



## Staff Report

**Report Title: Natural Gas Conversions**

**Prepared By: Mike Fair, Director of Community Services**

**Department: Community Services**

**Date: Jul. 3, 2023**

**Report Number: CS-2023-07-38**

**File Number: C11 CS 23**

### **Attachments:**

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### **Recommendation:**

That the Township of Huron-Kinloss Committee of the Whole hereby receives for information Report Number CS-2023-07-38 prepared by Mike Fair, Director of Community Services;

AND FURTHER authorizes a transfer of up to \$20,000 from the municipal capital projects reserve to the 2023 capital budget for natural gas conversions as outlined in Report CS-2023-07-38.

### **Background:**

Natural Gas lines have arrived in Point Clark and Ripley in the last year. During budget discussions Staff reported that conversions would be delayed until 2024, anticipating that the gas lines and metres may not be installed, and Staff did not include any funds in the 2023 budget for conversions. Upon further review with EPCOR, some conversions are available now.

Staff is requesting funds from the municipal capital projects reserve earmarked for natural gas conversions. The contribution to the reserve was established with funds received from the municipal franchise payment.

### **Discussion:**

Upon review of current age of equipment and need for replacement Staff are recommending the following replacements and conversions.

At the Point Clark Community Centre Staff recommend converting the upstairs furnace (8 years old) and replacing the downstairs furnace (23 years old) for a total cost of \$8,770.00.

Staff recommend converting the Medical Centre furnace (10 years old) from Propane to natural gas \$1,890.00 and then replacing the Ripley Library furnace with a natural gas furnace for \$5,100.00.

The total conversion costs for the three buildings is estimated at \$15,760.00.

Staff is requesting Council approve a transfer up to \$20 000 from the Municipal Capital Projects Reserve to 2023 capital for the expenditure.

**Financial Impacts:**

The amount reserved for gas conversions is \$165,452.00 in the Municipal Capital Projects Reserve.

**Strategic Alignment / Link:**

We are a prosperous community that continues to grow in a sustainable manner by investing in infrastructure

**Respectfully Submitted By:**

Mike Fair, Director of Community Services

**Report Approved By:**

Mary Rose Walden, Chief Administrative Officer