



KGC Growth

KGC has now achieved a 10-year milestone in business in 2025. As we celebrate this achievement, our services for pre-construction advisory support, delay claims, and the associated quantum continues to thrive, achieving a 90% repeat or referral workload.

Over the past year, we have expanded into the U.S. market, supporting an energy project and pursuing other opportunities. Attending the [Construction Super Conference](#) in Las Vegas in December was an eye-opening experience that revealed enhanced business opportunities. It is a worthy signature event, also attended by several Canadian Lawyers and Subject Matter Experts.

Commercial Management & Contract Administration Training

KGC continues to deliver online Commercial Management and Contract Administration Training to numerous organizations operating in public sector departments and private enterprise companies.

While much coverage awareness is devoted to the lack of skilled trade resources, effective, talented commercial management staffing to administer project risk from procurement to closeout is an operational danger still prevalent in many organizations.

Many reasons exist to support the business case for Commercial Management training, including

1. A significant hard and verbal communication soft skills gap exists among younger PMs to effectively manage contract risk and address issues arising under the “Contract Rule Book” terms and conditions.
2. Many Project Managers with engineering or architectural backgrounds may have had little exposure to contract law, leading to a disregard for the “Contract Rule Book” and treating it as an unimportant priority that is best kept out of sight in the bottom drawer.
3. A general lack of awareness and importance among project managers (PMs) of adhering to contract terms and conditions, often due to the “*delusional outcome-based bias assumption*” that if they just “*get 'er done*” in the field, everything will work out okay, thereby exposing the project to unintended risk.
4. PMs working to a deadline and not wanting the “*Contract Rule Book*” to get in the way or be a distraction of some profit bonus inducement, exposing the project to ill-considered risk.

KGC has delivered Commercial Management Contract Administration training to numerous organizations, including:

- Stouffville Glass Inc. – Toronto
- Modern Niagara Mechanical – Calgary
- Wiehler Mechanical – Calgary
- The Region of Halton – Oakville
- First Capital Reality – Toronto
- DESA Glass – Calgary



Adjudication News Update

Jurisdictional challenges persist as a barrier to the widespread adoption of adjudication in Alberta and Ontario. While the importance and adherence to the *'rule of law'* cannot be overstated, adherence to or deviation from a legislated provincial act, albeit imperfect in wording, was designed and intended to free up the court system and should be a key primary consideration.

ARCANA (AB) has received 26 adjudication applications, resulting in 10 written determinations by adjudicators, during its second year of operation. The roster now has 14 adjudicators. Most adjudications tended to fall within a range of \$15,000 to \$500,000.

The Alberta Public Works Act has been updated to include adjudications with a value of up to \$200,000, effective April 1, 2025.

Recording Lost Productivity Impacts and Schedule Slippage

In the previous newsletter edition (Fall 2024), the importance of recording lost productivity was raised. In this newsletter, we will examine the broader spectrum of root causes and issues associated with lost productivity. Documenting the expected and estimated productivity at the site on a weekly basis and capturing the actual measured productivity is vital to better understanding the disconnect that often occurs.

Many foremen tasked with overseeing the installation of components or finishes at the project site have no understanding of KPI data or appreciation for the expected weekly productivity and rely on their experience and judgement to deliver within the schedule. Capturing and documenting the *root causes for lost productivity* can vary widely and may include the following:

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| 1) Absenteeism | 10) Inadequate Design |
| 2) Severe Weather | 11) Owner Interference |
| 3) Access to the Workfront | 12) Inspection Delays |
| 4) Availability of Workers | 13) Excessive Site Material |
| 5) Trade Stacking | 14) Missing Material |
| 6) Excessive Change Orders | 15) Poor Coordination |
| 7) Confusing Communication | 16) Enhanced Health & Safety |
| 8) Awaiting Hoisting Support | 17) Inexperienced or incompetent site
supervisory personnel |
| 9) Late Changes | |

Recently, the author was requested to attend a site visit to examine certain process areas for improvement, specifically in support of a curtain wall contractor on a 30-storey project. While a man and material hoist was available, it was not operating that day due to a provincial worksite regulation that specified any work within 10 feet of the hoist required it to be shut down for H&S reasons.

It is better to have workers walking up and down 15 flights of stairs for essential bio breaks than risk some repeat of a past one-off tragic incident that may have led to this regulation's adoption. It occurred to me later that day the risk of a heart attack was considerably higher than some potential hoist incident. The key take-away: it is vital to capture all *"lost productivity causation impacts"*.

Previous Clients

