TAMS Procedures - Capital Works & Disposals

The purpose of these procedures is to show how TAMS can be used for recording capital works and disposals. It is aimed at the practical implementation of these functions rather than the "keystroke procedures" shown in the User's Guide.

Capital Works

Capital Works are works involving:
- Creation of new assets, or
- Replacement of existing assets, or
- Any work that extends the service life of existing assets (eg upgrades)

In TAMS, the Capital Works function (located on the main menu) is used for the recording of capital works. Using this function, you can record details of:
- possible upgrades and improvements
- proposed capital works
- completed capital works

This information can be used for capital works planning and budgetting, and is also important for maintenance planning (for example, if a major upgrade is planned for an asset it is going to affect the level of maintenance proposed for that asset).

The Capital Works function is available in all modules except the Water & Sewerage and Plant & Equipment modules.

The capital works section of the reporting menu can be used for generating reports on capital works. There is also a capital works prefilter (available in July 97 upgrade) which can be used in conjunction with the asset prefilter.

For example, if you would like to know what capital works are proposed for the 5 year period between 30/6/97 and 30/6/2002 for assets with a BUILD facility code, you would enter BUILD into the facility code field of the asset prefilter, and then enter >30/6/97,<30/6/2002 into the 'est date' field of the capital works prefilter.

For the planning of replacements, you should use the Replacement Planning report on the Capital Works tab of the reporting menu. This report uses the existing replacement cost and residual life of assets to determine a replacement plan for a nominated period. You should use the asset prefilter to select those assets that need to be replaced and save the

prefilter setting so that it can be recalled for any future replacement planning reports. *This function is available in all modules.*

Capital works can only be recorded for facilities, subsystems and systems. Capital works cannot be recorded for components.

The procedures for using the Capital Works function differs depending upon whether it is a new asset, a replacement or an upgrade of an existing asset.

NOTE: The Capital Works function is not yet available in the Water & Sewerage module.

New Assets

For new assets, it is necessary to record the capital works details against the appropriate system, subsystem or facility.

For example, if a new building facility is proposed for the ADMINISTRATION site of the MACDONALD Reserve, then you would select the Capital Works function on the main menu, and then, using the Reference Navigator, choose the following :

Property	*Site*	*Facility*	*FcltyID*
MACD	*ADMI*	*!!!*	

Should the capital works be the addition of new components, then the capital work details should be recorded against the facility.

For example, if an extension is proposed to a pipeline facility , then you would choose the following:

Catchment	*SubCatch*	*Facility*	*FcltyID*
SMITH	*MANN*	*LINE*	*DC*

The proposed capital works details can then be recorded, including the proposed date and estimated cost.

When the capital works have been completed, then the completed details can be recorded, and the new asset/s can then be established in the asset register.

NOTE: For NSW councils with the Water & Sewerage module, as the Capital Works function is not available, the new assets should simply be registered when they have been constructed.

NOTE: If a new pipeline is constructed that connects onto an existing pipeline, then it will be necessary to create a new node number for the junction and split the existing pipeline into two new assets. *For example, if a new drainage pipeline (line BD) is constructed to join onto existing line B between B040 and B050, a new node (B045) will need to be created, two new pipeline assets and a pit asset will need to be created (B040-B045, B045-B050 and B045), and the existing pipe asset B040-B050 will need to be deleted. When the new assets are created, the audit reason should make reference to the old asset "Originally B040-B050". Note that the existing asset must be deleted.*

Replacements

Replacements are capital works. If an asset is proposed to be replaced (ie it is on the capital works program), then the details should be recorded against the facility using the Capital Works function. If the asset is just a canditate for replacement then details should be recorded in the "Possible upgrades/improvements" frame of the screen.

When the replacement has been completed, the asset should be disposed (see next section), and a new asset created.

If the asset is only partially replaced, then you will need to initially follow the instructions in the next section under "Partial Disposals", and then create a new asset for the replacement.

NOTE: For NSW councils with the Water & Sewerage module, as the Capital Works function is not available, when the replacement occurs the asset should be disposed and the new asset created.

Capital Works Upgrades

If an existing asset is proposed to be upgraded or improved so that the service life is extended, then the details should be recorded against the facility using the Capital Works function. When completed, the completed details should be recorded and the Asset Details amended to show the new details including replacement cost and residual life.

NOTE: For NSW councils with the Water & Sewerage module, as the Capital Works function is not available, the Asset Details screen should just be amended with the new details.

<u>Disposals</u>

A disposal can be one of the following:

- replacement of an asset
- sale of an asset
- decommissioning of an asset
- destruction of an asset

Whenever an asset is disposed you should use the Disposals function.

The procedure for disposals differ depending upon whether the asset is fully disposed or only partially disposed.

Full Disposals

Using the Disposals function (on the main menu), choose the reference navigator option, select the asset to be disposed and press the Disposal Details button. Complete the disposal details, tick the checkbox "Do you want to remove the asset from the active list" and process. This will produce both a disposal record as well as an audit record, and the asset will be removed from the active list.

To view details of depreciated assets you should use the View Depreciation Table function under Special on the menu bar.

Disposed assets are depreciated up to the disposal date and can be reported upon by using the Disposed Depreciation report in the Financial frame of the Reporting menu.

Reports are also available that summarise disposals against the asset accounting categories (Summary Disposed Depreciation reports) that existed at the time of the disposal.

Partial Disposals

If an asset is only <u>partially</u> disposed, it is necessary to split the asset into two records and delete the existing asset. Using this procedure, partial disposals will be properly accounted as disposals and will be included in the disposed depreciation report. The procedure is as follows:

1. Using the Asset Register Reference Navigator, create two new assets and enter necessary details (including replacement cost and residual life). One of the assets will be that part of the original asset to be disposed, and the other will be that part of the original asset to be retained. The Component ID or Subcomponent code of the new assets will need to be different to the existing asset (as every asset in TAMS must have a unique reference code). For the audit reason, enter "Partial disposal of (*enter the Asset ID of the original asset*)".

2. Delete the original asset using the Ctrl-Del keys on the Asset Register Reference Navigator (before doing this it is a good idea to make a copy of existing information - see HINT below).

3. Using the Disposals function (on the main menu), choose the Reference Navigator option, select the asset to be disposed and press the Disposal Details button. Complete the disposal details, ensure that the checkbox "Do you want to remove the asset from the active list" is <u>ticked</u>, and process.

4. Re-enter any condition rating, maintenance, capital works or operations management/monitoring data to the new asset.

5. If the disposed asset has been replaced with a new asset, then create a new record for the new asset.

HINT: Prior to deleting the original asset in step 2, it is a good idea to make a copy of the asset details and other relevant information such as condition rating and maintenance so that these details can be attached to the new asset. The procedure is as follows:

1. Select the asset to be partially disposed and go to the Asset Details screen. Use the Ctrl-C keys to copy the asset details to the clipboard.

2. Check if the following information exists for the asset, and if it does then make a manual note of the details:
   <u>Unit Costing</u> (using the View Costing button at the bottom of the screen) -if so then make a note of the following if they exist:
   - residual performance life
   - residual economic life
   - residual design life
   - SID, Remote or Cont factor
   <u>Images</u> - if so then make a note of the details including the descriptions and linked image files.

3. Select the new asset proposed to be retained, and go to the Asset Details screen. Use the Ctrl-P keys to paste the asset details from the clipboard to the new asset. Change the details as required.

4. If unit costing had been used for the original asset, press the Perform Costing button. Enter values as required for residual performance/design/economic life and SID/Remote/Con factors if they existed for the original asset.

5. If images existed for the original asset, re-attach these images to the new asset.

6. Check whether any of the following details exist for the existing asset and if so, make a manual note of the details (or alternatively obtain screen prints).
   - condition rating details
   - maintenance planning details
   - maintenance history details

- operations management/monitoring details
- capital works details

Partial Disposal Example 1

Ten (10) seats presently exist in Boronia Park. Four (4) of these seats are disposed.

Property	Site	Facility	FcltyID	Cmpnt	CmptID	SubComp	Qty
BORON	PARK	SEAT		!!!			10

The asset is firstly split into two parts as follows

Property	Site	Facility	FcltyID	Cmpnt	CmptID	SubComp	Qty
BORON	PARK	SEAT		!!!		A	6
BORON	PARK	SEAT		!!!		B	4

The asset with a quantity of 4 is then disposed using the Disposals function in TAMS.

Partial Disposal Example 2

Part of the following water main is replaced.

System	SubSys	Facility	FcltyID	Cmpnt	CmptID	SubComp
BILWS	DIST	P-WRT		P-WRT	102-103	

The asset is firstly split into two parts as follows

System	SubSys	Facility	FcltyID	Cmpnt	CmptID	SubComp
BILWS	DIST	P-WRT		P-WRT	102-102A	
BILWS	DIST	P-WRT		P-WRT	102A-103	

The asset with a Component ID of 102-102A is then disposed using the Disposals function in TAMS, and a new record is then created with the same reference code.

WARNING: For partial disposals it is necessary to create new records for both the asset to be disposed and the remaining asset, and then delete the original asset. You should <u>not</u> just create a new record for the asset being disposed and simply modify the original asset so that it becomes the remaining asset.