



**INFRASTRUCTURE ASSET MANAGEMENT ALBERTA
WORKING GROUP
OCTOBER 12, 2016
WORKSHOP
MEETING NOTES**

In Attendance: Russell Crook, Christine Della Costa, Stephen Hove, Ed Kaemingh, Shaffin Kherani, Sheila Kitz, Elena Loukin, Joline McFarlane, Christina Parkins, Ian Perry, Joel Sanchez, Wyatt Skovron, Mat Stephan and Jason Tillsley

Notes: Candace Coams

Absent: James Friesen, Lam Huynh, Lorin McConnell and Scott Sillers

1. Welcome

Russell Crook welcomed everyone attending this workshop meeting and called the meeting to order at 9:07 am.

2. Workshop Overview

a. Introductions

Russell Crook provided an introduction about Infrastructure Asset Management Alberta (IAMA) and asked those forming the working group for a round of introductions with their name and municipality they are representing. Russell advised those in attendance to be sure to sign in or initial on the attendance sheet being passed around.

b. IAMA Activity Update

The CNAM conference for 2017 will be in Calgary from May 15-17, 2017.

Russell Crook informed those in attendance that this working group meets monthly (the first Wednesday of the month from 11:00 am to Noon) via teleconference to plan these in-person workshops. There are three in-person workshops each year, typically in February, June and October.

Russell Crook advised that Sponsors for the 2017 workshop meetings are being sought. This workshop is the first one to charge for attendance at \$30/person/workshop. In

addition, the current cap of 60 people per workshop will be increased up to 100 per workshop. Registrations must be done online. The second step in the new registration process is the online payment by credit card. A receipt will be provided at the end of the online registration. Final numbers need to be provided for catering purposes one week in advance of each workshop. If you find you are unable to register for the next workshop, it is either because the new cap of 100 has been reached or the cutoff for one week's notice was provided.

3. Certification on ISO

Russell Crook introduced Iain Cranston, Asset Management Consultant & Training Coordinator with CH2M, the opening speaker this morning. Iain Cranston split his presentation into two sections. The International Standards Organization (ISO), globally recognized, applies to all industries with infrastructure and assets. ISO includes: principles/terminology, requirements and guidelines. The benefits of structured documentation include:

- Locking in best practices
- Aligning strategy, policy and plans
- Better understanding of risk, thorough budgeting/prioritizing
- Confidence in organization and improved reputation
- Due diligence approach to asset failures

Management systems define key requirements for AM systems. ISO knowledge is essential but does not address all technical requirements. So, why get certified? It is lots of work and an expensive process. What is the best way to utilize ISO standards for your organization, or at least be aware of the new standards? Aligning best practices provides most of the benefit. In any case, the organization gets certified, not the individuals.

The list of standards and practices is available from the Institute of Asset Management (IAM) for a cost of around \$100 and can be found at: www.iam.org. There is certification in professional development for Asset Management through IAM who have established both certificate and diploma qualifications. Useful AM documents and tools have been developed for framework and AM anatomy.

The IAM training course, a 3-day course in preparation for the IAM Certificate, costs \$1,950 plus tax and includes course materials, lunch and the IAM exam. The IAM Certificate exam is a multiple choice, closed book test of 60 questions taking 2 hours utilizing a laptop. The questions are based on:

- Principles of asset management
- Asset management policy, strategy and planning
- Asset life cycle decisions and activities
- Assessing and managing risk, and
- Financial and business impacts

The IAM Diploma advanced exam (need certificate first) of 70 questions taking 3 hours has questions based on:

- Practice of asset management
- Asset management information and knowledge
- Sustainable asset care and performance
- Managing change in asset management systems and capabilities
- Contractor and supplier management
- Demand forecasting and capital expenditure planning, and
- Methods for realizing whole life value from assets.

To maintain certification requires regular reviews and audits on improvements.

Iain's contact details are:

e-mail: iain.cranston@ch2m.com

phone: 403-973-4211

website: www.ch2m.com

For complete details and more information, please refer to the .pdf of Iain Cranston's presentation.

4. Grants Overview

Christina Parkins, Manager of Financial Advisory at Alberta Municipal Affairs introduced JD Kliewer, Director of Grant Accountability. Andrea Taylor, Program Advisor, was also in attendance. JD Kliewer provided an overview on the various grant programs available:

- Alberta's approach to Asset Management
- Grant funding planning
- Grants supporting asset management planning
- Grants update

The Federal Gas Tax agreement (2014-2024) signed by both federal and provincial bodies have agreed to:

- an asset management planning approach developed by the province based on where municipalities were at signing, and
- asset management plans include a minimum of a multi-year capital plan including projects funded through this agreement

The purpose of this commitment by the province is to ensure progress is being made in Asset Management and to set achievable goals, with particular attention paid to the needs of smaller municipalities.

The Modernized Municipal Government Act, Bill 21, to be proclaimed prior to the next municipal elections, requires both a 3-year financial and 5-year capital plan.

There are three types of grant funding programs, each with a unique place in Asset Management planning:

- allocation
- competitive, and
- needs-based

Grants supporting asset management planning:

1. Enhanced municipal planning for climate change resilience (\$75 million)
2. Development and implementation of infrastructure asset management planning practices (\$50 million)
3. Municipal Sustainability Initiative (MSI) Capital and Operating
4. Federal Gas Tax Fund
5. Alberta Community Partnership Program

Grants Update

- MSI agreements expire in 2017, expect extensions
- New provincial programs
 - Strategic Transportation Infrastructure Program (STIP) early in 2017
- Clean Water/Wastewater Fund (Federal)
- Public Transit Infrastructure Fund (Federal)
- Phase 2 Infrastructure Funding (Federal) in 2017

JD Kliewer's contact details are:

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phone: 780-422-8118

For complete details and more information, please refer to the .pdf of JD Kliewer's presentation.

Coffee break from 10:30 am to 10:40 am

5. Flagstaff Inter-Municipal Partnership AM Case Study

Dianne Michalak, Manager with DGE, provided an overview of the Asset Management Case Study for Daysland, Hardisty, Killam, Sedgewick, Alliance, Forestburg, Heisler, Loughheed and Flagstaff County. Amanda Davis, CAO for the Town of Sedgewick, provided her perspective on this project as well. The benefits of networking with other municipalities has produced this result having taken 10 months to get to this point.

Challenges

- Asset Management plan
 - government requirements
 - TCA, environment, asset management and reporting
- *allocate funds for priorities instead of “wants”
- Carbon tax
 - limited resources
 - balanced budgets, demographics, economy, effective utility management and online presence
 - Historic records
 - document management
 - paper documents, legacy datasets, file sharing, data entry, integrate business documents and consistent terms and units
 - Change
 - technology capacity
 - software purchase, expertise, WiFi, hardware, ongoing training and support, and integrated systems
 - Turnover
 - Staffing
 - Retirement, corporate knowledge, retention, recruitment, contractor knowledge, and sharing

Solutions

- Insight into Asset Management – manage what you know
- Arc GIS online
- Digital document management
- Data integration
- Asset inventory
- Photo inventory

Lessons Learned

- Training (cell phone or tablet)
- Data validation
- Hardware
- WiFi
- Buy-ins
- Budget cycles
- Account administration
- Time
- Paradigm shift

Future

- Ongoing and new staff training
- maintenance online
- capture condition, inspection and maintenance events
- cemetery data (DOS and leather map currently)
- virtual tours (like “Street View”)

*** For possibilities, see the Fort McMurray Fires mapping**

Dianne Michalak’s contact details are:

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phone: 780-577-0073 #221

For complete details and more information, please refer to the .pdf of Dianne Michalak’s presentation.

6. Asset Management – From Theory to Practice

Oscar Aular, Infrastructure Engineer with the City of Calgary, provided his presentation previously given at the Western Canada Water Conference. Oscar Aular started off by stating that asset management is a process. A plan is only a snapshot and is never done! Moving from theory to practice is challenging.

Some key requirements to understand AM landscape include:

- Understanding the imperative
 - Direction already in Ontario, direction now in Alberta
 - Scarce resources with the economic downturn
 - Aging infrastructure and future renewal requirements
 - Good thing to do
- Gain sponsorship
- Demonstrate successes
- Communicate
- Have clear direction

Where do we start?

- Leverage existing information
 - Condition assessments
 - Infrastructure performance history
 - TCA information
 - Capital programs
 - Growth forecasts
 - Business objectives
- Document ongoing initiatives that inform/influence AM process

Future Focus

- Levels of Service (LOS) review and strategy
- Support continuous improvement in AM practice
- Manage impact of growth through demand management and infrastructure investment
- Manage impact of changes in regulatory requirements
- Lifecycle practices to develop cost-effective management strategies
- Energy management

Oscar Aular's contact details are:

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For complete details and more information, please refer to the .pdf of Oscar Aular's presentation.

Lunch break from 11:55 am to 12:50 pm

7. Challenges Implementing AM in an Organization

Golnaz Azimi and Jody Rechenmacher with Urban Systems facilitated the round table discussion. Sheila Kitz, with the County of St. Paul provided her perspective as well.

Here are the notes taken. Urban Systems and Elena Loukin will produce a more meaning document for this afternoon session that will be inserted into these Meeting Notes.

Key Message #1

Defining a path to successful implementation depends on context

Key Message #2

There are no "Best Practices" for the "How"

Key Message #3

There ARE promising solutions. Use your innate human ability to develop an adaptive approach.

Insert diagram (with the intersecting circles, objective and feedback) Develop Shared Understanding

How do you now you're implementing AM?

- Indicators?
- Stories?

Indicators:

- History of replacements
- Records of complaints
- Financial commitments
- Public and Council awareness
- Baseline Assessment and Review periodically
 - Airdrie doesn't have baseline but has Council endorsement
 - Corporate AM versus detail (Internal)
external → customer → LOS ← technical ← business unit
- Each municipality is at:
 - Different stages of AM process
 - Use different models with data to test
- AM linked to sustainability to Cost – applicable to all sizes
- Council awareness

Corporate AM Framework

- Implementation/gap analysis

What are some of the challenges?

- One specific challenge
- Go deep: How does this affect your ability to implement AM?
- Buy-in
- Initial investment
- Resistant to change/use old technology
- Silos and what priorities are between departments
- Community expectations is increasing
- Media's focus on not good events
- Change of use (ie. rural traffic to heavy industrial)
- Sharing information (resistant to share)
- Long term versus political term
- Communication
 - Common vision/consistent language in the organization
- Smaller organizations don't designate one person to "only" lead AM
 - Lower chance of developing AM strategy
- Support/team approach
- Lack of accurate as-builts

Solutions

- Risk Mitigation – long term view
- Influence decisions made by upper level management – trickle down effect
- Showing the benefit of using data by technical staff – bottom up
- Breaking down the silos/communicate
- Collecting data/maintain good/continuous practices
- Information management
- Focus on process rather than the individual (personal) to break down the silos. Get buy-in
- Manage expectations/clear communication of the purpose of each document (AM Plan, Strategy)
- It's okay if we don't get it right the first time

8. Wrap-up and Next Meeting

Joel Sanchez advised that with this presentation the workshop meeting has concluded. Working group members met briefly prior to departing.

9. Adjournment

The meeting was adjourned at 2:25 pm.