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# HALDIMAND COUNTY

## Report GVL-02-2025 Capital Budget Revision of Ice Dispenser and Water Softener



For Consideration by Council in Committee on April 29, 2025

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### Objective:

To seek approval for the purchase and source of funding related to replacing the water softener (2026) and ice dispenser (2027) earlier than the anticipated in Tax Supported Capital Budget Forecast.

### Recommendations:

1. THAT Report GVL-02-2025 Capital Budget Revision of Ice Dispenser and Water Softener be received;
2. AND THAT the 2025 Tax-Supported Capital Budget be amended as outlined in Report GVL-02-2025.

**Prepared by:** Amy Moore, Administrator

**Respectfully submitted:** Megan Jamieson, CHRL, General Manager, Corporate & Social Services

**Approved:** Mark Merritt, CPA, CA, Acting Chief Administrative Officer

### Executive Summary:

Grandview's Water Softener is scheduled for replacement in 2026, however, the current softener is approximately 20 years old and has been not operating at its full potential due to consistent mechanical issues.

Likewise, one of the two home area ice machines/dispensers is due for replacement in 2027, however, is beyond its life cycle and has experienced a critical mechanical breakdown creating risk for contamination.

Replacement of these two items immediately does not meet the rationale of an "emergency purchase" under the procurement policy; however, on analysis of cost/benefit it is recommended that the 2025 capital budget be amended to authorize the purchase and funding of these replacements in 2025, at a total estimated cost of \$42,100.

### Background:

The current water softener was installed in 2004 and services all of Grandview Lodge. It received servicing in 2010 when the tank was re-lined. During a mechanical condition assessment conducted in 2020, it was recommended that the water softener be replaced in 2025, although it was budgeted for replacement in 2026.

It was recently identified that the building is not receiving softened water having a negative impact on the performance of various equipment that relies on softened hot water. Hard water, containing calcium

and other minerals, leads to scale buildup and the accumulation of impurities. Overtime, this reduces the efficiency of water flow and causes wear and tear on equipment, potentially resulting in costly repairs and reduced lifespan. To protect the longevity and performance of vital building assets, it is strongly recommended that the water softener be replaced in 2025 as originally planned, rather than waiting until 2026 as currently budgeted.

As a second, but related issue, the ice machine/dispenser in the Marshview/Creekview (MV/CV) home area has unfortunately malfunctioned before reaching its expected lifespan (2027). In order to ensure residents have reliable access to ice and to meet public health requirements, it is also recommended that the ice machine be replaced in 2025.

## **Analysis:**

Both capital assets are part of the Haldimand County's capital budget replacement program and are scheduled for replacement in future years.

- The water softener is scheduled for replacement in 2026 (project 412137), with a budgeted amount of \$27,700. This amount includes annual inflation of 2.5%, reducing the cost in 2025 to \$27,100. The current softener is approximately 20 years old and is currently non-functional due to an irreparable mechanical issue. Advancing this purchase is vital to ensure that equipment on-site that uses hot water will have softened water to supply residents with improved water quality, along with reduced wear and tear on equipment and breakdowns. The water softener will minimize mineral and limescale deposits on equipment and improve energy efficiency. If it is not replaced, it will continue operate ineffectively, risking damage or deterioration to other equipment and potentially resulting in unanticipated repair costs. Staff are recommending having this unit replaced in 2025, rather than waiting for approval in 2026. If approved, this project will take place immediately.
- The MV/CV galley kitchen ice dispenser is due for replacement in 2027 (project 411835) with a budgeted cost of \$9,550. Current quotes received indicate the budget needs to be increased to \$15,000. The current ice dispenser has experienced a critical breakdown of the main auger, causing parts to come in contact with the ice when dispensed creating risk for contamination. The affected residents of Grandview Lodge have been without an ice dispenser for several months and have brought this issue up at Residents' Council meetings, requesting replacement sooner than later.
- Following the initial breakdown, staff sought a quote for repair, estimated at approximately \$3,000 - \$4,000. As this would be a short-term solution and a significant portion of the overall cost, staff are seeking approval to have this unit replaced in 2025 rather than waiting for 2027 funds. If approved, this purchase will take place immediately.

Neither of these projects meet the definition of an Emergency Purchase under the Haldimand County procurement policy and therefore require Council approval to amend the 2025 capital budget and funding source. Taking these proactive steps will help maintain the building's infrastructure, improve operational efficiency, and avoid unnecessary future costs.

## **Financial/Legal Implications:**

The following revisions to the 2025 Tax-Supported Capital Budget are required (including non-refundable HST) to advance the two projects as outlined:

	<b>Current Approved Budget</b>	<b>Proposed Revised Budget</b>
<b>Project:</b> 411835 Galley Kitchen Ice Dispenser – Equipment Replacement	\$0	\$15,000
<b>Project:</b> 412137 Replace Treated Water Softener - Equipment Replacement	\$0	\$27,100
<b>Total Project Expenditures:</b>	<b>\$0</b>	<b>\$42,100</b>
<b>Financing:</b> 411835 Galley Kitchen Ice Dispenser – CRR - General	\$0	\$15,000
<b>Financing:</b> 412137 Replace Treated Water Softener – CRR - General	\$0	\$27,100
<b>Total Financing:</b>	<b>\$0</b>	<b>\$42,100</b>

Should the amendment be approved, forecasted budget amounts in years 2026-28 can be removed, and replacement schedules should be updated accordingly.

**Stakeholder Impacts:**

Not applicable.

**Report Impacts:**

Agreement: No

By-law: No

Budget Amendment: Yes

Policy: No

**References:**

None.

**Attachments:**

None.