



Choose an item.

To: Warden MacDonald and Members of Essex County Council

From: Allan Botham, P.Eng.
Director, Infrastructure & Planning Services

Date: Wednesday, October 2, 2024

Subject: Bridge and Culvert Asset Management Software Purchase Agreement

Report #: 2024-1002-IPS-R23-AB

Purpose

The purpose of this report is to seek Council approval to purchase OSIM Inspection Software (InspectX) and to request approval of funding to cover the full cost of the proposed contract.

Background

The Public Transportation and Highway Improvement Act sets the regulatory framework for managing transportation infrastructure in Ontario, including bridges and culverts. Ontario Regulations 104/97 and 472/10 require that all bridges undergo an inspection at least once every two years to assess their structural integrity and safety, following the guidelines of the Ontario Structural Inspection Manual (OSIM).

Historically, the County of Essex used Municipal Data Works (MDW) to manage bridge and culvert inspections. However, MDW was discontinued in 2021, leaving the County without a platform for documenting and, more importantly, analyzing OSIM inspection data. In response, Administration conducted market research and explored several available options.

Discussion

Administration scanned the market to find a software solution that would satisfy legislated requirements and the needs of the department such as:

- Collecting, storing and managing OSIM inspection data with built-in capabilities specific to OSIM requirements;

- Sufficient fields that are OSIM specific;
- Customized fields that suit the County of Essex such as additional structural elements, pavement, signage and roadside safety;
- A field sketching capability;
- Scheduling and tracking capabilities for OSIM inspections; and,
- The ability to support long term asset management and strategic planning.

After careful evaluation Administration recommends InspectX as the preferred software solution. Asset management elements that are key in strategic planning of our bridge and culvert network are included in the InspectX software without the need for additional software programs making it the ideal software program for the County.

As per the County's Procurement Bylaw 19-003, Section 9.0, the County can make direct purchases without a competitive process in specific cases. One such case is when only one supplier can provide the required goods or services, and no reasonable alternatives are available. In this instance, we are recommending direct sourcing to InspectX, as it is the only supplier that meets the County needs for OSIM inspection software.

Financial Implications

The IPS department received approval in the 2024 budget to fund OSIM inspection software, with \$320,000 earmarked for the project. These funds, sourced from the rate stabilization reserves, were intended to cover the one-time implementation costs and the first year of licensing fees.

Following negotiations with the software provider, a 5-year contract, with the option to extend for an additional 5 years, was proposed. The contract includes a variable CPI based annual inflationary increase to the licensing fees. While the initial cost for implementation and the first year of operation remains within the approved \$320,000, it's important to inform Council of the long-term financial commitment associated with this contract.

The total cost of the proposed 10-year contract is \$383,584 USD, which includes the following:

- **Levy Funded-Annual software license fees:** Approximately \$280,084 USD over 10 years (\$25,000 in year one followed by an annual index of the license fee)
- **Levy Funded-Annual Geo-replicated backups:** \$67,500 USD over 10 years (\$6,750 annually)
- **Reserve Funded-One-time implementation fees:** \$29,500 USD
- **Reserve Funded-One-time service hours for implementation:** \$6,500 USD

In Canadian dollars, this brings the total contract value to approximately \$521,675 CAD for the ten year period.

Given that the contract exceeds \$500,000 CAD, it will require approval and signatures from both the Clerk and Warden, as per the County's procurement policy.

Going forward, the County's annual operating budget will include the software licensing fees (including the CPI inflation increase annually) and the annual cost of geo-replicated backups. These ongoing annual costs will be levy funded.

Consultations

- County Procurement Team
- County Finance Team
- Darrel Laurendeau, Director, Information Technology Services

Strategic Plan Alignment

Working as Team Essex County	Growing as Leaders in Public Service Excellence	Building a Regional Powerhouse
<ul style="list-style-type: none"> <input type="checkbox"/> Scaling Sustainable Services through Innovation <input type="checkbox"/> Focusing "Team Essex County" for Results <input type="checkbox"/> Advocating for Essex County's Fair Share 	<ul style="list-style-type: none"> <input type="checkbox"/> Being an Employer with Impact <input type="checkbox"/> A Government Working for the People <input checked="" type="checkbox"/> Promoting Transparency and Awareness 	<ul style="list-style-type: none"> <input checked="" type="checkbox"/> Providing Reliable Infrastructure for Partners <input type="checkbox"/> Supporting Dynamic and Thriving Communities Across the County <input type="checkbox"/> Harmonizing Action for Growth <input type="checkbox"/> Advancing Truth and Reconciliation

Recommendation

That Essex County Council approve report number 2024-1002-IPS-R23-AB, Bridge and Culvert Asset Management Software Purchase Agreement; and,
 That the Warden and Clerk be authorized to execute an agreement for the purchase of OSIM Inspection Software (InspectX) and the allocation of funds to cover the full cost of the proposed 5 year + 5 year contract, totaling approximately \$521,675 CAD.

Approvals

Respectfully Submitted,
Allan Botham
 Allan Botham, P.Eng., Director, Infrastructure and Planning Services

Concurred With,
Sandra Zwiers
 Sandra Zwiers, MAcc, CPA, CA, Chief Administrative Officer

Appendix	Title
N/A	N/A