Why Asset Management Is Important

Presented by:
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Metropolitan Council, Environmental Services Division
We will cover:

- What is asset management?
- What does it do?
- Why should I care?
Common Questions…

Asset Management?

How do we know it is working?

What is the level of risk?

Whose job is it?

How do you manage the data?

Is there a best software?

Is there a metric to check progress?

How do you know how much to spend?

Who is a proven industry leader?

How do you determine the payback?

"" measure efficiency

What is it?

How do you manage the people?

How "" make decisions?

How do you involve elected or mgmt?

How do you get buy in?

How do you prioritize tasks & goals

WHO DO YOU NEED INVOLVED?

What do we own?

What is an asset?

How do you allocate, staffing?
Vision of Environmental Services
Be a valued leader and partner in water sustainability.

Mission of Environmental Services
Provide wastewater services and integrated planning to ensure sustainable water quality and water supply for the region.
Regional Wastewater System

2,700,000 People Served
109 Communities
640 Miles of Pipelines
61 Pump Stations
8 Treatment Plants

- MCES Wastewater Treatment Plants
- Interceptors
Wastewater System

We treat wastewater from bathing, laundry, toilets, kitchens, commercial and industrial uses.

Our treatment process removes pollutants by converting them to small volume of organic solids, and returns clean water to the environment.
Customer Service

Our Role
Our role is to protect public health and the environment in partnership with our customer communities, and promote the economic vitality of the region.

Our Philosophy
Metropolitan Council Environmental Services is committed to strengthening customer relationships by being proactive, accessible, responsive, respectful, and transparent while delivering valued services to our community partners.
Customer Level of Service

**FINANCIAL**

- **CHARGES & FEES**
  Charges and fees should be predictable, justifiable, and provide good value for the region.

- **RETAI AAA BOND RATING**
  Retain AAA Bond rating in order to provide the lowest cost debt financing possible.

- **OPTIMIZE BUDGET PLAN**
  MCES’ 5-year-budget plan should optimize capital, O&M programs to meet customer service goals.

- **PRETHERE LATE ASSETS**
  The region’s wastewater assets should be well maintained to preserve their value and performance.

- **BE FAIR AND TRANSPARENT**
  Allocation of all charges should be fair, equitable, and transparent to the customer.

**HEALTH, SAFETY, & ENVIRONMENT**

- **COMPLY WITH PERMITS**
  Comply consistently with water, air, and other environmental permits.

- **MINIMIZE IMPACTS**
  Convey and treat wastewater safely with minimal backups, spills, and traffic impacts.

- **LEAD BY EXAMPLE**
  Be a leader on environmental sustainability, including water/energy conservation and water reuse.

**CUSTOMER SERVICE**

- **BE A GOOD NEIGHBOR**
  Mitigate community impacts related to odors, traffic, noise, and visual aesthetics.

- **MEET CAPACITY NEEDS**
  Provide conveyance and treatment capacity consistent with regional and local plans.

- **COMMUNICATE INFORMATION**
  Communicate with customers about financial info and capital projects and programs that impact them.

- **ENGAGE CUSTOMERS**
  Engage customers in a meaningful public process. Provide notice for changes in rules, fees, projects, environmental performance, and resolving competing Council policies/interests.

- **COORDINATE WITH OTHERS**
  Optimize intergovernmental coordination in all MCES work that intersects with community work.

**COMMUNICATE INFORMATION**

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Asset Management

Delivering the value our customers expect.

Better and better.
Framework
So what is it?

• Levels of service met?
• Best practices practiced?
• Assets performing?
• Risks managed?
• Costs controlled?
• Stakeholders satisfied?
• Staff engaged?
Risks to Value Delivery

Costs  Regulation  Workforce
Investing Earlier

Reliabilityweb.com’s Asset Management Timeline

- Business Needs Analysis
- Design
- Create/Acquire
- Operate
- Maintain
- Modify/Upgrade
- Dispose/Renew
- Residual Liabilities

Asset Lifecycle
Leveraging Regulation
Empowering People

by Gisela Wendling & David Sibbet

1. Activating Awareness
   - Experiencing surprise
   - Feeling shock/numbness
   - Feeling hopeful
   - Assessing preparedness

2. Engaging Change Leaders
   - Facing fears or inadequacy
   - Accepting uncertainty
   - Having strong feelings

3. Creating & Testing Possibilities
   - Exploring assumptions
   - Embracing resistance
   - Empathizing & caring
   - Imagining possibilities & choices

4. Stepping into a New Shared Vision
   - Reconnecting with purpose
   - Holding complexity
   - Crossing the threshold
   - Letting go & letting come!

5. Empowering Visible Action
   - Supporting emergence
   - Learning from new experiences
   - Taking enough time

6. Integrating Systemic Change
   - Invest in celebrations
   - Mark completions
   - Integrate lessons learned

7. Sustaining Long-Term
   - Confronting impermanence
   - Clearing old habits
   - Nurturing new patterns

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OUTER-PROCESS STRUCTURES

In actual change processes, meeting challenges on the left creates the basis for dealing with the challenges to the right. Successfully meeting these challenges requires various degrees of repetition and iteration depending on the scale of change and other circumstances.

- Scan for system needs
- Map drivers of change
- Identify stakeholders
- Interview for discovery
- Understand & cultivate readiness
- Recruit a change team
- Contract with leaders
- Create safe environments for exploration
- Initiate a collaboration backbone
- Set patterns & pace

- Refine the case for change
- Clarify your approach & theory of change
- Create a strong container for the work—goals, roadmap, & energy field
- Visualize possibilities, visions & scenarios

- Communicate & visualize early wins
- Sustain a clear rhythm for the work
- Support new leaders & workgroups
- Build capacity
- Take time to reflect & learn

Seven CHALLENGES of CHANGE 15.0
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Asset Management Structure

5-Year Budget Plan
- Labor
  - Staffing Plan
  - Development Plan
- Non-Labor
  - Energy
  - Chemicals
  - Contracted Services
- Debt Service
Watershed Approach

- Umbrella Permit
- Regional Water Quality
- Local Action
Results

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Thank you!