

# Development of an Asset Management Strategy

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**MUNICIPAL DISTRICT  
BONNYVILLE NO. 87**

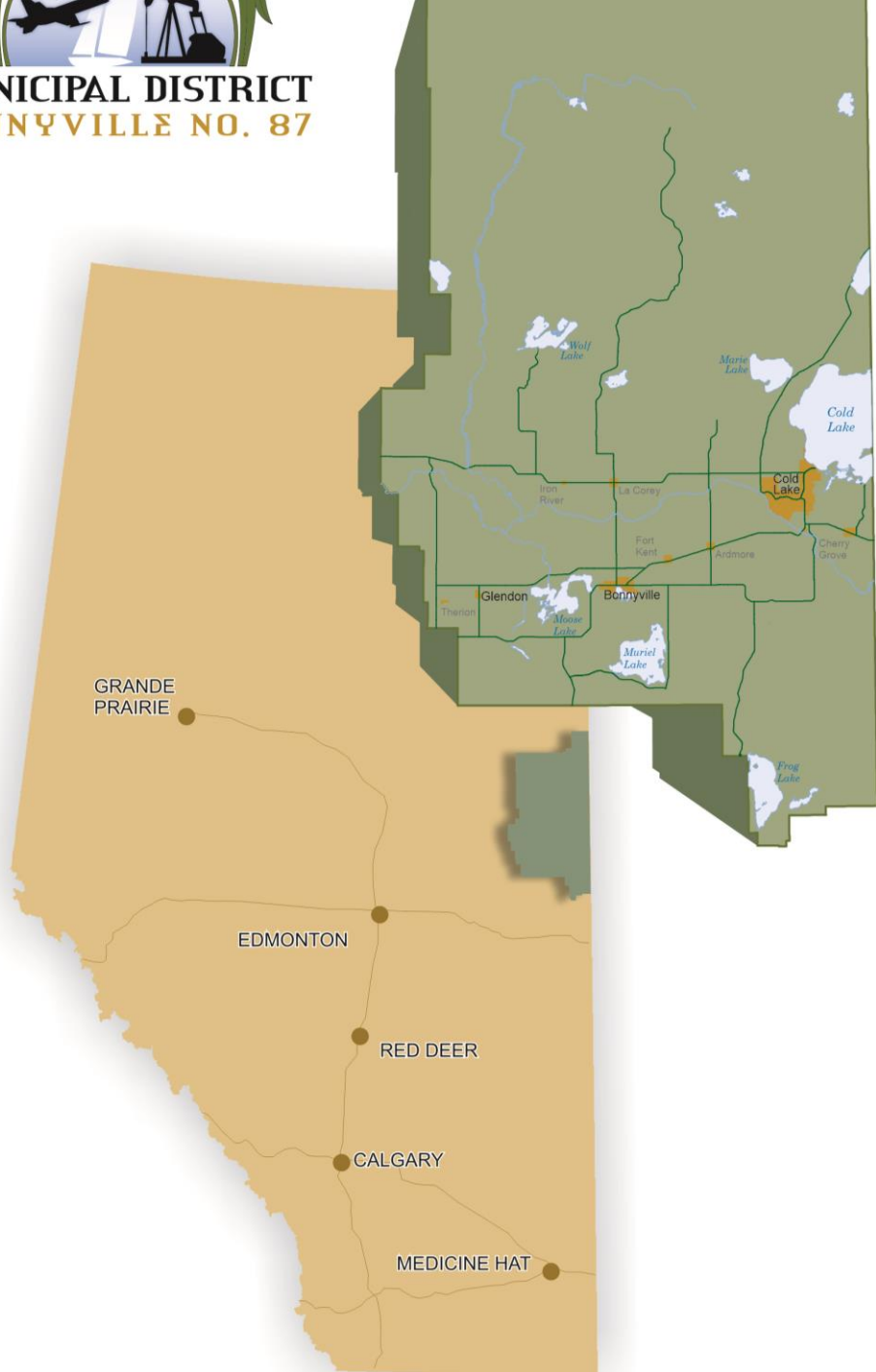




# Presentation Overview

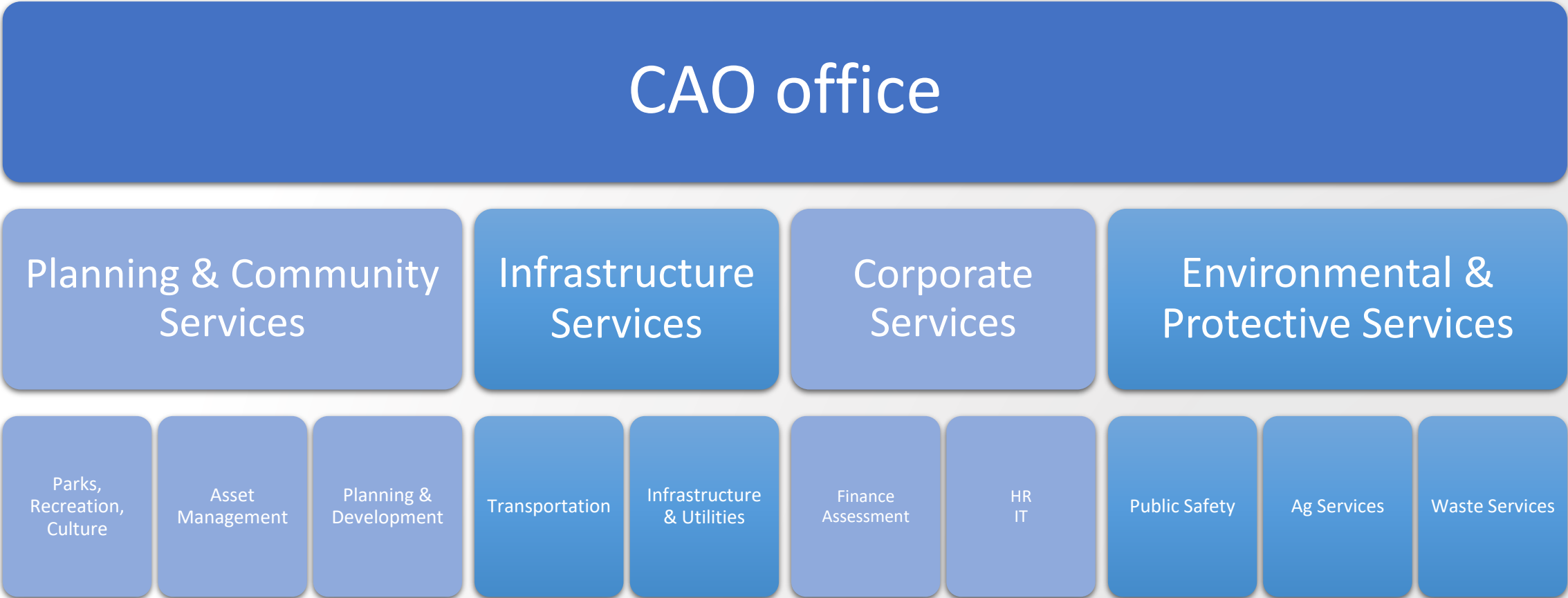
- About the M.D. of Bonnyville
- About the AM Initiatives Project
- Outcomes





# The M.D. of Bonnyville

# Departmental Structure



# Project creation

✓ Leadership Team approval

👥 Council approval

🤝 FCM MAMP grant application and approval

👤 Request for Proposal

🏆 Project award



# Asset Management Initiatives Project

## Rural road study component

- Wood

## Asset management training component

- Urban Systems & Azimi Consulting

# Asset Management Training Component

1

Implementing an asset management approach in decision-making

- Develop Asset Management Strategic Objectives
- Develop Implementation guideline

2

Conducting a training series to inform council, management, and staff

- Two workshops with staff
- One Council presentation

# Training Workshops

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# Training Objectives



Same understanding of what asset management is



Articulate the benefits of implementing asset management



Promote a team mentality



Develop asset management roadmap



Educate and inform Council

# Implementing Asset Management

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# The Asset Management Process

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# M.D. of Bonnyville's Approach to Implementing Asset Management

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# Our Approach

## **Step 1:**

Assess where the M.D. is (FCM Readiness Scale)

## **Step 2:**

Assess where the M.D. wants to be

Align with the M.D.'s vision, mission, and guiding principles

Develop operational objectives and tasks

## **Step 3:**

Determine strategy for implementation and prioritization of tasks

Identify a champion for each task



# Step 1: Assess Current Asset Management Practices

FCM Readiness Scale Competency Areas	M.D. of Bonnyville Rating (levels 1-5)
<b>1. Policy and governance</b> <ul style="list-style-type: none"> <li>• Policy and objectives</li> <li>• Strategy and framework</li> <li>• Measurement and monitoring</li> </ul>	<b>Pre-level 1</b> <ul style="list-style-type: none"> <li>• Set expectations for AM program</li> <li>• Have the support to begin work on AM policy</li> </ul>
<b>2. People and leadership</b> <ul style="list-style-type: none"> <li>• Cross-functional groups</li> <li>• Accountability</li> <li>• Resourcing and commitment</li> </ul>	<b>Pre-level 1</b> <ul style="list-style-type: none"> <li>• Have Council support to establish a cross-functional AM team, explore AM needs, and improve AM system</li> </ul>
<b>3. Data and information</b> <ul style="list-style-type: none"> <li>• Asset data</li> <li>• Performance data</li> <li>• Financial data</li> </ul>	<b>Level 2</b> <ul style="list-style-type: none"> <li>• Basic inventory data for major assets</li> <li>• Some condition and performance data</li> <li>• Detailed financial data for some assets</li> </ul>
<b>4. Planning and decision making</b> <ul style="list-style-type: none"> <li>• Documentation and standardization</li> <li>• Asset investment plans</li> <li>• Budgets</li> </ul>	<b>Level 2</b> <ul style="list-style-type: none"> <li>• Departments follow individual AM process</li> <li>• Departments set priorities independently of each other</li> <li>• Decision-making is focused on short-term needs</li> </ul>
<b>5. Contribution to asset management practice</b> <ul style="list-style-type: none"> <li>• Training and development</li> <li>• Internal knowledge sharing</li> <li>• External knowledge sharing</li> </ul>	<b>Level 1</b> <ul style="list-style-type: none"> <li>• AM development is informal, driven by personal initiative of team members</li> </ul>

Step 2:  
Assess Where we  
Want to be



# Developing Strategic Objectives

- Workshops with AM team
- Using M.D.'s vision, mission and guiding principles
- Develop AM strategic objectives:
  - To achieve M.D.'s vision
  - Guided by M.D.'s guiding principles

# Alignment with M.D. Vision and Mission

## Vision

The M.D. of Bonnyville will be a leader and innovator in local municipal governance, services and economic prosperity

## Mission

To develop, maintain and enhance a safe and prosperous municipality through effective provision of services for its public



# Alignment with M.D. Guiding Principles

## **We believe:**

- Everyone has the right to be heard
- In the good stewardship of public funds
- In the enhancement of quality of life
- There should be openness in decision making
- We believe in the equality of service

## **We value:**

- The safety of public and staff
- The contributions, skills and abilities of all members of the organization
- And respect people and property



The M  
inno

- 1) Council to support Implementing AM mindset in  
Decision making for the effective provision of services to the  
Public
- Allocate funds to implement AM initiatives
  - Develop <sup>& Adopt</sup> AM policy
  - ~~Support~~ Establish a cross-functional AM team
- Endorse &   
 Council                      Admin

3.

- Develop & implement an evaluation process for AM Practices
- Commit resources to staff professional development to effectively utilize and manage internal capacity

Objective: Council to support implementing AM mindset in decision-making for the effective provision of services to the public.

Objective: Establish level of service with considerations <sup>collaboratively</sup> of risks and long-term costs/revenue.

Objective: Demonstrate accountability and transparency in decision-making

Objective: (Dude)  
To foster a ~~culture~~ culture of innovation with a goal for continued improvement through evaluation.

- Continue with documentation & monitoring of O&M cost for ~~all~~ <sup>all</sup> services (Project costing)

(Condition?)  
Performance?  
Separate?

based on CoS / Risk / Cost

- Incorporate the long term Fin Plan in annual <sup>Strategic</sup> budget planning process
- Communicate periodically with public ~~on~~ <sup>on</sup> decisions on service delivery decisions (risks & costs)



# Our Strategic Asset Management Objectives

## Establish Council support

Establish Council support of an Asset Management Mindset in decision-making for the effective provision of public services

## Foster Culture of Innovation

Foster a Culture of Innovation with a goal of continued improvement through evaluation

## Demonstrate Transparency

Demonstrate accountability and transparency in decision-making

## Establish Levels of Service

Establish Levels of Service collaboratively with consideration of risks, long-term costs, and revenues

# Step 3: Determine Timeline and Champions for Implementation

# Develop Tasks and Timelines



Working collaboratively as a team



Develop detailed tasks, timelines for each strategic objective



Year 1

Year 2

Year 3

Year 4

Year 5

- Endorse and establish a cross-functional AM team  
CAO

- Develop and adopt AM Policy  
Council  
CAO

- Allocate funds to implement AM initiatives  
Council  
CAO Office

- Establish AM reporting to Council for decision making process  
CAO

- Develop and implement an evaluation process for AM practices  
AM Team

Commit resources for staff professional development

- Develop a public engagement process to educate public on service delivery and understand their needs  
CAO  
Information

- Establish & document level of service for all services  
AM Team

- Perform risk assessments and develop risk register for all services  
AM Team

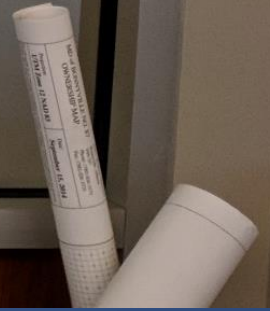
- Develop a documented process for information management that enables appropriate levels of access to all departments and public, and supports coordinated decision making  
AM Team  
Information

- Develop long-term financial plan (revenue) based on level of service, risk, and cost  
CAO  
Finance

- Incorporate the long-term financial plan in the annual budget and strategic planning process  
Finance  
CAO

- Develop a succession strategy for all departments  
AM Team

- Incorporate innovative solutions to realize process efficiencies (to be recorded to be a task)



# 5 Year Implementation Strategy

<b>Task</b>	<b>Timeline</b>	<b>Champion</b>
<b>Endorse and establish a cross functional Asset Management Team</b>	Year 1	CAO office
<b>Allocate funds to implement AM initiatives</b>	Year 1	CAO office / Council
<b>Develop and Adopt an Asset Management Policy</b>	Year 1	CAO office / Council
<b>Establish Asset Management reporting to Council for decision making process</b>	Year 1	CAO office
<b>Monitor and track operation and maintenance costs for all services (project costing)</b>	Year 1 – ongoing	AM team
<b>Develop and implement an evaluation process for Asset Management Practices</b>	Year 1 and 2 - ongoing	Asset Management team
<b>Commit resources for staff professional development to effectively utilize and manage internal capacity</b>	Year 1 - ongoing	CAO office / Council

# Implementation Strategy cont...

<b>Task</b>	<b>Timeline</b>	<b>Champion</b>
<b>Develop a public engagement process to educate &amp; inform council &amp; public on service delivery &amp; understand their needs</b>	Year 2	Information
<b>Establish &amp; document levels of service for all services</b>	Year 2 and 3	AM team
<b>Perform risk assessment and develop risk register for all services</b>	Year 2 and 3	AM team
<b>Communicate periodically &amp; regularly with public on service delivery decisions (according to public engagement process)</b>	Year 2 - ongoing	Information / CAO office
<b>Develop a documented process for information management that enables appropriate levels of access to all departments &amp; public, &amp; supports coordinated decision making</b>	Year 3	AM team / Information
<b>Develop long-term financial &amp; capital plan based on the established levels of service, &amp; considerations of risks</b>	Year 4	Finance / CAO office
<b>Incorporate the long-term financial plan in annual budgeting &amp; strategic planning processes</b>	Year 4	Finance / CAO office
<b>Develop succession strategy for all departments</b>	Year 5	CAO office
<b>Incorporate innovative solutions to realise process efficiencies</b>	Ongoing	All departments



# Key highlights of note

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Training, education and development of strategy were combined

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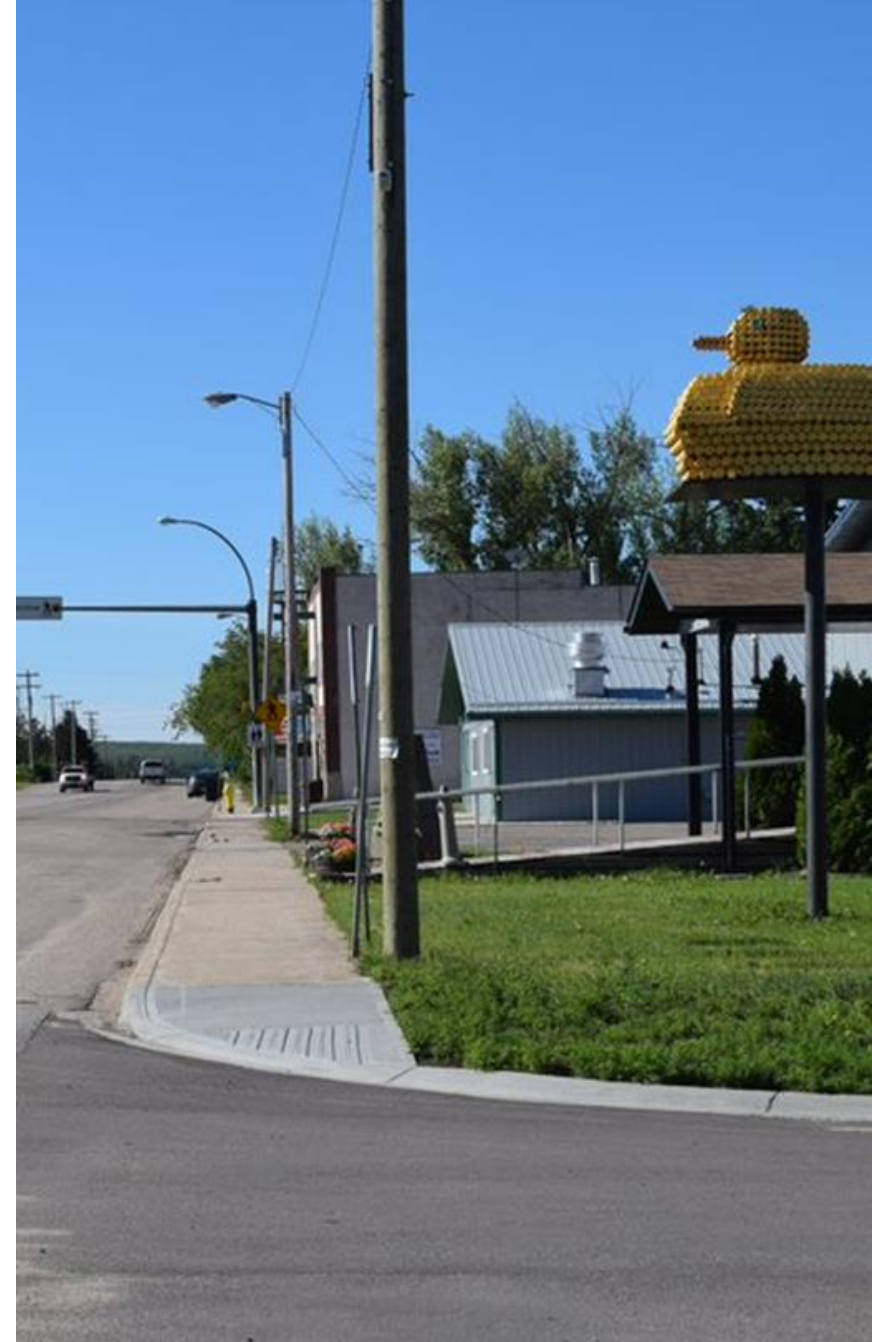
AM team developed the strategic objectives and tasks in workshops – Consultants facilitated and guided the discussions

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Highlighted the role of AM in implementing M.D. vision and strategic objectives

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Provided detailed task list to guide the implementation – not just a vague document



# What happened next?

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How did this help the M.D.?

Thank you

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