

Manage Your Roofing Assets or They'll Manage You

ROOFING ASSETS

By David Denman

Real estate trusts, pension funds, property managers, corporations, manufacturers, cities, counties, state agencies, universities, school districts, hospitals – these and every other business have a physical facility to manage...and most have more than one. While each has roofs on its facilities, few of these businesses treat their roofs as a business asset. And that costs building owners money which would otherwise drop to the bottom line.

Consider this common scenario. A large real estate owner/manager is purchasing a 300,000 square foot facility which has recently undergone a major renovation — including a \$1 million new roof. The purchaser wants to conduct a thorough building inspection including a due diligence roof inspection. During the ensuing site inspection and interview, the inspector asks the property manager about the roofing system — what type of roof, who manufactured the roofing system, was a warranty purchased with the roof, etc. The property manager pulls out his “roofing file,” says that he remembers paying for the warranty but cannot find a copy in his file, nor can he recall the name of the manufacturer. The

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inspector then asks who installed the roof, thinking that he can obtain the warranty information from the installing contractor. But the property manager is not able to pull that information from the file either. This lack of information seems to be the norm when it comes to information retained about roofing assets.

And the problem gets worse when the building owner “manages” multiple facilities, perhaps on several different continents.

In general, corporate building owners do not know what they have on their roofs,

and it's costing them big money in terms of both out-of-pocket expenses and lost productivity. Building owners are generally unable to answer questions about the type of structure, type of roof deck, type and thickness of insulation, type of roofing system, type of flashing system, type of drainage, condition of the components that make up the roofing system, age of the roof, type of access to the roof, expected service life of the roof, types and frequency of roof repairs, location of roof drawings and/or aerial photographs, installing contractor, manufacturer, initial costs, etc. All of this information is necessary if:

1. There is a major roofing problem,
2. There is some type of insurance claim, or
3. The facility is being sold or changed in some manner.

Furthermore, without access to the proper information the building owner is at a serious disadvantage when it comes to roofing-related repairs. Besides being susceptible to price gouging, the building owner is at risk for purchasing a poorly designed or even inappropriate roofing system. This problem is especially evident when the existing roof has failed for whatever reason and a new roof is needed immediately. While a roof consultant

is sometimes hired for the task, most of the time a commercial roofing contractor is called in to make the recommendations and to do the work. Due to the immediate nature of this type of job, there is typically little or no pre-planning involved in the process. Water is inside the building and the problem must be corrected NOW — whatever the cost. In this situation the building owner is at the mercy of the contractor to make the right decision regardless of the fact that little information exists about the existing structure. This inadequate information will most likely prove excessively costly to the building owner.

The problem is that the individual responsible for managing corporate roofing assets — especially where there are numerous facilities in various locations — is overwhelmed with managing the information about those assets. The situation is aggravated when you consider that managing the company's roofs is typically only one of the individual's responsibilities. What type of roofs do they have? What condition are they in? What is each roof's maintenance schedule? What repairs are needed for each? Do they leak? What will it cost to maintain each?

In short, the building owner needs a significant amount of information at his/her fingertips in order to manage the roofing assets just like their other business investments.

To properly manage these roofing assets, owners must not only have access to a wide variety of data, but also have the ability to manipulate that information in a logical manner in order to:

- generate custom reports,
- access drawings,
- view details,
- read warranty documents,
- collect contractor information,

- gather manufacturer information,
- review site information,
- view aerial photography,
- access records,
- as well as for a variety of other uses.

Accessibility to information is essential for making sound business decisions when it comes to managing the corporate roofing assets.

Look for a program that allows you to budget for annual maintenance and evaluate the life expectancy of each roof, so that major capital expenditures can be planned.

Today, thanks to the wonders of technology, there are many programs available that can help building owners more closely "manage" their building and roofing assets. One such program is the "Roof Manager," a web-enabled program that is specifically designed for commercial, industrial and institutional building owners.

Such programs can document roof conditions in a report which includes recommendations for any necessary remedial action, and enables the building owner to manage a roof maintenance program for facilities from a central office, in order to ensure consistency throughout the organization. By properly using a roof asset management program, building owners won't be surprised when it comes to roof maintenance and capital expenditures.

All of the information required to make sound business decisions will be easily accessible and easily understood.

What to Look For

There are several key elements that building owners should look for when it comes to selecting a roof asset management program. The most important issues are the ease of understanding the information and using the program, and the completeness of the data required. There are many options available to building owners when it comes to problem roofs. Unfortunately, many of the options are not good ones, and all too often the owner does not know what's best. Look for a program that will help you to understand the options and the costs associated with each, such as:

- **Maintenance and Repair** – Maintenance and repair costs and programs generally require a considerable amount of time and money. Make sure you select a program that can track and monitor these expenditures.
- **Reports** – While specific reporting needs vary from owner to owner, make sure that the information you need is available when you need it and easy to understand. Typically, a yearly budget report, warranty report, leak history report and preventative maintenance report are available, but make sure the program you select will be able to give you the specifics you need.
- **Warranty Tracking** – If there is a problem with one of your roofs but you cannot identify the product, manufacturer, or installing contractor, you won't be able to file a warranty claim. You want a program that enables you to keep track of your warranties so that contractors and manufacturers alike will retain

Getting Started is Easy

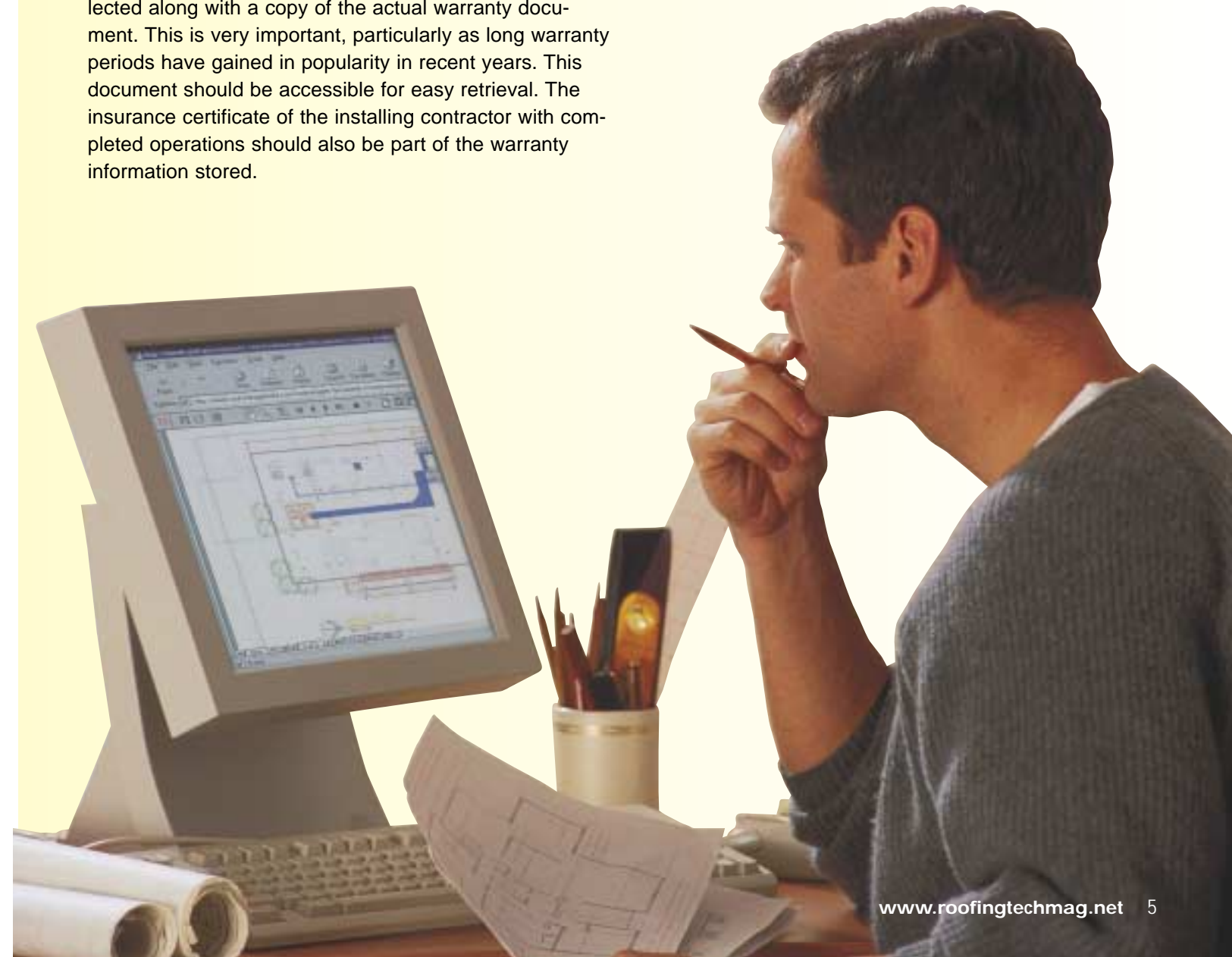
Once you've committed to treating your commercial roofs more like a business asset, there are a few steps that you can expect to undergo in order to gather the necessary information. Much of this data can be outsourced to a roofing consultant, contractor, or to individuals involved with the specific program that you are considering using.

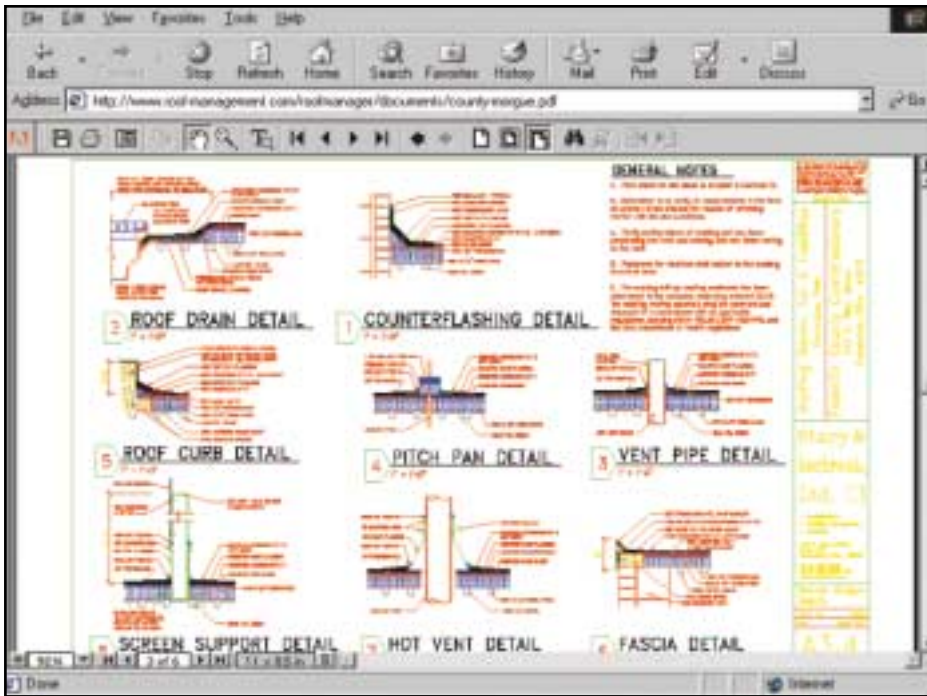
First, you'll need to complete a roof survey for each roof area that you manage. It is critical that the information be as complete as possible and in the proper format for data entry. Your local roofing contractor or roof consultant can conduct the survey. In addition, expect to provide a CAD roof plan, and it's always a good idea to obtain an aerial photo of each facility to help everyone understand the roof plan better.

Second, the specific warranty information must be collected along with a copy of the actual warranty document. This is very important, particularly as long warranty periods have gained in popularity in recent years. This document should be accessible for easy retrieval. The insurance certificate of the installing contractor with completed operations should also be part of the warranty information stored.

Third, information about the installing contractor and material manufacturer must be obtained. You want to make sure that you know who installed each roof, and the type of roofing system on each facility. Remember, commercial roofs today are designed to last 10 to 20 years, so you might not be around the next time a roof is selected. Having all this information in one central data base will help the next person do the job properly.

Fourth, establish a standard operating procedure for dealing with all roofing problems. If there's a leak, for example, the problem should be logged into the system with date, location and result. In addition, the specific repair contractor and remedial actions must be entered into the data base so that your data remains updated and accurate.





Some roof asset management programs allow you to store and update construction drawings on line.

the liability for the term for which they have agreed. Warranties are value-added assets to the property if tracked properly.

- Budgeting and Planning – Look for a program that allows you to budget for annual maintenance and evaluate the life expectancy of each roof, so that major capital expenditures can be planned. Tracking expenditures will allow for life cycle cost analysis of the repairs you have completed.
- Contact Database – Some programs allow you to build your own data base of commercial roofing contractors and manufacturers of commercial roofing systems. Such information is critical when it comes to conducting warranty repair work or selecting a contractor for a specific job. In addition, some programs offer links which can be made directly to a specific contractor's or manufacturer's web site for easier warranty claims and accessibility.

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- Record Inspections – The National Roofing Contractors Association (NRCA) and other industry organizations recommend that roof inspections be conducted at least twice a year. It's part of good roofing practice and management, and can help you ward off potential problems. You want a program that allows you to keep track of each inspection and the findings.
- Identified Problems – Like any building component, roofing sys-

tems have vulnerabilities. Problems, leaks and other damage can occur as a result of Mother Nature, Father Time and human error. When a problem does occur, you want a program that enables you to track the type of problem, the type of roofing system, the recommended corrective action, etc.

- Roof Drawings and Photos – When you are dealing with multiple facilities, it's always desirable to be able to review construction drawings and see aerial photographs of a specific facility. Look for a program that enables you to keep and update these elements as necessary.

Roof asset management programs vary in terms of costs, capabilities and types, and are available as either stand-alone software programs or web-based programs. While both offer pros and cons, web-based programs tend to be more customized for specific owner applications. Out of the box software programs cost about \$5,000 – \$7,000. For interactive web-based programs, where you can view data from hundreds of locations, the cost is about \$400 to \$700 per facility per year. Regardless of which option you choose, there is another cost involved in generating the initial information necessary to populate the databases to be effective. A roof survey on an average roof of 20,000 – 50,000 sq. ft. will most likely range from \$1,000 to \$3,000 depending on the complexity of the roof. ▲

About the Author

David Denman is president of Roof Management LLC, a roof consulting firm specializing in roofing and waterproofing for commercial, industrial and institutional clients. "The Roof Manager" is available as one part of a roof asset management package. For more information call (614) 766-8300 or visit www.roof-management.com.

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