

Ask Me Anything! Asset Management Plans and Capital Improvement Plans 7/21/2025

Quick recap

Ashley conducted an "Ask Me Anything" session on State Revolving Loan Funds and presented asset management strategies for water utilities, covering topics such as inventory creation, level of service goals, and criticality assessment. She introduced tools and techniques for prioritizing assets, estimating replacement costs, and developing capital improvement plans, emphasizing the importance of written documentation and alignment with funding strategies. The session also touched on upcoming training opportunities, the use of fiscal sustainability plans, and the continued existence of wooden water pipes in some areas, while encouraging participant feedback and peer learning throughout.

Next steps

- Ashley to send out the simple asset management plan spreadsheet tool to attendees.
- Ashley to create and distribute a survey to past attendees about which topics they liked most and want to see more of in future sessions.
- Ashley to write a blog post summarizing the "Ask Me Anything" series and its value for EPA.
- Ashley to compile a list of states that require or incentivize asset management plans as part of their SRF process for inclusion in the meeting summary.

Summary

SRF Funding and Mechanisms Overview

Ashley conducted an "Ask Me Anything" session on State Revolving Loan Funds (SRFs), providing an overview of the program's structure and funding mechanisms. She explained that SRFs receive federal funding from EPA, which states must match at a 20% rate, and detailed how states leverage loan repayments to access additional capital through bond markets. The session, supported by the Environmental Finance Network and EPA, included a presentation followed by a Q&A session, with Ashley encouraging participation and peer learning throughout.

Small Utility Asset Management Overview

Ashley presented an overview of asset management for small utilities, emphasizing that it is a continuous program rather than a one-time plan. She outlined the five key components: asset inventory, condition assessment, level of service goals, criticality evaluation, and funding strategy. Ashley highlighted the challenges small utilities face in creating an inventory, suggesting they often use dollar values or life expectancy as criteria for managing assets. She noted that while she provided an introduction to asset management, more in-depth training and technical assistance are available through the ECFN.

Water Infrastructure Asset Management

Ashley discussed asset management strategies for water infrastructure, emphasizing the importance of organizing assets into manageable segments rather than individual components. She explained that communities often benefit from creating geolocated maps with associated metadata, which can include information like age, installation year, and maintenance history. This data helps inform future project planning and provides a visual representation of infrastructure that can highlight problem areas.

Setting Asset Management Goals

Ashley discussed the importance of establishing level of service goals in asset management plans, explaining that they help set expectations for both utility operators and the public while guiding financial and emergency decision-making. She emphasized that while regulatory standards are necessary, measurable goals like water loss targets are crucial for prioritizing asset replacements. Ashley also covered criticality assessment, which involves calculating risk factors based on probability and consequence of asset failure.

Asset Prioritization and Funding Strategies

Ashley discussed asset prioritization strategies, emphasizing that criticality is just one factor among many, including concurrent projects, construction seasons, and level of service goals. She introduced a simple asset management spreadsheet tool designed for small utilities, which considers factors like age, rehabilitation costs, redundancy, and criticality to determine asset priorities. Ashley explained that funding strategies for asset replacement can involve maintenance, reserves, or debt financing, and she highlighted the importance of aligning replacement projects with available funding and other external factors.

Asset Management and CIP Planning

Ashley presented on asset management and capital improvement planning, explaining how to use a tool to estimate future replacement costs for assets while noting that these estimates are conservative and may need adjustment. She emphasized the importance of having a written capital improvement plan rather than relying on oral knowledge and shared an example of a comprehensive CIP for a large system that included funding strategies and budget projections. Ashley announced upcoming training sessions that would focus more specifically on projecting expenses, building on previous discussions about this topic.

SRF Training and Asset Management

Ashley discussed upcoming training sessions on SRFs, highlighting that August 18th will focus on creative uses of SRFs for state representatives, while September sessions will cover source water protection and set-aside topics. She noted that some states require asset management plans for SRF access, while others provide priority points for projects identified in such plans, mentioning Connecticut, Vermont, Oklahoma, Texas and California as examples. Wyoming is conducting a pilot project to implement asset management plans for all systems in the state using set-aside funds, and Ashley inquired about the project's progress and its potential impact on system participation.

Fiscal Sustainability for Treatment Works

Ashley discussed the requirement in the CWSRF for fiscal sustainability plans for treatment works projects, explaining that they are asset management plans focused on funded assets. Ashley emphasized that these plans help communities prepare for future infrastructure needs and justify rate increases to fund necessary repairs. She suggested that going through the planning process can help communities avoid unexpected financial burdens and defend infrastructure investments to voters and regulators.

Water Infrastructure Asset Management

Ashley led a discussion on asset management in water systems, revealing that wooden water pipes are still in use in some areas, including Rawlins, Wyoming, and Bloomfield, New Mexico. Discussion revealed that these pipes, which don't emit PFAS, are often found in museums and can last for decades if not used. Ashley also discussed the continuation of the "Ask Me Anything" sessions, which will run for another year starting in August, and she invited feedback on future topics.

Disclaimer: this summary was generated using AI but was reviewed and edited by a Human.

From the Chat:

C: Texas requires an AMP for the "clean water" SRF

C: WY is in the middle of a pilot project that may include an AMP for every system in the State. The pilot is funded using set-aside funds.

C: I know NM's CW requires an Asset Management Plan aka Fiscal Sustainability Plan

C: [participant from NM] My engineering consultant did one. We presented it to council... but I just looked at it again today. Luckily my Superintendent is very organized and has projected out what he needs to budget in the next few years.

C: [referring to the news that the Ask Me Anything's will be continuing] They've been wonderful. I always pick up some new information. Also it's nice to hear what is going on in other parts of the country.

C: talk about asset management... and this is not the plant, but we had a wooden water pipe we recently replaced only because we had a breach in our water supply for a month and the pipe dried out!

C: Still have one [wooden water pipe] in Rawlings, WY

C: We still have some [wooden water pipes] in AZ

C: I have seen these in museums.

C: ...and wood doesn't emit any PFAS!

C: no cathodic protection...

C: Wow, this is impressive, I've never heard of these wooden pipes. Pretty cool!

C: We had a CWSRF project this summer alongside water main they thought was from 1960. Turns out it was 1910. Between DWSRF and City match, they are replacing it - phew!

C: The water company here [in Frankfort, KY] has a "history of your system" display that has a section of wooden pipe.

C: Thank you, Ashley, for the information!