Asset Management Technical Assistance

Session # 3
Risk Management

Prioritized Decision Making

Session #3 Outcomes

- Gain experience with:
  - Asset risk assessment process;
  - Using and customizing a ‘triple bottom line’ risk assessment tool (financial; environmental impact; community /reputational).

Asset Risk Management

- A systematic means to transparently prioritize across all asset types

Risk

Consequence × **Probability**

Assets that meet ALOS targets minimize asset & service risks

Assets failing ALOS targets = **Higher Risk**

Assets meeting ALOS targets = **Lower Risk**

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Tips for Assessing Risk

1. Start with the **Threats** you identified (e.g., in Exercise 3). Consider an event/outcome that:
   a. Has a reasonable chance of occurring;
   b. Is not part of normal operations.
2. Using the **Consequence** & **Likelihood Guides** provided, determine:
   a. What would be the consequences if the outcome of the threat would happen?
   b. Given the condition of the asset, what is the likelihood it will happen?
3. Identify the **Risks from various perspectives**
   - Better results come from various perspectives: operations, financial, public works, residents, Council.

Exercise #4: Adanac Township Asset Risk Assessment

Task: Complete risk assessments for the following:

- Storm Sewers (group exercise)
- LCB Pavement
- Bridges
- Culverts
- Retaining walls

Exercise #4: Adanac Township Asset Risk Assessment

Required materials:

- Table 2 – Partial Adanac Township Database
- Completed Exercise 3 – Adanac Roads Levels of Service Diagram
- Exercise 4A – Storm Sewers Risk Assessment
- Exercise 4B – LCB Pavement Risk Assessment
- Exercise 4C – Bridge Risk Assessment
- Exercise 4D – Culvert Risk Assessment
- Exercise 4E – Retaining Wall Risk Assessment
- Exercise 5 – Big Rabbit Monument Risk Assessment
- Consequence Guide & Likelihood Guide (printed copies provided)
- Tip sheet for assessing risk