



New York City Transit

Implementing Asset Management

April 22, 2013

Vision:

**Evolve our focus from
State of Good Repair
to Whole Life Asset Management**

Providing public transit is an asset-intensive activity



...And We Have Many Years of Experience Managing Our Assets...





Our focus has evolved over the decades

- 1970s – Decades of Disinvestment
- 1980s – Rebuild / Restore
- 1990s – State of Good Repair for many key assets
- 2000s – System Improvements (Customer Info, AFC, etc.)
- 2010s – System Expansions (2nd Ave. Line, #7 Line Extension)
- 2020s – Whole Life Asset Management

Transit needs a robust asset management system to manage the increasing complexity of our operating and capital needs

- Establish an even more effective management system that supports informed decision making
- Demonstrate to our customers, employees, funders and critics that we are doing the right thing with our budget, fares and subsidies

Thomas F. Prendergast

October 2011

Whole-Life Asset Management

Is the **systematic** and coordinated activities by which NYC Transit can **optimally** and sustainably manage the **performance, costs** and **risks** of its assets over the entire life-cycle to deliver transit outcomes while being responsive to the **financial constraints** imposed on the organization

FTA Map 21

- In November 2012 congress enacted legislation with Asset Management Requirements
- Sets goal for transportation agencies to implement
- Requires recipients to report on performance

- NYC Transit was awarded a \$5.6M grant to develop our whole life asset planning process in July 2012

What this mean our people

Senior Vice Presidents

- Accurately predict asset lifecycle costs
- Clearly demonstrate asset performance with or without investment
- Base decisions on performance of assets
- Financial decisions tied to business processes

Maintenance Managers

- Can now track total cost and performance of our assets
- Employees understand importance of tracking activities/time/condition of assets
- Shared information enables understanding of how work contributes to asset performance and agency goals
- Allows more input into processes and purchases

Real Results from Similar Organizations

Network Rail: improved performance by 30% while reducing costs by 27%

CSX: \$1.2B in savings over 6 years

London Tube Lines: 30% more efficient than their London Underground peers

Key Themes of Asset Management

1. Strategic direction
2. Planning and decision making
3. Leadership, people and organization
4. Business process efficiency
5. Knowledge and information systems

Advancing Asset Management at NYC Transit

- Conduct Gap Assessment 2013
- IT Systems Implementation 2014
- ISO 55001 Compliance by 2017

- **A World Class Asset Management System by 2020**

Next Stage

- Establish asset criticality and strategic priorities
- Conduct gap assessment from vision and international standards
- Develop and maintain business case and benefits plan
- Define the 7-year program plan
- Procure IT systems to support the new management system