

CONSTRUCTION COMMENT

The Official Publication of the Ottawa Construction Association • November 2020

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New procurement approach at UOttawa
Zibi shares innovative thermal system plans
Feds' construction plans not affected by pandemic

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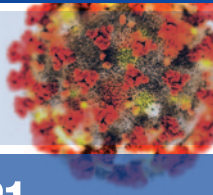
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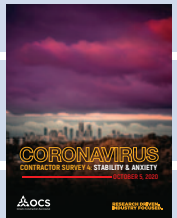
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James Raiswell, Editor

The lessons we'll learn

There's a lot of talk going around these days about the post-pandemic world and how physical distancing will affect building design and use.

The thinking holds that ideas like physical distancing, work from home and increased hygiene practices—ideas that we've all got used to over the past eight months—will carry forward long after this pandemic ends, and that the physical environment we all work in (and some of us live in, if you're an apartment dweller) will be changed forever.

I'm not buying any of it. And I'll tell you why.

For one, people are social creatures. For all we've (for the most part) been productive with working from home and holding meetings over videoconferences, I think we'd all agree that we'd get a lot more done if we were back working in the office. Nothing replaces being in the room with other people, where non-verbal cues and idle discussions before, during and after meetings tell us almost as much about an outcome as the meeting itself does. And nothing can ever replace those quick, one-on-one chats we have with colleagues at the printer or over lunch.

We crave being among our own kind—and as soon as it's safe to do so, we'll go flooding back to our gyms, our offices and our local breakfast bars.

For another, most organizations can't (or won't) change their office footprints on a dime. I attended a few sessions during the virtual Ottawa Real Estate Forum last month. The

question was put a number of times to senior people at Public Services and Procurement Canada: "how will the pandemic change the government's construction plans and space requirements?"

The answer was simply that it won't. The government isn't about to change its plans for the large buildings it has under construction or is about to procure. It's just not going to happen. It might change the square footage allocated to each worker within that space—that's a reasonable assumption to make—but it's not going to shelve huge swaths of construction for a pandemic that's (hopefully) going to be behind us within a year or two.

The last reason I don't see lasting change on the horizon: history suggests these measures won't last. With the possible exception of the security measures put in place by the airline industry after 9/11, I can't think of a single worldwide occurrence that has actually brought change upon us. Even the financial crisis of 07/08 that promised sweeping changes in the banking industry has failed offer long-term lessons.

Why should this pandemic be the outlier?

Don't get me wrong, I'm all for whatever public-health measures it takes to get this pandemic under control and this virus out of our lives. I just don't think masks, hand sanitizer and physical distancing will play much of a role in society once all of this is over.

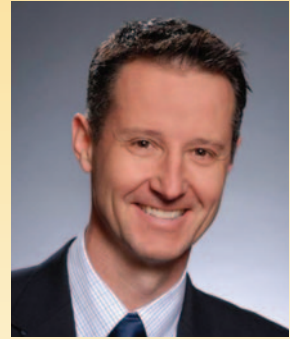


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Danny Dillon,
OCA Chair

Covey's time-management matrix

It is very likely that we are all overwhelmed by talk about the COVID-19 pandemic. This article isn't about that. It's about sharing my experiences on how I sort through the daily tasks and competing priorities that we, as business owners, contractors and managers, face every day.

It often seems that there is just never enough time in a day. Developing a way to manage time so we can accomplish everything we need to do can help us achieve our broader goals.

It's easy to get caught up on the items that are quick to knock off the "to do" list while postponing spending time working on the most important and impactful issues. It is human nature to focus on the quick to solve, easy fixes, but it the long run, resolving, implementing, and correcting those really burning and often more complex issues is a valuable long-term investment.

Most of us have intuitively developed our own ways of planning each day to make sure things get done and there is certainly no shortage of books written on the topic. I have found that the Covey Time Management Matrix conceptualized by Steven Covey, in his book *The Seven Habits of Highly Effective People* is an easy and simple framework that prioritizes time for optimized efficiency and productivity.

The model uses a four-quadrant system to help you organize and categorize each task based firstly on *urgency* (issues, tasks or responsibilities requiring immediate action) and *importance* (issues, tasks or responsibilities bringing with them high significance and value). Starting with the most urgent and also *the* most important items on your "to-do" list is the focus of this system. An important part of this process is developing a list of action items needing attention, and then knowing the difference between what is urgent and not urgent, and what is important and not important.

Covey's Time Management Matrix four quadrants are:

- *Urgent and important*: issues or tasks related to critical results and require urgent attention such as impending deadlines, time sensitive issues and risk.
- *Urgent and not important*: issues or tasks that focus on activities that require planning or additional steps and are in direct relation to your or your organizational overall goals.

- *Not urgent and important*: issues or tasks that are urgent and assume some form of importance in the moment and can be reduced with better planning of issues that are "urgent and important" or "urgent and not important".
- *Not urgent and not important*: issues or tasks that are you are more likely to reduce and it is important to identify these items as low priority.

Using a time management system may in itself seem like a bit of a task. For me, starting to implement this system began by spending just a few minutes every day and assigning each item to one of the categories provide by Covey's grid.

The game changer that makes this grid workable and not overwhelming in itself, is that I rarely allow items to make it into categories 3 or 4. The most important items, both urgent and not urgent are where I spend most of my time.

As we continue to juggle priorities during these turbulent times, I hope you find Covey's framework helpful to assist you stay focused on the important work (both the urgent and less urgent) that will help you succeed.

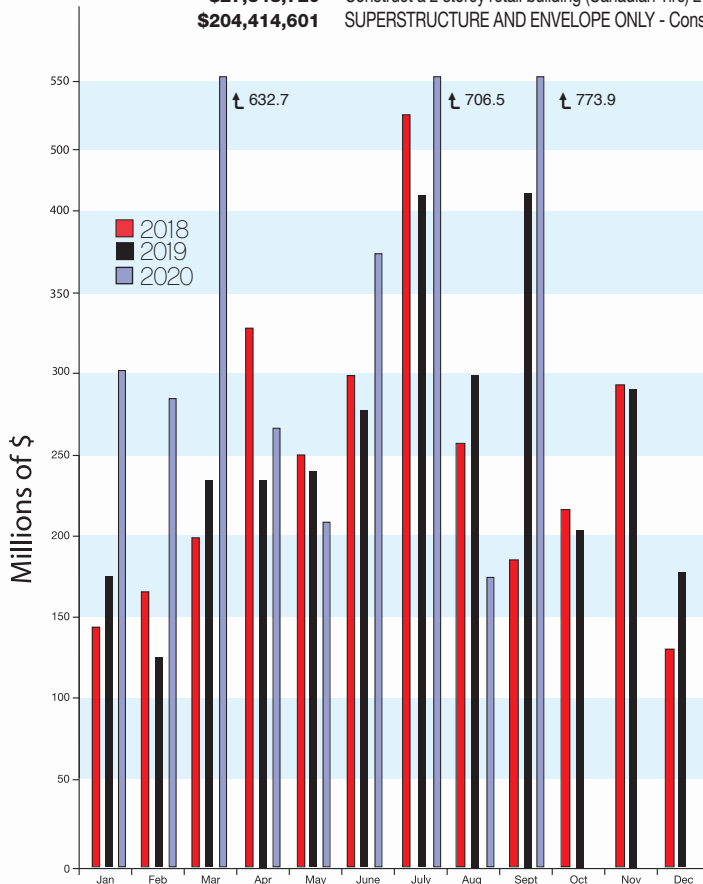
The four quadrants of Covey's time management matrix

	URGENT	NOT URGENT
IMPORTANT	1 <ul style="list-style-type: none"> • Critical issues • Emergence work • Last-minute obligations 	2 <ul style="list-style-type: none"> • Important goals • Strategic tasks • Long-term projects and relationships
NOT IMPORTANT	3 <ul style="list-style-type: none"> • Minor issues • Incoming mail and calls • Other people's queries 	4 <ul style="list-style-type: none"> • Routine tasks • Distractive talks • Time-killing activities

Permits over \$500,000

issued in September 2020

\$2,700,000	Interior alterations in a 1 storey office building (Centura Flooring) 1070 Morrison Dr.
\$3,194,314	FOUNDATION AND STRUCTURE ONLY - Construct a 3 storey addition to an existing 4 storey university building (Mackenzie Engineering Building) 1125 Colonel By Dr.
\$3,551,753	Construct a 3 storey apartment building 261 Columbus Ave.
\$3,551,753	Construct a 3 storey apartment building 265 Columbus Ave.
\$4,761,772	FOUNDATION ONLY - Construct a 9 storey apartment building 36 Robinson Ave.
\$5,121,781	PARTIAL PERMIT (ABOVE GRADE ONLY) - Construct a 6 storey apartment building 134 Robinson Ave.
\$5,380,307	FOUNDATION ONLY - Construct a 6 storey apartment building 1088 Maritime Way
\$7,551,256	Construct a 6 storey apartment building (48 Units) with ground floor parking garage. 24 Pretoria Ave
\$7,551,256	Construct a 6 storey apartment building (48 Units) with ground floor parking garage. 26 Pretoria Ave.
\$7,551,256	Construct a 6 storey apartment building (48 Units) with ground floor parking garage. 28 Pretoria Ave.
\$7,551,256	Construct a 6 storey apartment building (48 Units) with ground floor parking garage. 30 Pretoria Ave.
\$7,832,627	Construct an 8 storey residential apartment building with 2 retail units 71 Holland Ave.
\$7,960,498	Construct a place of worship (St. George & St. Antony Coptic Orthodox Church of Ottawa) 3856 Navan Rd.
\$8,504,590	Construct a 5 storey mixed use building with 1 storey of below grade parking and rooftop amenity space. 1531 Stittsville Main St.
\$13,592,638	FOUNDATION ONLY - Construct 2-27 storey mixed use buildings on a common 4 level underground parking garage 180 George St.
\$13,592,638	FOUNDATION ONLY - Construct 2-27 storey mixed use buildings on a common 4 level underground parking garage 245 Rideau St.
\$13,592,638	FOUNDATION ONLY - Construct 2-27 storey mixed use buildings on a common 4 level underground parking garage 255 Rideau St.
\$13,592,638	FOUNDATION ONLY - Construct 2-27 storey mixed use buildings on a common 4 level underground parking garage 265 Rideau St.
\$15,893,478	EXCAVATION ONLY: Construct a 28 storey apartment building with 6 floors of underground parking 99 Parkdale Ave
\$17,000,667	Construct a 6 storey apartment building with one level underground parking garage 811 Gladstone Ave.
\$23,205,036	Construct an 8 storey apartment building (Building 2B) with 2 levels of underground parking (see application #A20-003277 for FOUNDATION ONLY permit) 10 Des Oblats Ave
\$27,348,720	Construct a 2 storey retail building (Canadian Tire) 2121 Carling Ave.
\$27,348,720	Construct a 2 storey retail building (Canadian Tire) 2165 Carling Ave
\$204,414,601	SUPERSTRUCTURE AND ENVELOPE ONLY - Construct a 5 storey office building (Project Python)



September 2020 Total: \$773.9 million
September 2019 Total: \$411.9 million

change: an increase of 87.89% compared to Sept. 2019

Building permit values (\$ millions)

	2018	2019	2020
January	140.7	175.7	301.0
February	161.5	123.8	281.1
March	199.4	229.9	632.7
April	320.2	229.5	266.6
May	252.7	240.8	206.1
June	293.7	278.6	371.6
July	533.8	413.5	706.5
August	253.5	295.9	176.1
September	178.1	411.9	773.9
October	211.2	206.7	
November	296.2	285.4	
December	128.8	175.7	
Total:	\$2,969.8	\$3,067.4	\$3,717.3
Year to date:	10.6%	3.28%	

2020 year to date total of \$3,717.3 million is 54.9% higher than the \$2,399.6 million in 2019

Housing starts: September 2020

	Single-Detached			All others			Total		
	2019	2020	%	2019	2020	%	2019	2020	%
September	276	246	-11	1,013	869	-14	1,289	1,115	-13
Year to date	1,823	2,091	15	3,796	5,255	38	5,619	7,346	31

NUMBERS

Building permit statistics: September 2020

(Please note that City of Ottawa building permit data now includes both new construction and renovation permit data.)







	Number of permits	Value of permits	Gross area of work (ft²)
Residential			
Apartment	24	107,744,001	889,808
Coach House	2	187,037	1,070
Det. Garage/Shed	35	1,073,458	23,972
Duplex	9	2,750,803	20,990
Rowhouse	127	103,592,182	835,058
Semi - Detached	34	13,240,375	255,626
Single	814	234,702,986	1,520,798
Stacked Rowhouse	11	23,108,540	177,676
Total	1,056	\$486,399,386	3,724,998

Year to date: Residential: \$2,027,172,319

	Number of permits	Value of permits	Gross area of work (ft²)
Non-residential			
Commercial	1	70,857	2,400
Demolition	43	722,186	-71,933.00
Industrial	11	206,882,346	2,856,951
Institutional	45	21,900,560	130,500
Mixed	5	8,555,589	66,817
Office	46	13,067,264	159,998
Other	6	301,348	1,821
Retail	51	34,719,857	404,571
Total	208	\$286,220,010	3,551,125

Year to date: Non-residential: \$1,393,348,392

Material prices

	Commodity	Latest value	% change (monthly)	% change (yearly)	
	Oil (WTI, \$US/barrel)	41.5	0.9	-22.2	▼
	Natural Gas (\$US/MBtu)	2.6	64.7	20.7	▲
	Copper (\$US/mt)	6814	-0.3	17.1	▲
	Steel (\$US/mt)	287	-3	20.1	▲
	Electricity (PJM, USD/MWH)	23	35.3	-25.8	▼
	Lumber composite (USD/1k bd ft)	594	-31.3	56.3	▲

Source: data collected by and reprinted with permission from Export Development Canada's Weekly Commodity Update.
For more information, please visit www.edc.ca



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FORECASTED TENDERS

Infrastructure Services – Design and Construction Projects

December 2020 to March 2021 (Published: October 7, 2020)

Project Name	Project Type	Project Phase Status	Forecasted Date
John Murphy Pk Repl Playground Equipment	Facilities	Design	Nov-20
Multi-Use Pathway: Woodroffe	Municipal	Design	Dec-20
Fred Barrett Repl Roofs 3, 4, 5, 6 & 7	Facilities	Design	Dec-20
Wellington Snrs Ext Wood Cladding Remed	Facilities	Design	Dec-20
Brittany Drive Pump Station	Municipal	Design	Dec-20
Britannia Repair Bricks&Replace Windows	Facilities	Design	Dec-20
Navan Ctr-Replace Ice Plant Chiller	Facilities	Design	Dec-20
Chorus Park Riverside South Dev Del	Facilities	Implementation	Dec-20
Ray Friel Rep Slope/Flat Roofs Rinks 2,3	Facilities	Planning	Dec-20
Resurfacing Sidewalk: Heatherington	Municipal	Design	Dec-20
OC Transpo Operation - Waller St	Municipal	Design	Dec-20
Adv Design-Replace Sr Playstructure	Facilities	Planning	Dec-20
Cumberland Library Des - Roof/HVAC Repl	Facilities	Design	Dec-20
J.G. Mlacak Centre Replace Rink Slab	Facilities	Design	Jan-21
Richmond Forcemain Twinning	Municipal	Design	Jan-21
Carson Grove Prk-Resurface tennis courts	Facilities	Design	Jan-21
OC St Laurent Sth Replace Hoist 10 & 11	Facilities	Design	Jan-21
Lansdowne - Interpretive Signage	Facilities	Design	Jan-21
Cyrville Pk Adv Design-Water Play Area	Facilities	Initiation	Jan-21
CWWF Queensway Terrace Storm Sewer Rehab	Municipal	Design	Jan-21
March Rd Wastewater PS Conversion	Municipal	Design	Jan-21
MUP: Belfast-Trainyards Corridor	Municipal	Design	Jan-21
Richelieu CC Replace Fire Alarm System	Facilities	Design	Jan-21
Bingham-Tennis Court Resurfacing	Facilities	Initiation	Jan-21
Osgoode CC & Stuart Holmes Arena Rink	Facilities	Design	Jan-21
Carleton -Chiller Replacement	Facilities	Design	Jan-21
Egbert Reitsma -Playground Replacement	Facilities	Design	Feb-21
Hintonburg Ext Wall Assembly/Gym Floor	Facilities	Design	Feb-21
Cobble Hill Park Re-Development	Facilities	Implementation	Feb-21
Greenfield-Main-Hawthorne Integrated	Municipal	Design	Feb-21
Retaining WallBritannia Road	Municipal	Design	Feb-21
Bob MacQuarrie Senecal Brine Headers	Facilities	Design	Feb-21
Bethune Park -Replace Pathway Lighting	Facilities	Design	Feb-21
Blackburn Park Splash Pad	Facilities	Design	Feb-21
Trail Waste Facility Stage 3 Capping	Facilities	Design	Feb-21
OPL-LAC Joint Facility	Municipal	Design	Feb-21
2020 Traffic Control Signal/Ped	Municipal	Design	Feb-21
St Laurent Adv Des - Repl Chiller System	Facilities	Design	Feb-21
Booth Street and Pooley's Bridge	Municipal	Design	Feb-21
Bundled Bridges & Culverts #3	Municipal	Design	Feb-21
Manotick Sidewalk / HMB-Greenbank About	Municipal	Design	Feb-21
Canterbury Pool Des - Rep AHU's/Controls	Facilities	Design	Feb-21
Greenboro Pavillion Play Structure	Facilities	Design	Mar-21
Dovercourt CC-Membrane Roof Area 1, 2, 3	Facilities	Design	Mar-21
Bramble Lane Park - Replace Sr. Play	Facilities	Planning	Mar-21
Borden Farm-Replace Fascia/Skylights	Facilities	Implementation	Mar-21
Advance Design-HVAC #3 & #5 Replacement	Facilities	Design	Mar-21
Kenmore CC/Hall Replace Roof	Facilities	Design	Mar-21
Briargreen Park - Replace Senior Play	Facilities	Design	Mar-21
Sewer Integrated: Grove & Grosvenor	Municipal	Design	Mar-21
Pinecrest Rec Minor Ball Diamond Upgrade	Facilities	Initiation	Mar-21
Kars RC Replace Elect Kiosks & Poles	Facilities	Design	Mar-21
Erskine Johnson Rep Metal Roof A&B	Facilities	Design	Mar-21
Whiterock Park Playground replacement	Facilities	Planning	Mar-21
Bob MacQuarrie RCO Parking Lot Resurface	Facilities	Design	Mar-21
Integrated: Canterbury Arch Plesser	Municipal	Design	Mar-21
Bridge Renewal: Belfast Rd	Municipal	Design	Mar-21
2019 Pipe Repairs STM & SAN	Municipal	Design	Mar-21
CARDREL Sprinkler System/Heads/Trusses	Facilities	Design	Mar-21
Milton Rd Bridge & Quesnel Bridge Renewal	Municipal	Design	Mar-21
CWWF-Lemieux Island WPP Intake	Municipal	Design	Mar-21
PTIF Scott-Holland Protected Intersectn	Municipal	Design	Mar-21

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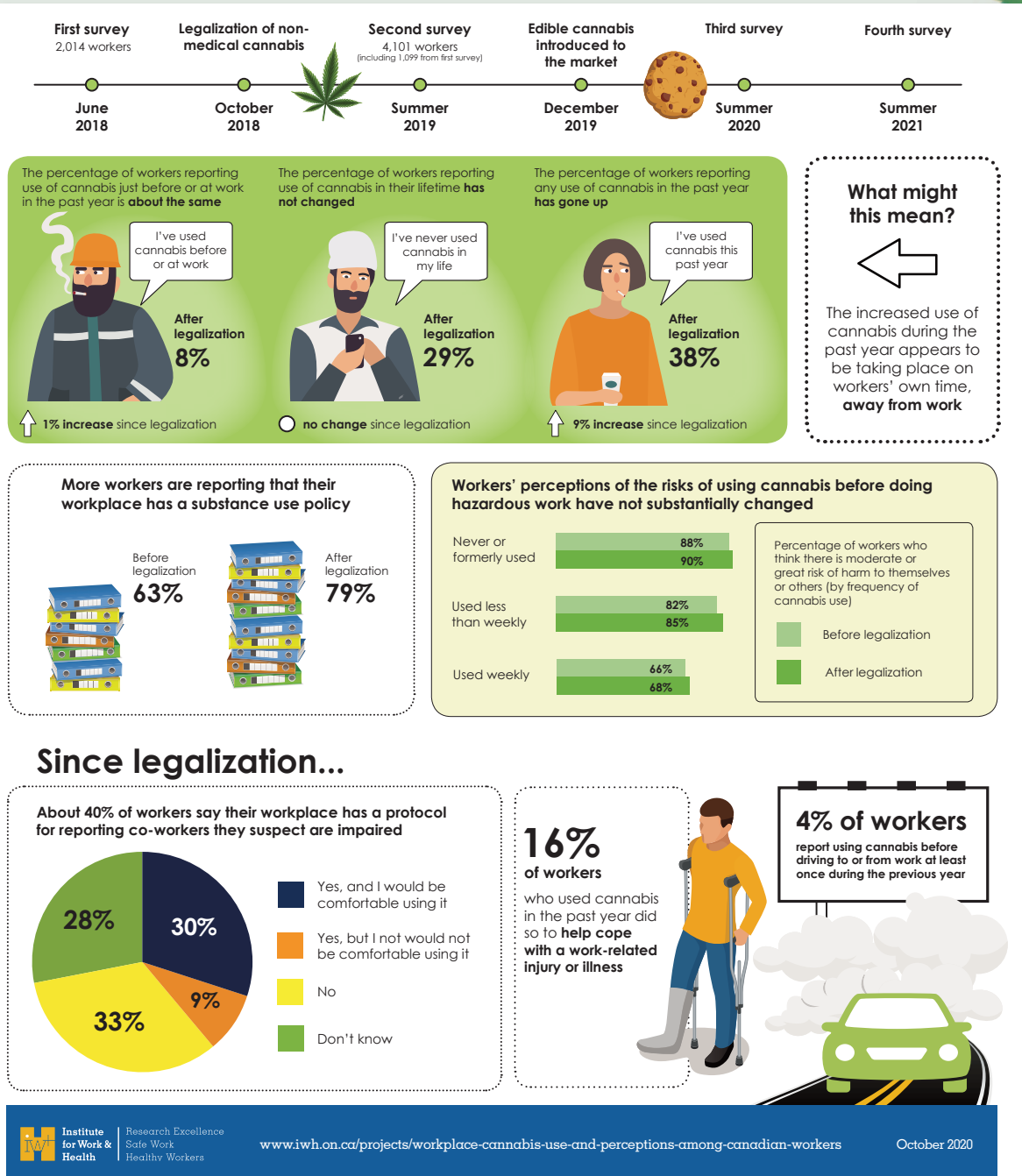
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Cannabis use and the Canadian workplace, 2020

From 2018 to 2021, the Institute for Work & Health is conducting a yearly survey of Canadian workers about cannabis. The aim is to understand how the legalization of non-medical cannabis is affecting workers' cannabis use and beliefs about use.

Following a baseline survey, conducted four months before cannabis was legalized for recreational use in October 2018, IWH surveyed more than 4,100 workers in the summer of 2019.

This infographic summarizes highlights from the first comparison between pre- and post-legalization findings, based on the two surveys.





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The rise of reprisal clauses in public tenders



A recent decision has approved the use of reprisal clauses in public tenders, which have the effect of disqualifying a party from bidding if they have been recently engaged in litigation with the owner. Such provisions are currently utilized by dozens of municipalities across Canada.

In *J. Cote & Son Excavating Ltd. v. Burnaby (City)*, the Court of Appeal for British Columbia affirmed a lower court decision which held that a reprisal clause was not contrary to the rule of law and did not infringe upon the constitutional right to access the courts. The Supreme Court of Canada subsequently refused leave to appeal this decision.

By way of background, J. Cote & Son Excavating Ltd. was a contractor engaged in a municipal works project for the City of Burnaby. A dispute arose between the parties in respect of amounts J. Cote & Son asserted were owed to it as a result of concealed conditions at the project. The dispute was first heard by a referee who delivered a non-binding decision in favour of J. Cote & Son. The City refused to make payment in accordance with this decision and refused to arbitrate the dispute. As a result, J. Cote & Son commenced a civil court action against the City to recover payment.

Shortly after J. Cote & Son brought its claim, the City added a reprisal clause to its invitations to tender for future projects. This reprisal clause had the effect of disqualifying J. Cote & Son from bidding future projects given that it was engaged in litigation with the City. The reprisal clause read as follows:

Tenders will not be accepted by the City of Burnaby (the "Owner") from any person, corporation or other legal entity (the "Party") if the Party, or any officer or director of a corporate Party, is, or has been within a period of two years prior to the tender closing date, engaged either directly or indirectly through another corporation or legal entity in a legal proceeding initiated in any court against the Owner in relation to any contract with, or works or services provided to the Owner; and any such Party is not eligible to submit a tender.

Put simply, this clause disqualified a bidder if it or a related party were engaged in litigation with the City within two years prior to the close of tender. This prohibition applied regardless of the merit or success of the party's claim. In other words, even if J. Cote & Son was successful in its civil action against the City, it would still be disqualified from bidding on tenders.

In finding that such a clause was permissible, the court held that there is no broad general constitutional right of unrestricted or absolute access to the courts. In particular, the constitutional principles relied upon by J. Cote & Son do not apply to private contracts between parties, such as those arising from a public tender.

The court specifically noted that:

Section 96 of the Constitution Act, 1867 does not protect the ability or right to bid on public tenders. As the Attorney General points out, many contractual provisions, such as mandatory arbitration clauses, exclusion clauses, limitation of liability clauses and settlement release clauses are designed to discourage parties from accessing the courts. An absolute right would have significant ramifications, as an array of statutes and contractual clauses of the government that hinder or impede access to the courts to some degree would be rendered unconstitutional.

While this decision may be viewed positively in support of the right to freedom of contract, construction contractors must be alive to the implications of reprisal clauses in municipal tenders. A contractor may be forced to make a business decision as to whether to pursue a claim against a municipality or preserve its ability to bid on future work.

Anthony Imbesi is a lawyer who specializes in construction law at Rasmussen Starr Ruddy LLP. This article is for informational purposes only and should not be relied on as legal advice.

Three tax-efficient strategies for managing retained profits

While most businesses have suffered a difficult or terrible 2020, there are small pockets of the economy that have enjoyed unprecedented demand and revenue. Many construction companies, especially those dealing with residential projects, are amongst those that have seen sharp increases in business. Company owners who benefited from this unexpected boom may now find themselves in new financial territory: what to do with higher than expected profits and extra cash?

There are a few different strategies a business owner can pursue and in many instances, keeping the funds in the business makes sense since corporate tax rates in most situations are lower than personal tax rates.

Option #1 – Build up the balance sheet

Business owners should consider leaving the extra profits in the company to strengthen the company's balance sheet. Reducing debt within a company helps reduce the long-term risks when the business is facing an uncertain economic future. Alternatively, now might be an ideal time to build up cash reserves, especially if a strong cash position can provide advantageous purchasing power.

Option # 2 – Restructure to creditor proof the profits

It may be wise to creditor proof the business by removing any surplus funds from the operating company and placing them in an investment holding company. This should be considered as part of any overall corporate tax planning. A review of the various restructuring options will determine the best approach to achieve your goals. It may involve the use of family trusts with personal and corporate beneficiaries and a variety of share classes.



Option #3 – Withdraw profits in a tax efficient manner

Revisit the compensation strategy for shareholders and their family members to ensure it is tax efficient. Using the surplus profits to maximize RRSP contributions via lump sum transfers as part of a bonus can help owners and shareholders avoid paying higher level tax on the income. Also, if family members played a more active role in the business this year, there may be an opportunity to direct retained profits to them using dividends. When paying a family member using dividends, it is important to review the tax on split income rules.

Before diving into one of these options, it is important to take some time to reflect on the drivers of the strong financial performance in the current year as well as to try and anticipate how the business will perform in the coming years. If the coming months or years look rocky, then strengthening the balance sheet and retaining funds directly in the operating company may be the best long-term use of this year's bumper proceeds. You should also consider current uncertainties and what the effects of another potential shut-down or major slow-down might be before allocating this excess cash towards debt or assets.

This article was written by Anne Van Delst, CPA, CA, LPA. Anne is a partner in the Assurance & Advisory Services division of Ginsberg Gluzman Fage & Levitz, LLP. She can be reached at 613-694-4448 or amd@gfl.ca.



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NEWS

IN BRIEF

CCA issues statement on trade barriers, stimulus funding

The Canadian Construction Association (CCA) is calling for governments at all levels and across the country to maintain a free-flowing system of trade and labour mobility between provinces.

Now more than ever, says the association, the movement of goods and services across borders is critical for the country's economic recovery.

CCA has long advocated that reciprocity and the free movement of construction materials, services and personnel within Canada are essential elements of the national economy. This fact is only further emphasized, it says, as COVID-19 continues to cause disruptions not only in critical supplies but also in workforces.

"Some regions have been harder hit economically than others," said CCA president Mary Van Buren. "But the solution is not to reflexively turn inward. Interprovincial trade barriers are inefficient, and do not support fair, transparent and competitive procurement processes. When we are facing one of the biggest challenges in our history, it is more important than ever that we stand united and work together."

The association is also calling for governments to continue investing in important infrastructure projects across the country. It has also been pressing the federal government to reduce red tape and ensure that tenders are issued efficiently.

Building permit values top \$8 billion

Building permit totals rose slightly in August, topping \$8 billion for the month.

Statistics Canada reports that the total value of permits rose 1.7 percent to \$8.1 billion. The increase was driven by strong performances in the Ontario and Quebec residential sectors.

Leading the way for the month was the residential sector, in which permit values rose by 7.1 percent to \$5.6 billion. The value of permits issued for single family homes rose 9.9 percent to \$2.5 billion on the strength of increases in eight provinces. Ontario accounted for more than half of the national gain, mostly due to sharp increases in permits issued in Toronto (+12.7 percent), Oshawa (+94.2 percent) and Brantford (+257.4 percent).

The value of permits for multi-family homes also rose — by 5 percent nationally. Again, the increase was largely due to increases in permit values in Ontario and Quebec.

Activity in the non-residential sector fared less well for the month. Statistics Canada reports that the value of non-residential permits dropped 8.6 percent to \$2.5 billion in August. The decline was due to a significant drop in non-residential permits in Ontario (-15.7 percent).

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NEWS IN BRIEF

The value of commercial permits fell by 14.7 percent to \$1.4 billion in August, following a notable gain in July that was largely the product of a single, half-billion-dollar permit for an industrial project in Ottawa.

Institutional permits declined for a second month, falling 5.8 percent to \$603 million. Ontario (-27.9 percent) recorded the largest drop in the value of permits issued of all the provinces, more than offsetting gains in Quebec (+30.3 percent).

Finally, following two months of decline, the total value of industrial permits increased in August, up 7.5 percent to \$528 million. Permits issued in Ontario (+41.4 percent) and British Columbia (+61.5 percent) accounted for most of the gains.

CCA announces CONTACT mentors

The Canadian Construction Association (CCA) has named nine companies to take part in this year's CONTACT innovator mentorship program.

The firms range in size and location from across the country, and provide a variety of services— from artificial intelligence applications to advanced building materials, representing the diverse and technology driven solutions available to the industry.

Selected to participate as mentees for this year are:

- CHEKit Ltd. – Calgary
- Deformance Design Labs Inc. – Vancouver
- Eterio Realities Inc. – Victoria
- Grand River Business Intelligence Inc. – Waterloo
- Harbr Inc. – Halifax
- MEPvity Inc. – Saint John
- Persistent Ventures Inc. – Fredericton
- Robolution Technology Inc. – Edmonton
- RoCo Industries Inc. – Ottawa

The association received 17 applications from mentees for this year's program, and selected those nine companies based on their innovative industry solutions.

The top three will also have an opportunity to present their solutions at a 'Construction Den' session at the 2021 CCA annual conference, which will again be conducted virtually.

Construction investment rises in August

Statistics Canada's latest data reveals that the total investment in building construction rose 5.0 percent to \$16.0 billion in August.

The increase was largely due to a strong performance in the residential sector. Investment there increased 8.2 percent to \$10.8 billion, and exceeded pre-COVID levels for the first time since February. Non-residential sector investment, meanwhile, decreased 1.2 percent to \$5.2 billion.

As construction companies pushed to catch up on work delayed earlier in the spring, August saw construction in-


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NEWS IN BRIEF

vestment reach a record high. However, on a year-to-date basis total investment was 3.7 percent lower than for the same period in 2019.

Investment in residential construction rose for the fourth consecutive month in August—by 8.2 percent to \$10.8 billion. Single-unit investment rose 5.4 percent to \$5.4 billion, while multi-unit investment was up 11.2 percent to \$5.4 billion. Multi-unit investment gains were reported in nine provinces, led by Alberta (+42.4 percent) and Quebec (+15.8 percent). Ontario's sector rose by 3.2 percent.

Non-residential investment, meanwhile, declined 1.2 percent to \$5.2 billion in August, with decreases reported in all three components. Declines were posted in seven provinces, with the largest decline recorded in Quebec. Despite these declines, August levels remain higher than February 2020 pre-COVID levels for all components except industrial investment.

Nationally, the industrial component was down 1.4 percent to \$895 million in August, with declines reported in seven provinces, including Ontario where investment dropped by

2.3 percent. Investment in the commercial component was down 1.5 percent to \$3.1 billion in August, and institutional investment dropped 0.5 percent to \$1.2 billion.

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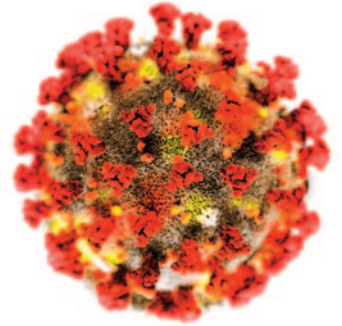
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‘Review and adapt’ to prepare policies for second pandemic wave



Participants in a RESCON webinar on October 13 discussed how to keep workers safe during the emerging second COVID-19 wave, and with the additional challenge of winter weather to come.

As fall turns into winter, all of Ontario is struggling to contain the further spread of COVID-19.

At well over 700 daily, the number of daily cases being reported to provincial public health officials in mid-October were higher than they ever have been. This fact has prompted the Ontario government to close many types of non-essential businesses, such as restaurants and gyms, in such hotspots as Ottawa, Toronto and Peel.

The worsening case load, combined with the promise of inclement weather to come, is causing the construction industry to re-evaluate its approach to maintaining health and safety on its sites.

How to handle site safety during the second COVID wave was the focus of a webinar delivered by the Residential Construction Council of Ontario (RESCON) and the League of Champions on October 13.

Participating were leaders from several residential, commercial and civil construction firms, as well as Minister of Labour, Training and Skills Development Monte McNaughton and Chief Prevention Officer Ron Kelusky.

“Data from the Workplace Safety and Insurance Board shows that construction had one of the smallest circles of outbreaks of COVID-19 prior to the second curve,” said Kelusky. “But the numbers are only going to get worse before they get better.”

Kelusky urged vigilance. He reminded participants and viewers that COVID fatigue is setting in for many people, and now is not the time for complacency.

“More vigilance is needed,” he said. “If we drop our guard even slightly, the virus can come into construction and make it impossible for people to come to work.”



“People are feeling overloaded with the information that’s out there, but we can’t let that slip,” said Lesurf. “The key is to be bite-sized and to always reinforce safe practices.”



He added that many of those regions of the province that are hardest hit by the virus—Toronto, Ottawa, Peel, Durham, York, Halton, Niagara and Hamilton—are where the lion’s share of the province’s infrastructure is being built. To help the industry respond, Kelusky’s office is working with sectors like construction to update guidance documents that were issued in the spring. Those are expected to be published soon.

The focus webinar then turned to a panel discussion about on-site best practices for controlling the spread of COVID-19. Speaking were Craig Lesurf, president of Gillam Group and chair of the League of Champions; Enzo Garritano, president & CEO of the Infrastructure Health and Safety Association (IHSA); and Ketan Patel, the senior H&S manager with residential developers Tribute. RESCON vice-president Andrew Pariser moderated the discussion.

Pariser asked the participants about some of the approaches they have used to help control the spread of the virus. Garritano explained that IHSA has published as many as 40 resources for construction, including videos, posters, stickers and guides for distribution. Lesurf said the key for his company has been to share best practices with other firms and to borrow those approaches that have been proven effective elsewhere. He added that, to be effective, the safety message had to be communicated and demonstrated by company leaders. Patel concluded by saying it was important to remind workers that the virus is a community safety problem, not just a workplace issue.

The conversation then turned to COVID fatigue and how contractors are managing that.

“People are feeling overloaded with the information that’s out there, but we can’t let that slip,” said Lesurf. “The key is to be bite-sized and to always reinforce safe practices.”

As the weather turns colder, the industry will have a new challenge: delivering hand-wash stations in, and adapting personal protective equipment for, the cold weather.

The panelists said communication is key to keeping

workers informed about the changes in sanitation approaches, whether that’s changing locations of hand-wash stations as construction progresses, or adopting new types of equipment.

“Review everything you’ve done since March and adapt them for the weather to come,” said Garritano. “Start now.”

The conversation concluded with a discussion of how several contractors dealt with suspected or confirmed cases of COVID-19 on their sites.

Craig Sparks, the national health and safety manager with Maple Reinders, in particular, pointed to the difference in his firm’s responses to two cases—one at the early stage of the pandemic, and the other later in the summer. The company’s response to the first case, in Alberta, was characterized by little communication and a great deal of confusion, and caused the site to be shut down for two weeks.

Its response to its second incident in Ontario, in September, drew on developed tools and strong channels of communication to minimize panic and confusion. The company was able to keep its site running with only minimal required sanitization, and no further risk to the health and safety of those affected and those around them.

Darrin Husack of Condrain said his company found out about its positive case after the worker had been on site for several days after being infected. The company found seven other site workers who had come into contact with this person. Those people were isolated and returned to work healthy in due time.

“The key for us was to get in front of communication early to make everyone aware of what had happened, and to control the spread of mis-information,” he said. “We kept providing updates and communications to keep people in the loop and to show how seriously we took the incident.”

The presenters agreed the communication is the key to managing fear and confusion if a case appears on site. Having good programs and policies in place, and reviewing these continuously, is key.



WSIB freezes premium rates for 2021

The change comes amid significant economic uncertainty created by the COVID-19 pandemic, but it's not good news for employers who anticipated seeing their premiums fall.

Despite the chaos and economic uncertainty caused by the COVID-19 pandemic, the Workplace Safety and Insurance Board (WSIB) won't raise employer premiums in 2021.

They won't lower them either.

The board announced a rate freeze for 2021 during its annual general meeting on October 1. Held virtually, the session featured presentations and updates on various initiatives from chair Elizabeth Witmer and president and CEO Tom Teahen.

One of the reasons the board was able to freeze rates for 2021 was the fact that it had retired its operating deficit—its unfunded liability—in 2018. The board ended 2019 with a sufficiency ratio of nearly 114 percent, and expects to maintain a ratio of between 112 percent and 115 percent through the end of 2020.

“By holding premium rate levels for 2021 we are giving Ontario businesses some certainty in these uncertain times,” said Witmer. “Being in a strong financial position allows us to maintain services for people who need them and hold premium rates steady.”

The news might come as a disappointment to those in the construction industry in particular who had seen their average rates drop by 63 percent over the past four years. The board said it took its decision in the interest of fairness.

“Any good performances achieved in 2020 will not be lost,” said Teahen. “Those performances will be calculated into future years’ rate decisions.”

It added that wages paid under the Canada Emergency Wage Subsidy would not be counted as insurable earnings for employers, and that it had created a G6 class exclusive to residential construction. That new class for residential firms is expected to decrease the rates of those firms remaining in class G5, which is now exclusively for non-residential construction.

The board also announced that any company that deferred its premiums this spring as a result of the economic impact of the COVID pandemic would be given until January 1, 2021 to start repaying those premiums, and have until June 30, 2021 to complete repayment without interest or penalty. Witmer said that thousands of businesses had taken advantage of the opportunity to defer premiums.

The WSIB launched of its Health and Safety Excellence Program (HSEP) last year with the aim of giving businesses the opportunity to refine elements of their health and safety programs, and earn rebates for strong performances on discrete modules. Witmer announced that the program was adapted in 2020 in light of the pan-


demic. Five of the 36 topics under the HSEP program were adjusted to include thinking around pandemic responses.

“The impact of this program will be felt for years to come,” said Witmer. “Making workplaces safer makes sound business sense. It helps workers be more confident and more productive, which is ultimately better for a company’s bottom line.”

Finally, Witmer and Teahen outlined some of the measures the board put in place this spring to help manage claims and protect its staff during the pan-

demic. The organization’s 4,000-some employees are mostly working remotely, while the board has introduced a series of online tools to allow workers, employers and healthcare providers to access the services and information they need to submit and manage claims.

“Now more than ever people are demanding access to services online,” said Teahen. “Being able to follow their claim in real time gives people 24/7 access to the information they need. And they can easily send us messages online without ever having to wait on hold.”



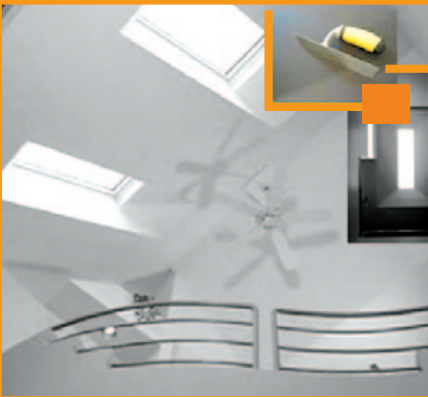
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'Uncertainty remains'

BMO economist

While economists are sure that an economic recovery is very much underway, what's less certain is how long it will take to come back to pre-pandemic levels, particularly given the impact of the second COVID wave.

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United States (m/m % chng)



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Canada's double hit: Coronavirus and oil

Real GDP – Canada (y/y % chng)



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Economists expect the world economy to recover from the COVID-19 pandemic over the course of next year and into 2022, but no one is quite sure what that recovery will look like or how long it will take.

Michael Gregory, the deputy chief economist and head of US economics at BMO Economics, spoke to the Ottawa Real Estate Forum on October 14. His message: Canada's economy is pulling itself out of the deepest recession it has seen in the post-war era, but a lot of factors are weighing down its swift recovery.

"The major problem we're facing now is the second COVID wave," he said. "New cases are higher in many provinces, and although consumer confidence is coming back, it's fragile. Until we have a safe, effective and well-distributed vaccine, that fragile confidence will be a head wind on the economy."

Canada has pulled back some three-quarters of the jobs that it lost since March, a fact that is partly due to the success of the federal wage subsidy, but even those gains may not be enough to sustain a return to normalcy.

Indeed, some of those jobs that have been lost may never be recovered. Many

firms are operating under significant restraints due to COVID protocols. Restaurants, for example, have fewer tables to serve and therefore need to employ fewer servers. Other companies are also cutting personnel as they adjust to the new reality.

One of the industries that has fared well and continues to perform at a high level during the pandemic is real estate. Housing demand, both in Ottawa and across the country, is sky high. Gregory attributed that fact in part to pent-up demand during the pandemic, as well as record-low mortgage levels.

House prices have increased as a result, and Ottawa lead the country in increases. The average home locally is now priced over \$520,000 and has jumped nearly 20 percent over the past 12 months.

Although the economic recovery has begun in all parts of the world, the key to sustaining it will be in maintaining the accommodating policies introduced in the spring, Gregory said. Widespread lockdowns are to be avoided and measures taken to contain the virus so that don't further job losses and deeper indebtedness aren't needed.

"I think we're in the middle of the re-

covery right now and that by the third quarter of next year, the GDP we lost over the spring will be put back," he said, adding that the recovery won't be even across all sectors. "Some will do better than national average, for example health, information, warehousing and storage. But others will certainly lag, like accommodation and food services, arts, entertainment and recreation, and air transport—those that require in-person contact."

BMO Economics is forecasting a loss in GDP of 5.6 percent for Canada in 2020, followed by a rebound of 6 percent in 2021. Across the country, analysts see different provinces responding in different ways. The crash in the oil market, for example, has create a double whammy for producing provinces such as Alberta and Newfoundland and Labrador. Those provinces are expected to lose 6.5 percent and 7.1 percent of GDP respectively this year. Ontario's loss for 2020 is tracking at 5.5 percent.

Gregory added that the largest provinces will be those that rebound most in 2021. Ontario, Alberta, Quebec and British Columbia are all expected to enjoy growth rates of greater than 6 percent in 2021.



Big federal projects needed 'no matter what': PSPC ADM

Plans for construction of buildings like 599 Tremblay Road are going ahead, regardless of the COVID-19 pandemic. What may change, however, is the space allocated to workers within the new buildings the federal government procures.

The COVID-19 pandemic isn't about to change the federal government's construction plans.

Stéphan Déry, the assistant deputy minister of real property services with Public Services and Procurement Canada, spoke at the Ottawa Real Estate Forum on October 14. He revealed that those construction plans that are already underway, such as for a 135,000-square metre building at 599 Tremblay Road, will very much proceed as planned.

"These facilities are needed no matter what," he said. "They will proceed unchanged. If we make changes to our portfolio, it may be along the lines of how we use our new buildings. So which tenants come in, and how many."

The federal government is, of course, the greatest user of office space in the National Capital Region. Across its 35 million square feet of space, it houses about 148,000 civil servants. Annually, the government spends \$5 billion on its real property assets.

Déry says the pandemic has caused the federal government to re-think its approach to the square footage of building space it allocates to each employee. Pre-pandemic, he said, that figure was about 200. If the government were to be fully operational today and in compliance with public-health guidelines to control the spread of COVID-19, it would have to double that figure.

"Our offices are at about 30 percent capacity at the moment, and we've worked with Treasury Board and Health Canada to make sure all the appropriate safety measures are in place," he said. "With the second wave of the pandemic upon us, I don't see our population numbers rising, and we certainly don't want to put pressure on local health care systems by bringing people back unnecessarily."

He added that the real-property services group is looking at the needs of specific departments with regard to COVID responses. Where some can continue under telework arrangements, others will need personnel in-house to perform their work. Every department, he said, is reacting to the pandemic differently.

Allowing employees to work from home was a key element of the GC Workplace plan, as were notions of activity-based workplaces and no assigned seating. Pre-COVID, the federal government had its share of challenges creating buy-in for those ideas among its workforce. The pandemic, however, has given the government the ideal forum for pilot-testing exactly those ideas—and from a productivity point of view—it has worked.

"Before COVID, we had a plan to reduce our office footprint by 25 percent," he said. "We want to get rid of buildings that consume a lot of energy and that are too expensive for us to maintain. Our goal going forward is to adopt private-sector innovations in the new spaces we occupy and to create a portfolio of nimble assets that can respond to changes like this pandemic."

Finally, green construction remains top of mind for the federal government. The Tremblay Road building is targeting carbon neutrality, and Déry suggested there will be opportunities for landlords to green the buildings used by the federal government. The civil service is aiming to achieve carbon neutrality.



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PHOTOS BY BASSI CONSTRUCTION LP



The Ottawa Clinic

Project Address: 2936 Baseline Road

General Contractor: Bassi Construction LP

Consultants and OCA member participants

Consultant(s)	VR Engineering*
Architect	Dredge Leahy Architects Inc.
Project Manager	Steve Gomes
Plumbing & HVAC	Modern Niagara Ottawa Inc.
Electrical	G.P. Garrick Electric Ltd.
Sprinkler Systems	Ottawa Sprinkler Installations Limited
Doors and Frames	Division Eight Door Solutions Inc.

* denotes non-member firm





PHOTOS BY BROCCOLINI



Python

Project Address: 222 Citigate Drive
General Contractor: Broccolini

Consultants and OCA member participants

Architect	GKC Architects*
Structural Engineer	McIntosh Perry Consulting Engineers
Fire Protection Engineer	Civelec Consultants*
Mechanical & Electrical Engineer	Hammerschlag & Joffe*
Civil Engineer	Novatech Engineers Planners & Landscape Architects
General Superintendent	Brendan Ferron
Sr. Project Manager	Cristian Yanez
Project Director	Patrick Blundon
Sitework	R.W. Tomlinson Limited
Reinforcing Steel	ABF Reinforcing Steel Inc.
Concrete Finishing	Slavko Concrete Finishing Inc.
Concrete Supply	Tomlinson Ready Mix
Masonry	George & Asmussen Limited – G & A Masonry
Structural Steel	Canam Group Inc.
Roofing	DWS Roofing and Waterproofing Services Inc.
Plumbing	Modern Niagara Ottawa Inc.
Electrical	KE Electrical Ltd.
Glazing	Transit Glass & Aluminum Ltd.
Drywall	Serco Construction Ltd.
Elevator	Schindler Elevator Corporation

* denotes non-member firm



PHOTOS BY MARANT CONSTRUCTION LTD.

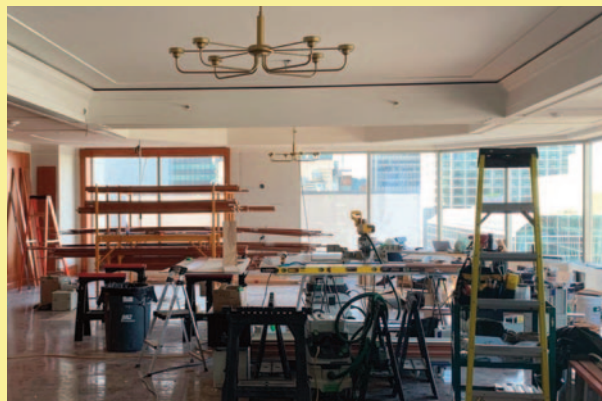
The Rideau Club - Phase 1

Project Address: 99 Bank Street - 15th Floor
General Contractor: MARANT Construction Ltd.

Consultants and OCA member participants

Consultant	R.J. McKee Engineering Ltd.
Designer	Hossack & Associates Architects Inc.*
Construction Manager	MARANT Construction Ltd.
Plumbing & HVAC	Modern Niagara Ottawa Inc
Sprinkler Systems	Viking Fire Protection Inc.
Plaster & Gypsum Board	Durabuilt Construction Inc

* denotes non-member firm





PHOTOS BY MCDONALD BROTHERS CONSTRUCTION INC.



Multifaith Housing Initiative's Veterans' House

Project Address: 745 Mikinak Road

General Contractor: McDonald Brothers Construction Inc.

Consultants and OCA member participants

Architect

CSV Architects

Structural Engineering

Cunliffe & Associates

Mechanical &

Smith and Andersen Consulting Engineering

Electrical Engineering

Civil Engineering

McIntosh Perry Consulting Engineers Ltd.

Landscape Architect

Lashley & Associates

Project Manager

Patrick McDonald & Sally Morris

Reinforcing Steel

AGF Steel Inc. (Ottawa Division)

Concrete

Duron Services Ltd.

Masonry

George & Asmussen Limited – G & A Masonry

Roofing

DWS Roofing & Waterproofing Services Inc.

Plumbing

S & R Mechanical

HVAC

C&S Heating Ltd.

Electrical

Maxi Power Electrical Services Inc.

Painting

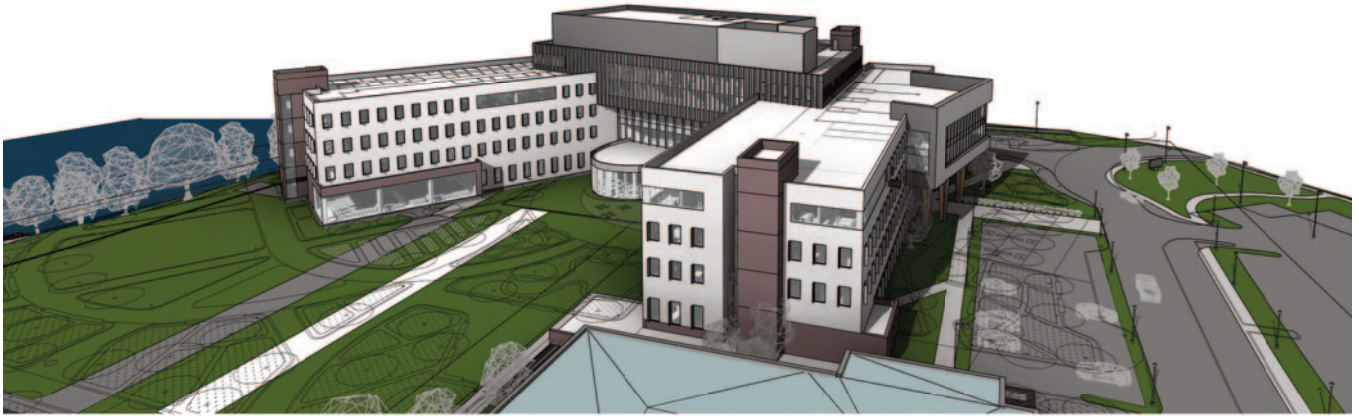
KWD Painting

Elevator

Schindler Elevator Corporation

* denotes non-member firm

University of Ottawa charts a new way forward



A new executive team in the university's Facilities department has taken a new look at its asset portfolio, and is rolling out new plans for construction—and for working with contractors.

A new executive team at the University of Ottawa's Facilities department has a new vision for the institution's real estate portfolio, and a new approach for working with constructors.

Marc-Antoine Joly, Associate Vice-President, Facilities joined the university in February 2019. Geoffrey Frigon, Senior Director of Asset Management, Planning & Real Estate followed in March and Jean Lapointe, Director of Construction in April. Together, the individuals and their respective teams have set a course for strengthening the university's approach to real-estate planning and asset management, and involving construction as an everyday partner.

"When I joined the university, we were missing two key strategic documents: a 10-year asset management plan, and a five-year capital plan," Frigon explains. "We set about developing both of those with the goal of understanding the big picture of our holdings and their lifecycles."

The university's asset-management plan charts the large development projects the institution needs to meet its academic mission. A sweeping document, it tallies as much as \$2 billion of investment requirements. It's an ambitious plan in that regard, but Frigon says the goal is to help the university

understand the overall picture of its asset health, and how it can levy that data to look at financing projects to come through arrangements such as public-private partnerships.

The five-year capital plan is more tactical. It identifies all of the facility needs for each faculty and building over the next five years. It helps the university to understand where it can best spend the \$30 million to \$50 million it routinely invests in construction each year.

"When you think about our overall spend in a year, we probably rank second or third in the city in terms of construction volume," says Frigon. "So it's important for us, and it's important for our construction and design partners, to see what our requirements are not just in the moment, but also in the years to come. We want industry to be able to respond to our needs, and to understand why we're doing the things we're doing."

With this in mind, the university plans to issue a call for vendor of record applications to the city's general contracting community. That will happen in November, Frigon advises. The scope of the call will be for those projects valued up to \$500,000, and the university is putting more of an emphasis than ever before on quality of work and value for money as compared to straight dollars and cents.

"We want actual partners to work with us on our projects," says Frigon.

To that end, the university has also implemented a commercial management system for its vendors. The system is similar to the one maintained by the City of Ottawa where contractors are graded for performance, and contractors can score the purchaser's performance. Those that perform poorly may be removed from the university's vendor of record list.

Funding in place for three major projects

In February, the university raised \$300 million through a debenture to finance the design and construction of three major facilities on campus.

The first project calls for a complete re-imagining of the 200 Lees Avenue campus. Three of the five buildings on the site will be demolished. In their place, the university plans to build a five-storey, 220,000-square foot state-of-the-art teaching and research facility for the Faculty of Health Sciences.

Contractor pre-qualification for the project is already underway, and construction is expected to start in July 2021. The university is targeting LEED Platinum certification for the facility.

The second project, which is currently under review by the university's board of directors, could see construction of a brand new, 250,000-square foot advanced medical research centre facility adjacent to the university's Smyth Road campus, near The Ottawa Hospital's General campus. The idea

would be to share the facility among four entities: the university, the private sector, the hospital and the federal government.

"All four share the goal of attracting the best and brightest research minds to their organizations," says Frigon. "We'd like to create a building to match that, and which brings like-minded people together to share ideas—and to help drive the science mandate of the university."

The third project on the books via the debenture funding is for work at Roger Guindon Hall, which will see a complete mechanical and electrical upgrade, as well as architectural enhancements. That work is expected to begin in 2022.

"Our approach going forward is very much to partner with the industry to achieve mutual benefit," says Frigon. "Marc-Antoine, Jean and I all have worked in the public and private sectors throughout our careers. We understand construction very well, and we're open to suggestions and ideas on how to improve our thinking."



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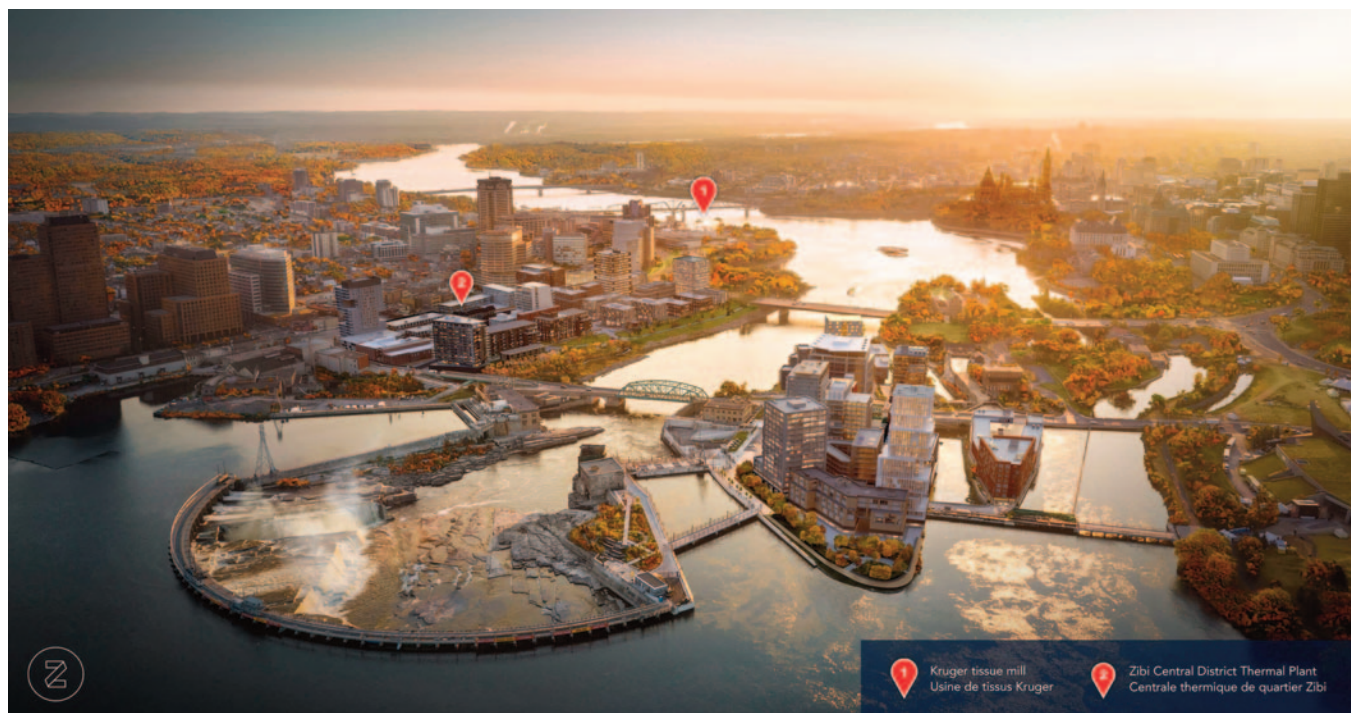
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Zibi to adopt post-industrial waste-heat recovery system



All four million square feet of buildings on the 34-acre site will be connected via a hydronic loop that circulates waste energy from the nearby Kruger Products plant for heating and water from the Ottawa River for cooling.

The Zibi neighbourhood will become the first master-planned community in North America to adopt a post-industrial waste-heat recovery system.

Designed in partnership with Hydro Ottawa and Kruger Products, Zibi's district energy system will use effluent energy recovery from the nearby Kruger Products' plant to heat buildings on the site, and water from the Ottawa River to cool the buildings.

When the system is completed, all four million square feet of residential and commercial buildings at Zibi will be interconnected through a hydronic loop that will deliver heating and cooling energy. Low-grade heat from effluents will be recovered from the end of the tissue-

making process from the neighbouring Kruger Products' Gatineau tissue plant and injected into the new central energy plant. In the summer, heat will be rejected through chillers into the Ottawa River to efficiently produce chilled water to cool the buildings.

The system will create zero carbon emissions.

"The Zibi Community Utility district energy system is a cornerstone in our plans to meet our One Planet sustainability goals," said Zibi president Jeff Westeinde. "We are grateful to our partners at Hydro Ottawa and Kruger Products for helping us develop an innovative solution that not only enables us to meet our zero-carbon goals but puts Ottawa and Gatineau on the

map as leaders in combating climate change."

Zibi is a 34-acre community designed by Dream Unlimited Corp and Theia Partners, and which sprawls across Gatineau and Ottawa and the islands on the Ottawa River in between. When the community is completed, it will be home to more than 5,000 people. The community will contain eight acres of riverside parks and public squares, and more than one million square feet of commercial space.

It has been designed to be one of the most sustainable communities in the world, and the first in Canada to receive One Planet Living certification, a global framework developed by Bioregional and the World Wildlife Fund.

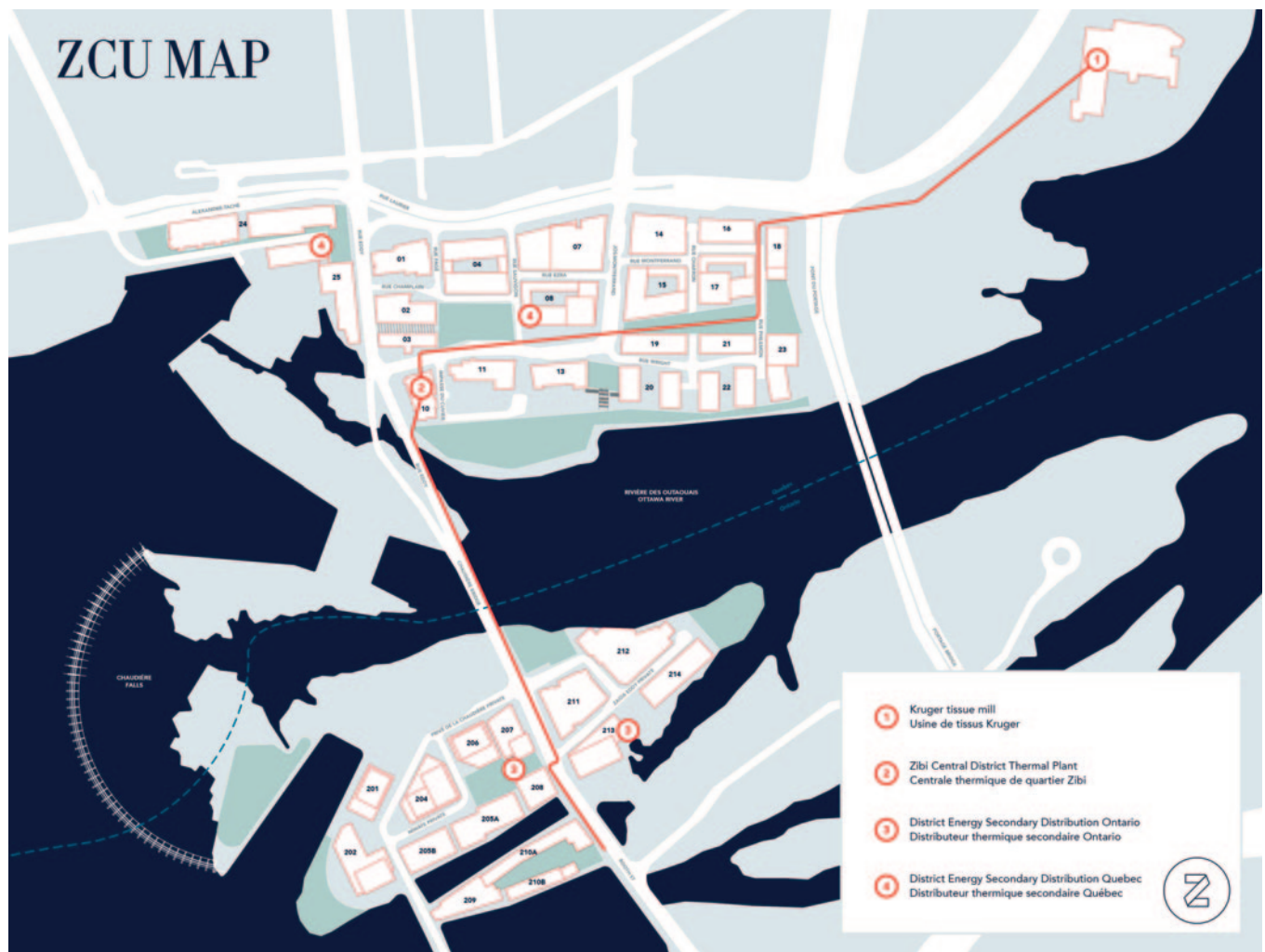
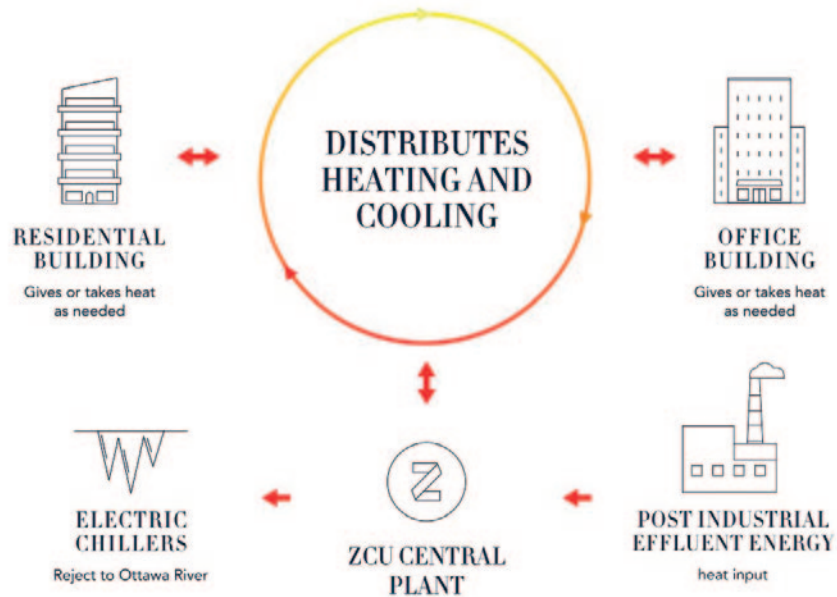
The Zibi Community Utility plant will be housed on the lower level of a 15-storey residential building at the corner of Eddy and Jos-Montferrand in Gatineau, Quebec. That building is currently under construction.

When the plant is completed, it will be accessible to residents and visitors to allow them see the operations and learn about the technology.

“Kruger Products’ involvement with the Zibi Community Utility, through effluent energy recovery from our Gatineau Plant, is yet another example of our commitment to our community, our employees, our suppliers and our customers to always look for innovative ways to reduce our environmental footprint and to make our operations more sustainable,” says Stéphane Lamoureux, vice president, operations – special projects at Kruger Products. “As Canada’s leading manufacturer and distributor of quality tissue products for household, industrial and commercial use, sustainability is at the core of what we do and as such, we are proud to partner with Zibi and Hydro Ottawa in this promising project, which will have a positive impact in the National Capital Region.”

In addition to introducing district energy, Zibi’s partnership with telecom company Beanfield will use the energy system pipe corridors to lay infrastruc-

ture for their fibre-optic network and offer 1Gbps symmetrical upload and download speeds delivered over a dedicated fibre connection.



Second pandemic wave tops contractors' concern in latest OCS survey

Tops among contractors' concerns was the impacts of a second COVID-19 wave. Ranking close behind were concerns about the impacts of supply-chain disruptions, the ability to access skilled labour, and ensuring the health and safety of workers and staff.

The latest survey on contractors' attitudes toward, and experiences with, the COVID-19 pandemic shows that the threat of a second wave of the virus is the industry's biggest worry.

Conducted over the period between September 8 and 18, the **Ontario Construction Secretariat (OCS)** led survey asked the opinions of 300 industrial, commercial and institutional contractors from across the province.

The survey asked contractors to identify their top concerns relating to the pandemic at the moment. Tops among those was the impacts of a second

COVID-19 wave. Ranking close behind were concerns about the impacts of supply-chain disruptions, the ability to access skilled labour, and ensuring the health and safety of workers and staff.

"There has been little change over top concerns from previous surveys including supply chain disruptions, skilled labour availability, and ensuring the health and safety of workers and staff," OCS reports. "There has, however, been a significant decline in concern regarding project cost over-run due to sanitization, safety, and social distancing protocols."

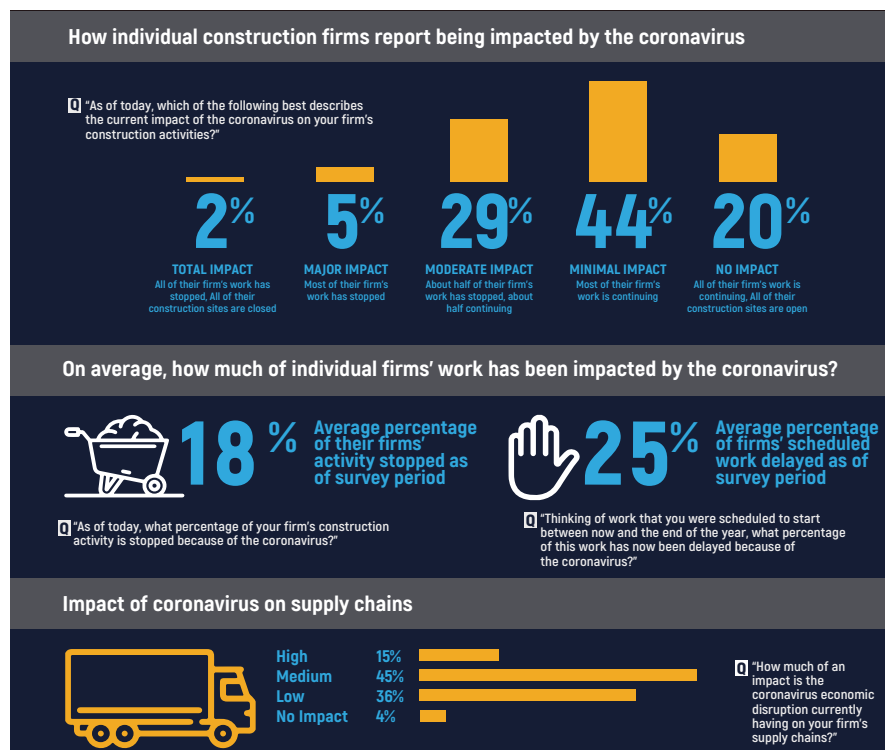


Contractors were also asked about the percentage of their work that has been impacted by the pandemic. In this latest survey, builders reported that 23 percent of their work had stopped because of the coronavirus, and a further 29 percent has been delayed. Both figures are down from the initial OCS survey in early May, when contractors reported 24 percent of work stopped, and 65 percent delayed. The trend continued downward through the third OCS survey, which showed 28 percent of work stopped, and 41 percent delayed.

In addition, 56 percent of contractors say most or all of their work has now resumed.

Supply chain disruptions have not improved since the pandemic began. Sixty-four percent of respondents reported high or medium impacts on business. That figure is down only slightly from the third survey, which was conducted in mid-June, and is up from the first survey, which was conducted in late April.

Additional impacts caused by the pandemic include delays in processing building permit applications. Fifty-two percent said the process is slower, or significantly slower, than pre-pandemic. Additionally, 46 percent said it was



Revenue estimates for the year so far



62% of firms currently have less revenue than last year

Q "Thinking of the revenue generated by your business from January 1st up to today's date, is your firm's revenue higher, lower, or the same compared to the same time period in 2019?" (Lower: 62%, Same: 23%, Higher: 12%, Don't Know: 3%)



-15% Average change in revenue

Q "Approximately how much higher/lower as a percentage?"

Revenue expectations for the 2020 calendar year



61% of firms expecting less revenue in 2020

Q "Thinking of the year 2020 as a whole, do you expect your firm's revenue to be higher, lower, or the same compared to 2019?" (Lower: 61%, Same: 21%, Higher: 18%, Don't Know: 3%)



-8% revenue expected to fall 8% on average in 2020

Q "Approximately how much higher/lower as a percentage?"

Revenue expectations for September-December period



46% of firms expecting less revenue in Sept-Dec period

Q "Thinking of the period between September 1st and the end of 2020, do you expect your firm's revenue for this period will be higher, lower, or the same compared to the September to December period in 2019?" (Lower: 46%, Same: 34%, Higher: 17%, Don't Know: 3%)



-11% revenue expected to fall 11% on average in Sept-Dec period

Q "Approximately how much higher/lower as a percentage?"

harder finding skilled labour this summer than it was last summer.

Respondents were asked to think about the amount of bidding activity they have experienced since July 1. Nearly half—48 percent—said they were doing less bidding, while 38 percent reported no changes. They survey also showed that most contractors (54 percent) believe there have been fewer projects available to bid on since July 1. A further 35 percent said they thought project volumes were about the same as usual.

OCS asked about bidding trends observed by contractors since July 1. Most (82 percent) said owners are directing them to incorporate new health and safety requirements. Nearly 60 percent said there are fewer small projects to bid on, 51 percent said they're seeing larger firms bid on smaller projects they normally would not consider, while 48 percent say project owners are putting more risk on contractors.

The COVID pandemic has hit contractors hard, financially. OCS asked a series of questions about contractors' revenue estimates, expectations for the whole year, and expectations for the final quarter of the year. The answers to those questions were as follows:

- sixty-nine percent said they have less revenue for the year to date than they had last year, and their average revenue drop was 21 percent,
- sixty-six percent said they expected less revenue in 2020, and the average drop was 16 percent, and
- fifty percent said they expected less revenue between September to December than they did a year ago, and they expect revenues to fall by 14 percent.

"The financial impacts of the pandemic remain significant to the industry," says the OCS report. "Fifty-four percent of contractors said their business was growing before the pandemic and now only 13 percent report growth. Pre-pandemic, just 3 percent said their business was in decline whereas 33 percent report a current drop."

Contractors were also asked to estimate how much their overall project costs have increased as a result of implementing PPE and physical distancing requirements on construction sites. The answer in this edition of the survey—18 percent—was higher than in the third survey (13 percent).

Finally, the survey asked about the future of site sanitation as a result of the pandemic. Sixty-three percent said enhanced sanitation should continue permanently, while 96 percent said they believe they are meeting enhanced site sanitation standards.

Impacts of new safety protocols such as PPE, physical distancing or contact tracing

	Profitability of your projects	Productivity	Project cost
High	22%	14%	15%
Medium	29%	43%	44%
Low	38%	36%	35%
No impact at all	10%	7%	6%
Don't Know	1%	0%	0%

Q "How much of an impact have new safety protocols such as PPE, physical distancing or contact tracing had on each of the following?"

More work needed, RCCAO warns

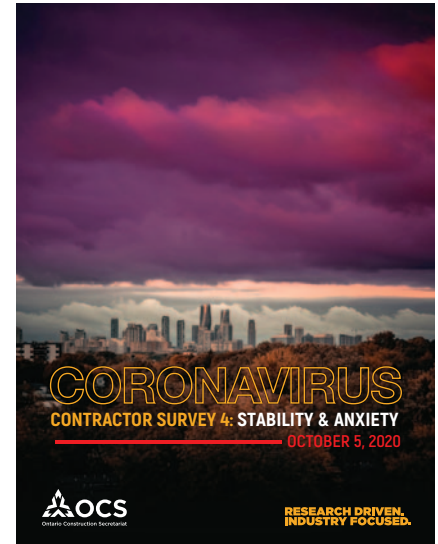
A survey released by the organization says the province's civil and engineering firms are seeing fewer tenders being issued for municipal work.

COVID-19 has significantly affected Ontario's civil and engineering contractors and resulted in a dramatic drop in tenders being issued for municipal projects.

This is the key finding of a survey released by the Residential and Civil Construction Alliance of Ontario (RCCAO), and which was prepared by the Ontario Construction Secretariat (OCS) as part of the OCS's series of surveys about

contractors' experiences and expectations regarding the coronavirus pandemic.

The survey, which was released on October 20, polled 200 industrial, commercial and institutional contractors, and 100 civil/engineering contractors from across the province over a 10-day period in September. While many commonalities exist between ICI and civil/engineering firms, such as con-



Coronavirus Contractor Survey Series Timeline



cerns over the impacts of a second COVID-19 wave, the ability to access skilled labour, and the impacts of supply chain disruptions, data from the civil/engineering sector has been extracted to highlight that sector's particular concerns.

For example, 61 percent of civil and engineering contractors anticipate revenue declines in 2020, compared to 2019, which 62 percent said they had less revenue at this point in 2020 than they did a year ago. The average anticipated drop in revenue for the entirety of 2020 was 8 percent. Additionally, 46 percent of respondents said they expected to earn less money in the last quarter of 2020 than they did in the same period in 2019.

A quarter of respondents said they anticipated needing government support to keep their doors open.

Fifty-six percent say there have been fewer municipal projects available to bid on since July 1, while 49 percent said they did less bidding work in the third quarter of this year compared with the summer of last year.

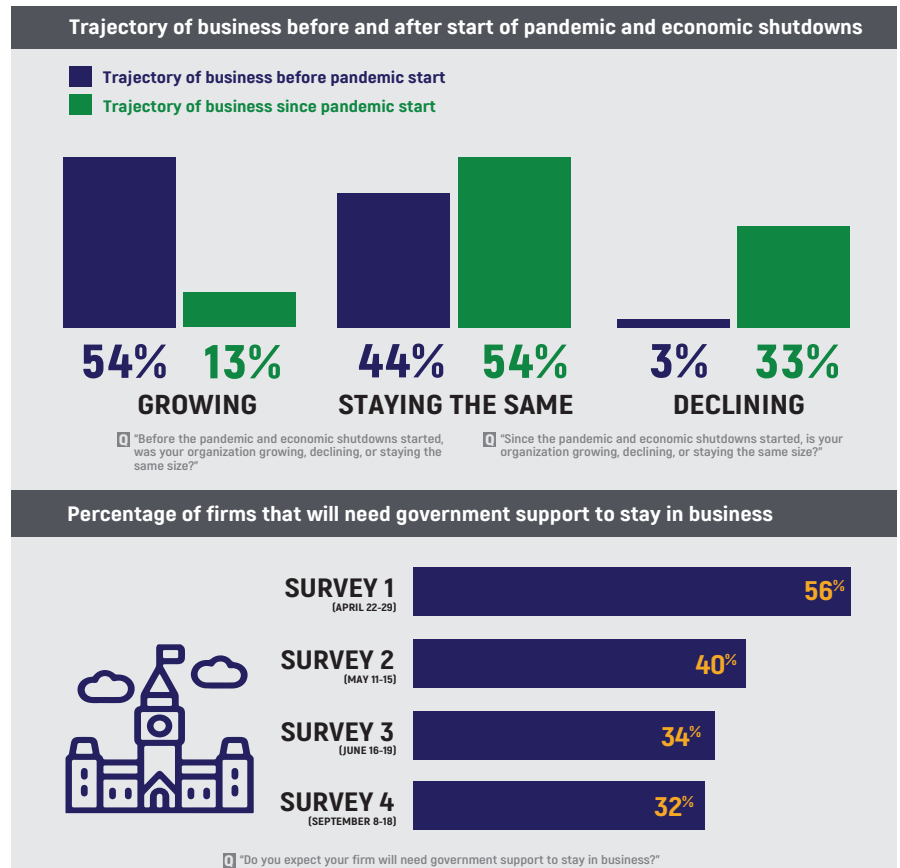
"The results of this survey reinforce our message that the federal government must provide the necessary funds for municipalities to get moving on state-of-good-repair projects," says RCCAO executive director Andy Man-

ahan. “Without adequate funding in place, municipalities are pulling back on infrastructure projects which will lead to job losses and hamper our economic recovery.”

The survey found that COVID-19 and the health and safety of workers and staff are the overarching concerns of contractors, followed by the ability to get skilled labour, the impact of supply chain disruptions, and the ability of government to quickly roll out stimulus spending on infrastructure projects.

Virtually no contractors say that there have been more projects to bid on since July 1. In fact, 54 percent of contractors reveal that there have been fewer projects of all categories to bid on. These bidding trends also show that larger firms are also now bidding on projects that they would not normally consider, with 55 percent of respondents observing that larger firms are now bidding on smaller projects.

“This is consistent with what I’ve been hearing from contractors in the heavy civil sector,” says RCCAO board chair Peter Smith, who is executive director of the Heavy Construction Association of Toronto. “Senior levels of government must provide additional

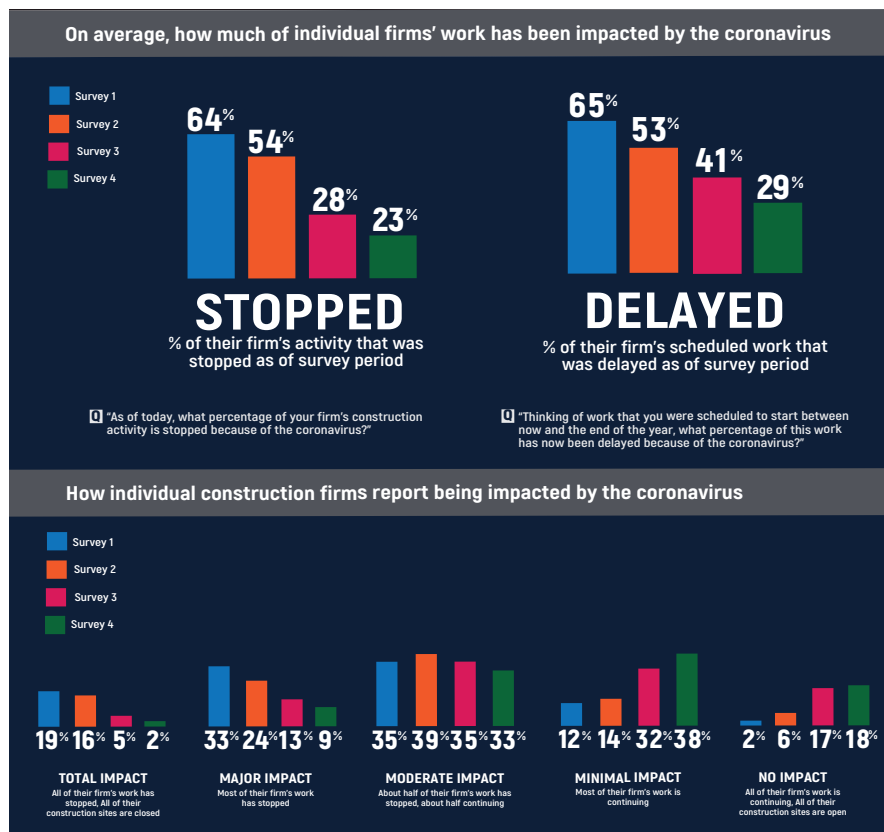


and immediate funds to shore up municipal capital budgets which are being rapidly depleted to help cover operating

budget shortfalls. Investing in these projects creates jobs for our industry which will provide a boost for our economy. There is a tremendous multiplier effect from such investments.”

An earlier report done for RCCAO outlined the potential consequences of under-investment in state-of-good-repair and other infrastructure projects. Ontario could lose out on 60,300 jobs and \$22 billion in provincial and federal government revenue over the next decade if Ottawa cuts back significantly on infrastructure spending. Over 30 years, such a scenario could result in 89,700 fewer jobs and \$98 billion in lost government tax revenue.

The recent contractor survey, meanwhile, also found that the impacts of new safety protocols such as PPE, physical distancing or contact tracing has resulted in a 17-per-cent increase in project costs, on average, for contractors. Labour supply was also cited as a concern in the survey, with 19 percent of contractors anticipating there will not be enough workers for remaining projects in 2020.



‘Not the industry it used to be’



© CAN STOCK PHOTO / DONGHERO

OCA members and key players throughout the local industry convened for a roundtable discussion on October 21. The groups discussed the major challenges facing the industry, including manpower shortages, supply chain problems, and the lingering effects of the COVID-19 pandemic.

The year in construction in 2020 may well go down as one of the more remarkable on record. Record volumes of building activity would normally present their own issues, but those issues have been compounded by the COVID-19 pandemic, and all the shortages, challenges and new protocols it has presented.

At a virtual roundtable event hosted by OCA on October 21, more than 60 representatives from across the industry spoke on the particular challenges facing contractors and workers in their respective trades and disciplines.

Several issues consistently came to the forefront: shortages of key materials such as lumber and cement, cost escalations and schedule delays due to those shortages, labour shortages due in part to COVID-19 absences as well as sheer construction volumes, and the at-times inconsistent application of safety protocols from one construction site to the next.

OCA chairman Danny Dillon moderated the roundtable session. He began by asking local general contractors about their experiences on site to date.

Speaking on behalf of local general contractors was Alessandro Guarna, the vice-president of the General Contractors Association of Ottawa. He reported across-the-board

shortages with materials, and resulting cost escalations. Complicating matters is that owners are expecting schedules to unfold exactly as predicted, which is simply impossible.

Darrin Alberty, president of the National Capital Heavy Construction Association, reported that the situation was different for local heavy contractors. Those builders are seeing fewer shortages of materials—with the exception of concrete powder. Those shortages that are impacting schedules are costing projects a day or so.

One of the key issues affecting local drywall, carpentry and mechanical contractors is labour. There simply are not enough workers available to keep up with demand and project volumes.

“We’re also having trouble with how COVID protocols vary from site to site and general contractor to general contractor,” said Paul Mayer, president of Sapacon Drywall. “On some sites, the protocols are quite lax. On others, they’re very strict. Our workers don’t know what’s happening from one site to the next, which makes it very hard for us to regulate the manpower we have.”

Representatives from the masonry sector echoed concerns over manpower shortages, adding that shortages with concrete block and some specialty products are causing delays—some more significant than others.

On the design side, Sylvain Montminy spoke on behalf of the Ottawa chapter of the Consulting Engineers of Ontario, and David McRobie spoke on behalf of local architects. Montminy reported record volumes of projects in design in Quebec at the moment—a fact that will make supply shortages even more pronounced. He added that more must be done by governments to keep stimulus money and project opportunities flowing.

“On the ICI side, we’re concerned about the long-term effects of the pandemic on building design,” said McRobie. “So what does it mean for space requirements, and how much will work from home affect demand for buildings. The situation is very fluid.”

Paul Mutter, purchasing manager at Merkley Supply Limited, spoke in detail about supply chain issues his company is seeing. He advised that there are “serious” lead times out there for some products—some as many as 55 days from date of order.

“The biggest problems we’re having are with manufacturers in the United States. They stopped a lot of production in the spring, so when the lights came back on and demand jumped, they weren’t ready to catch up with demand,” he said.

Jacques Marchand of Marchand Electric echoed much the same comment with regard to supply of electrical products. He says he is seeing lead times increase from days to as many as 14 weeks—particularly with those products being sourced from the United States.

One of the biggest areas of concern for the industry is the concrete sector. Pietro Bellai of Bellai Brothers, Tony Johnson of Lehigh Hanson, Francis Brazeau of Concrete Ontario and Jason Adams of Duron all said the sector is suffering not just from product shortages, but also a lack of workers to drive trucks and pour loads.

“We are now looking at ordering concrete four or five days in advance—which is totally new to the industry,” said Johnson. “We expect this will continue for future and may in-

crease. We are talking to all our customers and educating them to new realities. Concrete truck drivers are in shortage and challenged to recruit and train enough drivers.”

Those delays have been a problem in the roadbuilding sector. Tomlinson’s Tim Vizona said his company has to schedule pours seven to ten days in advance, which is a challenge, given the unpredictable fall weather.

“We’re also having problems with pre-cast supply. We’re going as far out as Belleville to get our pre-cast, but so are Toronto contractors,” he said.

The good news, said Brazeau, is that concrete supply issues should resolve themselves during the winter months, when demand drops.

One of the positives coming out of the pandemic is how well and how quickly the industry pivoted to accommodate COVID-related safety protocols. Ken Crawford, who sits on the board of directors of the Electrical Contractors Association of Ontario, reported meeting with the Ontario Minister of Labour, Training and Skills Development in August. At that meeting, the minister praised the industry for its efforts to restrict the spread of the virus.

Bruce Thomas of RECL agreed, saying that the biggest challenge for the industry now is fighting COVID fatigue.

“Everything hinges on our continued diligence,” he said. “Now is not the time to relax attitudes. We have to appeal to everyone to be diligent and respectful.”

OCA has posted a recording of the full session on its website at: www.o.ca/IndustryRoundtable.mp4



Feds invest \$10B through infrastructure bank

Photos by Ron de Vries Photography



The Canada Infrastructure Bank's Growth Plan is expected to create approximately 60,000 jobs across the country, and targets spending in five priority areas.

In an effort to create jobs and spur the economy forward in the wake of the COVID-19 pandemic, the federal government announced \$10 billion in spending on infrastructure on October 1.

The money, which will be delivered through the Canada Infrastructure Bank (CIB), will be delivered over three years and will target five priority areas:

- \$2.5 billion for clean power to support renewable generation and storage and to transmit clean electricity between provinces, territories, and regions, including to northern and Indigenous communities,
- \$2 billion to connect approximately 750,000 homes and small businesses to broadband in underserved communities,

- \$2 billion to invest in large-scale building retrofits to increase energy efficiency and help make communities more sustainable,
- \$1.5 billion for agriculture irrigation projects to help the agriculture sector enhance production, strengthen Canada's food security, and expand export opportunities, and
- \$1.5 billion to accelerate the adoption of zero-emission buses and charging infrastructure so Canadians can have cleaner commutes.

"By investing in infrastructure, we are strengthening our communities and ensuring good jobs for today and in the future," said Prime Minister Justin Trudeau. "We will continue to do what it takes to support Canadians through this crisis, safely get our economy back up and running, and get people back to work."

The CIB will also allocate \$500 million for project development and early construction works to accelerate project delivery.

"Canada's infrastructure plan invests in thousands of projects, creates jobs across the country, and builds stronger com-

munities,” said Infrastructure Minister Catherine McKenna. “The Canada Infrastructure Bank is critical to expanding Canada’s ambition by bringing in the private sector to get more infrastructure built. The \$10-billion Growth Plan will create 60,000 jobs, grow the economy and help build a low-carbon future.”

The Residential and Civil Construction Alliance of Ontario (RCCAO), which only days prior released a paper that showed the long-run economic impacts of timely investments in infrastructure, was quick to welcome the federal government’s announcement.

A statement from the association said it was generally pleased with the announcement, but, “is calling for more focused investment on state-of-good repair projects which are required in almost every community across Canada.

“We welcome this Growth Plan as it is a necessary step to the economic recovery of Canada,” says RCCAO executive director Andy Manahan. “Building more resilient infrastructure and expanding broadband to underserved communities are worthwhile initiatives. We are hopeful that today’s announcement will be accompanied by other bold infrastructure investment measures.”

In its September 29 paper, RCCAO stressed the importance not only of large-enough investments in infrastructure, but also timely ones. Getting stimulus funding out into the industry as soon as possible means that work can begin before the snow starts to fly and many contractors all-but shut down their operations for the winter.

The association says it will wait for more announcements aimed specifically at infrastructure and to see a more detailed project list which is expected by the end of the year.

“It is also important that government supports strategic investment in state-of-good-repair projects to keep jobs and growth on track and our municipalities afloat,” says Manahan. “Maintaining infrastructure assets such as water and sewer systems and keeping transportation networks in a state of good-repair is a necessary stimulus measure because it provides immediate economic impact and tends to be more labour intensive.”

The federal government has committed \$35 billion to support infrastructure projects across the country through the Canada Infrastructure Bank. That funding includes the \$10-billion Growth Plan.



The advertisement for RECL (Ron Eastern Construction Ltd.) features a blue background with a white and green logo. The text reads: "RECL CONSTRUCTING WITH INTEGRITY We focus on delivering consistent best-in-class build services + quality. LEARN MORE AT RECL.CA Ron Eastern Construction Ltd. info@recl.ca • 613.225.3640". The bottom of the ad shows a photograph of a modern glass skyscraper.

The advertisement for Ridalco features a black background with white and red text. The headline reads: "Heavy-Duty Stainless Steel Laundry Sinks". Below this, it says: "DID YOU KNOW? 90% of end of life stainless steel is collected and recycled to make new stainless steel!". There are two images of stainless steel laundry sinks. A circular badge with a black background and white text says: "Made in OTTAWA!". The Ridalco logo is in red. At the bottom, the website and email are listed: "www.ridalco.com | info@ridalco.com".

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Women in Construction group launches

It's been more than a year in the works, but OCA is proud to announce the launch of its Women in Construction group.

The idea to create the group came out of the Women in Construction Leadership Development Program that OCA hosted in October 2019. The event was a strong success, and the participants were invited to lend their advice on creating a dedicated group that would support and advance the aims of women in the local construction industry.

The group met briefly in January, but had to shelve plans to create a full meeting schedule for 2020 were derailed by the COVID-19 pandemic. The group has since met again—in September—to develop its mission and objectives, purpose and importance, as well as a plan for the various networking events it wants to hold.

“Our mission is to empower women in the local construction industry by connecting and sharing our knowledge and resources, and to promote the industry to young women and newcomers,” says Stephanie Wallace, OCA’s director of membership liaison and development. “Being part of a male-dominated industry, the women felt that they needed an outlet where they could have their voices heard.”

Supporting OCA from the outset is board member and PCL Ottawa vice-president and district manager Kevin Skinner.

“It has been a pleasure supporting Stephanie Wallace with her work on the Women in Construction group,” he says. “A

key focus in our own organization is fostering equality and helping women in the industry progress into leadership roles within their companies where they feel empowered to contribute and thrive. Equality is something everyone should embrace.”

In its September meeting, the 12-member group discussed some of the educational sessions that could be presented by OCA, and targeted to be of greatest interest to women. Some of the subjects they explored included leadership training, coping with stress and anxiety, adapting to technology, financing, and project management.

The group also discussed networking and social events such as hosting a golf day, a wine or scotch tasting night, and a virtual paint night, as well as community outreach work such as partnerships with the local YMCA/YWCA, Big Brothers/Big Sisters of Ottawa, and Habitat for Humanity.

Members also discussed tapping into resources already created by such groups as Women in Land Development, Women’s Business Network, Women’s Toastmasters, Canadian Association of Women in Construction, and the Society of Women Engineers Ottawa.

“The pandemic has made it very hard for us to plan anything, events-wise in the near future,” says Wallace. “We’ll start planning for 2021 as soon as it makes sense to do so.”

Unofficial bid results over \$500,000: September 2020

JOB #	DESCRIPTION		BID
OCA-20-1711	Riverain Park Site Enhancements	DB Contracting	\$2,026,409.46
OCA-20-1704	Install Hydro Power Meters	City Wye'd Electric Ltd.	\$2,990,000.00
OCA-20-1637	Glen Walter Watermain and Sewer Extension & Bray St. Pumping Station Upgrades	Malyon Excavation Ltd.	\$1,633,054.57
OCA-20-1598	MH36 Envelope Upgrades and VA23 Roof Replacement - Kingston, Ontario	Corebuild Construction	\$1,390,000.00
OCA-20-1596	Acres & Hazeldean Odour Control Upgrades Project	Black & McDonald Limited Ottawa	\$2,861,613.00
OCA-20-1575	Clarke Bellinger Pond Clean Out	Milestone Environmental Contracting Inc.	\$2,414,800.00
OCA-20-1554	MB69 (Gloucester Building) and MB38 (Grant Building) Electrical Upgrade - Kingston, Ontario	Emmons & Mitchell Construction Limited	\$619,000.00
OCA-20-1501	Brockville Armoury Repair - Phase 2	AKM Group Limited	\$1,900,000.00
OCA-20-1474	Pump Station Upgrades & Isolation Gate Installation	Black & McDonald Limited Ottawa	\$1,395,613.00

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Humberto Ferrer joins OCA board

The OCA has filled a vacancy on its board of directors.

Humberto Ferrer, president of Marathon Underground Constructors Corporation, joins the OCA board as director-at-large with the road builders and heavy construction section. He replaces Noel Finn of Tomlinson.



Projects listed in September 2020

Project # 1671-1853 Owner/Agency	September 2020	Year to date
City of Ottawa	25	271
PWGSC & Other Federal Depts.	16	157
NRC	3	12
DCC	6	68
NCC	1	8
Provincial & Other Municipalities	43	593
Private Owners & Developers	3	18
Ottawa Housing	7	44
Museums	1	11
Health Care Facilities	10	46
Schools	6	85
Universities & Colleges	4	42
Brookfield	31	203
Prequalifications	3	84
Notice Only	24	205
Other Public Tenders	0	6
Duplicate	0	0
September 2019	251	2,416
Total	183	1,853
% change	-27.1	-23.3

OCA training schedule

FALL 2020

November 12	Working at Heights - Refresher Training	8:00 a.m.
November 12 & 18	Microsoft Excel for Construction (Advanced)	1:00 p.m.
November 16 & 17	Interpreting Construction Drawings and Specifications	8:30 a.m.
November 18	Working at Heights - Fundamentals of Fall Protection	8:00 a.m.
November 19 & 20	Construction 101 & Beyond	8:30 a.m.
November 24	Tender Loving: Tender and Contract Law in 2020	9:00 a.m.
November 25	Mentoring	10:00 a.m.
November 26	Working at Heights - Refresher Training	8:00 a.m.
December 3	Working at Heights - Fundamentals of Fall Protection	8:00 a.m.
December 4	Succession Planning	9:00 a.m.
December 10	Working at Heights - Refresher Training	8:00 a.m.



Guess the photo



In our last issue, we asked you to name the house of worship pictured here. Former OCA Chair Tony De Marinis of De Marinis (DMA) Inc. was the first to tell us it's the Dormition of the Virgin Mary Greek Orthodox Church on Prince of Wales Drive.

Photos by Ron de Vries Photography

Now tell us what public-sector facility is under construction in this photo. Good luck!

If you think you know, send us a note at editor@oca.ca.





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A blue and white helicopter is shown in flight, lifting a large, rectangular metal cage from the ocean. The cage is suspended by a cable and is partially submerged in the water, creating a splash. The background is a clear blue sky and the ocean.

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