

THE MUNICIPALITY OF LAMBTON SHORES

Report DCS 25-2024

Council Meeting Date: December 3, 2024

TO: Mayor Cook and Members of Council
FROM: Steve McAuley, CAO and Ashley Farr, Director of Community Services
RE: Marina Prop Washing Contract

RECOMMENDATION:

THAT Report DCS 25-2024 regarding the Marina Prop Washing Contract be received.

SUMMARY

This report provides an update on the prop washing operations for Grand Bend and Port Franks marinas and identifies various scenarios for future operations.

BACKGROUND

Since 1998, Mitoi Works have been maintaining the mouth of the Grand Bend Marina. In 2010, the Mitoi Works agreement was extended to include the maintenance of the Ausable River mouth in Port Franks. Prior to 2010, the river mouth in Port Franks was maintained by Municipal staff. There is no legislative requirement or obligation of the Municipality to provide prop washing services, however the operation has historically been provided by the Municipality.

In 2015, a five (5) year contract for prop washing was awarded to Mitoi Works through a competitive tendering process. At that time, two (2) tenders were received with Mitoi Works submitting a price for the contract valued at \$525,000, which was considerably lower than the second bidder, Scruton Marine, with a contract value of \$1,040,000. In 2020, a new agreement was negotiated with Mitoi Works, which was awarded at a contract price of \$595,000 over the five-year period.

The duties performed by the current contractor have included:

- Prop washing to maintain a minimum 2m (6') depth in the harbour mouth
- The preparation of weekly depth sounding charts
- Placement, maintenance and monitoring of both navigational buoys and swim markers

The work is carried out through the use of both the contractor's vessel (Mitoi) stationed in Grand Bend, and the municipally owned Northside vessel stationed in Port Franks. In 2023, the Municipality purchased a second prop wash vessel to be used as a backup as needed for either marina.

Although the Municipality has been generally satisfied with Mitoi Works, there have been some recent challenges that have impacted the performance of the Contractor such as mechanical issues with the Mitoi vessel. In 2023, the Mitoi vessel broke down for approximately one month, which significantly impacted the operability of the channel in Grand Bend. This challenge was mitigated through the purchase of the second prop washing vessel by the Municipality in late 2023, which was used a handful of times in 2024.

In addition to mechanical issues, the Grand Bend Yacht Club has cited several ongoing performance concerns of the Contractor over the past two seasons, including concerns with monitoring and maintaining channel depths to a 6' depth, ability to respond in a timely manner, and providing inaccurate sounding maps.

As of October 2024, the contract with Mitoi Works expired. Staff have included several scenarios below for information. In all scenarios, staff believe that the Municipality will need to have a more hands-on role with the prop washing operation compared to past practice, including conducting soundings and developing weekly sounding maps for public distribution.

Advertise for seasonal captain(s) for the work

As a first step, staff intends to post a job advertisement for two seasonal captain positions to conduct prop washing in both Port Franks and Grand Bend. Under this scenario, the prop washing will be conducted using both vessels owned by the Municipality – primarily the Northside in Port Franks and the new vessel purchased in 2023 for Grand Bend.

To operate both the Northside and the new boat, a captain requires a certification for a “Master Limited up to 60 gross tons”. To obtain this certification, both a written test and experience (2 months of sea service or 1 month of sea service from an approved program of on-board training) are required. Additional requirements include:

- Marine Basic First Aid
- Marine Emergency Duties DVS (MED A1, A2 or A3)
- Radio License

This scenario provides the Municipality with more control and oversight over the prop washing operation vs. having the work completed by a Contractor. It is expected that two fully certified captains will be required to fulfill the obligations of the operation, however one fully certified captain with others willing to obtain the certification may be sufficient. Those willing to obtain certification, but who are not fully licensed would be required to work with the fully licensed captain until such time they have obtained the necessary qualifications to obtain the Master Limited certification. Any personnel hired for these roles will be considered contract staff that will be employed from approximately the beginning of April to the end of October.

Issue a Request for Proposal (RFP) for the work

Historically, prop washing has been awarded as a contract through the RFP/tender process. The operation was competitively bid in 2015, with two bids being received. A bid was received from Scruton Marine for a contract value of \$1,040,000.00. Mitoi Works contract bid was valued at \$525,000.00 and subsequently, Mitoi Works was awarded the contract at this time, which was again renewed in 2020. At the time of the last RFP, the Municipality owned only the Northside vessel for the Port Franks prop washing operation, and so the Contractor was required to provide a vessel to service the Grand Bend operation. Now, the Municipality owns two vessels, and therefore there is no requirement for a Contractor to provide a vessel. This could open the RFP to more competitively priced bids for the work as a “labour only” RFP.

Alternatively, Council could require contractors provide their own vessel(s) for the operation as part of the RFP process, which has been the approach with the existing contract.

A RFP is a logical second step if there are no qualified applicants identified through the job posting.

Renew the contract with the existing Contractor

As noted previously, Mitoi works has a long history of prop washing in Lambton Shores. Since a competitive bid process last took place in 2015, staff suggest that it is appropriate to engage in a public process rather than seeking renewal of the existing contract. Further, the Municipality’s position has changed since the last RFP process, and there may be more interest/bidders if the Municipality is providing a prop wash vessel for each marina. This scenario is being provided only if the other two options fail to yield any results.

ALTERNATIVES TO CONSIDER

Staff suggest that as a first step a job advertisement seeking boat captains to operate the municipally owned vessels for prop washing in 2025 is posted. If there is no interest or qualified applicants, the next step would be to issue a Request for Proposal for a contract for the operation.

RECOMMENDED ACTIONS

This report is being provided for information.

FINANCIAL IMPACT

Staff anticipate that all scenarios would be close to the historical contract value of \$125,000 + HST per year for both marinas. Funds will be included in the operating budget to cover the expenses.

CONSULTATION

Steve McAuley, CAO