Committee of the Whole (2) Report

DATE: Tuesday, December 10, 2019 **WARD(S):** ALL

TITLE: INFRASTRUCTURE HEALTH AND SAFETY ASSOCIATION'S (IHSA) CERTIFICATE OF RECOGNITION (COR) PROGRAM FOR CITY OF VAUGHAN CONSTRUCTION CONTRACTORS

FROM:
Nick Spensieri, Deputy City Manager, Infrastructure Development
Michael Coroneos, Deputy City Manager, Corporate Services and Chief Financial Officer
ACTION: DECISION

Purpose
Council endorses the Infrastructure Health and Safety Association's Certificate of Recognition (COR) program as a component of the City of Vaughan bidding process for construction contracts. To demonstrate its commitment to health and safety, the City requires its construction contractors to be COR certified as a condition to the bid award in accordance with the contract value and phased implementation schedule commencing from January 1, 2020.

Report Highlights

- The City is committed to purchasing goods, services and construction from responsible vendors that supply quality services and products at competitive prices and abide by ethical standards and norms. Ensuring strict compliance with health and safety laws and regulations is a factor identified in its procurement policy.
- The Certificate of Recognition (COR) is a comprehensive health and safety audit tool with an accredited certification program for the construction industry in Ontario that is granted by Infrastructure Health and Safety Association (IHSA)
- COR is being required by many municipalities and organizations for the contractors that undertake construction projects as due diligence tool to mitigate construction health and safety risks.
- Ontario General Contractors Association (OGCA), is fully on board with most of its members certified or enrolled in the COR program while discussions are underway with other Associations such as Council of Ontario Construction Associations (COCA), Ontario Road Builders Association (ORBA) and Ontario Sewer and Watermain Construction Association (OSWCA) at IHSA and participating Municipalities meetings.
- This report recommends that the City requires COR certification for its construction contractors to demonstrate it's commitment to health and safety. There is no cost to the City.

Recommendations

1. That Council endorses the Infrastructure Health and Safety Association's Certificate of Recognition (COR) program as the health and safety prequalification process for procuring construction contractors as a component of the bidding process to perform high risk work.
2. That the City requires COR certification for its construction contractors to demonstrate its commitment to health and safety.
3. That the City will initiate a multi-phased implementation strategy of COR™, based upon construction contract value.

Background

Certificate of Recognition (COR™) is a comprehensive health and safety audit tool with an accredited certification program in Ontario that is granted by the Infrastructure Health and Safety Association (IHSA). IHSA is the designated body for certifying contractors in Ontario's construction industry who demonstrate their standards of health and safety management systems through a structured audit process. COR™ provides validation that a contractor has demonstrated an understanding of health and safety and has made a commitment to continuous monitoring and application of its program when delivering construction activities.

The key value of COR™ is that not only are health and safety programs reviewed to ensure that they are comprehensive it will also drive the need for integrating safety into the overall business and planning process for contractors conducting business on behalf of the City of Vaughan.

On November 22, 2019 the Ministry of Labour in a press release announced Ontario will reward its safest employers with an estimated $140 million for excellence in occupational health and safety as part of a first-of-its-kind in Canada program unveiled.

The program, Supporting Ontario's Safe Employers, will formally recognize employers who successfully implement health and safety programs in their workplaces. The financial rewards will come in the form of Workplace Safety and Insurance Board (WSIB) rebates over a three-year period.

At this time, the Minister of Labour, Training, and Skills Development has accredited the national and international standards including:

- ISO 45001:2018 - Occupational health and safety management systems - Requirements with guidance for use,
- COR™ 2020 updated Standard to be available to implement in January 2020.

Implementation Strategy

The evaluation of the COR^{TM} program for the City has been a collaborative effort between the Corporate Services and Infrastructure Development portfolios. City staff believe that introducing COR^{TM} as a new component in the City's construction procurement process and contractor management will have a positive impact on the delivery of construction projects for the City. The City's Insurance and Risk Management Services has also endorsed the program as a valuable risk mitigation tool.

The City will initiate a multi-staged implementation strategy of COR^{TM}, based upon contract value. This approach is based on consultations with other organizations including the Ontario Buyers of Construction/ Ontario Construction Users Council, the Ontario General Contractors Association (OGCA) and other construction related associations. These consultations discussed the implementation with consideration of the broad range of contractors who would be impacted by the rollout, and the need to ensure competitive bids on the City's tenders. The phased- in approach also give bidders the opportunity to obtain their certification. The process from registration to certification takes approximately one year to complete.

Based on the feedback heard through the consultations, the construction industry and members of the associations consulted have already made progress in adopting COR^{TM}. Further, requiring COR^{TM} as a part of procurement processes has already begun within the public sector. Other municipalities and agencies that have adopted COR^{TM} include Metrolinx, City of Toronto, City of Brampton, Region of York, TTC and Infrastructure Ontario.

The proposed roll-out strategy will extend over multiple years. The first phase will demonstrate commitment and support to the concept, and ensure the construction / contracting industry is informed and aware of the City's commitment to COR^{TM}. Moving forward the multi-phased roll-out will provide sufficient time for all contractors to incorporate the needs of the program into their business plans and health and safety program.

The City's roll out strategy will include four phases. In each phase market readiness refers to the general contractors, construction consultants, external project managers and other trades, and the degree to which each industry is capable of meeting the requirements while ensuring sufficient competition to ensure best value to the City.

Phase	Project Criteria	COR™ Requirement	Timeline COR™ Registered	Timeline COR™ Certified
1		Official communication by the City of Vaughan - January 2020		
2	>$25M Project Budget	Prequalification documents will include scoring for COR™ registered and COR™ certified	March 2020	September 2021
3	>$10M Project Budget	COR™ registration/certification will be a requirement for General Contractors, Construction Consultants and External Project Managers. In addition, the COR™ requirement will also be expanded to add the Major Sub-trades to be COR™ registered or certified. This requirement will be included in the prequalification document and will be scored for COR™ registered and COR™ certified.	March 2020	September 2022
4	>$500,000 Project Budget	COR™ certification will be a requirement for General Contractors, Major Sub-trades, Construction Consultants and External Project Managers.	March 2020	September 2023

Analysis and Options

The Town of Milton and York Region have piloted projects requiring companies to be either COR™ registered or COR™ certified. They have seen the positive benefits of having a COR™ certified contractor on site, including a higher standard of pre-requisites (safety processes and procedures) for those that need access to the site and a clear safety-first messaging. The site can be audited at any time for compliance.

Financial Impact

A key element of the phase-in strategy is ensuring market readiness for the requirement of COR™ registration or certification. This will ensure sufficient competition is achieved in order to attain best value for dollar for the City through the procurement process.

There is no cost to the City. The COR™ program is intended to promote safety and therefore reduce risk, which is expected to positively impact the City.

Broader Regional Impacts/Considerations

The use of COR™ has no additional cost to the City. The City has a large capital delivery program, requiring continued on-going monitoring of safety measures in a high-risk work environment.

It is not anticipated that this will have any negative direct impact on the Region or the City.

Conclusion

The City firmly believes that introducing COR™ as a new component in the City's construction procurement process and contractor management program will have a positive and significant impact on the delivery of construction activities for the City, the contractors and the well-being of City of Vaughan residents.

For more information on COR™, please visit IHSA – Certificate of Recognition (COR™).

For more information, please contact: Jack Graziosi, Director of Infrastructure Delivery, extension 8201

Attachments

N/A

Prepared by

Asad Chughtai, Director Procurement Services, ext. 8306
Stefan Tzianetas, Manager, Special Projects Infrastructure Development, ext. 8196