

In the News, July 2003

Partners create training space

As a result of a partnership approach between the federal government and the City of Windsor, Ontario, in early July, Mady Contract Division of Windsor was awarded a \$13.54 million contract to construct a training facility to be shared by Army Reserve units – the Windsor Regiment, The Essex & Kent Scottish Regiment and 21 Service Battalion, and army cadet units – and the Windsor Police Service. Police training operations usually occur during the day, while Reserve operations usually occur on evenings and weekends, making for efficient use of the new facility.

The new building, to be located on the corner of Sandwich Street and Ojibway Parkway, should be completed in spring 2004. Under the partnership, the Department of National Defence (DND) and the city will share the construction costs, Windsor will own the building, and DND will lease the facility for 20 years.

Recognizing excellence

The federal Materiel Management Institute (MMI) held its annual conference in May and honoured the following:

The Materiel Management Recognition Award (Individual)

Monique Thibault, Department of National Defence. A longtime member of the MMI Board and various MMI Committees, Monique has served as the MC of the Materiel Management National Workshop on a number of occasions and she has been a significant player in raising the profile and success of the Materiel Management Speaker Series.

The Materiel Management Recognition Award (Team)

Michel Sicard and his Team from the Department of Foreign Affairs and International Trade. This team created a sophisticated internal department website that provides – in a self-serve automated environment – all the tools needed by managers to conduct procurement and contracting processes efficiently, within a strong risk management framework.

The Environmental Recognition Award (Individual)

Rhéal Pilon, Environment Canada. During his public service career, Rhéal (now retired) was at the forefront of ensuring the highest possible professional standards within his own department and beyond to the wider community, helping to put Environment Canada at the cutting edge in terms of professional development in the materiel management field.

The Environmental Recognition Award (Team)

PWGSC Alberta ENMAX Energy Project Team. In the wake of energy deregulation in Alberta, the team used sophisticated contracting techniques to source a total energy package for 10 federal departments within the province of Alberta establishing a firm price and continuous supply at savings of 20 to 30 percent while meeting federal green power environmental objectives.

The Ambrose Churka Good Citizenship Award

This is a new award created by the Materiel Management Institute to recognize the contributions to Canadian society made by members of the materiel management community. It is named after the late Ambrose Churka, a long-time member of the materiel management community and a person whose list of humanitarian contributions to the broader Canadian community is impressive by any standard.

The winner of the first Ambrose Churka Good Citizenship Award is Mr. Churka, posthumously. The award will be presented to Mr. Churka's family.

Summit Magazine Award of Recognition for Excellence in Service as a Materiel Manager

Lisa Reynolds, Acting Director, Compliance and Business Practices, Materiel Management Directorate, Canada Customs and Revenue Agency. A part of the materiel and supply community for over 18 years, during her career, Lisa exhibited exemplary dedication and commitment to the materiel management community, leveraging every opportunity to improve organizational and client processes and relations. Among her outstanding endeavours:

- PWGSC - marketing and promotion of the Contracts Canada website concept within the federal community;
- CCRA's e-commerce The Web World Project – Lisa was the primary representative from Contracts and Acquisitions during the writing of the statement of work and technical specifications, and she played a lead role in creating the evaluation criteria for the RFP; and
- CCRA IT Professional Services Supply Chain – Lisa's team issued the RFP for the new process, evaluated the proposals and awarded a contract for services, all within six months.

New name

Edmonton-based, Alberta Municipal Financing Corporation has a new name – the Alberta Capital Finance Authority (ACFA). ACFA provides loans for capital projects at the lowest cost to its shareholders – Alberta municipalities, post secondary institutions, schools, regional health authorities, airport authorities and irrigation districts.

On the roads again

Summer is here, and while for some it means dreamy hot days and a vacation, for others it means road repair, construction and maintenance.

In the north, the Yukon has awarded \$9 million in contracts to:

- Ketz Construction Corp., Whitehorse, YK – \$4 million to complete structural strengthening and a seismic retrofit of the Teslin River Bridge.
- North American Industries, Prince George, BC - \$3 million to work on the embankments, apply gravel, surface and clean up a section of the Alaska Highway between Haines Junction and Destruction Bay.
- Skookum Asphalt Ltd., Whitehorse, YK - \$670,000 to apply road surfacing on a section of the Alaska Highway north of Burwash Landing
- Pelly Construction Ltd., Whitehorse, YK - \$641,000 to widen and smooth a stretch of the Tagish Road.
- Cee and Cee Dirt and Gravel Ltd., Whitehorse, YK - \$89,000 to complete the base course construction of a section of the Campbell Highway near Faro
- P.S. Sidhu Trucking Ltd., Whitehorse, YK - \$300,000 to complete the base construction of various locations from Km. 74 to Km. 94 on the Top of the World Highway, and \$298,000 to construct a section of the Campbell Highway from Km. 254 to Km. 254.7.
- Summit Aggregates Inc., Whitehorse, YK - \$474,000 for gravel crushing activity for regular road maintenance on sections of the Klondike, Campbell and Top of the World highways.
- Interior Reforestation Co. Ltd., Cranbrook, BC – total of \$170,000 to seed and fertilize sections of the Tagish Road and the Campbell and Alaska highways.
- Meldon Construction and Landscaping Services, Whitehorse, YK - \$101,000 for brush and weed control on sections of the Klondike Highway near Dawson City.

And in southeastern Ontario, \$7.5 million will see highway infrastructure improvements in the Leeds-Grenville area. Contracts include:

- R.W. Tomlinson Limited, Gloucester, ON - \$2.2 million for resurfacing a 3 Km. section of Highway 16 from County Road 2 to Highway 416.
- Aecon Construction and Materials Limited, Brampton, ON - \$5.3 million for resurfacing parts of Highway 401.

Changes for BC Rail

Source: Government of British Columbia

In mid-July, BC announced that, in response to its RFP released in May, it received five proposals to revitalize BC Rail. Four firms, all with substantial railway operating experience and financial resources, have been short-listed for continuing discussions. They are: Canadian Pacific Railway, OmniTRAX in partnership with Burlington Northern Santa Fe, Canadian National Railway and RailAmerica.

The proposals submitted were evaluated against the following:

- Sustainability – Promoting a robust and well-maintained transportation infrastructure that supports the long-term economic development and diversification.
- Competitiveness – Recognizing industrial customers’ desire for competitive freight rail services and rates while ensuring integrated North American access to preferred markets and carriers for interline rail shipments.
- Growth Opportunities – Accommodating access to the railway line for third-party passenger rail services on reasonable economic terms and identifying any new opportunities for freight rail services.
- Community Specific – Demonstrating how stakeholder groups such as employees, communities and First Nations would benefit from the proposals.

Proponents are now expected to conduct further due diligence, which may include railway inspections, facility tours and BC Rail management presentations – likely resulting in further detailed proposals being submitted to the evaluation committee. The committee will then review and evaluate the submissions received against the terms of the RFP with the aim of recommending to the BC government a proponent for final negotiations in early fall. Under the new model, BC Rail’s railway right-of-way, railbed and tracks will remain publicly owned, while a partner will assume the operations and management of the freight-railway service and provide much-needed capital investment.

Looking for help to collect money

Source: Government of British Columbia

In support of its Revenue Management Program, the BC government recently issued a Joint Solution Procurement Request for Proposal. The province is looking for a partner to help it consolidate revenue management functions under the Ministry of Provincial Revenue. The province’s current revenue management system is fragmented, including more than 40 separate systems across government, all doing the same thing – collecting money. The Ministry of Management Services is the lead ministry responsible for the overall governance of the alternative service delivery initiative.

Canada infrastructure programs at work

The Canada-Manitoba Infrastructure Program has contributed to the preparations for the 2003 Western Canada Summer Games to take place in August in Selkirk, Gimli, Beausejour and Stonewall, Manitoba. The development work funded at the newly opened Selkirk Community Stadium includes an eight-lane, latex-surfaced athletic track, installation of goalposts in the infield for rugby and soccer, construction of a storage shed to house sports and maintenance equipment, and bleacher seating for over 800 spectators. The federal and provincial governments and 2003 Western Canada Summer Games Inc. each contributed \$106,666 for a total of \$320,000. The City of Selkirk, the Lord Selkirk School Division and corporate fundraising are providing 2003 Western Canada Games

Inc. with its one-third share. The stadium is located next to Lord Selkirk Comprehensive School, where it will complement existing facilities that provide a recreational hub for the region.

In late June, the Canada/British Columbia Infrastructure Program – a federal/provincial partnership – awarded nearly \$6 million in funding for five projects in Victoria, Saturna Island, Saanich, and Qualicum Beach. Under the program, all three levels of government – federal, provincial and municipal – will invest a total of \$800 million in municipal infrastructure across BC. So far the total number of approved projects is 152, valued at nearly \$574 million. To receive funding, applications must first meet established eligibility requirements and then undergo a review by a management committee consisting of representatives from the federal and provincial governments, and the Union of British Columbia Municipalities.

Olympic green – procurement with an eye on the environment

The Vancouver Olympic Bid was successful and the Bid corporation is now winding down its operations. The Organizing Committee of the Olympic Games (OCOG) takes over from here as preparations for the event get underway. Much will happen over the next seven years to ensure the event venues and facilities are ready. According to the official Bid website, principles of environmental sustainability will be incorporated in all aspects of planning and preparation. “Environmental practices that are proposed include: green buildings and community planning standards; sustainable transportation initiatives; energy efficiency and use of renewable energy; water conservation, air quality and greenhouse gas management; waste minimization; and protection and enhancement of natural landscapes. All venues and facilities constructed or renovated in Vancouver would comply with applicable City of Vancouver bylaws and provincial and federal environmental legislation, and be built to meet LEED (Leadership in Energy and Environmental Design) requirements, an industry standard for using green building and design elements.”

Environmental business

GLOBE 2004, (www.globe2004.com) being held at the Vancouver Convention & Exhibition Centre March 31 to April 2, 2004, will bring together business and government executives from over 75 nations. Conference themes centre on:

1. Corporate sustainability - maintaining profitable business operations in the face of new social, shareholder, consumer and government demands for ecological sustainability and corporate accountability;
2. Energy and climate change - emerging priorities for climate change related technology development, strategies for emission-reduction and credit trading initiatives, and identifying the business opportunities associated with climate change; and
3. Building better cities - incorporating sustainability principles into decisions and processes for the design and construction of buildings and urban transportation

systems; in land use planning and governance; and in energy and water conservation programs and systems.

New US defense procurement restrictions under fire

Adapted from [National Journal's Technology Daily](#) and Govexec.com, July 8, 2003

Currently the required content of American-made defense purchases stands at 50 percent. Arguing that this makes the current system too reliant on foreign purchases, which could lead to security problems for products produced in countries opposed to US policy, new House Defense authorization legislation proposes that the required “domestic content” in a system’s labor and materials be raised to 65 percent. And it would require that major defense-acquisition programs use only machine tools made in the US.

According to the Associated Press, the Pentagon is opposing the “Buy American” components of the legislation, saying that not fostering international relationships could pose security problems. As well, several industry associations – led by the National Defense Industrial Association, the Aerospace Industry Association and the Information Technology Association of America – oppose the provisions saying that this would wreak havoc in defense contracting.

They argue that the act will convince fewer vendors to sell to the Pentagon, as new paperwork expenses – for all potential vendors, not just the winning bidders – and decreased competition combine to raise the price of procurement. Moreover, a number of crucial products, from memory chips to flat video screens, are almost universally made overseas. Moving those operations home – adding the cost of retrofitting and establishing separate manufacturing lines for defense and non-defense products – would be prohibitive. The proposed legislation is slated for discussion in a joint House of Representatives/Senate conference in July.

Going places – the online US Defense Travel System

Adapted from Govexec.com, Tanya N. Ballard

In late June, the US Department of Defense (DoD) launched an upgrade to its Defense Travel System (DTS) that allows federal travelers to use the Internet to make detailed trip plans, including accommodation, airline and rental car reservations – details right down to the plane seat or size of automobile. They may also use the program to extend their stay for personal leave. DTS, working like other online travel websites such as Travelocity and Expedia, eliminates the need for paper vouchers and travel agents. The Web-based system incorporates DoD travel policy rules – identifying areas where more information is required and calculating *per diem* rates automatically. In addition, reimbursement for travel expenses can be made directly to the charge card provider. It is planned to link the system with DoD agencies’ financial systems, allowing for access to

accurate and timely information on travel expenses and the ability to project future travel costs.