

# **MEMO**

# From the office of the... Food & Beverage Manager

TO: Executive Board Members

FROM: Mike Asquith – Food & Beverage Manager

SUBJECT: Capital Expenditure- 1280 Fridge

DATE: September 16<sup>th</sup>

Dear Members of the EB,

The following changes are proposed as a change to capital expenditure. Currently repairing these items will cost 40% compared to what a new capital expenditure will be. This fridge has had issues which have caused product loss three times in the past year even after repairs. This appliance is over 10+ years old & will likely need replacing soon even with repairs. Therefore, we feel it is best to forego repair costs & replace the current fridge.

### **Background**

The line fridges on the line at TwelvEighty are separate compartments but all part of the same unit. The unit makes up four different compartments, that cannot be replaced without replacing the entire unit. The salad component has needed a costly repair three times in the last year and a half. Each time the immediate issue was addressed but the underlying issue was not repaired due to the higher cost.

### Request

I propose that we repair the underlying problem, with the cost being put through capital expenditure. The total for this capital expenditure request is for \$3,300

#### Rationale

It is a higher cost initially but will eliminate the need for costly repairs that have already exceeded the cost of repairing the underlying issue. I have attached the quotes for repairs.

If you have any questions or concerns, please contact me via email before the meeting.

Thanks,

Mike Asquith Food and Beverage Manager fbmanager@msu.mcmaster.ca

Declan Sweeney
Vice-President (Finance)
vpfinance@msu.mcmaster.ca