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## General Contractors Association of Ottawa Newsletter

Fall 2008

### GCAO CALENDAR

17 Dec 08: next Board of Directors Meeting

15 Jan 09: GCAO Annual General Meeting

04 Feb 09: GCAO Annual Reception

If you have an issue you wish to bring to the Board's attention, contact the appropriate director listed on Page 3.

### Annual General Meeting

The AGM has been scheduled for Thursday, January 15th 2009. at 4:00 p.m. in the OCA Education Centre at 106 Bronson Avenue. Further updates on the event confirming date, time and guest speaker will follow through a notice to members.

### GCAO 2009 Board Member Nominations

There will be two vacancies to fill. Would you like to serve or nominate a fellow member? Nominations should be submitted to Past-President Brian Morley.

### GCAO Integrity & Ethics Award Nominations

The deadline for nominations for the 2008 Award is December 16th. The selection will be made at the Board meeting later in the week. The Award honours an individual who has demonstrated a consistently high standard of conduct in dealing with local construction industry participants. Candidates may be General or Trade Contractors, Design Professionals, Owners or Suppliers. Full nomination details

are posted on the GCAO website. The Board has also invited nominations from OCA, ORSA, CEO, MCA, ECA and WACCA.

### GCAO Annual Reception

The Association's Annual Reception will be held once again at the Rideau Club located at 99 Bank Street. The event will take place on Wednesday February 4<sup>th</sup> 2009 from 5.30 to 8.00 pm. Mingle informally with our guests -- Owners, Architects, Consulting Engineers, Government Officials, etc. A highlight will be the presentation of the GCAO's Integrity & Ethics Award.

### GCAO OPPOSES BUNDLING OF CONTRACTS

News that Ontario Government ministries are actively considering the "bundling" of school contracts, as has taken place in Alberta, led to the GCAO Board adopting a motion opposing such arrangements. A current example of bundling is the Ministry of Justice's program to up-grade OPP stations across Ontario, assisted by Infrastructure Ontario.

In a letter to the Ontario General Contractors Association (OGCA), President Doug Burnside stated, "The bundling of contracts would have a serious negative impact on small to medium size contractors who normally are engaged on such projects and who make up the majority of our membership. Bundling into large single contracts covering a sizeable number of individual

contracts would preclude the participation of many regional contractors."

OGCA was urged to stress "in discussions with provincial authorities the desirability of recognizing the important role played by the overall cross-section of the building industry in establishing a Public Policy on such matters." Copies of the letter were sent to regional Construction Associations throughout Ontario.

### Education Links

Director Paul McDonald has developed the GCAO's Education Links as a guide to identify construction related training and courses available locally to our industry through different organizations. It is made available to our membership and the public through GCAO's website and is updated quarterly. A new summary has just been posted on the GCAO web-site -- check it out!

### Membership

A warm welcome is extended to **Vanbots Construction** and to **Ross and Anglin** as new members of GCAO. The current number of member firms is 61 members.

The importance of GCAO representing all of the prominent general contractors in Ottawa and the surrounding region is vital -- it enables your association to speak with authority when addressing tendering practices

and other concerns with Owners and Designers.

This year a number of non-member contractors active in the Ottawa region have been contacted to encourage their joining our association. We continue to urge all member firms to refer competing non-member firms for membership to the membership committee. All members benefit when our industry can speak with a single voice.

### **Tendering Practices Report**

Addressing unfair tendering practices is a key responsibility of the GCAO and it is where your membership provides you the most value. The Tendering Practices Committee's main endeavor is to ensure adherence of the standard and recognized fair tendering practices in the industry. We also strive to enforce the execution of the various CCDC and CCA documents and industry established tendering procedures.

Recent Issues:

#### **Stittsville Arena**

**City of Ottawa:** Liquidated Damages Clause used. The City agreed to meet with the GCAO executive to discuss the issue. The use of liquidated damages in contracts is not supported by the GCAO and discussions on this subject were initiated with the City of Ottawa Stittsville Arena project. A wide range of reasons were provided to the City of Ottawa discouraging the use of liquidated damages, also supported by the Ontario Association of Architects. The City's response was dismissive and the GCAO tender practices

committee plans to meet with the City of Ottawa to further discuss this matter, possibly in collaboration with the Ottawa Construction Association.

A member has also complained about the SGCs specified on a recent tender call by the City. As previously reported, the GCAO took part in lengthy discussions with City officials based on the draft CCDC 2-2008 and agreement was reached to modify many of the SGCs previously used by the City. The situation is being monitored to see that the past agreements will be reflected in new tendering documents for City projects.

#### **Canal Building**

**Carleton University:** Over the last year and in association with the Ontario General Contractors Association, the GCAO has made ongoing representations to Carleton University aimed at advancing the use of the new CCDC 2-2008 contract document with a minimum number of supplemental general conditions. These representations have been met with good success with Carleton University agreeing to review supplemental general conditions with the GCAO and OGCA with the intent of overcoming many of the issues raised by members in the past related to their tendering documents. Recently, additional representations have been made with respect to a recent tender for the Canal Building aimed at modifying the tender selection procedure to not base tender selection on a combination of alternate prices and to avoid the naming of some 40 subcontractors at prior to closing of tenders. The tender closing date has been postponed until

January and the Director of Plant has agreed to "correct the subtrade issue" and to review the other issues raised.

**Summary:** The later half of the year has been particularly quiet with respect to tender practices issues, perhaps this is from our past efforts and the message getting through to Owners and Architects, but more likely members have not brought new tendering practices to our attention. Please note we encourage our members to inquire about questionable practices or submit complaints. These are kept confidential and the Association's services are here to assist members with these matters.

#### **BILDCO**

"BILDCO" is the acronym for "Building Industry Liaison – Designers, Contractors, and Owners". It is a Joint Committee comprised of representatives of the Ottawa Regional Society of Architects, the General Contractors Association of Ottawa, the Ottawa Chapters of the Consulting Engineers of Ontario, the Building Owners and Managers Association and the International Facilities Management Association, and Public Works and Government Services Canada. BILDCO was initiated by GCAO in 1999. Public Works and Government Services Canada and the Ontario Architects Association are represented by liaison members on BILDCO

The current BILDCO focus is to confront the City of Ottawa with the problems associated with the procurement of Site Plan Agreements and Building Permits.

**UPDATE:** At the most recent meeting held with the City of Ottawa, the City has confirmed that they intend to implement their "Single point of Contact"; their Pre-Consultation Checklist; & their "Harmonization of Parkland Assessment" policies all in early 2009. We recognize that they have made a significant effort at improving things.

BILDCO has also been active in its "Letters to Owners" series. Recent issues have related to CCDC 2-2008 and to the Progressive Release of Lien Holdbacks

### **Subtrade Contract Standards**

GCAO President Doug Burnside is presently working with the OCA Standard Practices Committee to establish standard contractual inclusions and exclusions for the Prime Mechanical, HVAC, Plumbing, Sprinkler, and Electrical trade contracts. Doug will provide a General Contractor's viewpoint to the standards.

### **Non Refundable Plan Deposits**

The GCAO continues to provide and manage the popular non-refundable deposit fund. Notification from association members was received on a number of projects in recent months. All projects were investigated and responded to as per the guidelines of the GCAO's policy. Although the fund is practical, the GCAO is active in pressing owners of the industry norm to pay for bid documents or use refundable deposits.

### **The Association's Finances**

GCAO Treasurer Francis Pomerleau, reported that the association's financial position has continued to improve. This is

in part due to our strong membership and sponsorship for our social activities. The GCAO's projected surplus for 2008 is approximately \$11,000, and the results as of 28 Nov 08 (Unaudited) indicate that we are well on target.

### **(OVBD) Ottawa Valley Bid Depository**

Effective July 1st, new Treasury Board Bid Depository Rules was supposed to come into effect for federal projects. These included the stipulation that the estimated value of the project be over \$500,000 and that at least two trades closing through the bid depository be valued at over \$200,000. Also, the Rules state that there can be no limitation of liability on the part of the Bid Depository. To date, however, the OVBD has not yet qualified itself under the new Treasury Board rules

Only a small number of projects are being closed through the OVBD, PWGSC being one of the few owners using the service.

### **On the Lighter Side.....**



## 2008 Board Members and Mandates



**Back Row Left to Right:** Don Chutter, Paul McDonald, Hubie Splinter, Gary Kozak, Wolf Schlesiger, Sean Lundy, Michael Assal **Front Row Left to Right:** Brian Morley, Doug Burnside Francis Pomerleau and Spencer Hagan are absent from this photo

### 1. Tendering Practices

Gary Kozak (chair), Doug Burnside, Brian Morley, Michael Assal, Paul McDonald

### 2. Membership

Brian Morley

### 3. Communications

Michael Assal

### 4. Entertainment

Hubie Splinter, Sean Lundy

### 5. Nominating Committee

Brian Morley

### 6. Non-Refundable Deposits

Hubie Splinter

### 7. Web Site

Paul McDonald

### 8. BILDCO – Ottawa

Michael Assal, Brian Morley, Doug Burnside, Gary Kozak

### 9. OVBD Liaison

Paul McDonald

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