



DEFENCE CONSTRUCTION CANADA

Annual Public Meeting

June 6, 2016

Defence Construction Canada Head Office
350 Albert Street, Ottawa, Ontario

Summary of Proceedings

Defence Construction Canada (DCC) held its seventh annual public meeting at its Ottawa head office on June 6, 2016.

Representatives of the Association of Consulting Engineering Companies-Canada and the Canadian Construction Association, along with Robert Presser, the Chair of DCC's Board of Directors, five Board members and James Paul, President and CEO, were among the 20 attendees. Also on hand were other DCC personnel, including members of the Executive Management Group.

DCC called the meeting in accordance with section 113.1 of the *Financial Administration Act*, which requires the meeting to take place at least every 15 months. DCC published a public notice of the meeting 30 days in advance.

2015-2016 year in review

After welcoming attendees, Mr. Paul gave a detailed presentation on DCC's performance in 2015-16. (DCC's *Annual Report*, *Corporate Strategic Plan* and *Strategic Plan Overview* are [published on its website](#) after each document is tabled in the House of Commons.)

He noted that DCC actively helps the Government of Canada meet its priorities, including stimulating the economy and protecting the country, and fosters accountability and integrity.

DCC earned \$84.9 million in revenue in 2015-16 and awarded 2,440 contracts valued at \$647 million. Including ongoing contracts, DCC made payments of \$915 million to large and small suppliers across the country.

DCC's collaborative approach, successful partnering, and focus on innovation and integrity allow the organization to provide timely, effective and efficient project delivery and full lifecycle support for infrastructure and environmental assets required for the defence of Canada.

DCC's Client-Partners include the Department of National Defence and the Canadian Armed Forces, which it supports with its Head Office in Ottawa, 5 regional offices, and 30 site offices at CAF bases, wings and area support units across Canada. DCC is currently supporting the construction of the Nanisivik Naval Facility on Baffin Island, as part of the efforts to protect Canada's Arctic sovereignty. DCC is increasingly involved in

public-private partnerships, working with the Communications Security Establishment Canada and Shared Services Canada in support of such arrangements.

As part of DCC's collaborative approach, DCC maintains strong relationships with industry. DCC is active in the Canadian Construction Association, Association of Consulting Engineering Companies-Canada, Architecture Canada, Canadian Public Procurement Council and Real Property Institute of Canada, among other industry groups.

Mr. Paul highlighted DCC's solid business management, and noted numerous positive results from 2015-16. For example, 92% of construction projects were completed on time; DCC earned a service delivery satisfaction rating of 97% from its Client-Partners; and 97.1% of DCC tender calls resulted in a contract award.

For the second straight year, DCC received the Achievement of Excellence in Procurement from the National Procurement Institute. DCC also won the Award of Excellence in Corporate Reporting by small Crown corporations from the Chartered Professional Accountants of Canada, its fourth such win in six years. In 2015, *Canadian Occupational Safety*, an industry publication, named DCC one of Canada's safest employers for its commitment to occupational health and safety. Finally, DCC was honoured with the International Association of Business Communicators Canada's Silver Leaf Award of Merit for its social media strategy.

Mr. Paul noted that DCC is committed to supporting the development of its nearly 800 full-time employees, 80% of whom have a background in engineering, architecture, and various technical and scientific fields. In 2015, DCC launched its new leadership development program to improve the capabilities of its employees and develop the next generation of DCC leaders.

Mr. Paul concluded by saying that DCC delivers value for Canada by understanding the construction industry and the needs of its Client-Partners. By integrating service delivery, DCC is able to share Client-Partners' goals of getting the job done quickly, accurately and in the most cost-effective manner possible.

Chair's address

Board Chair Robert Presser spoke about risk management and how DCC deftly responds to the constant change in its business environment. For example, DCC has recently experienced significant fluctuations in project volume, resulting in expansions and contractions of its workforce. DCC has also had to adjust its operations in light of the transformation of the Department of National Defence's Real Property Management group and to develop new procurement practices to meet operational requirements.

Mr. Presser affirmed that DCC has the ability, experience and agility to handle any situation that comes its way, with notable success. DCC was responsible for a large volume of contract expenditures under the Federal Infrastructure Investments Program.

In conclusion, Mr. Presser noted that since DCC has more than six decades of experience working with the Department of National Defence and Canadian Armed Forces, it is well positioned to plan for and mitigate these "known unknowns."

Discussion

Michael Atkinson, President of the Canadian Construction Association, raised the issue of the melting of Canada's northern passage and its potential impact on DCC's work. He also asked whether DCC would be applying its knowhow to building northern infrastructure. DCC Vice-President, Operations – Service Delivery and Corporate Planning, Daniel Benjamin, gave an overview of the organization's expertise in working in Canada's Far North. He also noted that northern security was a key priority for the previous government and would likely continue to be one for the new government.

Melinda Nycholat, DCC Vice-President, Operations – Procurement, commented on how well DCC's national e-procurement rollout had gone over the previous few months, in collaboration with the Canadian Construction Association. DCC site offices in Quebec, where the rollout began, hosted 65 to 75 attendees at each training session, with extra ones added to meet demand. Overall, engagement by contractors and consultants surpassed DCC's expectations.