

# Presentation Outline

- Asset Management Program Update
- Review asset management projects scope
  - Facilities
  - Wastewater Collection System
  - Groundwater Plants
- Authorization to approve asset management projects
  - Facilities
  - Wastewater Collection System
  - Groundwater Plants



# Citywide Asset Management Program

- Financial Management Policy Statement

“....maintain capital assets and infrastructure at a sufficient level to protect the City’s investment, to minimize future replacement and maintenance costs, and to maintain service levels.”

- Asset Management Policy

- Superior Service
- Data-driven decision making
- Risk-based priorities
- Continual improvement
- Future Planning

**CITY OF SUGAR LAND  
INTER-DEPARTMENTAL POLICY AND PROCEDURE**

**POLICY NUMBER: CA 121**

Effective Date: 1/13/2016

Revised Date: 1/13/2017

Sunset Date: (new policy one year from revised date)

**CITYWIDE ASSET MANAGEMENT**

**PURPOSE**

This Asset Management Policy expresses the commitment and intentions of City staff to align existing City objectives, business planning, budget management, maintenance of existing infrastructure, and the provision of new infrastructure with delivery of service, in order to complement each other in the provision of a customer-centric approach to the management of assets, supportive of business strategies, objectives, and plans.

**BACKGROUND**

As the City of Sugar Land asset base ages, focus on the maintenance of existing infrastructure and careful decision making regarding infrastructure development become increasingly necessary. The City's Financial Management Policy Statements, approved by City Council on June 17, 2014, relate directly to this effort with the following pronouncement on the maintenance of capital assets:

*Within the resources available each fiscal year, the City shall maintain capital assets and infrastructure at a sufficient level to protect the City's investment, to minimize future replacement and maintenance costs, and to maintain service levels.  
(City Council Policy 5000-19)*

The City of Sugar Land Asset Management Program commits to delivering superior service and meeting resident expectations through efficient and effective business processes and asset stewardship. The following policy and guiding principles lay out the City of Sugar Land's commitment to the pursuit of an optimally-informed approach to planning, decision making and the management of vital assets. With this resolution, the City will strive to provide superior services while taking into consideration customer expectations and fiscal constraints.

**DEFINITIONS**

**Asset** – An asset is an item, thing or entity that has potential or actual value to an organization. The value can be tangible or intangible and financial or non-financial.

**Asset Management** – The coordinated activities of an organization to realize value from its assets in the achievement of its organizational objectives; the comprehensive strategic approach to resource allocation, infrastructure maintenance, performance measurement, and other processes aimed at delivering superior services to residents through the proper planning and maintenance of assets. Asset management is not solely capital maintenance driven by asset age or condition.



# Citywide Asset Management Program

- Comprehensive plan for managing City's infrastructure and resources
- Establish a data-based, transparent and repeatable decision making process
- Synergy between asset management, financial planning, and data-based decision making
  - Proper alignment of the asset management software, business process, and support from all level of staff



# Citywide Asset Management Program

- Provides common and consistent rigorous approaches that utilizes data and operational knowledge and results in defensible decisions between service areas
  - Provides reliable service to our residents
  - Maintaining our assets to maximize useful life
  - Right sizing our investments to maintain levels of service



# Citywide Asset Management Program

- Provides reliable service to our residents
  - Focus on outcomes, not outputs
  - Transparent levels of service
  - Long-term impacts (positive and negative business risk exposure)





# Citywide Asset Management Program

- Maintaining our assets to maximize useful life
  - Risk-based decision process
    - Likelihood of failure
    - Consequence of failure
  - Multi-prioritization model
  - Optimization of operations and maintenance
    - Incorporation of appropriate rehabilitation, replacement and asset disposal



# Citywide Asset Management Program

- Right sizing our investments to maintain levels of service
  - State of infrastructure
  - Utilize risk score
  - Understanding of financial needs across entire organization
    - Cost to maintain levels of service
    - An investment in one asset may impact funding availability for another critical asset
    - Incorporate future needs



# Asset Management Plan Project Overview

WHAT IS MY BEST LONG-TERM FUNDING STRATEGY?

WHAT ARE MY BEST O&M AND CIP INVESTMENT STRATEGIES?



WHAT IS THE CURRENT STATE OF MY ASSETS?

WHAT IS MY REQUIRED LEVEL OF SERVICE?

WHAT ARE MY BUSINESS RISKS?



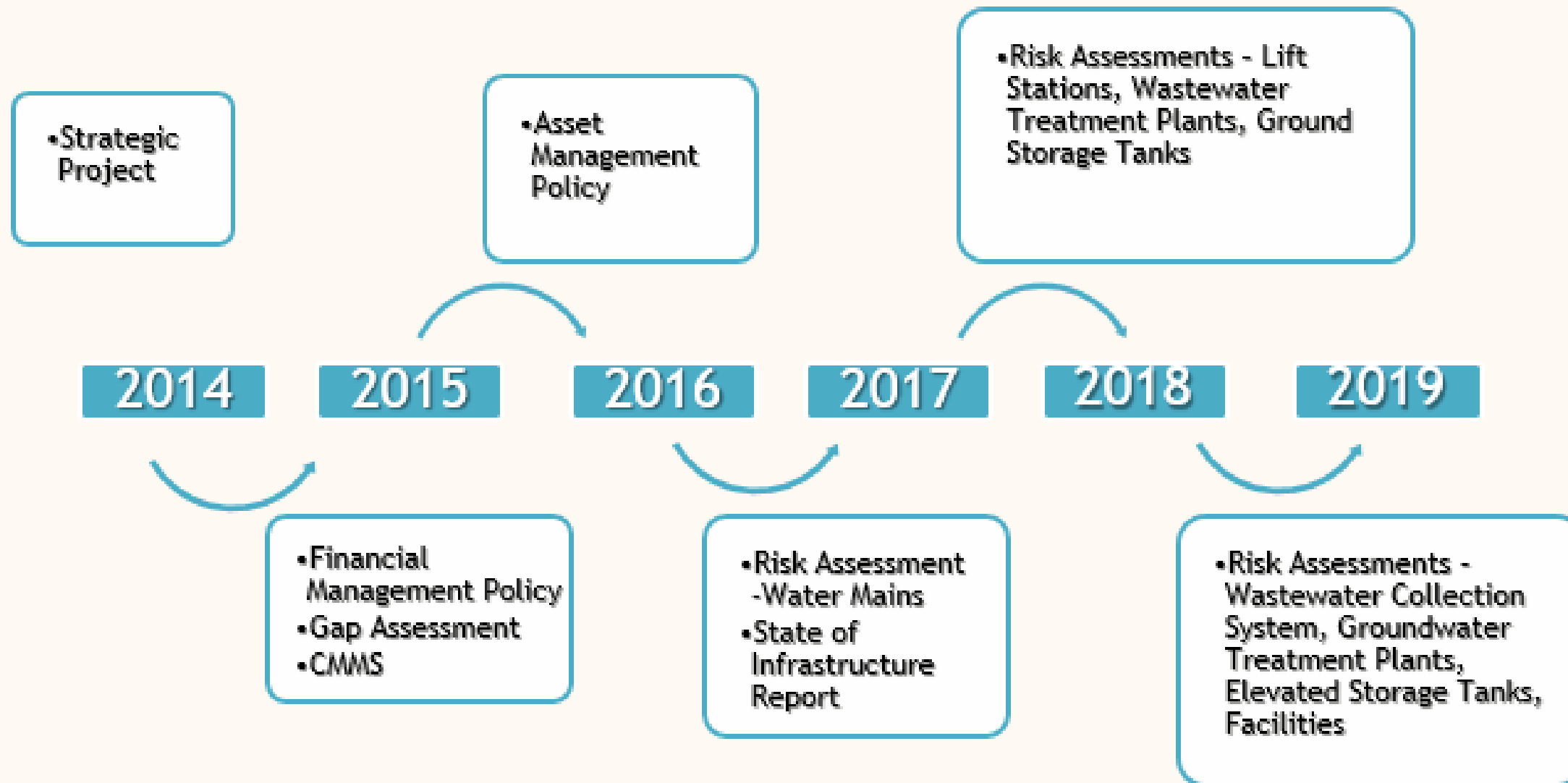


# Asset Management Plan Project Work Flow

- Staff will leverage consultants' expertise to review GIS data, work order data, sanitary sewer overflow reporting, and other available data
- Consultants will perform gap analyses, condition assessments, and develop risk scores
- Consultants and staff will work together to develop the risk methodologies
- Staff will work alongside with consultants and shadow all assessments to ensure future assessments are easily repeatable



# Asset Management Initiatives



# Facilities Assessment NCIP006

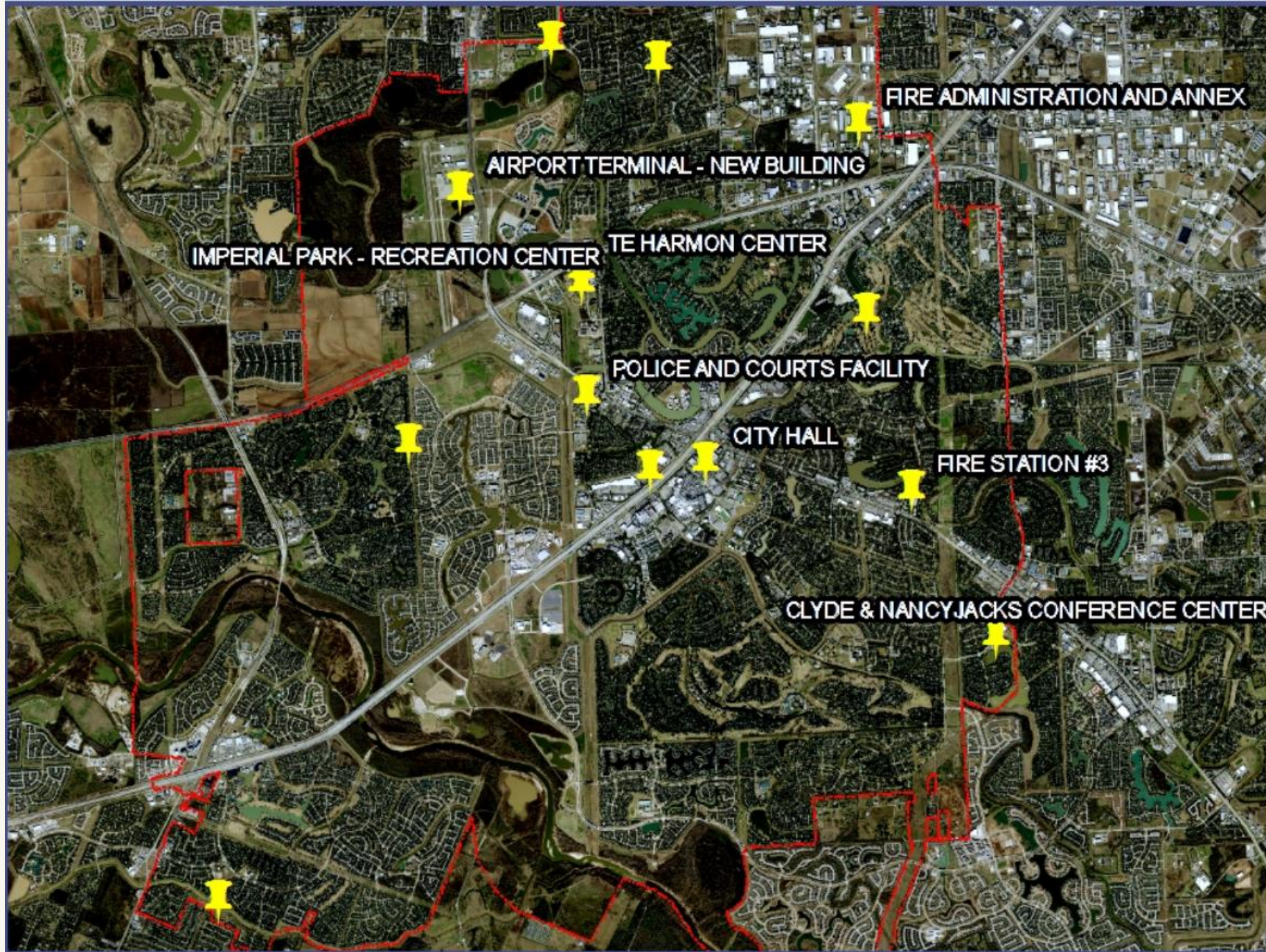


# Facilities Assessment Scope

- City maintains 72 vertical structure
- 14 structures selected: 8 facilities and 6 utility plant buildings.
- Assess Building envelope, roof, mechanical, electrical, plumbing systems
- City staff will shadow all assessments in order to perform future assessments autonomously









# Facilities Assessment Consultant Selection

- **Advertised - RFQ: October, 2018**
- **Received 4 proposals**
- **Evaluated/scored proposals**
- **Selected: Lockwood, Andrews & Newnam, Inc. (LAN)**
- **In accordance with City's policy PU-109, procurement of professional services**



# Facilities Assessment Budget and Schedule

- Available budget: \$350,000
- LAN Contract: \$350,000
- Schedule: 180 days from N.T.P.
- Project completion: Spring 2020



# Facilities Assessment Request for Approval

- Authorize the professional services contract with Lockwood, Andrews & Newnam, Inc. for NCIP006, Facilities Condition Assessment in the amount of \$350,000.



# Clarifying Questions For Staff



# Council Motion and Discussion

