

**INFRASTRUCTURE ASSET MANAGEMENT ALBERTA
(IAMA)
WORKING GROUP
JUNE 11, 2014
WORKSHOP MEETING
MEETING NOTES**

In Attendance: Russell Crook, Lam Huynh, Joline McFarlane, Christina Parkins, Ian Perry, Eduardo Sosa and Rick Wojtkiw

Notes: Candace Coombs

Absent: Joel Sanchez and James Friesen

1. Welcome

Russell Crook welcomed everyone attending this workshop meeting and called the meeting to order at 9:11 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 on the attendance sheet being passed around. Matt Dow, AAMDC, is now also part of the working group.

b. IAMA Activity Update

Russell Crook provided a brief history of this working group and advised that, working in conjunction with GFOA Alberta Chapter, a grant through Alberta Municipal Affairs has been applied for to assist with administration for this group and website upgrade.

c. Website – www.iama.ca

Joline McFarlane (member of the working group) advised there has been a soft launch for the new website. Items located on this website will include: Meeting Notes, Presentations, and sharing of documents in the future (ie. policies).

There is also an email link there for anyone wanting to reach the IAMA working group with questions or requests: info@abassetmanagement.ca.

In the future, presentations from workshop meetings can be uploaded to the website.

3. TCA Automation and RIVA Decision Support

Lam Huynh introduced Dallas Smith, Team Leader-Asset Management Information

Services, with the City of Calgary for 22 years as the first speaker.

Dallas Smith provided a recap from 2006 to present. He talked about the gap between budget and infrastructure. Administration was unaware of implications of budget decisions related to capital projects. There was no source for corporate reporting and no way to forecast needs across the Province. A “bucket list” was made for Council on data automation and asset registry.

Data automation of asset management includes: retirements, additions and disposals. A workflow chart was used to illustrate this automation. Actual inventory relied on was from physical counts or reliance on the systems in place. Asset verifications included re-stating historical balances and change in accounting estimates based on “materiality”. RIVA DS is forecasting for the future: replacement, life cycle costs and other different strategies. Benefits for capital planning are now called “Benefits Funding Forecasts”. Conditions of inventories were show on a graph.

Next was the Infrastructure Status Report showing who owned what, worth, condition, service life and any infrastructure funding gap. Now there is the State of Asset Management Report (SAMR) with “encouraging improvements”.

Planning for the future with Infrastructure Asset Management will include: demand, business plans, corporate finance and resource.

Lam Huynh thanked Dallas Smith and asked for any questions on his presentation.

Coffee break from 10:27 am to 11:00 am

4. Development of an Integrated Asset Management Plan for the City of Fort Saskatchewan Roadways and Underground Utilities

Lam Huynh introduced Cherie Fuchs, Senior Pavements Engineer Team Lead (Northern Alberta Roads and Highways), as the first of two speakers to speak from Tetra Tech.

Cherie Fuchs used the City of Fort Saskatchewan as her example to illustrate some of their pavement management issues to include: problems identified, disconnect between priorities and disconnect with other systems. Future collaboration for local environment will include such areas as: structure, age, traffic, environment and condition.

Chris Lumbard, Senior Asset Manager was the second speaker with Tetra Tech who spoke about water and sewer. Such items as inventory, valuation, condition, what to do and when, coordinate utilities and capital plan coordination were talked about.

A summary and recommendations included: further refinement of analysis,

confirmation of remaining data gabs, coordinate/incorporate/perform regular updates.

Russell Crook asked about pipe bursting. An “assessment data life curve” was used to illustrate this. Chris Lumbard advised there are 2 options: not to use “open cut” which is more expensive and intrusive, and pipe bursting on older “mains”. Only the linear structure was looked at (but used nit cost for inspection), not valves, manholes or pumps.

Business rules and Council’s (public) input are required. The level of service for pavement should be enshrined in policy.

The difference in capital analysis before and after: incorporate increase in utility rates and the utility rates were the lowest in the province.

Lam Huynh thanked Cherie Fuchs and Chris Lumbard and asked for any questions on their presentation.

Lunch break from 12:02 pm to 12:54 pm

5. Asset Management Strategy

a. Development of Levels of Service

Lam Huynh introduced Ian Perry (member of the working group) with Aquatera Utilities Inc. Ian Perry presented a short video about Aquatera and the services they provide to City of Grande Prairie, Town of Sexsmith, Wedgewood and Clairmont that include: water, waster-water treatment, solid waste pickup and recycling and landfill.

b. Aquatera Case Study

Eugene Stansfield with OPUS then talked about the Aquatera Case Study performed by OPUS.

Levels of Service (LOS) – Core part of Asset Management

- Understanding what you are providing and the cost associated with that
- Investments are prioritized
- Justification of budgets and work programs
- Document better understanding of what you do

Challenges

- Limited/misunderstood knowledge of Asset Management
- Data gaps
- Poorly utilized software systems
- Inter-department communication
- Resistance to change

Successes

- Provided direction
- Asset-management involvement
- Improvement of software systems
- Fleet replacement procedure (in-house documents to evaluate replacement of fleet)

Lam Huynh thanked Ian Perry and Eugene Stansfield and asked for any questions on their presentation.

Coffee break from 1:41 pm to 1:47 pm

6. TCA for Transportation

Lam Huynh introduced Judy Elias, Asset Management Lead with the City of Calgary, who explained/shared her experiences with TCA for Transportation from the City of Calgary's perspective.

Maintenance and Repair versus Capitalization (Business units in transportation)

- Planning (long term studies)
- Infrastructure (oversee design/construction in Calgary)
- Road/Calgary Transit, other departments (Water, Parks, IT)

Gone Well:

- Created TCA Transportation Collaboration share point site
 - Version control
 - Timely access to information for financial reporting
- Donated assets
 - Turned over from urban development
- Constructed assets
 - Align assets to vendor invoices
- Think "TCA"
 - Ownership
 - TCA profiles
 - Unit of measure
 - In-service dates
 - Engage in dispute resolution
 - Timely WIP reconciliation

Improvement Areas:

- Thorough review of procedures/controls in place relating to TCA accounting and reporting
- Improve process to account for accruals, project costs, WIP
- More formalized/scheduled ongoing training

- Improve supporting documentation
- Define useful life of assets (depreciation, accumulated depreciation)

Sebastiaan Lampo, Manager with KPMG then talked about the integrated approach.

Integrated Asset Management System:

- Technical inventory
- Registration of transactions (ie. disposals)
- Other databases (operational projects)
- TCA
- Adequate reporting
- Increased cost savings

Asset Management sits with Engineering, Public Works, Finance and IT departments.

Lam Huynh thanked Judy Elias and Sebastiaan Lampo and asked for any questions on their presentation.

7. Wrap-up and Next Meeting

Russell Crook advised that with this presentation the workshop meeting has concluded. Themes for these workshops so far have included water systems and road. Russell asked for suggestions for themes for the October 8th workshop meeting and forward. Some new ideas for themes included: buildings and Asset Management Plan development.

8. Adjournment

The meeting was adjourned at 2:38 pm.