Maximizing certainty. Minimizing risk.

With alternative delivery methods

ALSO INSIDE
The PCL P3 Advantage
New Houston Office
With more than $7.5 billion in P3 projects currently underway or completed, PCL is viewed around the world as one of the largest and most experienced P3 contractors. The cornerstone of PCL's P3 project portfolio dates back to 1999 with the award of a $203-million contract to design and build 15 schools across Nova Scotia for the provincial government. The project was completed in just 18 months, including land purchase and system restructuring. Since then, PCL has been involved in more than 20 P3 projects across North America.

P3 projects are implemented through various contract arrangements, including Build Finance (BF), Design-Build-Finance (DBF), and Design-Build-Finance-Maintain (DBFM). Most of the projects are designed to produce an energy-efficient, low-maintenance facility that meets or exceeds nationally established green building rating systems. Owners have indicated that energy efficiency is becoming an increasingly important criterion for a successful bid. After the contract term (usually less than 40 years), the asset is handed back to the owner or government.

In the Province of Ontario, PCL's P3 experience has been especially strong, with more than 13 completed or in-progress projects, notably the Communications Security Establishment Canada (CSEC) Long-Term Accommodation project in Ottawa. Significant P3 experience in other parts of Canada and the US further illustrates PCL’s flexibility in executing the diverse P3 model. For example, the Disraeli Bridges project in Winnipeg, Manitoba, is one of the first Canadian municipal P3 projects of its kind and the City of Winnipeg’s largest bridge project to date.

Testaments to PCL’s P3 excellence are the many awards we’ve received from The Canadian Council for Public-Private Partnerships (CCPPP), which honor governments and/or public institutions and their private sector partners who have demonstrated excellence and innovation. In the Infrastructure and Project Financing categories, two PCL projects have earned Silver awards: the Durham Consolidated Courthouse in Oshawa, Ontario (2007 and 2010), and the Abbotsford Regional Hospital and Cancer Centre in British Columbia (2008). The council also awarded the Niagara Health System project (2009) and the Anthony Henday Drive Southeast Leg Ring Road project in Edmonton, Alberta (2005), the Award of Merit for Project Financing.

Alternative delivery methods offer a vehicle that reduces risk and stimulates economic growth. Consequently, the advantages of the P3/AFP model are becoming an increasingly attractive way for governments to transfer risk and responsibility to those best capable of managing them. PCL continues to work with governments at all levels to explore new ways to finance and manage infrastructure projects.

### PCL’s P3 Portfolio

<table>
<thead>
<tr>
<th>Project</th>
<th>Cost</th>
</tr>
</thead>
<tbody>
<tr>
<td>CSEC Long-Term Accommodation</td>
<td>$867 M</td>
</tr>
<tr>
<td>Niagara Health System New Health Care Complex</td>
<td>$542 M</td>
</tr>
<tr>
<td>I-4/Lee Roy Selmon Expressway Connector</td>
<td>$389 M</td>
</tr>
<tr>
<td>Abbotsford Regional Hospital &amp; Cancer Centre</td>
<td>$385 M</td>
</tr>
<tr>
<td>Bridgepoint Hospital Redevelopment</td>
<td>$380 M</td>
</tr>
<tr>
<td>North Bay Regional Health Centre</td>
<td>$352 M</td>
</tr>
<tr>
<td>St. Joseph’s Healthcare Hamilton West 5th Campus</td>
<td>$337 M</td>
</tr>
<tr>
<td>Anthony Henday Drive Southeast Leg Ring Road</td>
<td>$271 M</td>
</tr>
<tr>
<td>Durham Consolidated Courthouse</td>
<td>$203 M</td>
</tr>
<tr>
<td>Nova Scotia P3 School Program</td>
<td>$203 M</td>
</tr>
<tr>
<td>Government of Ontario Data Centre</td>
<td>$196 M</td>
</tr>
<tr>
<td>Markham-Stouffville Hospital Redevelopment</td>
<td>$185 M</td>
</tr>
<tr>
<td>Ottawa Convention Centre Redevelopment</td>
<td>$154 M</td>
</tr>
<tr>
<td>Kingston General Hospital Redevelopment</td>
<td>$150 M</td>
</tr>
<tr>
<td>Disraeli Bridges</td>
<td>$136 M</td>
</tr>
<tr>
<td>Gordon &amp; Leslie Diamond Health Care Centre</td>
<td>$120 M</td>
</tr>
<tr>
<td>Archives of Ontario at York University</td>
<td>$100 M</td>
</tr>
<tr>
<td>Queensway Carleton Hospital Cancer Centre</td>
<td>$ 69 M</td>
</tr>
<tr>
<td>Ottawa Hospital Regional Cancer Centre</td>
<td>$ 64 M</td>
</tr>
<tr>
<td>BC Cancer Agency of the North</td>
<td>$ 47 M</td>
</tr>
</tbody>
</table>
Recently, the Bridgepoint Hospital Redevelopment in Toronto, Ontario, was touted by KPMG’s Infrastructure 100 Report as one of the world’s most interesting projects. A complex, inner-city development, the project features a new 680,000-square-foot state-of-the-art facility with 472 beds on 10 floors. Project challenges include working around the existing hospital and preservation of the neighboring historic Don Jail.

THE PCL P3 ADVANTAGE

EXPERIENCE AND EXPERTISE
PCL’s P3 track record demonstrates that we bring together the strongest, most capable design teams, subcontractors, financiers, and facilities managers. P3 partners are selected based on a best-in-class model, with each partner being a leader in their respective field for their ability to bring unparalleled experience, a strong track record, and financial strength to a project.

FINANCING STRENGTH
PCL’s financial strength and stability allows us to carry a backlog of work in the magnitude of $6 billion, giving us the advantage of being able to provide bonding on some of the largest construction projects in North America. Within P3 procurement, financing tends to have a higher profile than conventional construction management work. PCL has demonstrated its capacity to be a prominent partner in securing attractive financing packages by working with a broad range of sponsors and financiers to deliver some of Canada’s largest P3 projects.

ON-TIME AND ON-BUDGET DELIVERY
Value engineering, a critical component of any successful cost management and construction strategy, is inherent in the PCL family of companies’ culture. And the ability to complete the design, permitting, and construction of projects on schedule and within budget are PCL trademarks. Our massive portfolio of successfully delivered projects demonstrates that we have worked hard to achieve the confidence that our customers place in us to deliver multimillion-dollar P3 projects. “At the end of the day, both PCL and Infrastructure Ontario can call this project a success, and the trust that has been created on this project will serve both our organizations well, as we face challenges between us in the future. From my perspective, I will go into projects with PCL, knowing that I will be dealing with a resourceful group of people who will help me resolve issues that neither of us can foresee.” —John McKendrick, Senior Vice President, Project Delivery, Infrastructure Ontario (Durham Consolidated Courthouse)
Over the years, PCL has developed a tremendous base of expertise in transportation construction. A key element of PCL’s vision for the future has been to expand our civil business into new regions throughout the US. To better serve clients, grow our business, and adequately manage the risk that comes with growth in this complex and competitive market, we are reorganizing our civil operations so that all major US civil transportation work now falls under our newly created Transportation Infrastructure Group.
Gap Financing

PCL and the Florida Department of Transportation are managing joint-venture partners on the I-4 Connector project. This is the first bid-build-finance project for PCL’s US operations and the first contract of its type for PCL Transportation Infrastructure Group (Tampa) to include gap financing. As part of the funding requirements, a $180-million senior credit facility was put in place, with Goldman Sachs acting as financial advisor, and lenders that include Lloyds TSB Bank PLC (Lloyds), RBS Securities Inc. (Royal Bank of Scotland), Export Development Canada, and The PrivateBank and Trust Company. PCL has named Ed Olsgard, vice president of Strategic Initiatives, to champion additional P3 pursuits in the US. Ed is based in Denver, Colorado.

I-4 Connector

The I-4 Connector project is PCL’s first gap financing project in the US. This new, tolled, elevated roadway will have designated truck ramps into and out of the Port of Tampa for improved port access. Twenty-three elevated ramps, founded on ten miles of drilled shafts, will connect Interstate Highway 4 with the Lee Roy Selmon Expressway in Tampa, Florida.

Owner: Florida Department of Transportation
Contract Value: $389.5 million USD
Primary Consultant: PBS&J Corporation
Construction Schedule: December 2009 – first quarter 2013
Contractor: PCL/Archer Western, a Joint Venture

Other work includes the rehabilitation of four existing bridges on the I-4 and the Lee Roy Selmon Expressway, as well as roadway and approach tie-ins. The I-4 Connector project is unique in that it incorporates a combination of steel girder bridges, segments, and AASHTO girders, along with bridge deck replacements and bridge widenings.

Transportation Infrastructure Group (TIG), under the leadership and direction of Bruce Trott.

PCL’s TIG has initially established three operating regions: Tampa, Seattle, and Raleigh. The TIG will continue to look at specific projects outside of these regions on a case-by-case basis. For our clients, partners, subcontractors, and suppliers, this means we will be able to employ a broader base of personnel providing new and innovative ideas and techniques.
In 2003, Teton Industrial, based in Atlanta, Georgia, became the newest member of the PCL family of companies. Teton has grown to a fully diversified industrial contractor, developing its extensive portfolio with projects of increasing complexity. To complete its integration with its sister industrial companies, Teton has adopted the name PCL Industrial Construction Co.

The formalization of this name change coincides with the opening of a new office in Houston, Texas. Operating directly from that region allows PCL to draw on the strong pool of talent in the Houston area and enables us to better serve our industrial Gulf Coast clients.

With world-class safety performance, a growing presence in the petrochemical sector, and a history of building strong relationships with clients and partners, PCL Industrial Construction Co. is well positioned to expand into the Gulf Coast area at this time.
New name

Office Jt deely 2 Power Plant, selective Catalyst reduction (sCr) Project

Location: San Antonio, Texas
Owner: CPS Energy (City of San Antonio)
Contract value: $60 million USD
Engineers: Kiewit Power Engineers
Construction Schedule: August 2009 – July 2011

Deep Conversion Sulfur Block
Location: Port Arthur, Texas
Owner: TOTAL Petrochemicals US, Inc.
Contract Value: Over $125 million USD
Engineer: Fluor Enterprises, Inc.
Construction Schedule: August 2008 – December 2010

SAFETY
OVER 16,000,000 MANHOURS WITHOUT A LOST-TIME INCIDENT

OIL and GAS

Power

JT Deely 2 Power Plant, Selective Catalyst Reduction (SCR) Project
Location: San Antonio, Texas
Owner: CPS Energy (City of San Antonio)
Contract Value: $60 million USD
Engineers: Kiewit Power Engineers
Construction Schedule: August 2009 – July 2011
At a pedestrian crossroads at the north end of the University of Alberta campus in Edmonton, all pathways lead to the new Centennial Centre for Interdisciplinary Studies (CCIS). The building serves five different departments in the Faculty of Science, and promises to help promote the type of interdisciplinary conversation that leads to exciting new ideas, new ways of thinking, and new discoveries.

Built in a way that respects the traditional massing and look of nearby buildings, which date from the turn of the twentieth century, CCIS is at the same time a modern structure with a highly articulated architecture. Acres of glass, stretches of it in three-dimensional composite curves, create a sense of physical transparency. A multihued terrazzo floor illustrates underfoot the scientific building blocks (from quarks to fossils) that underlie our physical world.

CCIS is, to date, the largest and most complex project PCL has completed at the University of Alberta. Mechanical systems more intricate than those in an acute care hospital serve high-end research labs. These systems also make possible the environmentally sound heating and cooling that will help this building meet its target of LEED® Silver.
John Baran  PROJECT MANAGER

John Baran was one of the founders of Teton Industrial. During his career to date, John has had exposure to a wide variety of industrial construction projects, primarily in the power, petrochemical, and chemical sectors.

This broad base of experience helps him in his current roles. He oversees the installation of a selective catalytic reduction system (SCR) to an existing coal-fired boiler at the JT Deely power plant in San Antonio, and also spends time in a supervisory capacity at the Suncor refinery in Denver, where his team is installing the Ultra Low Sulphur Diesel unit during a plant outage.

“"If it were possible, I would have everyone we hire, especially those just entering the construction field, work for John just as I did. He is an excellent mentor and has an amazing ability to find creative ways to build things more safely, faster, and more productively, which always adds to customer satisfaction." —John Moreno, vice president and district manager, Atlanta Industrial

John credits many of his past successes to searching out challenges early in a project. “I put myself in the client’s shoes and try to understand their thoughts and concerns,” he says. “This helps us all achieve our common goals."

“We have a dynamic group of people,” John says, “and when we put our heads together, it seems we can deal with any challenge that crosses our path.”

Len Nordlund  GENERAL SUPERINTENDENT

Since he started with PCL in the 1980s, Len Nordlund has been a key member of Alberta project teams at the Shell Scotford Upgrader, CNRL Horizon Oil Sands, Syncrude UE-1, and Nova Chemicals.

Len embraces new technology and says it is important to keep abreast of new developments, particularly in welding, since welding accounts for a large percentage of the manhours and risk on an industrial project. “You must invest in training, but it doesn’t take long to show a solid return. You want to help your clients any way you can, by keeping quality up and costs down.”

The workforce and the management team together contain many years of experience, Len observes, and you need to use all of it.

“Someone on your team from another part of the world might know of a method or technology that you and the client do not,” Len says.

Above all, be adaptable in any situation, and not unyielding or afraid of change. “The client could have chosen many people to do that job,” he advises, “and the credibility and accountability you bring to it are crucial.”

“Len brought a solid structure and discipline to his team. This resulted in good communication and predictable outcomes. Especially for a complex unit like the RHC (Residue Hydro Conversion), this type of overview and coordination gets easily missed.” —Hans Hofland, RHC superintendent, Shell Canada
AT PCL, we recognize that our coworkers, neighbors, and families all benefit from living in healthier, stronger communities, and we can help to create these by providing financial support to the United Way. The United Way, through the donations it receives, supports local agencies that offer a variety of human service programs which help make our communities more secure and resilient.

PCL employees gave abundantly to the 2010 United Way campaigns in their areas, and 85% of districts raised more money than in 2009. Participation rates among employees were unprecedented, and six districts experienced 100 per cent participation.

Overall, US PCL districts raised $3.1 million for the United Way campaign this year, and Canadian districts $2.9 million, for a total of $6 million.

DENVER employees are pleased to take part in PCL’s annual Giving Tree program at Mile High Montessori Early Learning Center. Many of these five-year-olds are recent refugees to the US, and arrived with a start-up wardrobe of shorts and sandals, so in addition to toys they received gifts of coats, boots, hats, and mittens. Our Giving Tree program includes siblings of the students, so brothers and sisters can have gifts and clothing too. This year PCL donated a gift card from a local grocery store, towards a holiday meal for each family. The Mile High Montessori Early Learning Center is a partner of the Mile High United Way in Denver.
Our diverse and experienced group of construction professionals is dedicated to serving our clients across Canada, the continental United States, Alaska, the Hawaiian Islands, and the Caribbean. The tradition continues as we introduce you to our 2010 PCL Quarter Century Club inductees, celebrating twenty-five years of service with PCL. There are now 528 members in PCL’s Quarter Century Club.
The PCL family of companies is composed of a number of independent companies which operate in various construction markets or geographic areas.

Buildings

Our full-service buildings operations support the work of project sites across North America. This network of construction professionals rises to the challenges associated with our extensive buildings portfolio, bringing added value to every commercial, institutional, educational, and residential project. While we're better known for our larger projects such as airports, sports facilities, and office towers, we also excel at smaller unique projects such as renovations, restorations, and repairs.

Heavy Industrial

Our industrial companies, which are located strategically throughout North America, respond to the unique construction needs of our clients in the petrochemical, oil and gas, refining and oilsands, mining, and power and cogeneration industries. In addition to offering Construction Management services, we offer a full range of general contracting services, specializing in mechanical, civil, and electrical construction; pipe and vessel fabrication and module assembly; and piping and plant shutdowns/turnarounds.

Civil Infrastructure

By nature, civil work is geographically diverse and extremely demanding. This has made us versatile civil builders—equally at home building on land or over water, in busy cities, or in remote areas. Our civil teams possess the ingenuity and the experience needed to undertake any civil structure imaginable—from bridges, overpasses, tunnels, and interchanges to water and wastewater facilities, pipelines, and light-rail transportation projects.