

# Building an Asset Management Team

This fact sheet will help you understand:

- How forming and having a team can help your water system successfully implement an asset management program.
- The components of a successful asset management team.

This fact sheet is intended for local officials, owners and operators of water systems, technical assistance providers, and state personnel.

## Making the Commitment

Asset management requires an investment in time and resources. Asset management is not a 1-year project, or even a 5-year project. It is a continual, fundamental change in the way infrastructure assets are managed. Successful asset management programs are characterized by a commitment to:

- Spending time and money to implement the program.
- Focusing on making cost-effective asset decisions.
- Providing a sustainable level of customer service for the community.

To achieve this level of commitment, asset management is implemented by a team that is:

- Supported by political leaders who have the authority and willingness to commit public resources and personnel.
- Made up of key decision makers who represent the departments involved with asset management.

## Creating and Maintaining an Asset Management Culture

Thinking about your assets differently can be the first step towards having a sustainable water system. With the limited resources of most systems, shifting away from reacting to events and towards making strategic plans can lead to real savings. Asset management focuses on the long-term life cycle of an asset and its sustained performance, not on the day-to-day aspects of the asset. It involves a shift in a water system's philosophy characterized by:

- Changing the management culture.
- Understanding that all asset decisions are investment decisions.
- Focusing on continual improvement driven by results (sustainability).

Changing the culture requires champions who use a team approach to promote and articulate the benefits of asset management. The champions are the motivating force behind the team that can consist of operators, managers, elected officials, and stakeholders. Each team member fulfills a role and function in implementing an asset management program.

## Components of a Successful Asset Management Team

The team should have the authority and resources to answer the core questions that lead to asset investment decisions. An asset management team:

- Is flexible and encourages critical thinking.
- Creates opportunities for sharing ideas and information through open and transparent debate.
- Works through problems and shares the success, not the blame.
- Fosters an atmosphere that builds trust and develops partnerships.
- Uses existing elements of asset management as a basis for the program.
- Starts implementation during planning to achieve early gains.

The following section describes the personnel, departments, and organizations that are good candidates for an asset management team; however, highly effective teams can consist of as few as two members. In the case of a very small system, there may be only one person who will implement an asset management program. **Do not let the size of your team prevent you from getting started.** The team approach works because it brings together the right people to coordinate and drive asset management activities.

Key Team Members	Role and Knowledge Base
Water system operators and engineers (including upper management)	<ul style="list-style-type: none"> <li>• Knowledge of the current state of water system assets.</li> <li>• Ability to describe the costs and benefits of changes to infrastructure assets.</li> <li>• Experience with the current capital improvement plan and the operations and maintenance strategy.</li> </ul>
Local and elected officials (e.g., mayor, council, town manager)	<ul style="list-style-type: none"> <li>• Authority to commit resources.</li> <li>• Knowledge of the political landscape.</li> <li>• Ability to create new financing mechanisms.</li> </ul>
Accountants	<ul style="list-style-type: none"> <li>• Ability to help estimate the replacement cost of assets.</li> <li>• Knowledge of the existing financing strategy, potential financial resources and challenges, and the need for rate changes.</li> </ul>
IT Specialist	<ul style="list-style-type: none"> <li>• Ability to determine the most practical way to collect, store, and present the information needed to make strategic decisions.</li> </ul>
Treasurer	<ul style="list-style-type: none"> <li>• Ability to implement new financing mechanisms (e.g., bonds, loans, and other debt instruments) and create dedicated reserve accounts.</li> </ul>
Other Relevant Departments and Stakeholders	
Other infrastructure managers and utilities (e.g., roads, sewers, and electric)	<ul style="list-style-type: none"> <li>• Ability to coordinate activities that affect multiple infrastructure sectors and help establish new opportunities for collaboration.</li> </ul>
Neighboring water districts	<ul style="list-style-type: none"> <li>• Share lessons learned, exchange best practices, and enter into new collaborative efforts. Regional and national experts can share innovative ways on how other water systems have overcome their challenges.</li> </ul>
Community members	<ul style="list-style-type: none"> <li>• Knowledge of current and future service expectations.</li> <li>• Ability to reinvest in shared assets.</li> <li>• Desire to preserve the community's assets as the ultimate beneficiaries of a sustainable water service.</li> </ul>

**For additional information:** Call the Safe Drinking Water Hotline at 1-800-426-4791, visit the EPA Web site at <http://www.epa.gov/safewater/smallsystems> or contact your state drinking water representative.