
Subject: Request for Additional Funds for 2024 Storm Sewer Asset Management Program

Report to: Public Works Committee

Report date: Tuesday, January 7, 2025

Recommendations

1. That the gross capital budget for the 2024 Storm Sewer Asset Management Program **BE INCREASED** by \$984,226 and that the increase **BE FUNDED** from the Capital Variance Project – Levy for a total revised project budget of \$1,734,226 to allow for the award of 2024-RFP-97 Stormwater CCTV Inspection and Services.

Key Facts

- This report seeks Council's approval to increase the gross capital budget for project 20001924 (2024 Storm Sewer Asset Management Program) by \$984,226 to allow for the award of 2024-RFP-97 Stormwater CCTV Inspection and Services following a competitive procurement process.
- The procurement of the Region's stormwater CCTV inspection, cleaning and condition assessment was undertaken via a competitive procurement process under 2024-RFP-97 Stormwater CCTV Inspection and Services.
- This project aims to collect data on the location and condition of storm sewer assets. This information is crucial for developing a Storm Sewer Asset Management Plan in accordance with the requirements outlined in O.Reg. 588/17.
- The current approved capital budget for this initiative under project 20001924 is \$750,000. Upon approval of the proposed capital budget adjustment of \$984,226, funded from the Capital Variance Project (CVP) – Levy, the total project budget will be \$1,734,226.
- Per the Budget Control By-Law Section 6.5(c)(iii), Council approval is required for Capital Variance requests greater than \$250,000.

Financial Considerations

A capital budget adjustment of \$984,226 funded from CVP - Levy is being requested to award the Storm Sewer CCTV RFP.

- Council initially approved \$500,000 in 2024 under project 20001924 to identify the Region's storm infrastructure and provide condition ratings required to develop a storm sewer asset management plan.
- In March 2024, a capital budget adjustment was approved for an additional \$250,000 to increase the scope of the project and develop a stormwater network model in the Region's enterprise GIS software.
- There are insufficient funds in the capital project budget to award the Storm Sewer CCTV Inspection and Services RFP contract to the highest ranked submission from Civica Infrastructure Inc., at their bid price of \$1,389,335 (including non-recoverable HST). Results of competitive bidding process exceeded the project budget expectations based upon review of available municipal awards and a general increase in post-COVID cost of services.
- It should be noted that from January 1, 2024, to December 10, 2024, Transportation Services division has returned \$1,916,693 to CVP – Levy and requested \$896,452 from CVP - Levy resulting in a net return of \$1,020,241 to the CVP - Levy. On December 11, 2024, the CVP - Levy has an uncommitted balance of \$1,652,020.
- The total spent and committed on this project as of November 30, 2024, is \$294,891. A full budget breakdown can be found in Appendix 1 to Report PW 1-2025 Total Estimated Project Cost.

Analysis

The Region requires storm sewer asset data that accurately identifies asset ownership, location, and condition.

Storm sewer asset data has been collected from a mix of historical records predating the establishment of the Region, paper-based engineering drawings, and external records that have not been validated. As a result, there is reduced confidence in the accuracy of asset data and condition of the storm sewer infrastructure. A map of the storm sewer network is attached as Appendix 2.

The award of the Storm Sewer CCTV Inspection and Services RFP is necessary to obtain the data needed to develop a robust Stormwater Asset Management program.

Complete and accurate data means the Region can:

- Develop a reliable and cohesive Stormwater Asset Management program based on valid asset data, with a confident 10-year capital and operating forecasts as per O.Reg. 588/17.
- Comply with the inspection and maintenance requirements of the Consolidated Linear Infrastructure - Environmental Compliance Approval issued under Section 53 of the Ontario Water Resources Act.
- Develop a predictive and preventative storm sewer maintenance program according to Asset Management and Reliability-Centered Maintenance (RCM) best practices.

Alternatives Reviewed

Approve Increase of Funds to allow for the Award of the Competitive RFP
(Recommended)

This will provide the Region with the necessary data to develop asset management plans that fully meet our obligations under O.Reg. 588/17 Asset Management Planning for Municipal Infrastructure and the requirements of the Ontario Environmental Protection Act R.S.O. 1990, c. E. 19 (EPA).

Do not approve the increase in funds resulting in the cancellation of the RFP
(Not Recommended)

Transportation Services lacks the comprehensive data needed to develop an effective storm sewer asset management plan. As a result, operational costs will continue to rise due to the absence of a preventive maintenance plan, leading to increased reactive maintenance for repairing aging infrastructure.

Approve a reduced scope to stay within the approved budget
(Not Recommended)

Due to the necessity of storm sewer condition assessment to comply with O.Reg. 588/17 Asset Management Planning for Municipal Infrastructure, this option would not allow for the timely collection of the required data, leaving the Region in a non-compliant position.

Relationship to Council Strategic Priorities

Funding to advance the award of RFP-2024-97 will provide the required data to develop a robust Stormwater Asset Management program in support of the following Council priorities.

[Council Priority: Green and Resilient Region](#)

(<https://www.niagararegion.ca/priorities/default.aspx>) requires Transportation Services to build resiliency into our storm sewer infrastructure to support growth and prepare for the impacts of climate change.

[Council Priority: Effective Region](#)

(<https://www.niagararegion.ca/priorities/default.aspx>) requires Transportation Service to (1) deliver fiscally responsible and sustainable core services and (2) explore and implement improvement opportunities through Shared Service agreements.

Other Pertinent Reports

Not applicable.

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Appendices

- Appendix 1 Total Estimated Project Cost
- Appendix 2 Niagara Region Stormwater Extent