Asset Management – What Now?

Phil Desmarais – September 10, 2014

Background

❖ KPMG partnered with **exp** Services Inc. to compile the list of assets, undertake a condition assessments and asset management plans for 24 municipal clients across Ontario, as part of the 2013 MIII funding program.

❖ Due to budget and time constraints, our condition assessments were limited to the following:

- Visual assessment of small portion of roads by engineering personnel;
- Condition of water mains and appurtenances, sewers and sidewalks based on date constructed;
- Visual inspections of a select number of buildings was used to gauge the condition.

❖ Used local knowledge to fill gaps in data and to refine priorities.

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What We Observed

- ❖ Some clients had ambitious expectations of the 2013 MIII AMP effort.

- ❖ Some clients had difficulty in determining priority projects from the data.

- ❖ Many found optimizing rehabilitation costs/needs across multiple asset classes challenging.

- ❖ Given a budget, some clients expected AMP would set the program.

- ❖ Some expressed a desire for route optimization within AMP framework.

- ❖ Total infrastructure need far exceeds ratepayer's ability to fund.

- ❖ Most clients were developing GIS capabilities within the organization.

What Now?

Better Data – Better Decisions

❖ Good decisions require complete, accurate and reliable data.

❖ The 2013 MIII AMP submission is a good start.

❖ Augment the data in the Asset Condition Listing by:

- Undertaking additional field investigations;
- Updating using information from mandated inspections (OSIM, BCI, etc.);
- Reflecting lifecycle events (acquisition, maintenance, renewal, replacement);
- Expanding condition ratings to include safety deficits (geometric, looping, CSO's);
- Segmenting large links into smaller 'doable' sections;

❖ Create links between Transportation and Servicing Master Plans.

❖ Track/report growth related improvements separately.

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What Now?

Software Solutions – What software is required to get grants?

❖ Two New Funding programs announced:
  - Ontario Community Infrastructure Fund (OCIF);
  - Building Canada Fund – Small Communities Fund (BCF-SCF).

❖ OCIF funding not tied to AMP deficits. However, the rationale used for project selection should be based on AMP processes.

❖ BCF-SCF funding for projects which foster economic growth, a clean environment, and stronger communities.

❖ Funding appears to be independent of software platform used !

❖ Ontario Good Roads Association (OGRA) acquired rights to MDW to establish a province wide standard for the collection of infrastructure data.

What Now?

Maintaining the Database - Managing Expectations

❖ AMPs have raised expectations regarding decision making. MIII AMP submissions identified the magnitude of the funding required to sustain existing infrastructure at current service levels.

❖ The complexity (cost) of the database grows rapidly in order to support sophisticated decision queries.

❖ An integrated approach to identify priority projects requires balancing a number of variables based on infrastructure needs and community planning objectives. There is no substitute for experience and judgment when juggling competing priorities.

❖ Education and management of expectations will be an important aspect of administering the database.

What Now?

Other Improvements – Spatial Data and GIS Integration

❖ The addition of coordinates (spatial data) into the asset database provides powerful ways to visualize asset management information.

❖ GIS systems provide tools to search the database and present the information through a graphical map. These graphical tools provide an efficient method to analyze different types of asset and condition data contained in the database without having to segment the various types of data.

❖ Specialized software can make use of spatial data to complete various types of analysis including route optimization.

❖ GIS systems are largely proprietary that require costly licensing and support agreements. However, there are a large number of offerings and the market continues to evolve.

What Now?

Funding Shortfall – Reality Bites

❖ Enhanced Asset Management capabilities will provide better tools to get the most value from scarce financial resources.

❖ The funding needed to preserve existing infrastructure exceeds the level of funding available.

❖ It is inevitable that some infrastructure has/will deteriorate to a point where it is not feasible to be repaired and must be abandoned, sold and/or retired due to funding shortfalls.

❖ Municipal Authorities should the review their infrastructure plans to reflect the provision of much smaller municipally owned-core infrastructure networks.

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