



Municipality of Port Hope Staff Report

porthope.ca/agendas-and-minutes

Report Title: Water Treatment Plant Roof Replacement

Report to: Council

Date of meeting: July 4, 2023

Report Author:

Mike Stewart, Manager, Water

Department responsible:

Works & Engineering

Report Number: WE-13-23

Recommendation:

Refer to resolutions.

Highlights:

- Storm event on December 23, 2022 created severe damage to the Upper Roof portion – approximately 3000 square feet.
- Insurance gave approval to proceed with repairs on June 19, 2023.
- Insurance will pay \$120,000 towards the roof damage.
- Additional insurance funds may be paid out based on additional damage observations and documentation.
- Existing Roof is over 18 years old with a 20 year useful life.
- The undamaged upper roof portion (10,000 square feet) is not in currently in the budget.
- Additional funding from the Water Reserve in the amount of \$285,000 is required to complete a full upper roof replacement.
- Additional funding from the Water Reserve in the amount of \$123,000 is required to complete a full lower roof replacement.
- Contract to be awarded Industrial Roofing for the lower roof.

Background:

The Water Treatment Plant (WTP) upper roof was severely damaged during a high windstorm weather event on Dec 23, 2022. Temporary roofing was installed on January 6, 2023 by a local roofing contractor. The intent of the temporary roof was to remain in place for 1-2 months until permanent repairs could be made.

The initial determination by 3 different contractors was that a full replacement is required. Due to the high costs, the insurance adjustor assigned the case from the Municipality's Insurer JDIMI to Aviva. The Claim Adjustor from Aviva would not permit

the full upper roof replacement and initiated an investigative process, resulting in significant delays to the full repairs for the Municipality.

On June 19, 2023, the Insurance Adjustor provided the Municipality with direction to proceed with the roof repairs as determined by Aviva's consulting team. The insured, replacement portion of the roof is 3000 ft². The portion of the roof that the Municipality should consider replacing is approximately 10,000 ft².

The 2022 budget included \$128,000 for the replacement of the lower roof, which was tendered twice in 2022, with both bids closing over budget. The intention was to seek additional funds as part of the 2023 budget.

Discussion:

The Water Treatment Plant was built between 2003-2005 and the current roof is approaching its end of life. The recommended useful life and replacement requirements for a flat bituminous roof is 20 years.

Permanent roof repairs commenced on June 26, 2023, and will take a few weeks to complete. During the repair process, additional damage is expected to be identified, resulting in anticipated additional future fund requests to the Insurance Adjustor.

Based on the advice of a professional roofing contractor, the Municipality will be utilizing Thermal Technology and 15-25 core samples to determine the full extent of the water/wind damage, prior to the upper roof repairs taking place. This will allow the Municipality to potentially recover additional costs associated with the insured roof portion in question.

The remaining upper roof should be replaced in conjunction with the insured portion due to its limited life expectancy and deteriorating condition based on a series of recent major weather events likely related to climate change.

This report has been brought forward directly to Council as the deadline to provide the roofing contractor direction for full roof replacement at a cost of \$285,000 is immediate.

The replacement work has been awarded to Industrial Roofing through our Insurance provider. The lower roof is also subject to a dispute through our insurance provider and the final funding request for the lower roof may also be adjusted. It is requested that Council confirm the award to Industrial roofing for the lower roof in addition to the funding request.

Financial Considerations:

Additional funding from the Water Reserve account in the amount of \$285,000 is required to ensure the longevity of the roof at the Water Treatment Plant. The final cost may be less based on the outcome of the investigative work that will occur while the work is being undertaken and further negotiated with our insurance provider. An additional \$123,000 is also required to fully fund the replacement of the lower roof for an upset limit of \$408,000 to replace all roofs at the Water Treatment Plant.

Communication and Public Engagement:

Additional public communications are not required related to this maintenance and repair activity.

Conclusion:

Approving the authorization of these funds in the amount of \$408,000 will ensure that our largest and most important Water Division Asset is in a good state of repair for the next 20 years. Replacing the entire roof is recommended considering the current age of the roofing material.

Attachments:

None.