

Staff Report

Report To: Council
Report From: Geoff Aitken, CET – Manager of Public Works
Meeting Date: September 5, 2023
Subject: IPW-2023-14 – Ayton Centennial Hall - Furnace

Recommendations:

That in consideration of staff report IPW-2023-14 – Ayton Centennial Hall - Furnace, council directs staff to:

1. Replace the furnace at the Ayton Centennial Hall in 2023;
2. Funded the project from the Normanby Recreation Capital Reserve account; and
3. Include a contribution to the Normanby Recreation Capital Reserve in the 2024 budget in the amount of the furnace repair.

Highlights:

- The current geo-thermal furnace is 15 years old and is no longer functional.
- Since 2016 the repair costs have been escalating; and, at the time of a repair made in 2022, it was suggested that the unit was nearing the end of its expected service life.
- Staff have contacted three separate contractors for quotes.

Previous Report/Authority:

None.

Analysis:

In August 2023 it was discovered that the geo-thermal furnace at the Ayton Centennial Hall was not working. Upon investigation, it was determined that the furnace could not be repaired. The furnace was new in 2007 with ongoing repairs since 2016. The associated repairs have become more and more complex with costs escalating to the point where repair is no longer an option.

The options are either replace the furnace now; or attempt to use existing mothballed electrical heat and revisit the expense of replacement as part of the 2024 budget. Staff recommend replacing the furnace in 2023 with a new geo-thermal furnace.

If council would prefer to wait until the 2024 budget meetings to review the proposed expense as part of the 2024 capital budget, every attempt will be made to heat the building with the existing electric heat. This may require the purchase of additional micro furnaces to supplement the existing heat sources. In this scenario the temperature of the building would be set to prevent the building from freezing but would not be comfortable for use (rentals). Ayton Centennial Hall rentals would be temporarily redirected to the Normanby Arena Complex.

As part of the 2023 budget process, there was a Budget Request Form (BRF) to complete a Building Condition Assessment (BCA) of each facility. The request was not approved. The advantage of a BCA is:

1. Aging equipment would be identified, life expectancy determined and an estimated current cost for replacement generated; and
2. The municipality would be prepared for the mandatory update of its Asset Management Plan, including an inventory of its facilities complete with replacement values, by July 2024.

The time required to complete a BCA on each facility, to the level of detail required by Asset Management, is too large for staff to complete. The request for a BCA should be revisited as part of the 2024 budget process as it will assist the municipality in developing a 10-year capital replacement plan (similar to the plans presented for roads and fleet) while ensuring the municipality is in compliance with its Asset Management Plan.

Financial Implications:

The preliminary estimated cost is between \$15,000 to \$20,000 and was not included in the 2023 budget. There is \$52,500 in the general Normanby Recreation Capital Reserve account. The furnace replacement project could be funded from this reserve and consideration could be given in 2024 to repay the reserve.

Communication Plan:

Communication of this report is through the publishing of council meeting agendas on the Municipality of West Grey website.

Consultation:

Facilities Superintendent, Normanby & Neustadt

Supervisor, Urban Operations

Corporate and Community Initiatives Officer

Director of Finance

Director, Infrastructure and Development/CBO

Attachments:

None.

Recommended by:

Geoff Aitken, CET, Manager of Public Works

Karl Schipprack, Director Infrastructure and Development/CBO

Submission approved by:

Laura Johnston, Chief Administrative Officer

For more information on this report, please contact Geoff Aitken, Manager of Public Works at publicworks@westgrey.com or 519-369-2200 ext.227.