“Trends and Best Practices in Asset Management"

Moderated By Asset Management CoP Chair:

Robin A. Upchurch, SR/WA, R/W-RAC

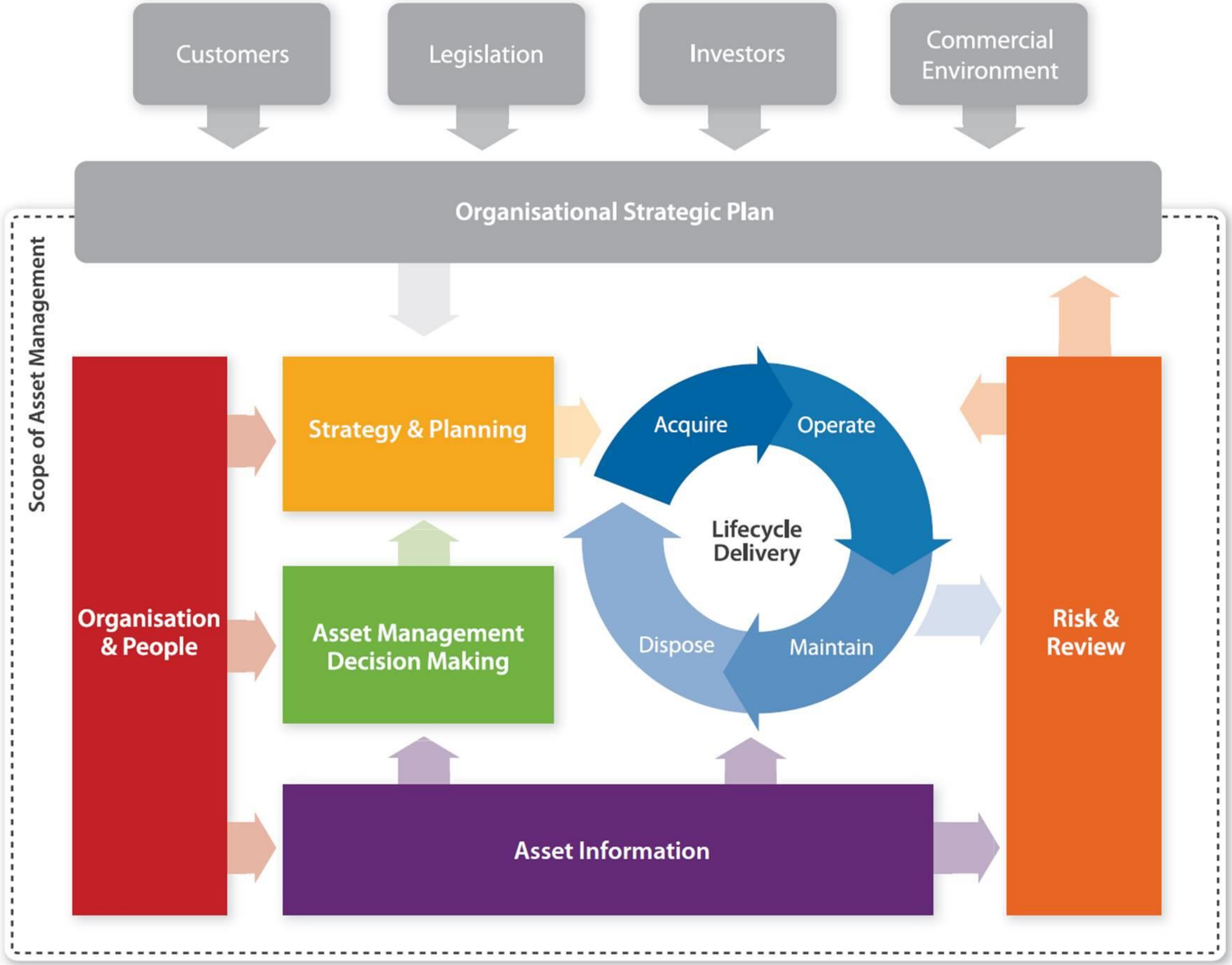
President
BNU, LLC
Memphis, TN

Speakers

- **Nikki N. Nowack** , Asset Manager Program Manager, **Oregon Department of Transportation**
- **Emily Tritsch** , Asset Manager, **Portland Bureau of Transportation** - OR
- **Gordon E. MacNair**, SR/WA, AACI, Director, Corporate Real Estate Office, **City of Ottawa** – CANADA
- **Brian Taylor**, BA, AACI, SR/WA , Region Head, Property & Facilities Management, Corporate Management and Services Sector Natural Resources Canada / Prairies & Northern Region / **Government of Canada**
- **Lisa L. Amos**, MPA, SR/WA, Real Estate Program Manager, **City of Glendale** – AZ
- **Chet Hagen**, Asset Management Program Manager, **Multnomah County DCS Business Services** – Portland, OR
- **Douglas "Sandy" A. Grigg**, SR/WA, **Sandy Grigg Consulting** – CANADA
- **Georgia S. Snodgrass**, SR/WA, R/W-NAC, R/W-AMC, R/W-RAC, **Contract Land Staff**, San Antonio, TX
- **Danika Simpson**, Property Management Supervisor, State of Alaska DOT&PF, Central Region Right of Way

Overview of Asset Management

Nikki N. Nowack
and
Emily Tritsch


Customers
Legislation
Investors
Commercial Environment
Organisational Strategic Plan
Scope of Asset Management
Strategy & Planning
Acquire
Operate
Lifecycle Delivery
Dispose
Maintain
Organisation & People
Asset Management Decision Making
Risk & Review
Asset Information

Group 1 - Strategy & Planning

1. Asset Management Policy
2. Asset Management Strategy & Objectives
3. Demand Analysis
4. Strategic Planning
5. Asset Management Planning

Group 2 - Asset Management Decision-Making

6. Capital Investment Decision-Making
7. Operations & Maintenance Decision-Making
8. Lifecycle Value Realisation
9. Resourcing Strategy
10. Shutdowns & Outage Strategy

Group 3 - Life Cycle Delivery

11. Technical Standards & Legislation
12. Asset Creation & Acquisition
13. Systems Engineering
14. Configuration Management
15. Maintenance Delivery
16. Reliability Engineering
17. Asset Operations
18. Resource Management
19. Shutdown & Outage Management
20. Fault & Incident Response
21. Asset Decommissioning & Disposal

Group 4 - Asset Information

22. Asset Information Strategy
23. Asset Information Standards
24. Asset Information Systems
25. Data & Information Management

Group 5 - Organisation & People

26. Procurement & Supply Chain Management
27. Asset Management Leadership
28. Organisational Structure
29. Organisational Culture
30. Competence Management

Group 6 - Risk & Review

31. Risk Assessment & Management
32. Contingency Planning & Resilience Analysis
33. Sustainable Development
34. Management of Change
35. Asset Performance & Health Monitoring
36. Asset Management System Monitoring
37. Management Review, Audit & Assurance
38. Asset Costing & Valuation
39. Stakeholder Engagement

Figure 4: Alignment of the 39 Asset Management Landscape Subjects with the six Subject Groups

? Questions ?

Gord MacNair, SR/WA, AACI

Recent Audit Experience with City of Ottawa

Auditor General made 30 Recommendations which can be summarized as follows:

1. Requirement for proper policies and procedures
2. Document, document, document
3. Securing a proper data management system
4. Consistency, and
5. Compliance

? Questions ?

Brian Taylor, BA, AACI, SR/WA
Past IRWA Asset Management CoP Chair

Great, You've just constructed a Major Project!

Celebrate!

But what now?

Start Planning

Plan for Repairs

Plan for Modifications

Plan for Replacement.
(plan to replace this brand new building!)

Condition of components

Item	Average Economic Lifespan	Condition - Remaining Life	Replacement Date	Cost to replace
Roof	25 years	25 years remaining	2044	$1.2 M
Boiler				
Fumehoods				
Floor tile				
Room Paint				
FLAG POLE!				

Major Re-investment Programs

Accelerated Infrastructure Program

- Across Government, Many Departments
- Within our department, many sectors many different science business lines.
- Everyone wanted their ‘share’
- How do decide?
  - Equal piece?
  - Financial need?
  - Program intent?

Project Assessment Grid

Project	Real Property Ranking	Energy Efficiency	Program Need (Science Impact)	Time required (complete by 2017?)

Successful Approach

Our approach worked.

Allowed a variety of different projects, benefitting different Science sectors in a plethora of different locations

Greater number and larger value than all other regions combined!

? Questions ?

Lisa Amos, MPA, SR/WA

The Not So Technical Stuff

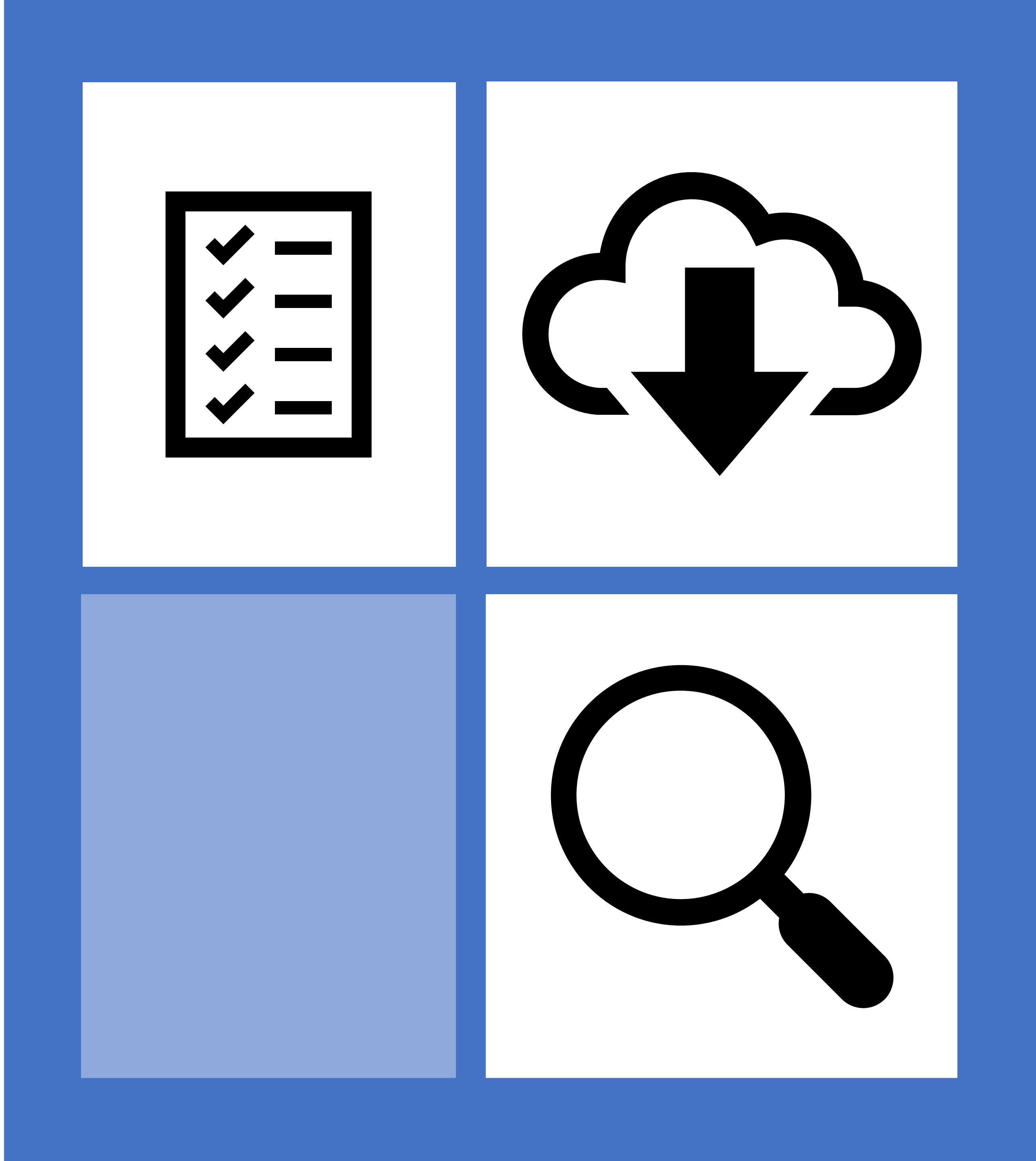
- You are new to an organization and find it either doesn’t view its real estate and/or physical infrastructure as assets or doesn’t manage them except in a reactive way.

- How do you get an organization to either institute or refine asset management practices, especially if there is pushback about resources-staffing and physical resources like databases, software, etc?

- How do you get the culture to change?

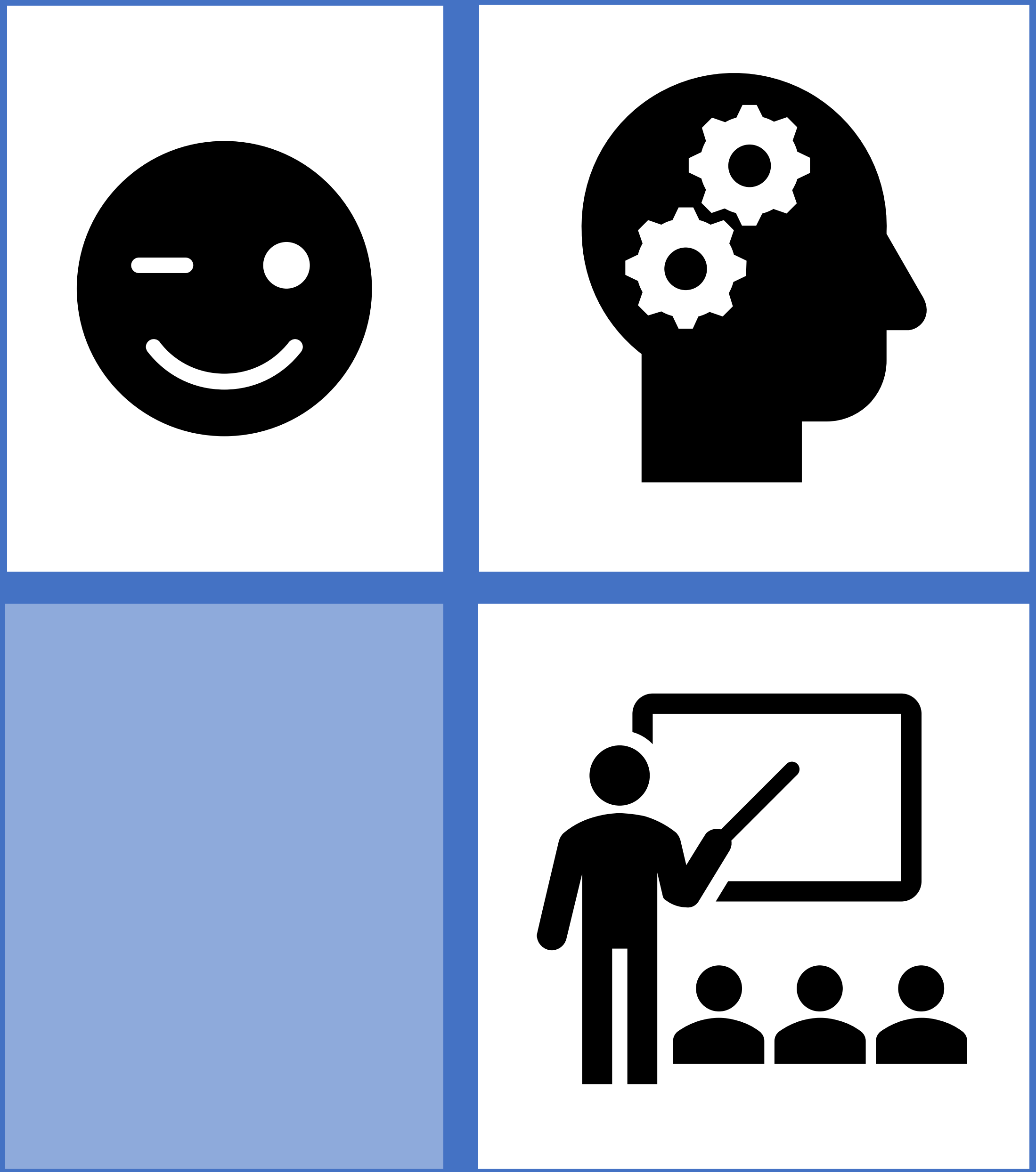
The Not So Technical Stuff

- Slow down
- Learn how the organization functions
- Who, what, where and why
- How they got to where they are; did it used to be different?
- What are their peer organizations? How do they operate?



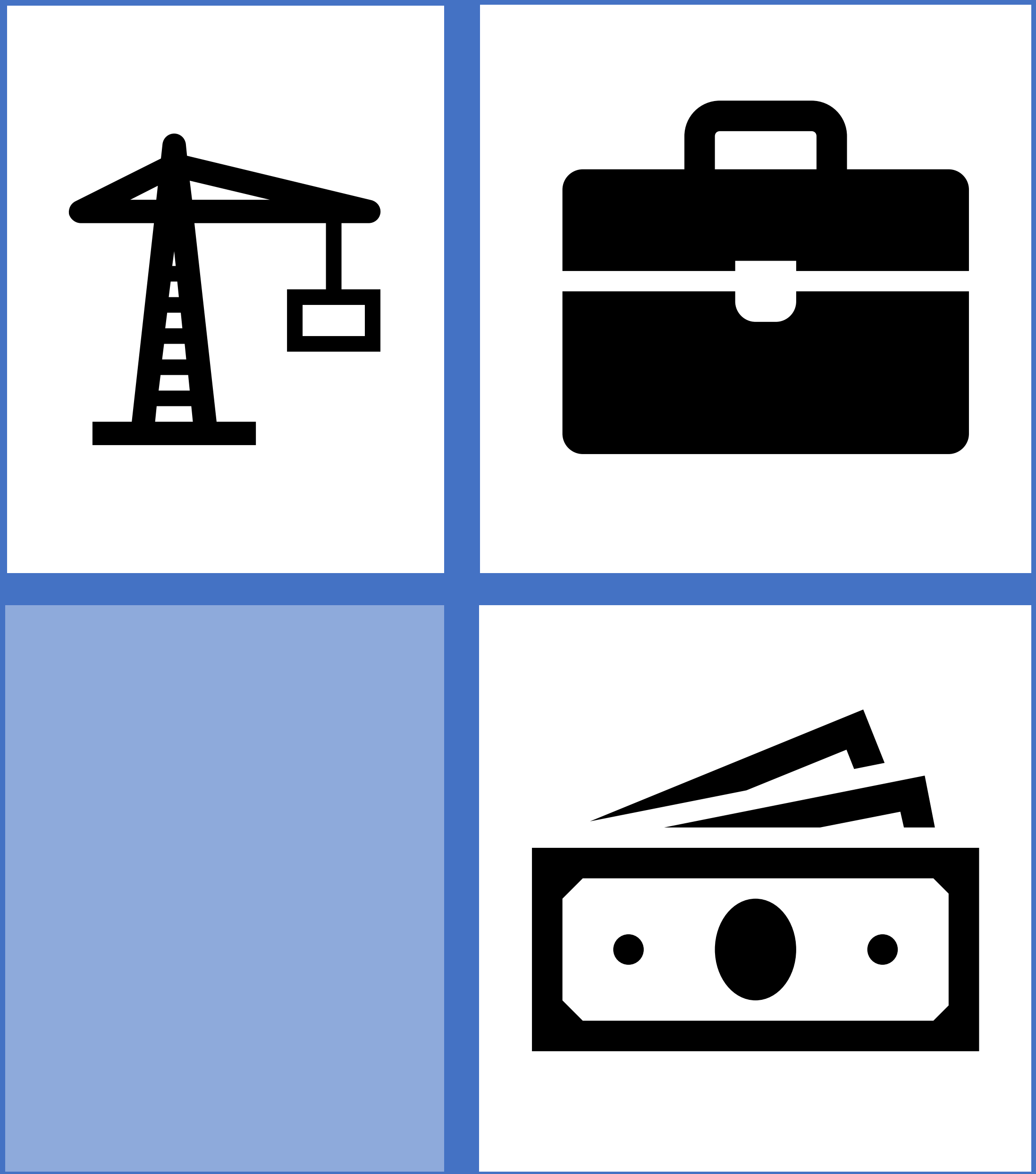
The Not So Technical Stuff

- Educate when opportunity arises
- Add value to your service
- Participate in budget process
  - Justifications for resources



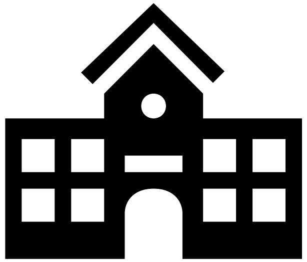
The Not So Technical Stuff

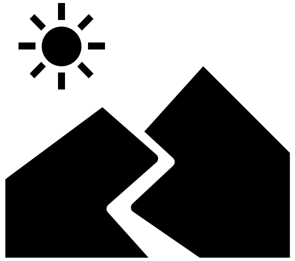
- What can happen without a robust asset management system?
- System=digital, human, financial, with organization buy-in
    - Accidents in the field-gas lines, underground electric, etc.
    - Liability exposure, lawsuits, regulatory non-compliance
    - Deferred repair & maintenance
    - Lost opportunities
    - Damage to reputation and public perception

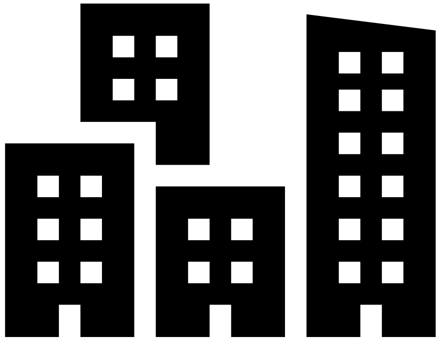


The Not So Technical Stuff

- **'Bad neighbor': Phoenix struggles to manage its vacant city-owned lots**
- The city's real-estate portfolio is massive with roughly 90 square miles of city-owned land. Of that, about 2.3 square miles sits vacant and likely could be developed.
- Dustin Gardiner, The Republic | azcentral.com
- Published 5:46 a.m. MT Nov. 24, 2016 | Updated 10:55 a.m. MT Nov. 25, 2016







The Not So Technical Stuff

Phoenix unloading hundreds of city-owned properties following Republic report

Dustin Gardiner, The Republic | azcentral.com Published 6:02 a.m. MT March 29, 2017 | Updated 11:29 a.m. MT March 29, 2017

The city had said it held only about 30 excess properties, but now that list has grown by the hundreds.

?

...an internal review found the city doesn't need at least 656 pieces of land that it owns.

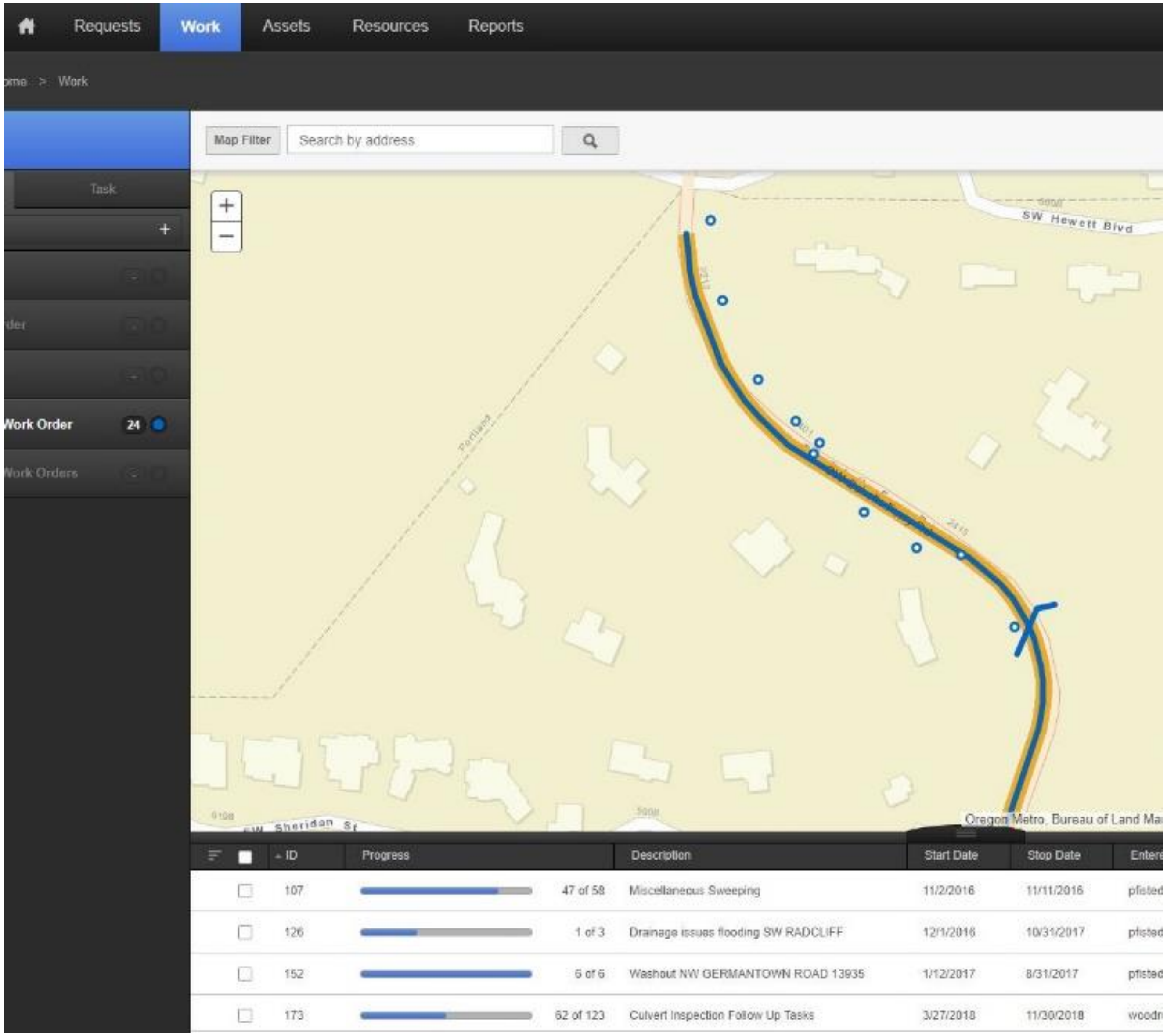
Among The Republic's findings: The city owns vast swaths of vacant land — about 1,400 individual properties covering 2.3 square miles with a combined assessed value of more than $150 million..

? Questions ?

Chet Hagen

80% of all data is Geographic

- Asset Management does NOT require the use of Geographic Information Systems (GIS), but it surely benefits from it.



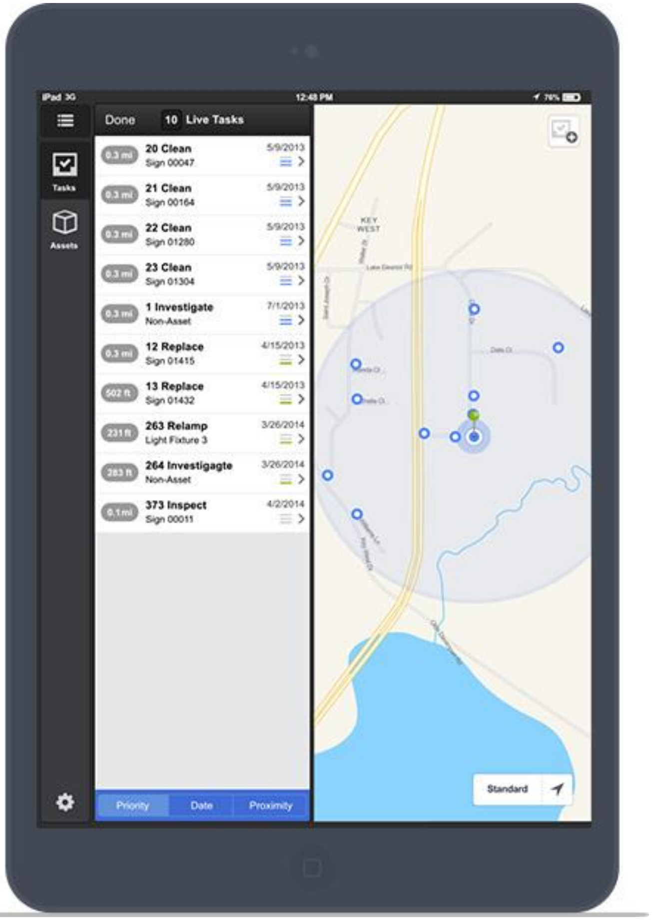
Benefits

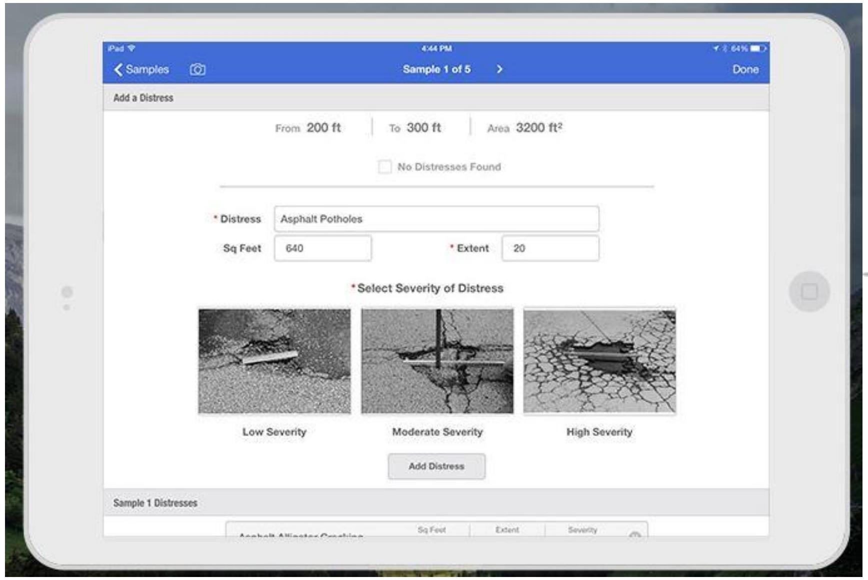
- Spatially aware Asset Inventory
  - *Condition inspections*
  - *Optimized routing of Maintenance activities*
  - *Spatial Relationships are easier to interpret*
  - *Know exactly where your assets are located*

GIS in Asset Management

Mobile

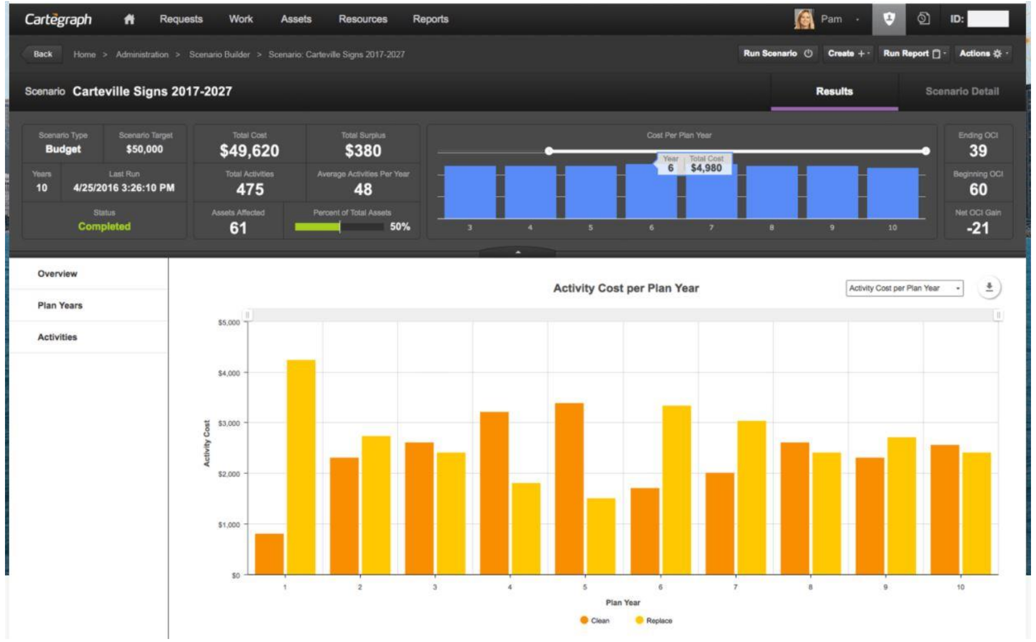
- GIS software provides tools compatible with tablets & smartphones
- Allows for real time inspections, eliminates need for paper and data entry

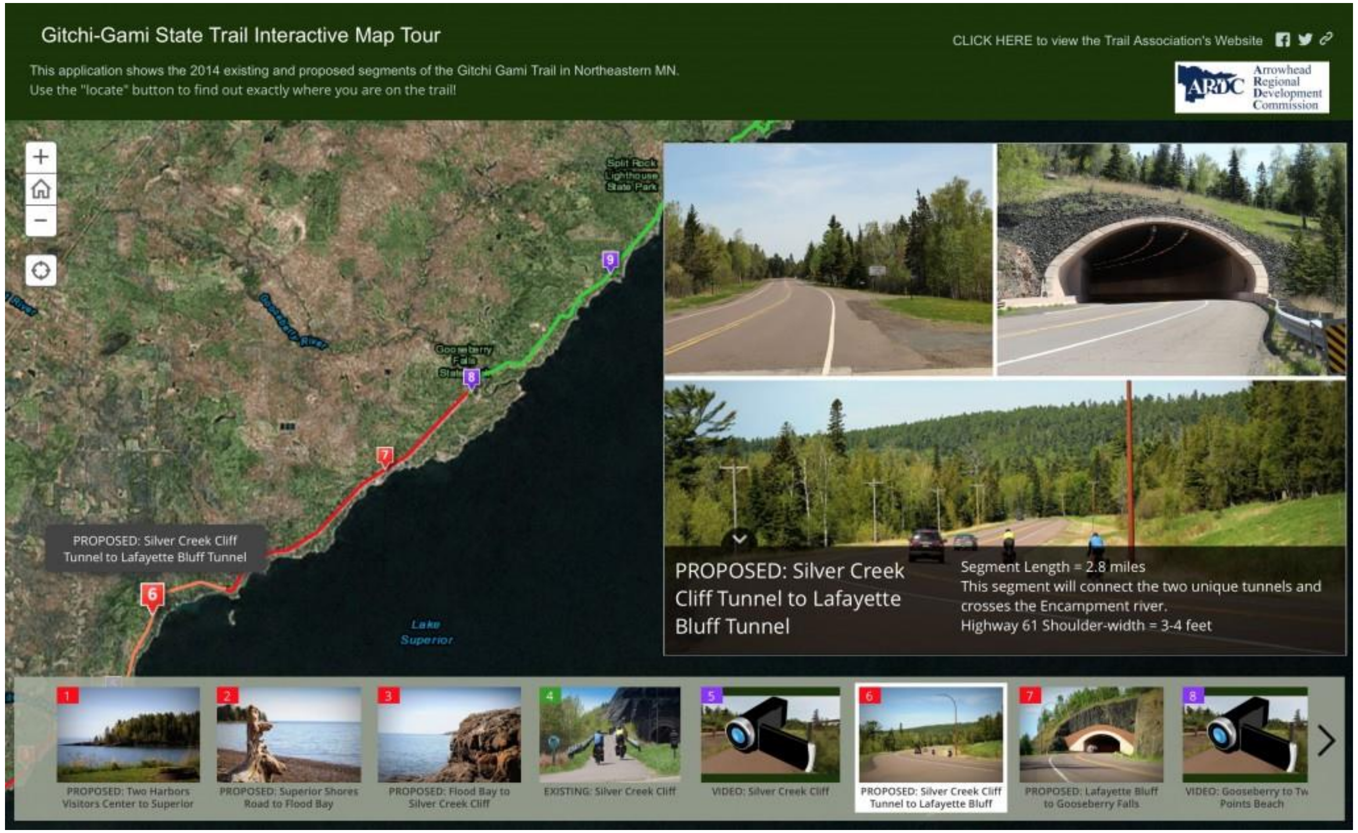




GIS in Asset Management

Tell a more compelling story & connect with your stakeholders





Sandy Grigg, SR/WA

- Look for opportunities
- Consider all possibilities
- Understand the obstacles
- Prioritize the problem
- Create a plan

Opportunity

- Realty Life Cycle
- BUY
- USE
- SELL

Communicate

Cooperate

Communicate

Opportunity (2)

- Acquisition
- Property Management interim
- Asset management Decision

Opportunity (3)

- Condemnation / Expropriation
- Larger Parcel issue
- Asset management Decision for two different client groups

? Questions ?

“Trends and Best Practices in Asset Management” In Summary

Georgia Snodgrass, SR/WA, R/W-NAC, R/W-AMC, R/W-RAC
IRWA CLIMB Instructor

and

Danika Simpson

? Questions ?

Thank you

Asset Management Community of Practice Committee