Carleton University's new approach to procurement

A new director of facilities management has helped to transform some of its procurement practices, and put a number of ambitious new projects on its books.

There's a new approach to construction procurement at Carleton University—and a new face in charge of its oversight.

Gary Nower is the university's assistant vice-president (facilities management and planning). He joined Carleton in September 2018 and boasts a career in facilities management in the post-secondary sector that spans more than 30 years.

When Nower joined the team at Carleton University in 2018, he undertook a deep review of not only the university's facilities portfolio—which includes more than 50 buildings—but also of its procurement practices. The latter involved meeting with representatives from OCA as well as the General Contractors Association of Ottawa (GCAO).

"At the time, we heard about a few challenges with regard to our approach to procurement," he says. "It was my intent to make things better—not only for Carleton University but also for our business partners. Fairness is important to me."

The consultations with industry led Carleton to hire consultants Ernst & Young to conduct a thorough review of the university's procurement practices. That audit was completed last year, and yielded a number of important findings, many of which the university either has put in place, or is in the process of putting in place.

For example, the university heard that its vendor of record program lacked transparency. The university typically awarded vendor of record status to as many as 23 contractors in a given year, and was criticized for not provided bid feedback quick enough. Nower says Carleton has reduced the number of firms on its vendor list to up to nine, and that all contractors will be invited to bid on projects as they arise.

"The new vendor of record lists will also focus on special areas, such as building envelope, interior finishes and mechanical and electrical projects," says Nower.

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Other changes will see the university move away from stipulated-sum contract arrangements to construction management and, in some cases, integrated project delivery methodologies—particularly for more complex projects. It has removed a requirement for general contractors to work with only pre-qualified subcontractors, and taken away the additional two-percent holdback it required for deficiencies.

"We also heard that we are slow to pay," says Nower. "With an eye on the changes bring brought in by the new *Construction Act*, we're rolling out a pilot project that will cut down on the number of people that review invoices before they are paid. Our goal is to turn around payment in 10 days. So we've taken a number of steps—including asking for invoices to be submitted electronically—that will help us meet that goal and keep pace with the provincial prompt payment rules."

Down the road, the university also plans to introduce a performance evaluation program that rates contractor performance and would influence contractors' standing on the vendor of record system—similar to the Vendor Performance Management system being used by the City of Ottawa.

In terms of forthcoming projects on the Carleton campus, Nower says there are a few plans in the works. The university has a budget of about $18 million to spend on capital projects over the next five years. Some of the bigger projects underway at the moment include envelope work on its Loeb Building, renovations to its Paterson Hall, construction of the Engineering Design Centre, which has been awarded to EllisDon, and construction of a new residence building, which is being performed by M. Sullivan and Son.

"We're also hoping to position ourselves to take advantage of any stimulus funding coming from the federal and provincial governments as a result of the COVID-19 pandemic," says Nower. "We have submitted applications for funding for a $100-million wellness hub, and we've gone out for market for design work on a new engineering building."

The final, and perhaps most ambitious, project on the university's list calls for the campus to go completely carbon neutral by 2050. The facilities management team is in the latter stages of developing its energy master plan, which will complement its sustainability master plan. It is considering how converting to hot-water heating and adopting ground course heat pumping can help the university achieve this ambitious goal.

"We also have an open-space master plan in development which looks at how we can move the university away from the car-and-drive environment into something that is friendlier to bikes and feet."

In just two years of leading Carleton's facilities group, Nower has put his stamp on not only the university's approach to procurement, but also its long-term goals for development. He's eager to continue the challenge, and credits OCA and its members for sharing information and ideas to keep new ideas foremost in mind.