



**Background:
Asset Management**

Why asset management is important

Infrastructure asset management is a **Structured Approach** that aids in the management of infrastructure to achieve a desired **Level of Service (LOS)** for **least Life-Cycle Cost (LLC)**.

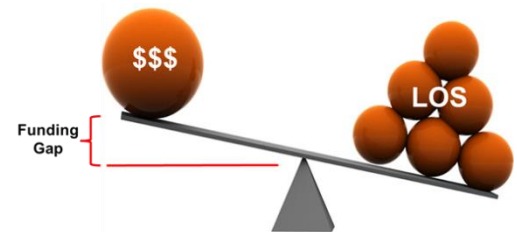
All levels of government, including the Department of Transportation and Infrastructure (DTI), deliver services for citizens. Transportation services provide mobility and land access for the public. This service is relatively infrastructure intensive and competes for funding with other government services and priorities. Many other provincial services also rely on its availability, such as emergency services and economic development, as do other levels of government and the private sector. ACEC-NB applauds DTI's efforts to date to advance AM practices in their decision-making and recognise their successes.

AM Aspects	DTI Past and Current Accomplishments
Structured Approach	DTI has the AM tools in place to prioritize rehabilitation of existing assets and align new investment decisions to government priorities very effectively. DTI's AM methods and program is ahead of most of its peers.
Least Lifecycle Cost	When investment decisions are made, based on the AM program's analysis tools, the province can have confidence that LLC is considered.
Desired Level of Service	ACEC-NB believes DTI must deliver its services according to clearly defined levels of services so that investments can be targeted to where they provide the most benefit. This may require considering a reduction in service levels in one area to ensure that additional investment is available to maintain existing service levels in the province We support investment in the current portfolio to a sustainable service level, which also frees up budget for new infrastructure.

We consider a key benefit of robust asset management is having the confidence that costs, risks and performance are optimized in context with your service mandate. ACEC-NB believes that the application of asset management principles will greatly assist DTI to better manage your assets to achieve:

- Effectiveness** – through assets providing services as defined;
- Cost efficiency** – through assets providing services at least whole-of-life cost;
- Sustainability** – through assets providing services long term, without detrimental environmental, social, cultural or financial impacts.

ACEC-NB sees mutual benefits from DTI's adoption of asset management infrastructure decision-making



AM Outcome	DTI / ACEC Benefits
Better Communication	DTI: Better decision-making transparency with the public ACEC-NB: Improved collaboration / communication with DTI
Increased understanding of asset condition and performance over time	DTI: Better justification of funding and long term investment plans (LTP) ACEC-NB: LTPs highlight for our members where they can help with assessing current condition and forecasting future infrastructure issues
Increased understanding of service levels, cost & risk	DTI: Better balance of service levels, investment and internal consistency and resiliency for long-term management of the portfolio ACEC-NB: Increased clarity on where we can assist DTI
Demonstrated commitment to sustainable funding	DTI: Ability to properly plan, manage and react to infrastructure needs ACEC-NB: Supports our long-term industry resourcing without feast and famine investment.