

An Introduction to Asset Management

Webinar 1: Current State of the Assets



When you know better you do better

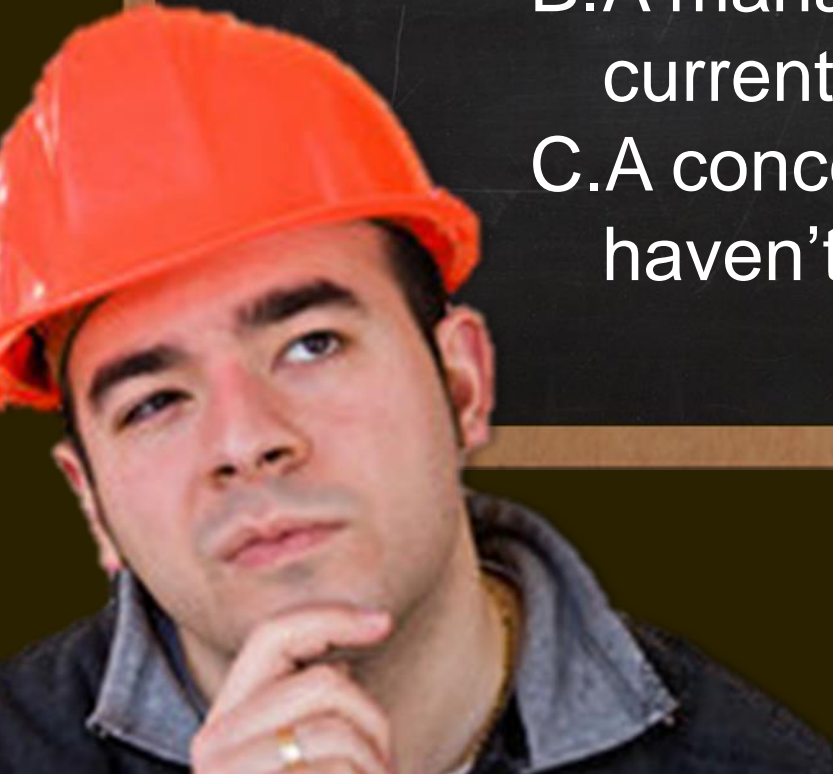
Maya Angelou

WELCOME TO THE EFCN ASSET MANAGEMENT WEBINAR SERIES

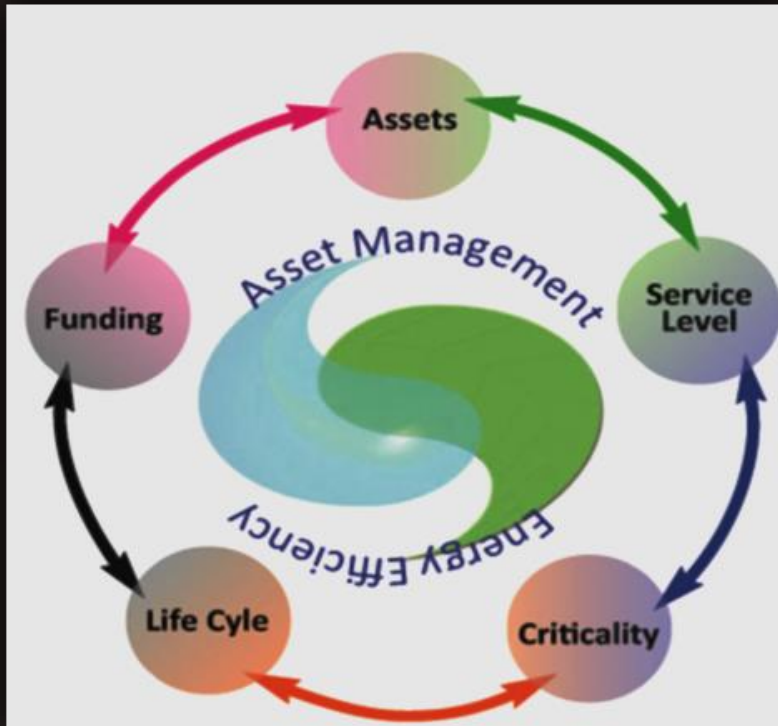


ASSET MANAGEMENT IS...

- A. A new concept for me
- B. A management process we are currently implementing
- C. A concept I'm familiar with but haven't begun to implement

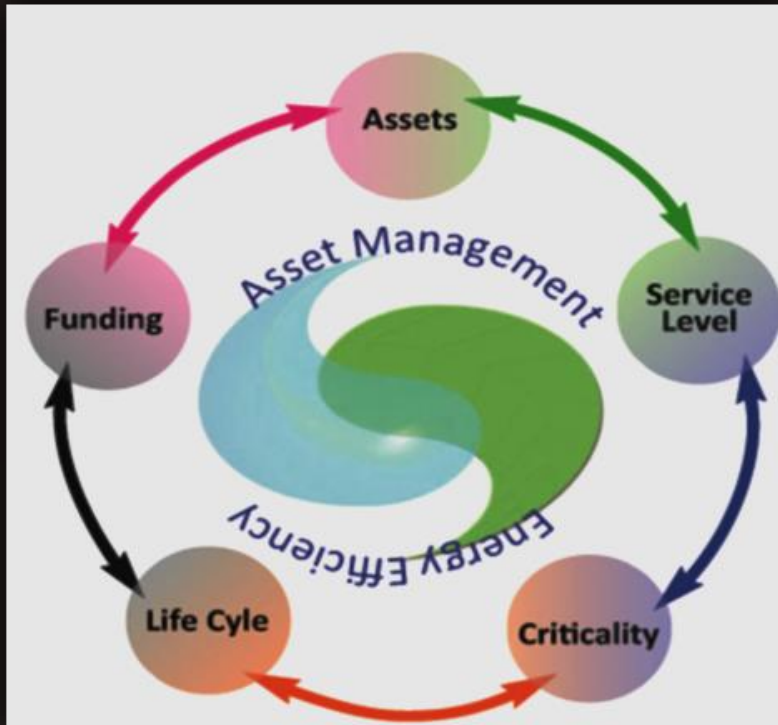


The 5 Core Components of Asset Management



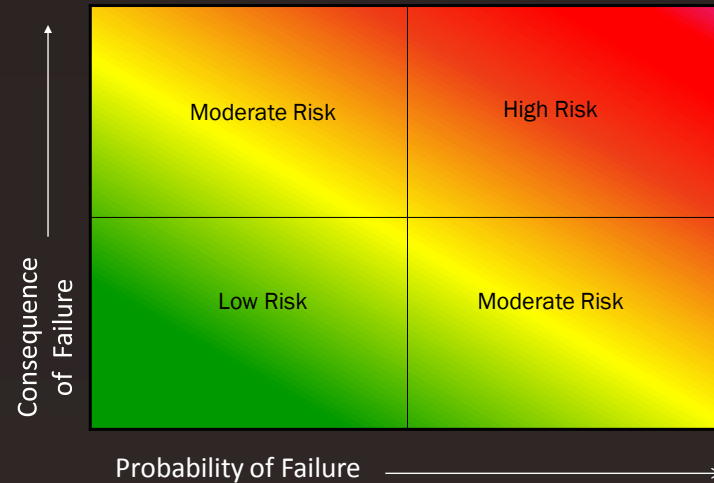
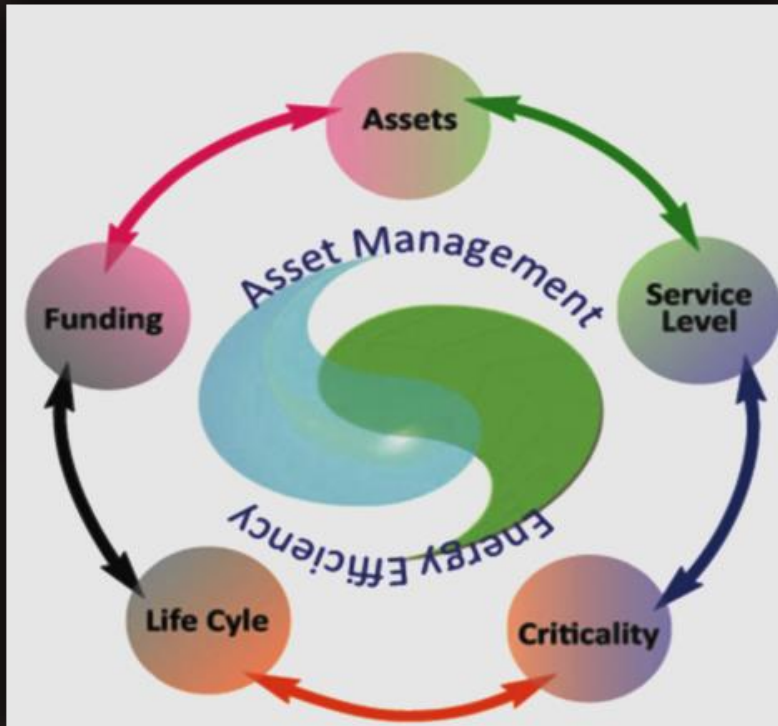
**CURRENT STATE OF THE
ASSETS**

The 5 Core Components of Asset Management



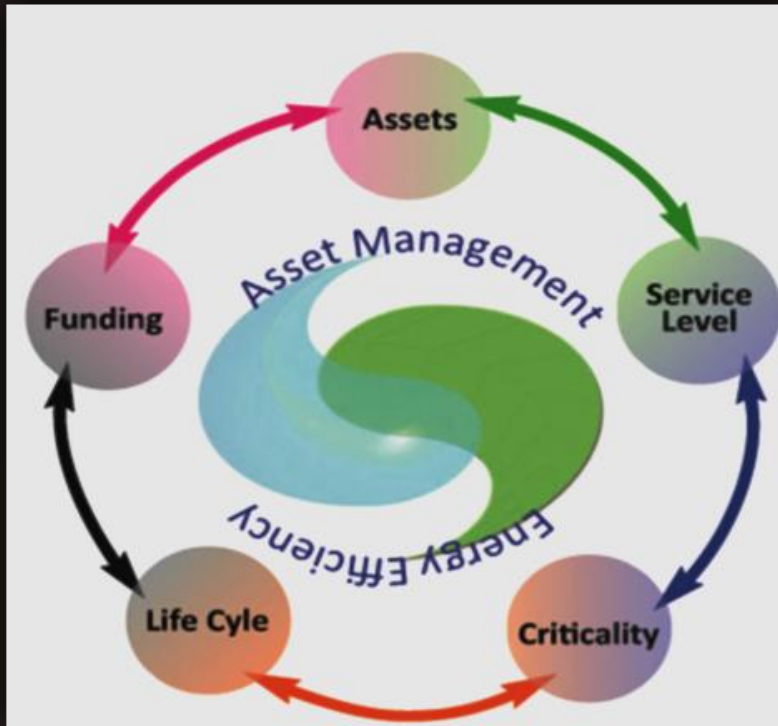
LEVEL OF SERVICE

The 5 Core Components of Asset Management



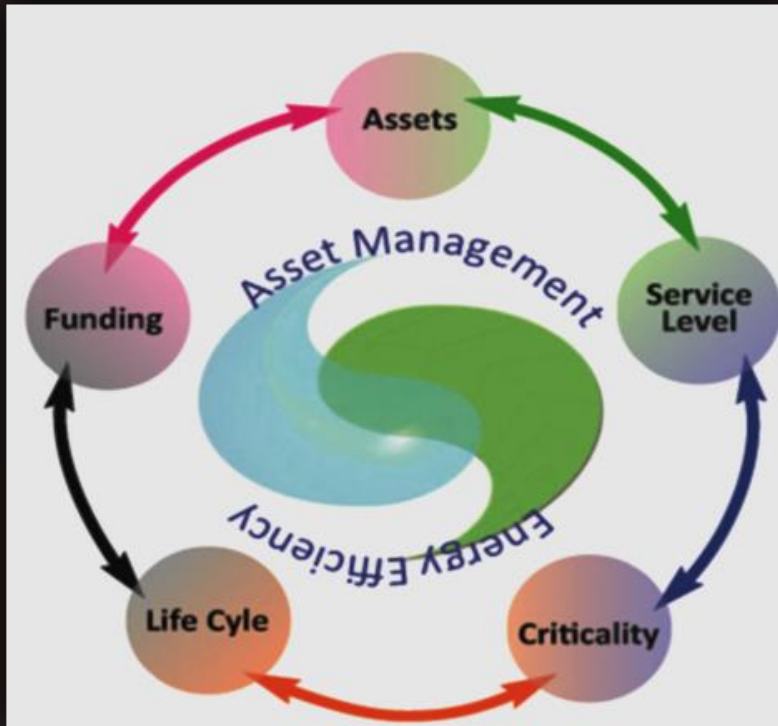
CRITICALITY

The 5 Core Components of Asset Management



**LIFE CYCLE
COSTING**

The 5 Core Components of Asset Management



FUNDING

WHY ASSET MANAGEMENT?

**PROVIDES COMMON SENSE
FRAMEWORK FOR DECISION-MAKING**

**RELIES ON KNOWLEDGE OF THE
ENTIRE ORGANIZATION**

**PROVIDES ABILITY TO PASS ON
INFORMATION (OUT OF HEAD ONTO
PAPER)**

**MOVES ORGANIZATION AWAY FROM
REACTIVE OPERATION**

WHY ASSET MANAGEMENT?

PROVIDES COMMON SENSE
FRAMEWORK FOR DECISION-MAKING

KNOWLEDGE OF THE
ORGANIZATION

PROVIDES
INFORMATION

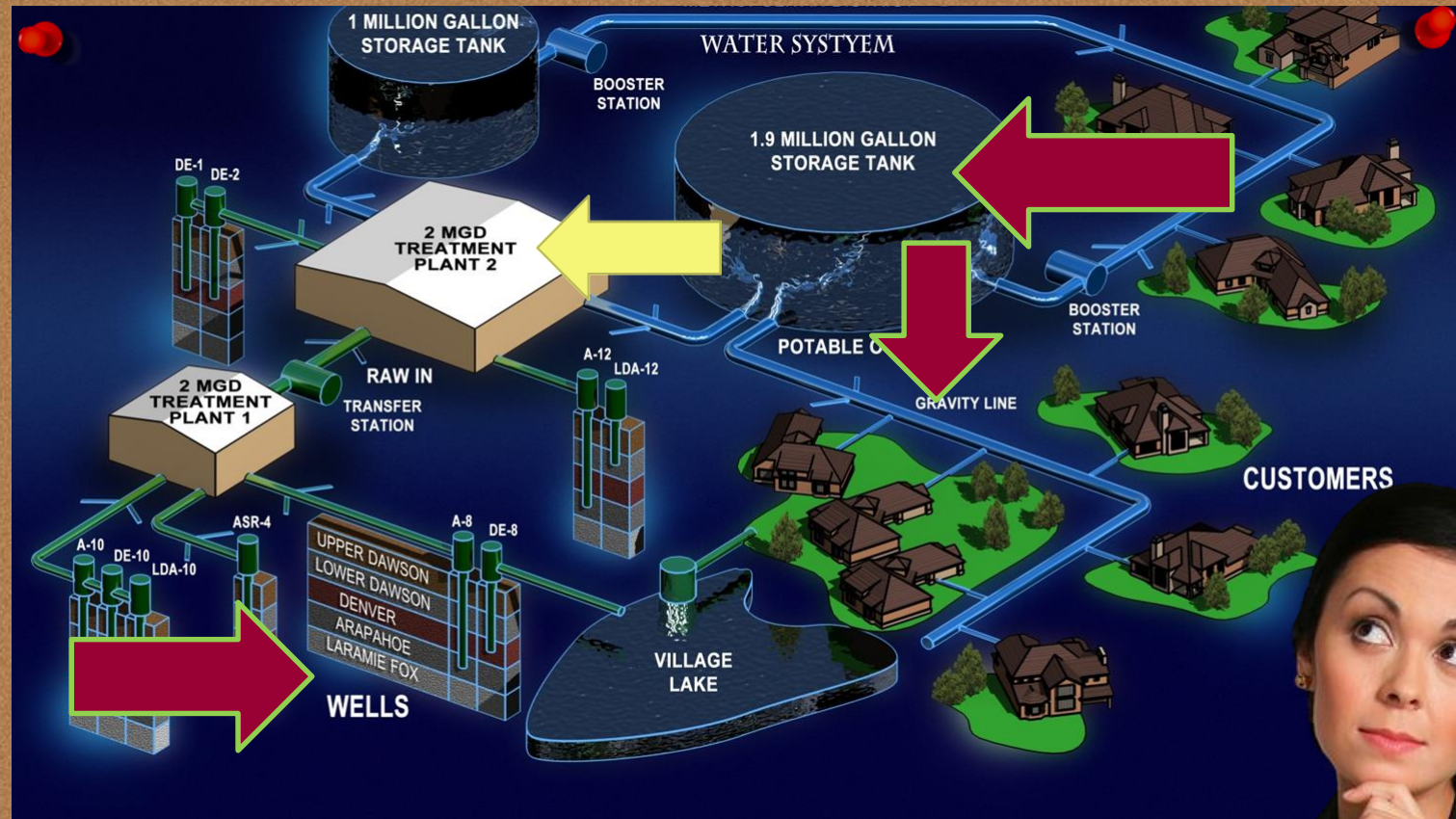
**HELPS YOU
MAXIMIZE THE
VALUE OF THE
MONEY YOU
SPEND**

AWAY FROM
INFLATION

**WHAT ASSETS DO
YOU OWN?**



WHERE ARE YOUR ASSETS?



WHAT CONDITION ARE THEY IN?



WHAT IS THEIR REMAINING USEFUL LIFE?

1 Year

100 Years

10 Years

20 Years

15 Years

WHAT IS THEIR REPLACEMENT VALUE?



WHAT DEFINES AN ASSET?

\$\$



HOW DO YOU DEFINE ASSETS AT YOUR UTILITY?

- A. We don't currently define assets
- B. Monetary limits
- C. Size limits
- D. Combination
- E. Other



HOW DO YOU CREATE ID NUMBERS?



WHAT DATA DO YOU HAVE?

Systems Maps

Interviews

System
Records

Existing
inventories
Numbering
Systems

Photographs



HOW DO YOU STORE DATA?

Generic Data Base

Commercial
Product

CUPSS

Generic Spread
Sheet

Paper



TAKING PICTURES IS ONE OF THE BEST TIPS FOR HOW TO START YOUR ASSET INVENTORY PROCESS



COLLECTING AND IDENTIFYING YOUR ASSETS



The screenshot shows a web-based 'Assets' management system. The 'Assets' title is circled in black. The interface includes an 'Add Record' button, a 'Main Data for Asset' section with fields for Asset ID, Description, Building, Serial #, Manufacturer, Department, Asset Type, Notes, and an 'Updated' timestamp. Below this is a 'Purchasing Information' section with fields for Vendor, Acquisition Date, Rec. in Years, Account, Warranty #, Warranty Start Date, Warranty End Date, P.O. #, and Lease End Date. Three callout boxes are overlaid on the right side of the interface: a purple box at the top, an orange box in the middle, and a blue box at the bottom.

Assets

Asset List

Add Record

Main Data for Asset

Asset ID: [assetid]

Description: [text input]

Building: [text input]

Serial #: [text input]

Manufacturer: [text input]

Department: [text input]

Asset Type: [text input]

Notes: [text input]

Updated: [timestamp]

Room: [text input]

Purchasing Information

Vendor: [text input]

Acquisition Date: [text input]

Rec. in Years: [text input]

Account: [text input]

Warranty #: [text input]

Warranty Start Date: [text input]

Warranty End Date: [text input]

P.O. #: [text input]

Lease End Date: [text input]

Collect Only What You Will Use

Keep Information Updated

Think About Quality



TAKING IT TO YOUR FACILITY

TO DO....

❖ Develop Your Team



TAKING IT TO YOUR FACILITY

TO DO....

- ❖ Establish Your Baseline
- ❖ Complete Interactive Asset Management IQ

<http://southwestfc.unm.edu/AssetManagementIQ/main.php>



TAKING IT TO YOUR FACILITY

TO DO....

❖ **Gather Your Existing
Information Sources**



TAKING IT TO YOUR FACILITY

TO DO....

❖ Choose how to define an asset



TAKING IT TO YOUR FACILITY

TO DO....

❖ Take pictures of your assets



TAKING IT TO YOUR FACILITY

TO DO....

- ❖ Collect Your Existing Maps
- ❖ Determine What is Missing
- ❖ How can you fill in the gaps?



WHICH STEP WILL YOU IMPLEMENT FIRST?

- A. Develop your team
- B. Establish your baseline using the AM IQ tool
- C. Gather your existing information sources
- D. Choose how to define an asset
- E. Take pictures of your assets



Would you be interested in assistance with...

- A. Rates and Finance
- B. Water Loss
- C. Water System Collaboration
- D. Multiple Funding
- E. Energy Efficiency

<http://efcnetwork.org/assistance/one-on-one/>

UPCOMING WEBINARS

- 3/7/14 **Leadership** Part II – Effective Messaging
- 3/12/14 **Water System Partnerships & Regionalization** – The Water Company Model
- 3/17/14 **Water Loss Reduction** – Part II
- 3/31/14 **Water Loss Reduction** – Part III

To register: efcnetwork.org/upcoming

**We Want to
Thank EPA for
Providing
Funding for
this Project**



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**Smart Management for
Small Water Systems**



**Southwest
Environmental
Finance
Center**