



Report to Council

Department: Infrastructure Services

Division: 24

Date: April 2, 2024

Prepared by: Erica Tilley, P. Eng.,
Assistant Manager, Capital Works & Asset Management

Report Number: Capital Works and Asset Management-2024-04

Subject: 2024 and 2025 Asset Management Plan Consulting
Services

Number of Pages: 4

Recommendation(s)

That Capital Works and Asset Management-2024-04 entitled 2024 and 2025 Asset Management Plan Consulting Services by Erica Tilley, Assistant Manager, Capital Work & Asset Management dated April 2, 2024 be received, and

That Council award the 2024 and 2025 Asset Management Plan consulting services to PSD Citywide Ltd. in the amount of \$90,871.68, including non-refundable Harmonized Sales Tax.

That Council approve the additional funding of \$30,871.68 above the approved 2024 Capital Budget of \$60,000 **from the Town's** Ontario Community Infrastructure Reserve.

Purpose

In accordance with the Town Procurement By-Law Number 2129, Council approval is required to waive the requirement for a competitive process under Section 22.02. Council approval is required for requests outside of the Approved Budget.

Background and Discussion

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 regulations, 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 Town'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 2025 submission to include financial planning details.

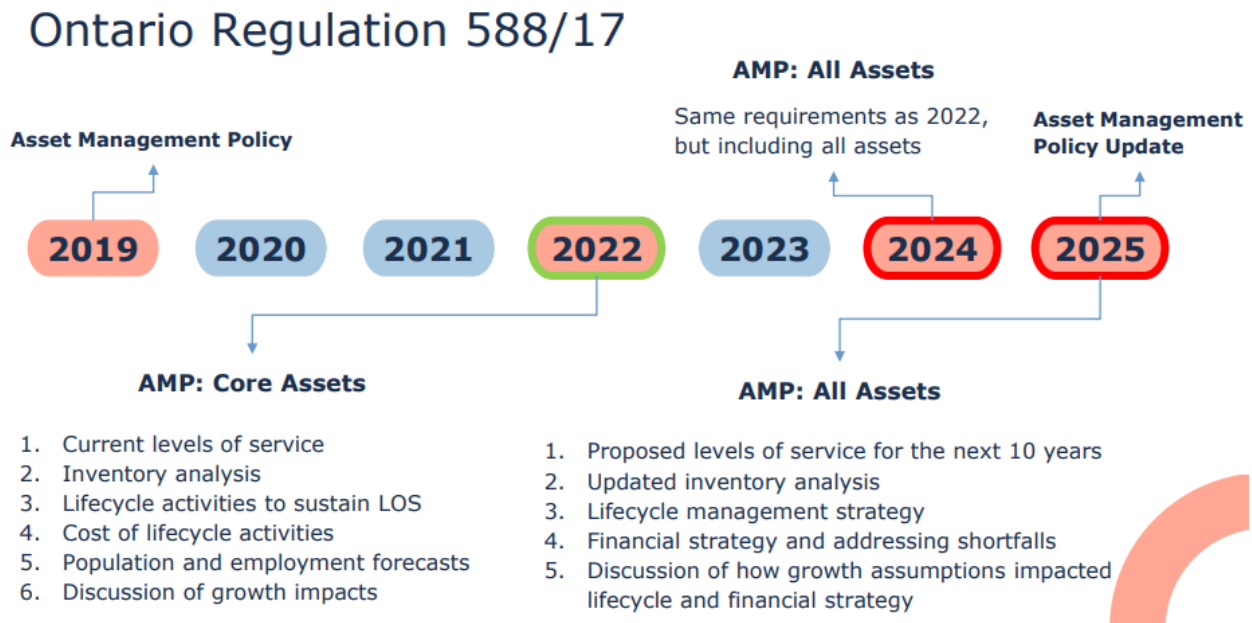


Figure 1: Ontario Regulation 588/17 (Special Council Meeting Presentation - October 3, 2022 (Asset Management Plan))

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

As displayed in Figure 1 above, the next deadline to be complaint to O. REG. 588/17 will require an update to the AMP for non-core assets by July 1, 2024. The Town 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. The 2024 approved budget includes \$60,000 for this work.

In 2025, there will be extensive updates to AMP required by 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 Town's Asset Management Team had reached out to PSD Citywide for assistance in meeting our 2024 & 2025 Requirements. PSD Citywide indicated to the Town that to be complaint for the 2025 submission, updates would take approximately 12 months to complete. Additionally, there is a cost savings of approximately \$7,800 when enlisting PSD Citywide to complete both annual requirements simultaneously commencing this year.

Administration is therefore recommending that the consulting services for these reports be single sourced to PSD Citywide to prepare and finalize our 2024 and 2025 Asset Management Requirements. As mentioned above, PSD Citywide prepared the previous report, and this would ensure continuity, efficiency and provide a cost savings by combining their efforts this year.

Financial Impact

As per the 2024 approved budget, \$60,000.00 has been allocated for the 2024 non-core asset works. A quote was solicited by the Asset Management Team from PSD Citywide in the amount of \$90,871.68 including non-refundable Harmonized Sales Tax. The quote includes the required work for both the 2024 and 2025 Regulation Requirements, AMP reports, asset management clean-up and making the reports AODA accessible. The 2024 Approved Budget has already allocated \$60,000 for asset management services (funded from Ontario Community Infrastructure Fund (OCIF)) and Administration recommends that the remaining \$30,871.68 above the approved 2024 Capital Budget be funded from the OCIF Reserve. A **portion of this work won't be completed until 2025**, but given the savings on combining the 2024 and 2025 requirements, administration believes the most fiscally responsible decision is to approve the projects under one scope.

Consultations

Kevin Girard, Director, Infrastructure Services

David McBeth, Manager, Capital Works and Asset Management

Kate Giurissevich, CPA, CA, Director, Corporate Services/Treasurer

Link to Strategic Priorities

- ☒ Manage, invest and plan for sustainable municipal infrastructure which meets current and future needs of the municipality and its citizens.
- ☐ Create a safe, friendly and inclusive community which encourages healthy, active living for people of all ages and abilities.
- ☒ Provide a fiscal stewardship and value for tax dollars to ensure long-term financial health to the municipality.
- ☐ Manage responsible and viable growth while preserving and enhancing the unique rural and small town character of the community.
- ☐ Improve the experiences of individuals, as both citizens and customers, in their interactions with the Town of Essex.
- ☐ **Improve the Town's capacity to meet** the ongoing and future service needs of its citizens while ensuring the corporation is resilient in the face of unanticipated changes or disruptions.

Report Approval Details

Document Title:	AMP Consulting Services - Capital Works and Asset Management-2024-04.docx
Attachments:	
Final Approval Date:	Mar 27, 2024

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

A handwritten signature in black ink, appearing to read 'K. Girard', with a large loop at the end.

Kevin Girard, Director, Infrastructure Services - Mar 27, 2024 - 9:24 AM

A handwritten signature in black ink, appearing to read 'Kate Giurissevich', written in a cursive style.

Kate Giurissevich, Director, Corporate Services - Mar 27, 2024 - 3:08 PM

A handwritten signature in black ink, appearing to read 'Doug Sweet', with a long horizontal stroke at the end.

Doug Sweet, Chief Administrative Officer - Mar 27, 2024 - 3:31 PM