Garage

Sewer Treatment Plant

Water Treatment Plant

Salt Sheds – 3

Skating Rink

Splash Park

Public Washrooms - 2

Columbarium

Fleet & Equipment:

- Fire Dept Vehicles – 4
- Public Work trucks – 5
- Street Sweepers – 2
- Bobcats – 2

Water:

Water Treatment Plant

- Filter trains - 3
- UV Units
- Chlorination Process

Settling Ponds & Screens – 2

Reservoirs - 2

Water Lines – 33kms

Hydrants – 48

Booster Stations – 1

Gate Valves – 210

Pressure Reducing Valves – 2

Water Meters – 99

- Zone meters – 5

- Commercial – 94

Blow Off Valves – 24

Curb stops ~ 780

Storm System:

Culverts and lines – 3.2km

Catch Basins – 105

Drywells – 46

Manholes – 13

Parks/Recreation:

Shell Park

Kirk's Street Park

Main Play Park

Outdoor Exercise Equipment

Rotary Park

Legend's Field

Pothole Plaza

Pump&Jump /Disc Golf

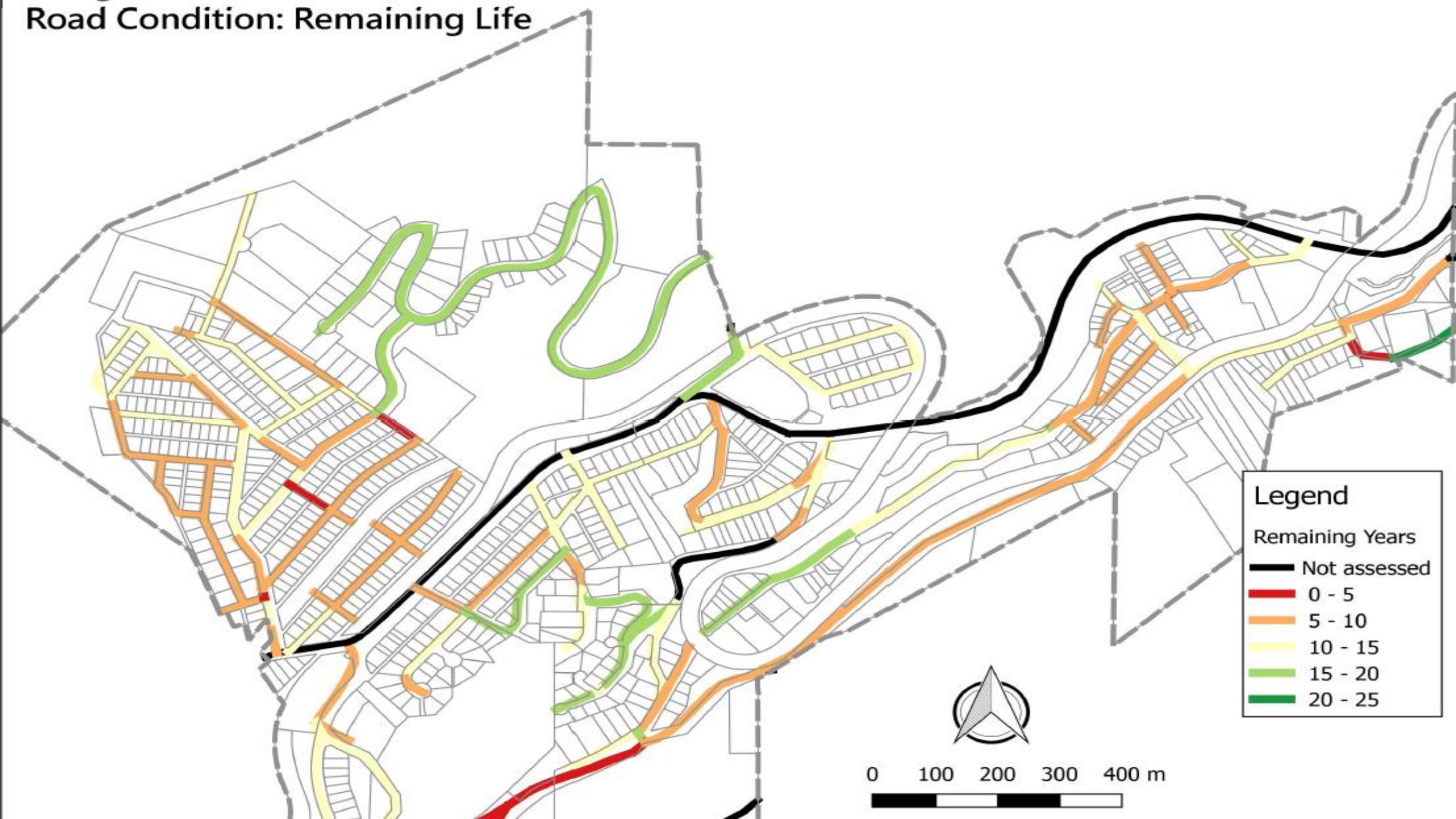
Main Street Boulevards

Bighorn Statue/Roundabout

Distributed Throughout Town:

- Garbage Deep Cans – 25
- Irrigation systems
- Flower Boxes/Rock walls
- Dog Bag Dispensers – 15
- Benches/Tables ~ 30
- Fire Pits - 3

Road Condition: Remaining Life



GOAL

Provide safe, secure, seamless, and sustainable services to residents.

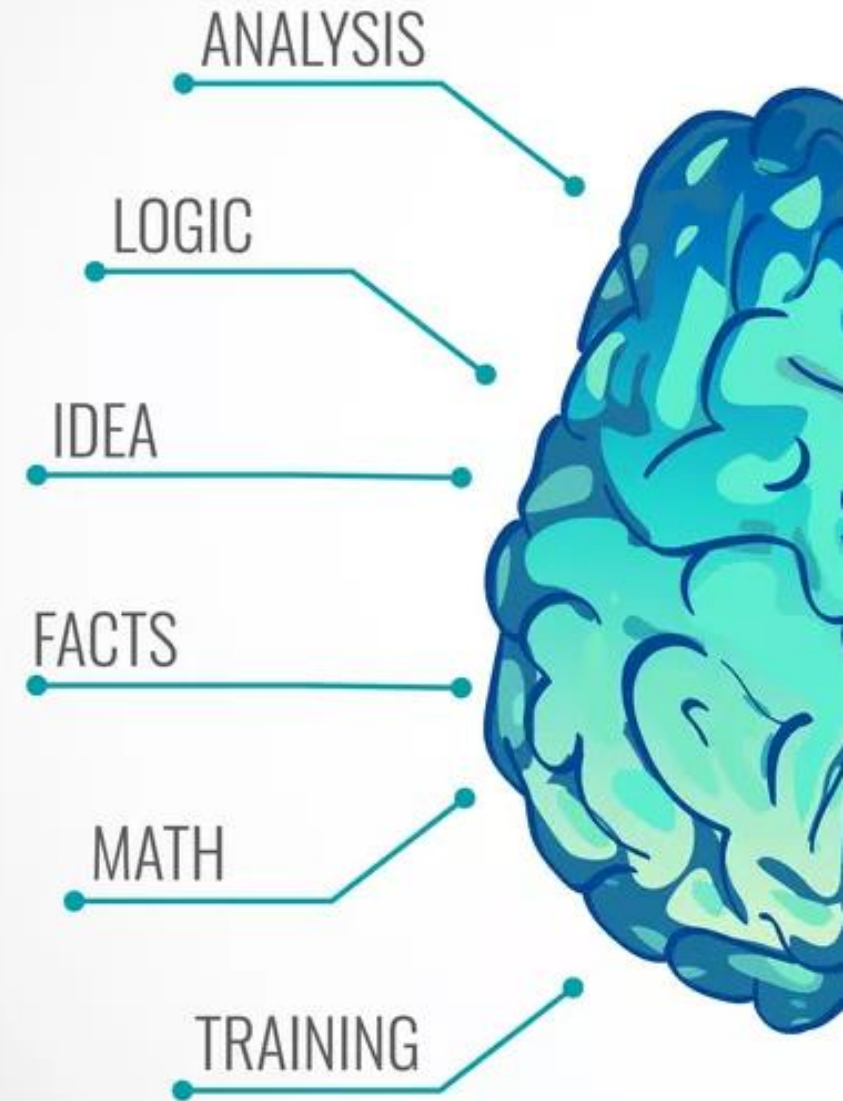
Optimize the value of the infrastructure while minimizing lifecycle costs.

Manage risks to ensure service delivery is predictable.



Asset Management:

Logical
Rational
Data Driven
Strategic
Pragmatic



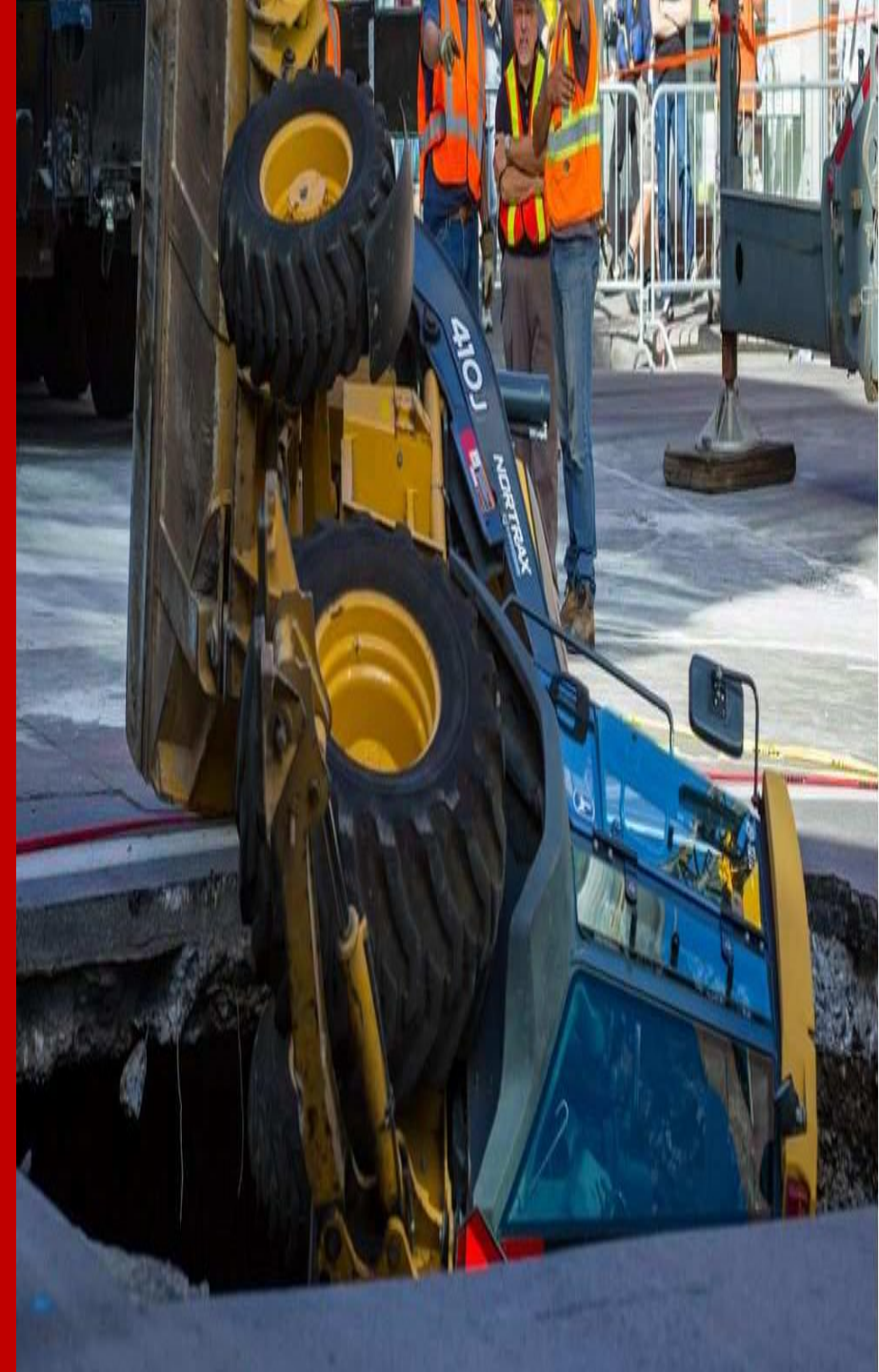
Sooooooooo
what is the
problem?
How did this
happen?



What could possibly get in the way of evidence-informed decision making?

Why do we ignore the things we should not ignore?

Why do we not attend to the things we should attend to?



DENIAL



FEAR OF OTHERS

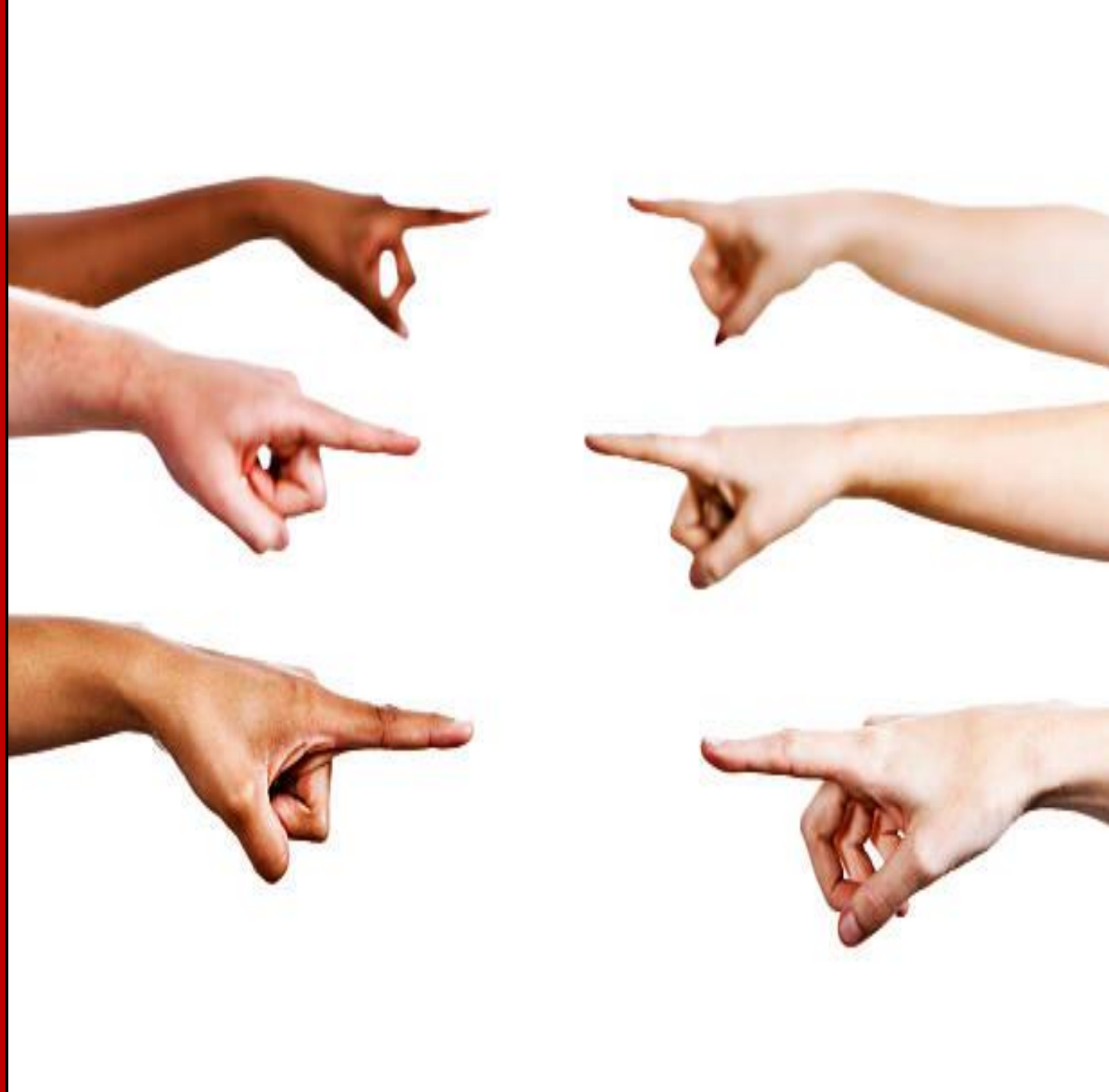


COGNITIVE DISSONANCE



CULTURE:

- SHAME
- BLAME
- FINGER POINTING
'OTHERING'



LACK OF TRUST

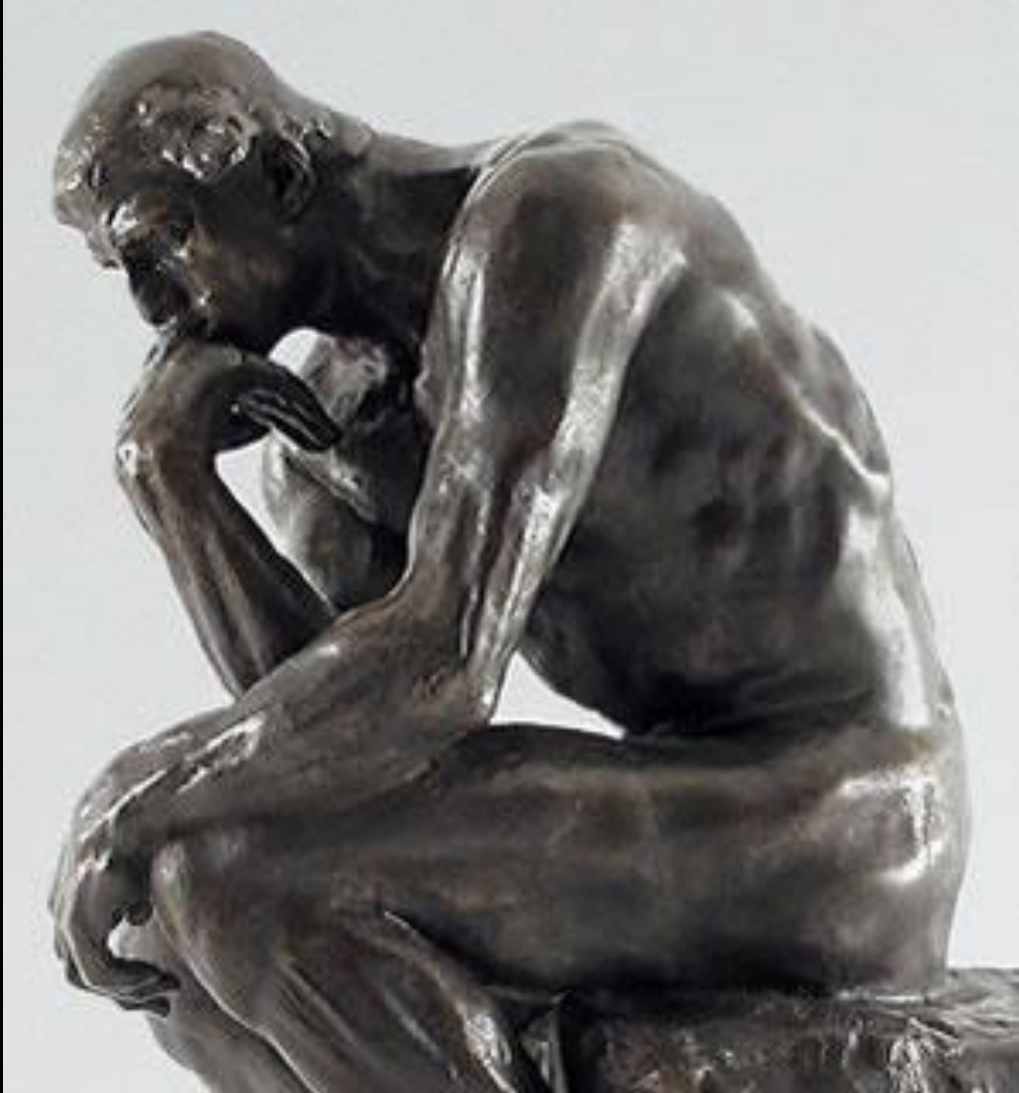


What DO I DO? Build the right culture

- Healthy conflict is WELCOMED
- Relational currency is PRIMARY
- Candor and curiosity RULES
- Fearless advice is the NORM



What DO I DO?

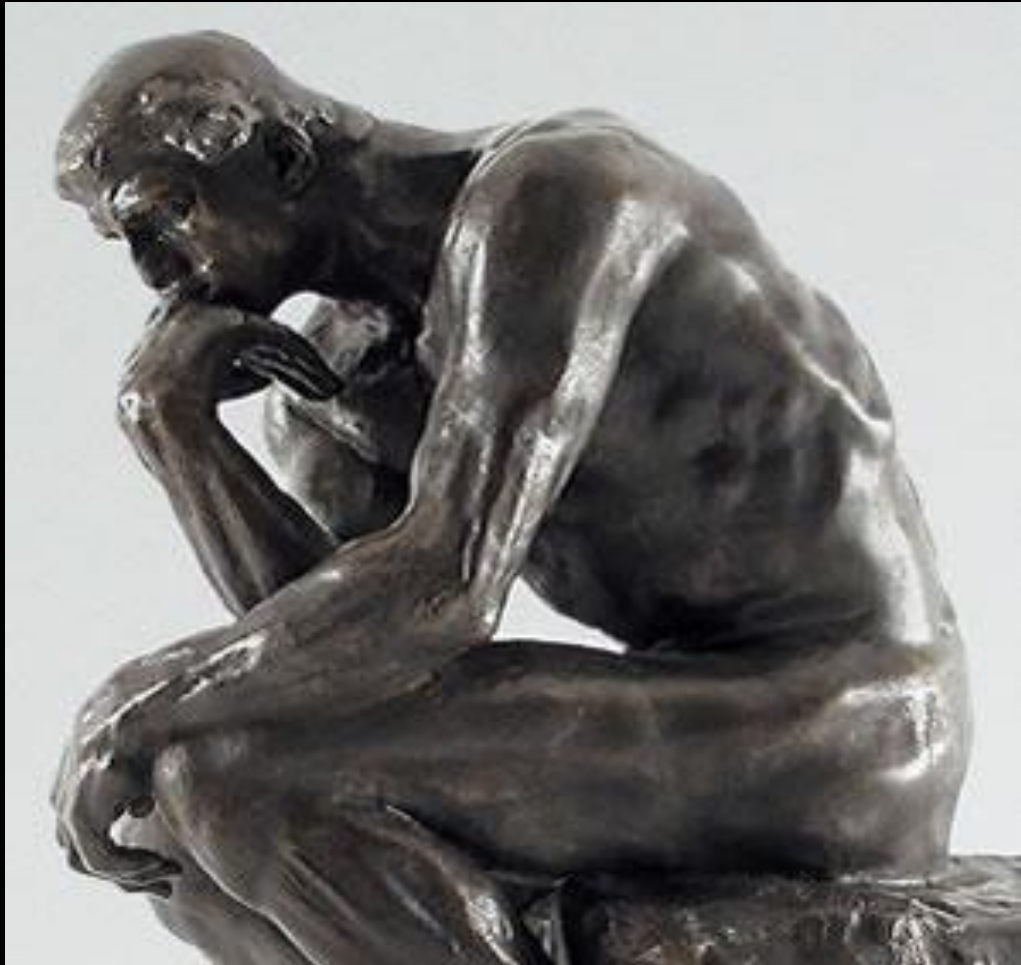


USE YOUR TOOLS

Align your strategic goals with infrastructure investments by establishing an AM process that includes:

- AM policy and other related policies (ie reserve policy)
- AM plan
- Governance structure
- Decision making framework

What DO I DO?



Engage your community to determine affordable service levels that also meet legislative requirements.

Establish Service Levels

- Width and classification of a local road
- Sidewalks/boulevards on both sides or one side
- Weekly or bi-weekly garbage collection
- Frequency of snow removal
- Recreation amenities
- Hours of operation for recreational facilities
- Beautification/maintenance of public spaces such as parks and trails
- Land use planning tools
- Bylaw enforcement

Establish Service Levels

- Is this LOS sustainable?
- If not, what decisions need to be made?
- What assets/services can or should be retired?

Reactive or Planned

- Are we going to retain our existing services and maximize their asset lifecycles OR ignore and react?



What is our community willing and able to pay for?

Identify link between the cost and the level of service.



Financial Planning

What is our overall financial position?

What are our revenue streams?

Do we have enough money to manage our existing assets?

Are we spending enough money to manage (maintain and replace) our infrastructure?

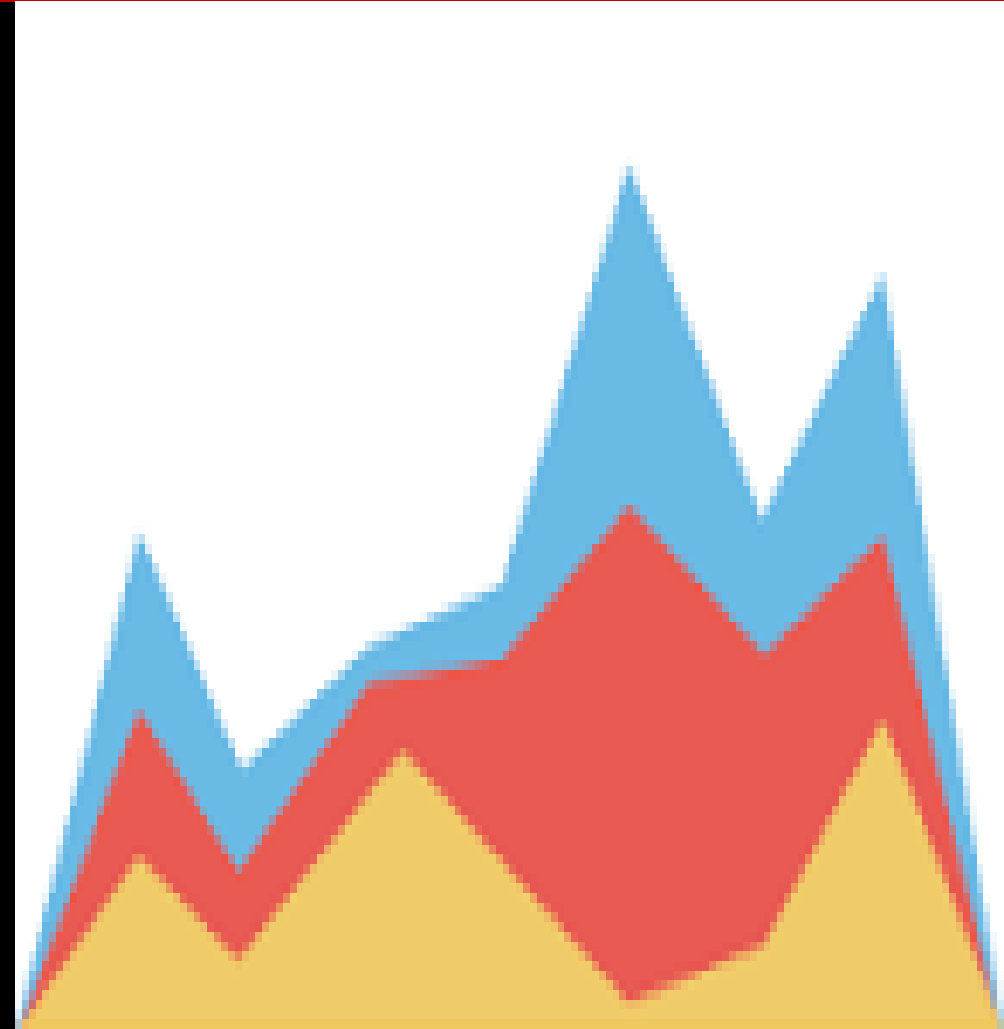
What should we be investing annually and is it sustainable?

If we don't get any more money, what will be the impact to service levels and risk consequences?



Reserve Policies

- Do we have the appropriate reserves in place?
- What kind of reserves do we need to avoid spikes in our budget?
- What are our current debt levels?
- What is our borrowing capacity?
- Are our reserves linked to our asset management strategy?

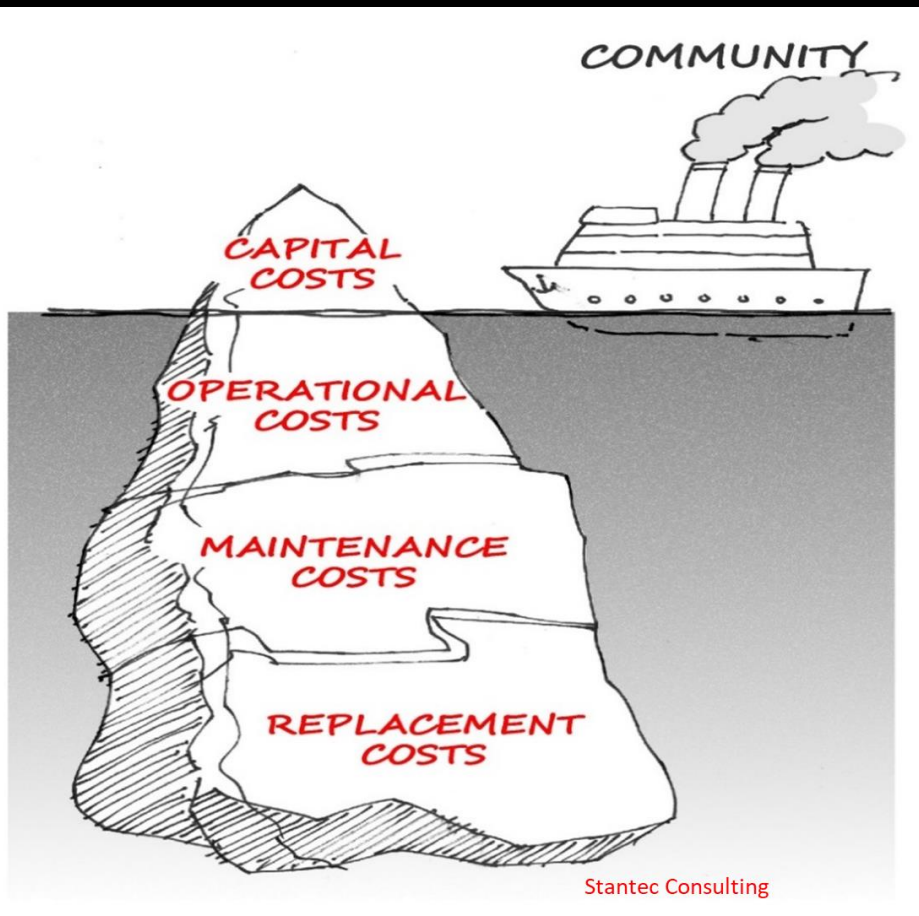


What DO I DO?



Provide a supportive environment for staff to build internal capacity and collect relevant data that will facilitate the governing body's decision-making.

What DO I DO?



LUST TO DUST

Use a whole lifecycle costing approach to consider total cost of ownership of new assets over its useful life.

What DO I DO?



MANAGE YOUR RISKS

Have we identified the social, economic and environmental cost of service disruption or failure?

Provide assurance to residents that community needs are addressed by managed assets in an objective, consistent and cost-effective manner.

RISK ASSESSMENT

- Where are we vulnerable?
- What service and asset risks need to be prioritized and managed?
- What is the likelihood of failure or service disruption?
- What is the consequence of failure or service disruption?

What DO I DO?

PREPARE FOR THE 'WHAT IF'S'

How will climate change impact our assets?

How should we protect our natural assets particularly those that provide a resource for our built assets? (i.e. aquifers)



What DO I DO?



TELL THE TRUTH

Review and implement an AM plan to:

Communicate current state of infrastructure and anticipated funding needs to your community and other levels of government

Determine future investment priorities that are aligned with strategic objectives and community expectations

What DO I DO?

CHANGE THE NARRATIVE



ANTI-TAX IS ANTI-SERVICES

Let's Talk

How do we get our community to care?

How do we inform and engage with residents?

How do we face these infrastructure challenges together?



Why educate and engage?

- Improving the level of trust
- Building awareness and understanding of the roles, responsibilities, and limitations of the local government.
- Creating capacity in citizens to participate

What do you think is the approximate cost of replacing one block (450-500 m) of sidewalk?

- **Over 66% underestimated by 50K**
- **Over 30% underestimated by 70K**

What do you think is the approximate cost of replacing one block (450-500 m) of road with curb, gutter, water and sewer lines?

- **77% underestimated by 500K**
- **60% were out by over 1 Million**

ACTION STEPS

- Policy Direction
- Life Cycle Costing
- Proactive
- Engagement
- Top of mind
- Mindset
- Tell a compelling story



ORGANIZATIONAL ALIGNMENT

ROLE OF STAFF

- Develop AM competencies
- Information to EOs
- Facts and data
- Fearless advice
- Outline risks and consequences
- Meet legislative LOS
- Meet customer LOS set by EOs

ROLE OF THE GOVERNING BODY

- High level understanding of services, LOS, and cost to provide
- Strategic direction through policy, bylaws etc
- Resources allocation through LTFP
- Assume risks and consequences
- Advocates for services
- Represent the public

The Benefits of Asset Management are for Everyone

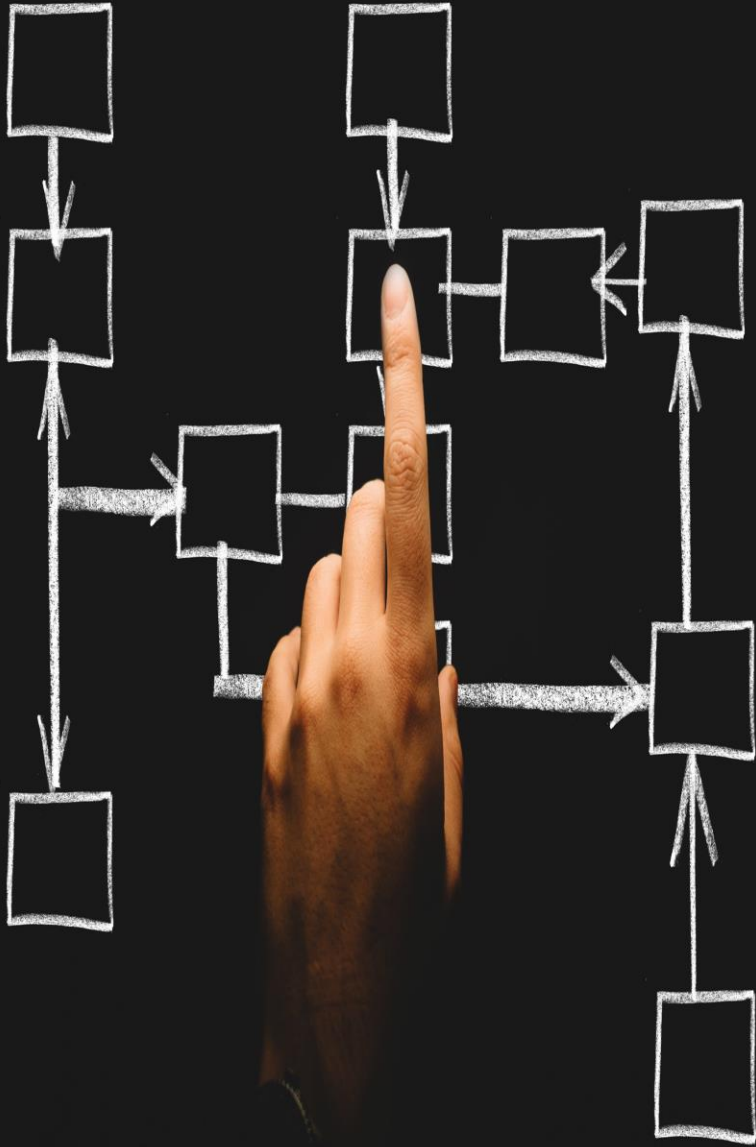
COUNCIL/BOARD

- Improves decision-making and resource allocation
- Provides better service to the community (maximizes asset value)
- Enables better communication with public (education and awareness)
- Provides more transparency and accountability
- Helps manage risk, avoid crisis, reduce volatility

COMMUNITY

- Improves understanding of challenges, choices, and shared responsibility
- Better appreciation of cost and value of local services
- Builds trust and confidence in the organization
- Gives a sense of stability, security, and continuity

PROGRESS CHECKLIST



- Have you engaged your community to determine service level expectations?
- Do you have the required financial resources to meet them?
- Do you know the total cost of providing existing services at the current service levels?
- Does your LG have an AM Policy that includes a governance structure with clear roles and responsibilities for staff?
- Does your staff have the required resources and expertise to develop a sound AM plan that meet regulatory requirements?
- How reliable is your assets data on costs, risks and service levels?
- What is the appropriate infrastructure deficit or funding gap for our community? How will it impact service levels, now and into the future?

AN ASSET
MANAGEMENT
MINDSET
IS ABOUT
ORGANIZATIONAL
ALIGNMENT



ASSET
MANAGEMENT
MINDSET:

A COMMON
UNDERSTANDING



**AN ASSET
MANAGEMENT
MINDSET:**

**NOT ENDLESS
INFORMATION -
MORE INTEGRATION**

I exercised once, but found I was allergic to it. My skin flushed and my heart raced. I got sweaty and short of breath. Very dangerous.



AN ASSET
MANAGEMENT
MINDSET:

NEEDS CHAMPIONS



BUILDING AN ASSET
MANAGEMENT
MINDSET
IS ABOUT SEVENTH
GENERATIONAL
THINKING

A person is holding a large black sign with white text. The sign is held in front of a black metal railing. The background shows green trees and a brick building. The text on the sign is:

DO SOMETHING
TODAY THAT
YOUR FUTURE
SELF WILL
THANK YOU
FOR

Collaborative Conversation

Based on today's session:

Where are you now?

Where do you want to be instead?

What are you willing to do to get there?

Collaborative Conversation

Based on today's session:

What did you learn?

What challenges do you face?

What support or educational resources do you need?

Knowing - Doing Gap

What are you
going to do
with what
you know?



How brave are you?

**I know ya think its boring
But the numbers are soaring
The deficit ain't going away**

**You think your getting hosed
'cause you still drive on the roads
You're gonna have to fix 'em
someday**

Can't just defer

And only do what you prefer

**The sewer needs to handle the
flush**

Your kids will be annoyed

If the water's null and void

**They'll wonder why you didn't
rush**

Take'n care of business

Everyday

Take'n care of business

Everyway

Take'n care of business

It's alright

Take'n care of business

It won't happen overnight

COME ON

**Keyboard warriors are busy
Putting people in a tizzy
They like to work at nothing all
day**

**The front line folks are begging
'cause the ducktape is a fraying
And nobody is willing to pay**

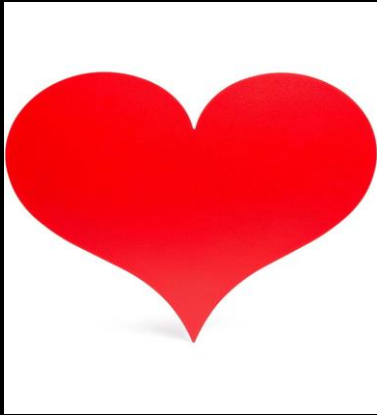
**Better start behaving
'cause the climate is changing
Don't bury your head in the sand**

**If the arena roof is breaking
If ya think the staff is faking
Better listen up again and again...**

**Take'n care of business
Everyday
Take'n care of business
Everyway
Take'n care of business
It's alright
Take'n care of business
It won't happen overnight**

COME ON

Asset Management



DESIGN the future you want:
Safe
Sustainable
Secure



THANK YOU



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