



Subject: Award for Services - Asset Management Plan Service Levels Phase 3
Report to: Thorold City Council

Recommendations

1. That Council **AWARD** services to Public Sector Digest (PSD) to create the Asset Management Plan (AMP) Service Levels Phase 3, in the amount of \$66,900.00 before HST;
2. That Council **APPROVE** the use of the remaining budget balance on related project tasks;
3. That Council **AUTHORIZE** the Mayor and City Clerk to execute the necessary agreement with Public Sector Digest.

Key Facts

- Ontario Municipalities are legislated to complete an AMP including Proposed Levels of Services by July 1, 2025.
- PSD completed the City's Core and Non-Core AMPs using AMP data and methodologies housed within PSD Software.
- Staff opinion is that Purchase by Negotiation as permitted by Policy 300-01 Procurement / Purchasing Policy, Appendix C (2) and Appendix C (10) applies to this situation.
- AMP Service Levels Phase 3 budget of \$75,000 is included in the approved 2024 Capital Budget

Budgetary Status

The approved 2024 Capital Budget includes \$75,000 to develop a Phase 3 Service Level AMP, funded 100% by the Strategic Plan Reserve. To date, no expenditures have been incurred against this budget. PSD quoted \$66,900 plus HST in professional services to develop a compliant AMP. After considering non-refundable HST, the total

cost of this contracted service would be \$68,077.44, leaving a favourable budget variance of \$6,922.56. Staff will use remaining resources on non-scoped project tasks, such as Stakeholder engagement surveys and workshops.

Analysis

Purchase by Negotiation is applicable to this situation as compatibility with an existing product or process is the overriding consideration.

The City has established a positive business relationship with PSD. Since 2013, the City has utilized PSD's proprietary software, Citywide, to model and account for its corporate capital assets and develop a series of current service AMPs to comply with Provincial legislation. The City's Capital Asset inventory database is maintained on this PSD software.

PSD services were utilized to complete both 2021 Core AMP and 2023 Non-Core AMP.

Under O. Reg 588/17, by July 1, 2025, the City must complete an AMP which builds on prior AMPs, taking into consideration lifecycle management and the financial impact of Proposed Levels of Services for all City assets. The City's AMP related data and methodologies reside in Citywide. A vendor change would likely increase the risk of not completing the project on time and on budget. The project would demand greater resources as tasks such as data migration and staff training and support would be required to adopt the new product and process.

Furthermore, non compliance with legislated deadlines may risk the City's ability to receive future funding opportunities. Funding agreements such as the Canada Community Benefit- Building Fund require the recipient to develop and implement an Asset Management plan, culture, and methodology in accordance with legislation and regulation established by the Government of Ontario (e.g., O. Reg. 588/17).

Impact on the Environment, Climate Change

There are no known environmental or climate change related impacts to this Report.

Alternatives Reviewed

Please refer to the Analysis Section above.

Relationship to Strategic Plan

The recommendations support the strategic goals of Service Excellence and Sustainability. Maintaining continuity with the City's AMP product and processes will assist Staff to work toward a robust Asset Management and funding strategy and enhance information available to the public by the legislated deadline.

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Appendices

N/A