



# **Asset Management Communication**

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10 Wellington Street East, Alliston, ON



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**Glossary**

ELT	Executive Leadership Team
SMT	Senior Management Team
AMT	Asset Management Team
CAM	Corporate Asset Management
SME	Subject Matter Expert
SAMP	Strategic Asset Management Policy
SC	Steering Committee
AMO	Association of Municipalities of Ontario
FCM	Federation of Canadian Municipalities
LOS	Levels of Service
BIA	Business Improvement Association

## 1.0 Executive Summary

The Asset Management communication framework recognizes the vital role communication plays in tying the town's strategic plan to asset management. It is important our stakeholders have a full understanding of the assets we own and through those assets the services we provide. The communication plan is far reaching and will ensure that asset management initiatives are collaborative efforts among council, staff, residents, developers, contractors, and government. Developing a communication strategy is a mandatory requirement of the Ontario Regulation 588/17.

The goal of the Communication Strategy is to:

- Communicate the Strategic Asset Management Policy and Plans
- Improve the understanding of assets in the Town and how they support the Town's services
- Communicate asset management initiatives including levels of service, risk, maintenance and financial strategies
- Communicate strategies that utilize data and evidence to make decisions
- Develop reporting mechanisms to monitor progress and success of the plans
- Inform internal and external stakeholders of how the Town is using technology, to enable collaboration and asset preservation



## 2.0 Key Messages

The following asset management fundamentals are required in the Communication Plan:

- Defined levels of service: in order to successfully balance the town's assets with stakeholder's needs and expectations within the constraints of the municipality's financial resources.
- Defined measures of performance: to ensure desired performance expectations are delivered by the Town.
- Defined lifecycle planning and risks evaluation: to ensure investment happens at the right time and the asset delivers the required level of service over the asset's expected life at a minimum cost. This includes the incorporation of risks while making evidence-based decisions.
- Defined maintenance programs: to ensure that maintenance and improvements to the Town's infrastructure is carried out in a planned and coordinated way.
- Defined performance evaluation and reporting: to ensure that the stakeholders are aware of the results of the asset management efforts
- Continuous feedback from the community: to ensure that there is community engagement on asset management initiatives

## 2.1 What is Asset Management?

International standards ISO 55000 provide a global consensus on asset management and describes asset management as the coordinated activity of an organization to realize value from its assets. It also involves balancing of costs, opportunities and risks against desired performance of assets to achieve an organization's objective. The Town of New Tecumseth provides various services to residents including roads, sidewalks, bridges, water, wastewater, storm water, parks, recreation and cultural services. The management and analysis of the assets are the main objective of the Asset Management office.

## 2.2 Why now?

The Ontario regulation 588/17 created under the Infrastructure for Jobs and Prosperity Act enacted in 2018 has emphasized the need for a strategic asset management policy followed by an asset management plan for all municipalities. The plan and policy are mandatory and will document how municipalities demonstrate their implementation of asset management. The asset management plan should discuss the state of infrastructure, current and desired levels of service, asset management strategies such as risks, maintenance, lifecycle management and address community growth needs. A significant requirement in the plan is to indicate how the Town will manage the effects of climate change on town's assets and a demonstration of our commitment to long term asset management objectives.

### Benefits of Asset Management

There are many positive benefits of asset management for the Town. Fully embraced asset management principals will generate the following benefits:

- Improved operational decisions
- Greater ability to plan and pay for future repairs and replacements
- Increased knowledge of assets and their location
- Increased knowledge of assets that are critical to the Town and how they support Town services
- Improved emergency response
- Increased understanding of risks related to each asset resulting in improved decision-making
- Improved communication to council and public
- Increased understanding of the lifecycle management of assets and the various strategies that support growth and demand for services
- Improved evidence-based periodization during budget deliberations

## 2.3 How will we achieve this?

The Town of New Tecumseth plans to achieve these benefits by adopting best practices in asset management (ISO 55000). Good asset management does not happen easily or quickly but requires an investment in detailed planning considering the longer term. The Province has indicated a 4 year time frame in their regulation to develop all the various plans and recognize that it takes many years to develop a mature approach and acquire the necessary funds to support the recommendations. New Tecumseth has prepared a detailed road map indicating the initiatives over the next 5 years. Stakeholders in the Town will be kept abreast with asset

management initiatives, levels of service, performance targets and results that pertain to their interest in the asset network and service. The Council's responsibility is to define the strategic goals of the Town and ensure the town's resources and services are engaged to meet these goals. The important questions to be answered include:

### What do we own?

This question involves the Town's asset inventory and how complete the data is. The asset inventory for some service areas may be robust whereas the inventory data may lack in terms of completeness in other service areas. Our roads, bridges, fleet, sidewalks and facilities have inventory and condition assessments as they are mandated by the province or required for routine maintenance. However, our parks and storm water do not have complete inventory. When describing the quality of our inventory we include attributes that are essential for asset management purposes such as condition, risk and performance factors.

### Where is it?

This involves the location of Town's assets and where they reside. Linear infrastructure and their attributes can be identified in GIS. However, components at a granular level may not be identified by GIS. The distinct or vertical assets can be identified by GIS, but more detailed sub-assets and components need to be identified by their location. Location plays an important role in completeness of inventory.

### What is it worth?

Another important attribute in inventory is the replacement cost of the inventory which will help in financial planning and budgeting. The replacement costs are important for the long-term financial plan and for evidence-based decision making like lease or buy, trade or sell, repair or rehabilitate. The other decision-making tools like cost-risk optimization and cost-benefit analysis are dependent on this attribute. The replacement costs help the asset management team to build the "State of Infrastructure Report" that will represent the value each service area provides to the Town.

### What condition is it in?

The condition of an asset is significant for understanding how old the assets are and play a significant role in the "State of Infrastructure Report". The condition provides information such as asset replacement or refurbishment. A few service areas in the Town have condition data based on the mandatory metrics set by the ministry, such as roads, bridges and sidewalks. However, there is no condition data for parks, fleet and other service areas. Some assets like fleet are visually inspected for condition during budgets however we will develop standards to evaluate all our asset for condition. The following chart uses 5 categories to indicates our asset condition and will be a standard tool to communicate to the stakeholders.

## AM Communication

Very Good	Typically new or recently rehabilitated. A few elements show general signs of deterioration that require attention.
Good	Some elements show general signs of deterioration that require attention. A few elements exhibit significant deficiencies.
Fair	Shows general signs of deterioration and requires attention. Some elements exhibit significant deficiencies.
Poor	Mostly below standard, with many elements approaching end of service life. A large portion of the system exhibits significant deterioration.
Very Poor	Unacceptable condition with widespread signs of advanced deterioration. Many components exhibit signs of imminent failure, which is affecting service.

For those assets where condition is unavailable, the estimated service life remaining can be used as a starting point for condition assessment. This will enable the Town to review the state of its assets annually which is required in the “State of Infrastructure Report”. The matrix below provides a benchmark on how asset conditions are viewed and reported.

**Don't have condition information? Using the amount of the estimated service life (ESL) remaining is a good starting point. Here is a guide that you can use:**

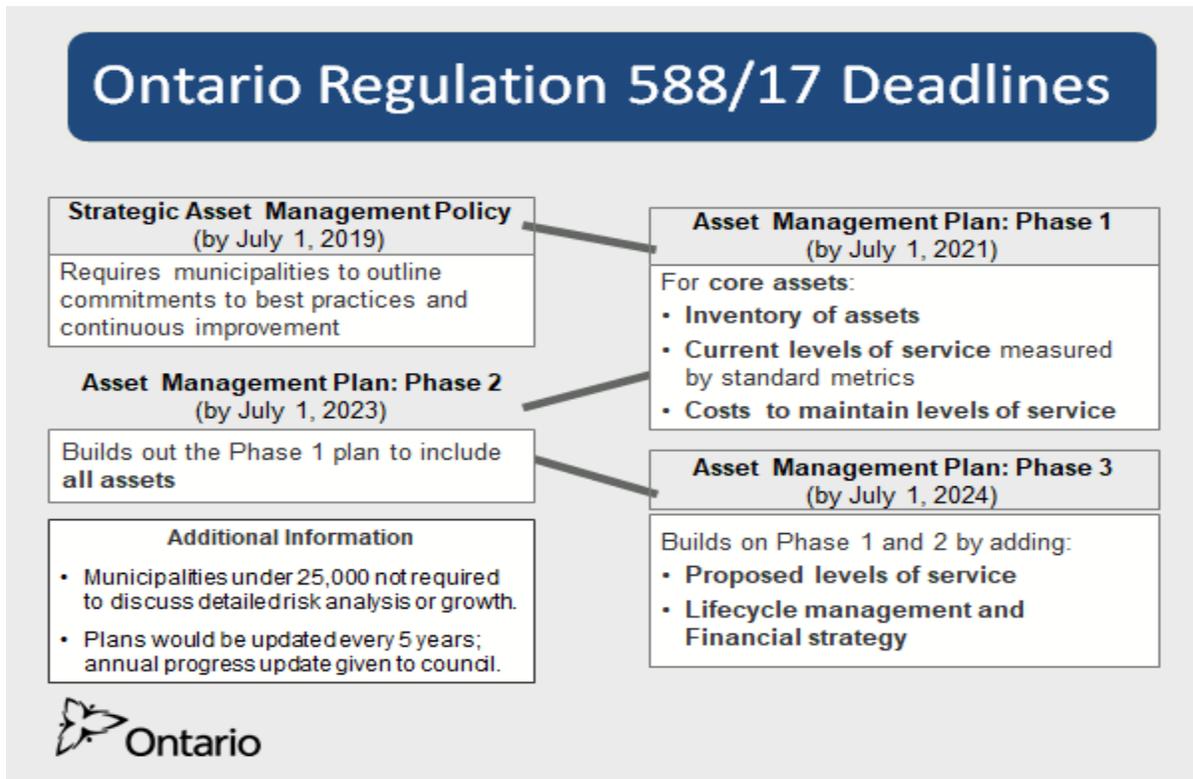
CONDITION GRADE	% OF ESL REMAINING ON ASSET
Very Good	80-100%
Good	60-79%
Fair	40-59%
Poor	20-40%
Very Poor	<20%

What needs to be done?

The Town of New Tecumseth hired a Manager of Corporate Assets who is responsible for all the asset management activities of the Town. He is responsible for developing a road map on asset management initiatives and developing policy and strategies for continuous improvement initiatives for the Town. The objective is to design a Strategic Asset Management Policy (SAMP) that aligns with the town’s strategic plan and further develop a governance and communication plan for the Town.

When does it need to be done by?

The Province has put deadlines to meet asset management goals and they are as follows:



## 2.4 Who are the Stakeholders?

Asset Management is an integrated business approach involving finance, engineering, operations, planning and management to effectively manage existing and new infrastructure to balance costs, opportunities and risks to provide satisfactory levels of service to the community. As there is emphasis on an integrated approach, the Town of New Tecumseth has involved major service areas to be part of the Asset Management governance that will enable the Town to make evidence-based decisions that will benefit the community. The stakeholders for the Town can be divided into (1) Internal and (2) External stakeholders.



## AM Communication

The internal stakeholders of the Town are:

- Elected Council members
- Committees within the Town
- Senior Management
- Service Area staff

The external stakeholders of the Town are:

- Community groups/citizens/residents
- Contractors
- Local business (BIAs)
- Other government levels (County, Province, Federal)
- Government agencies (AMO for Federal Gas Tax, FCM for Green Municipal Fund etc.)
- Visitors/tourists
- Emergency service providers (Police, Paramedics etc.)
- Utility providers (Alectra, Enbridge etc.)

## 2.5 What is Asset Management Governance?

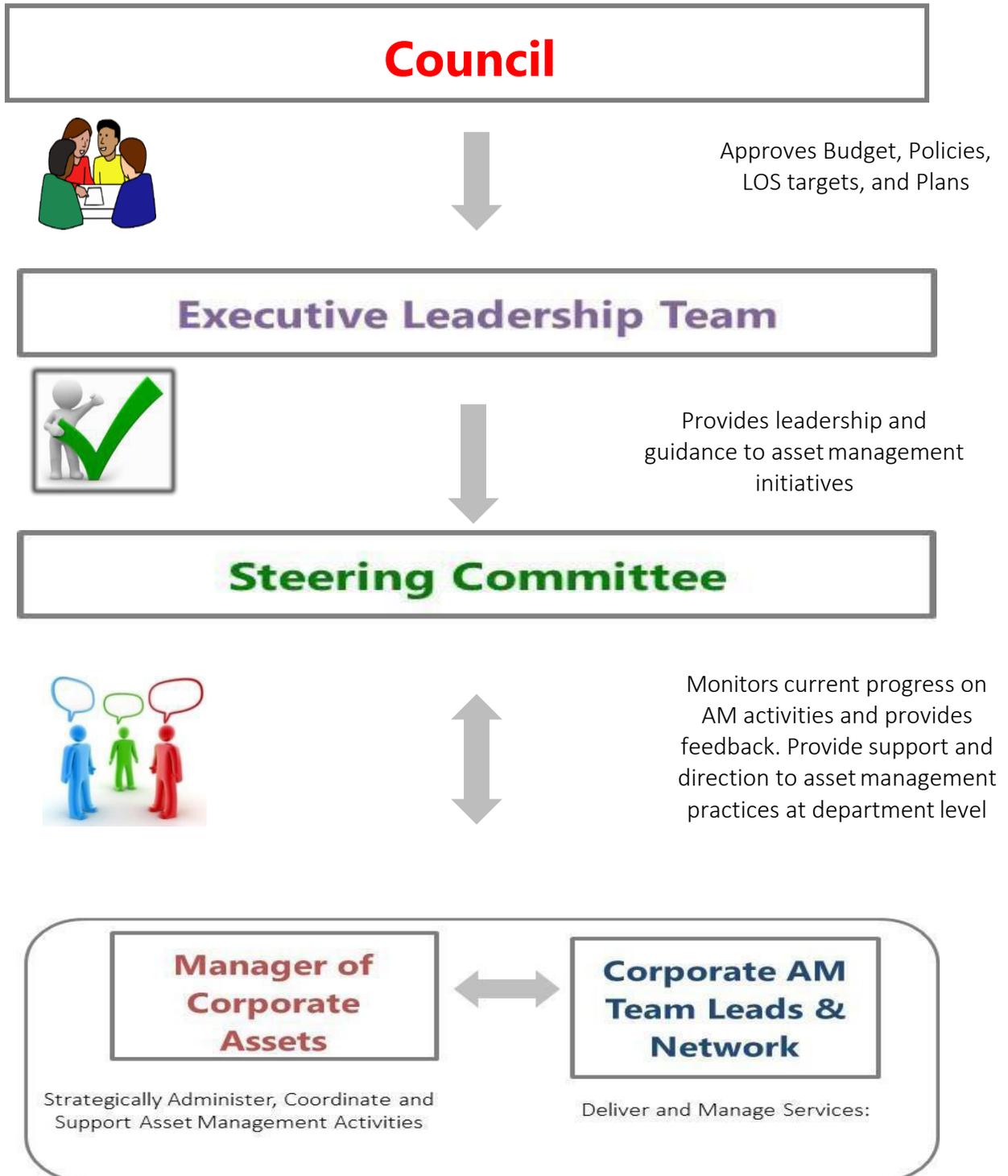
The Asset Management Governance is a foundation on which any activity associated with asset management in the town can achieve objectives of the town's strategic plan. This enables the stakeholders of the Town to understand their roles in improving and enhancing the services of the Town by promoting improved asset management techniques. The Town has developed a 4-tier governance framework which oversees asset management activities for the Town.

The Strategic Asset Management policy requires the commitment of key stakeholders within the town's organization to ensure the policy contains a clear plan that can be implemented, reviewed and updated. The table below provides an overview of the current AM governance.

Table 1.1 Asset Management Governance at Town of New Tecumseth

Executive Leadership Team	CAO, GM Corporate Services (CS), GM Infrastructure & Development(I&D)
Steering Management Team	GM CS, Director of Public Works, Director of Parks & Recreation, Director of Engineering, Mgr. Information Technology, Mgr. Asset Mgmt.
Asset Management Team	Mgr. Asset Mgmt., Infrastructure Asset Management Technologist

Below is the hierarchy of Governance which supports the Asset Management Program:



### 3.0 What we communicate?

The communication of asset management initiatives can be specific, operational or strategic depending upon the stakeholders to whom it is directed to. Specific messages are clear and defined. For example, performance measures and benchmarking will be directed to the council and senior management staff. Levels of service and targets are directed to the all stakeholders including staff, management and council. A new regulation on roads from the province can be a specific message to the roads department. Funding of asset management activities, compiling inventory are specific messages delivered to the senior management and Council.

Operational Messages are clear and accurate information about the current operations of the assets and feedback. For example, consultation for disruptions or changes in road operations, facility operations, winter maintenance programs require communication directed to operations staff. Customer satisfaction surveys and feedback is directed to the public.

Strategic Messages are clear and accurate information to all stakeholders to communicate how the Town will deliver its services in the future, employ lifecycle planning in the prioritization of projects, define levels of services, define risk frameworks and produce work programs that must be carried out in a planned and coordinated way. These messages are meant to demonstrate how asset management initiatives in the strategic asset management policy are implemented by Town staff.

### 4.0 How we communicate?

Internal Stakeholders who are part of the asset management governance are updated through monthly, quarterly and semi-annual meetings. The following is the proposed asset management governance team meetings for the year 2018 and 2019. As the maturity in asset management improves, the meetings will move to a quarterly basis for the Steering team and semi-annually for the executive leadership team.

Year	AM Governance	Scheduled Meetings
2018	Steering Team Meetings	Monthly
	Executive Leadership Team	Quarterly
2019		
Jan-Jun	Steering Team Meetings	Quarterly
	Executive Leadership Team	Quarterly
Jul-Dec	Steering Team Meetings	Quarterly
	Executive Leadership Team	Semi-Annual

## AM Communication

The external stakeholders are informed through various communication channels like shown below:

What	Details	Audience	When	Who
Infographics	The use of graphics to depict pieces of infrastructure and statistics that are less engaging to communicate	General Public and all Stakeholders	Developed as part of the plans	Developed as part of the plans
Videos	The use of youtube videos to explain what asset management is?	General Public and all Stakeholders		
Web page	The use of above infographics and videos to create a more engaging and content rich web pages to communicate asset management	General Public and all Stakeholders		
Public Relations	Articles in ReNew Canada, Public Sector Digest on how the town develops its asset management	General Public and all Stakeholders		
Media	Media activity to announce when roads are going to be paved or maintenance programs of sidewalks, roads during summer, winter maintenance of roads	General Public		
Social Media	Facebook, LinkedIn, Twitter posts can be targeted to reach specific group of stakeholders.	General Public and all Stakeholders		
Brochures/Leaflets	A summary of the content from web page and infographics can be put in a leaflet or brochure to inform the public or kept in public places like libraries.	Local Committee Community groups Council		

Communication can also be through traditional methods such as briefing sessions and meetings with external groups such as contractors and consultants to inform and engage on capital projects and asset management initiatives. The objective is to build good relationships with external stakeholders and organizations for various initiatives such as gas tax funding, green municipal funding and in turn informing them of developments or progress for our projects. Other alternative tools could include signs at major works to notify users about upcoming major projects in the Town.

## 5.0 Evaluate and Review

The Council can measure the success of the communication strategy by obtaining feedback from the public and continually enhance the approach wherever necessary. We will be measuring asset management awareness among staff, council and the general public to determine if there is an increased satisfaction with the town's services and condition of assets.

How will this be measured?

- Comments, compliments and complaints on social media
- Number of visits to the town's website
- Number of calls to the customer service center/Help-desk and time taken to respond to service requests
- Staff surveys
- Consultation with affected residents based on satisfaction surveys
- Amount and nature of media coverage

