



KEY INFORMATION REPORT Recreation and Culture

January 22, 2020

SUBJECT: Updates for Recommended 2020 Projects & Associated Budget Impacts

The replacement of 5 heat pumps, as well as updates to the air make-up unit for the municipal administration building, was tendered in 2019. The project was awarded and is currently underway. The contractor has just determined that 3 duct heaters need to be replaced. The air make-up system duct heater also requires replacement or the unit can be replaced with a gas boiler system. The contractor is expected to provide quotes this week. Our engineer will then review the options and quotations, conduct a comparative analysis, and provide us with a recommendation. These replacements are estimated to cost up to \$37,000. The contractors have replaced all 5 of the heat pumps (furnaces), but cannot hook-up the units to electric heat until the duct heaters have been replaced. The duct heaters provide supplementary heat to what the ground loops can produce and are much needed on winter days. Additionally, if a heat pump goes out of service and the duct heater is not operable, there will be no heat provided to that area. Without the duct heaters, the administration building is cool and staff will need to continue to utilize baseboard heaters and space heaters for supplementary heat. The approval of the duct heater replacements is essential at this time as the lead time for ordering the units is 2-3 weeks. The lead time for replacement of the components for the air make-up system is 3-6 weeks. As such, it is recommended that Council authorize the Recreation & Culture Dept. to spend up to \$37,000 in addition to the originally awarded project budget of \$170,131, for the replacement of the HVAC system.

As the 2020 municipal budget process ensues, the Recreation & Culture Department is discovering some new, unplanned projects, as well as required revisions to projects that are already in the draft budget. As such, the Director and the Facilities Manager, are working together to obtain required quotes and information. Recommendations for budget modifications with minimal overall impact on the proposed departmental budget, will then be provided to Council. The anticipated changes include the following:

- Replacement of approximately 50 lights in the Hydro One side of the municipal administration building. The florescent ballasts and casings were all replaced at the same time approximately 5 ago, but numerous ballasts have recently begun to burn out or diminish. Since they are all the same vintage, the remaining ballasts are anticipated to need replacement in the near future. Replacement ballasts cannot be sourced. Additionally, approximately $\frac{3}{4}$ of the lens covers are cracked or broken and need to be replaced. The cost to replace the lens covers, ballast and casing with a new, more energy efficient option, is slightly higher than replacing the existing florescent ballasts with LED ballasts, replacing the lens covers, and continuing to use the casing. Additionally, the warranty on the new

option, is better than the warranty on the ballasts. The upgrade is also anticipated to result in operational savings and be easier to maintain.

- The drainage for the South Mountain Resource Centre was included in the First Draft Budget, however, after recent conversation with another reputable contractor, we are exploring a better option and will be obtaining pricing for the recommended project scope.