Brightly

A Siemens Company

Spend wisely: make the most of your funding and assets

5 trends illuminating how data can align government budgets across agencies

For local government, drivers that affect decision-making are often different from the private sector. The overarching requirement to provide safe and performant services to the public is a given, but budgets are stretched, priorities are complex and services are wide and varied.

COVID-19 rapidly redirected budgets from building improvements to focus on airflow, HVAC and space management. Though the pandemic made it essential to maintain healthy, usable environments, shifting investments to ensure facility health and safety meant less money for ongoing projects.

Leaders responsible for government facilities and infrastructure must now rebalance funds needed for short- and long-term projects. While materials and cosmetic upgrades are necessary to satisfy the community, aging buildings call for structural improvements and energy efficiency updates, not to mention the staff to maintain operations and upkeep.

But, local governments face a universal challenge: funding. And with competing priorities, such as a visibility into the needs of facilities managers, or the data to support the reasoning behind big project spending, leaders need help knowing where to allocate spending.

To align everyone from the person determining the budget to the maintenance professional that keeps operations running smoothly, operations managers and administrators need the capability to easily gather data and actionable insights to help make the smartest spending decisions possible—and to deliver visibility into the reasoning behind each.

In this guide, we'll explore how Brightly can help bridge the disconnect between officials, operations leaders and the public they serve to tackle five of the most pressing government-specific trends affecting all types of infrastructure and facilities, including:

1. **IIJA and other federal funding opportunities**

2. **Digital transformation and electrification of fleets**

3. **Smart cities and rising complexity of assets**

4. **Supply chain-driven cost increases**

5. **Sustainability and increasing energy costs**

The high cost of deferred maintenance backlogs

It's never been more critical for federal buildings to upgrade their infrastructure.

- According to the U.S. Government Accountability Office report, the backlog of maintenance in federal buildings has grown by **50% over four years to $76 billion**

- That number might even be underestimated due to issues with how agencies account for deferred maintenance

- For example, a new **report from the Congressional Budget Office** found that buildings on 88 Army installations in the U.S. will cost an estimated $19 billion to clear the deferred maintenance backlog and restore the facilities to Army standards

While local governments may have smaller infrastructure footprint, these federal numbers as a baseline for comparison.

Smart asset management can help organizations capture and understand the data to save money—and make better investment decisions.

brightlysoftware.com

Trend 1: IIJA and other federal funding opportunities

Some government entities will benefit from the Infrastructure Investment and Jobs Act (IIJA), which focuses mainly on safety, transportation and sustainability. IIJA may also have funds that support resilient infrastructure through pre-disaster mitigation projects.

What local agencies need to know about IIJA requirements

Applying for any type of grant can feel like a risk for government agencies, who might not have staff to complete the application or insufficient data to back their requests. But, the right tools can help collect and utilize information to help make it easier to secure valuable funds.

To access funds from IIJA, local governments must meet data-driven grant requirements by presenting various metrics and assessments to determine the total cost and impact of assets:

- Qualifying for funding from IIJA will require life cycle costing, Environmental, Social, and Governance (ESG) assessments and climate resiliency

- Total life cycle costs will call for all expenses during the life of assets, including initial and subsequent investments, repairs and maintenance

- The ESG assessment includes environmental studies, carbon emission and equity impact assessments

- The climate resiliency qualifier will require organizations to demonstrate assets' long-term ability to withstand a natural disaster

Other funding opportunities

On top of IIJA, there are more funds available for local governments who partner with U.S.-based manufacturing organizations designed to bolster production, jobs and infrastructure.

CHIPS and Science Act. The CHIPS and Science Act of 2022 provides the Department of Commerce with $50 billion for a suite of programs to strengthen and revitalize the U.S. position in semiconductor research, development and manufacturing—while also investing in American workers.

Inflation Reduction Act. The Inflation Reduction Act of 2022 aims to curb inflation by reducing the deficit, lowering prescription drug prices and investing into domestic energy production while promoting clean energy.

Build America Buy America Act. Enacted as part of the IIJA, the Build America Buy America Act established a domestic content procurement preference for all federal financial assistance obligated for infrastructure projects after May 14, 2022.

Those with already strapped budgets cannot afford not to apply for funding opportunities like IIJA. Asset management solutions can make that task easier, while also capturing institutional knowledge before it walks out the door.

Use data to illuminate your funding needs

Brightly can help overcome one of the biggest stumbling blocks for government agencies—getting strategic asset management up-to-date to enable access to the data required to apply for IIJA grants. Our solutions offer visibility into the information associated with lifecycle costing, ESG assessments, climate resiliency and many other evaluations to prepare institutions for proper allocation and requesting funds.

brightlysoftware.com

Trend 2: Digital transformation and electrification of fleets

Digital transformation is no longer just a buzzword for Fortune 500 companies. It's time for cities and municipalities to join the party and use technology to better the lives of residents, businesses and government employees.

Even though many government agencies are reluctant to be early adopters, the cost of failing to find effective ways to manage programs and assets—and doing so soon—could have catastrophic results.

Taking licensing and permitting to the cloud

If your community still needs to travel to a physical location to apply for licenses and permits or is using outdated and disjointed technology, you could be missing out on revenue opportunities (and not to mention, votes!).

License and permitting software can help government agencies streamline permitting, licensing, code enforcement, inspections and more. Optimizing the tracking and managing of processes into a unified, user-friendly system makes it possible to capitalize on development opportunities faster and provide an optimized experience for the business and development community.

Bringing government facilities and infrastructure into the future

With hiring challenges and experienced workers retiring, many government-managed facilities or infrastructure functions will soon find themselves in a pickle if they don't make changes. Government agencies also simply need to do more with less. Automation that can deploy resources to prevent major failure events while reducing total maintenance costs is just one benefit for say, a facilities manager or public works director without enough team members.

A digital strategy for fleet management

As electric vehicles become more popular, governments and local municipalities will need to ensure there is adequate infrastructure for charging. This applies to both government fleets, public transportation and civilian automobiles.

With data, government officials and fleet managers alike can get an accurate picture of assets and usage patterns and make more informed decisions about when it's time for maintenance or replacement. A centralized dashboard can help optimize fleet spending while also reducing maintenance costs by eliminating unnecessary repairs or replacements due to a lack of visibility into what was actually wrong with an asset at any given time.

Technology can help government agencies secure funds

Leaders need the capability to make data-driven decisions with real-time information that allows managers to prioritize where they focus their energy. Brightly can enable government agencies with the solutions they need to optimize revenue-generating opportunities like permitting, as well as solve facilities and asset management challenges while delivering transparency to citizens.
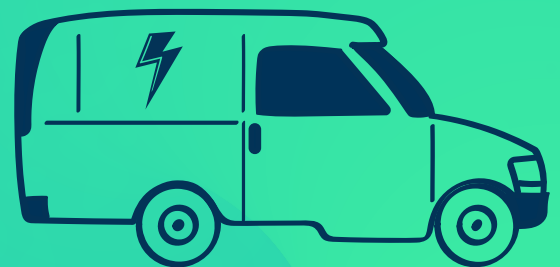
Trend 3: Smart cities and rising complexity of assets

Smart asset technology, like the Internet of Things (IoT), is moving from hype to reality in many areas of government operations—from smart city initiatives to sensors on roads and bridges. This technology can be an asset to public institutions and infrastructure, but faulty implementation means more work and higher maintenance costs.

Understanding what "smart" means

In the context of cities, "smart" refers to using data and technology to improve communication, processes and residents' overall quality of life. Using technology—not the technology itself. With this explanation, for smart cities to be successful, the mindset needs to shift from spending to planning.

The goal of smart cities is to improve the reliability of infrastructure. But, many planners don't correctly analyze data to identify specific goals and outcomes. So the result is solutionism: investments in widgets that don't solve problems or deliver better outcomes.

With the IIJA providing $500 million in funding opportunities for smart cities in the U.S., government leaders must understand that to share in the promises of smart cities, they must rethink their approach to smart projects.

For government leaders, investments need to be balanced between long-term serviceability and short-term reactive improvements. Closing the gaps in facilities funding is a critical step to ensure that government-managed buildings meet modern standards for health and safety suitability, as well as environmental sustainability and resiliency.

How smart cities can succeed

Smart cities don't need thousands of sensors or cameras; they need to capture information and use that data to provide a better quality of life and boost the reliability of existing infrastructure. Smart projects can be as simple as collecting feedback and having a plan for it. If government officials can leverage data to inform new investments that benefit residents, they can prevent failures and keep communities running more effectively and efficiently.

Step 1: Start with an outcome in mind

Let's use sensors as an example. Your medium-sized town mayor is excited about smart cities and wants to put sensors (any kind of sensor) in every government building and facility. But you, an M&O leader on their advisory committee, know that there is a big problem on the horizon: your power facility is reaching capacity. And the city has already updated most lights to be LED, so they use minimal power.

However, you know which specific buildings have the highest energy bills. With the right technology, you could manage them in real-time to prevent waste and save the town a lot of money.

Step 2: Use tech to capture the right data—from strategic places

You convince the mayor that installing random sensors won't do much good, but if you strategically place 10 where they can make the most impact, there'll be money left over to tackle another project (like putting solar panels on government facilities to help further negate energy usage, which might also help your city with sustainability initiatives).

brightlysoftware.com

Step 3: Analyze data before investing again

Was your hypothesis correct? Are you able to now address excessive energy consumption issues in government facilities in real-time? Does the mayor now turn to you with other ambitious projects in mind? What does the data show?

Government leaders need the capability to review available data in the planning phases of smart city projects. This information helps to determine how, why and where smart technology can have the most significant impact on communities. By reviewing accessible historical data, decision-makers can gain a critical understanding of their assets before any investment.

Work smarter, not harder

ROI can be hard to achieve—especially if you're just purchasing widgets in bulk for your smart city project. Not only does this drive up maintenance costs per year, but it locks planners into long-term contracts with vendors for technology that may become obsolete.

Brightly can help government agencies and M&O leaders use available data to make informed investment decisions. Our IoT remote monitoring systems streamline preventive maintenance, improve profitability through reduced asset downtime and performance issues, and extend the asset life in support of sustainability goals.

Trend 4: Supply chain-driven cost increases

Globally, prices are soaring; the government sector has not escaped increased expenses with parts or resource constraints resulting from supply chain issues. On top of difficulties or additional costs to obtain just about everything, governmental agencies typically don't have a lot of backup resources in storage.

So if something breaks, it becomes a major expense to fix.

The case for proactive maintenance and connected asset management

When a government-managed asset goes down, it can have a cascading effect on the community around it. For example, imagine the only elevator in a high-traffic building with services people rely on. Somehow, maintenance gets skipped because all processes are tracked on paper, and it breaks.

If proactive maintenance was tracked and scheduled in a system, the operations professional might have noticed that the elevator was due for inspection, scheduled an appointment and been able to catch any potential issues before they became an issue. But now, the elevator is down, so they have to pay additional money for a rush job and for a quickly-shipped part that is more expensive— while the community can't access the services they need.

Government-managed facilities and infrastructure need solutions that drive down costs and use resources more efficiently. Buildings and cities must do more with less, which means taking better care of existing assets and infrastructure to save capital.

Skipping maintenance can mean paying (way) more for materials

Increased expenses for essential supplies and building materials will impact the government sector with significant capital expenditure programs, which should be expected. According to a recent report from the U.S. General Services Administration, increases in deferred repair and material costs have led to the GSA requesting $1.3 billion worth of maintenance projects on government facilities nationwide.

American Jobs Plan: A light you want to walk toward

In response to rising supply chain costs, the White House created the American Jobs Plan, which includes more than $2 trillion in investments for government buildings. The bill's goal is to update aging government facilities and infrastructure nationwide. Many organizations may qualify to receive grant funding and may be eligible for other funding opportunities.

Using Brightly tools, you can easily collect and understand the data behind your assets to qualify for funding for labor, equipment and construction projects. We can also partner with you to structure and plan for the application process or seek private investment to mitigate supply chain costs.
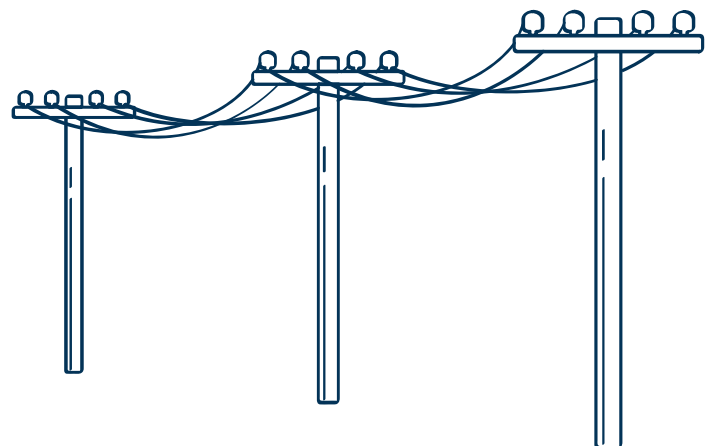
Trend 5: Sustainability and rising energy costs

There's a rationale for why sustainability rounds out trend lists, but maybe not what you'd expect. In terms of city or municipality governments, the concept of sustainability is about more than upgrading lights to LED or installing solar panels—it's a way of thinking and making decisions to ensure that the city or municipality is still there in 10, 20 or 100 years.

Sustainability is putting in the means to help maximize resources. From improving existing infrastructure so it can make it to the next century (or at least through the next 50 years or so) to more effectively managing things like water, electricity or transportation systems, communities need to adopt sustainable measures for a significant reason. Cities need people. And people need to want to live there.

Globally, sustainability drives many initiatives, such as smart cities or energy-efficient grids, and it's appealing to the populations that reside in those communities. From more affordable utilities to cleaner environments, cities and towns can thrive because the population brings money via taxes or other ways to help pay for updates— and the more appealing a place is, the more likely people will want to live there.

But stateside, many environmentally-influenced projects have been put on the back-burner to redirect funding, with cities and municipalities paying the price as residents move elsewhere. Government-run facilities feel the pinch even more without people to sustain financing for improvements.

New generations, new top priorities

With an ever-increasing number of people prioritizing the environment, many look to places like Europe, where institutions have already begun government-backed sustainability initiatives. But even with new legislation and societal pressure emphasizing funding for sustainability projects in government in the United States, many asset management professionals either have no plans in place or do not see it as a priority—but they should.

In a recent survey Brightly conducted with government leaders nationwide:

23% of respondents reported needing a sustainability strategy in place, meanwhile

63% of respondents stated sustainability issues are a low priority

Sustainability is a state of mind

Sustainability is not just about giving the courthouse a facelift. It's updating water treatment and power plants and upgrading aging transportation options (i.e., buses and trains) to more efficient versions.

Modernizing and replacing older government infrastructure can also assist in reducing carbon emissions and, in the face of climate change, protect lives while reducing the level of relief funding needed following disasters. These initiatives can also help cities conserve undeveloped land, energy and water, and encourage population growth.

Gather data to boost transparency and improve environmental impact

Communities demanding more sustainable facilities and infrastructure are also starting to require—under strict penalties—increased transparency and action toward sustainability. It's critical to begin laying the groundwork to maintain and encourage population stability.

A task made easier with technology.

With the right tools, M&O leaders can gain insight into the state of assets to use the data to better communicate with stakeholders about where to direct funds. As fixing or replacing aging government infrastructure built without environmental impact in mind becomes a priority, technology can help make smart updates.

brightlysoftware.com

The high price tag of inefficiency

Most budgets depend on a number of factors. If M&O teams can't track the information your assets already produce, how can you be sure that you aren't losing money from failing boilers or excessive energy consumption—you know, stuff that could be automated or easily avoided with proactive maintenance or a utility manager?

For example, if the heating system in a government facility goes down, day-to-day business can slow to a halt. Instead of providing the community with vital services or helping to contribute to revenue-generating functions, you might have to close the building and wait for the part or a professional (who's now charging a rushed rate) to fix the problem. A utility manager tool can identify if your system is working overtime due to impending failure so your facilities manager can address the issue before the heating fails and the building is forced into closing (and therefore missing opportunities to support fiscal expenditures).

If you lose money in one place, your budgets will be affected in others. Like the example above, a closed building one day could mean less funding elsewhere down the road.

While sustainability takes some funding, it's not just simply replacing old machines—it's about knowing where your inefficiencies are happening. On top of the demand for building updates, leakage costs associated with excess energy consumption in aging government-run buildings contribute to increasing expenses for maintaining infrastructure (and get in the way of making progress for sustainability initiatives).

Energy expenses keep growing

Lately, it's been rough for leaders to keep a close eye on the bottom line. According to White House data, government buildings cost $190 billion to power each year. Increasing energy prices is just one of the many factors putting pressure on government facilities to find ways to decrease energy consumption to manage costs and meet budgets.

Smarter facilities call for investment

With rising costs to keep facilities running, it's more important than ever for government agencies to work together to find ways to use financial resources efficiently. However, it's equally important to seek available funding opportunities—for instance, the White House recently announced the first-ever Federal Building Performance Standard, which was designed to cut energy use and electrify equipment and appliances in 30% of government buildings by 2030.

Simplify utility tracking from a single dashboard

Whether it's five buildings or 50, facility managers tracking energy consumption across multiple buildings need an easier way to identify usage spikes and save costs. A centralized dashboard can enable quick assessments by visualizing data in real time and provide reporting capabilities to help government officials make more informed energy-related decisions.

Investing in smart asset and utility management is one way to apply technology to manage energy, workflows and operations better, and it can even help with sustainability initiatives. The right solutions in place can make a big difference in realizing savings over time. Brightly can help government agencies collect insights, gain visibility for new facilities-based funding opportunities and prioritize investment for projects that will deliver the best long-term cost savings.

brightlysoftware.com

Get on the path with benchmark data to prioritize investments

Government agencies can partner with organizations like Brightly to help get the most out of their assets—and their data. By capturing, tracking and centralizing this valuable information, M&O managers and administrators can work together to make sustainable investments that will benefit their ecosystem for years to come and help maintain communities where people want to reside.

Learn how **one client** was able to leverage Brightly software to optimize its sanitation department and improve service across the whole community.

Light at the end of the tunnel

It is possible for struggling government facilities to make improvements. Through the Environmental Protection Agency's **Clean Air in Buildings Challenge**, the U.S. government has offered hundreds of billions of dollars in funding for government-associated buildings to upgrade HVAC, ventilation and filtration systems by implementing new technology. And with the American Rescue Plan, many facilities also gained **access to $122B in funding** for these updates.

Code check: Savings in the billions

According to **U.S. Department of Energy estimates**, new energy code requirements for government buildings can potentially save:

- More than **$15 billion** over the next **30 years**

- Which = **2.2 quads of energy**

- The energy use of **13 million homes** in **1 year**

Brightly can help optimize funding opportunities for government agencies and smart cities of all sizes to help get facilities upgraded to support community health and success via data, maintenance and efficiency.

From public opinion to long-term cost savings, investing in sustainability can help government facilities remain operational. ESG-related data will begin to factor more heavily into nearly every aspect of business as organizations and governments are held accountable for the expectations set to address everything from social inequity to climate change. With net zero targets top of mind, now is the time for organizations to gather tools to track and get a grip on their energy use and data.

Whether organizations have aggressive sustainability goals or are just starting to investigate their options, gaining visibility into assets helps understand usage and identify opportunities for cost-saving adjustments. The right tools can help identify where the best investments can be made. Brightly can help kickstart your government facilities' environmental goals by working with you to reach a more sustainable future.

Brightly can help government agencies with sustainability objectives, such as:

- **Capturing legacy information** to save valuable resources on future projects

- **Enabling asset owners** to monitor and report on sustainability metrics with zero carbon targeting

- **Making informed investment decisions** aligned with ESG goals, commitments, and regulations

brightlysoftware.com

Proactive facility and infrastructure management obtainable with Brightly

No matter where you work in government, it's a challenging time. Whether tasked with hiring across facilities and smart cities, allocating capital or trying to justify why your operations team needs an increase to your budget, using technology and data can help you direct (or request) funds, so they reach the most impactful destination.

Government agencies are sitting on valuable information—but they often just aren't using it. Tracking asset data allows teams to be more proactive when planning and helps keep operational costs down. In addition, by sharing access to rich data, historical trends and scenario planning, government agencies can make strategic investment decisions to benefit the communities they serve.

Brightly understands the government sector and the major pain points facing leaders and facility managers. For over 20 years and 12,000+ implementations strong, we've helped organizations leverage intuitive software and smart platforms that deliver more than $30B in asset value under management.

Our solutions have helped reduce deferred maintenance backlogs and reallocate funding with platforms built specifically for municipal governments and agencies of all sizes. Brightly is uniquely positioned to partner with government facilities to harness the power of data and modernize the management of assets, budgets, hiring and buildings—to create a sustainable future.

Once you start down the path to smarter asset management, you can be empowered to stay ahead of these trends and create safe and healthy environments where communities can thrive. **Talk with an expert today** to learn how Brightly can help.

About Brightly Software

Brightly, a Siemens company, is the global leader in intelligent asset management solutions, enables organizations to transform the performance of their assets. Brightly's sophisticated cloud-based platform leverages more than 20 years of data to deliver predictive insights that help users through the key phases of the entire asset lifecycle. More than 12,000 clients of every size worldwide depend on Brightly's complete suite of intuitive software – including CMMS, EAM, Strategic Asset Management, IoT Remote Monitoring, Sustainability and Community Engagement. Paired with award-winning training, support and consulting services, Brightly helps light the way to a bright future with smarter assets and sustainable communities. For more information, visit **brightlysoftware.com**

info@brightlysoftware.com   /   brightlysoftware.com