COON CREEK WATERSHED DISTRICT
Request for Board Action

MEETING DATE: May 14, 2018
AGENDA NUMBER: 10
ITEM: Adopt Asset Management Policy

AGENDA: Policy Discussion

ACTION REQUESTED
Adopt Policy

BACKGROUND
At the April 23, 2018 meeting the Board reviewed discussed the DRAFT policy and the three issues and concerns brought forward by the Citizen and Technical Advisory Committees.

At the February 12, 2018 meeting the Board reviewed and commented on a DRAFT Policy on Asset Knowledge, Hierarchy and Inventory. The purpose of the policy is to provide procedures and protocols supporting effective organizational asset management specifically focused on storm water management. This policy would apply to all water and related resource management features within the boundaries of the Coon Creek Watershed District.

The Board forwarded the policy with a couple of corrections and clarifications to the Advisory Committees for review and comment.

The Technical Advisory Committee reviewed and discussed the policy at their March 21 meeting. All comments were editorial in nature. Most felt the policy was a good start in formalizing the discussion of Asset Management as it applies to storm water.

The Citizen Advisory Committee reviewed the draft policy at their April 11 meeting. Written comments were received from four of the CAC members. In addition, the topic received a discussion that lasted well in excess of a half hour.

In all, approximately 15 comments, concerns and corrections were offered.

ISSUES/CONCERNS
1. **Include Owner in this data base**: Several members wanted to make sure or felt it was vital that the asset owner be included in the resulting data base.
   
   **Recommendation**: Include Owner in this data base so that it too can be a common variable to relate, correlate information from other data bases.
2. **Overview**: Rework language to clarify that human capital, intellectual property, goodwill and financial assets are indeed and are only referred to as an intangible because they are not “Bricks and Mortar” type assets.

   **Recommendation**: Elsewhere in the policy, these assets are referred to soft assets. Perhaps that is a better term.

3. **Frequency of Inventory Updates (20% Annually)**: Several comments and concerns were expressed concerning the frequency of inventory updates. Comments ranged from reviewing and updating the inventory annually and responding to the needs as part of the annual budget. This would apply to the entire watershed and inventorying and updating assets on a differentiated schedule depending upon how critical the asset or asset group is to the goal(s) being pursued.

   **Recommendation**: The 20% reference was included to capitalize upon the NPDES requirement of inspecting 20% of the system each year. Inspecting 100% of the system, even the critical assets not owned by the watershed would be cost and time prohibitive and would most likely involve needing to hire at least 1 if not 2 FTEs dedicated solely to assessing the condition of the existing infrastructure.

   Perhaps this point needs further clarification. The asset inventory is continually updated as part of the follow up to permit reviews and approvals and construction inspection. However, that does not negate the need to periodically take a closer look, on a systems basis and evaluate the overall performance based on monitoring data and need.

**PRIOR DECISIONS**

2/12/18: Forward DRAFT Policy to Advisory Committees

3/21/18: Technical Advisory Committee review and comment on the DRAFT policy

4/11/18: Citizen Advisory Committee review and comment on the DRAFT policy

4/23/18: Board of Manager review of DRAFT policy and the Advisory Committee comments and suggestions.

**OPTIONS**

1. Adopt Policy

2. Review and discuss further comments and concerns, make appropriate changes and forward for approval by Board at next meeting

3. Review and discuss comments, make appropriate changes and return to advisory committees for additional review and comment.
RECOMMENDATION(S)

1. Adopt policy as discussed at the April 23 Board meeting