



North Peace Housing Foundation

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June 9, 2021

The Honourable Josephine Pon
Minister of Seniors and Housing
Office of the Minister
404 Legislature Building
10800-97th Avenue
Edmonton, Alberta T5K 2B6

Dear Minister Pon,

Re: Heritage Tower HVAC System Replacement, Peace River, Alberta

In October of 2020, North Peace Housing Foundation requested that the make-up air units at the Heritage Tower Seniors' Lodge be serviced by a local contractor. Maintenance and repair on the two large units was done and several issues were found with the heating equipment on site; of primary concern were the cracked heat exchangers, which led the Foundation to place both electric and battery-operated carbon monoxide detectors throughout the lodge (on all floors and in the mechanical rooms).

We had anticipated that the units would need to be replaced, as they were 38 years old, with a typical life span of 25-30 years and therefore, included the replacement request in our Capital Maintenance and Renewal submission with the Business Plan update in 2020; we also requested the replacement of the boilers, air-conditioning units, and hot water tanks, as they are also at the end of their useful life. This was all outlined in a 2019 Energy Assessment Report prepared for ASHC providing insight into the building condition, energy and water usage, potential actions to reduce energy consumption, and financial analysis of practical conservation and complementary building renewal measures.

In November of 2020, we submitted an urgent request to Capital Maintenance and Renewal to have the HVAC equipment replaced as soon as possible, for fear that failure of the existing system could result in carbon monoxide leaks, inadequate airflow, no heat, etc. resulting in a full evacuation of the facility. Unfortunately, that request was in the neighbourhood of 1M dollars.

In December of 2020, we received direction to submit a budget request strictly for the engineering portion of this work to provide the exact scope required and an estimated cost which Capital Maintenance could base a second budget request on. We submitted the budget request on December 14, 2020. The request was approved on January 15, 2021, contracts were sent in on February 9, and the

final approval letter was received by the successful proponent on April 20, 2021. We followed up with our second emergency budget request of \$1,135,560.00 for the replacement of the HVAC system.

Capital Maintenance and Renewal, Alberta Seniors and Housing, has denied our request for the replacement of the entire HVAC system at the Heritage Tower Lodge. Instead, they have requested that we submit a change order to the approved engineering services/mechanical replacement contract and provide clarification on the scope of work. They would like to see a priority-based options analysis, perhaps presenting project phases that span 2-3 years, with consideration of a proposed schedule and estimated time to complete each phase. We have submitted the documents as requested.

The Foundation understands that this is a major expense and that ASHC is under budget pressures, just as we are. However, we are very concerned with the length of time that this process is taking. This equipment will need to be engineered based on the complexity and size of the job and units, multiple locations, and the fact that all units have an original air conditioning unit (38 years old) tied into them, including all the venting and ductwork.

At present, the Foundation feels that if we must go to a phased approach, the priority is the make-up air units and the hot water tanks. We have been told that additional phases would be given high emphasis in the future; however, in the event only Phase I gets approved in 2021, what assurance do we have that Phase II and III will be approved over the next 2-3 years? We request that we be given written assurances so we are confident that we will not be put into an emergent situation where we are reaching out to other HMBs to enter a mutual aid plan, as we do not have adequate space within our own buildings to evacuate the entire facility.

For urgent safety reasons, the existing equipment should be replaced as soon as possible. We are very concerned about the well-being of our residents (carbon monoxide poisoning or emergency situations). This is an emergency that should be dealt with as soon as possible.

Yours truly,



Hazel Reintjes
Board Chair