



## \$300 million in freeways approved

### Expansions of Peguis, Clement green-lighted

*Courtesy of The Winnipeg Free Press*

A downtown water park went down the drain at city council Wednesday, but \$300 million of new freeways got the green light.

City council voted to extend the Chief Peguis Trail all the way to Route 90 and the William Clement Parkway to Wilkes Avenue, both by 2016.

The city's transportation master plan says Winnipeg should extend Chief Peguis Trail to McPhillips Street by 2021 at a cost of \$110 million and connect it to Route 90 by 2031 for an estimated \$130 million.

Couns. Devi Sharma (Old Kildonan) and Paula Havixbeck (Charleswood-Tuxedo) called for the roadwork to be completed earlier to improve traffic flow to and from the CentrePort transportation hub. Sharma said the Chief Peguis Trail extension is one of the main transportation routes for CentrePort and will help expand the city's trade profile and reduce truck traffic on other regional streets.

The William Clement Parkway extension is expected to help facilitate the future Ridgewood South development in Charleswood and reduce existing traffic issues.

"This would alleviate much of the residential traffic that goes onto Kenaston (Boulevard) and direct it to a different route, to Wilkes," Havixbeck said.

Public works chairman Coun. Dan Vandal (St. Boniface) asked that the idea be sent to council's public works committee for further review. His motion was defeated, and council voted to approve finishing the freeways sooner with an 11-5 vote.

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Mayor Sam Katz and Couns. Jeff Browaty (North Kildonan), Ross Eadie (Mynarski), Scott Fielding (St. James), Havixbeck, Mike Pagtakhan (Point Douglas), Sharma, Harvey Smith (Daniel McIntyre), Thomas Steen (Elmwood), Russ Wyatt (Transcona), and Grant Nordman (St. Charles) voted to complete the two freeways by 2016.



Eadie said the Chief Peguis Trail extension is needed to reduce the traffic loads on roads such as Leila Avenue and should be done as soon as possible. Coun. Scott Fielding (St. James) said he thinks the roadways are a good investment and should be more of a priority than the second phase of rapid transit.

Vandal called the approval "bizarre" and said the city just completed an extensive \$2-million review of its future transportation needs, which included industrial land studies and modelling for traffic and growth. City council approved its long-term transportation master plan in November and Vandal said not much has changed since then.

"I think it sends the wrong message to administration and to the province, who I'm sure paid for half of the master plan," he said. "The fact that we can make these \$300 million in changes without any administrative comment on whether they're worthwhile is bizarre."

Some members of council said the decision encourages councillors to lobby for projects that only benefit their ward, and Coun. John Orlikow (River Heights) said making the freeways a priority essentially makes the long-term transportation plan "useless."

"The squeaky wheel gets the grease and we better get out there and start making deals and trading horses and making some noise," added Coun. Jenny Gerbasi (Fort Rouge). "Transportation planning should not be done that way."

Gerbasi said Winnipeg needs to strike a balance between building roads and investing in rapid transit, noting the city still spends far less than others in building transit.

City council approved its 2012 operating budget in March without a 20-cent transit-fare hike that was to pay the city's portion of the \$300-million cost of the second leg of Winnipeg's rapid-transit corridor. City council approved the master transportation plan with a goal of completing the corridor by 2016.

Havixbeck said it's sad some members of council think of building roads and rapid transit as an either/or choice. She said she's asked the developer of Ridgewood South that rapid transit be considered, and would like to see a rapid-transit route that services the city's southwest.



## The MHCA Welcomes a New Member !

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*As per MHCA Board Policy, only registrations cancelled 72 hours prior to the commencement of this event will be refunded.*



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## THE VIEW FROM THE FIELD'

### Understanding Field Service — Andrew McQuaker, Hugh Munro Construction

There is often a misconception in our industry that field service is simply an extension of the shop.

This could not be further from the truth.

Field operations are fluid, while shops are static. Field operations are generally in operation seven days a week. Shops are usually based around the 50 hour workweek. In the field, there is no direct parts support or proper warehousing. The misconception lies in the fact that when shops think "field service" they often mean "service calls". This could not be further from the truth. Service calls are what dealerships do — short single jobs. Field service personnel are prolonged operations that last the duration of whatever project the construction firm is undertaking. It is essential that shops act in the supporting role and field operators take the lead in the decision-making concerning the equipment in the field.



#### Listed below are several factors that are essential to ensure proper support is provided:

- » In house parts — large sustained construction projects have to have their own parts support, including a purchasing agent and dedicated parts runners.
- » Onsite lubrication — depending on the number of pieces of equipment, there will be a need for greasing and servicing.
- » Fully equipped trucks — proper equipment for mechanics is essential. Not only from a safety stand point, but also from a production point of view. The better equipped the mechanic is, the more tasks that can be performed in the field reducing trucking costs, decreasing downtime, while at the same time increasing production.
- » Onsite welding — again depending on the number of pieces of equipment it will be necessary to have a properly equipped utility welder.
- » Proper warehousing and onsite storage for lubricants and parts
- » Training and Literature — in the ever-changing construction world, proper training for field mechanics and service and parts literature are a must. This speeds up diagnostics and reduces downtime, ensuring equipment is repaired properly.
- » Open communications with dealer support — dealerships are a wealth of information and having open lines of communication with them will speed up repairs.

In closing, these are not etched in stone and depending on the size and scope of the project adjustments in support will be necessary. The more a maintenance department can accomplish in the field, the more productivity the construction firm is going to have.

At the end of the day everyone is interested in the same thing a trouble free, safe and productive work environment.

*Andrew McQuaker is a field mechanic with Hugh Munro Construction.*

**Have a story from the field you'd like to submit? Email Jason Rosin at [jason@mhca.mb.ca](mailto:jason@mhca.mb.ca) with your idea or submission for a future issue of the Heavy News Weekly.**

# ***NEWS RELEASE***

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**For Immediate Release**

**Date:** April 19, 2012

## **WCB's 2011 Annual Report Reveals Small Surplus and Stable Rates**

(WINNIPEG) – The Workers Compensation Board of Manitoba (WCB) released its 2011 Annual Report today. It was highlighted by a small surplus and stable rates despite challenging financial times. The WCB also released its 2012–2016 Five Year Plan.

"In 2011, the WCB achieved an overall surplus of \$5 million in spite of weak financial markets," says WCB President and CEO Winston Maharaj. "This was made possible thanks to successful prevention and return to work efforts by the WCB, its partners, and the workers and employers of Manitoba".

As a result of its strong financial position, the WCB was able to maintain the average assessment rate at \$1.50 for 2012, the second lowest rate among Canadian WCBs. The time loss injury rate was maintained at 3.3 per 100 full time workers, which remains the lowest on record for Manitoba.

"Through our SAFE Work program, we continue to make strides in building a culture of safety and health," says Maharaj. "Working with our partners, we are getting closer to our vision of SAFE Work – *A Way of Life.*"

Injured workers also spent less time off the job in 2011 as a result of employers' and workers' focused efforts to help ensure workers return to health and meaningful work as soon as they can safely do so. Return to work programs minimize the impact of an injury, promote recovery and manage associated costs while benefiting both workers and employers.

The WCB also continued to modernize its service offerings through technology and process improvements in 2011. This included launching a redesigned website with improved functionality and introducing an online Employer Registration Request system for new employers and online SAFE Work reports for registered employers. The WCB also introduced a new policy on Opioid management that provides guidelines regarding narcotic medication for injured workers. The WCB also completed development on its new WCB location in Brandon, Manitoba, which opened in February 2012.

Along with its partners at Workplace Safety and Health and in the community, the WCB continued to promote injury prevention and return to health and work initiatives in 2011.

The Workers Compensation Board of Manitoba is a mutual workplace injury and disability insurance agency funded by employer premiums. With a mandate to prevent workplace injuries and illnesses, the WCB is committed to building a culture of health and safety in Manitoba through the SAFE Work program and community partnerships. Workplace injuries and illnesses are preventable but should they occur, the WCB is here to help injured workers, their families and employers.

# Nova Scotia court rules against province where government awards construction contract against staff advice

**Bid Protest Bulletin** | Paul Emanuelli

A fairly run process is key to the integrity of the tendering system. In a formal binding bidding process, owners are required to conduct a fair competition and fair evaluation process.

This duty includes the requirement to conduct a transparent evaluation process consistent with the rules that were pre-established in the tender call and to avoid arbitrarily changing those pre-established rules when making contract award decisions.

For example, in its decision in *Zutphen Brothers Construction Ltd. v. Nova Scotia (Attorney General)*, the Nova Scotia Supreme Court found that the government unfairly evaluated the plaintiff's tender when it failed to apply the evaluation criteria stated in the tender call. The case involved a project for the construction of a bridge in Cape Breton. Originally Nova Scotia wanted to limit the materials to pre-stressed concrete but, as the court noted:

*"the steel industry lobbied the Department to permit them to bid on the final phase of the construction and eventually it was agreed that parties be permitted to tender on a steel alternative. In the tender documents were special provisions: Barra Strait Crossing, Phase III, Contract 91-001, which indicates 'Bidders on this contract are hereby advised that they will be permitted to submit an alternate bid based on a structural steel type of superstructure if they so desire'. The last portion of that information to bidders states: 'To be acceptable a structural steel alternative must show a substantial saving over the precast, prestressed concrete design.'"*

Against staff advice, Nova Scotia eventually awarded the contract to a bidder who submitted a \$7.3 million bid for a structural steel alternative. In the opinion of the engineer advising the Deputy Minister, the \$151,000 savings of the structural steel bid over the best concrete bid was insufficient to represent a substantial savings in light of the higher future maintenance costs. However, the Deputy Minister ultimately wrote the Minister stating that the steel alternative represented a substantial savings and recommending a contract award to that low bid. The court noted that the Deputy Minister's conclusion in the recommending memo was not supported by any analysis and did not mention the contrary staff recommendations:

It is to be noted here that the Minister's evidence on discovery was that there was no analysis attached to the



memo and the Minister did not know that the staff, from the senior members down through, were opposed to the awarding of the contract for a structural steel alternative.

The court therefore concluded that the contract was improperly awarded and that the integrity of the bidding process had been violated:

*...the Province did not realize a substantial savings...t] he Deputy Minister ignored all recommendations from his department and, in fact, decided arbitrarily in the face of all advice to award the contract to Maritime Steel and, subsequently, did not apprise his Minister fully of the situation. The integrity of the bidding system was violated.*

As this case illustrates, when contract award decisions are challenged, an owner may be required to establish that its evaluation was conducted on the basis of an accurate application of the facts to the pre-established criteria. Any internal decisions to overrule the evaluation team's recommendations, particularly expert recommendations, should be made with caution since the failure to support such decisions with a reasonable justification can ultimately compromise the fairness of the process. In this case, the owner's arbitrary contract award process resulted in a successful lost profit claim by the prejudiced plaintiff bidder.

The duty to conduct a fair evaluation process will continue to be a risk factor for owners who engage in improper evaluation and award decisions.

*Paul Emanuelli's procurement law practice focuses on all aspects of the tendering cycle including bid dispute resolution. Reach Paul at [paul.emanuelli@procurementoffice.ca](mailto:paul.emanuelli@procurementoffice.ca).*

## BRICs Can Land Softly

*By Peter Hall, Vice-President and Chief Economist of Export Development Canada*

As advanced economies faltered in the Great Recession, hopes shifted to the fast-growing BRIC nations. They didn't disappoint, until recently. Now, numbers reveal a BRIC slowdown, with important global implications. Are the stars of the last decade truly global growth engines, or are they fading?

Facing a sharply weaker residential property market and much slower import demand from Europe, China is slowing. Although still impressive, China's growth will ease from 9.2% last year to 7.7% in 2012. However, growth eased to just 6.6% in the first quarter, just above China's recession marker. Although still vulnerable to a turn for the worse in Europe, China is fully expected to avoid a downturn: a newly-minted leadership can afford, and would undoubtedly provide, a significant new infusion of stimulus to avoid such an event and the domestic unrest it would unleash.

Russia is even more sensitive to Euro-weakness. With the Eurozone accounting for almost 50% of its trade and EU members making up 75% of its inbound FDI, Russia's growth outlook has faded to 3.7% for 2012. Again, fiscal stimulus will come to the rescue. Vladimir Putin's re-election has reduced short-term political uncertainty, and he will likely rein in domestic opposition through a large increase in social spending. While a solid antidote for Russia's economic ills, the massive \$160 billion program is a big fiscal risk, as Brent crude will have to fetch \$120 per barrel for Russia to balance its books.

Although the Brazilian economy accelerated slightly in the 4th quarter of 2011, GDP grew by only 2.7% year-to-year, a far cry from the explosive 7.5% rate in 2010. External shocks are less of an issue in Brazil, as international trade only accounts for 20% of GDP. Brazil's difficulties are more on the home front. Severe policy tightening has been effective – perhaps too effective – in cooling the domestic economy. The government now finds itself trying to re-stimulate consumption, the main engine of growth, through a measured policy reversal. This is expected to forestall further slowing, but won't be enough to keep Brazil from weak 3.1% growth this year.



Is India the anomaly? Unfortunately not. Like Brazil, slowing growth is more of an internal issue. Political gridlock in New Delhi is only increasing with the recent success of regional parties. Recent corruption scandals and failure to significantly improve the regulatory and business environment are impeding the attraction of foreign investment. Moreover, crisis has curbed access to long-term capital from European financial institutions, threatening the implementation of key investment projects. Even so, there is still enough domestic momentum to prevent a hard landing. But if India's progress on structural changes is interrupted more permanently, the darling of the BRICs may lose some luster.

While a sharp slowing of the BRICs would almost certainly mean global recession, the likelihood is low; public stimulus will prevent a messy outcome. Temporary slowing will likely ease inflation pressures, and also provide a rare opportunity for BRIC countries to retool their economic policies in order to build more stable and sustainable growth.

The bottom line? BRIC slowing is a reminder that, while their superior "catch-up" growth is lifting average global growth, further development is needed before they will assume "engine" status. Fortunately, they have enough in their coffers to keep them going until the true engines get fired up.

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April 13	Toolbox Talks (1/2 day PM)
April 16-17	COR™ Leadership
April 18	COR Principles
April 19-20	COR™ Auditor Refresher
April 20	First Aid 1 - CPR
April 23-24	Train the Trainer
April 25	WHMIS (1/2 day AM)/ TDG (1/2 day PM)
April 26	COR™ Auditor Refresher
April 27	Excavating & Trenching (1/2 day AM)
April 27	Flagperson (1/2 day PM)

MAY 2012	
May 1	Safe Work Procedures
May 2	Prime Contractor
May 3	Back Injury Prevention
May 3	Fatigue Management
May 4	Safety Administration (1/2 day AM)
May 4	Toolbox Talks (1/2 day PM)
May 14-15	COR™ Leadership
May 16	COR Principles
May 17-18	COR™ Auditor
May 25	First Aid 1 - CPR
May 28-29	Train the Trainer
May 30	WHMIS (1/2 day AM)/ TDG (1/2 day PM)
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