

BROADER CONSTRUCTION ASSOCIATION CONSULTATION GROUP

Meeting Minutes

Monday September 28, 2015

2:00 P.M. – 4:00 P.M.

City Hall, 2nd Floor, Committee Room 3

ATTENDEES	
Name	City Of Toronto
Michael Pacholok (Chair)	CPO & Director, Purchasing & Materials Management Division
Joanne Kehoe	Manager, Construction Services - PMMD
Kyp Perikleous	Director, Transportation Services
Michael D'Andrea	General Manager – Engineering & Construction Services
Wayne Chu	Policy Development Officer, SDFA
Name	Association
Adam Tracey	OAA
Al Prowse	Mechanical Contractors Association
Andy Manahan	Residential and Civil Construction Alliance Ont.
Barry Steinberg	Consulting Engineers of Ontario
Carl Bodimeade	Ontario Coalition for Sustainable Infrastructure
David Frane	Ontario General Contractor Association
Eric Lewis	Heavy Construction Association of Toronto
Geoff Wilkinson	ORBA
Giovanni Cautillo	GT Sewer & Watermain Contractors Association
Patrick McManus	Ontario Sewer & Watermain Construction Association
Vince Aurilio	OHMPA
MINUTES	
Kim Pafford	PMMD, City of Toronto
REGRETS	
Name	City of Toronto / Association
Ashley D'Souza	ORBA

Ashton Martin	Toronto Area Road Builders Association
Brian Gage	OCSI
Chris Conway	Ready Mixed Concrete Association
Clive Thurston	OGCA
Deputy Mayor Minnan-Wong	City of Toronto
Doug Duke	OHMPA
Janie Romoff	General Manager, Parks, Forestry & Recreation, CoT
John Webster	Executive Assistant to Deputy Mayor Minnan-Wong, CoT
Kristi Doyle	OAA
Lou Di Gironimo	City of Toronto
Michael Schreiner	Director, Parks, Development & Capital Projects, CoT
Rod Bradford	Toronto Area Road Builders Association
Stephen Buckley	City of Toronto
Sunil Sharma	General Manager, Facilities Management, CoT

Item	Discussion / Comments Raised	Action
1. Welcome & Introductions	<ul style="list-style-type: none"> ▪ Round table introductions ▪ Michael Pacholok thanked representatives of associations and City Divisions for attending today 	
2. Review and Confirmation of Minutes (attachment)	<ul style="list-style-type: none"> ▪ Minutes were reviewed <ul style="list-style-type: none"> ○ One comment; change to the action log, item #2, c. "alignment of 'Assigned Member' and 'Action Item' is off" 	Minutes approved pending change noted.
3. Update on Priority Issue Work	<p>Presentation given by Joanne Kehoe on the status of work underway and estimated target completion dates of the CWG:</p> <ul style="list-style-type: none"> ▪ Change Order Management ▪ Prequalification of Contractors ▪ Timely Payments <ul style="list-style-type: none"> ○ Timely payment is considered 20 working days by the CoT; AP 	Michael Pacholok to send copy of presentation to group

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	<p>9. Slide 14, last bullet. The pilot projects should be selected with the questions they are intended to address in mind (e.g. percentage of construction Change Orders, overall project cost to the CoT, etc).</p> <p>10. Question: Can the group still add input to what is going on the PMMD website; specifically regarding the objection process; and can the group send out to their members, then return it to the CoT with comments; Joanne Kehoe said that the website was being updated with current information as there is little content there today. CoT will accept feedback on the content and will assess for future updates.</p> <p>11. General feedback concerning all of the sub-group activity was that input of Associations would add value to all areas under review. Joanne Kehoe asked the best way to gather the feedback once the sub-groups want to reach out. The group agreed that written draft changes / recommendations submitted to the Associations participating in the BCACG would be disseminated to the membership of the most affected groups with a request for feedback. Timing of input from the Associations will depend on progress of the working groups.</p>	<p>Joanne Kehoe/Michael Pacholok will send an alert to the group when the website is updated</p>
<p>4. Social Procurement Framework</p>	<p>Presentation given by Wayne Chu</p> <p>Comments/Questions:</p> <ul style="list-style-type: none"> ▪ Barry Steinberg questioned how Social Procurement can be achieved with Free Trade and the current labour markets. Michael Pacholok responded that they are still trying to work that out; have been able to do this with some construction (e.g. Hammerheads; http://www.cobtrades.com/hammerheads/) ▪ Geoff Wilkinson commented that some of the challenges to this would be; College of Trades (with respect to apprentices) unions and prescriptive language in contracts ▪ Giovanni Cautillo questioned what the percentage threshold would/could be (“if an identified vendor is 20% more, would they get the contract?”); Wayne responded that quotations are invited from the identified vendors, but that low cost wins 	<p>Michael Pacholok to send copy of presentation to group</p>

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<p>5. COR (Certificate of Recognition)</p>	<p>Presentation given by Michael D'Andrea</p> <ul style="list-style-type: none"> ▪ COR will apply across the whole City; all contractors and subcontractors ▪ Timeline is January 2017 (for projects \$25 million and higher); must be fully COR certified <p>Comments/Questions:</p> <ul style="list-style-type: none"> ▪ Giovanni Cautillo stated that large companies will have difficulty achieving full certification by January 2017; although many are already in progress, the process can take up to 18 months 	<p>Michael Pacholok to send copy of presentation to group</p> <p>The timeline is to be disseminated down through the group to the contractors; January 2017 timeline is firm</p>
<p>6. Incentive/Disincentive Pilot Update</p>	<p>Presentation given by Michael D'Andrea</p> <ul style="list-style-type: none"> ▪ The pilot focused on large scale construction projects with traffic impacts; piloting different approached on the procurement and contract management ends ▪ ECS wrote a report on the pilot for the Public Works and Infrastructure Committee (PWIC); report name: 2015.PW6.2; will be reporting back to PWIC in 2017 ▪ Two ideas: first is financial benefits for completing work early (conversely penalties for delays), and second recognize that that contractors could set and manage the construction schedule better than the engineers ▪ Approaches will be clearly written in tender documents; will not be a surprise ▪ Liquidated damages of \$3500-5000/day, weighed against the societal impacts of delays in major construction projects do not compare; RUC (road user cost) is valued at \$20/hour which equals an estimated \$1M in loss (e.g. Gardiner construction project) <p>Comments/Questions:</p> <ul style="list-style-type: none"> ▪ Will there be thorough risk assessments done e.g. unforeseen/uncontrollable delays regarding third party work, locates etc.? 	<p>Michael Pacholok to send copy of presentation to group</p> <p>ECS to keep group updated on Pilot program</p>

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	<ul style="list-style-type: none"> ○ Michael D’Andrea commented that it is his hope that the group will come to the bidder’s meetings to flag issues such as these, ensuring that issues are flagged/addressed before the tender is issued 	
7. Tender Metrics	<ul style="list-style-type: none"> ▪ Joanne Kehoe presented the tender analysis data (as at Aug. 31st, 2015) to the group ▪ The tender analysis showed Service Level Targets, that PMMD plans to roll out to staff and divisions beginning 2016, for the various stages of a call versus actual Service Levels achieved ▪ PMMD is trying to streamline the process, reduce days out of the process so that we can get to awarding contracts more quickly ▪ Also helps PMMD identify to clients where the bottlenecks are in the process <p>Comments/Questions:</p> <ul style="list-style-type: none"> ▪ Will there be more thought put towards where in the calendar year the tender calls are released, specifically in the fall? <ul style="list-style-type: none"> ○ Michael D’Andrea said that they are striving for that, but that it is difficult when they do not yet have authority to award since budget approval has not taken place. He feels those that they could release in the fall would be a low risk proposition with the caveat being the formal contract award would be subject to budget approval 	Michael Pacholok to send copy of the tender analysis to the group
8. Other Business a. OCGA – eSolutions mock tender b. OCSI – outcome statement from OSCI Infrastructure Forum	<p>a. Clive Thurston was not present to address this item</p> <p>b.</p> <ul style="list-style-type: none"> ▪ 2nd annual forum held in May ▪ Hand out provided by Carl Bodimeade on ‘Eco-Fiscal Challenges to Building Resilient Communities’ ▪ Carl brought the group’s attention to one of the ‘big ideas’ from the forum that related to today’s meeting which was – 	

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	'Encouraging Innovation by Municipalities' <ul style="list-style-type: none"> ▪ This idea states that the greatest need for innovation is in the way that municipalities do business re: procurement, policy and implementation; focusing on long term value and considering best practices (i.e. QBS (qualifications based selection) approach) 	
9. Signing the TOR	Members present signed the TOR	Michael Pacholok to acquire any missing signatures
10. Adjournment	Meeting Adjourned 4:30 p.m.	

Next Meeting:

TBD

2016 meeting dates to be finalized shortly