

MTC

Asset

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From the MTC Director

Transportation assets are tremendously important from the perspective of the performance of our national, state, and regional economies. Few people comprehend the great impact they have on the overall economy. Literally trillions of dollars in transportation assets have been put in place throughout the United States. They are one of the key means by which the economy

functions and is tied into the global economy.

American households spend over \$6,000 every year on transportation, or about 18 cents of every dollar they spend. This is more than they spend on either food, utilities, health care, apparel, or education. The only thing Americans spend more on than transportation is housing, and the two are very close in magnitude.

What this means is that anything that improves the productivity of resources we spend on transportation will have enormous potential to provide economic benefits to Americans. Improving productivity is what asset management systems are intended to do. They help us make better-informed decisions about what to build, rehabilitate, maintain, and operate.

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Bringing databases together for asset management

The strategies, challenges, successes, and pitfalls often associated with the task of integrating or linking multiple asset management databases was the subject of a recent national forum and peer exchange.

Hosted by the American Association of State Highway and Transportation Officials (AASHTO) Asset Management Task Force and the Federal Highway Administration (FHWA) Office of Asset Management in Chicago in December 2001, the objective of the forum was to convene infrastructure and information management professionals throughout the country to discuss data

integration and data sharing for asset management.

The forum provided an opportunity for state transportation agency representatives to share their data integration experiences with other participants. The forum attracted participants from 27 state departments of transportation (DOTs), 11 consultants, four local agencies, and two universities. Participants' interests and expertise ranged from infrastructure managers to

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Year of asset management

2002 appears to be the year that asset management systems and related techniques will gain widespread acceptance and use. There are several reasons for this:

- Because of the slowdown in the national economy, state and local government transportation agencies are under tremendous budgetary pressure. Agencies that manage transportation infrastructure must do more with less. The public demand for efficient transportation remains high. Asset management systems and related systems (e.g., pavement management and bridge management systems) are helping agencies make the best possible use of their limited resources and make better decisions and tradeoffs.
- The tragic events of September 11, 2001, have placed an additional burden on the transportation sector to provide improved security for transportation users and critical assets. Asset management inventories have turned out to be exceedingly valuable in terms of developing security plans. Knowing what the

most critical infrastructure assets are is the first step in providing a more secure and sure transportation system.

- Implementation of the provisions of Government Accounting Standards Board Statement 34 (GASB 34) begins in 2002. The largest government agencies (e.g., states and large cities and counties) must begin prospective financial reporting of their infrastructure assets this year. Development of an asset management system is an approach that a number of state DOTs and local governments have selected to meet the GASB mandate.

Asset management education

The Midwest Transportation Consortium (MTC) is supporting the development of asset management systems in transportation on a number of fronts. The MTC's main education and human capital goal involves the development of new leaders for the transportation industry, particularly in our four-state region. Asset management concepts have been incorporated into a number of courses at the six MTC

consortium member schools. For example, the spring transportation seminar offered within the region via Internet-based videoconferencing technology has been focused on asset management topics for the past three years.

More than 30 graduate students each year in five academic disciplines will complete their academic programs with an excellent understanding of the state of the practice of transportation asset management. They will become new leaders in transportation, whether in government, consulting, or academia.

Asset management research

The MTC's research goal is to build a portfolio of projects that will make it easier for agencies and companies to implement asset management systems. One special area of emphasis at Iowa State University is the use of remote sensing and other spatial data for asset management. This effort effectively combines Iowa State's roles as a USDOT University Transportation Center and as a member of the National Consortium on Remote Sensing in Transportation Infrastructure (see "Research update" on page 6).

Asset management outreach

The MTC also plays a role in terms of outreach and technology transfer activities related to asset management and GASB 34 in our region. During 2001, the MTC sponsored or co-sponsored several workshops related to access management and GASB 34. One of these was the 4th Annual National Transportation Asset Management Workshop in Madison, Wisconsin.

This workshop brought together several hundred participants from the federal, state, local, private, and academic sectors to share information on asset management policy, goals, techniques, and data. MTC faculty, staff, and students from Iowa State University, the University of Missouri-Columbia, and the University of Missouri-Kansas City played key roles in planning, financing, and conducting the workshop. The program of the national workshop had a strong MTC flavor, something that we are proud of as we begin our third year of operation.