



General Contractors Association of Ottawa

Newsletter

Building a Greater Ottawa

Spring 2018

GCAO NEWS

GCAO revamps website to give members better navigation and experience. See the new website at the same address:

<http://www.gcaottawa.com>

GCAO joins GCAC to “promote the interests of general contractors, on the behalf of general contractors, regarding their concerns over the Federal Government’s implementation of the proposed prompt payment bill”

Barry Hobin receives 2017 Integrity and Ethics award from GCAO.

PRESIDENTS MESSAGE BY: RUSSELL GRASS JR

As we settle into the new year and the winter holiday season comes to an end, the Ottawa construction industry is starting to heat up. The various tendering boards are filling up, architect and engineering firms are busy trying to keep up with demand, and by all accounts, everyone seems to be pleasantly optimistic on this year’s construction season outlook. Over the past twelve months our industry has seen an increase in construction activities where most of our members have had an abundance of work.

Thus far this year we have hosted two successful events, the annual general meeting (AGM) and the annual cocktail party. Our AGM was well attended by members and hosted in the education center at the Ottawa Construction Association. Attendees enjoyed comradery with fellow members, our board of directors provided an update on the 2017 activities and Mary Van Buren, newly appointed president of the CCA, provided an industry outlook along with her goals and agenda for the CCA.

The annual cocktail party was attended by over 150 guests, members, and our 2017 Integrity and Ethics award winner Barry Hobin. (See below for further information regarding the award presentation.) This year the event took place at the historic Rideau Club. This location provided for a unique utilize

with the assistance from our life time member Don Chutter. We would like to make special note of thanks to our event sponsors, Arthur J Gallagher Insurance and Travelers Canada, who provided us with a combined sponsorship of \$5,000 for this popular event.

Our board of directors have been working hard for our members and have been reviewing the current portfolios to determine their validity, as well as reviewing the opportunity of adding a new portfolio. After careful consideration and unanimous votes by our board members, we have added a “GCAC Liaison” and removed the “BILDCO” and “NRDP” portfolios from the GCAO’s mandate.



NEWEST MEMBERS

We would like to extend a welcome to our two newest members of the association, GCN Constructors with President Josh Hornung, who is a member of the board of directors for the GCAO, and Westview project with President Seth Richards.

Thank you for joining our association and Welcome, we look forward to serving you!

For further information on how to join the GCAO please contact Tim Pruner, tpruner@gcaottawa.com

The NRDP (Non-Refundable Tender Deposit Program) portfolio has been well utilized over the years but with the advancements in electronics our industry has made a dramatic change to electronic plans rooms. Most buyers are offering drawings free of charge to download and we have only been receiving one or two requests over the past two years with all attempts failing due to non-member firms not agreeing to participate in the program.

We are very excited to announce the addition of the GCAC (General Contractors Alliance of Canada) Liaison portfolio to our mandate. The GCAO board voted to join the GCAC as an association member. The GCAC was specifically created to lobby and promote the interests of general contractors, on the behalf of general contractors, regarding their concerns over the Federal Government's implementation of the proposed prompt payment bill. The GCAC will be providing our membership with current updates, educational materials for our memberships assistance of the implementation of the bill, and the ability to have one of our board members sit on the GCAC's committee.

With the progression of the provincial and federal bills we feel that the joining of the GCAC will bring tremendous benefits to our membership.

We would also like to welcome back to our board of directors, past president, Josh Laginski. Ever since the announcement of the GCAC and the prompt payment bills Josh has shown a keen interest in the topic. With a vacancy on our board, Josh submitted a letter of interest to join the board that was unanimously accepted. The board of directors is excited to welcome Josh back.

I hope to see all our members at our Golf tournament hosted at Eagle Creek in June.

Have a safe and prosperous Spring & Summer

Russell Grass JR, President

*“We would like to make special note of thanks to our event sponsors,
Arthur J Gallagher Insurance and Travelers Canada”*

ONTARIO BILL 142 & LIEN CHANGES TO FEDERAL PROJECTS BY: JOSH LAGINSKI

The GCAO is currently working with the GCAC (General Contractor Alliance of Canada) to provide recommendations to the Federal government as they implement their own changes to the Lien Act to all Federally funded projects in the upcoming months.

The Ontario government passed Bill 142 which was an Amendment to the current provincial Construction Lien Act. It is anticipated that this Bill will become into effect later this year.

Bill 142 changes some of the most important aspects of the Construction Lien Act, including Prompt Payment Changes, Dispute Resolution Changes, Lien Right Modifications and Bonding of Public Projects.

SAGM AND GCAO GOLF TOURNAMENT

SAGM and GCAO Golf Tournament will be hosted at Eagle Creek, Friday, June 22, 2018. Notices went out to members April 18 and 25th.

Registration required by June 8th 2018.

RSVP to Alison Hogan at ahogan@gcaottawa.com or 613-913-7975

Eagle Creek: 109 Royal Troon Lane Dunrobin, ON



Prompt Payment Changes

The purpose of these changes are to keep the money flowing to all parties throughout the construction project. Strict timelines will be given so that GC's, trades and suppliers can get the funds they need to continue in business. The following is a summary of what this Bill will outline.

1. The Bill outlines when invoices should be submitted. The default will be monthly but the Contracting Parties can set other methods such as 60 days, milestones, etc.
2. The Bill outlines how proper notice for invoicing is to be given between Contracting Parties.
3. Payment from the Owner to the GC is to be made within 28 days of receiving a proper notice invoice. (Unless, notice is provided with 14 days from the Owner to the GC of receiving the notice of the reasons for non-payment)
4. Once payment is received by the GC from the Owner, the GC has 7 days to make payment to the subcontractor. (Unless the GC has given notice of non-payment to the subcontractor within 14 days of the proper notice of invoicing)
5. If the owner does not pay the GC within the 28 days, the GC must still pay the subcontractor within 35 days of when the GC submitted their invoice to the Owner. (Unless the GC has given notice of non-payment to the subcontractor notifying them of the Owners decision not to pay the invoice within 7 days from the date that the GC is notified that the Owner is not paying the invoice. If the owner does not provide the GC notice of non-payment and just does not pay on the 28th day, then the GC must provide the notice to the trade of this non-payment within 35 days of the date of the proper invoice submittal. If the GC fails to provide this notice, then the GC is responsible to pay the subcontractor for their invoice. The failure to provide payment from the Owner to the GC will initiate the process of adjudication with 14 days of the notice or failure to make a payment)

Dispute Resolution Changes – Adjudication Procedure

The purpose of this is to compliment the Prompt Payment changes by setting hard time limits on the dispute resolution process. This will be a radical change from what we have now and will force all parties to address any disputes in a more efficient manner.

1. Definition: Adjudication is a binding decision to resolve a dispute.
2. This method of dispute resolution has been utilized all over the world for many years and the Ontario Government has taken the feedback from the other countries that have used this method of construction dispute resolution and incorporated them into Bill 142.
3. Authorized Nominating Authority will be created to verify the credentials and appoint qualified adjudicators. Adjudicators must be a member in good standing with this Authority in order to practice in Ontario.

GCAO PROJECT AWARDS PROGRAM

This year marks the 5th GCAO Project Awards Program

Awards are presented to 3 different building projects for Category A and 1 project for Category B, the Don Chutter Meritorious Achievement Award.

Deadline of your intent to submit a project is Friday, September 14, 2018.

Deadline for project submittal is 3:00 pm, Friday November 30, 2018

Further information is available at <https://gcaottawa.com/awards/>

Please forward your Intent to Submit and your Submission to Tim Pruner at tpruner@gcaottawa.com

4. Types of Disputes that will be applicable to this process: evaluation of the provided services or materials in a particular contract, payment concerns in a contract, holdback non-payment concerns, or any other dispute that the parties agree to that is hindering the performance of the contract and needs resolution to allow progress in the contract.

5. Parties involved in a construction dispute will be able to seek the adjudication process to provide a binding resolution to a dispute.

- a. Once the adjudication process is initiated by one party in the dispute, the parties have 4 days to mutually decide on who the adjudicator will be. If a mutually agreed adjudicator cannot be determined, the Authorized Nominating Authority will appoint a adjudicator within 7 days.
- b. Once appointed, the involved parties will have 5 days to provide the adjudicator with the information to review the dispute issues.
- c. Once the documents are received, the adjudicator has 30 days to review the information and provide a binding decision. (Parties may be able extend this deadline by 14 days but it cannot take longer then 60 days from the date that process was initiated to the time that the adjudicator makes the final decision)
- d. The adjudicators decision will be binding. Parties can proceed with legal action to reopen the issue and have it reviewed by a judge or another arbitrator after the contract is completed. There is a process in place as to how this will work.
- e. If it is a payment dispute, the Party that requires payment as part of the decision must be paid in 10 days of the decision from the adjudicator. If payment is not received in 10 days, the effected party will have the right to stop work until payment is issued.

All parties involved in the dispute will share the costs of the adjudicator.

Lien Right Modifications

The deadline to register a lien will be extended to 60 days. (This would be delayed if there is a current dispute that is going through the adjudication process)

1. The payment of the 10% holdback is mandatory once the lien period expires (Unless notice is given of non-payment)
2. Deadlines for perfecting the claim for the lien will be extended by 45 days.
3. There will be provisions for phased holdback release on large projects.
4. There will be provisions to deal with holdback on leasehold improvement projects.

Bonding of Public Projects

Labour & Material Payment bonds will be mandatory for projects of a certain size. Specifics of the requirements are outlined in the act.

It is recommended that all effected by the Construction Lien Act review Bill 142 in its entirety.

GCAO INTEGRITY AND ETHICS AWARD RECIPIENT – BARRY HOBIN BY: RUSSELL GRASS JR

Each year our board of directors solicits our membership for nominations for the GCAO's Integrity and Ethics award, presented at our annual cocktail party.

After careful consideration of an extremely impressive submission by Wendy Brawley, the decision to name Barry Hobin as the 2017 Integrity and Ethics award winner, was an easy choice.

Letters of recommendation were submitted by Wendy Brawley of Hobin Architects, Wayne Jennings of Doran Construction, John MacDougal of Uniform Urban Developments and Robert Merkley of Merkley Supply.

After careful review of the letters of recommendation, they all reiterated the same qualities of Barry Hobin; a caring, honest, philanthropic and family oriented man, both at home and at the office.

In Wayne Jennings recommendation letter he noted: *“Barry is a selfless promoter of others who never fails to recognize the contributions and skills of his staff and other members of the development team.”* Mr. Jennings also noted that *“Barry always does the right thing”*.

John MacDougal wrote *“Barry’s passion for design and architecture is apparent in his ever-expanding portfolio of work but it’s his strong core principles and beliefs that have translated into various philanthropic endeavors and fair business relations”*.

Wendy Brawley wrote *“Barry will say that his commitment to the community and to his faith and the integrity that he displays through every phase of his life and every task of his day has come from what his parents gave him. That may be true, and now he continues to pass this on to everyone that he touches through his professional & personal life.”*

The GCAO was honored to present Barry Hobin with the 2017 Integrity and Ethics award!



GCAO PROJECT AWARDS PROGRAM BY: RUSSELL GRASS JR

This year marks the GCAO's 5th, bi-yearly, General Contractors Association of Ottawa's project award program.

This year we are very excited to announce that we will be inviting numerous news agencies as well as obtaining advertising space to honor and promote and our 2018 award winners.

If you have a project you feel should be entered or know of another member firm who may want to enter one of their projects, please visit the GCAO website to review the submission guide located at <https://gcaottawa.com/awards/>.

The board requires your notice of intent to submit by Friday, September 14, 2018. Project submittals are then due by 3:00 pm, Friday November 30, 2018. Please forward your Intent to Submit and your Submission to Tim Pruner at tpruner@gcaottawa.com

The categories and awards are as follows:

Category A – Buildings- Architectural/Commercial/Institutional

An award selection will be made from three designated project cost categories: \$0 to \$5 million, \$5 million to \$15 million and \$15 million and over for a potential of total of 3 awards of excellence.

Category B - Don Chutter Meritorious Achievement Award

The Don Chutter Meritorious Achievement Award will be presented to the submission that best demonstrates the contribution of General Contracting to our quality of life in Ottawa. The judging panel will consider that project which excels in all areas of the rated criteria and is also an Ottawa and Surrounding Region Project. The criteria will consider four different but related aspects of the submitting firm's role in the project:

- Project objectives, solutions, and achievements
- Technical excellence and innovation
- Level of difficulty
- Contribution to economic, social or environmental quality of life

GCAO BOARD MEMBERS AND RECENT CHANGES BY: RUSSELL GRASS JR

We would like to welcome Alessandro Guarna of McDonald brothers Construction to our board of directors. Alessandro has been working closely with the board over the last year volunteering his accounting services. When a position opened on our board it was unanimously agreed that Alessandro would be a valuable member to the board and provide a unique perspective.

Please join us in welcoming Alessandro to our board of Directors

In Early April of this year Chris Fournier announced to the board of directors he would be leaving his position at member firm to join BGIS. As such Chris resigned from the GCAO board of directors. We would like to sincerely thank Chris for his years of service and dedication to the board and wish him continued success in his new roll.

We regret to inform you of the final change to the board. Recently Alison Hogan provided our board with her resignation as of June 23, 2018. We would like to thank Alison for her years of hard work and dedication to our association.

Alison will be in attendance and assisting with our golf tournament on June 22, 2018. Please extend your warm wishes and thanks to her at this time.

Good luck with your future endeavors Alison!

Board of Directors

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