



Asset Management & Risk Policies

What is Asset Management?



ENVIRONMENTAL PROTECTION AGENCY

“The practice of managing infrastructure capital assets to *minimize the total cost* of owning and operating them, while *delivering the service level* customer’s desire.”



AMERICAN WATER WORKS ASSOCIATION

“The combination of management, financial, economic, engineering and other practices applied to all assets (infrastructure, people, processes, and systems) with the objective of *providing the required level of service at an acceptable level of risk at an optimal lifecycle cost.*”

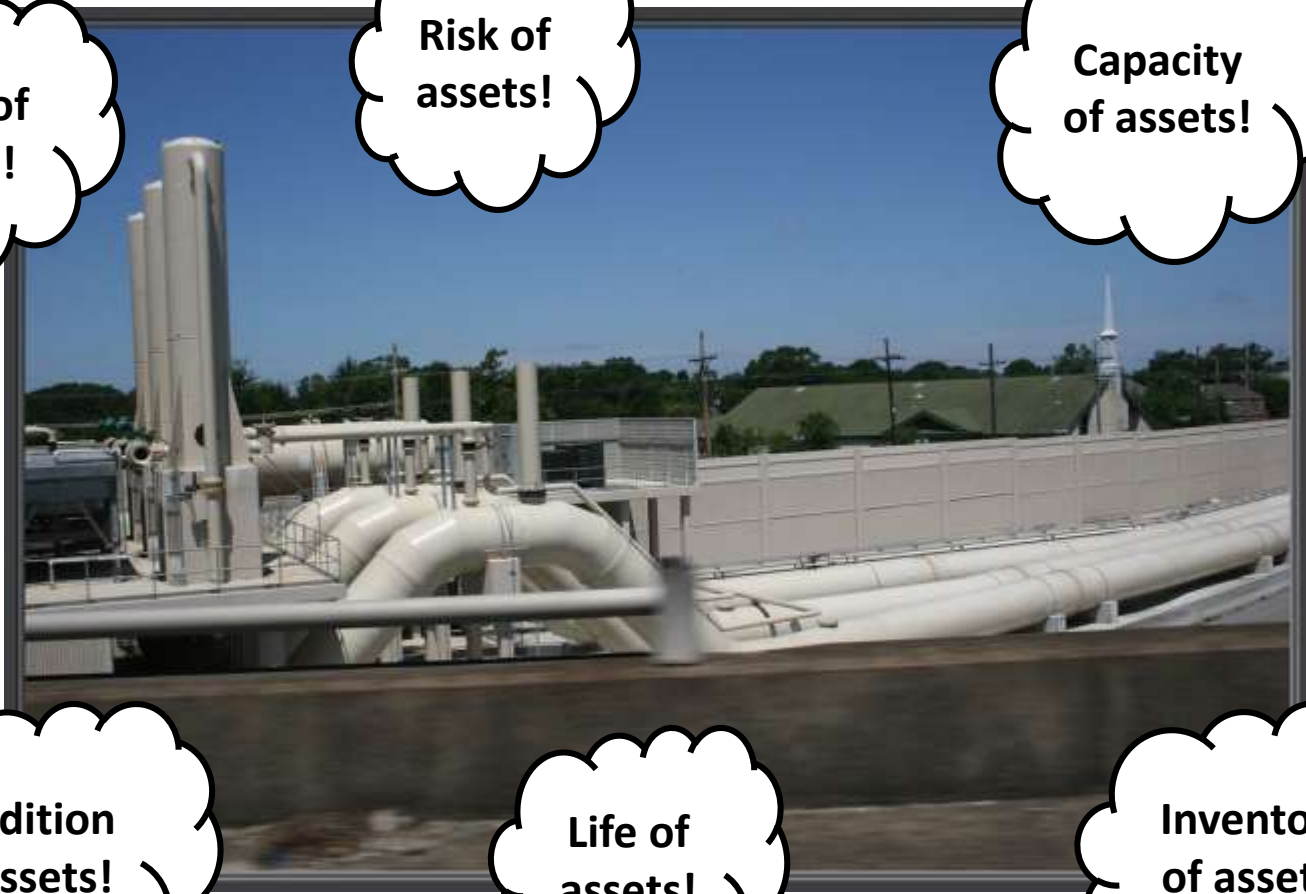
Asset Management means managing...

**Value of
assets!**

**Risk of
assets!**

**Capacity
of assets!**

**It is very important to have
a holistic approach while
understanding the science
of asset management.**



**Condition
of assets!**

**Life of
assets!**

**Inventory
of assets!**

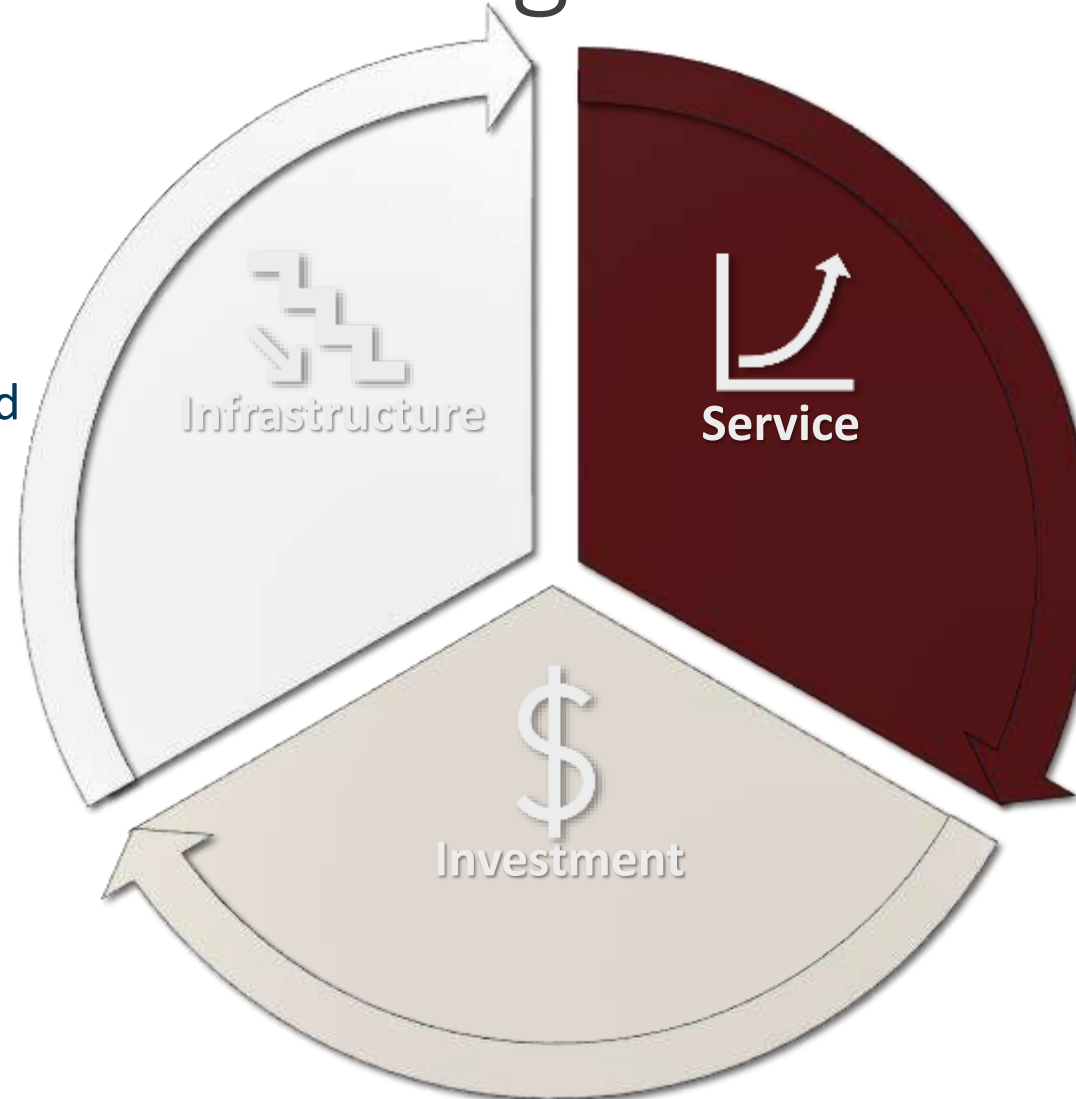
Benefits of Asset Management

TACKLING AGING INFRASTRUCTURE

- Maximize value of system renewal dollars, “do more with less”
- Minimize risk to system and community

INVESTMENT JUSTIFICATION

- Optimize maintenance and capital budget needs
- Provide graphical and operational fact-based answers to renewal needs



SERVICE IMPROVEMENT

- Proactive vs. reactive diagnosis of infrastructure needs
- Faster responsiveness and reduced length of outages

Citywide Asset Management Program



Aligning City's Strategic Vision to the AM Policy

What are our commitments, expectations and overarching goals and objectives?

STRATEGIC FOCUS AREA 1: Operational Excellence

OBJECTIVE
To make the City of Burleson a community that is able to provide a world-class customer experience through technology to be an efficient and responsive organization, being financially responsible and providing excellent customer service through the organization.

STRATEGIC FOCUS AREA 2: Infrastructure

GOAL 1: Improve efficiency of travel for citizens by focusing on key improvements within the SH 174 Corridor and coordinating with Regional, State and Federal transportation partners for funding and support.

GOAL 2: Enhance connectivity and improve mobility by expanding capacity of existing transportation network, evaluating additional thoroughfare improvements, and improving roadway, bicycle and pedestrian infrastructure.

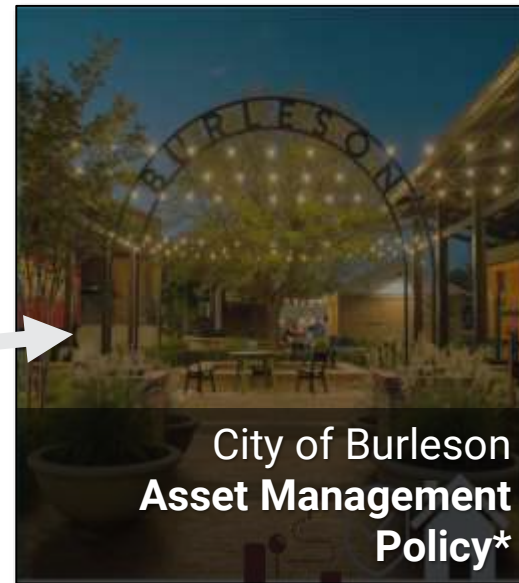
GOAL 3: Develop and maintain utility services and facilities that meet the needs of the community through strategic planning, long-term planning and best practices.

GOAL 4: Pursue regional transportation solutions that will assist our residents, visitors and businesses traveling to and from our city.

GOAL 5: Develop and implement a Capital Improvement Program that improves the quality of life for residents through the completion of projects identified in the city's Master Plans.

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Develop and implement a Capital Improvement Program that improves the quality of life for residents through the completion of projects identified in the city's Master Plans.

Work Plan Task	Responsible Department	Target Date
2.5.1. Begin design process to widen and resurface Water Hill Road to restore paved pavement.	Public Works	May 2021
2.5.2. Reconstruct existing street near the SW Johnson Avenue and Rancho Street intersection to restore paved pavement and improve safety.	Public Works	April 2021
2.5.3. Improve intersection of County Road 910 and FM 1902 by adding a right turn lane.	Public Works	November 2021
2.5.4. Connect 6-inch and 12-inch water lines on Big Horn Drive and Odessa Street to provide additional water line looping, reduce water quality issues and increase fire flow protection.	Public Works	April 2022



AM Policy contains:

- Purpose
- Background
- Organization Alignment
- Definitions
- Commitment Statement

*to be developed as a part of this project

ASSET MANAGEMENT POLICY

THE CITY OF BURLESON, TX



POLICY

The City Council is committed to a comprehensive and strategic approach to managing its infrastructure assets. This involves integrating business processes, employing trained and knowledgeable staff, and fostering effective communication with customers and stakeholders to provide an exceptional level of service. From the planning and design phase to disposal, the City will oversee assets throughout their life cycles using a risk-based framework, ensuring responsible use of public resources while meeting the high service standards expected by residents and stakeholders. The citywide asset management program aims to optimize service delivery by balancing level of service delivery, cost considerations, and business risks. The City is dedicated to compliance with relevant laws, regulations, and established policies, with a continual commitment to evaluating and accurately reporting on program performance. Grounded in solid data, the asset management program ensures that investments are made wisely, at the right time and on the right assets, promoting a data-driven and consistent decision-making process.







PURPOSE

Enhance Service Delivery

The Asset Management Policy expresses the commitment of the City of Burleson to guide the effective and sustainable management of the City's infrastructure assets. This policy will inform the City's approach to maintaining, preserving, and enhancing its assets. The primary purposes of this policy are as follows:

- **Optimize asset performance** to ensure the safety and longevity of infrastructure assets, minimizing disruptions, and providing reliable services.
- **Foster fiscal responsibility** to efficiently allocate resources and make informed investment decisions while reducing long-term financial burdens.
- **Enhance resilience and sustainability** to prioritize asset resilience and sustainability in the face of climate change, disasters, and environmental concerns.
- **Align with community goals**, including economic development, quality of life, and environmental stewardship.
- **Promote transparency and accountability** for deeper and stronger community trust and engagement.
- **Enable informed data-driven decision-making** and performance monitoring to support the ever-changing infrastructure needs.

Consequence of Failure

IMPACT TYPE	WATER	WASTEWATER	STORMWATER	ROAD	CITY FACILITIES	PARKS/REC.
 Environmental/ Regulatory	Contaminated water supply	Water pollution	Flooding and erosion	Increased air pollution	Inefficient energy use	Deforestation and biodiversity loss
 Social	Public health crises	Home damage and displacement	Community displacement	Increased commute times	Limited access to services	Reduced recreation opportunities
 Municipal	Strained emergency services	Budget strain and repairs	Disaster response costs	High maintenance costs	Costly renovations/replacements	Decreased property values
 Financial	Remediation costs	Frequent repair costs	Damages and decreased property values	High maintenance costs	Costly renovations/replacements	Decreased revenue

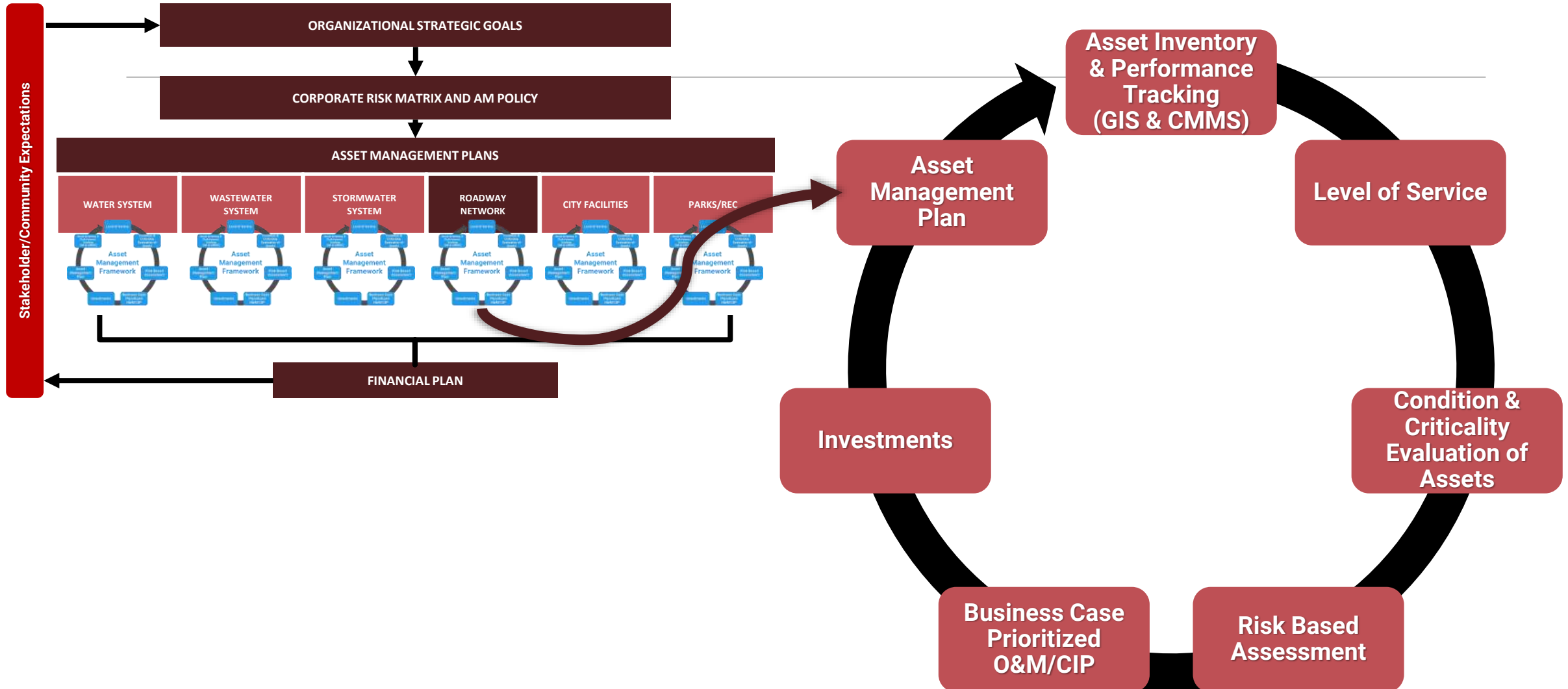
Tolerating the Consequences

Non-Tolerable Outcomes



COF Criteria	Criteria/Definition	Consequence of Failure Score				
		1	2	3	4	5
Regulatory Compliance and Environmental Impact	<i>Impact to land, vegetation, groundwater, waterways, ecosystems and or the atmosphere within the FWW region and adjacent regions.</i>	No Impact	Localized and short-term reversible effects on local ecosystem/amenity value	Widespread but short-term effects on local ecosystem/amenity value	Water - Public Notice (any tier) Wastewater - Regulatory Fines/Aquatic Life Deaths	Widespread and persistent effects requiring specialist and extensive long-term clean up and/or rehabilitation plan
Loss of Service	<i>The maximum time an asset can be out of service due to the operational impacts on the supply of drinking water or sewerage services.</i>	No Impact	Customer impacted for less than 4 hours	Customer impacted for 4 - 11 hours	Customer impacted for 12 - 23 hours	Customer impacted for 24 hours or more
Safety (Staff)	<i>Health and safety impacts to FWW's employees or contractors</i>	No Impact	Minor injury with no associated lost time	Reportable injury with lost time (typically less than 3 days)	Significant injury requiring short-term hospitalization and/or recoverable disability	Serious injury or work related illness causing lifelong disability
Operational and Resource Impacts	<i>Impact to FWW staff resources to respond to failure.</i>	No Impact	Asset outage is tolerable for up to 120 hours	Asset outage is tolerable for up to 48 hours	Asset outage is tolerable for up to 24 hours	Asset outage is tolerable for up to 12 hours
Public Health Impacts	<i>Impacts to the quality of drinking water or sewage services leading to public health impacts or aesthetic impacts</i>	No Impact	No Impact	No Impact	Potential for low impact	Potential for sever impact
Financial Impact	<i>The estimated financial loss or exposure to the enterprise, in event of a failure</i>	No Impact	Less than \$100,000	\$100,000 - \$499,999	\$500,000 - \$999,999	Greater than or equal to \$1,000,000
Public Trust	<i>This estimates the confidence that FWW's services are trusted by the customer and the public. Failures with higher consequences receive more extensive media coverage and have greater impact on FWW's public perception. Media coverage includes social, print, radio, and visual.</i>	No Impact	Alert posted on website but no media attention	Social Media	Local Media Coverage	National Media Coverage

Asset Management Framework



Review Policy and Risk Matrix

Policy

Purpose - The Asset Management Policy expresses the commitment of the City of Burleson to guide the effective and sustainable management of the City's infrastructure assets. This policy will inform the City's approach to maintaining, preserving, and enhancing its assets.

Background - As the City's asset base ages, focus on the maintenance of existing infrastructure and careful decision-making regarding infrastructure development becomes increasingly necessary. Within the resources available each fiscal year, the City shall maintain capital assets and infrastructure at a sufficient level to protect the City's investment, to minimize future replacement and maintenance costs, and to maintain service levels.

The City's Asset Management Program commits to delivering superior service and meeting customer expectations through efficient and effective business processes and asset stewardship. This policy lays out the City's commitment to the pursuit of an optimally informed approach to planning, decision making and the management of critical assets. With this policy, the City will identify and manage critical assets throughout their respective lifecycles and strive to maximize its effective useful life while being fiscally conscious and limiting the City's business risk exposure

Policy

Scope - The City Council is committed to a comprehensive and strategic approach to managing its infrastructure assets. This involves integrating business processes, employing trained and knowledgeable staff, and fostering effective communication with customers and stakeholders to provide an exceptional level of service. From the planning and design phase to disposal, the city will oversee assets throughout their life cycles using a risk-based framework, ensuring responsible use of public resources while meeting the high service standards expected by residents and stakeholders. The citywide asset management program aims to optimize service delivery by balancing the level of service delivery, cost considerations, and business risks. The City is dedicated to compliance with relevant laws, regulations, and established policies, with a continual commitment to evaluating and accurately reporting on program performance. Grounded in solid data, the asset management program ensures that investments are made wisely, at the right time and on the right assets, promoting a data-driven and consistent decision-making process.

Policy

Primary Scope –

1. Optimize asset performance to ensure the safety and longevity of infrastructure assets, minimizing disruptions, and providing reliable services.
2. Foster fiscal responsibility to efficiently allocate resources and make informed investment decisions while reducing long-term financial burdens.
3. Enhance resilience and sustainability to prioritize asset resilience and sustainability in the face of climate change, disasters, and environmental concerns.
4. Align with community goals, including economic development, quality of life, and environmental stewardship.
5. Promote transparency and accountability for deeper and stronger community trust and engagement.
6. Enable informed data-driven decision-making and performance monitoring to support the ever-changing infrastructure needs.

Policy

Responsibilities -

- The City Council is responsible for adopting the Asset Management Policy and providing authority to the City Manager to implement the Asset Management Program.
- The City Manager holds the responsibility for ensuring that the City adheres to the principles and commitments outlined in this Asset Management Policy. Furthermore, the City Manager is entrusted with designating appropriate individuals for the reviews and revisions required by this policy.
- The leadership team commits to providing support to the City Manager in the pursuit of compliance with this Asset Management Policy and to actively enforce its implementation within their respective areas of authority.
- All employees, without exception, bear the duty of strict adherence to the provisions set forth in this Asset Management Policy. The City administration is dedicated to furnishing its employees with the necessary knowledge, resources, and skills to effectively uphold and execute this policy.

Corporate Risk Matrix



CONSEQUENCE CATEGORIES	VERY LOW	LOW	MODERATE	HIGH	VERY HIGH
Regulatory Compliance	No Impact	<p>Minor non-compliance requiring notification of regulatory entity.</p> <p>Example: Violation of internal processes</p>	<p>Moderate non-compliance triggering internal investigations and potential regulatory scrutiny.</p> <p>Example: Regulatory violation (SSO)</p>	<p>Significant violation requiring external regulatory intervention and potential legal consequences.</p> <p>Example: TCEQ Administrative Order</p>	<p>Severe non-compliance resulting in legal actions, fines, and severe damage to reputation.</p> <p>Example: EPA Consent Decree</p>
Financial	No Impact	<p>Low financial loss, manageable through existing resources and budget adjustments.</p> <p>Metric: Less than \$100,000</p>	<p>Moderate financial impact necessitating financial reallocation and cost-cutting measures.</p> <p>Metric: \$100,000 - \$250,000</p>	<p>Significant financial loss, requiring external funding and long-term financial restructuring.</p> <p>Metric: \$250,000 - \$1,000,000</p>	<p>A severe financial crisis demanding immediate financial intervention and recovery strategies.</p> <p>Metric: Greater than \$1,000,000</p>
Delivery of Services	No Impact	<p>Slight service disruption with minimal impact on end-users, recoverable through swift corrective actions.</p> <p>Example: Disruption duration less than 12 hours</p>	<p>Moderate disruption affecting service quality and delivery timelines, requiring prompt attention and recovery.</p> <p>Example: Disruption duration 12 – 24 hours</p>	<p>Significant service outage leading to public inconvenience, necessitating urgent and comprehensive restoration efforts.</p> <p>Example: Disruption duration 24-72 hours</p>	<p>Catastrophic service failure causing widespread public distress and necessitating a long-term recovery strategy.</p> <p>Example: Disruption duration greater than 72 hours</p>

Corporate Risk Matrix

CONSEQUENCE CATEGORIES	VERY LOW	LOW	MODERATE	HIGH	VERY HIGH
Operational Impact	No Impact	<p>Minor disruptions to routine operations, recoverable through prompt corrective actions.</p> <p>Example: Disruption tolerable for up to 7 days</p>	<p>Moderate disturbances to operational processes, requiring comprehensive and coordinated recovery efforts.</p> <p>Example: Disruption tolerable for up to 2 days</p>	<p>Major disruptions affecting critical operations, necessitating urgent and strategic interventions for recovery.</p> <p>Example: Disruption tolerable for up to 1 day</p>	<p>Catastrophic operational failure jeopardizing core functions, demanding an immediate and sustained recovery plan.</p> <p>Example: Disruption tolerable for less than 12 hours</p>
Environmental	No Impact	<p>Low environmental impact, with limited harm and manageable mitigation measures.</p>	<p>Moderate environmental damage that has short term effects and is reversible.</p>	<p>Significant environmental damage that has long term effects. Likely to lead to fines for regulatory agencies.</p>	<p>Severe and irreversible ecological harm with long-term consequences, demanding urgent and comprehensive environmental restoration strategies.</p>
Reputation	No Impact	<p>No reputational harm with limited impact on public perception.</p> <p>Example: Alert Notification on City Website</p>	<p>Moderate reputational harm with limited impact on public perception, manageable through strategic communication efforts.</p> <p>Example: Social Media Coverage</p>	<p>Moderate damage to reputation affecting a broader audience, requiring a comprehensive reputation management strategy.</p> <p>Example: Local Media Coverage</p>	<p>Significant reputational crisis with widespread negative impact, necessitating immediate and sustained reputation repair initiatives.</p> <p>Example: National Media Coverage</p>

Next Steps

- Kick-off AM Program with Streets Inventory
 - Utilize existing software to implement AM Program
 - Provide Council opportunity for input on level of service
 - Run optimization modeling for budget scenarios
 - Provide annual maintenance and capital schedule based on modeling
- Determine Priority for further implementation to other assets.

Recommend Actions

Adopt City Council Policy 43, City of Burleson Asset Management Policy and Corporate Risk Matrix

Questions / Comments

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