

ORBA - MTO Highway Maintenance Committee Meeting Notes

Date: Monday, April 7th, 2025

Time: 10:00 am - 12:30 pm

Location: Teams Video Meeting

| Attendee | Organization | Attendee | Organization |
|-------------------------------------------------------|----------------------------------|-----------------------|----------------|
| Doug Wipperman (left at 11AM) | The Miller Group | Steven Crombie | ORBA |
| James Stracey (co-chair as of 11AM in Doug's absence) | Emcon Services Inc. | Simarpreet Kaur | ORBA |
| Frank Rizzardo | Emcon Services Inc. | Jasan Ranger | MTO |
| John McBride (left at 11AM) | Fowler Construction | Andrew Alkins | MTO |
| Abdallah Tannoukhi | Webber Infrastructure | James Hamilton | MTO |
| Thelep Ampalavanar | Webber Infrastructure | Nedim Oren | MTO |
| Greg Ehman | Ledcor | Michael Sleeth | MTO |
| Matt Granger | Ledcor | Nasr Slabi | MTO |
| Ashley Gate | Ledcor | Valérie Labbé | MTO |
| Brian Green | GIP Highway Maintenance | Brian Utigard | MTO |
| Walid Abou-Hamde | ORBA | Neil Pawluk | MTO |

Note: Strikethrough = did not attend the meeting

1. PREVIOUS MEETING NOTES / ANNOUNCEMENTS

- a) Previous meeting notes shared March 10th and accepted by all.
- b) Introduction of all team members for Walid Abou-Hamde and Steve Crombie.
- c) John McBride will be representing Fowler in Paul Krajc's absence until further notice.
- d) Reviewed Action Items from previous meeting notes – items that were carried over include:
 - i. **Action Item:** MTO and ORBA co-chair to compile topics of discussion for the working groups.
 - MTO chair & ORBA co-chair: Met & compiled topics for ea. working group (WG). Agreed items include:
 - Facilities/Equipment WG: Modernization of equipment manual, ERU, internal review of specs, increased use of LiDAR in domes, standby power in PY's.
 - Systems Side: Advancing electronic WOR.
 - Summer Operations WG: Transitioning LS to QM bid items.
 - Operator WG: Risk mitigation review related to Benchmark Hours. Benchmark Hours and Risk Mitigation will remain status quo until the review is finalized and endorsed.
 - The governance of HMC including Terms of Reference (TOR) was also discussed & will be drafted for review/endorsement by HMC members.
 - Next steps: MTO chair & ORBA co-chair to summarize meeting notes & distribute to ea. WG.
 - ii. **Action Item:** ORBA to source GIP representative for each WG.
 - DW: Multiple attempts to contact GIP, but no response received.
 - iii. **Action Item:** Industry to provide examples of CZ/turnover agreement issues.
 - Industry: Compilation of relevant examples in progress. Will provide the info. at next meeting.
 - MTO: A joint team incl. staff from Contract Services Administrator Team (CSAT) & Maintenance Contract Supervisor Team (MCST) established to review CZ/turnover agreements & develop consistent approach.
 - iv. **Action Item:** Industry to provide info. related to routes with connectivity issues if available.

ORBA - MTO Highway Maintenance Committee Meeting Notes

- Industry: Will investigate & report back to MTO on "dead areas" (primarily in the north), categorized by Contract Area.
 - Ledcor already provided some info. through other conversations & will supply additional details if needed/requested.
- v. **Action Item:** MTO will review Greenhouse Gas Emission Regulations internally. ORBA to collect & provide statistics/risks on how the regulation is affecting industry. MTO/ORBA will connect and come up with strategy to try and investigate further.
 - MTO needs data to approach MECP. ORBA will work with industry to compile data. Very fluid due to what's occurring in U.S.A (Tariffs).
 - Both MTO & Industry will continue to monitor. This topic will be added to the "Open Action Items" section of the meeting notes.
- vi. **Action Item:** MTO to review internally the requirements for Engineered Wood Posts (industry states that these are costly and difficult to source)
 - MTO will engage with Traffic Office & may request statistics from industry.

2. PRESENTATIONS

- a) None.

3. STANDING ITEMS

- a) **MTO Applications Update / Winter Operations Record Working Group:**
- i. MTO: No update currently. We are available to meet with industry to discuss development of electronic WOR. Official start with WG has not yet occurred - meeting will be scheduled soon.
 - Industry: Has MTO chosen a platform?
 - MTO: Plan to use existing industry AVL providers for now. No plans for a standalone application or procuring a vendor to create a different platform.
 - ii. MTO: Some contractors behind in updating various reports in our systems. We will reach out to those contractors directly in the coming days.
- ACTION ITEM: Schedule meeting for WOR Working Group.**
- b) **Winter Materials Working Group**
- i. MTO: No update currently. Working on a draft TOR, haven't had first meeting yet – to be booked later this month.
- ACTION ITEM: Schedule meeting for Winter Materials Working Group.**
- c) **Operators Working Group**
- i. MTO: Refer to Section 1. d) i. of these meeting notes.
- d) **Facilities & Equipment Working Group**
- i. MTO: We should include Erik in future meetings. First meeting discussed equipment updates & received positive feedback re: language for the extended wing. Next steps: MTO will review conspicuity for extended wing.
 - Industry: Before adding language to the RFP for extended wing, MTO & engineers should discuss feasibility with manufacturers.
 - MTO in agreement and will review internally.
 - ii. Other related topics discussed in Section 1. d) i. of these meeting notes.
- ACTION ITEM: MTO to engage with engineers/manufacturers re: extended wings.**
- e) **Winter Operations Working Group**
- i. MTO: No update currently. Working on a draft TOR, haven't had first meeting – to be booked later this month.
- ACTION ITEM: Schedule meeting for Winter Operations Working Group.**
- f) **Summer Operations Working Group (SOWG)**

ORBA - MTO Highway Maintenance Committee Meeting Notes

- i. MTO: First quarterly meeting occurred April 1st. Primary focus was to review/endorse list of Lump Sum (LS) items for transition to Quantifiable Maintenance (QM) bid items. Once finalized and endorsed, list will be shared with HMC.
- ii. MTO: Guide Rail & Safety Systems being reviewed for inclusion as a QM Bid Item – work is still ongoing. A 2nd draft has been shared with the WG for further review.

ACTION ITEM: MTO to send list of nominees for all working groups to industry.

g) Procurement update (MTO/ORBA)

- i. MTO provided update on contracts currently advertised & proposed upcoming maintenance contract procurement schedule. Updates on procurement will remain a standing item.
 - Industry: current schedule still acceptable despite Tariffs?
 - MTO: Tariff situation is fluid. Acting in step with executive committee assigned to review & will provide info. re: Tariff language once finalized.
 - Walid: ORBA has a meeting scheduled tomorrow morning to finalize Tariff statements. Amendment to GC's is being considered (duties/taxes may be amended to incl. tariffs).
 - Industry: can we postpone the closing of Sudbury East so that it doesn't close on Wednesday.
 - MTO we will review internally.

Post meeting note: RFP closing dates extended by 2-3 weeks.

- ii. Industry: Why was Britt PY was removed from Sudbury Area?
 - MTO: Different process being used for Britt. Info. will be shared once finalized.

4. NEW BUSINESS

a) Operator/Labour update:

- i. IMOS: absent, no update provided.
- ii. Ledcor: Continue to struggle in SSM area. Future economic situation may influence this, potentially leading to layoffs in other industries that could benefit ours. Near-record season for snowfall in SSM - everyone looking forward to end of winter season.
- iii. Emcon: As season winds down, starting to release operators in SW Ontario Contract Areas. Overall, season better than last 2-3 yrs for # of operators, but we remain cautious about long-term trends. Low population areas & historically problematic areas continue to face issues.
- iv. Fowler: absent, no update provided.
- v. Webber: Echoing Emcon's sentiments - very good season. Off-boarding staff & preparing for next season.

ACTION ITEM: 1. Operator Working Group to focus on specific geographic areas where there are challenges and develop new strategies.

2. VL to request a post-meeting updated from IMOS & Fowler for this item.

Post-meeting note: Email sent to IMOS & Fowler on April 7th. No response received.

b) Severe Winter Events & Winter Preparedness: Outreach to OPP & other stakeholders/municipalities

- i. MTO: ADM expressed gratitude for contractor efforts during recent ice storm. Requests received from municipalities for fuel, but MTO maintained that while our contractors have fuel reserves, cannot risk compromising our winter activities. Municipalities may approach MTO to request resources/services (ex: tree removal) and we encourage them to procure contractors directly – as a result, you may receive calls from municipalities seeking assistance.
- ii. Industry: Assumed this agenda item was related to vehicle recovery during severe weather (incident response) – we still have concerns re: the new language added to RFP's
 - MTO: Intent of new contract language is for scenarios where the Emergency Management & Civil Protection Act is enacted, or an emergency is declared by the CA.
 - Industry: We currently lack resources/personnel to meet this initiative.

ORBA - MTO Highway Maintenance Committee Meeting Notes

- MTO: Facilities and Equipment WG met to discuss this item. If further discussion is required, it should be conducted at that level.

ACTION ITEM: Facilities & Equipment Working Group to review emergency response equipment language.

c) Equipment Challenges

- i. MTO asked if challenges exist with equipment.
 - Webber: Issues with Tenco and Viking are currently non-critical, but potential tariff increases for chassis crossing the CAN/US border may arise in June.
 - Shortage of new 660 Bosch controller could impact costs.
 - Facilities & Equipment WG should incl. focus on replacement parts for existing fleet.
 - CAT brand has equipment delays due to unresolved tariff situation. May affect cost and/or delivery timeframes if switching to another manufacturer/retailer.

ACTION ITEM: MTO to have internal discussion on how this “standing item” can be incorporated into the Working Group work plans.

d) Bid Enquiries

- i. MTO: Strive to construct responses that incorporate feedback from regional & provincial offices, clarify ambiguities & provide accurate info. for estimators to bid on RFPs effectively. We caution against submitting ‘statements’ related to economics/politics rather than ‘questions’, as ‘statements’ do not align with the intent of BE's. Please review BE's before submitting to confirm contract section/subsection is accurate – this will avoid confusion & ensure responses are relevant.
 - Industry: We understand that there is frustration on both sides
 - MTO: Intent is for WGs to contribute to development of improved language/standards. If a specific BE recurs, the topic will be assigned to the appropriate WG for review to determine if further clarification is required.

e) Schedule C Data

- i. MTO: Shared historical info. from past Schedule C WG & explained that upgrading ministry applications will resolve most issues. Erroneous data in MMIS is being flagged in advance of Schedule C publication, significantly reducing errors. Risk Mitigation (RM) clauses created to address large variance items in Schedule C, & some items transitioned to QM bid items - this process will be evaluated over a full contract lifecycle.
 - Industry: No additional comments, but is the goal to transition more LS items to QM?
 - MTO: We will transition items that incl. bidding variance with input from industry. No intention of including all items, but those benefiting from Risk Mitigation or easily transitioned to QM will be considered in consultation with Industry.

f) Tariff language

- i. Refer to Section 3., item g).

g) Additions/Deletions to the Plant

- i. MTO: There is a provision in the contract, but does industry believe it's no longer effective?
 - Industry: Adding electrical items works well but additions for E2LnKm are problematic – some items are costly & vary significantly making them unsuitable for plant additions/deletions. Industry believes the current approach is not working as intended.
 - MTO: Industry should provide list of these high-cost items to the SOWG for consideration as QM bid items – may resolve issue if removed from the calculation.
 - Industry: Agree some items should be priced as originally bid, while others may be transitioned to QM.

ACTION ITEM: MTO to review internally & Industry provide high-cost item list to SOWG.

h) Hold Back on CO's and In-scope

- i. Industry: We are facing holdbacks & advertising requirements on change orders and in-scope work that take 6 months or more. Propose that construction language removed since these

ORBA - MTO Highway Maintenance Committee Meeting Notes

are long-term contracts. Specifically, asking if Capital Improvement items need to fall under the Construction Act since the contract is performance-based? The administrative burden is high and delays payment.

- MTO: We will review, but industry should provide examples/ideas that could work with the legislation. Two different GC's apply to these contracts, and main issue is that some advertisers are very specific about bundling items & restrict how they are advertised.
- ORBA: Can we be exempt from the Act on this item, or the definition be reviewed?

ACTION ITEM: MTO to discuss further with ORBA, research internally & may request data from Industry.

Post-meeting note: The ministry is not exempt from the statutory obligation of holdbacks (legislation governs).

i) **LS Payment, Auto-deposit every 30 days**

- i. Industry: Prompt payment issues originating from IMOS affect all industry members & impact cash flow. We propose that LS payments are automatically deposited within 30 days. Balances not being paid even if work is not disputed (delays ranging from 90-120 days).

- MTO: We understand/acknowledge the concern. We are investigating options to trigger prompt payment. Separate invoices must be submitted for LS and other items. At a previous meeting, we confirmed that direct deposits are not possible, but we offered the option to pre-submit 12 invoices for LS.

ACTION ITEM: Industry to provide a summary list (4-6 months) to identify if issue is provincial, regional, or contract area specific.

j) **Discussion on the structure of the Highway Maintenance Committee**

- i. ORBA: Internal deliberations ongoing. Propose that the committee structure includes contractors who do not currently hold maintenance contracts.
 - MTO: Supportive of this approach. Suggest that decision for participation align with process used on construction side. Changes could be incl. in HMC TOR language as well.

k) **Proposal to review Inflationary Adjustment Formula**

- i. Industry: CPI no longer a suitable metric for this formula. Is MTO open to a proposal from industry for reviewing the formula?
 - MTO: Proposals are always welcome.

5. ROUNDTABLE

MTO: appreciate feedback from industry. Request that Industry provides more context when sending Agenda Items so that we could be better prepared to respond.

- Industry/ORBA: Agree and will aim to provide more context moving forward.

MTO: would like to have another workshop/ in-person meeting.

- Industry: endorsed & willing to help prepare/organize/host.

| DATE | OPEN ACTION ITEMS | ACTION BY |
|-------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|-----------|
| Jan-2024-01 | TIME & MATERIAL (ORBA) <i>Description:</i> Time & Material vs Lump Sum for Change Orders. <i>Discussion:</i> ORBA requesting a workshop with MTO to review the use of T&M which has become more commonly used for change | ORBA |

ORBA - MTO Highway Maintenance Committee Meeting Notes

| | | |
|-------------|-----------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|------------|
| | <p>order work. Methods used are not consistent across the province and industry would like a more standardized approach.</p> <p>Industry to provide examples to MTO for improper use of Risk Mitigation as well as frequent use of T&M.</p> <p>Action: Keep item open.</p> | |
| Apr-2025-01 | <p>REGULATIONS AMENDING THE PASSENGER AUTOMOBILE AND LIGHT TRUCK GREENHOUSE GAS EMISSION REGULATIONS OF THE CANADIAN ENVIRONMENTAL PROTECTION ACT (ORBA)</p> <p><i>Description:</i></p> <p>Upcoming changes to legislation could affect equipment costs and contract mobilizations.</p> <p><i>Discussion:</i></p> <p>Industry requests that maintenance equipment, specifically Winter maintenance equipment, is exempt from this legislation.</p> <p>Note: The proposed changes may or may not be implemented due to the economic unrest related to tariffs being imposed by the US.</p> <p>Industry to collect & provide statistics/risks on how the regulation is affecting industry.</p> <p>MTO to continually monitor this issue.</p> <p>Action: Keep item open.</p> | ORBA & MTO |

Next Meeting: June 2nd, 2025.

Adjournment: Meeting was adjourned at 12:54 PM.

Meeting Notes Prepared by: Valérie Labbé