



Hamilton

INFORMATION REPORT

TO:	Mayor and Members General Issues Committee
COMMITTEE DATE:	November 29, 2019
SUBJECT/REPORT NO:	Capital Lifecycle Renewal – Facilities Roof Replacements (PW18065(a)) (City Wide)
WARD(S) AFFECTED:	City Wide
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SIGNATURE:	

COUNCIL DIRECTION

The purpose of this Information Report is to provide additional information regarding facilities lifecycle renewal funding, specifically for replacement of facilities roofs, as it relates to the next 4-5 years.

INFORMATION

Currently, facilities roofs are a significantly underfunded program. On July 12, 2018, staff presented Report PW18065 – “Capital Lifecycle Renewal - Strategic Renewal of Facilities” to the Public Works Committee, which outlined a capital backlog of over \$216M, and annually growing in the Facilities Management portfolio.

This translates to significant end-of-life infrastructure currently failing or at risk of failing. Report PW18065(a) details such challenges concerning facilities roofs.

Staff have made a significant increase to the Roof Management Program in 2020 capital budget, by reducing or deferring other annual programs. This allows staff to increase the number of roof replacements in order to address leaking roof at various arenas, recreation centres and other public facing facilities.

OUR Vision: To be the best place to raise a child and age successfully.

OUR Mission: To provide high quality cost conscious public services that contribute to a healthy, safe and prosperous community, in a sustainable manner.

OUR Culture: Collective Ownership, Steadfast Integrity, Courageous Change, Sensational Service, Engaged Empowered Employees.

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In order to address 20 of the most urgent roofs by 2025, assuming no funding from other levels of government, approximately 60% - 70% of the Facilities Block funds would need to be expended on roofs across all facilities portfolios. This would effectively require delaying the following block-funded Facilities Capital Programs & Projects in order to address roof replacement:

- Mechanical Infrastructure Life-cycle renewal;
- Parking Lot Rehabilitation;
- Facility Upgrades to Hamilton Public Libraries;
- Fire stations Facility Upgrade;
- Recreation Centre Retrofits;
- Senior Centre Retrofits;
- Arena Retrofits;
- Park & Fieldhouse Retrofits;
- Community Halls Retrofits;
- Yard capital renewal;
- Facility Capital Maintenance;
- HCC, FOCH & FOC Lifecycle Renewal.

Further deferring these capital programs may result in failure of other key end-of-life infrastructure. One example could be a failure in the mechanical infrastructure used to heat a facility. This may result in staff returning to Council for funding for emergency repairs. For under-funded facilities, delaying budgets for capital repairs elevates risks on the feasibility of keeping select facilities open to the public in coming years.

It would also not be possible to proceed with many upcoming expansion projects or new facilities which are funded through Development Charges, which typically requires a 10% contribution from the Facilities Capital Block envelope. Projects such as Riverdale Community Hub and Stadium Precinct may not be able to proceed immediately and will be delayed as a result of reprioritizing capital block to accommodate the most critical roof replacement projects. Furthermore, priority lifecycle renewal projects such as Victoria Outdoor Pool and Huntington Park Recreation Centre Phase 2, which involve significant reconstruction and lifecycle of an existing building would need to be postponed until well after 2025 in order to attend to the much needed replacement of roofs.

Public Works staff uses software called Asset Planner to proactively manage the lifespan of all building components and track their replacement costs. Because the backlog of unfunded end-of-life facility assets across the portfolio exceeds \$216M and grows annually, it is not practical to show most end-of-life items within the 10-year capital budget.

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The following are considerations for investment into roof infrastructure renewal:

1. End-of-life assets;
2. Funding gap in Roof Replacement Program;
3. Damage to the rest of the facility;
4. Public perception, reliability and Health & Safety;

1. End-of-Life Assets:

The total cost off all priority roofs which have reached or will soon exceed end-of-life is anticipated to be over \$60 million (at over 135 locations). Within the inventory of 135 locations, replacing approximately 20 of the most critical roofs by 2025 will cost approximately \$20M.

A selection of 9 of the most urgent roof renewals include but are not limited to those listed below in Table 1 below:

Table 1: Urgent Roofs Overdue for Replacement:

Roof	Installation Date	Due for Action	Cost (000's)
Hamilton Farmer's Market	1980	2019	\$1,200
Norman Pinky Lewis	1990	2019	\$ 500
SPCA, Animal Control	1995	2017	\$ 800
Terryberry Library	1995	2017	\$ 500
Fire Station 15 & 16	1999	2019	\$ 100
Spring Valley Arena	1994	2017	\$ 800
Beverly Arena	1974	2019	\$ 900
Carlisle Arena	1978	2016	\$ 1,000
Total			\$ 5,800

Additional priorities, include but are not limited to end-of-life roofs at the following locations:

- Mohawk Quad Pad;
- Mohawk Sports Park & Bernie Arbour;
- City Hall Garage Roof Slab
- FirstOntario Concert Hall;
- FirstOntario Centre (deferred to 2023-2024 with regular inspection, as per PW18091(a)).
- Community Halls
- Public Work Yards
- Salt/Sand Domes

2. Funding Gap for Roofs:

When all roof replacement priorities are considered, funding not only exceed the annual budget available within the Annual Program for Roof Replacement, but costs exceed all available funds in the Facilities Capital block. Furthermore, the Facilities Capital block was intended to assist with renewal of all infrastructure in a facility, beyond just roof replacements.

All told, the total cost of all priority roofs which have reached or will soon exceed end-of-life is anticipated to be over \$60M (at over 135 locations).

3. Damage to the Rest of the Facility:

Roofs are a critical piece of the building envelope which protects facilities' assets from damage. There is value to the City in preventing damage to the rest of the facility by replacing an end-of-life roof in a proactive and planned manner. Damage caused by a leaking roof can cost the City additional funds over time, including:

- Ceiling, wall & floor damage;
- Damaged insulation;
- Structural damage;
- Impacts to operations;
- Potential for further damage caused by mould.

Replacing a roof before it leaks can help to prevent costly damage. A select number of end-of-life roofs have active leaks. Staff continue to receive complaints from patrons and staff located at these sites.

Roofs which have active leaking, include but are not limited to:

- Majority of roofs outlined in this report;
- Ancaster Senior Achievement Centre (tendered closed & awarded);
- Lawfield Arena (within 2020 Capital Block envelop);
- Valley Park Recreation Centre (part of approved 2019 capital budget for major renovation);
- Community Halls as identified;
- Salt & Sand Domes as identified;
- More than 25 other locations.

Ancaster Senior Achievement Centre and Valley Park Recreation Centre already have funds approved for replacements. There are also plans underway to fund replacement of Westdale & Terryberry Library roofs in 2020 or 2021, coordinating this work with replacement of end-of-life HVAC infrastructure. Furthermore, design for end-of-life renewal for the City Hall Garage Roof Slab was budgeted for 2020.

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The only funding source available for funding roof replacements includes the roof programs in the Facilities blocks of the 2020 capital budget. However, these funds can accommodate 1-4 roof replacements per year. Insufficient funds are available in Facilities' capital block to address many of the leaking roofs, or roofs which exceed end-of-life.

4. Public Perception, Reliability and Health & Safety:

Facilities are attended daily by public and staff, yet roofs at over 135 locations have reached end-of-life, are nearing end of life and require action. These roofs have poor reliability. Leaks are either occurring or they are at risk of occurring. When the roof is actively leaking, public and staff take notice of this. Roof leaks not only cause damage to the facility and contribute to a negative perception, but they introduce the possibility of the following Health & Safety considerations:

- Mould;
- Poor in-door air quality;
- Slip & Fall;
- Food handling considerations.

Finally, the following Facilities Capital Programs & Projects scheduled in 2020 are not possible to be delayed due to legislative or leasing requirements:

- Program - Facilities Code & Legislative Compliance;
- Program - Compliance Remediation;
- Backflow Prevention for Various Facilities;
- Stoney Creek City Hall -RCMP Lease Capital Replacement.

It is also necessary to continue to budget for unplanned emergency capital maintenance, particularly given the aging infrastructure in the facilities portfolio.

OTHER FUNDING SOURCES

Report FCS19-080, Investing in Canada Infrastructure Program (ICIP) – Community, Culture and Recreation Stream Intake, was presented and approved by General Issues Committee on October 16, 2019. Staff brought forward a number of roofing priorities in Recreation Facilities, compiled as 4 Phases of 17 roof replacements.

APPENDICES AND SCHEDULES ATTACHED

None.