

Ontario construction united on Toronto procurement

by [Richard Gilbert](#) Mar 3, 2015

A collection of Ontario construction leaders have formed a consultation group which will work with the City of Toronto to identify problems with its procurement process and implement realistic solutions.



"I think the meeting is very important and positive. That the city is reaching out to stakeholders for their input and feedback on some of the issues and challenges that they have ahead of them," said Geoff Wilkinson, of the Ontario Road Builders' Association (ORBA) executive director.

"There is a political side where they have some terrific ideas with regard to changes they want to make. And, for us as an industry, we are a good sounding board, in terms of helping them understand from the construction side how our businesses are able to work within the division that they have."

The first meeting of the Executive Construction Consultation Group was held between the City of Toronto and construction associations on Feb. 18 at Toronto City Hall.

The construction industry is being represented by the executive director, CEO or president of 10 provincial association and organizations.

Clive Thurston, Ontario General Contractors Association president, believes that the benefit of the group is the majority are members of the Construction & Design Alliance of Ontario (CDAO).

The primary goal of the CDAO is to provide municipal and provincial governments with a forum to seek input and advice about the construction of infrastructure and the built environment.

Both Wilkinson and Thurston said the problem for the City of Toronto is there are not enough bidders on projects and many contractors avoid bidding on contracts.

"They have a very convoluted and overly bureaucratic system that eats into profits and increases their costs," said Thurston.

"They are slow at paying and dealing with change orders. If you do this right you don't need all these silos and all these layers of bureaucrats to control construction projects."

In many cases, the city pays a premium for work, because contractors build in an aggravation factor for these bids.

As a result, the main objective of the group is to improve the relationship between the City of Toronto and the construction industry by engaging in consultations. The group will focus on the following matters:

- areas of opportunity to improve the way the city offers and executes construction contracts;
- ways the construction industry can better support the city's construction projects;
- feedback on proposed changes made as a result of work conducted by the group;
- outlook on future city construction plans and requirements; and
- emerging trends and issues in the construction industry.

"The meeting went well. But it was more or less a kick-off meeting, so nothing was resolved," said Andy Manahan, **Residential and Civil Construction Alliance of Ontario** executive director.

"It was basically going over terms of reference. There was an issue list that was provided and we added on a few things. It was more or less figuring out what we are going to do."

At the meeting, the construction representatives were asked to go back to their members and identify the top five issues. They will be different in terms of importance for each group, but there will also be overlap.

The list discussed at the meeting identified 23 main issues, including: timely payment; holdback release; change order management; contract award time lines; prequalification; contractor performance evaluations, utility locates, e-drawings and e-tendering. The construction leaders agree the establishment of the new consultation group represents a significant change and a new positive direction for the City of Toronto.

"The meeting was extremely important to set the agenda for the City of Toronto going forward, because they have lots of work that needs doing and they don't have a lot of money like everybody else," said Thurston. The most important sign of a changing environment at City Hall is the behaviour of newly elected Mayor John Tory. The construction leaders believe Tory is committed to find savings and efficiencies, while being honest and truthful about what hasn't worked in the past.

In addition, they are impressed with Deputy Mayor Denzil Minnan-Wong, who is leading this new initiative. This is the first time a politician of this stature has been given the task of developing a system to benchmark, monitor and report on the progress of a construction working group.

Manahan said the name has been revised to Broader Construction Association Consultation Group, so it is likely they will be referred to as BCACG.