

Municipality of Lakeshore – Report to Council

Operations

Water Management



To: Mayor & Members of Council

From: Krystal Kalbol, P. Eng., Corporate Leader - Operations

Date: September 7, 2023

Subject: Request for Proposal Award - Asset Management Plan for Stoney Point Water Treatment Plant & Pumping Stations

Recommendation

Award the Request for Proposal (RFP) for the Asset Management Plan for Stoney Point Water Treatment Plant and Pumping Stations to Dillon Consulting Limited in the total amount of \$121,806.72 (including applicable HST) and approve the surplus of \$46,806.72 (including applicable HST) to be funded from the Water Reserves, as presented at the September 12, 2023 Council meeting.

Background

In 2017, Ontario Regulation 588/17: Asset Management Planning for Municipal Infrastructure was enacted, mandating that every municipality shall formulate a Strategic Asset Management Policy.

Subsequently, they are required to create an Asset Management Plan (AMP) encompassing both core municipal infrastructure assets and other municipal infrastructure assets, concluding with proposed levels of service.

Specific deadlines have been established for municipalities to adhere to at each milestone, thereby facilitating the development of an effective framework for Asset Management, these include:

- July 1, 2022: Date for municipalities to have an approved AMP for **core municipal infrastructure assets** (roads, bridges and culverts, water, wastewater and stormwater management systems) that identifies current levels of service and the cost of maintaining those levels of service.
- July 1, 2024: Date for municipalities to have an approved AMP **for all municipal infrastructure assets** that identifies current levels of service and the cost of maintaining those levels of service.

- July 1, 2025: Date for municipalities to have an approved AMP for all municipal infrastructure assets that builds upon the requirements set out in 2024. This includes an identification of proposed levels of service, what activities will be required to meet proposed levels of service, and a **strategy to fund these activities**.

The Municipality of Lakeshore has formally adopted an AMP, which was done through two phases, the initial plan in 2017, and a subsequent plan in 2022, both comprehensively addressing the core municipal infrastructure assets, thereby meeting the first deadline.

To meet the second deadline, set for July 1, 2024, encompassing all municipal infrastructure assets, Administration recommended the inclusion of Lifecycle Assessments in the 2023 budget for 2 water (Belle River and Stoney Point Plants) and wastewater (Denis St. Pierre) treatment facilities. Council granted approval for a budget allocation of \$75,000.00, specifically designated for the Stoney Point Treatment Plant.

Further to the above, the 2022 AMP – Core Municipal Infrastructure Assets strongly emphasized the necessity of subdividing the water treatment facilities and main pumping stations into components to enhance the accuracy of maintenance and replacement estimations.

The below following points were also identified within the 2022 AMP – Core Municipal Infrastructure Assets:

- As with water infrastructure, it ought to be noted that treatment facilities are not currently componentized, obscuring element or component level condition details.
- Without sufficient componentization, condition data for major components and elements of various facilities may remain hidden.
- It is highly unlikely that all assets will require replacements as forecasted, particularly given the potential for coordinating projects with road work. However, a review of useful life estimates, break histories, as well as componentization and condition assessment of water facilities may help uncover hidden needs and help refine backlog estimates.

This is particularly evident related to the Stoney Point Water Treatment Plant based on age of the asset.

Comments

Based on the above, a Request for Proposal (RFP) was advertised on the Bids & Tenders on June 16, 2023, which had a scheduled deadline on July 28, 2023.

Only one (1) proposal was received prior to the closing date on July 28, 2023. Below is a summary of the submission received:

Consultant	Total Project Cost (excluding HST)	Total Project Cost (including applicable HST)
Dillon Consulting Limited	\$119,700.00	\$121,806.72

Given the nature of this data collection, it necessitates the involvement of Civil, Mechanical, Electrical Engineers, Certified Water Distribution & Treatment Operators, and Certified Asset Management Professionals. The project is broken down into phases as indicated in the financial impacts below.

This project will enable the Municipality to make well-informed decisions regarding the maintenance and replacement requirements for the Stoney Point Treatment Plant & Pumping Stations. It is also imperative to emphasize that this project is required to be undertaken to ensure compliance with the provincial deadline stipulated under Ontario Regulation 588/17: Asset Management Planning for Municipal Infrastructure set for July 1, 2024, for all municipal infrastructure assets.

The expected timeline for the project execution is approximately 12 months, with the expected delivery of a final report prior to the end of 2024.

Financial Impacts

A summary of the financial impacts has been included below:

Asset Management Project Phase	Total Project Cost (excluding HST)	Total Project Cost (including applicable HST)	Approved Budget 2023	Difference (over)/under
Phase 1 - Equipment and Control Systems	\$35,700.00	\$36,328.32	\$75,000.00	
Phase 2 - Reservoirs and Pumping Stations	\$30,000.00	\$30,528.00		
Phase 3 - Electrical Systems	\$15,500.00	\$15,772.80		
Phase 4 - Building and Structures	\$25,900.00	\$26,355.84		
Phase 5 - Safety and Security Systems	\$12,600.00	\$12,821.76		
Total	\$119,700.00	\$121,806.72	\$75,000.00	(\$46,806.72)

The difference (over) the approved budget for the award is in the amount of \$46,806.72, to be funded from the Water Reserves.

Report Approval Details

Document Title:	Award RFP for the AMP for the Stoney Point Water Treatment Plant .docx
Attachments:	
Final Approval Date:	Sep 7, 2023

This report and all of its attachments were approved and signed as outlined below:

Prepared by Krystal Kalbol

Approved by Justin Rousseau and Truper McBride