

\$65B IO pipeline a big job creator: Scott

Don Wall September 17, 2019



DON WALL — Ontario Minister of Infrastructure Laurie Scott (at left) and Ehren Cory, president and CEO of Infrastructure Ontario, fielded questions after unveiling the government’s 2019 market update of P3 projects in Toronto Sept. 10.

Ontario Minister of Infrastructure Laurie Scott has unveiled a \$65-billion P3 project pipeline that she says will be a significant driver of economic prosperity and job creation for the province, particularly for the construction sector.

The 2019 Infrastructure Ontario (IO) Market Update lays out 32 projects that are currently in the active procurement or pre-procurement stages plus 11 more projects in planning. The pipeline includes 16 health care projects, seven more than the last update released two years ago, and makes clear that the five new GTA (Greater Toronto Area) transit projects announced in the spring are signature works for the government.

Scott was joined by IO president and CEO Ehren Cory at a pipeline reveal event hosted by the Canadian Council for Public-Private Partnerships in Toronto on Sept. 10.

The projects, Scott said, represent a “key part of Ontario’s future prosperity” and will “generate thousands of jobs in the skilled trades, engineering and design sectors.

These 16 new hospitals will expand health care services across Ontario,

— **Laurie Scott**

Ontario Minister of Infrastructure

“The 2019 Market Update is a challenge to the best in the industry big and small, local and international, to team up, partner with Ontario and successfully deliver the high-quality infrastructure that our province relies on and depends on.”

“It is a good sign for the industry,” commented David Frame of the Ontario General Contractors Association. “We are pleased with the amount of work.

“A lot of infrastructure needs to be built. We are taking this as a commitment from the government that they are going to get it built.”

The so-called “marquee” lineup of GTA transit projects include the Ontario Line subway, GO Transit expansion projects, the Scarborough Subway Extension, the Yonge North Subway Extension and the westward extension of the Eglinton Crosstown LRT.

Cory said the east-west Ontario Line was a top priority with planning well underway. IO plans to issue an RFQ in spring 2020 and an RFP later in 2020 with work expected to start in 2022 and completion in 2027.

Andy Manahan, executive director of the Residential and Civil Construction Alliance of Ontario, said the volume of projects was good to see but noted his colleagues were expressing doubts that the timeline for the Ontario Line could be accomplished.

“Even the construction phase is ambitious because you have to go over the Don Valley and the Don River further south,” he said. “Those components of the project are very challenging.”

As for the project’s procurement phase, he asked, “Is it feasible? Spring 2020 is a very tight timeline. We are already into the fall of 2019.”

Frame commented, “It is possible to do it that fast but they are just going to need the dedication to get it done.”

The project pipeline represents the single largest commitment to P3 projects in Ontario’s history, Scott said.

“These 16 new hospitals will expand health care services across Ontario including Windsor, Ottawa, the Niagara region, Toronto, Kingston and Moosonee,” she said.

My advice for roadbuilders is, stay tuned for more,

— Ehren Cory

Infrastructure Ontario

Ian Cunningham, president of the Council of Ontario Construction Associations, took issue with the distribution of project spending while otherwise praising the new project envelope.

“It was good that we got an update and they announced their commitment,” he said. “They missed a year and I guess we are in a planning phase. It is an impressive pipeline of projects, largely centred around the GTA.

“I would say they support the economic development and growth of Ontario, keeping people healthy and getting to work and getting goods to market.”

Scott noted in an interview that the government had held off preparing a market update after its election in the spring of 2018, skipping an update last fall as it reviewed its finances.

The 2019 market update meshes with the government’s ongoing fiscal restraint, she said.

“It is very well thought out and sourced and meets the needs for infrastructure for Ontario,” said the minister.

The 32 P3 projects in the market update include 13 civil and three community safety projects in addition to the health care builds.

Among projects in the procurement stage, the market update confirmed the Hamilton LRT project is budgeted for over \$1 billion with contract close expected in October 2020; and the GO RER OnCorr electrification project is expected to cost over \$10 billion with contract completion targeted for 2021.

Two projects with capital costs estimated between \$200 million and \$500 million, the Halton Region Consolidated Courthouse and the QEW Credit River Bridge, are both expected to reach contract close next spring.

During a question and answer session, Cory addressed roadbuilders, given that the sector is often left out of P3 planning IO has been in discussions with the Ministry of Transportation for the last six months, he said, looking for opportunities to use the P3 model for select large road and bridge projects.

The Credit River Bridge will be one such project and the upcoming Garden City Skyway build is planned as another.

“My advice for roadbuilders is, stay tuned for more,” Cory said.

Newly unveiled projects in planning besides the Garden City Skyway include the Quinte Healthcare Corporation build, the Prince Edward County health centre in Picton, the Stevenson Memorial Hospital in Alliston, the Collingwood General and Marine health care facility, Hotel Dieu Shaver in St. Catharines, Lake of the Woods District Hospital, Muskoka Algonquin Healthcare in Bracebridge and Huntsville, Grandview Children's Treatment Centre in Ajax, the Ottawa Children's Treatment Centre, the Early and Enabling Works for Subway Program and the Sheppard East Subway.