



Madison Water Utility - Asset Management Policy

Madison Water Utility's (MWU) guiding principles for asset management are the following:

1. **Manage MWU's assets including current condition and remaining life.**

- Know what assets MWU owns and/or for which assets MWU has responsibility or legal liability. Assets are recorded in an asset register down to a maintenance managed item level.
- Monitor the condition, performance, use, and value of assets down to the appropriate level and against prescribed service levels and regulatory requirements.
- Consider both tangible assets (e.g., pumps, pipes) and intangible assets (e.g., public trust, community partnerships) in managing MWU's portfolio.

2. **Maintain a high level of service to MWU's customers and stakeholders.**

- Understand customer and stakeholders requirements and expectations.
- Understand and record the current levels of service provided.
- Continually improve levels of service to meet future demands and expectations.
- Communicate frequently and effectively to customers and stakeholders.

3. **Understand and manage MWU's business risk exposure.**

- Identify and focus on those assets that are critical to MWU's service levels and prioritize their management to prevent their failures.
- Identify, understand, and manage the business risks associated with operating MWU's resources.

4. **Prepare asset management plans for capital and operational strategies.**

- Prepare asset management plans for MWU's assets.
- Improve the effectiveness of predictive and preventative maintenance programs based on asset data and move from a reactive to a proactive O&M environment.
- Drive efficient work planning (daily/weekly/monthly/annual) with asset management plans.
- Continuously review and validate the asset management plans with summary updates annually.

5. **Develop a long-term funding strategy.**

- Develop funding strategies and identify appropriate asset renewal levels to sustainably manage MWU's assets.
- Collaborate with other stakeholders to leverage the investment in asset management.
- Link MWU's organizational and asset management strategic goals to asset related investments and action plans.
- Use validation processes to evaluate planned investment in capital projects, maintenance programs, operations and associated support services, as well as their impact on rates (including business cases, decision support systems, etc.).

6. **Embed sustainable asset management practices throughout the organization.**

- Engage the entire organization to provide training on asset management processes and procedures appropriate to individual roles and responsibilities.
- Establish defined roles and responsibilities to implement and sustain asset management practices.
- Apply effective data and information technology solutions to support the asset management program.
- Dedicate adequate resources to support the continued development and implementation of the asset management program.

ENDORSEMENTS