

Facilitator — February/March 2016



Look High and Low

Bill Pegnato

Finding the lowest total cost of ownership for your roof portfolio

I have been in the roofing industry since the mid-1980s. During this time, I've learned that property owners are less concerned about a PVC roof versus TPO and other distinctions. Their main concern is achieving the lowest total cost of ownership for their roofing portfolio.

I have also learned that while property and facility managers share their owner's vision, they are faced with additional challenges. They want a leak-free environment, they need the work done within their budget and they want fixes to last. When a restaurant has a water leak over the dining area, it needs to be fixed now. And, by the way, the fix should not cost too much and should be done right the first time.

The good news is that there are tools for satisfying all these requirements.

Roof Inspections and Maintenance

We cannot make decisions without knowing what we have. A simple roof inspection can tell us the roof condition, its life expectancy and a budget plan. We also recommend for a roof inspection to be completed at the same time the drains are cleared and minor repairs are done. By doing this we ensure a leak-free environment and help maintain the warranties.

The roof inspection can also uncover damage to the roof made by others, which could mitigate cost. It can also uncover a small problem, say a small ponding area, and prevent it from turning into a larger problem. A large pond can eventually damage the roof and the structure.

While proactively managing your roofs is essential, the real value of the inspection comes from rolling up your information across your portfolio. An inspection program gives you direction as to where you need to focus.

Project Management

Once your inspections have identified the roofs that need major work, and you have gotten budget approval, we recommend a formal bid process and project management. A site-specific specification should be written. One size does not fit all. On some roofs, a TPO or a coating makes sense. In the case of a restaurant where grease is present, a PVC is usually best.

Once the spec is written, we recommend getting three local qualified contractors to bid. We feel a local contractor can give you the best price and service. Once the bid is awarded, the project should be managed to completion and the issuance of the warranty. Skipping the contractor vetting process typically adds cost and provides a lower-quality solution. Even though you might have a favored contractor who has been good in the past, the bid process will make sure that he or she continues to give you the best price and service.

Service Call Management

Before dispatching a contractor for service on a site, it is important to use the inspection data to verify the specific type of roof and whether a warranty exists. This allows you to assign the right contractor for the job and helps them get prepared to perform the work. We also recommend that the NTE given to the contractor is closely monitored. Too often the invoices we receive are at the maximum NTE, whether it is justified or not.

After the repairs are completed, be sure to review the work. Was it temporary? Was the proper material used? Too many times, we see mastic used on TPO/PVC roofs. Not only will it void the warranty, but it will hurt the membrane as well.

Data Management

We recommend that you digitize all of your roof information, and ensure it is centrally located and accessible via the Web. All of the inspections, warranties and services calls can be contained in one system. This allows you to make informed proactive decisions versus flying blind and being reactive.

Compare and Contrast

Once we have implemented this tool kit, you can then benchmark the performance internally and against the industry. Some key

measurements include the following:

- Cost of a service call
- Percentage of service calls handled under warranty
- Status of roof condition (i.e., how many bad versus good)
- Price per square foot of roofing replacements, including tear-off versus overlay
- Project potential savings (e.g., low versus high bid)

We have found that these four tools are the key to supplying clients with the lowest total cost of ownership of roof portfolio while providing a sustainable leak-free environment within the budget. Yes, you can have it all.

Bill Pegnato has spent 35 years managing contracting businesses and developing industry standards. Pegnato is a licensed roofing contractor and CEO and Co-Founder of Pegnato and Pegnato Roof Management Inc. and Building Power LLC. He was one of the original vendor board members of Professional Retail Store Maintenance and is a member of RFMA, the International Council of Shopping Centers and the National Roofing Contractors Association.