

# An Introduction to Asset Management

Webinar 1: Current State of the Assets



*When you know better you do better*

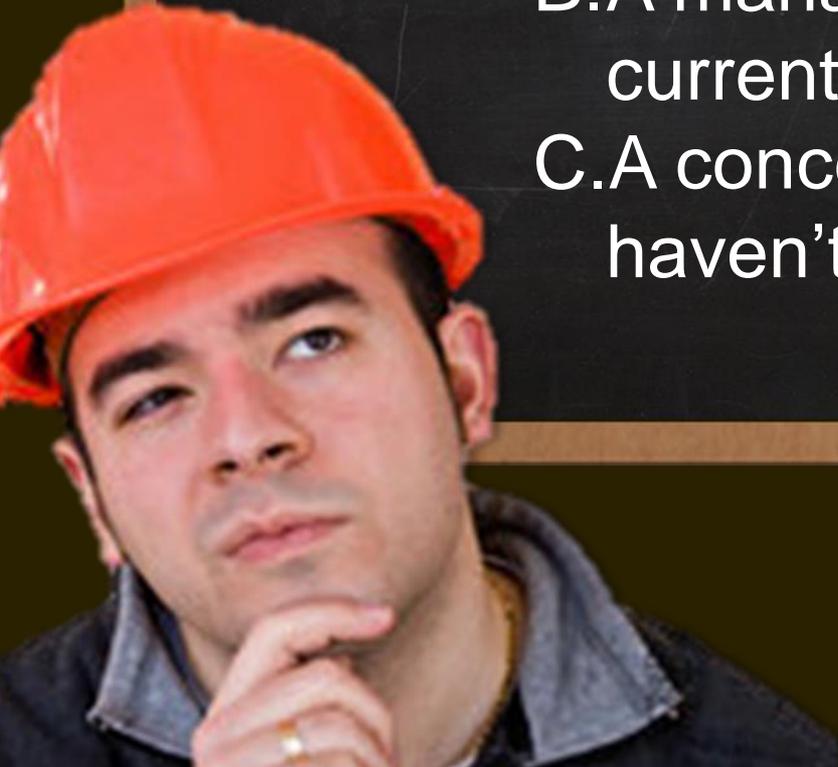
*Maya Angelou*

# WELCOME TO THE EFCN ASSET MANAGEMENT WEBINAR SERIES

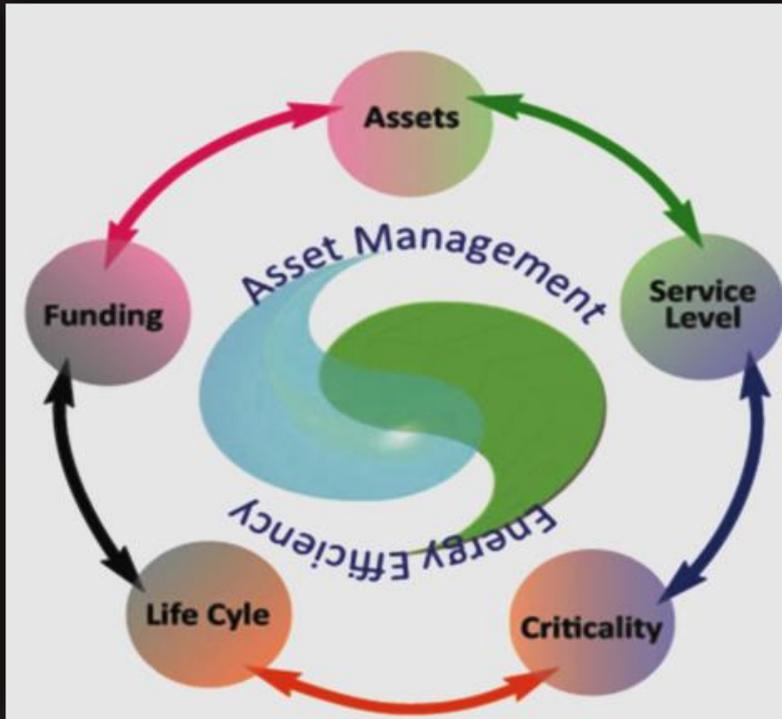


# ASSET MANAGEMENT IS...

- 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

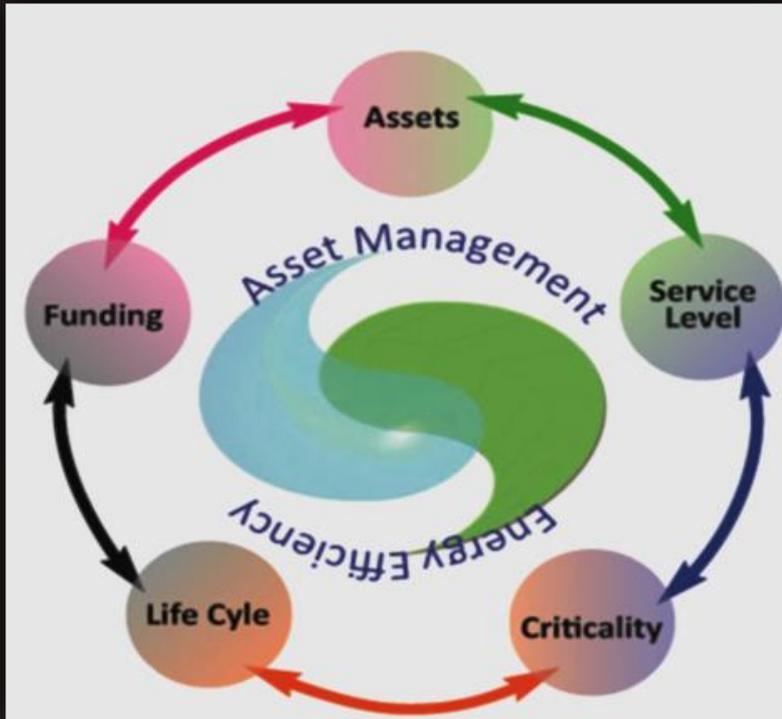


# The 5 Core Components of Asset Management



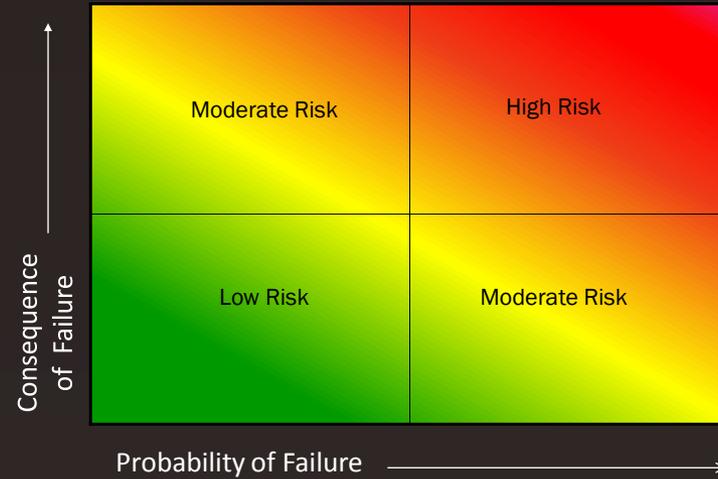
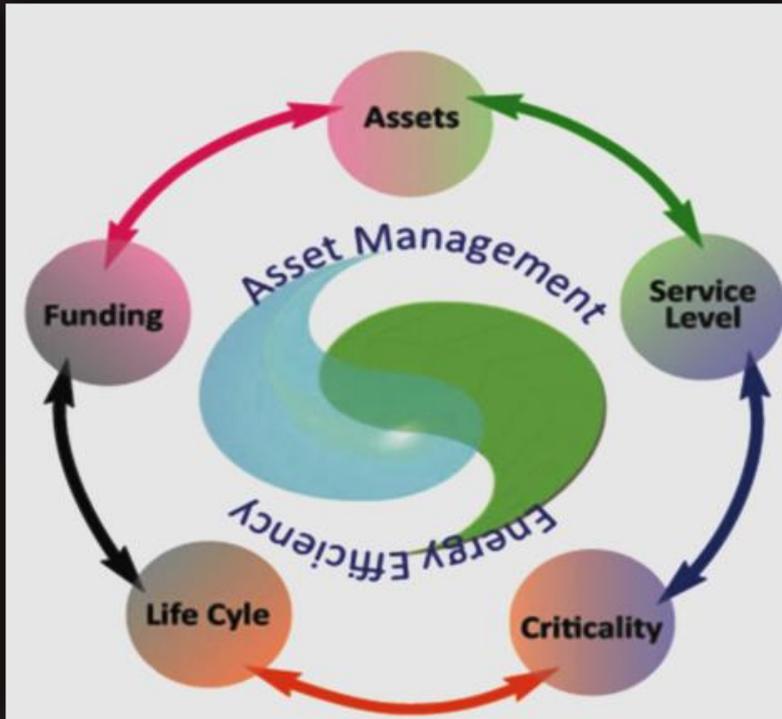
**CURRENT STATE OF THE ASSETS**

# The 5 Core Components of Asset Management



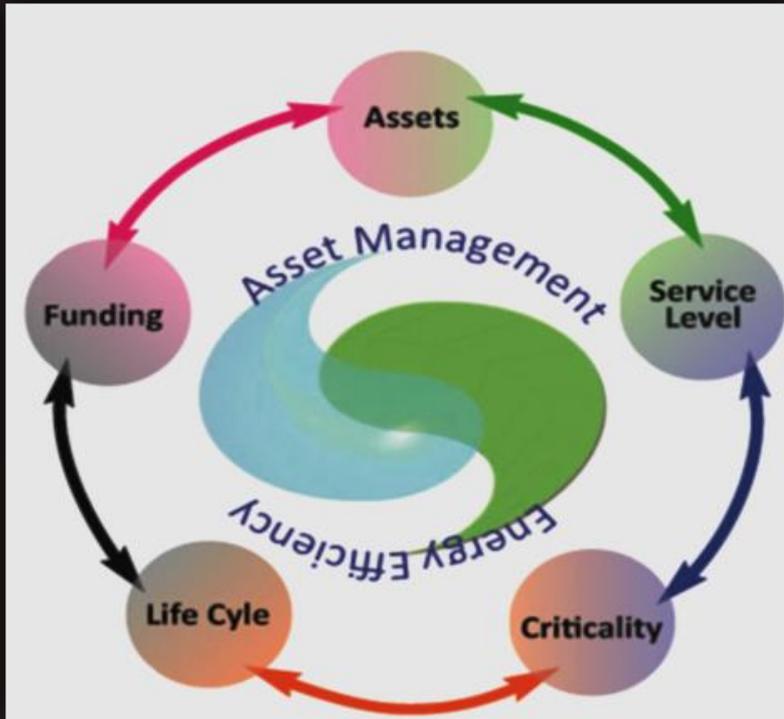
**LEVEL OF SERVICE**

# The 5 Core Components of Asset Management



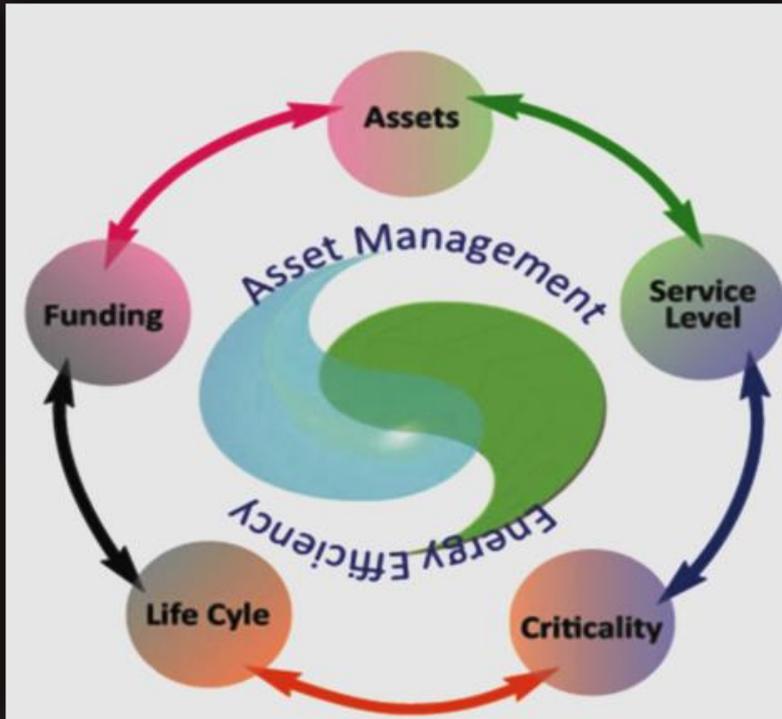
**CRITICALITY**

# 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-M

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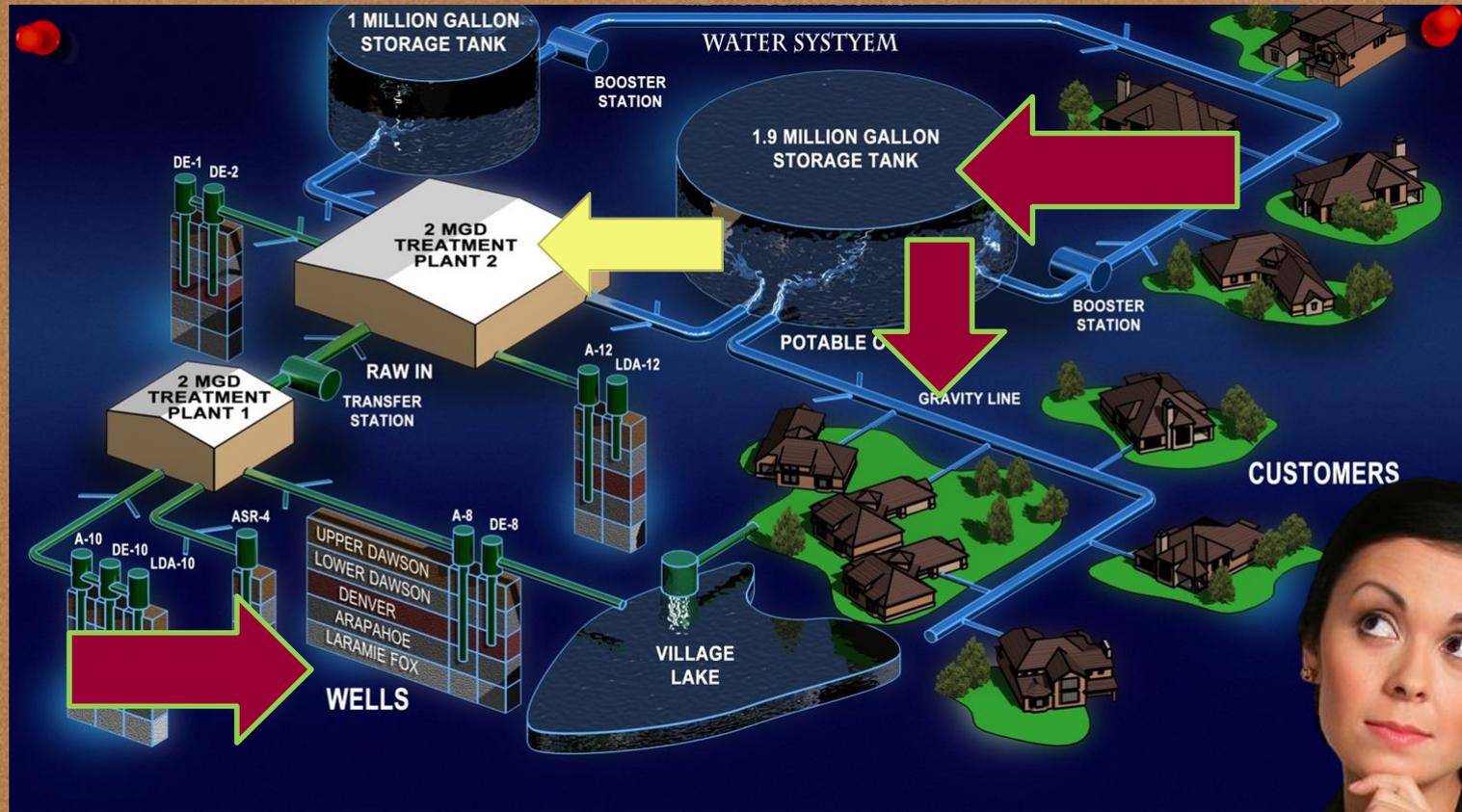
**HELPS YOU  
MAXIMIZE THE  
VALUE OF THE  
MONEY YOU  
SPEND**

AWAY FROM  
ATION

**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?



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# 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

Assets

Asset List

Add Record

Main Data for Asset

Asset ID: [input]  
Description: [input]  
Building: [input] Room: [input]  
Serial #: [input]  
Manufacturer: [input]  
Department: [input]  
Asset Type: [input]  
Notes: [input]

Purchasing Information

Vendor: [input] P.O. #: [input]  
Acquisition Date: [input]  
Rec. in Years: [input]  
Account: [input]  
Warranty #: [input]  
Warranty Start Date: [input]  
Warranty End Date: [input] Lease End Date: [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://southwestefc.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](http://efcnetwork.org/upcoming)

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



# CONTACT US

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**Smart Management for  
Small Water Systems**



**Southwest  
Environmental  
Finance  
Center**