



INFORMATION REPORT

TO:	Chair and Members Audit, Finance and Administration Committee
COMMITTEE DATE:	May 7, 2018
SUBJECT/REPORT NO:	Capital Lifecycle Renewal - Dundas Library Roof and HVAC (PW18039) (Ward 13) (Outstanding Business List Item)
WARD(S) AFFECTED:	Ward 13
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SUBMITTED BY:	Rom D'Angelo, C.E.T.;CFM Director, Energy, Fleet and Facilities Management Public Works Department
SIGNATURE:	

Council Direction:

Council, at its meeting of Sept 27, 2017 provided direction in relation to Dundas Library:

“That By-law 17-064 Procurement Policy be waived in order for the General Manager, of the Public Works Department, to be authorized and directed to negotiate and enter into an extension to Contract C13- 27-16 for the urgent roof replacement, upgrade to roof access and HVAC replacement at the Dundas Library project, located at 18 Ogilvie Street, to be funded from the Capital Work in Progress Dundas Library account #7501341301, and in a form satisfactory to the City Solicitor, and report back to the Audit, Finance & Administration Committee with the outcome of those negotiations.”

Information:

Update:

The Dundas Library at 18 Ogilvie Street re-opened on March 5, 2018. All work related to urgent roof replacement, upgrade to roof access and HVAC replacement was completed in early 2018.

Capital Cost:

The Hamilton Public Library Board, at their meeting September 19, 2017, approved funding for approximately one half of the requisite urgent work. Meanwhile, Facilities staff was able to appropriate Capital Works In Progress (WIPS) from related capital infrastructure programs in order to fund the other half of the urgent work. The capital

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cost of completed work related to urgent roof replacement, upgrade to roof access and HVAC replacement by the contractor, Century Group Inc., and design team were within the approved project budget as follows in Table 1:

Table 1: Capital Costs of Completed Urgent Work

Description	Costs
RTU Replacement	\$137,874.45
New roof, roof drain, rainwater leader and storm connection	\$165,884.33
Access hatch, ladder and hinged security door	\$13,827.42
Roof screens	\$4,541.35
Furring at column entrance	\$2,095.17
EIFIS at soffit	\$1,500.00
Roof Parapet Framing	\$18,193.00
Engineering	\$32,000.00
Total	\$375,915.72

These expenditures fell within the additional available project funds and therefore there is currently a positive variance of \$83k in Capital Work in Progress Dundas Library PID #7501341301 as of early Q3 2018.

Background:

The capital project for Dundas Library Expansion #7501341301 was approved by Council in the 2013 capital budget to begin design. Construction began Q3, 2016. A year later in Q3, 2017, roof leaks were discovered and which repeatedly caused water damage during the ongoing renovation at Dundas Library. The recurring damage delayed the completion of the renovation and opening the facility to the public. Additionally, a high number of pinhole leaks in the gas lines serving HVAC units running over the roof were discovered at that time. The required work included replacement of the HVAC units as well as upgraded roof access for Union Gas to complete the gas line replacement. It was determined that these infrastructure failures could not be repaired and independent engineers had determined that the roof and HVAC required replacement. An additional concern was that the HVAC equipment and roof parapet framing had long order lead times. Inaction would have resulted in additional costs from continued construction delay, damage, contractor demobilization, further delayed Library re-opening date and the inability to heat the facility over the winter. The urgency of this work was unforeseen and Council's support was a key contributor to the successful March 5, 2018 re-opening.

Capital Lifecycle Renewal:

Current annual capital funding levels do not support a long-term sustainable facility condition at Dundas Library. Similarly, current annual capital funding levels do not support the long-term sustainable facility condition of the Corporate Facility Portfolio as a whole (Libraries, Yards, Cemeteries, Offices, etc.) In order to sustain facility infrastructure condition at current level and help to prevent further deterioration, the Corporate Facilities annual block funding would need to be increased significantly. In

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place of adequate funding to support a long-term sustainable facility condition, staff must continue to prioritize capital renewal based on legislative requirements, operating impact, safety and overall highest urgency.

Appendices and Schedules Attached:

Not applicable.

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