

# ASSET MANAGEMENT STRATEGY

## Town of Quispamsis

Date: December 12, 2018

Version: 1.0

### 1. PURPOSE

The purpose of the asset management (AM) strategy is to outline the key practices, processes and approaches used to implement the AM policy. Additionally, the AM strategy will articulate the current opportunities for improvement to advance asset management planning in the Town. The AM strategy is prepared by the Town's Senior Management group and is intended for both an internal (municipal staff and Council) and external (public) audience.

### 2. SCOPE

The Town's AM program includes all assets which contribute to the delivery of services provided by the Town. These assets, and the municipal departments or organizations which oversee their management, are presented in Table 1.

**Table 1 – Assets Included in the AM Program**

Department/Organization	Assets
Utility	Water treatment and pumping facilities, water reservoirs, water pipes, hydrants, wastewater treatment facilities, wastewater pumping stations, sewer pipes, sewer forcemains, manholes, operations (fleet, facilities, equipment)
Public Works	Roadways, sidewalks, traffic control (street lights, signals, signs), culverts, conduits and leads, retention ponds, catchbasins and manholes, fleet
Community Services	qPlex, indoor recreation facilities, parks and playgrounds, outdoor sports fields and facilities, beaches and coastal facilities, street furniture, trail network, pedestrian bridges, transit shelters, fleet, other facilities (administration and public works)
Administration	IT equipment

Additionally, the Town shall coordinate with its Regional Services (KV Fire, KV Police, and KV Library) to include their assets (fleet, facilities and equipment with a value greater than \$10,000) in asset management planning activities.

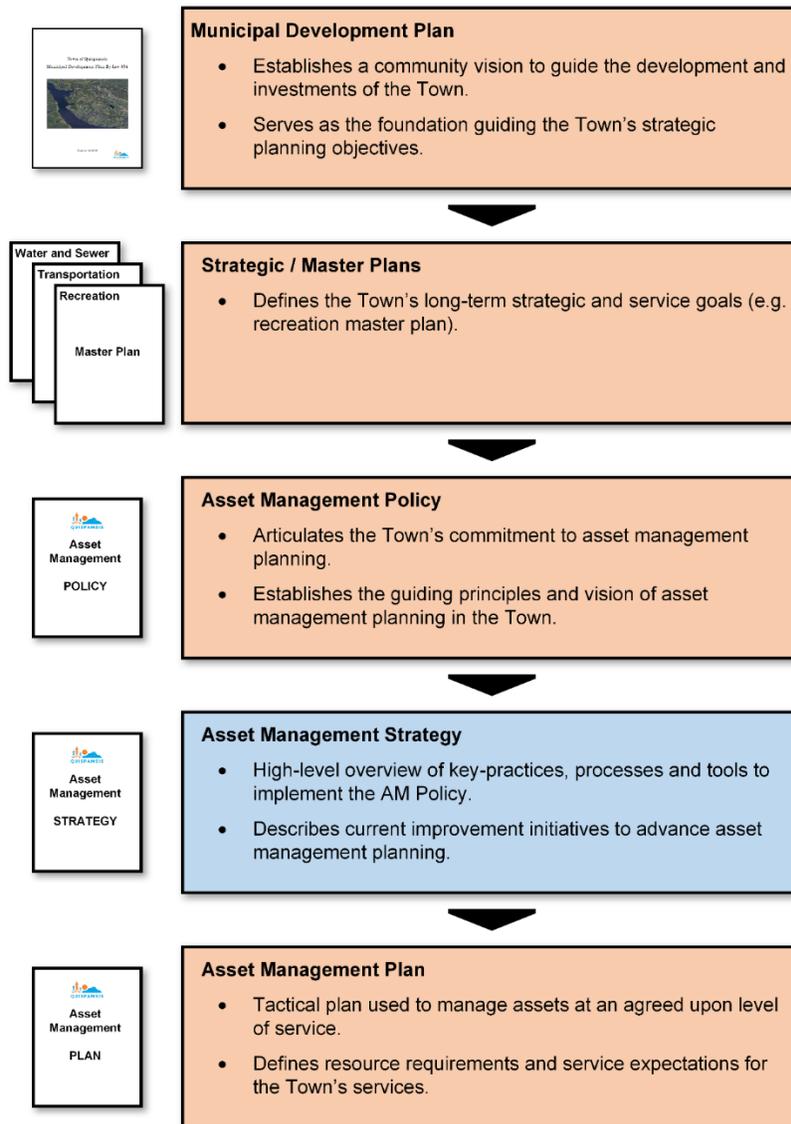
In addition to the engineered assets listed, the Town of Quispamsis recognizes the value of its natural assets. Although these assets will not be included in the first iteration of the asset management program, consideration shall be given to the future inclusion of these assets. Examples of natural assets in the Town of Quispamsis are:

1. Water aquifer (Town wellfield and those aquifers servicing private wells)
2. Urban forests and trees
3. River banks
4. Watercourses
5. Wetlands
6. Habitat for flora and fauna

### **3. STRATEGIC ALIGNMENT**

The AM strategy is not a standalone document but is part of a document hierarchy and a broader context for the overall management of the Town's assets, as noted in Figure 1. The AM Strategy is primarily supported by the AM Policy, which is in turn supported by the Municipal Development Plan and any existing strategic / master plans. The Municipal Development Plan and strategic master plans define the vision for the Town of Quispamsis. The AM Policy adopted by Council, which provides guidance to the senior leadership team, is subordinate to this vision and defines "why" asset management is incorporated in the way the Town conducts its business. The AM Strategy developed by the senior leadership team, which provides guidance to staff, is subordinate to the AM policy and defines "what" measures the Town will adopt to implement asset management. Finally, the AM Plan developed by senior staff is subordinate to the AM Strategy and describes "how and who" of implementing the asset management measures.

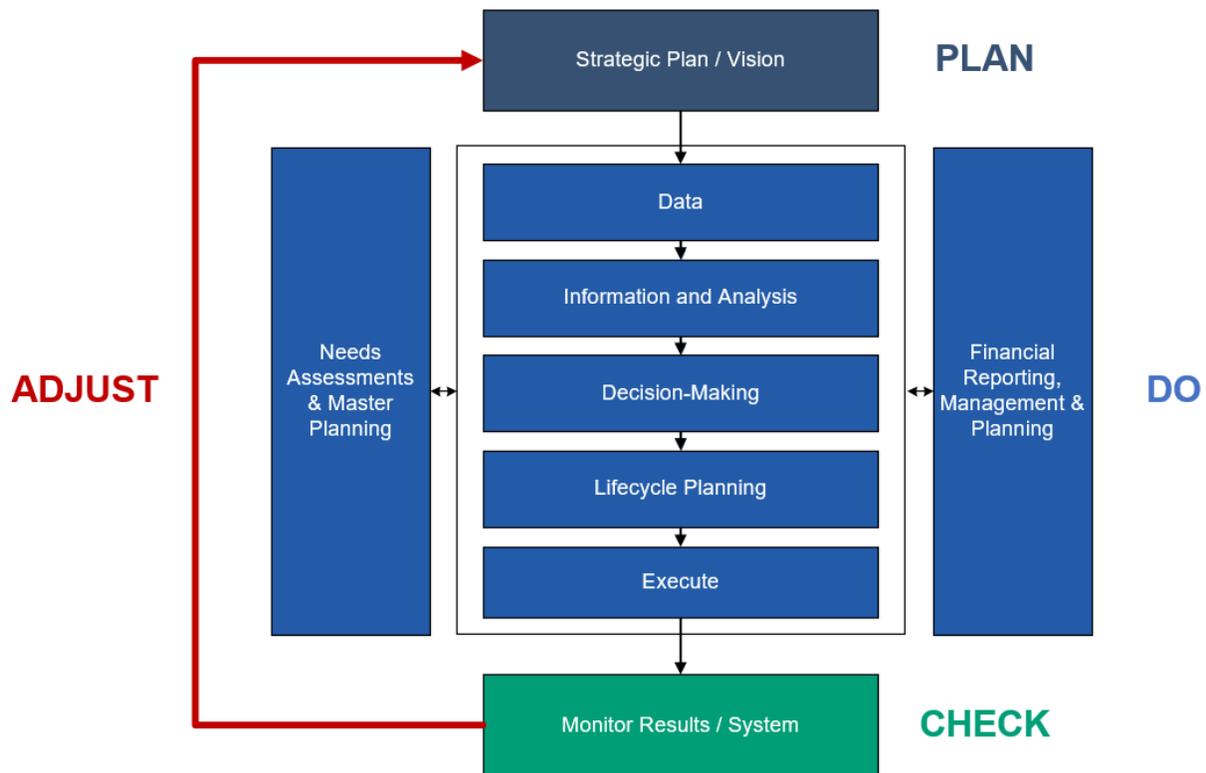
**Figure 1 - AM Document Hierarchy**



## 4. FRAMEWORK

The AM framework is a structure representing various asset management activities and their interconnectedness. The framework provides Town staff with a “big picture” view of asset management and demonstrates how each activity within the AM program fits into the larger goal. The asset management framework follows the “Plan, Do, Check, Adjust” approach commonly used in municipal management.

**Figure 2 - AM Framework**



## 5. DECISION-MAKING APPROACHES

The Town of Quispamsis follows a traditional maintenance and capital program and does not have a consistent, documented method of investment decision making. This approach makes it difficult for Town decision makers to understand the long-term impacts of budget decisions. Recently, the Town has focused on ensuring a transparent budgeting process by using a public “Town Hall” format for budget presentations and approvals.

In the future, the Town will prepare a more formalized decision-making process for its assets, focusing on the following three objectives:

1. Achieving the desired level of service.
2. Maintaining assets at the least lifecycle cost.
3. Managing and minimizing risks to assets and the associated delivery of services.

A transparent and consistent approach to decision-making will allow Town staff and Council to better interpret investment needs and benefits. Methods to measure levels of service, lifecycle costs and asset risks will be prepared as part of implementing the Town’s AM program.

## 6. TOOLS

The Town's AM program is supported by a variety of tools such as software applications, templates and analysis tools. These tools are used across all Departments and support many activities in the AM framework. Over time, the tools used and implemented by Town staff will be adjusted as the needs and objectives of asset management planning change. A summarized list of existing tools is described in Table 2.

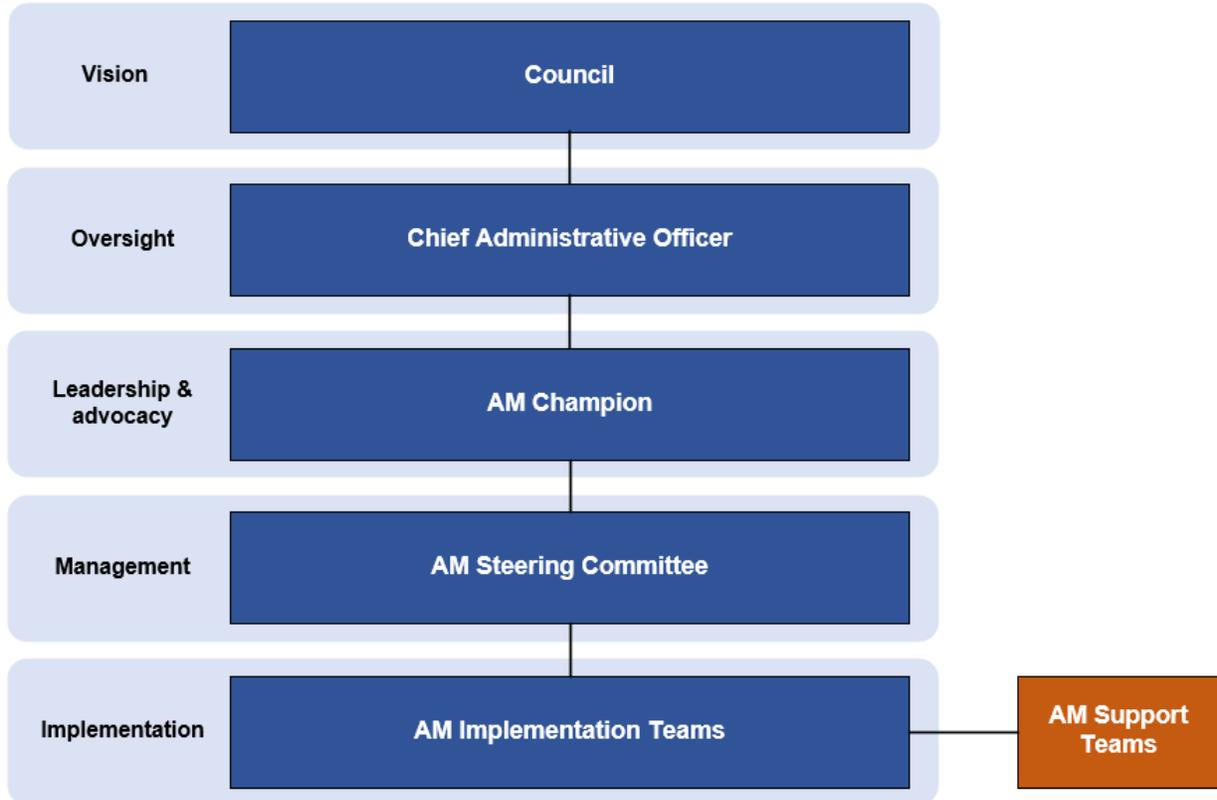
**Table 2 - AM Tools**

Tool	Purpose
GIS (ESRI)	Track spatial and non-spatial information for assets and asset inspections/assessments.
CityWorks	Work order management, inspection and assessment form generator, and maintenance planning tool. CityWorks sits on top of the ESRI platform and is fully integrated.
AutoCAD	Used to document infrastructure design, as-built information and complete internal engineering design.
Sage	General accounting, accounts payable/receivable, and payroll information.
FMW	Budgeting and long-term capital planning.
Excel	Used to manage Town budgets, meet Public Sector Accounting Board (PSAB) reporting requirements, and host various minor inventories. Intention is to move all inventories to the GIS platform.
Survey Equipment	Monuments and GPS equipment to survey (locate and map) asset information.
MyGov	Track and record building inspections and permitting.
MaxGalaxy	Scheduling tool for Town arenas. Information can be used to understand current performance / level of service of ice-time booking.
SCADA Pack	Water and wastewater asset performance monitoring and communications tool.

## 7. AM ROLES AND RESPONSIBILITIES

An effective asset management program has clearly defined roles and responsibilities to ensure there is accountability and responsibility for implementing, maintaining and continuing an AM program. The roles and responsibilities described in Table 3 are supported by the governance structure shown in Figure 3.

**Figure 3 - AM Governance Structure**



**Table 3 - AM Roles and Responsibilities**

Group	Current Role Holder(s)	Responsibilities
Council	Mayor and Council Members	<p>Adopt, revise and update the AM Policy as required.</p> <p>Authorize the Town’s Chief Administrative Officer (CAO) to implement an asset management program.</p> <p>Provide direction and a “vision” for the Town establish clearly defined levels of service through the use of strategic and master plans.</p> <p>Approve asset funding through multi-year and long-term financial plans.</p>
Chief Administrative Officer (CAO)	Ms. Susan Deuville	<p>Direct Town staff to implement and maintain an asset management program.</p> <p>Ensure staff are provided with sufficient resources (staff, tools, training, etc.) to achieve the objectives of the AM Policy.</p>
AM Champion	Mr. Gary Losier, Dir. of Public Works and Engineering	<p>Chair the AM Steering Committee.</p> <p>Report on the progress, capacity, and effectiveness of the AM program to the CAO.</p>
AM Steering Committee	<p>Mr. Gary Losier, Dir. of Public Works and Engineering</p> <p>Ms. Krista Brandon, Town Treasurer</p> <p>Ms. Dana Purton Dickson, Dir. of Community Services</p> <p>Mr. Mark Morrison, Engineering Manager</p> <p>Mr. Chris Vriezen, Utility Superintendent</p> <p>Ms. Chrissy Scott, GIS and Planning Technologist</p> <p>Ms. Sherri Levesque, Administrative Services Coordinator (ITS)</p> <p>Mr. Dwight Colbourne, Municipal Planning Officer</p>	<p>Prepare and maintain an AM Strategy.</p> <p>Prepare and submit an asset management plan (AMP) to the NB Department of Environment and Local Government.</p> <p>Direct Town staff to execute activities necessary to prepare an AMP and operate the AM program.</p> <p>Make recommendations on and manage the content of the AM Policy.</p> <p>Take appropriate actions to ensure the AM program is operating as intended.</p> <p>Manage the development of AM capacity and competency within the organization.</p> <p>Identify activities where AM Support Teams are warranted.</p> <p>Monitor trends and challenges of the AM program and recommend improvements as needed.</p>
AM Implementation Teams	TBD	Implement the AM program as defined by the Steering Committee.
AM Support Teams	TBD	Responsibilities vary depending on the support required.

## 8. OPPORTUNITIES FOR IMPROVEMENT

The Town's current asset management practices were evaluated based on information gained during a series of interviews conducted with Town staff on October 30 and 31, 2018. From these interviews, several opportunities for improvement were identified, derived from an observed gap in the current way the Town manages its assets. Note, the opportunities for improvement are not listed in order of priority.

1. Prepare strategic and master plans to define the "vision" of services provided by the Town.

*Strategic and master plans provide Town planners and decision makers with a "vision" of what the Town's service goals and objectives are. Additionally, these plans solicit input from Council and the public, allowing the Town to better understand its customer needs and expectations.*

2. Define the current and desired levels of services.

*Current Town services are provided "ad-hoc" through coordination between staff, Council and the public, and are not rooted in any formal level of service measures. Defining clear levels of service will allow staff and Council to defend the provision of services and provides an "anchor" for any future discussions on adjusting the desired level of service to the community.*

3. Establish standardized condition and risk rating frameworks for municipal assets.

*The collection of condition and risk data for Town assets is limited to collecting condition data on road surfaces and a few stand-alone assets by various departmental managers. The use of a uniform system to collect both condition and risk data for assets across the entire organization will improve the value of condition and risk information and will facilitate the comparison of asset needs across the organization.*

4. Estimate the life-cycle cost of municipal assets.

*The Town only tracks the life-cycle costs for a limited number of assets and cannot define the impact the asset's current condition has on its total lifecycle cost. As a first-step towards better understanding the Town's long-term financial requirements, the Town should estimate the life-cycle costs of assets based on current practices. From there, the Town will have the information necessary to prepare multi-year budgets and to identify savings in providing services to its stakeholders.*

5. Clarify the roles and responsibilities of Council and senior management.

*Clarifying the roles and responsibilities of Town Council and senior managers will improve the vision for the community and the desired levels of the services to be provided to stakeholders. An improved role for Council in defining the long-term “vision” and investment strategies (through the approval of strategic and master plans) will improve the ability of senior managers to understand the true levels of service expected from its customers (residents and business).*

6. Identify the resources required to maintain and update asset data and information.

*The Town has an excellent asset management software system based on the ESRI GIS and CityWorks and are operated and managed by highly capable staff. Identifying the resources required to include more assets into these systems and track asset activities and generate work orders to account for operating and maintenance costs will significantly improve the ability of the Town to manage its assets. As data and information is the foundation of the asset management program, identifying the resource requirements will improve the Town’s ability to make objective and data-driven decisions.*

7. Prepare a long-term financial forecast.

*A long-term financial forecast will give staff and Council an understanding of the financial requirements to maintain the desired levels of service. With this information, Town planners will be able to make data-driven decisions and identify which funding levels are appropriate.*

8. Identify long-term financial requirements of regional service assets.

*The asset management practices and future budget requirements of the Fire, Police and Library assets (regional services) are only partially understood as these services are provided through a regional service commission, where the financial obligations are shared by both the Town of Quispamsis and the Town of Rothesay. As these services represent a significant portion of the Town of Quispamsis’ annual budgets, ensuring the financial requirements of these services are fully captured in the Town’s asset management planning will improve the accuracy and reliability of the Town’s long-term financial forecast.*

9. Standardize AM data requirements.

*Standardizing the AM data requirements (e.g. condition, risk, replacement cost, etc.) will improve the completeness and accuracy of the Town’s asset inventory, which in turn will improve the reliability of the information generated by the asset management system.*