



ASSET MANAGEMENT: CURRENT STATE OF THE ASSETS (PART 1)

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In the last issue you were introduced to the Level of Service (LOS) core component of an Asset Management Plan. As a quick review, LOS defines what you, the municipality, want your assets to provide and how you want them to perform. In this issue you will be introduced to, arguably, the most important core component of an Asset Management Plan, the **Current State of the Assets**. This component will be the basis for all other components in the plan. It will help you to refine your LOS as well as assist you in addressing the other core components. This component involves gathering information on these basic questions:

- **What assets do I own?**
- **Where are they?**
- **What condition are they in?**
- **What is their remaining useful life?**
- **What is their value?**
- **What type and amount of energy do they use?**

In an effort not to overwhelm (bore) you with a ton of information, this component will be broken down into two parts. The first three (3) questions will be discussed in this issue, the remaining three (3) in the spring issue. It is my hope, that after reading this, you will begin working on the first three (3) and be prepared to tackle the remaining after the next issue. I can hope.

WHAT ASSETS DO I OWN?

Before jumping head first into this question, it's important to define what an asset is. Simply put, an asset is anything you own that has value. Seems simple enough, right? That's a pump, blower, manhole, sewer line etc. But a pump has several components. Impeller, volute and so on. Each component of the main asset could be considered a sub-asset. It is ultimately up to you to decide what constitutes an asset.

Once you have defined what an asset is, you will need to perform an asset inventory. An asset inventory is a listing of each asset, its location, manufacturer, model and serial number, date of installation and current condition. Ways to document an assets location and determine the current condition of an asset will be discussed shortly. Many of you may already have an inventory started as part of a vulnerability assessment. It's just a matter of tweeking it a bit. Keep in mind that the first assets listed SHOULD

be your operators. We often don't think of personnel as an asset, but consider where you would be without them. It is their knowledge and abilities that keep your system running.

WHERE ARE THEY?

An important part of an asset inventory is knowing where your assets are. Do you have accurate maps of the collection system? Accurate "as built" of the facility. It is as important to be able to visually see the location of an asset as it is to have listed in an inventory. Knowing the location of the asset will be helpful when developing funding strategies for operation and maintenance (O&M) as well as capital improvements.

Locating your assets can be as simple as a hand drawn map all the way to the most sophisticated GPS/GIS system. Again, it all depends on your situation. The important thing to remember is to make the maps as accurate as possible. We all know a map with incorrect data is of no use. Start by looking at the maps and schematics you have. You can update them yourselves. Simply pencil in additions. It's a start and will give you a better picture of your assets and where they are located. If you can afford it, have your system GIS/GPS mapped. Remember, GIS/GPS mapping is also only as good as the information provided. As I stated before, it's about what you can afford. If all you can afford right now is hand updating your maps, then so be it. It's not about how pretty the maps look but rather the information they provide.

WHAT IS THEIR CONDITION?

There are many ways to determine asset condition. I am not going to go into specific details regarding condition assessment. Each asset management software program has its own condition assessment criteria. Instead I will explain the basics and how the results will be used.

As I stated in the last issue, asset management is a collaborative effort between operators, elected officials, clerks and the system users. In condition assessment, it is best to involve all those with current or historical knowledge of the assets. Do not just dump this on the operators. All need to be in agreement in order for this to work. A ranking system needs to be developed and agreed upon. This can be as simple as good-fair-poor to a numeric 1 thru 5 system. Again, it depends on the capabilities of the >>>

municipality as well as the asset management software being used.

Once a ranking system has been decided on, the assets are looked at, scrutinized and the condition ranked. The ranking will enable you to prioritize O&M activities as well as aid in developing a capital improvement plan (CIP). The asset condition ranking will change as O&M activities are performed (or not), so this portion of the Asset Management Plan needs to be updated on a more or less regular basis. An annual review of the condition ranking is generally recommended.

This has been a general overview of the first three (3) questions to be addressed in the current state of the assets portion of the Asset Management Plan. It is important to remember this is not a finish one step, move on to the other, process. You can work on several aspects of the plan simultaneously. Also, as you might begin to see, this process requires the involvement of many people. It cannot be effectively or efficiently done by one individual or entity. In the next issue we will look at the remaining three (3) questions to be addressed in the current state of the assets portion of the Asset Management Plan. Please call me at (518) 828-3155 ext. 18 or e-mail me at Grimm@nyruralwater.org if you have any questions or would like to begin working on an Asset Management Plan. 💧💧