



Agenda Date: 6/5/2019  
Agenda Placement: 8C

## Napa Sanitation District Board Agenda Letter

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**TO:** Honorable Board of Directors  
**FROM:** Andrew Damron for Timothy Healy - General Manager  
NS-Technical Services/Engineer  
**REPORT BY:** Andrew Damron, Technical Services Director - 707-258-6000  
**SUBJECT:** Receive Presentation from Staff on Asset Management Program

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### **RECOMMENDATION**

Receive presentation from staff on Asset Management Program, discuss, and provide direction.

### **EXECUTIVE SUMMARY**

Asset management is critical for the operation, maintenance, inspection, repair, and replacement of NapaSan's infrastructure. NapaSan owns and operates approximately 270 miles of gravity sewer mains, 30,000 sewer laterals, 6,000 manholes, 4 sewer lift stations, 27 miles of recycled water mains, 2 recycled water pump stations, and a wastewater treatment plant. Effective management of these assets requires extensive planning.

In 2015, the Board approved an Organization and Staffing Master Plan that recommended the creation of an asset management position within the Engineering Division. In 2016, NapaSan appointed an Asset Management Analyst who would be responsible for implementing asset management improvements. The Strategic Plan includes Goal 1B "Continue to Implement Asset Management Program." In 2017, NapaSan completed an Asset Management Plan (AMP) that described a roadmap for implementation of a phased set of tasks that would improve NapaSan's ability to make informed investment decisions in the future that optimize the balance between meeting levels of service while minimizing costs and managing risks. The Board approved implementation of Phase 1, which included replacement of NapaSan's computerized maintenance management system (CMMS).

During implementation of Phase 1, staff determined that some of the tasks listed in the AMP have less short-term value and are on the "nice to have list." Additionally, it is now expected that the level of effort needed to accomplish the goals of the proposed tasks is less than predicted by the AMP. Staff's proposed plan is to focus short-term efforts on necessary asset management tasks (not the "nice to have list"), implement the tasks using mostly in-house resources, and limit consulting costs to high-level advice and coaching.

Asset management efforts are expected to improve level of service by making information available so informed decisions can be made to prioritize resources and decrease risk.

**FISCAL IMPACT**

Is there a Fiscal Impact?	Yes
Is it currently budgeted?	Yes
Where is it budgeted?	Costs associated with implementation of current and proposed asset management tasks are included in the FY18/19 and 19/20 budgets.
Is it Mandatory or Discretionary?	Discretionary
Discretionary Justification:	Continued implementation of the asset management program is included in the Strategic Plan as Goal 1B. Modified asset management practices are expected to improve prioritization and reduce risk.
Is the general fund affected?	Yes
Future fiscal impact:	Some current asset management efforts are expected to extend into FY19/20. Unused asset management budget from FY18/19 will carry forward into FY19/20.
Consequences if not approved:	Staff will reevaluate the asset management program goals and strategies for future consideration by the Board.
Additional Information:	None.

**ENVIRONMENTAL IMPACT**

None.

**BACKGROUND AND DISCUSSION**

None.

**SUPPORTING DOCUMENTS**

A . Presentation Slides

Napa Sanitation District: Approve

Reviewed By: Andrew Damron