



Staff Report

Request for Decision

TO: Committee of the Whole – June 26, 2025

AUTHOR: Sandi Bandara, Environmental Planning Coordinator
Matt O'Rourke, Assistant Manager, Utility Engineering

SUBJECT: **Compliance Monitoring for Church Road Wellfield and Granthams Landing Water Treatment Plant / Soames Creek – Contract Amendment**

OVERVIEW

Purpose of Report:

The purpose of this report is to seek Board approval to extend and amend the ISL Engineering and Land Services Ltd. (ISL) contract for compliance monitoring and reporting services at the Church Road Wellfield and Granthams Landing Water Treatment Plant / Soames Creek for an additional one-year period. This report requests Board decision to accept, reject, or provide alternate direction with respect to the recommendations as presented below.

Recommendation(s):

- (1) THAT Contract No. 2337005 with ISL Engineering and Land Services Ltd. for compliance monitoring of the Church Road Wellfield and the Granthams Landing Water Treatment Plant be extended for an additional one-year term and increased by \$80,000 up to a maximum of \$430,000 (excluding GST);**
 - (2) AND THAT the delegated authorities be authorized to execute the necessary contract amendment(s) with ISL Engineering and Land Services Ltd.**
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BACKGROUND

At the July 6, 2023, Sunshine Coast Regional District (SCRD) Board meeting, the Board authorized a one-year contract with ISL Engineering and Land Services Ltd. (ISL) for compliance monitoring and reporting services related to the Church Road Wellfield and Granthams Landing Water Treatment Plant. The contract, valued at up to \$250,000 (excluding GST), included an option for one additional one-year renewal. This renewal was exercised in April 2024, and the contract is now set to expire on July 31, 2025.

ISL has performed the required services to a satisfactory standard, meeting all compliance and reporting obligations.

As part of the 2025 budget process, the Board approved funding for the continued compliance monitoring and reporting of the Church Road Wellfield and Soames Creek.

029/23 **Recommendation No. 129** *Regional Water Service [370] - 2023 R1*
(in part) *Budget Proposal*

THAT the following budget proposals be approved and incorporated into the 2023 Round 2 Budget:

- Budget Proposal 8 – Church Road Wellfield – Compliance Monitoring, \$200,000 funded from User Fees (base operating budget in 2024 of \$200,000);

304/24 **Recommendation No. 4** 2025 Proposed Projects
(in part)

AND THAT the Mandatory Projects as follows be approved and included into the 2025 Round 1 Budget:

- Soames Creek Compliance Monitoring [370], \$100,000 funded from Operating Reserves;

DISCUSSION AND ANALYSIS OF OPTIONS

In early Q2 2025, the Ministry of Water, Lands, and Resource Stewardship (MWLRS) confirmed that monitoring associated with the Church Road Wellfield and Soames Creek must continue through to October 2025, in accordance with the water licence and Adaptive Management Plan (AMP). A reduced monitoring program was recommended for the remainder of the 2025 season. This direction followed the completion of two years of post-commissioning monitoring, after which the SCRD met with MWLRS to discuss next steps.

In addition, MWLRS has reinforced a licence condition requiring decommissioning of the original artesian Granthams Landing Well by June 30, 2026. However, field observations by ISL confirmed that the well contributes important base flows to Soames Creek, which supports critical fish habitat. To amend this condition and retain the well in operation, a formal submission is required under Section 52(6) of the *Water Sustainability Act (WSA)*.

As a result, the current contract must be amended to:

- Extend monitoring of the wellfield and creek through October 2025,
- Prepare the necessary reporting to support continued use of the artesian well, and
- Submit the required 2025 Annual Report, including AMP updates.

This contract amendment is intended as an interim measure. MWLRS has indicated that a five-year monitoring period will ultimately be required. It is anticipated that a formal competitive procurement process will be initiated later in 2025 for the 2026–2030 monitoring period. A future amendment to the Board Financial Plan may be required in 2026 to accommodate the extended monitoring program.

OPTION 1 – Extend the current contract with ISL Engineering and Land Services Ltd. (ISL) through November 30, 2025.

Financial Considerations

Table 1 outlines the contract values associated with this proposed scope change, as well as previous amendments approved to date.

Table 1: Contract Values

	Current	Proposed Amendment
Approved Overall Project Budget	\$500,000	\$500,000
Other Contractual Commitments	\$41,000	\$41,000
ISL Contract (Max Auth Value)	\$350,000	\$430,000
Total Project Cost	\$391,000	\$471,000

This project is funded through operating reserves, approved as part of the 2023 and 2025 budget deliberations. Sufficient funds are available within the 2025 Soames Creek allocation to support this scope change. No additional funding is required at this time.

Staff Recommendation

Staff recommend this option. Should the Board choose to go with Option 1, a recommendation could be considered as provided in the Overview section on page one of this report.

OPTION 2- Do not extend the current contract and initiate a new procurement process.

Should the Board choose not to extend the contract, a new procurement process would need to be initiated immediately. This timeframe would not allow for contractor onboarding and mobilization before July 2025, resulting in non-compliance with water licence conditions. The Church Road Wellfield could not be used beyond July 31, 2025, affecting the water supply to the Chapman Water System during the critical summer period.

Staff Recommendation

Staff do not recommend this option due to the risk of non-compliance with regulatory requirements and potential operational impacts to the regional water supply.

Recommendation(s): (Not recommended).

- 1) THAT staff be directed to issue a Request for Proposals (RFP) for compliance monitoring and reporting services for the Church Road Wellfield, Soames Creek, and the Granthams Landing Water Treatment Plant for the period August 1 to November 30, 2026;**
- 2) AND THAT the Church Road Wellfield be removed from service effective August 1, 2025, until a new monitoring contract is in place and all licence and Adaptive Management Plan requirements are met;**
- 3) AND FURTHER THAT staff report back to the Board with the RFP results, recommended contract award, and any associated budget amendments.**

STRATEGIC PLAN IMPLICATION

This staff report is aligned with the Board's Service Delivery Focus Area of Water Stewardship: Continue to secure reliable and diverse water sources across the Sunshine Coast and support efficient water use while fostering responsible stewardship of this critical resource.

TIMELINE

Should the Board approve Option 1, staff will immediately execute the contract amendment with ISL to extend the current monitoring period through November 30, 2026. This will allow continued compliance monitoring and reporting to proceed without disruption and ensure the Church Road Wellfield remains in operation through the 2025 peak season.

Should the Board approve Option 2, staff will initiate a procurement process for compliance monitoring services. However, due to time constraints, it is unlikely a new contractor could be selected and mobilized in time to resume monitoring in July 2025. As a result, use of the Church Road Wellfield would cease to operate after July 31, 2025.

CONCLUSION

ISL has submitted their cost estimate for the additional work. Staff recommend approving a change order in this amount and subsequently amending the maximum authorized contract value by \$80,000 to an up to amount of \$430,000 (excluding GST).

Reviewed by:			
Manager		Finance	X - A. Taylor
Acting GM	X - J. Waldorf	Purchasing	X - V. Cropp
CAO	X - T. Perreault	Communications	