

Introducing Somerville McDonald: Toronto's Utility Contracting Solution

Black & McDonald's Southern Ontario Utility Division has been growing steadily and has firmly established itself in the utility contracting industry. To meet the rapidly growing needs of the Greater Toronto Area, a dedicated group was required to manage the work. Robert

B. Somerville, a leading contractor in pipeline installations, and Black & McDonald seemed to be the perfect fit as both have proven performance histories, emerging as the largest utility contractors in the GTA. In the spring of 2006, Black & McDonald and Robert B. Somerville joined forces and formed a new company, Somerville McDonald, with ownership divided equally between the two parent companies.

Somerville McDonald has been awarded two significant multi-year contracts to service the needs of Toronto Hydro. In April 2006, Somerville McDonald was awarded the Civil Unit Price contract for

Toronto Hydro Electric System Limited; the contract will see Somerville McDonald complete all of Toronto Hydro's civil underground requirements in the west end of the City. The contract value is expected to be in excess of \$20 million annually and potentially will run to December 2010.

In July 2006 Somerville McDonald was awarded a unit price contract for Toronto Hydro street lighting. The scope of work under this contract includes: pole replacement projects, maintenance and spot improvements, as well as repairs to street light cable faults in the west end of the City of Toronto.

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Land & Sea Experiencing Success From Change

Historically the Land & Sea operation in Dartmouth, Nova Scotia had depended on their presence in the offshore oil exploration industry off the coast of Nova Scotia and Newfoundland. As exploration activities decreased over recent years, Land & Sea had to deploy new initiatives and partially re-invent themselves to retain market share.

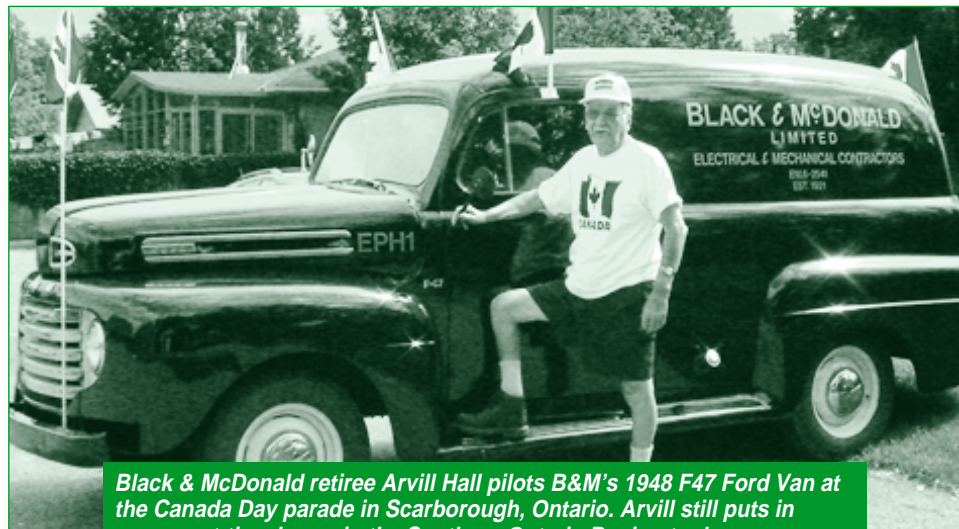
A major expansion to their facility in 2004 included the installation of a 1500 psi test facility for Pressure Relief Valves and the construction of two state of the art Calibration Labs. This allowed Land & Sea to diversify their service offerings to an expanded market including the Industrial sector.

Land & Sea also had to modify their marketing and sales approach to develop the market awareness of their new capabilities and service offerings. This strategy resulted in the success of securing a five year contract with Nova Scotia Power and their electric generating plants throughout Nova Scotia. Activities included the calibration and repair of all safety valves, pressure gauges, meters and measuring equipment.

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Somerville McDonald

A Joint Venture



Black & McDonald retiree Arvill Hall pilots B&M's 1948 F47 Ford Van at the Canada Day parade in Scarborough, Ontario. Arvill still puts in some part-time hours in the Southern Ontario Region toolroom.

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Success From Change at Land & Sea

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As Land & Sea continued to market their services and take advantage of their successes, other significant contracts were awarded with major customers including Department of National Defense heating plants and

New Brunswick Power. A recent bell ringer for Land & Sea was the award of valve repair and calibration work for ExxonMobil's East Coast operation, land based and offshore. This five year contract with an optional renewal for five years will set Land & Sea at the forefront of their industry here in

Atlantic Canada.

With these successes is the reality that Land & Sea will have to once again readjust their business strategies to now maintain the expectations of some very demanding and large customers along with their existing house account base of over 600 customers. This is a



welcomed challenge by a committed team throughout the Land & Sea organization who are at last enjoying a growing and diversified business at many levels.

*Charlie Callaghan,
Quality Assurance
Manager at Land & Sea,
uses a Hook Gauge to
calibrate a low
pressure manometer.*

B&M Edmonton Services Lafarge Cement Plants in Northern Alberta

The Edmonton office has been selected as the contractor to assess the mechanical systems at all Lafarge Cement Plants throughout central and Northern Alberta.

The work began as one assessment of the boilers and mechanical systems at the Winterburn Alberta Lafarge cement processing plant. Edmonton HVAC service technician **Brian Clouthier** assessed the plant, photographed equipment, provided recommendations and repair budgets in a complete assessment presentation. This was accepted and performed for all other Lafarge plant sites. From this initial assessment, the Edmonton branch has been upgrading boilers and systems along with Facilities Operators' support as required.

Cliff Swain, Division Manager, indicates that this has been a concerted effort from many field and office staff including **Brian Clouthier**, HVAC Technician, **Wayne Seniuk**, Edmonton Service Manager, **Sheila Kinney**, Edmonton Service Coordinator, **Erin Lee**, Edmonton Administration, **Joey Molloy**, Edmonton Gas Fitter/Boiler Technician and **Mark Tasse**, Edmonton FMO manager.



This Lafarge Cement Plant in central Edmonton, Alberta, is one of 20 facilities being assessed by Black & McDonald.

The B&M Hockey Tournament – Ottawa 2007



Drop of the Puck: Mike Sharp, V.P. Northern Ontario, flanked by Mark Gelinias (left) & Luke Beaupre (right) of Crane Supply.

The 12th annual B&M hockey tournament was held in Ottawa in April with ten teams vying for the Dennis MacDonnell Memorial Cup. They arrived from all over the country – Atlantic Canada, Montreal, Meaford, Toronto, Southwest Ontario, Pickering, & Western Canada. As well there were two teams made up of the Eastern & Western Legends. The Eastern Legends captained by **Ian McDonald** defeated **Bruce McDonald's** Western Legends. In the championship game Southwest Ontario played Atlantic Canada and emerged victorious.

The Northern Ontario group would like to thank all their sponsors but in particular Crane Supply for all their support.

Claude Bastien and his organizing committee and team of volunteers put on an event second to none and are to be congratulated for an excellent tournament. Next year we will all be looking forward to the tournament in Montreal.

Heart & Stroke Foundation – The Big Winner

Hockey players give generously on and off the ice, and at this year's National Hockey tournament the Heart & Stroke Foundation was the big winner.

This charity was selected to honour the memory of **Mike Sharp Senior** who passed away last year. With Black & McDonald matching the money raised from the raffle tickets, a donation was made to the Heart & Stroke foundation in the amount of \$10,000.00.

A presentation was made to the Heart & Stroke Foundation by **Claude Bastien** with **Deborah Sharp** representing the Sharp family. We thank everyone who donated so generously to such a worthwhile cause.



Claude Bastien and Deborah Sharp present a cheque to the Heart & Stroke Foundation.

Trevor Straub Wins Manitoba's Apprentice of the Year

Refrigeration Technician **Trevor Straub** of Black & McDonald's Winnipeg office has received Manitoba's Highest Achievement Award for apprentices in the trade of Refrigeration and Air Conditioning Mechanic.

A B&M employee since 2000, Trevor took his training in Refrigeration and Air Conditioning at Red River College in Winnipeg, starting with the pre-employment course in March 2001 and completing his five-year apprenticeship and receiving his Red Seal in December of 2006.

Trevor is involved in installations at the University of Manitoba, HEPP, Global Television Network and Allied Wings in Portage la Prairie. His service contract customers include The Great-West Life Assurance Company, Wal-Mart stores and the Department of National Defence.

The Apprentice of the Year award is presented by the Manitoba Apprenticeship Board to one new Journeyman



Mark Hupe, Operations Manager (left) and Jeff Suggitt, Service Division Manager (right) flank Trevor Straub, Manitoba's Apprentice of the Year.

each year at the end of their apprenticeship. It is based on college course marks and evaluations of performance by

employer and college instructors.

"Trevor has a great rapport with both customers as well as his fellow technicians and employees of B&M. The award shows other potential apprentices that Black & McDonald is a good choice to complete all levels of the trade as well as a great place to work" says **Mark Hupe**, Service Operations Manager.

Trevor is also a second-generation member of the B&M family: his father, **Barry Straub**, also an HVAC technician, is one of our longest-term employees, still active after 33 years with the company.

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The contract value is expected to be \$2.5 to \$5 million annually and potentially will run to December 2010.

The red Somerville McDonald trucks can be seen around the west end of Toronto at various sites with over 100 trades people. You can find the Somerville McDonald office at 50A Beth Neilson Drive in East York where ten office staff members handle the administration side of the business. Under the direction of Division Manager **Mario Fatigati**, day to day operations of the company are handled by Black & McDonald Contract Manager **Marco Altomare** and Robert B. Somerville Operations Manager **Robert Johnson**. In August 2007, a six-member Board of Directors was appointed, composed of Black & McDonald's **Tony Decuzzi**, **Stu Warburton** and **Judy Stratton**, and three employees from Robert B. Somerville.



This May, Southern Ontario Regional Controller Dan Stephen completed the Mississauga half-marathon, covering the course in 2 hours, 12 minutes 36 seconds. Congratulations!

An Update: The Black & McDonald Way

The majority of initial B&M Way Training sessions have been completed. We are proud to announce that 920 employees have participated in the sessions with 47 courses conducted. We look forward to training the Quebec Region next. Sessions will be conducted across the regions through next year to cover those who missed previous courses or new employees.

In order to maintain the message of the Black and McDonald Way, *The B&M Way Toolbox* is being created to assist regions in revisiting existing content and material from the B&M Way session and also introduce new learning activities. Regional Improvement Coordinators will be able to use this material to help reinforce the B&M Way message. An important component of the Toolbox will be the Standard

Improvement Process which the Improvement Team is working on now. A short B&M Way Video is also being put together that can be used as a reminder of the learnings as well as an introduction to our New Hires during orientation. Be on the lookout for these new resources later this year.

The regions are just launching the *New Customer Survey Program*. We look forward to gathering more feedback from our customers in this new interactive process so that we can build on the great service we provide to our customers today. For more information about the Customer Survey Program, please see your Regional Improvement Coordinator or Survey Administrator.

We are also tabulating the information gathered from the Business Improvement Forms which were collected during the B&M Way training sessions. Your Regional Improvement Coordinator will be reviewing the ideas and suggestions with your leadership teams for best bets and potential improvement initiatives. We are also reviewing them at the national level for possible opportunities across the organization.

Finally, we have recently launched our New B&M Way Homepage. Employees can access our site at:

<http://192.168.1.40/twiki/bin/view/BMWay/WebHome>

You will find information about new B&M Way Content, Improvement Ideas and processes. Updated material is being added all the time. Check it out.

Thanks,

Logan King

National Improvement Manager

