



Report of the Infrastructure Impact Taskforce

September 4, 2007



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Background:

The Sarnia Lambton Chamber of Commerce formed a Taskforce to look into the impact on our member's and all business immediately adjacent to road, sewer, water main and bridge construction work. More work is being done by municipalities these days because more money is available to do so from senior levels of government. We are hearing of concern from member businesses today about the impacts this significant, yet important work is creating. If not today, more businesses and commercial areas would be affected in the future. Were there suggestions that involved parties might have to improve the process?

The Chamber does not want to stop municipal improvements. In the long-run, we need to fix things to be a better community for business operation and growth; however, we were looking for facts from business owners and operators to assemble suggestions that we could take to municipal governments to ensure they understand the impacts to businesses during these construction time periods. In addition, the Taskforce wanted to obtain input from heavy construction contractors on the concerns surveyed businesses had with recent construction work and ask them how to improve the system for everyone.

Objective:

In essence, our Taskforce was looking for recommendations that will provide a win-win-win for business, contractors and municipalities to successfully complete the infrastructure work with minimal impacts.

Methodology:

The Taskforce decided to survey business about impacts of the construction and look for suggestions they may have.

The Taskforce met with heavy construction contractors for their feedback on business responses and overall suggestions to improve the process for all.

A report was to be prepared and discussed with Sarnia municipal engineering department.

Recommendations:

1. That municipalities commit to the benefits of advance planning - improved communications, a faster and smoother work process and less citizen/business impact.
2. That municipalities request staff prepare a 1 year firm and 2 year tentative work plan for major infrastructure work, to share with contractors and affected commercial areas
3. That municipalities accept and implement the recommendations in Appendix B (page 6) as “best practice” strategies to improve infrastructure work process and minimize impact to business and residents

Concluding remarks:

The Sarnia Lambton Chamber of Commerce Infrastructure Impact Taskforce learned that current municipal engineering and contracting staff are respected and doing a very good job. Adopting these recommendations and best practices will not make future work perfect; however, there will be substantially better information for the municipality, the contractor, the businessperson and the citizen to continuously improve project work.

Whether the municipality likes it or not, they are perceived to have a control of all infrastructure projects by stakeholders and therefore, should make it work better for the stakeholders.

We were pleased to provide this report as a service to our members and community.

Respectfully submitted;

Garry McDonald
President

Infrastructure Impact Taskforce Members

Mike Hanki, Government Affairs committee rep.
Don Burnard, Government Affairs Committee rep.
Jon McEachran, Transportation Committee rep.
Jim Kutyba, Transportation Committee rep.
Doug Lasenby, Transportation Committee rep.

Heavy Construction Spokespersons

Doug Woods, Cope Construction
Joe Calabrese, Henry Heyink Construction
Craig Nordell, Nordell Construction

Appendix A:

What did we learn from the Surveys of business?

We distributed surveys to business in the Confederation and Exmouth Street areas of Sarnia that experienced significant underground construction in 2006 and 2007. We had a respectable 48% return rate of the survey.

Findings were summarized as:

- Survey potential population was 49% retail, 39% commercial and 12% industrial
- **Those that replied were 53% retail, 35% commercial and 12% were industrial**
- **49% had entrance blocked during course of construction** and 51% did not have entrance blocked at any time of construction
- **37% experienced direct impact** and frequent interruptions to their business
- 12% said they had no impact from the construction on their business
- 36% said construction had no impact on revenues
- **47% said business revenues declined** and 3 % said revenues improved
- **Of those with revenue decline, 73% were retail** and 27% were commercial
- Lack of access was described as **the prime reason business declined. Less traffic was on their street and they had fewer customers.** Unannounced shut-offs and closures affected revenues.
- Business that did not have revenue change, or had revenue improvements, did not depend on “in-store” customers. These businesses have more sales electronically and make pick-ups and deliveries to their clients.
- **Many businesses (26%) had to advertise more to retain customers. Most businesses had to lay off staff and cut back staff hours to maintain profitability. More pick-up and deliveries were made too.** One businesses went to the extreme of relocating its business to an alternate location for 11 days to try to increase business.
- **50% of the businesses were not pleased with communication.** They found on-site communication with construction personnel difficult and unproductive. **They could not obtain answers about construction work and schedules, etc.** There was a reasonable number (32%) that said they were pleased with the amount of communication.
- **Many suggested that better signage was needed** to let people know they were open and that it was OK to go past the construction barrier. The term “local traffic”, which is used on most road closed barrier signs, was confusing to their customers.

- **A speedier process to complete the work** should be developed
- The idea of shared advertising costs to ensure traffic continues in a shopping district was mentioned
- **Improved notification of start and end dates** was requested
- Better clean-up following work was requested
- **Property tax reduction was mentioned, should the project be of significant duration** or go well beyond deadlines

Appendix B:

Contractors Support for Improvement:

The heavy construction spokesperson had prepared a handout for the committee. The information concentrated on the benefits of advance planning to the municipality, the contractor and the business person and citizen. It was clear that more information sharing and earlier communication would help mitigate impacts to all and respond to the survey suggestions and concern from business above.

Following a thorough review by our committee the following was adopted as best practice, and should be placed before municipal engineers and adopted by Councils to implement as soon as is possible.

Best Practice recommendations:

1. **Publish an expected 3 year tender schedule (1 year firm, two years tentative).** *This will help the contractor and businessperson plan for impacts/changes and work load.*
2. **Hold a comprehensive stakeholder meeting with residents and businesses and a separate meeting with contractors. Provide the information collected at the stakeholder meeting to contractors to ensure contractors understand needs and include in their tender submission.**
 - a. *Have the traffic department or consultant prepare and include a traffic control / detour plan/clear defined signage plan and pedestrian access plan, following stakeholder meeting discussion. This minimizes project surprises and reduces incorrect perceptions by residents, businesses and contractors, i.e.; what is LOCAL TRAFFIC versus no thru traffic?? This would ensure open communication of what will really happen during the project, unlike now when it is left to the contractor, and stakeholders do not know for sure what is happening until it happens! The cost of the detour plan, because it is identified, could be clearly part of the tender. Whether the municipality likes it or not, they are perceived to have a control of this by stakeholders and therefore, should make it work better for the stakeholders. Tenders usually call for contractors to erect signs on their projects. There is a wide variance in how this is interpreted by contractors. If signing was discussed in advance by municipalities with stakeholders, signage could clearly be identified and become a more valuable part of the tender process. Better public relations and less business concern would result, i.e.; signs could be designed with proper business name and possibly logo.*

Further, the tender should include an agreed amount of directional and progress advertising. Generally, the contractors group would agree to advertising, signage, public relations costs, as long as it is identified in advance as to the scope and objectives of this, and that it be included in the tender process.

b. With the contractors, holding a pre-construction, pre-design constructability meeting will provide for early identification of impediments to a smooth, on-time job and identify clearly tender expectations.

3 Assign public relations role to project inspector to ensure best information going forward on any stakeholder questions, complaints, concerns on site and elsewhere.

a. Request the successful contractor prepare a detailed operational plan and update weekly to ensure best available information for municipal staff communication.

b. Create a website, or add information via links on the municipality's website, for construction projects and information re: status, opportunities for current comment, concerns and suggestions, etc.

Additional information important to a successful project completion are:

- Plan for at least a 3 week tender call for complex projects.
- Make a site visit mandatory on complex jobs, in conjunction with pre-tender meeting.
- Resume on-going utility meetings months in advance of tenders to arrange relocations and assist in utility corporate planning.
- Consider removing some water main/gas crossings and replacing in lieu of maintaining during construction.