Challenges in Delivering Quality

A Contractor’s Perspective

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Park Paving Ltd.
Challenges

Availability of Quality Building Materials

Design Criteria

Procurement Process

Skilled Labour Shortages
Challenge:
Availability of Quality Building Materials

Aggregate reserves diminishing
- Lack of quality in the Edmonton market.
- Trucking and rail transport
- Increased regulatory scrutiny
- Competing land interests

NIMBY’s
- Public’s wish to separate residence from industry
  - i.e. Zoning for production facilities

Lesser experienced suppliers
- Affect reputation of the industry
Specification changes

Lack of consistency between municipalities

Project Scheduling
General public’s lack of patience for construction.
Short season = traffic delays = unhappy tax payers.
Challenge:

Design Criteria

- Lack of technical experience of Owners & Agencies, particularly in rural areas.
- Managing Owner’s expectations.
- Collaboration between Owner, Design Engineer & Contractor
- Contractors need to maintain a customer based focus
Challenge: Design Criteria

1. End Product Spec - Agency defines characteristics of the end product, Contractor allowed significant latitude in construction practices.
   - Agency - Provides Destination.
   - Contractor – Determines how to get there.

2. Method spec - outlines specific materials selection and construction operation process to be followed in providing a product.
   - This stifles contractor innovation, although easier for Agency to write & enforce specifications.
Challenge: Procurement Process

- Increased costs lead to corner cutting
- Competitive bidding process emphasizes cost at the expense of value and the result is a problem with delivering project quality
- Competitive bidding can lead to the selection of less competent contractors
- Traditional procurement tends to leave the realm of innovation to the designer and requires the Contractor to simply deliver what has been specified within cost and time parameters
- Can lead to adversarial process, versus partnership model.
- Increase the value of:
  - history of successful completion of projects
  - evaluation of experience
1. Traditional Tender
   • Design
   • Bid
   • Build

2. Value Added Tender
   • Design
   • Build
Challenge:
Skilled Labour Shortage

- Skilled labour availability at an all time low
- Owners, Agencies, Consultants & Suppliers suffer from same effects
**Challenge:**

**Skilled Labour Shortage**

<table>
<thead>
<tr>
<th>Challenge</th>
<th>Details</th>
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<tbody>
<tr>
<td>Construction a lesser desirable industry in which to work</td>
<td>Lack of recruiting out of high school. Perception that roadbuilding isn’t as an appealing industry to work in.</td>
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<td>Short construction season</td>
<td>May – October Employment</td>
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<td>Competing industries</td>
<td>Oilfield, industrial, technological</td>
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<td>Demographics</td>
<td>As Boomers approach retirement, loss of experience and expertise</td>
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Challenges

- Availability of Quality Building Materials
- Design Criteria
- Procurement Process
- Skilled Labour Shortages
Solutions

Utilize the highest quality, economically viable building materials available

Agencies use of consistent specifications

Adjust procurement to encourage a quality end product

Make working in our industry attractive