

MEMORANDUM

TO: Senior Leadership, External Consultant **FROM:** Anya Sharma, CEO **DATE:** October 26, 2023 **SUBJECT:** Urgent Directive: Developing a Strategic Asset Management Plan (SAMP)

Team,

As you know, our recent operational challenges, culminating in the Elm Street main failure, have highlighted critical deficiencies in our approach to asset management. The 'run-to-fail' model is no longer tenable. It exposes us to unacceptable financial, regulatory, and reputational risk.

My mandate from the board is clear: we must transition to a proactive, data-driven, and risk-based asset management framework. Our primary organizational objectives are:

1. **Improve Service Reliability:** Achieve a 25% reduction in unplanned service disruptions within three years.
2. **Optimize Capital Investment:** Ensure all capital expenditures are justified by a transparent, risk-based decision-making process.
3. **Enhance Regulatory Compliance & Public Trust:** Move beyond minimum compliance to become a leader in sustainable utility management.

To that end, I am commissioning the development of our first formal Strategic Asset Management Plan (SAMP). I expect a draft outline of this plan within two weeks. This outline must serve as the foundational document that will guide our asset management policy, strategy, and objectives for the next decade. It must be comprehensive, aligned with ISO 55000 principles, and tailored to the unique realities of Northwood Water. I am counting on your expertise to set the right course.