

Municipality of Lakeshore – Report to Council

Corporate Services

Financial Planning and Analysis



To: Mayor & Members of Council

From: Justin Rousseau, Deputy Chief Administrative Officer - Chief Financial Officer

Date: April 10, 2024

Subject: 2024 and 2025 Asset Management Plan Consulting Services

Recommendation

Approve waiving the requirement for a competitive process pursuant to Schedule “C” (Purchasing Policy) sections 3.9 (a) iii and 3.11 to the Municipality of Lakeshore Procurement By-Law 58-2010;

Award the 2024 and 2025 Asset Management Plan consulting services to PSD Citywide Ltd. in the amount of \$98,606; and

Approve the additional funding of \$48,480, exceeding the approved capital budget of the 2021 Asset Management Update to be funded through the Plans and Studies Reserve, all as presented at the April 30, 2024 Council meeting.

Strategic Objectives

1a) Building and Stewarding Municipal Infrastructure - Update Asset Management Plan

Background

In 2015, O. REG. 588/17 Asset Management Planning for Municipal Infrastructure was created under the Infrastructure for Jobs and Prosperity Act by the Province of Ontario. Under this regulation, lower-tier municipalities were required to institute and maintain asset management plans and policies. This regulation has required specific reporting dates for core and non-core assets.

The below diagram, Figure 1, details the timeline of O.REG.588/17 requirements. The Municipality’s original Asset Management Plan (AMP) was developed in 2017. The legislation requirements have continued to evolve since then with the development of an Asset Management Policy being required in 2019. Updates were completed to the AMP for the 2022 submission to include details regarding core assets. Additional updates to the AMP are required for the 2024 submission to include details regarding non-core

assets and extensive updates for the 2025 submission to include financial planning details.



Since the Municipality of Lakeshore's first AMP in 2017, the Municipality has used a third-party consultant, PSD Citywide, to host and maintain our asset management database. In 2022, the Municipality of Lakeshore completed its 2022 Asset Management Plan (AMP), which was also prepared by PSD Citywide for the Municipality's core assets. The AMP can be found on the Municipality's website under Townhall – Publications, Plans and Reports – Asset Management Plan.

As displayed in Figure 1 above, the next deadline to be compliant with O. REG. 588/17 will require an update to the AMP for non-core assets by July 1, 2024. The Municipality has already been performing a cleanup of our non-core assets in our PSD Citywide database but requires further assistance to complete the final reporting documents by the deadline.

In 2025, there will be extensive updates to the AMP required by the legislation as of July 1, 2025, which includes, but is not limited to the final proposed levels of service for each asset, including lifecycle management and financial strategy for a 10-year period.

The Municipality's Asset Management Team had reached out to PSD Citywide for assistance in meeting our 2024 & 2025 Requirements. PSD Citywide indicated to the Municipality that to be compliant for the 2025 submission, updates would take approximately 12 months to complete.

As PSD has completed both the 2017 and 2022 Asset Management Plans, is providing similar services, and possesses experience and knowledge of our databases and processes, ensuring continuity and efficiency, direct negotiation can be completed per Section 3.11 of Procurement By-law 36-2020, as well as section 3.9 (a)iii allows for non-

competitive purchases where only one source of supply would be acceptable and cost-effective.

Others Consulted

Public Service Digest

Financial Impacts

In 2021 a budget of \$62,500 was approved for the 2022 Asset Management Update funded through the Plans and Studies Reserve. The Municipality was a successful applicant for the Federation of Canadian Municipalities Municipal Asset Management Program Grant which covered 80% of costs up to \$49,600. The grant is not available for this current update.

Item	Project Cost	Budget	Grant Funding	Surplus/(Shortfall)
2022 Asset Management Plan Update	\$61,870	\$62,500	\$49,496	\$50,126
2024 & 2025 Asset Management Plan Update Anticipated Cost including non-refundable HST	\$98,606	-	-	\$(98,606)
Total (Shortfall)				(\$48,480)

Administration recommends funding the identified shortfall in the amount of \$48,480 from the Plans and Studies reserve.

Attachments

Project Proposal - O. Reg 588 Compliant 2024 and 2025 Asset Management Plan

Report Approval Details

Document Title:	2024 and 2025 Asset Management Plan Consulting Services.docx
Attachments:	- Project Proposal - O. Reg 588 Compliant 2024 and 2025 Asset Management Plan.pdf
Final Approval Date:	Apr 23, 2024

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

Prepared by Justin Rousseau

Approved by the Corporate Leadership Team