

## 1960 Paris Street Roof Replacement - Tender Award

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Recommended by:	General Manager of Community Development

## Report Summary

This report provides a recommendation regarding the approval of \$1.457 Million of Capital funding to replace the roof at 1960 Paris Street. A tender SHO21-100 was issued and the lowest tender bid received exceeds the approved budget. This report identifies a potential funding source and seeks authorization to proceed with the project.

## Resolution

THAT the City of Greater Sudbury approves additional funding of \$824,000 from the Capital General Holding Account Reserve in order to award the contract SHO21-100 and complete the 1960 Paris Street roof project, as outlined in the report entitled "1960 Paris Street Roof Replacement – Tender Award", from the General Manager of Community Development, presented at the City Council meeting on August 17, 2021.

## Relationship to the Strategic Plan, Health Impact Assessment and Community Energy & Emissions Plan (CEEP)

The 1960 Paris Street roof replacement capital project supports Council's Strategic Plan in the area of Housing. The project will contribute to the strategic goal of revitalizing and improving existing housing stock and the Community Energy and Emissions Plan of creating efficient buildings.

## Financial Implications

If approved, the project budget will increase from \$1,457,000 to \$2,281,000 with the additional funding of \$824,000 from the Capital General Holding Account Reserve. The revised budget includes a contingency of \$200,000

## Background

At the December 8, 2020 Finance and Administration meeting, funding of \$1,457,000 was approved in the 2021 Capital Budget for the roof replacement at 1960 Paris Street due to ongoing leak issues that was impacting units in the building.

Staff worked with consultants to develop and finalize the roof replacement design and the roof replacement

project tender SHO21-100 was issued in March 2021. The timelines for the tender were extended in order to allow sufficient time to answer questions raised by proponents regarding this complex roof replacement project. The tender closed on April 23, 2021 with four bidders as follows:

Damisona Roofing Ltd. \$2,045,000  
Douro Roofing & Sheet Metal Contractors LTD \$2,117,900  
Flynn Canada Ltd. \$2,187,255  
Semple-Gooder Northern Limited \$2,230,000

Staff communicated with the lowest bidder, Damisona, who has agreed to extend the irrevocable period until September 3, 2021. This will require staff to expedite the execution of the contract to meet this date.

## Analysis and Options

The original budget estimate of \$1.457 million was based on costs indicated in a roof condition assessment report. It was prepared by a consultant for the project, which did not include the employment of other trades such as mechanical, electrical and/or plumbing contractors, or the need to utilize specialized lift equipment such as cranes, etc. These additional costs are required in order to complete this project and should have been included in the original budget. In addition, there has been a significant increase in the cost of construction materials as a result of supply and demand related to COVID-19.

The consultant report also recommended that the 1960 Paris Street Roof System be redesigned using a tapered insulation system instead of the existing modified bitumen flat roof system which had deteriorated due to the presence of standing water. The original budget estimate did not include the change in roof systems which was recommended by the consultant and included in the tender documents.

As a result of the tender submissions for this project closing above the approved budget, staff has identified two options to address the ongoing roof leaks at the building:

**Option 1:** Award the tendered project and proceed with the complete roof replacement utilizing additional funding from the Capital Holding Account Reserve. The revised budget includes a contingency of \$200,000. This allows the work to proceed and the entire roof to be replaced in 2021 based on the tendered pricing received.

**Option 2:** Cancel the existing tender and re-tender with a reduced scope that allows for sections of the roof to be replaced within the approved budget. The 1960 Paris Street Building is a high-rise building that is comprised of two adjoining buildings with 162 two and three bedroom apartments on one side of the building and 101 one bedroom units on the other side of the building. The roof is therefore divided into a number of sections or areas and the tender scope could be reduced to complete the replacement of certain priority sections of the building. The remaining sections would have to be retendered in 2022.

The 1960 Paris Street Roof is at the end of its useful life and requires replacement. Inspection by a consultant confirms complete failure of the current roofing system. There are 263 apartments in this building housing 423 residents (adults and children). Recent rainy weather conditions have resulted in increased water penetration into resident units resulting in tenant complaints. The risk of significant water damage and potential for mold growth is high each time there is a rain event. To date, eight units on the top floor have experienced leaks during the recent rainy weather. The municipality is required to rehouse tenants if significant damage to units making them in need of repairs or uninhabitable. Temporary shelter for these households would be extremely hard to find and costly. Currently, water has infiltrated throughout the roof insulation resulting in it being water logged and completely at loss of all energy efficiency. Temporary measures have been made to reduce water infiltration but due to the saturated insulation layer, the temporary measures are at moderate risk of failure.

If option 2 is selected and the roof replacement project is required to be retendered, the work will not be able to be completed in 2021. Delaying the replace to 2022 or beyond will result in increased risk of damage due

to water penetration and potential for increased costs to repair interior water damage in resident units. It also increases the likelihood of needing to rehouse affected tenants in the building.

## **Conclusion**

It is recommended that the 1960 Roof Replacement Project be awarded as tendered and the additional funding required to complete the capital project be funded from the Capital General Holding Account Reserve.