MHCA
MANITOBA HEAVY CONSTRUCTION ASSOCIATION

THE Heavy News Weekly

WORKSAFELY MHCA

July 12, 2012

WORKFORCE MHCA

Project Projections

Bart Kives, Winnipeg Free Press (July 10, 2012)

If there's one thing Winnipeggers can't stop obsessing about, it's the progress of our mega-projects. We're transfixed when they're announced by politicians at ribbon-cutting ceremonies. We feign outrage when they take too long to build or go overbudget. We complain when their construction barricades impede our movements by milliseconds. But we also love to see the darn things get built. Here's what's going up this summer:

Disraeli Freeway reconstruction - The job: The reconstruction of the 1.1-kilometre freeway that connects downtown to Elmwood involves the replacement of both the bridge over the Red River and the Point Douglas overpass. The old bridge will be converted into a bike-and-pedestrian overpass.

Developer: City of Winnipeg - Price tag: $195 million. The city is borrowing $75 million from conventional sources and financing the rest through a public-private partnership with Plenary Roads Winnipeg. That involves 10 years of annual payments of $19.8 million followed by 20 more years of $14.8-million payments. Completion: The freeway itself should be finished in October. The active-transportation bridge is slated to open in 2013. Still to come: The city is considering dressing up support columns on the pedestrian bridge with public art, but it's unclear what form that will take.

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Groundbreaking MHCA

Project Projecttions continued from page one...

311 Portage at Centrepoint - The job: A facelift of a sizable chunk of the downtown city block bounded by Portage Avenue, Donald Street, Ellice Avenue and Hargrave Street. A 20-storey building at the southeast corner of Portage Avenue and Donald Street will eventually be home to a 154-room ALT hotel and four storeys of office space, with consulting firm Stantec serving as the anchor tenant. A 450-stall parkade and a residential building will rise on Hargrave Street.

Developer: Longboat Development Corp., owned by Winnipeg's Chipman family, and Artis Real Estate Investment Trust.

Price tag: Approximately $75 million. The city has contributed $660,000 to preserve the historic facade of the Mitchell-Copp Building on Portage Avenue. The Winnipeg Parking Authority has also provided a $5-million low-interest loan to kickstart the parkade's construction.

Completion: Pending city approval, Longboat plans to demolish the final two structures in the way of the development -- the Alabama Building on Ellice and the Norlyn Building on Hargrave. If all goes well, the tower on Portage will open in late 2013. On the downside: The pending demolition of the Norlyn means the venerable Wagon Wheel diner will close on Friday, after 61 years.

Seasons of Tuxedo - The job: The development of 1.5 million square feet of commercial space in a new retail power centre along Sterling Lyon Parkway west of Kenaston Boulevard. Anchor tenants include a 395,000-square-foot IKEA furniture store, a 77,000-square-foot Cabela's outdoor store and a 100,000-square-foot "home-improvement retailer" expected to be Lowe's.

Developer: Winnipeg's Fairweather Properties, IKEA Canada of Burlington, Ont., and Toronto's Montez Core Income Fund. Price tag: The entire development may total $400 million by the time the site is completed in 2018. The city and province spent $22 million to subsidize road construction around the site, including the widening of Kenaston Boulevard at Sterling Lyon Parkway. Completion: The first phase of the project is expected to open by early 2013. Contrary to popular belief: IKEA is not just a tenant, but a major investor.

Canadian Museum for Human Rights - The job: The construction of the first national museum outside of Ottawa, chronicling the progress of human rights in Canada and around the world. The Antoine Predock-designed building at The Forks is intended to be a signature structure for Winnipeg. The content is supposed to be interactive and constantly updated, such as the Newseum in Washington, D.C.

Developer: Government of Canada. Price tag: $351 million. The city and The Forks contributed $21 million in land and cash, the province pledged $39 million and Ottawa has spent $100 million. Private donors have pledged or contributed $130 million to date. Completion: Officially, 2014, but only if the content is ready. Costs on the rise: As recently as 2006, the museum had a price tag of $265 million and a 2010 opening date.

CentrePort - The job: In the short term, the construction of a new road -- CentrePort Canada Way -- and water-and-sewer pipes to service the first few developments of an inland port that may eventually encompass 20,000 acres on the flanks of Richardson International Airport. So far, 23 companies have set up shop on 117 acres.

Developer: CentrePort Canada is building the infrastructure. Price tag: $212 million for CentrePort Canada Way, with the province and Ottawa splitting the bill down the middle. The city and province are splitting the $17-million tab for the water and sewer pipes. Completion: The road should be finished in 2013. The pipes should be ready in 2014. Road to where, exactly? The roadwork is the most expensive highway project in Manitoba's history.

Investors Group Field -The job: The construction of a 33,000-seat stadium for the Winnipeg Blue Bombers and University of Manitoba Bisons on the U of M campus, at the northwest corner of Chancellor Matheson Road and University Crescent.

Developer: Winnipeg Football Club. Price tag: $190 million. The city will contribute $7.5 million and the province is in for $22.5 million. The city and province will also contribute $75 million by redirecting new property taxes from the development of the existing stadium site at Polo Park. The Winnipeg Football Club is on the hook for the remaining $85 million over the next 40 years.

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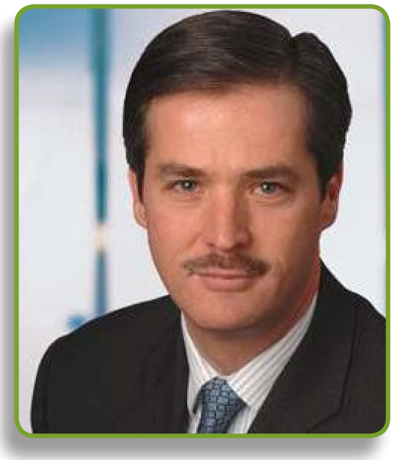
Staying the Course

Peter G. Hall, EDC Vice-President and Chief Economist



Peter G. Hall

It's a hot summer here in Ottawa, and the temptation is to forget all else and enjoy the good times. But that's a hard sell in today's economy. Is there a remedy? Few look to economic forecasts for solace - most are spouting the same doleful message. Is EDC's Summer 2012 Global Export Forecast any different? Here are a few reasons why this outlook may help you enjoy your summer break.

Headline numbers in the EDC forecast appear ho-hum. World growth is expected to ring in at 3.3 per cent this year, rising to 3.9 per cent in 2013. But that just gets us back to the less-than-stellar 2011 pace, hardly great news. Canada's forecast looks equally humdrum - 2 per cent this year, rising marginally to 2.2 per cent growth in 2013. Pan across the rest of the forecast, and the numbers look depressingly similar to the news stories conditioning all to expect protracted sluggish global growth.

Are hopes of a US recovery fading? Our outlook suggests so, as it's barely above consensus. But the story behind the numbers changes the picture significantly. US housing markets - a key leading indicator - are still on the rise, the auto sector is recovering nicely, consumers are increasing spending sustainably, and to keep up, US factories have used up almost all of their spare capacity. This last fact suggests that US corporations are primed to unleash torrents of their vast cash stash into the economy at a moment's notice. So, why the bland headline numbers? Significant government cutbacks are masking the recovery-style private sector growth that is estimated to reach 4.5-5 per cent in 2013. While this story is embedded in most forecasts, few are pointing out this dynamic.

Sure, there are key threats to this story. Breakdown of European resolve to conquer its sovereign debt problems would have a disastrous impact on the outlook. Ongoing weakness and turbulence in financial markets and geopolitics are further threats to growth. Collectively, these issues are contributing to an unusually prolonged state of global pessimism. But what is more amazing is that this is the context in which the US economy is actually experiencing its underlying revival.

Emerging markets - touted only six months ago as global growth engines - are slowing. This isn't helping confidence, but it is only temporary. A better mix of policy measures together with rising US growth should help the key emerging markets get back on their feet by next year.

Canada's mediocre numbers seem to fly in the face of the upbeat US story. Again, it's the story behind the headline numbers that matters. Canada's over-indebted consumers and oversold housing markets together with government cutbacks suggest weak near-term domestic demand. In contrast, the US revival and strong gains in emerging markets is expected to lift export growth to 7.2 per cent this year and 6.6 per cent in 2013.

Global sales will be powered by double-digit gains in forestry, industrial machinery and equipment and fertilizers. The auto sector will remain strong, while softer commodity prices dampen otherwise impressive oil and gas and base metal sales. Most other sectors will see decent growth in 2013.

The bottom line? Although economic conditions appear rocky, there is still a strong underlying growth trend in the US that is taking us closer to true recovery. For now, staying the course is critical.

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Wanted: An innovative LTIP

Casey Vander Ploeg, Sr. Policy Analyst, Canada West Foundation

After burning up 3,000 kilometers on western Canada's highways, it feels good to be back in the saddle at Canada West Foundation's offices in Calgary. In Saskatoon, I took part in a special Municipal Infrastructure Forumhosted by the Federation of Canadian Municipalities (FCM) following their 75th annual conference. In Edmonton, I made two presentations on infrastructure innovation and www.letstoc.ca. The first was at the 125th annual conference of the Canadian Society of Civil Engineers (CSCE). The second was to members of the Economics Society of Northern Alberta (ESNA).

Infrastructure Dominates the Conversation

The degree to which infrastructure dominates the conversation across the municipal policy community—and those that plug into it—is amazing. Everyone is abuzz about infrastructure. Much of the collective hum is being fuelled by developments in Ottawa around the Building Canada Fund, which is set to expire in 2014.

This program—worth almost $10 billion—was established in 2007 to help build critical infrastructure across the country. The 2009 federal 'stimulus" program—Canada's Economic Action Plan—topped up the original funding to deal with the recession, stimulate aggregate demand, and protect and create jobs.

The Honourable Denis Lebel, federal Minister of Transport, Infrastructure, and Communities, has been tasked with crafting a new national long-term infrastructure plan to succeed the Building Canada Fund. Those 'in the know" affectionately dub the effort as the new 'LTIP" (Long Term Infrastructure Plan). It makes sense, then, that the municipal and infrastructure policy community is busying itself with how that plan should look, what it should involve, and what it should do.

I confess that I haven't given a lot of thought to all the various components that might go into this 'LTIP". But, there are at least two broad directions that I think ought to be seriously considered.

Facilitate Local Control

First, any new federal funding program should allow for a good measure of local control over which projects are funded and how they proceed. When it comes to provincial and federal support for municipal capital, most of it has traditionally been 'conditional". Whether or not the money is available depends on whether a municipality meets the 'conditions" of the grant program. Usually, this means that the municipality has to build the 'right" project.

Bob Linner, a member of the CWF Board of Directors and former city manager of Regina, told me once about a funding program made available for local ice arenas. While other infrastructure was a much higher priority and desperately needed support, Regina went ahead and made the arena investments. Why? The money was available. In this case, funding skewed local infrastructure investment away from priority areas.

Canada's cities, towns, and villages know what they need and know what their citizens want, certainly more so than public servants holed up in Ottawa. Municipalities across Canada invest thousands upon thousands of hours assessing needs and developing capital plans and budgets. It makes little sense to simply ignore all of this.

Michael Atkinson is president of the Canadian Construction Association (CCA). At the infrastructure forum in Saskatoon, he argued that the owners and operators of the infrastructure—the 'creators and caretakers" of it—should make the essential decisions on where investments are needed. Michael's right.

Reward Innovation

I'm not entirely opposed to the concept of conditionality. Federal and provincial governments, too, have a stake in municipal infrastructure investments. But, I think we could use conditionality in different and much more creative ways. Rather than trying to incent particular projects or target certain types of infrastructure, why not make some funding conditional on innovation? Why not use some of the funding to facilitate, stimulate, incent, reward, apply, and test out new infrastructure solutions?

Found a new way to finance or fund a project? Here's some money to help. Uncovered a better and more cost-effective design for a bridge or overpass? Here's a few dollars to move the thing ahead. Got some new technology for water treatment that lowers operating costs? Well, here's a grant.

Carving off a special pool of funding that will go only to projects that are creative, fresh, new, and innovative will help stimulate creative problem-solving, incent critical thinking, and get our collective infrastructure imaginations and juices flowing.

I don't know if Michael would agree with me on this point, but I do think there's a lot of merit in the idea. (All of this is explored in more detail in a Canada West Foundation research study called New Tools for New Times, pages 109-111.)

A lot of government policies and programs are promoted and publicized with a 'hook" or 'angle." For the Building Canada Fund, one hook was 'green" infrastructure and the 'Green Municipal Fund" managed by FCM. Another hook was public transit. When it comes to conditionality, the choices are endless. Why not a focus on innovation?

The Answer

Four reasons. First, the infrastructure challenge is immense. Billions upon billions of dollars are required to upgrade and renew the nation's core economic assets—from water mains to wastewater treatment plants, from roads and sidewalks to bridges and overpasses. Then, there are the nation's social assets as well—hospitals, schools, recreation centres, libraries, museums, and sports facilities. I believe that the sheer size of the challenge is outside the scope of 'business-as-usual".

Second, as Communities of Tomorrow president John Lee is quick to point out, a big part of the solution has to be found in making infrastructure renewal, rehabilitation, and replacement more cost-effective, longer-lasting, and more efficient. Embracing innovation in financing, funding, and delivery of infrastructure, and finding and applying new technologies and approaches will allow the nation to lay down more infrastructure with the same dollars.

Third, innovation will open up opportunities to export our knowledge to countries around the world that are also facing the complex and costly task of overhauling and replacing their public infrastructure. At the Economic Development Association's recent gathering in Kananaskis, Alberta, John was clear about the opportunities. 'If something can be made to work in Saskatchewan, given our cold weather and harsh climate, well, it can work anywhere in the world." Bang on, John.

Finally, rewarding innovation builds on innovative technologies and successes that are already gathering steam. The list on our website is evidence enough of that.**An Important Federal Role**

In April, I trekked out to Ottawa to meet with the Steering Committee at Infrastructure Canada that is guiding the development of the new 'LTIP". They were interested in my thoughts on alternative financing for infrastructure, particularly user pay approaches, but also things like infrastructure banks and tax incremental financing. At the end of my talk, I encouraged the committee to consider three things in any new LTIP:

» **1.** Establish a set of special grants and capital transfers that will incent innovative approaches to financing, funding, and delivery of infrastructure.

» **2.** Make available financial support for research and development of new approaches and technologies for infrastructure, such as Saskatoon's 'Green Streets" initiative or Regina's 'End-to-End" water service connection replacement.

» **3.** Make sure the support is practical, and not theoretical. Help support pilot projects and demonstrations that will prove-out new technologies, using our municipalities as 'living labs".

While there's a lot more involved in crafting a broad national infrastructure strategy, I do think local control and a focus on innovation should be two guiding principles. What do you think? Am I on-base or completely off-base?

Project Projects continued from page two...

Completion: Originally slated for this month, but pushed back to 2013, due to construction delays blamed on wind. There goes that plan: Since they originally intended to move this month, the Bombers are playing the first four games of the 2012 CFL season on the road. So far, they're 0-2.

New police HQ - The job: The conversion of the former Canada Post building on Graham Mall into a new headquarters for the Winnipeg Police Service.

Developer: City of Winnipeg. Price tag: $194 million, including $155 million for buying and redeveloping the building, $19 million in short-term financing for the office-tower component, which may be resold, $13 million in additional funds related to acquiring the building and $7 million of interest. Completion: The work is expected to wrap up in December 2013 and the police are expected to move into their new home in 2014.

In hindsight: The city decided to move ahead with this project when the cost of recladding the existing Public Safety Building and moving officers into temporary digs exceeded $40 million.

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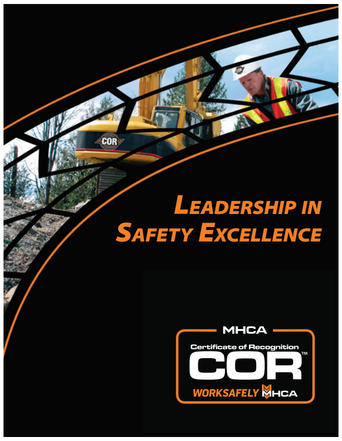

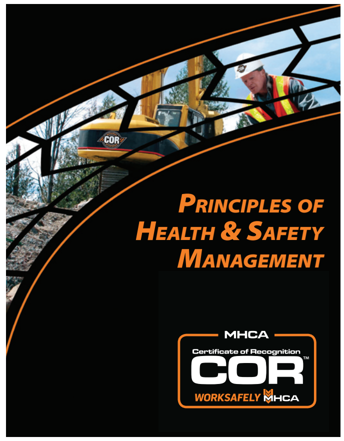

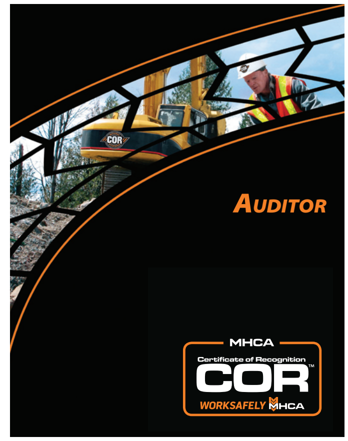

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Training Schedule

Winnipeg Schedule:

COR™ Leadership in Safety Excellence	July 9-10	August 13-14
COR™ Principles of Health & Safety Management	July 11	August 15
COR™ Auditor	July 12-13	August 16-17
Safe Work Procedures	July 16	August 20
Prime Contractor	July 17	August 21
Back Injury Prevention (1/2 day AM)	July 18	August 22
Fatigue Management (1/2 day PM)	July 18	August 22
Toolbox Talks (1/2 day AM)	July 19	August 23
Safety Administrator (1/2 day PM)	July 19	August 23
Train the Trainer	July 23-24	August 27-28
WHMIS (1/2 day AM)	July 25	August 29
TDG (1/2 day PM)	July 25	August 29
COR™ Auditor Refresher (1/2 day AM)	July 26	August 30
Excavation & Trenching (1/2 day AM)	July 27	August 31
Flagperson (1/2 day PM)	July 27	August 31
First Aid 1- CPR	July 7	August 31

Brandon Schedule:

COR™ Leadership in Safety Excellence	July 9-10
Train the Trainer (6pm - 9:30pm)	July 9-10
COR™ Principles of Health & Safety Management	July 11
COR™ Auditor	July 12-13

To Register: Email: safety@mhca.mb.ca OR Fax: 204-943-2279

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12:00 noon – shot gun start

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Visa / MC / AMX # ____________________ Exp: ________

Signature ____________________

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Sub registra ons ASAP by:

FAX: (204) 943-2279

Email: christine@ mhca.mb.ca

REMINDER:
The MHCA Events Committee will settle course placement by draw on August 1, 2012. All golfers will be notified by fax or email (if you provide one on the registration form) about course location on **August 3, 2012**. **All team captains are responsible for notifying the rest of their team of course placement.**

Use this form to enter as many golfers as you wish. If you are not registering a full team, the extra spaces will be filled by the tournament organizers. As per MHCA Board Policy, only registrations cancelled at least 72 hours prior to the commencement of this event will be refunded.

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-sink your ball in the water & enter

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