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## General Contractors Association of Ottawa Newsletter

Summer 2009

### Algonquin Honoraria Increased 400% due to GCAO Actions

The Tendering documents for the Algonquin College Centre for Construction Trades and Building Sciences provided for a \$50,000 honorarium for the unsuccessful proponents for the Design-Build contract, far below the industry standard as contained in the Canadian Design-Build Institute's Guide. The three proponent firms had each protested individually but to no avail, and one requested GCAO support. A detailed letter was sent to the Project Managers and an addendum was issued increasing the honorarium to \$100,000; together with a statement that "the matter was closed".

This amount was still far below the industry standard and the GCAO requested a meeting with Algonquin's president, Dr. Robert Gillett. He readily agreed. The meeting was successful. The greater costs involved in providing a complex design-build proposal compared to a lump sum tender were explained. The honorarium was increased to \$200,000, an amount more in keeping with the industry standards.

GCAO has thanked Dr. Gillett for his quick response and understanding. The College recognizes the importance of the project to the construction industry and support that it will receive from the local construction sector. The positive results also demonstrate the benefits of a united industry action through an association.

### CCDC Document Up-Date Featured at SAGM

Special thanks to Serge Massicotte and Eric Lee for their presentation at the GCAO Semi-Annual General Meeting on CCDC 2-2008 and the lengthy list of controversial Supplementary General Conditions proposed by the OAA.

Serge also reported that many new CCDC and CCA documents would likely be issued this year. Look out for a new CCDC 4 (Unit Price Contract), CCDC 21 (Guide to Construction Insurance), CCDC 5A (Construction Management – for Services), CCDC 5B (Construction Management – for Services and Work), and CCDC 27

(Stipulated Price Contract for Trade Contractors on Construction Management Contracts). A revised CCA Stipulated Price Sub-subcontract and CCA 28 (Cash Flow) were to be published in November. Copies of all CCDC, CCA and CDBI documents may be purchased at the Ottawa Construction Association.

A synopsis of Serge's remarks is contained in the SAGM Minutes recently distributed to all members, The Minutes may also be read on the GCAO Web-Site.

### ProFac Documents

Reference was made to the expansion of SNC-Lavalin ProFac's project delivery

services to PWGSC to a new threshold of \$5 million per project. CCA was negotiating with ProFac its SGCs to CCDC 2-2008. **Any GCAO members experiencing difficulties with ProFac's administration of federal government contracts were requested to advise Eric Lee at the CCA ([ericlee@cca-acc.co](mailto:ericlee@cca-acc.co))**

### Recommended Reading

The SAGM Minutes eleven pages of single-spaced print may not be your first pick of summertime reading, but they do provide a summary of your Association's varied activities during the first half of the year. Accordingly, they are "Recommended Reading".

## **BILDCO FORUM on Anti-Recession Infrastructure Programs**

The Forum took place on July 8<sup>th</sup> with our own Doug Burnside serving as Moderator and Alex Rankin as the Discussant. There were three panelists present to discuss the Anti-Recession Campaign and the substantial funding from both the Federal and Provincial Governments for municipal projects initiated and completed before March 31, 2011.

Robert Vaillancourt, Manager of Design & Construction for the City of Ottawa Buildings and Parks, spoke on behalf of Wayne Newell, Director of Infrastructure. Mr Vaillancourt noted that the City's normal workload for the next two years was \$900 million. The federal and provincial funding would add another \$400 million. Of this \$360 million would be for civil projects and \$40 million for buildings, 32 building projects have been accepted for funding support.

Richard Marleau, Director General, Accelerated Infrastructure Program, PWGSC, reported that Budget 2009 had allocated \$427 million to allow the department to advance key A.I.P. projects across the country for the next two years. Of this total \$332.4 million is for repair and restoration of federal buildings and another \$40 million to enhance their accessibility. Over half of the federal government's office accommodation is in the National Capital Region.

Pierre Chatelain, Senior Director, Project Delivery, SNC Lavalin ProFac for PWGSC SCU in Ottawa noted that not only the number but also the size of the projects being managed by ProFac had increased. Last year some \$180 million had been spent on some 3,000 projects, many of which were small. Programs of \$310 million and \$315 million have been projected for 2009 and 2010. Of these totals \$163 million and \$180 million would be in the National Capital Area. 25 of the NCA jobs would be in the \$1 million + category. ProFac was hiring more staff to handle the larger volume of work. CCDC 2-2008 will be used for contracts.

John Moser, Director of Planning and Growth Management for the City of Ottawa, gave a power point presentation on the City's new "One Stop Service" Development Review Process. This should help to speed up Site Plan Approvals and the issue of Building Permits for projects in general, including the Infrastructure Program and a Low Cost Housing Program. Features included a Single Point of Contact with a senior planner and a Pre-Application Consultation Process.

Alex Rankin in his role of Discussant, noted that some major projects identified as being part of the Anti-Recession Infrastructure Program could not be completed within the two-year time period

Since the Forum on July 8<sup>th</sup> Hon. John Baird has been quoted as saying at the CFM convention that federal funding

for some municipal infrastructure projects could be available past the March 31, 2011 deadline.

In sum, the presentations added up to a substantial increase in publicly- financed construction in our area. Some concerns were expressed on future supply problems and cost levels. No new forms of contract for either construction or design awards were contemplated but administrative procedures to speed up procedures were promised.

Members wishing to have more detail may obtain a summary from Don Chutter at ([sdchutter@rogers.com](mailto:sdchutter@rogers.com))

## **GCAO Golf Day**

There was a great turnout this year for the GCAO annual golf tournament held June 26 at The Marshes. A wonderful day of stress free best ball golf was enjoyed by the 11 teams. After a wonderful day on the course teams enjoyed a few refreshments and the gourmet BBQ put on the Marshes. Prizes were awarded for longest drives and closest to the pin. Everyone enjoyed the beautiful course and had a great day of golf. We will see you all again next year!



## GCAO Calendar

2 October 09: Next Board of Directors Meeting.

24-26 September 09: OGCA Annual Meeting at the Chateau Laurier.

20 January 10: GCAO Annual General Meeting.

If you have an issue you wish to bring to the Board's attention, please contact the appropriate director. See the full list of directors and portfolios at the end of this newsletter.

## Welcome New Member



We are pleased to welcome **Govan Brown Inc** as the latest addition to our GCAO Roster.

## Non Refundable Plans Deposit

The program was implemented recently on the Ottawa U Vanier Project, 7 member firms participated in the program for this tender.

## On the Lighter Side.....

Written on the back of a porta-potty delivery truck.

"We go where you go 'cause you go where we are"!



## 2009 Board Members



**Back Row Left to Right:** Don Chutter, Anders Persson, Hubie Splinter, Sean Lundy, Spencer Hagan, Paul McDonald, **Front Row Left to Right:** Michael Assal, Gary Kozak, Doug Burnside. Absent from this Photo is Shawn Argue

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## Board Mandates

- 1. Tendering Practices** - Michael Assal (chair), Gary Kozak, Hubie Splinter,
  - 2. Membership** - Doug Burnside
  - 3. Communications** - Hubie Splinter
  - 4. Entertainment** - Spencer Hagan (chair), Sean Lundy
  - 5. Nominating Committee** - Doug Burnside
  - 6. Non-Refundable Deposits** - Anders Persson
  - 7. Web Site** - Sean Lundy
  - 8. BILDCO – Ottawa** - Gary Kozak, Doug Burnside, Michael Assal, Hubie Splinter
  - 9. OVBD Liaison** - Anders Persson
  - 10. Integrity and Ethics Award** - Gary Kozak
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