



Renfrew
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2024

MA-TE-WAY ACTIVITY CENTRE EXPANSION PROJECT Third-Party Review: Final Report August 6, 2024



**MA-TE-WAY ACTIVITY
CENTRE EXPANSION**
PERSPECTIVE OF ACTIVITY CENTRE
LOOKING SOUTH-EAST - VIEW 2



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A. EXECUTIVE SUMMARY

A.1 SUMMARY OF FINDINGS - MA-TE-WAY EXPANSION – THIRD PARTY REVIEW

The Ma-te-Way Expansion is estimated to come in at \$38.7M and was delayed two years. The project is over budget by \$20.7M plus financing costs of an additional \$15-19M. The Town's taxpayers will be bearing the financial burden of this project for the next 30 years.

The Town of Renfrew's (the Town) Expansion of the Ma-te-Way Recreation Centre has become the single most expensive project undertaken by the Town in its 129-year corporate history. While it will be a key entertainment and recreation hub in the region for many years to come, it will do so at a significant cost to its residents and taxpayers.

The project budgets were presented with unrealistic budgets from the outset as were the funding 'formulas' indicated that the project would not cost the taxpayers anything. In fact, there were suggestions that it may generate a 'surplus'. Even though every tender and proposal came in over budget, the Town insisted on presenting it based upon its set budget as if to say that it did not believe the contractors or consultants. This was a major failing and likely resulting in the loss of \$7M in potential grant funding. Even though estimates showed that the project would likely cost \$23-25M, the Town submitted the grant application for \$16M and received \$11.8M in funding. The contract award occurred in June 2021 for an 'estimate of \$18.9M but under a CCDC 5B (cost plus contract) and without inclusion of many costs. Construction commenced in the fall of 2021 and immediately ran into problems and cost overruns, partly due to supply chain issues during COVID-19. It was not an ideal time to commence a project of this type. Following queries regarding the project costs and delays, Town Council commissioned this Third-Party Review in May of 2023. Two interim reports were delivered which outlined the key root causes for the cost overruns experienced and forecasted as well as the delays in construction.

As the project is not fully complete and the facility is not fully occupied, this report provides the current estimate of the total costs of the project but full costs are not yet known. What is known is that the project cost overruns will need to be financed with debt and taxes, the only two choices the Town has at this juncture. There are no additional grant funds, fundraising or sufficient reserves to cover the costs.

This report provides a detailed analysis of the project as well as recommendations that the Town should consider in order to ensure that the root causes are addressed, and lessons learned from Ma-te-Way are embedded in all future projects to avoid the significant pitfalls that caused this project failure. We are

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There are many root causes contributing to the cost overruns and project failure.

In short, some stakeholders wanted the Ma-te-Way Expansion to proceed and policies, processes and laws were ignored to make it happen without regard to what it would cost.

confident that with the Town’s current leadership and Council that it will make the changes necessary to return success to Renfrew.

In summary, the lack of oversight by Council of the project as well as the Director led to the flawed financial strategy and analysis. The budget was unrealistic from the outset and continued to be presented as a ‘surplus’ where no taxpayer dollars would be required to fund the project.

Council placed an unreasonable and ill-informed amount of confidence in the former Director of Parks and Recreation without understanding the implications at a time of organizational restructuring. Consequently, Council allowed the Director to make decisions with respect to design, scope, partnerships and construction tenders without approval or oversight.

Weak internal controls allowed for inappropriate transactions to be approved, conflict of interest and Town policies, code of conduct and bylaws violated.

The misrepresentation that the grant funds needed to be spent by March 2023 (as opposed to 2028) created a false sense of ‘pressure’. That, together with scope creep meant that drawings were not complete and not approved by Council. It has been further suggested that there was additional pressure to complete with the impending municipal election and retirement of the Director. This pressure also led shortened procurement timelines and ‘pushed’ the misunderstood CCDC 5B (cost plus) contract.

Council did not insist on regular written reporting, did not challenge the Director nor the Treasurer on key financial statements/presentations nor did it require variance and risk analysis be undertaken, leading to cost overruns. Presentations went so far as to imply there would be a ‘surplus’ created by debenture funds (a liability).

Overall, there was a lack of knowledge of project, contract management, the role of a Constructor and violation of public procurement laws, both on the part of staff and Council, that resulted in non-competitive rates/costs and put the Town at significant risk.

The result is a project that is 115% over budget and delayed two years and a loss of confidence by the public. The Town will need a strategy to become open, transparent and accountable to its taxpayers and demonstrate it can and will make the changes needed to ensure that a failure of this nature never happens again.

A.2 BACKGROUND OF THE MA-TE-WAY EXPANSION: THIRD-PARTY REVIEW

About The Ma-te-Way Expansion Project

In 2017, the Corporation of the Town of Renfrew (the Town) began a process to design and construct the expansion of the Ma-te-Way Centre (Ma-te-Way) to replace the aging Recreation Centre, add a second ice pad, gymnasium, retail leased spaces including the Bonnechere Algonquin First Nation (BAFN) Cultural Centre. In 2020, the Town was informed that it was successful in securing \$11.6 million in grant funding from the federal and provincial governments.

Construction began following a contract award in 2021 and the building was substantially completed in March 2024. Tenants began moving into the building early in 2024 but, at the time of the report, the Cultural Centre and lease with the BAFN had not been finalized nor had the Day Care moved into the facility.

The total square footage of the Ma-te-Way Recreation Complex is now 120,974 consisting of the original area of 24,960 (21%) and the addition of 96,014 (79%) of which 27,970 is leasable space (29% of the addition).

Why did we undertake this review (the problem statement)?

The proposed expansion project of the Ma-te-Way Recreation Complex initially dates back to 2012 with estimated cost ranging from \$800k for an outdoor rink to \$18M for a 49,578 square foot building. Over several iterations and procurement initiatives, the project grew to a 96,014 square foot building with expanded tenant spaces including partnerships with the Bonnechere Algonquin First Nations (BAFN). In 2021, Council approved a budget of \$18M and secured grant funding of \$11.8 million and awarded the Construction Management Contract – Services and Construction (CCDC 5B) to Buttcon East Limited (Buttcon).

The project has experienced several delays and is now expected to be approximately \$20.7 million over budget, exclusive of financing costs of an additional \$15-19 million over the next 30 years. The original planned opening date was September 2022 but the Certificate of Substantial Completion was issued on March 1, 2024¹, almost a two-year delay. This has had significant impact on the Town but also its partners and resulted in concerns from the public, Town Council (Council) and Town staff with respect to the processes, procurement and project management oversight of the project.

¹ [Certificate of Substantial Performance - Construction Connect](#)

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The Third-Party Review is now concluded – in three separate reports. Additional work is required given the direction of Council to refer the matter to the Ontario Provincial Police (OPP) by June 30, 2024.

In October 2022, the municipal election resulted in five new Councillors, a new mayor, formerly a Councillor, Chair of the Parks and Recreation Committee and an acclaimed Reeve. On April 25, 2023², Council passed a resolution that directed the Chief Administrative Officer to appoint a third party to undertake an objective assessment of the project and provide recommendations. WSCS Consulting Incorporated (WSCS) was awarded the contract on May 23, 2023.³

1. On December 19, 2023, WSCS presented the Ma-te-Way Third-Party Review - Interim Report which provided preliminary findings and recommendations as well as the next steps. Due to the vast number of documents and information and the fact that the facility was not yet substantially completed, it was suggested that the detailed final report be presented in the Spring 2024.
2. On March 21, 2024, WSCS presented the draft Final Report which included recommendations to which the Town provided its management response at Council on April 23, 2024. All recommendations were accepted by the Town and a workplan is being developed to address the deficiencies in the six root cause areas: Governance, People, External Environment, Measures and Systems, Materials and Policies and Methods and Processes.^{4/5}
3. On April 23, 2024, Council also passed a resolution to instruct WSCS to complete its mandate and to provide the OPP with all documents no later than June 30, 2024.⁶
4. On August 6, 2024, the final detailed report delivered to the Town.

² [Third Party Review of the Ma-te-Way Expansion Project - Council Resolution](#)

³ [Ma-te-Way Expansion Third Party Review – Consultant - Staff Report](#)

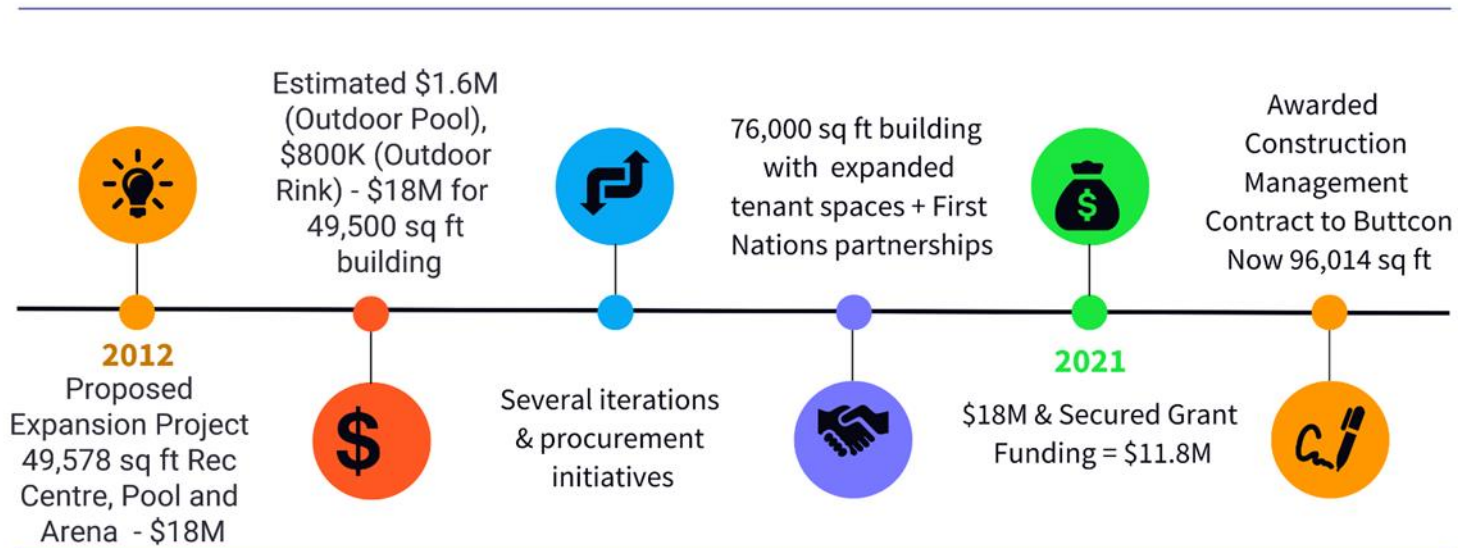
⁴ [Ma-te-Way Expansion Third Party Review – Response to Findings - Staff Report](#)

⁵ [Ma-te-Way Expansion Third Party Review – Response to Findings - Staff Report Appendix](#)

⁶ [Ma-te-Way Third Party Review – Completion of Mandate - Staff Report](#)

Ma-Te-Way Project

Problem Statement



SEVERAL DELAYS AND SIGNIFICANTLY OVER BUDGET

- 2022** Original Opening Date - Fall 2022
- 2023** +\$20M Over Budget
- 2024** Expected Opening Q1 = 2 Year Delay
- =** Significant impact on the Town, partners & concerns from the public, Council and Town staff regarding processes, procurement and project management oversight

****3rd Party Review to provide objective assessment of project & recommendations****

B. OBJECTIVES, SCOPE AND METHODOLOGY

B.1 OBJECTIVES AND SCOPE

Why did the Town want to undertake a Third-Party Review?

On April 25, 2023, the Town of Renfrew Council unanimously passed the following Resolution:

RESOLUTION NO. 23-04-35 Recorded Vote

Moved By: Councillor Dick

YEA (7): Mayor Sidney, Reeve Emon, Councillor Legris, Councillor McWhirter, Councillor McDonald, Councillor Cybulski, and Councillor Dick

“Whereas, the Town of Renfrew has pursued the current Ma-te-Way Expansion Project since November 2016 with Public Meetings held in May 2017 and February 2018; and

Whereas, the scope of the project includes the construction of a second ice surface, walking track, gymnasium, fitness centre, multi-purpose room, administrative offices, tenant spaces, and a cultural centre to develop our understanding of Indigenous history and culture; and

Whereas, the project was pursued to improve resident and visitor attraction, and support overall health and well-being through state-of-the-art recreation and community facilities; and

Whereas, the project was internally managed with oversight during the last term of Council by an Ad Hoc Committee of Council and the Parks, Recreation & Facilities Standing Committee; and

Whereas, the project was designed and engineered by N45 Architecture Inc. and originally costed in 2018 with Council directing that the project be paused for staff to explore revenue generation opportunities and efficiencies; and

Whereas, following confirmation of a federal-provincial infrastructure grant of over \$11 million, Council awarded a CCDC 5B Agreement (cost-plus contract) to Buttcon Limited for the project by unanimous vote at a cost of \$18 million in June 2021; and

Whereas, total project costs now exceed \$28 million with substantial completion now slated for summer 2023; and

Whereas, Council of the Corporation of the Town of Renfrew believes it is necessary and desirable to undertake a fulsome review to allow the Town to have a thorough lessons learned document that can be applied to future projects;

Therefore, be it resolved that Renfrew Town Council direct the CAO to appoint an independent third party to do a fulsome review of the Ma-te-Way Expansion Project, including procurement, funding, project management, and contract type. The assessment is to be managed by the CAO with full disclosure to council. The final report being brought forth to Standing Committee and Council by end of 2023.” Carried (7 to 0)

Objectives of the Review

The objectives of the review can be summarized as follows:

- Assess governance oversight of the expansion.
- Review all policies, processes and procedures with respect to procurement and financial management with respect to the project and the degree to which they were followed and meet regulatory requirements.
- Assess project/contract management and practices with respect to the project as well as others.
- Consult and survey key stakeholders including council, staff, contractors, and partners.
- Benchmark against other municipalities.
- Assess and map current state and make recommendations for future projects.

Expected Deliverables

The deliverables of the review were expressed as follows:

- Problem Statement with key metrics.
- Current state assessment
- Process analysis
- Cause and Effect Diagram (*Root cause analysis*)
- Failure Modes Effect Analysis (*to illustrate what, if anything failed, the severity of the failure and controls in place, or not*) to prevent a failure of a process.

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- Input/Output Impact Matrix (*to show the impacts of inputs on decisions and outcomes*).
- Similar project analysis to determine if the Town’s processes in other projects were similar or was the Ma-te-Way Expansion unique.
- Review of other similar projects in other municipalities for benchmarking purposes.
- Total cost of the project.
- Future state analysis & recommendations.
- Interim and Final reporting including next steps & financial implications.

As the facility is not fully complete, the total cost of the project is only estimated based upon known information. It is anticipated that the financial report will be delivered in the Fall 2024. Interim report was delivered on December 19, 2023 and the draft final report on March 21, 2024.

B.2 PROJECT METHODOLOGY

How did we conduct this review?

The Third-Party Review was funded through municipal tax dollars and as such, there is a high standard required for public transparency and accountability. This Third-Party report is the end-product of the post-construction, project management, financial and procurement review. It serves as an effective governance tool, to facilitate transparency and accountability for past municipal activities and for improvement in future municipal activities. The review involved extensive interviews discussions with various members of current and former Town Staff, Management and Councillors, Contractors, Businesses, Lessees, Sponsors, Stakeholders who worked on the project as well as the gathering and close examination of over 160,000 documents (*from contracts, invoices, and RFP’s and other procurement related documents, change orders and construction reports, Council/Committee meeting reports minutes to e-mails, notes, and memos*).

Our fieldwork for this report commenced on June 19, 2023 and concluded August 5, 2024. It is important to note, however, that WSCS completed two Service Delivery Reviews (Financial Services⁷ and Parks and Recreation/Public Works Maintenance⁸) for the Town in 2023. The information gathered in these reviews did serve to inform the Ma-te-Way Expansion Third-Party Review.

⁷ [Town of Renfrew Finance Service Delivery Review - 20231019 WSCS Consulting Inc.](#)

⁸ [Town of Renfrew Public Works/Parks and Recreation Maintenance Service Delivery Review 20231019 WSCS Consulting Inc.](#)

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Methodology of the Review

To develop this report, we undertook the methodology as shown in **Error! Reference source not found.** Over the course of the review, the following consultation and documentation review was undertaken:

Conducted over 200+ interviews

- All current and former Councillors (2018-2022 Term)
- One former Councillor from prior Council Term
- Current and some former Town Staff
- Contractors, Consultants, Businesses, Service and Product Suppliers
- Partners (including BAFN)
- Lessees
- Sponsors
- Representatives from the Ontario Ministry of Infrastructure

Early information gathering interviews were held to collect general project knowledge, to identify persons involved in the project and to identify additional sources of project documentation. All interviews were undertaken by two or three WSCS Consultants.

We reviewed over 160,000+ documents which included meeting agendas, minutes, tender/RFPs, contracts, legal opinions, memorandums, handwritten notes and emails. The timeframe of the document review included information from 2010 to 2024.

Over two decades of information is difficult to summarize in one report

It is important to note that Ma-te-Way Expansion has been underway in various forms for more than two decades, of which the last decade involved significant resources and documentation. This report has attempted to provide a picture of those twenty years, it is comprehensive but not intended to be a verbatim record of every interaction, conversation or document. This would be impossible as will be illustrated in this report, much evidence and communications were verbal and not recorded.

B.3 SCOPE LIMITATIONS, CONCLUSIONS AND NEXT STEPS

This is the Phase III report on the Ma-te-Way Expansion Project

This document is the third report on the Third-Party Review of the Ma-te-Way Expansion Project. Our review had the benefit of the substantial volume of information (*both documents and interviews*) but the facility is not yet complete.

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Scope Limitation

Due to the fact that some former staff declined to speak with the review team, any information with respect to their involvement and participation in the Ma-te-Way Expansion Project was based upon interviews and documentation available to us.

- The Former Director of Parks and Recreation who was employed with the Town from 2013-2024, but on leave at the time of the review, declined to be interviewed unless he was paid \$1,500/day for his time but asked that any information he provided be included in the report. The Director retired in 2024.
- At the outset of the review, an Acting Director of Parks and Recreation was appointed who was interviewed while still employed with the Town but not after his exit.
- Former Treasurer who retired in 2021 provided responses to some specific questions in writing but opted not to speak with the review team.
- Other former staff requested for interview declined and further requests received no reply.
- The Ministry of Infrastructure was requested for additional information, but representatives declined to provide at this juncture.
- Some information requested from the Buttcon was not provided.
- Town document management practices were challenging and some original documents that were requested were not located.
- Several boxes of handwritten notes and papers were found in the old Recreation Centre and provided in March 2024 which were not captured as part of the Town’s corporate records.

Work has already begun to make improvements to the foundation needed for the Town to move forward

The CAO was requested to respond to the Third-Party Review report recommendations and were presented to Council on April 23, 2024. This response is critical for the Town to move forward and start to implement change. This report does not contain any additional substantive recommendations and is scheduled to be included in the Council agenda on August 13, 2024. A follow-up financial report will be delivered in the fall of 2024.

Final Financial Review to be completed in the fall of 2024

While the project is substantially complete, additional costs are expected to be borne by the Town over the next year. Two of the tenants have yet to move into their spaces, deficiencies need to be addressed and additional work has been identified. Consequently, WSCS will be providing an updated financial report with the additional information in the fall of 2024.

Scope Limitation on this Review

A scope limitation is anything that gets in the way of review being completed effectively (*i.e. timely, useful reporting*) and efficiently (*i.e. appropriate use of time and financial resources to complete the*

Town of Renfrew – Ma-te-Way Activity Centre Expansion Project – Third-Party Review

review). Given that the former Director of Parks and Recreation, among others, refused to speak with WSCS, we were unable to validate some documentation. As well, the poor records management practices of the Town meant that we were unable to locate many corporate records, including reports to Councils, Committees, and contracts. Many documents were found late into the review in boxes in the old Recreation Centre. Handwritten notes and ‘scribbles’ were difficult to read and/or validated in terms of author and date completed. The lack of documentation can be attributed both to poor practices and possible concealment. While we literally performed hundreds of interviews over many hours and reviewed more than 160,000 documents, we are still of the opinion that we do not have all the information with respect to this project. There were many ‘discussions’ that were not recorded that we are aware of, and, before the utilization of virtual meetings, the minutes of Committees were incomplete and/or difficult to locate.

Referral to the OPP means that some information cannot be released

Since the Town has opted to refer this matter to the OPP, any information with such legal considerations have not been included in this report.

In conclusion

The Third-Party Review of the Ma-te-Way Expansion Project exposed many weaknesses in the Town of Renfrew’s governance structure that led to the scope creep, inappropriate practices and ill-informed decisions resulting in significant cost overruns and delays in construction. Let us be clear that the majority of these issues were avoidable if the Town had done its due diligence, asked the right questions and hired professional project managers to oversee the project. These failures have not occurred in other large Town projects and therefore, it is clear that the issues could have been avoided. Projects, such as these, must be managed based upon fact and not ‘feelings’ or ‘desires’ of select groups of stakeholders. Decisions to undertake large projects must be made based upon objective criteria and full information. This did not happen in the case of Ma-te-Way but hopeful that all future projects will be appropriately analyzed, assessed and managed based upon all important objective criteria for the best interests of the entire community.

Acknowledgement of the level of cooperation and assistance of current Council and staff

WSCS would like to acknowledge the high level of cooperation, participation and support received during the fieldwork and analysis stage of this review from the many current and former staff, Council and some of the external consultants who worked on the project.

Town of Renfrew – Ma-te-Way Activity Centre Expansion Project – Third-Party Review

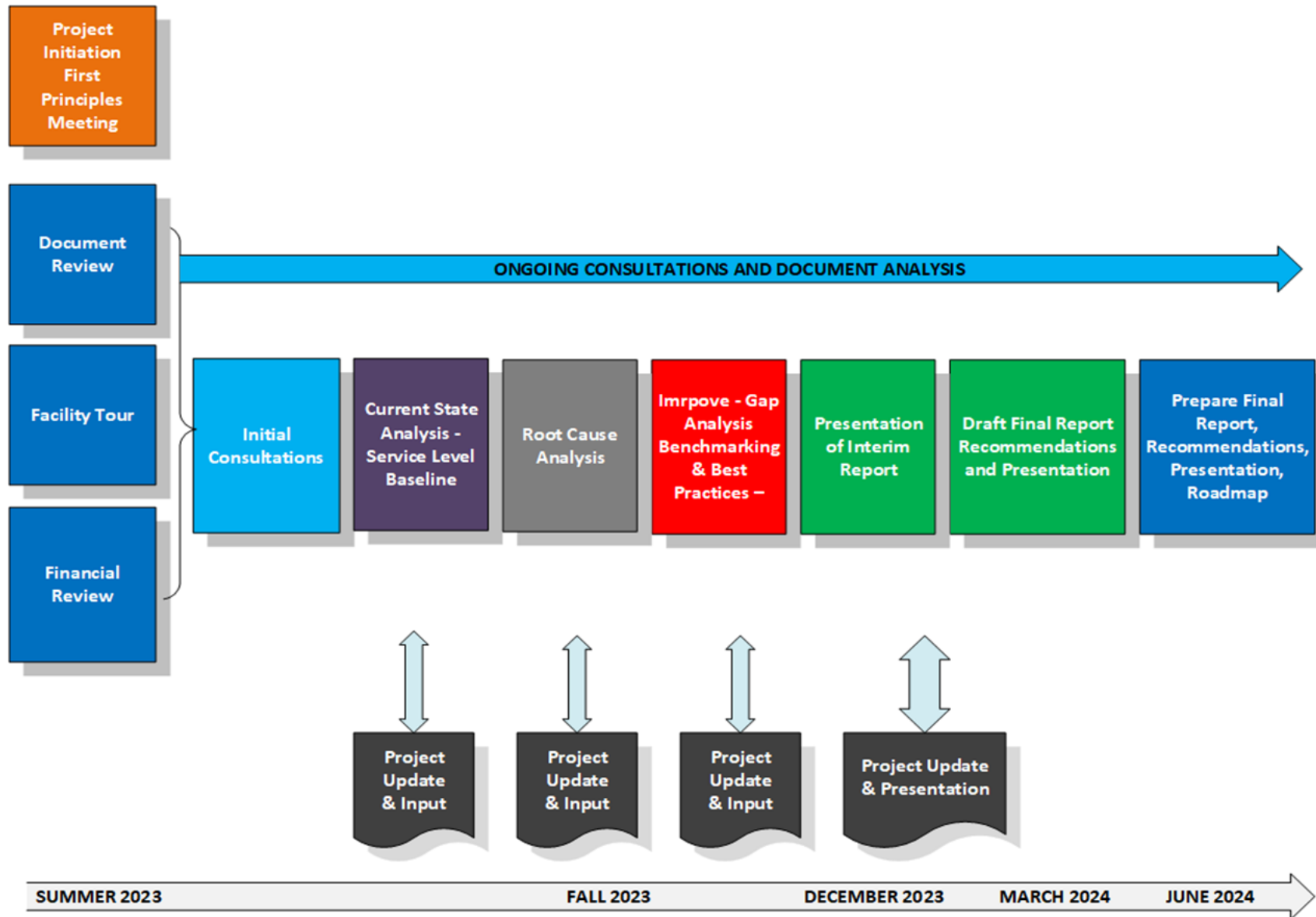


Figure 1: Ma-te-Way Expansion Third Party Review Project Methodology

C. THE WAY FORWARD – NEW GOVERNANCE AND ACCOUNTABILITY MODEL

The move to the CAO Model and new Governance Structure is the key to improved accountability and transparency.

What is good governance & why is it important?

The report findings point to issues with respect to the mechanisms, and decisions in which Proponents and

This report is highly sensitive and will likely impact the Town for decades. The findings and recommendations are quite critical of the past organizational structure and conduct of staff and Council. This report should provide Council with a new way of doing business and mechanisms and best practices to hold itself and staff more accountable and increase transparency. This will be a hard road, with much work to be done. Change must be built on facts, open, honest and regular reporting to Council. Moving on from what took place in the past, the recommendations of the report address existing risk exposure by providing governance level recommendations for future improvements as well as practices in order to achieve best practices. This will take time and education for both staff and Council. Council should be diligent, ask the right questions and ensure that it has the information it needs to make fact-based decisions that are transparent and documented for the best interests of the Town.

Section 224 of the Municipal Act outlines the Role of Council and specifically points to the need for good municipal governance structures through a strong framework of laws and policies (*Municipal Act and other applicable Canadian and Ontario statutes, Town By-Laws, policies and procedures*) as developed and implemented by a core structure of authority (*Council and Administration*). Good municipal governance also enables the Town to be accountable for the way in which Council and Administration carries out their legal and ethical duties when dealing with the various interests of the public and the Town’s employees, while managing the Town to achieve its operational goals efficiently.

In essence, the Municipal Council serves as the Corporation’s Board of Directors which is elected to ‘represent the public and to consider the well-being and interests of the municipality.’”

It also must develop and evaluate policies and ensure that administrative and controllership policies, practices and procedures are in place to implement the decisions of Council.⁹

It is important to note that this report focuses on the governance structure, policies, processes, practices and decisions made by the Town of Renfrew. These findings point to the root causes of the increased costs, budgetary pressures, risks and the delay with respect to the facility. The recommendations are intended to

⁹ Excerpt from Section 224 of the Ontario Municipal Act.

Contractors that worked with the Town on the project. However, any deficiencies in terms of the building, only the processes in which to manage them. There are many positive outcomes with respect to the Expansion, a facility that will serve the residents of the Town of Renfrew for many years to come. This report is not intended in any way to mitigate those successes.

be helpful for the Town to move forward based upon the lessons learned from this project in order for similar mistakes to be avoided.

The Town has undertaken many large successful construction projects in the past where design, procurement and reporting were well executed. While the Town’s policies and practices were not best practice, the oversight and approach of other projects was sufficient to render success. This is important for the taxpayers of the Town to realize as this project appeared to have been an aberration from some past practices and recommendations from peers was ignored and there was much pressure to move forward on the expansion without proper process. Consequently, while we have provided many recommendations in this report, we are confident that the Town, with its new governance and organizational structure, will successfully implement change and will thrive in the future. Ma-te-Way will be an important facility to support the Town’s growth and build the community.

D. THE OVERRIDING CONCERN OF THE MA-TE-WAY THIRD PARTY REVIEW FINDINGS

Why are we concerned?

The overriding concern of the findings presented in this Third-Party Review report is that weaknesses in the Town’s governance structure and support systems, compounded by a low level of awareness and understanding of the principles of some of the laws governing the Town. We have seen this in many small municipalities where the capacity to change is limited. The Town currently has a competent CAO and is building the team but accessing professionals and retaining both competent staff and momentum is challenging in today’s municipal environment. Given the breath of issues found during this review, we are concerned with the Town’s ability and capacity to implement the recommendations contained in this report. A significant amount of time and resources will be needed, along with patience and support from the Council. It is crucial that both Council members and staff understand their responsibilities and accountabilities.

The central conclusion of the review was that certain practices used by the Town, both staff and Council members, did not follow public procurement laws, the award of the contract to the selected proponent, were unfair and were in contravention of the trade agreements and the Town’s own policies. In today’s world, it is

incumbent on every public servant to know the law and what is expected of them and ensure that the municipality is compliant with agreements. We caution as there had been an environment and culture of the Town during the Ma-te-Way project that fostered pressure, opportunity and the rationalization to bend the rules. The fact that the Town was trying to expedite the project resulted in an approach to circumvent proper procurement, openness, and fairness. And yet, the project was one of the longest of the Town's history. The reason for the 'rush' is still unknown to this day. In short, Council and staff should view this project as a lesson of 'what not to do' in the future and ensure the best interests of the community are at the forefront of all decisions.

The adverse impact of this type of risk environment is the strongest in times where it matters the most, when the Town is in the process of making important, time sensitive and expensive decisions. Given the ongoing high volume of work and activities, there is a concern that this is a regular risk scenario for Council and staff and it is our strong recommendation that a risk management framework be developed and adopted to ensure that the 'pressure' to act does not cloud the impacts of decisions.

In Summary

Through this review, we have raised the awareness that in today's environment of municipal transparency and accountability, both Council and senior Administration are at risk of making decisions without access to the best information available to the point where serious errors may be made and serious risk may be invited. Both Council and senior staff are at risk of being held legally and professionally responsible for errors that take place in the name of the Town of Renfrew.

The Page has turned for the Town of Renfrew

The Town's current government: Council, the CAO and senior staff face three challenges. The first is immediate: answering to the public for what transpired on the Ma-te-Way project, opening and promoting the new facility as a positive outcome for the Town. The second is to regain trust, both internally and externally, with residents, contractors and businesses, that the Town is heading in the right direction. The third is more long-term: effect the changes needed to prevent the Town from making the same mistakes in the future. Based upon the actions of current Council and staff, we are optimistic that change will occur and the Town will prosper.

E. ROOT CAUSES AND IMPACTS OF THE MA-TE-WAY PROJECT ISSUES AND RECOMMENDATIONS

The root causes and impacts have been grouped into the following 6 categories (Figure 2):

1. Governance
2. People and Organization
3. External Environment
4. Measurement and Systems
5. Materials and Policies
6. Methods and Processes

For each root cause, we have provided recommendations that will allow the Town to move forward from this project. The CAO has responded to these recommendations through a report at Council on April 23, 2024 and is developing a workplan for implementation.

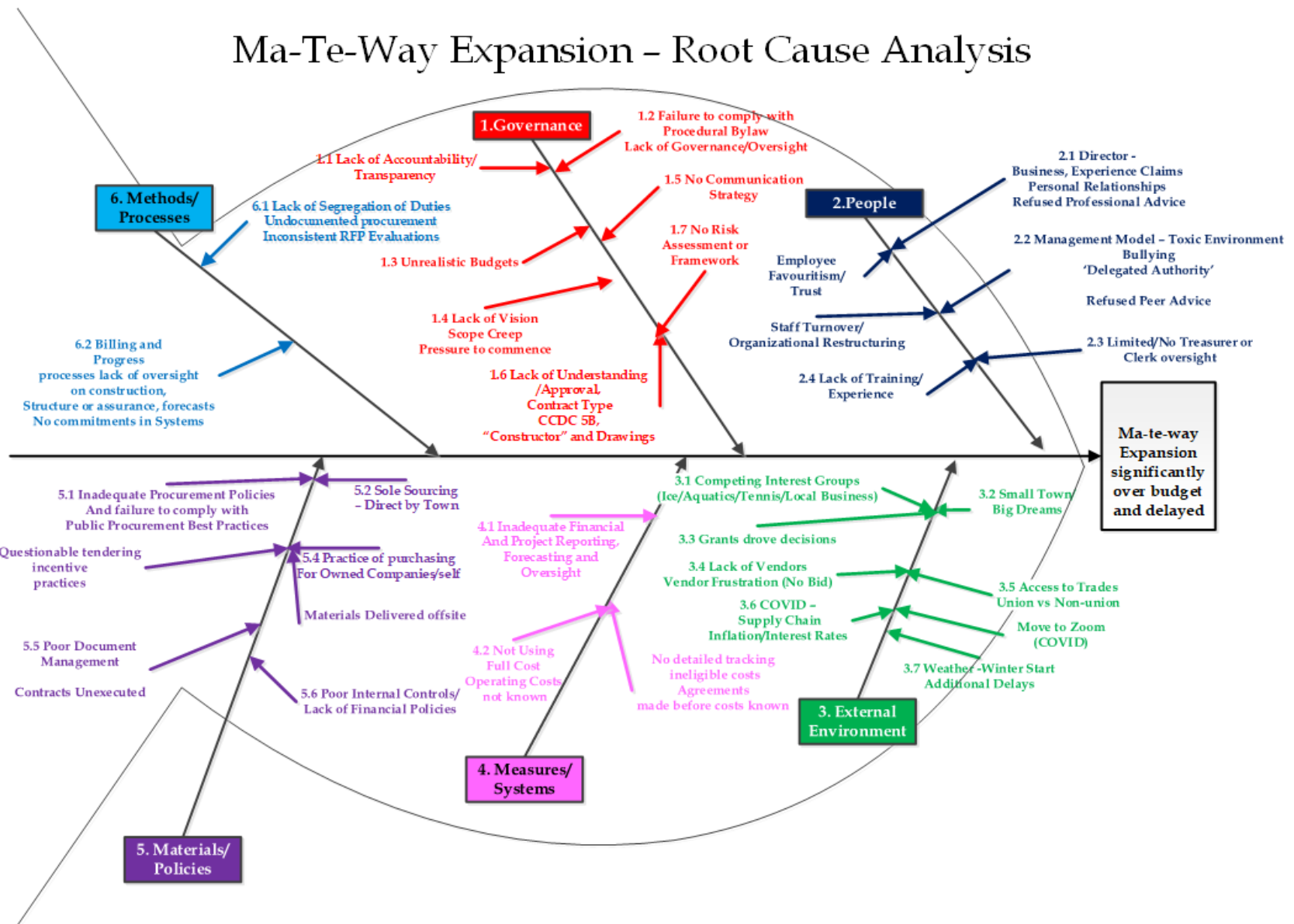


Figure 2: Ma-te-Way Expansion Project - Root Cause Analysis

Town of Renfrew – Ma-te-Way Activity Centre Expansion Project – Third-Party Review

Recommendation	Findings and Impact	Observations and Evidence
E.1 GOVERNANCE		
1.1 Lack of Accountability and Transparency		
<p>1.1.1 Implement a project management model for the Town which requires monthly or more frequent WRITTEN reporting to Committee(s) and Council - Without exception.</p>	<p>1.1.1 Limited Reporting and Decisions made without Full Disclosure. Unkept promises. Regular detailed written reporting was not provided to the Committee(s) or Council. Staff were not held accountable under requirements of Procedural Bylaw for written reports. Council requests for details were ignored.</p> <p>IMPACT> Poor decision-making, no understanding of final costs and impacts on the Town long-term and unkept promises.</p>	<p>Section 224 of the Municipal Act outlines the role of Council as follows: “(a) to represent the public and to consider the well-being and interests of the municipality; (b) to develop and evaluate the policies and programs of the municipality; (c) to determine which services the municipality provides; (d) to ensure that administrative policies, practices and procedures and controllership policies, practices and procedures are in place to implement the decisions of council; (d.1) to ensure <u>the accountability and transparency of the operations of the municipality, including the activities of the senior management of the municipality;</u> (e) to maintain the financial integrity of the municipality; and (f) to carry out the duties of council under this or any other Act.”</p> <p>Specific policies that are expressly required by the Municipal Act include:</p> <ul style="list-style-type: none"> • when and how to provide notice to the public • how the municipality will try to <u>ensure accountability and transparency to the public delegation of powers and duties</u> • <u>the relationship between council members and municipal officers and employees</u> <p>Acting as the Board of Directors of the municipal corporation, the Council is bound to exercise their duties with due diligence and be answerable to the public. All public officials, including senior managers, are expected to be:</p> <ul style="list-style-type: none"> • Accountable which is to be answerable for a particular activity or action to a particular entity or citizens; • Act with Authority which is the right to make a decision or take an action; • Be Responsible which is the obligation to ensure that an action is taken; and

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Recommendation	Findings and Impact	Observations and Evidence
		<ul style="list-style-type: none"> • Be Transparent which is the principle that governments will conduct its business in an accessible, clear and visible manner and that its activities are open to examination by its stakeholders. <p>The Municipal Freedom of Information and Protection of Privacy Act must be adhered to which includes the requirement to ensure preservation of records, including decisions, resolutions, bylaws, contracts.</p> <p>There were many occasions over the period of the project whereby meetings were scheduled to be held without proper notice, minutes were many months late and not sent to Council in a timely manner, many reports were verbal with respect to the Ma-te-Way financial and procurement status, there was a lack of follow up on requested information by Council and often, no motions when information was requested. Consequently, decisions were made by the Director without Council specific approval and or made without full information.</p> <p>At the meeting of June 22, 2021, whereby the Ma-te-Way drawings were presented to Council, the information provided in the agenda differed from that presented at the meeting and were never provided to Council. The meeting of June 29, 2021, when Buttcon was awarded the contract, no details of the RFP results or evaluation criteria were provided, only a verbal discussion by the Director supplemented by the Chair of the PR Committee. For the months (<i>and years</i>) following the award, there is no evidence of any detailed written staff reports on the financial results or project status from the Director or the Treasurer. These were all violations of the Procedural Bylaw, an illustration of the lack of accountability, and transparency.</p>
<p>1.1.2 For every project, require stakeholder consultation exercise along with communication strategy to be approved by Council before commencing.</p>	<p>1.1.2 Public and stakeholders were not sufficiently consulted throughout the Design Phase – and there was a ‘promise’ for an Aquatic Facility in Phase 2.</p> <p>IMPACT> Resulted in a much larger project and unhappy stakeholders. The 'concept'</p>	<p>There were two open houses held in 2017 followed by the creation of the Ad Hoc Committee with the view to report to the Committee of the Whole and assist with the public consultations. Meetings were held in 2017 but no action was taken. In fact, there was no formal report of the findings from the open house or the Ad Hoc Committee. On July 17, 2017, the Ad Hoc Committee met with the Aquatic Committee to discuss the potential project and the issues/need for partnerships. It would appear that it had been decided early on that the Aquatic Centre was to be another phase. There is evidence from files located at the Recreation Centre that,</p>

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	<p>design for an Aquatic Centre was never produced. The tennis courts 'had to be moved' adding a cost of more than \$600K to the project.</p>	<p>on July 20, 2017, that Director Hill declared to Don (<i>the Mayor</i>) that <u>'5 AM this morning, I decided we are going to build a new Rink and Rec Centre'</u>.</p> <p>In November 2017, N45 was awarded the contract for the detailed design of a New Recreation Centre and a Second Ice Pad Surface and a conceptual design of an Aquatic Facility (<i>never completed</i>). All of the following iterations of the N45 motions and contract changes focused on the new Expanded Ma-te-Way Complex with leased space and the cultural centre.</p> <p>It would appear that, after the open house in 2018, that the drawings were not presented to the public for consultation. This would have been an important step given the significant changes that were made between 2018 and 2021, those that were submitted as part of the ICIP grant application. Further updates and final drawings were never presented to the public for consultation as promised by the Town. The issue of moving the tennis courts was not sufficiently reviewed with the stakeholders. Even the lessees indicated that there was a period of 'silence' or lack of communication between 2021 and 2023, when the project was experiencing delays and cost overruns.</p>
<p>1.1.3 Update Procurement Policy and Procedure Manual to include requirements with respect to advertising, and timelines in line with Trade Agreements. Standard Tender/RFP criteria and analysis should be outlined with the Treasurer and Clerk as part of the opening process. Complete results along with evaluation</p>	<p>1.1.3 Tenders and results did not follow an open public procurement process. Tender/RFP evaluation criteria, analysis not completed, and often not shared with Council. Total size or costs were not included nor approved by Council.</p> <p>IMPACT> Lack of competition = higher costs. Council made decisions without full understanding of the impacts and costs of the project.</p>	<p>Under the Municipal Act, the Town is required to have a procurement policy that follows the standards for public procurement. The Canadian procurement process must be "open, fair and transparent" ("<i>open</i>" means that anyone can bid; "<i>fair</i>" means that bidders and prospective bidders are treated equally; and "<i>transparent</i>" means that the rules are known to everyone). The underlying purpose of a procurement process that is open, fair and transparent is to support the principle of "value for money". Canada's applicable legislation is supplemented by a separate body of common law that is generally referred to as "Contract A/Contract B", which is the law that applies to the bidding contract in a competitive procurement for tenders. The courts have consistently found an "implied term of fairness" in these bidding contracts and have enforced the principle that a bidding contract does not come into effect unless the bidder submits a "compliant bid", namely one that</p>

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Recommendation	Findings and Impact	Observations and Evidence
<p>criteria to be presented in a report.</p>		<p>complies with the terms and conditions of the bid call document. The "Contract A/Contract B" framework applies to tenders at the federal and provincial level.</p> <p>Municipalities in Canada are bound by several trade agreements¹⁰ which are built on fairness, transparency and reciprocal non-discrimination. Canadian Free Trade Agreement (CFTA), a pan-Canadian trade agreement took effect on July 1, 2017 and the Canada-European Union (EU) Comprehensive Economic and Trade Agreement (CETA) took effect September 21, 2017. The monetary thresholds change each year but for construction over \$250,000 (CFTA) and \$8.8M (CETA) applies. The implications are that procurement must be posted on open bidding sites, for a minimum period of 40 calendar dates (can be reduced if some electronic postings are made). Award notification, debriefings and annual reports are mandatory.</p> <p>In the case of Ma-te-way procurement, these trade agreements were violated. 'Tenders' were sent to specific contractors; award notices were not provided and no annual report. In most cases, the posting did not meet the minimum posting requirements. Further, changes were made to the 'tenders' to a Construction Management CCDC 5B and this was not posted at any time. Further, the project changed significantly between 2018 and 2021, and yet, it was only on the third iteration that a new RFP was issued, to specific contractors. Therefore, the pre-qualification process undertaken in 2018 was also faulty. Further, it would appear that the Town utilized contractor advice and pricing prior to going to tender, giving some specific advantage of some vendors over others, including Buttcon.</p> <p>It is also troublesome that the Town went through at least 8 procurement exercises at much time and cost, not only to the Town but also for the contractors. These ongoing changes, multiple procurement exercises and lack of open bidding and very short posting time (<i>less than 10 days</i>) likely had a significant impact on the competition. In fact, only three construction management bids were submitted in</p>

¹⁰ <https://www.international.gc.ca/trade-agreements-accords-commerciaux/ressources/fcm/complete-guide-complet.aspx?lang=eng>

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Recommendation	Findings and Impact	Observations and Evidence
		<p>June 2021. The two companies that bid for the same contract in May of 2021 (Sullivan and Hein), did not bid.</p> <p>In all of the procurement exercises, not one staff report with the criteria was presented to Council. When Buttcon was awarded the contract for the CCBC 5B on June 29, 2021, no evaluation criteria were presented. Information was found on handwritten notes but nothing official and when requested by Council, was not provided by the Director. When questioned, staff and the PR Committee Chair, Sidney were not provided with any scoring nor interview questions for in person evaluation. It was also evident that the evaluations were not comparable and financial information was not sufficiently analyzed. In fact, the Treasurer was not part of the procurement process whatsoever, and yet the Purchasing Policy required the Treasurer oversight. There is no evidence that references were contacted of any of the firms that submitted proposals.</p>
<p>1.1.4 As part of the Committee Terms of Reference, require that reports regarding procurement and contracts be reviewed BEFORE award. As part of the tender/RFP process, to attach the sample contract.</p>	<p>1.1.4 Type of contract was not ‘approved’ and fully disclosed in Open Council – email request. The final contract was not reviewed by Council or professionals. Legal advice (<i>narrow</i>) was focused only on what was directed by staff.</p> <p>IMPACT> Cost plus contract - resulted in significantly higher costs and delays - limited incentive to complete. Allowed the 'dragging' out of the drawings and decisions.</p>	<p>The Canadian Construction Documents Committee (CCDC) develops, produces, and reviews standard construction contracts, forms and guides. It is a national joint committee, formed in 1974, and includes representation from across the Canadian construction industry. There are several types of contracts but most used currently is the CCDC 2 - Stipulated Price Contract, CCDC 5B – Construction Management Contract for Services and Construction and CCDC 14 – Design Build Stipulated Price Contract. The main difference has to do with the level of defined scope and risk.</p> <p>With respect to Ma-te-Way, the original tender intended to hire a construction company under a “Stipulated Price” which is provided to the Owner prior to commencing work. This changed to a CCDC 5B (<i>cost plus</i>) in 2019, on the suggestion by M. Sullivan’s (<i>contractor</i>) as it became evident that the scope of the project was changing on an ongoing basis.</p> <p>Further, the change to this type of contract was recommended by Director Hill in an email to y Council on August 23, 2019. The email states “<i>the cost of the proposed redesigned project will exceed our funding formula. As a result, staff reached out to look at other opportunities that could bring the project within the funding formula. Staff and N45 met with M. Sullivan to explore other possibilities. M. Sullivan suggested that the Town look at a Construction Management Contract</i></p>

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Recommendation	Findings and Impact	Observations and Evidence
		<p><i>to help get the best value for your money on a project of this scope. I have spoken to our lawyer and he has assured me that there is no issues proceeding as recommended below;</i></p> <p><i>Staff are recommending that we ask the five prequalified contractors to submit a proposal for the Towns consideration to manage the project with a Construction Management. I am proposing that contractors be given the opportunity to submit a proposal prior to 4:00 p.m. on Friday, September 6, 2019. This would allow the Town to evaluate the proposals and select a preferred contractor to work with to finalize a construction budget by Friday, September 20, 2019 to include as part of the grant application. We believe this will put the Town in a positive position to be ready for construction once the grant results are announced. Should you have any questions or concerns with the above approach could you please contact myself directly at your earliest convenience. I would like to release a Request for Proposal as soon as possible.”</i></p> <p>It is important to note that the lawyer response was very narrow and dealt with the letter to Laurin about moving forward. There was no specific discussion on the requirement to issue a true ‘RFP’. Further, there were no questions by Councillors regarding the impacts of the change. There was no RFP issued, simply an unsigned letter attached to an email to the pre-qualified contractors on September 9, 2019 changing the type of contract (<i>additional details can be found on this date in Appendix A.</i></p>
<p>1.1.5 Require all those with purchasing responsibilities to attend project, procurement contract management training with regular updates. New Purchasing Coordinator to oversee contracts and Treasurer to analyze impacts.</p>	<p>1.1.5 There was no discussion or training provided with respect to the type of contract and the risks of moving to a CCDC 5B</p> <p>IMPACT> Cost plus contract - resulted in significantly higher costs and delays - limited incentive to complete. Allowed the 'dragging' out of the drawings and decisions.</p>	<p>It was clear that there was limited knowledge on the part of the Director, Treasurer and Council on this type of contract and if they did, it was not adequately explained nor analyzed with respect to risks. It is important to note, however, that Director Asselin, being a Professional Engineer and undertaking large projects, did send questions, concerns regarding the type of contract but his concerns were dismissed.</p>

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Recommendation	Findings and Impact	Observations and Evidence
<p>1.1.6 Develop a Sponsorship and leasing policy that requires open procurement. Ensure that all conflicts of interest are declared. Consider a 'Fairness Monitor' outside firm to evaluate these types of procurement.</p>	<p>1.1.6 Limited public sponsorships and public leasing. No policy or tender. Council provided too much authority and lack of oversight relating to; project design, decisions, stakeholder spaces, lease rates and sponsorships.</p> <p>IMPACT> Lack of competitive process to secure sponsorships and lessees may have contributed toward lower revenue opportunities.</p>	<p>With respect to naming rights and leases, the local businesses were approached individually before the project was finalized and costs known. There was no public process to tender these opportunities which benefited some commercial entities over another. As a public sector organization, it is imperative that these opportunities be fair, open and transparent. This not only ensures that there is no favouritism but also creates competition. In this case, the rates and terms were decided without a fulsome analysis by the Treasurer, before total costs were known and hence, are under valued. In fact, the Town will be financing part of the lease costs. Since the Town did not advertise these opportunities, the rates and terms were likely not in the Town’s favour.</p> <p>It was clear from the outset that the Director was given an unusual amount of authority to approach businesses as well as develop the leases, sponsorship packages and rates which ultimately, committed the Town to long-term arrangements below cost and lost revenues. The project was marketed as providing a ‘surplus’ with leasing and sponsorships, which clearly is not the reality. Council needed better oversight on these types of agreements to ensure that the best interests of the ENTIRE Town were taken into consideration.</p>
<p>1.1.7 As part of the project/procurement management manual, require the Treasurer to provide analysis and/or seek professional assistance in evaluating revenue streams.</p>	<p>1.1.7 All public information indicated it would be A ZERO impact to the taxpayer.</p> <p>IMPACT> Basis on which the calculations were completed were not transparent ('debentures as revenues'). Operating costs and rates unknown. No sensitivity analysis or meaningful risk assessment.</p>	<p>The financial ‘formula’ presented from 2018 onwards purported that the project would not cost the taxpayers any money, or even generate a surplus’ even as the estimated costs started to climb. This is because the Council did not insist on an outside consultant to validate the financial information. The study undertaken by JF Group in 2012 was the only time that the Council had done its due diligence to get professional advice on the financial situation. It would appear that study which stated that the facility would cost \$18M (\$13M for the Recreation Centre and Second Ice Pad) was the most accurate estimate presented at any time to Council. The basis of the financial forecasts presented by the Director, and verified by the Treasurer upon request, were flawed. It stated that debentures were ‘revenues’ and the operating costs were not forecasted at any time. In fact, there is still no forecast for operating costs.</p> <p>A professional cost consultant and project manager would provide the organization with these projections. Further, the RFP for the Construction Management</p>

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Recommendation	Findings and Impact	Observations and Evidence
		<p>Company and/or the Prime Consulting Services should have included the operating cost estimates as part of the drawings, pre-construction. These costs should be updated throughout the project as specific equipment is procured. Ideally, procurement should be done based upon ‘total cost of ownership’ for the equipment as opposed to simply lowest tender purchase price. This would allow for the provision of operating costs as part of the tenders. This did not happen and the Town is unable to adequately forecast its operating costs for the next budget cycle.</p>
<p>1.1.8 Form an Audit Committee to address the recommendations of this report and oversight of the ongoing audit results. An audit plan should be developed with regular reporting to the Committee.</p>	<p>1.1.8 Finance Committee oversight was lacking and there is limited oversight of financial results.</p> <p>IMPACT> Finance Committee often did not meet and did not validate the findings of the Parks and Recreation Director's assumptions or provide a professional financial and analysis of the project or the policies/procedures.</p>	<p>The Finance Committee’s Terms of Reference at the time of the project indicated that it was responsible for: Recommendations to Council on adoption of the budget, and on all other matters pertaining to municipal finance, prepares recommendations for Council which are consistent with best efforts to achieve a reasonable tax rate. Monitors budget expenditures periodically throughout the year to ensure that sufficient funds are available to meet established targets.¹¹</p> <p>It would appear that the Financial Committee did not meet on a regular basis and minutes were not forwarded to Council in a timely manner. The Committee minutes reviewed do not indicate that Ma-te-Way Expansion was discussed or reviewed. It would seem that, a project of this magnitude, would be a regular and ongoing agenda item. In fact, Council should have referred the financial models, procurement analysis and contract award recommendations to the Finance Committee for review before approving the project.</p> <p>An Audit Committee (<i>as part of the Finance Committee</i>) should be formed with the following terms of reference (<i>at minimum</i>): Responsible for making recommendations directly to Council regarding the following:</p> <ul style="list-style-type: none"> i. Financial Statements ii. External Audit Function iii. Internal Audit Function (<i>responsibility to undertake regular reviews of operations</i>) iv. Internal Control Framework for Financial and IT

¹¹ Town of Renfrew Procedural Bylaw 17-2020

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Recommendation	Findings and Impact	Observations and Evidence
		v. Risk Management vi. General and Administrative vii. Public Sector Accounting Board Changes
1.2 Failure to comply with Procedural Bylaw Lack of Governance/Oversight		
<p>1.2.1 Clerk to enforce the Procedural Bylaw and ensure that Terms of Reference are followed and any Committees have 'sunset' clauses.</p>	<p>1.2.1 Ad Hoc Committee for Ma-te-Way expansion was formed in 2017 with partial Terms of Reference - updated to full Terms of Reference in 2019. Did not fulfil the mandate but shut down without final report or formal transfer to the Parks and Recreation Committee.</p> <p>IMPACT> Lack of oversight of the design, tenders and project. Should have continued to the end of the project including construction phase. Significant reason for cost overruns.</p>	<p><i>The Procedural Bylaw requires that:</i></p> <p><i>“Staff Reports: All staff reports shall be:</i></p> <ul style="list-style-type: none"> <i>a. In written format using the Report Template.</i> <i>b. Include a recommendation in the form of a motion unless the report is for information purposes only.</i> <i>c. Signed by the Department Head or his/her designate.</i> <i>d. Delivered to the Clerk no later than 12:00 p.m. (noon) three days (not including weekends or holidays) prior to the regularly scheduled Council meeting.”</i> <p><i>“Department Heads will prepare comprehensive written reports to Council, complete with financial comments. The Treasurer will provide financial comment on all Department Head written reports. Treasurer will be apprised of all financial matters. Treasurer will provide financial advice and overview of corporate situations to the Senior Management Team.”</i></p> <p>In the case of Ma-te-Way Expansion, the largest project the Town has undertaken, had been handled mostly by the way of verbal updates, and PowerPoint presentations. There was not one comprehensive staff report prepared for Ma-te-Way Expansion until 2023. This was a complete violation of the Procedural Bylaw and it is incomprehensible that Council did not insist on regular reporting including procurement activities, evaluations, financial and project status updates and associated risks. It is clear that a professional project manager would have produced project reports, but that also did not happen. While Buttcon provided Construction Management Reports to the Town, only 3 of those reports were forward to Council in the period June 2021 to August 2022. The Buttcon reports are not complete as the Town took on the role of Constructor by procuring some of its own contractors and insisted on ‘managing’ the project. It would appear that Council turned its head on these requirements in the case of this project, the</p>

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Recommendation	Findings and Impact	Observations and Evidence
		<p>reason is unclear. But it is for certain, a key root cause as to why Council was not informed of the dire situation at Ma-te-Way and was not requested to make decisions. When written reports are not produced, it would be difficult to record the decision. In the cases where ‘presentations’ were delivered and requests were made by Council, the Clerk should have identified these requests in a motion. This would have provided the record of the request and ensure it was completed. It was made clear on several occasions that the intention of the Ad-hoc Committee was not to make the major decisions but to consult with the various stakeholders and to ensure that the full breadth of information necessary for a project of this magnitude would be made available to the full Council for purposes of decision making. Clearly, the ad-hoc committee fell short in its efforts to fulfill that commitment</p>
<p>1.2.2 Require all reports to be written and minutes of Committees to reflect appropriate verbal discussions and staff direction. Committee Chairs should require staff to follow up with reports on any project information and incorporate outstanding staff directions.</p>	<p>1.2.2 Many reports to Ad Hoc, PR Committee and Council were verbal, in emails and not in writing as required by the Procedural Bylaw. This was not enforced by the Chairs or the Clerk.</p> <p>IMPACT> Many decisions made that were not documented or approved. Allowed for staff to proceed without following policies.</p>	<p>From the instance that the contract was signed, cost overruns were evident. The delays with respect to drawings, led to delays in procurement and commencement of construction in the winter. Questions were raised with Town staff about the possibility of delaying the start until the spring but that was quashed without Council approval. This was the beginning of the escalating costs. By December 2021, the deficit was \$800K, and the first ‘report’ to Council occurred in early February 2022, which was actually the Buttcon report, not a staff report. But Council asked very few questions even though risks had been raised. It was also curious that Council didn’t request/demand a written monthly project status report. The costs associated with winter heat should have been a red flag for a renewed interest and governance oversight.</p> <p>Even if there was little to report, that would allow Council to ask important questions, particularly since the supply chain issues during COVID were well known. These reports would have also had highlighted the issues with the lack of drawings and the impact on procurement and the schedule. Mitigation activities should have also been included in each report.</p>
<p>1.2.3 Any Town project Manager should be required to follow PM fundamentals with Monthly reports which</p>	<p>1.2.3 Project management fundamentals were not followed, including the reporting from Buttcon.</p>	<p>Earned Value Analysis (EVA) is a method that allows the project manager to measure the amount of work actually performed on a project beyond the basic review of cost and schedule reports. EVA provides a method that permits the project to be measured by progress achieved. The project manager is then able, using the progress measured, to forecast a project’s total cost and date of</p>

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Recommendation	Findings and Impact	Observations and Evidence
<p>includes Earned Value Analysis.</p>	<p>IMPACT> No way for Council to address scope creep, decisions regarding proceeding with changes or timelines resulting in significant cost overruns (e.g. Weather = \$800K minimum).</p>	<p>completion, based on trend analysis or application of the project’s “burn rate”. This method relies on a key measure known as the project’s earned value.</p> <p>In Earned Value Management, unlike in traditional management, there are three data sources:</p> <ul style="list-style-type: none"> • – the budget (or planned) value of work scheduled • – the actual value of work completed • – the “earned value” of the physical work completed <p>Planned Value describes how far along project work is supposed to be at any given point in the project schedule and cost estimate. Cost and Schedule baseline refers to the physical work scheduled and the approved budget to accomplish the scheduled work. Actual Cost (AC), also called actual expenditures, is the cost incurred for executing work on a project. Variance analysis should be undertaken both in terms of schedule variance and cost variance and produce performance indices (Schedule “a measure of schedule efficiency on a project. It is the ratio of earned value (EV) to planned value (PV). Cost Performance is the measure of cost efficiency on a project. It is the ratio of earned value (EV) to actual costs (AC).</p> <p>Potential Causes of Unfavorable Cost Performance (<i>all of which were experienced in Ma-te-Way</i>):</p> <ul style="list-style-type: none"> • Work more complex than anticipated • Design review comments extensive • Rework • Unclear Requirements • Scope Creep • Unfavorable Market Fluctuations in the Cost Labor or Material • Overhead Rate Increases <p>The five basic ground rules for effective Earned Value Management:</p> <ol style="list-style-type: none"> 1. Organize the project team and the scope of work, using a work breakdown structure. Each task should have a single WBS number and organizational code.

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Recommendation	Findings and Impact	Observations and Evidence
		<p>2. Schedule the tasks in a logical manner so that lower-level schedule elements support subsequent elements and the top-level milestones.</p> <p>3. Allocate the total budget resources to time-phased control accounts.</p> <p>4. <u>Establish objective means for measuring work accomplishment. Budget should be earned in the same way that it was planned.</u></p> <p>5. Control the project by analyzing cost and performance variances, assessing final costs, developing corrective actions, and controlling changes to the integrated baseline.¹²</p> <p>EVA was not employed by Director nor Buttcon. In fact, the Gantt charts as part of reports were ‘moving’ without corrective action.</p> <p>Reports were incomplete, no status reports or approvals of change orders/cost overruns by Committees or Council. Staff knew of cost overruns, issues with weather and materials at the outset but did not inform Council.</p>
<p>1.3 Unrealistic Budgets</p>		
<p>1.3.1 There should be consideration of a risk assessment or a similar exercise to the JF Group prior to the undertaking of projects of this magnitude.</p>	<p>1.3.1 Budgets were not based upon professional advice and were unrealistically low for all iterations of the project. The unrealistic budget was also submitted as part of the grant at \$16.1M.</p> <p>IMPACT> This prompted the Town to go out for several tenders and ultimately, the CCDC 5B contract. NO ONE WOULD LISTEN to the professionals. It was going to cost more and the decision to proceed was ill founded. The Town likely</p>	<p>Th JF Group Study budget in 2012 was \$18.3M for a 49,478 sq ft recreation centre with a pool and arena \$369/sq ft with a cost of \$377K annual deficit. Presentations in 2017 to open houses by staff indicated \$8.6M to \$12.8M based upon 66,639 sq ft. (included the recreation centre, aquatic facility and second ice pad). Tenders received in 2018 ranged from \$10.5M to \$11M for 49,500 sq ft. (included a recreation centre and a second ice pad). In 2019 and 2020, when the ‘proposals’ were changed to a Construction Management CCDC 5B and additional leasable space was added, prices range \$16.1 TO \$17.9M (for 60,400 sq.ft.), 2021 (May) prices ranged from \$21.9M to \$25.5M (76,000 sq.ft.), 2021 (June) prices ranged from \$18.5-\$21.5M. Staff continued to present unrealistic budgets to Council.</p> <p>It is interesting to note that on October 23, 2019, Brent Gould provided an estimate of \$4.05M or \$327.25/sq ft. It is interesting that the costing for this piece was not updated for the rest of the building prior to the finalization of the grant. Based upon this rate, the project would have been estimated to be \$24M for 76,000 sq ft</p>

¹² [Project Management Institute - PMBOK.](#)

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Recommendation	Findings and Impact	Observations and Evidence
	<p>lost out on \$grant funds with the unrealistic budgeted (estimated \$7M loss).</p>	<p>as opposed to the \$16M submitted for the grant (\$29.3M with the leasable space.) It is not inconceivable that the amount of the grant would then have been \$18M as opposed to \$11.8M awarded.</p> <p>This gave the community and Council unrealistic budgets and likely caused prices to increase. If one were to future value the arena from 2012, the cost would have been \$17.7M for 36,178 sq ft or 96,014 sq ft for \$46M in 2021.</p> <p>If a cost study would have been undertaken in 2021, it is likely that this would have come to light given other studies across Canada.¹³</p>
<p>1.3.2 Risk Assessment and sensitivity analysis required on all projects,</p>	<p>1.3.2 Throughout the project, no risk assessment was undertaken for costing or other project risks, leaving the Town vulnerable to change with no strategy.</p> <p>IMPACT> Decisions made to proceed were based upon incomplete, inaccurate information. The Council committed the Town to 30 years of costs without understanding the impact on the tax base. The arena will need replacing or major upgrades by the time it is paid for.</p>	<p>Presentations made by the Director to the public and Council illustrated a ZERO percent tax increase based upon unsubstantiated numbers and unrealistic cost projections. The concept that the debenture was 'revenue' was ill conceived and should have been disputed by the Treasurer. Council did not adequately challenge staff on the revenue numbers and did not request a sensitivity analysis. These were not updated when the contract was awarded at \$19M + or the CCDC 5B. The additional costs of the Tennis Court move were not factored into the equation. Operating costs were not calculated effectively and the debenture calculations were for 'one year' based upon 2-3%. No inflationary costs were factored into any of the financial information.</p> <p>The Town was in a state of significant organizational turmoil, impending retirements of senior staff, COVID had hit and all indications were that costs were escalating, interest rates were bound to rise. And yet, at no time does it appear that any risk or sensitivity analysis was performed to assess all possible impacts of the project nor mitigation strategies. The Town just let things happen to it as opposed to managing its risks.</p>
<p>1.4 Lack of Vision/Scope Creep and Pressure to commence and complete</p>		

¹³ [City of Peterborough Arena Budget 2021](#)

Town of Renfrew – Ma-te-Way Activity Centre Expansion Project – Third-Party Review

Recommendation	Findings and Impact	Observations and Evidence
<p>1.4.1 Prior to the commencement of a project is to establish a clear vision for the project and a well articulated outcome to help guide and steer the Project Manager and Project Committee.</p>	<p>1.4.1 Instead of the project getting smaller to meet budget targets, it grew without any vision from Council or the community.</p> <p>IMPACT> It is estimated that the scope creep has cost between \$18M and \$23M since the vision in 2012 (more than double). The additional 6,381 sq ft plus the move of the tennis courts added \$2.3M and \$600K respectively to the cost.</p>	<p>The original scope started at 49,478 sq. ft for a second ice pad, aquatic and recreation centre in 2012. Iterations including an outdoor pool, outdoor rink. At no time did Council ever determine the vision of this project. Even though all estimates were higher than the set ‘budget’ the project continued to grow based upon the submission of pricing with the belief that if there were partners, rental space, that the overall revenues would cover the costs. As time went on, the scope creep was evident all the way until occupancy. The actual final drawings have never been approved by Council. At the point that the Town was applying for the grant, the expansion to include the BAFN developed but without a true picture of what the partnership would look like. The Director and contractors pushed the idea of commercial space without recognizing the impact on the community, and the Town to manage the larger, more complex nature of such a building, particularly since the Town did not employ a professional facilities manager.</p> <p>Final drawings sent to the bidders in May 2021 was 89,633 sq ft and then, at the last possible minute, an additional lessee was added and another set of drawings was sent on June 8, 2021 to bidders. The final drawings currently at 96,014 sq ft have never been approved by Council.</p>
<p>1.4.1 Professional project management along with a committed project governance structure will help future projects to avoid any curtail scope creep and cost overruns.</p>	<p>1.4.1 No professional Project Manager hired to oversee the largest project in Town history, until too late. Not the cheaper solution.</p> <p>IMPACT> Cost overruns, project delays and lack of transparency of decisions.</p>	<p>From the outset, the Town relied upon the statements that Director Hill had ‘done this before’ in the Town of Greater Napanee and Council was convinced that project management could, and should, be done in house. There was little consideration made for the fact that the operations still needed to be managed and that no member of Town staff were professional project managers. Further, the ‘toxic’ environment between departments also resulted in no appreciation for the fact that the Town’s Director of Development and Works was a professional engineer and presented the risks and issues of the project. It was decided, based upon ill conceived notions, that it was ‘cheaper’ to have the Director of Parks and Recreation manage this project while continuing to be responsible for the daily operations of the department. The Town has had this view on many projects and it is incorrect. Staff time is a cost and needs to be tracked and assigned to the project, if the Town is to make comparable, evidence-based decisions on cost, scope and time. A trained project management professional would have developed a project management plan, respected the importance of governance at every step and managed the project more effectively and likely for less ‘money’. It is also</p>

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Recommendation	Findings and Impact	Observations and Evidence
		<p>important to point out that, if the Town undertakes work, there is no warranty on that work. Case in point would be the tennis court relocation. As issues occur, which they have, the Town has no recourse. Additional risks include Health and Safety of staff, particularly where they are untrained to undertake the work. It was definitely not cheaper in the end. It wasn't until September 2022, when the CAO model was fully in place, and cost overruns began to be identified and reported. Colliers was engaged following a recommendation by WSCS in June 2023 as the Town's Project Manager for the remainder of the project. Further, Director Asselin was assigned to oversee daily activities and approve construction invoices and change orders while still with the Town.</p>
<p>1.4.2 In future, the Town should only proceed with projects and contracts when the vision is documented, drawings are complete, documents are vetted by legal and risk assessment undertaken with full cost analysis from professionals.</p>	<p>1.4.2. The 'rush' to start the project without proper drawings or full cost resulted in significantly higher costs and delays.</p> <p>IMPACT> Incomplete drawings caused price changes, delays, cost increases, duplication and ultimately pushed the decision for a CCDC 5B contract.</p>	<p>The pressure to commence/complete the project was evident. There was evidence that one of the partners threatened to pull funding if the project did not commence by September 2022. Staff incorrectly indicated to Council that the grant funding had to be spent by 2023. All grant information indicated that the project had to be complete by 2028 as stated in the agreement. Upon grant notification, instead of stepping back with relief and ability to ensure the vision and drawings were complete and approved, the Town pushed forward without final drawings.</p> <p>There were some indications that there was a desire to complete before the election in 2022 and the pending retirement of staff. This ill-advised RUSH to commence and complete resulted in the 'decision' to move to a CCDC 5B contract without understanding the risks and impacts. The irony is that the project was delayed two years because the Town didn't have its visions and plans in place. If it had waited for final drawings, as expressed by many contractors, costs and construction timelines would have been understood, particularly if the Town had retained the services of a professional project manager at the outset</p>
<p>1.5 No Communication Strategy</p>		
<p>1.5.1 All projects of this nature should include a Communications Plan. It is important to note that Project Management Professionals know this</p>	<p>1.5.1 While there was a requirement for a communication strategy and a consultant was hired for such purpose, it was not acted upon nor updated as the project continued.</p>	<p>In 2017, the Town hired a consultant to assist with a communication plan as was a promise to the Council at the time. The consultant's report was not favourable and pointed out several deficiencies with respect to the situation at the time. It appeared to be ignored as no formalized communication plan was ever developed. All stakeholders, including Council and the public, indicated that there was a lack communication and consultation before the project commenced and during</p>

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Recommendation	Findings and Impact	Observations and Evidence
<p>and it is part of a Project Management Plan. In future, the Town should follow the PMP process and provide training as well as an engagement platform for the community.</p>	<p>IMPACT> The community, as well as stakeholders (including future tenants) were not informed of plans, progress or costs throughout the project. Scope was not confirmed and there was no plan for additional open houses as promised. Opportunities missed to get people involved and fundraise.</p>	<p>construction. In fact, the full vision of the project was not known and not communicated. If the Town had acted on the recommendations in the consultant’s report and created a fulsome communication plan, with an engagement website and ongoing updates, similar to that seen in other municipalities. This allows the public and stakeholders to be involved and contribute to the project, receive updates and participate/drive fundraising efforts.¹⁴</p>
<p>1.6 Lack of Understanding/Approval, Contract Type CCDC 5B, “Constructor” and Drawings</p>		
<p>1.6.1 As part of the training on procurement, all types of Contracts should be covered. As part of a risk assessment, the type of contract should be one criterion to assess and establish mitigation strategies.</p>	<p>1.6.1 The CCDC 5B contract was never presented to Council nor evaluated for options, schedules and impacts. IMPACT> The move to a CCDC 5B contract without an analysis of the impact has had a huge implication for the project. There were options in this type of contract to move to a stipulated price.</p>	<p>The change from a Stipulated Price contract to a CCDC 5B was suggested by a vendor who was bidding on the project as well as the architects. This was done via email and following a meeting with one of the contractors. There was no attempt to provide training or a risk assessment when moving to a Construction Management Approach. This was not approved in open forum by Council. It was not re-tendered or put to RFP until the final version. At which time, it was not reviewed by legal. We were unable to determine if the criteria in the RFP were actually evaluated by staff and/or the ad hoc committee</p> <p>CCDC 5B contracts can be an appropriate contract if the owner is aware of the risks and responsibilities. It is paramount that the owner not take on its own work. As soon as it does, it affects health and safety and the duties of a Constructor under the Occupational Health and Safety Act.</p> <p>The biggest challenge for the Town was there was limited understanding by both staff and Council of the implications. As well, the contract was accepted at face value from Buttcon, ‘executed on July 5, 2021 without legal advice. The Town did not get its legal advice until December 2021 and the final contract has never been executed. There was no evaluation by the Town on the provisions of the contract</p>

¹⁴ [Wasaga Beach Twin Pad Engagement Website](#)

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Recommendation	Findings and Impact	Observations and Evidence
		<p>and many provisions put the Town at risk. It is also important to note that CCDC-5B can be converted to a Stipulated Price Contract after the pre-construction phase, but, since the Town did not seem to understand the provisions, it was not explored. It is, however, important to note that one proponent, Ball Construction, indicated that it would be willing to move to a Stipulated Price Contract in its proposal.</p>
<p>1.6.2 Training with respect to Health and Safety requirements and duties for Council and staff should be undertaken. Any future projects should specifically identify the responsibilities of the Town versus the Construction Manager. A supplementary condition should be added to any CCDC 5B contracts. However, CCDC 5B contracts should be rarely used and any project should include a risk assessment.</p>	<p>1.6.2 Lack of knowledge of the health and safety and procurement further illustrates that the Town was not competent to manage this project.</p> <p>IMPACT> This is a huge risk as the Constructor (the Town) is responsible for every worker on the site.</p>	<p>A competent person is defined in the OHS Act as someone who is qualified because of knowledge, training and experience to organize the work and its performance, is familiar with this Act and the regulations that apply to the work, and has knowledge of any potential or actual danger to health or safety in the workplace. The OHS Act requires that employers appoint a competent person as a supervisor.</p> <p>A constructor is defined in the OHS Act as a person who undertakes a project for an owner and includes an owner who undertakes all or part of a project by himself or by more than one employer. The constructor is generally the person who has overall control of a project. A constructor is defined in the OHS Act as a person who undertakes a project for an owner and includes an owner who undertakes all or part of a project by himself or by more than one employer. The constructor is generally the person who has overall control of a project.</p> <p>The method and contract that the Town took and continued to tender on its own meant that the Town is the Constructor under the Occupational Health and Safety Act. No supplementary conditions were attached to the CCDC 5B contract to attempt to limit the risk. This was not known nor explained to Council and the risks associated with this contract.</p> <p>There is significant liability for Council as the Board of Directors. Criminal Code under s. 217.1, requires that “everyone who undertakes, or has the authority, to direct how another person does work or performs a task is under a legal duty to take reasonable steps to prevent bodily harm to that person, or any other person, arising from that work or task”. What is important to note is that the word “everyone” includes individuals, organizations, and corporations. Should a workplace accident occur, the amendments made by Bill C-45 have made it</p>

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Recommendation	Findings and Impact	Observations and Evidence
		possible for a corporation (or its supervisors or representatives) to be charged with criminal negligence.
E.2 PEOPLE AND ORGANIZATION		
2.1 Director -Business, Experience Claims Personal Relationships Refused Professional Advice		
<p>2.1.1 In future, the Town should consider the retention of a professional project manager whenever any projects with the financial implications and complexity of scope that this particular project contained. Town resources should be tracking all costs against the project to accurately reflect full cost of the asset as required by Asset Management Regulation O. Reg 588/17 and Public Sector Accounting Board standard PS3150.</p>	<p>2.1.1 The Director did not have the requisite professional experience to manage the project of this size and complexity. This was evidenced by the lack of knowledge of procurement and contracting as well as reporting.</p> <p>IMPACT> The Town became the 'constructor' without the requisite knowledge.</p>	<p>Council indicated that it thought retaining a project manager would be "too expensive" and add to delays in oversight and decision making. Council was convinced that the Director and staff could oversee the project while still delivering regular recreational services. When the project started going sideways, the decision should have been reviewed. There was an attempt to move the Director, full time, to the project but the Director refused. The decision should have been to bring in a PROJECT MANAGEMENT PROFESSIONAL, not assign the Director full time. Director had a 2-year diploma in Sports Administration which is a program focused on programming, management and operations.</p> <p>There were suggestions made that the former Director was involved in the management/construction of the Strathcona Paper Centre in Napanee when employed there. However, there is no evidence that the Director has any formal project management, procurement, or construction training/certifications. It was clear, based upon the way the project delivery (time and delays, cost overruns, and limited formal written documentation) that this was not the most prudent decision. There was an over abundance of trust placed in the Director and belief that he had similar experience in other projects. The project in Napanee was reported to have been received with mixed reaction. Its cost \$9.8M in 2004 for a 93,315 sq ft building with two ice pads and retail space in a Town with a population of 16,000. The costs of staff serving as PM should have been included in the costing of the project to provide accurate comparison.</p>
<p>2.1.2 The Procurement Policy as well as the Code of Conduct should be updated and signed off annually. A fraud prevention/Whistleblower policy should be implemented.</p>	<p>2.1.2 The former Director, and others violated the Code of Conduct and failed to disclose outside businesses.</p> <p>IMPACT> The awarding of contracts to businesses whereby personal relationships existed</p>	<p>The former Director operated several businesses while employed by the Town and established personal relationships with a number of vendors which impacted both competition and pricing. The former Director actually employed the Town’s employees in his businesses. The ‘Town’ hired these companies as well.</p> <p>The Code of Conduct at the time for employees required disclosure, reporting and refraining from businesses that interfere or benefit the employee and certainly should not participate in any recommendation that would benefit them financially</p>

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Recommendation	Findings and Impact	Observations and Evidence
	likely resulted in higher costs and reduced competition.	or personally. The Code also refers to prohibitions against gifts, benefits and entertainment.
<p>2.1.3 The Town should hire a PMP for all major projects, similar to its Development and Works projects and ensure the project vision is solidified early in the exercise.</p>	<p>2.1.3 Professional opinions were ignored or not sought.</p> <p>IMPACT> Increased costs were evident - at least \$800k for winter heating. The reason the Town opted for a CCDC 5B contract was due to the fact that the drawings were not ready. The original project vision continued to evolve throughout the build.</p>	<p>Given that the former Director did not have the requisite knowledge of project management or financial specialties, at minimum, there should have been reliance on outside professionals to render credence to the approaches, financial strategies and contract methodologies. Over the course of the project, professional advice with respect to costs, contract type, procurement and project approach was either not sought, or ignored. A few examples would be the recommendation from vendors to 'wait until drawings are complete before proceeding' and 'delay construction until spring to avoid winter heat costs'.</p> <p>Root Cause 1.4 also shows that budgets were unrealistic and that the financial formulas were not challenged by Council, with one exception. Councillor Windle who following receipt of Director Hill's report on November 1, 2017, concerning the Expanded Ma-te-way Activity Centre is seeking the Treasurer's "<i>educated recommendation regarding the attached proposal.</i>"</p> <p>Response from Keray O'Reilly states "<i>I have reviewed the proposal in detail several times with Director Hill, Mayor Eady and others. I am not an expert, and therefore I offer no opinion, with respect to the Construction expenses. Director Hill obtained estimates from qualified engineers/architects.</i>" <i>I can state that - the Revenue estimates are accurate; the Debenture Rate is the current Infrastructure Ontario 30-year borrowing rate as of today's date- I have reviewed with Director Hill the methodology and calculations of the Annual Savings/Incremental Revenue figures. I offer no comment or recommendations with respect to the issue of the disposal of the current Recreation Centre and the timing to proceed with an expanded recreation facility at the Ma-te-way Park ~that is a decision for Council.</i>"</p> <p>Given that the Treasurer admitted not to be a costing expert and the ongoing situation whereby tenders were 'over budget', Council should have sought external updated costing information through a formal RFP.</p>

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Recommendation	Findings and Impact	Observations and Evidence
2.2 Management Model – Toxic Environment, Bullying ‘Delegated Authority’ - Staff Turnover Refused Peer Advice		
<p>2.2.1 The Town has moved to a CAO model. We recommend that Council adopt a more inquisitive approach to ensure that the appropriate level of information is provided for decision making and especially if requests are made to seek additional information before making any decision.</p>	<p>2.2.1 The Senior Management Model had failed at the time of the project but Council did not address the toxicity nor risks and impacts on the Ma-te-Way project. Council needed an independent advisor to oversee the project to ensure success. Favouritism or unequal treatment of Senior Managers was evident.</p> <p>IMPACT> The toxic environment made it very difficult for staff to challenge the project and provide proper oversight. There was no 'boss' to ensure that policies were followed and Council was kept informed/approved projects and expenditures.</p>	<p>The Senior Management Model was in decline and a toxic environment was becoming more evident everyday. There were instances where questions about the project were not welcome and no ability for peers to offer suggestions or provide advice. It is rather unfortunate that the Town did not recognize that it needed the Senior Team's skills and input to make the project successful.</p> <p>Director Asselin did identify issues, particularly at the outset of the project that were ignored (including by elected officials). In fact, the questions were viewed as being ‘interfering’ as opposed to helpful and protecting the Town. But the issues at the SMT started many years before. There is evidence whereby Director Bulmer, the Clerk, requested meeting minutes, staff reports, documents including contracts, and was told that they were not needed (e.g. N45 in November 2017).</p> <p>The CAO model was about to be rolled out at the time of the contract award which likely added to the problem. The project experienced turnover and retirements. It is also noted that the old structure created an undocumented and a false sense of delegated authority. We noted evidence of favouritism in both the level of expectations and actual performance of the Directors. One area in particular was the requirement for written reports (per the procedural by-law).</p> <p>Given the lack of a 'boss' prior to the arrival of the CAO, the Directors felt their hands were tied in trying to hold each other accountable.</p>
2.3 Limited/No Treasurer or Clerk oversight		
<p>2.3.1 It is recommended that all projects be supported by Finance/Treasurer and project files/resolutions be created in a formal document management system. If the incumbents do not have the requisite knowledge required, the</p>	<p>2.3.1 The Treasurer and Clerk did not perform sufficient oversight of the project but were also not consulted in their respective areas. Document management practices were flawed. This project was very difficult as the existence of a project file was negligent.</p>	<p>The procurement policy, while extremely poor, was not followed. The Treasurer was not involved in the project procurement process, evaluation or analysis. The financial analysis of the project was also not supported by the Treasurer (past and subsequent). It is not clear if that was a choice or simply that the Director did not solicit the information. However, it was incumbent on Council to ask the questions and refer to the Treasurer to validate the financial information provided. It is also very troubling that the Treasurer was not more involved in looking for funding opportunities and assisting with the application for grants. For instance, the Jumpstart grant was denied for a lack of innovation in its application for \$500K. It doesn't appear that Council was made aware of the reasons for the denial.</p>

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Recommendation	Findings and Impact	Observations and Evidence
<p>Town should seek outside professional advice before making key decisions. The Treasurer also has responsibility to seek grants and assist with submissions.</p>	<p>IMPACT> Costing and financial analysis were not undertaken nor requested during conception, procurement or project execution. To this date, there is no copy of the updated, signed contract with Buttcon or N45 among many other tender documents.</p>	<p>Similarly, the Clerk at the time, was not able to instil oversight, partly due to the organization structure and Committee approach but also due to lack of process.</p> <p>The requirement of the Procedural Bylaw for written minutes was also a challenge. There is evidence that PR minutes were held (<i>3 sets of PR Committee minutes</i>) and not delivered to the Clerk as required under the Procedural by-law. The attempts to monitor this by the Clerk was not well received.</p> <p>It is clear that the lack of professional financial advice both in terms of procurement, the financing options, operating costs and ongoing oversight of the project has led to a lack of accurate and timely financial information and increased costs.</p>
<p>2.4 Lack of Training/ Experience</p>		
<p>2.4.1 Future investment in staff training as it relates to project management and procurement would be a wise investment on behalf of the Town of Renfrew</p>	<p>2.4.1 No training plan in place for corporate responsibilities. The Town acted very insular with the exception of training for managing and installing ‘ice’.</p> <p>IMPACT> The lack of training coupled with the resistance to accept advice from professionals, oversight by the Treasurer, resulted in a significant failing with respect to project management. The PMP skill set would have been extremely beneficial to the Town in the execution of this project.</p>	<p>It is clear that there was an overall lack of training and experience in project and contract management for this project. In fact, there was a procurement training program, hosted by AMCTO, set up by the CAO of Whitewater Region (now the Town's CAO) in 2017. This session was focused on the changes to public procurement and requirements under International Trade Agreements. NOT a single individual from the Town of Renfrew attended that session. In fact, we have been unable to locate any evidence of Renfrew Staff undertaking such training at any time. It seems that the Town did not require this type of ongoing training. Very few staff have indicated that they were encouraged to take training or participate at municipal conferences.</p> <p>It also does not appear that the SMT encouraged leadership, financial and project management training. The knowledge of Municipal Act requirements was sub-standard and there was no understanding that policies and procedures were needed to ensure internal controls were in place, the procurement policy and procedural bylaw were outdated and no urgency to update them to the legislative requirements.</p>

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Recommendation	Findings and Impact	Observations and Evidence
E.3 EXTERNAL ENVIRONMENT		
3.1 Competing Interest Groups (Ice/Aquatics/Tennis/Local Business)		
<p>3.1.1 The Town should review the commitments made to the public and the stakeholders and develop a strategy to address the long-term vision for Recreation. HOWEVER, it is absolutely critical that an honest approach with real costs and impacts be developed for any future endeavors so that both the public and Council can make decisions based upon facts as opposed to 'feelings' and personal agendas.</p>	<p>3.1.1 There was no 'communication or community engagement' strategy nor anyone specifically responsible to capture commitments made by Council or Committees.</p> <p>IMPACT> The negative 'press' experienced as well as the vision issues can point to the lack of meaningful consultation and delivering on the promises made over the years. This points to a lack of accountability and transparency highlighted in 1.1. The negative reactions to the financial implications of this project will likely impact community discussions related to future recreational options.</p>	<p>For decades, the Town has been reviewing options with respect to the Ma-te-Way Activity Centre. To such extent, these are competing interests - Aquatic Committee, Second Ice Pad Committee, Tennis Club. In 2010, the Parks and Recreation Master Plan confirmed previous plans (1980, 1985, 1995,2004, 2005 etc.) provided recommendations to confirm Ma-te-Way as the location for a future pool and ice pad.</p> <p>There was a recommendation to update the Vision and develop an indoor pool and second ice surface as well as relocate the Recreation Centre. The tennis club has operated as a separate entity to some extent until recently and really only impacted by this project due to the design - and 'had to move'. It is clear that the competing interests created challenges for the Town and there was hesitation to address this with a long-term strategy. It would appear that the analysis of utilization of 'ice' and Renfrew as the birthplace of the NHA weighed heavy on the decision and likely there was some bias at the Town level towards ice related sports given the backgrounds, as well a large network of hockey interests. This was further influenced by the Junior A hockey team setting it sites on a new location.</p> <p>However, the open houses, while not well documented, appeared to have support of the aquatic community. The Town affirmed that, there would be a 'conceptual design' for a future Aquatic Centre - that has not happened and likely will not happen given the cost of the current expansion.</p> <p>This will not benefit the Town in promoting the new facility if it is not dealt with in an open honest way.</p> <p>Further, the lack of communication likely was due to the lack of desire to answer questions from those opposed to the second ice pad.</p> <p>We also note that the Second Ice Pad Committee 'threatened that it would withdraw their funding \$140K if the project did not move forward by September</p>

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Recommendation	Findings and Impact	Observations and Evidence
		<p>2022. It is hopeful that this did not influence the ‘pressure’ to move forward but it was noted.</p> <p>At no time, was there a VISION articulated for the Town to house such a large commercial building in lieu of other options.</p>
<p>3.1.2 The Town needs to evaluate its role in the community and address, going forward, its business development and retention strategy, recognizing that it must meet International Trade regulations and provisions.</p>	<p>3.1.2 There was no consideration given that the Council and Town are required to look after all the businesses and community, as opposed to individuals or specific groups/businesses. As well, local preference cannot be utilized in procurement, as much that may be a desire.</p> <p>IMPACT> The 'local' preference issue needs to be clarified and addressed in the procurement policy and practice. Buttcon had very limited responses to tenders and the Town also sole sourced in some cases which may have resulted in higher prices.</p>	<p>On the one hand, the Town has always indicated that it wants to support local business, yet clearly through this project it is now in competition with local businesses as it takes on a sizeable presence in the commercial property leasing space (landlord). Although throughout the previous Council term it was evident that there was a desire to support local procurement where possible.</p> <p>With the award to Buttcon the "sales pitch" articulated by those who interviewed the successful project bidder suggested that Buttcon would use local contractors/suppliers as much as possible and that seemed to resonate with Council. However, public procurement practices do not allow for local preference and requires open transparent bidding practices. The Town has ignored that requirement in many cases.</p>
<p>3.2 Small Town/Big Dreams</p>		
<p>3.2.1 A Ma-te-Way strategy is still needed to ensure that the facility becomes the hub that was planned. The strategy needs to look at the facility as part of a larger tourism/economic development strategy based upon extensive consultations with all key</p>	<p>3.2.1 Current estimates is that there will be a \$2M annual operating shortfall (Error! Reference source not found.) and therefore, fees need to be reviewed to align users with fees. Financial sustainability must be a focus for the future.</p>	<p>The Town of Renfrew has been working to improve its downtown while also encouraging greater tourism. Ma-te-Way is definitely part of the equation. BUT the vision of Ma-te-Way was not articulated nor approved and, while Ma-te-Way will serve as a hub in the community, it was much more than simply an Activity Centre. Sooner rather than later the vision for Ma-te-Way needs to be articulated to ensure it maintains the focus that the Town desires for it.</p> <p>It is unclear if the current direction is the vision that the Town wants or is just the dream of some select individuals. It will be a challenge for the Town to maximize utilization of the Centre given its resources. There is a lot of space that, the Town needs to ensure is appropriately utilized in order to recover its costs.</p>

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Recommendation	Findings and Impact	Observations and Evidence
<p>stakeholders. A future fee study should be undertaken to understand the true costs and look at a marketing strategy to maximize the use of the space. This should be accompanied with a long-term Financial Plan.</p>	<p>IMPACT> The project was a result of a few select individuals, some of whom no longer work or represent the Town. There is a significant investment in time, resources that will be needed to fill the space.</p>	<p>A fee study should be undertaken to illustrate the utilization, revenues and costs so that Council can make evidence-based decisions regarding fees and ‘subsidization’ as well as a strategy to becoming more financial sustainable.</p>
<p>3.3 Grants drove decisions</p>		
<p>3.3.1 In future, it is recommended that all costs and revenues be analyzed before moving forward on grant requests. Further, the priorities need to follow the Asset Management Plan, the key document and requirement under O.Reg 588/17, for decisions regarding capital investments. Setting priorities and planning for them provides greater certainty and clarity for the organization and your taxpayers. The Town needs to develop a reserve strategy as part of a Long-Term Financial Plan.</p>	<p>3.3.1 Town reserves were not sufficient nor additions were not supported in the past. No reserve policy in place.</p> <p>IMPACT> The prospect of a grant tends to impact decision makers and far too often changes municipal priorities without a clear understanding of the impact. The grant also accelerated the timeframe in which the Town expedited the project.</p>	<p>While Ma-te-Way was decades in the making, it was not until a grant was announced that pushed the Town to act quickly (too quickly). Partnerships were quickly initiated. Without the clarity of a vision for the expansion project the rationale to include 'non-eligible' grant recovery space is unclear.</p> <p>The challenge with grants is that eligible costs are capital only and clearly, will not cover all the costs, and certainly do not help with operating costs or the future replacement costs.</p> <p>In 10 years, the Town will have equipment replacement, the facility systems (HVAC/ROOF/BOILERS, etc...) will require replacement as well as potentially some of the structural components in 25-30 years. The need to establish replacement reserves and plans will need to happen sooner rather than later. We also noted that there was misinformation communicated with respect to the grant - that it had to be spent by 2023. The other issue is that the project was NOT shovel ready.</p> <p>Given the amount of time that this project was contemplated, it was very surprising and certainly not financially prudent, that there were no established reserves or strategy to finance this project. Even at \$100,000 per year, at 3%, the Town would have been able to build its reserves to \$4M in 25 years which would certainly lessen the current financial burden. This should have been part of the financial strategy as recommended from the Finance Committee.</p>
<p>3.4 Lack of Vendors Vendor Frustration (No Bid)</p>		

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Recommendation	Findings and Impact	Observations and Evidence
<p>3.4.1 Develop procurement plans as part of the PM plan and analyze the best option for contract type BEFORE engaging contractors. Ensure the process follows public procurement practices to get the most competition and best prices.</p>	<p>3.4.1 The lack of competition in procurement was a result of a lack of open, transparent proposals, utilization of bidding sites as well as procurement fatigue.</p> <p>IMPACT> Only 3 bids were received during the RFP process when Buttcon was awarded the contract for an \$18M+ contract?</p>	<p>Due to the lack of utilization of public procurement processes, then the multitude of RFT/RFPs (at least 8 instances) the Town experienced frustration and potential bidders withdrew from the project citing fatigue and uncertainty that the Town would ever proceed with the project. This factor likely impacted the Town's reputation among contractors.</p> <p>Some contractors spent a significant amount of time (money) providing responses, meetings with the Town over the last 10 years. Vendor fatigue with no hope of winning the contract is evident by the fact that the 2021 proposal, awarded to Buttcon, only had 3 bids for an \$18M+ contract (2 of which had not prequalified previously). It is also important to note that the Town had 'prequalified' five contractors out of eight in 2018, a process that gave the indication that those five contractors were the only ones able to bid. It is our opinion that, the whole process should have been cancelled and posted as a new RFP in 2019 on open bidding given the significant change to the type of contract as well as the dollar value as required by the International Trade Agreements.</p> <p>The lack of competition can also be attributed to a lack of utilization of bidding sites, a requirement of International Trade Agreements (ITAs), as well as the very short bidding period, for reasons that are very unclear. Given that the project had been contemplated for 10+years, there was no 'rush' to get tender responses.</p>
<p>3.5 Access to Trades Union vs Non-union</p>		
<p>3.5.1 In future, all tendering activities should be part of the contract with options for the Town to determine the best approach. If the Town enters into a CCDC 5B contract in the future, it should ensure that the methods of procurement expected are laid out with the requirement to follow the Town's procurement</p>	<p>3.5.1 Buttcon tendering is based upon union contracts and therefore, accessing non-union contractors fell to the Town. Tender postings were not shared and, in some cases, sole sourced based upon direction from the Town.</p> <p>IMPACT> This added complexity and the 'Constructor' issue to the project.</p>	<p>The 'benefit' of the CCDC 5B is that tendering is handled by the Construction Management Company, even though, as the owner is a public sector organization, the requirement to adhere to International Trade Agreements still apply. Buttcon was 'bound' to tender union-based companies so tenders were 'split'. On this basis, Town opted to procure certain contracts itself to allow non-union companies (mostly local) to work on the project. This not only created the Constructor role under the Health and Safety Act, meant that there was multiple 'relationships' on the project, causing confusion and oversight challenges. It is also important to note that the Director 'directed' certain sole source contracts, including one whereby his own company was sub-contracted. As a general rule, each of the ITAs prohibits government procurement through sole sourcing. This prohibition stems primarily from those issues discussed above, namely that sole-sourcing prevents competition and thus fails to consistently ensure the best value for money. Usually, the only</p>

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Recommendation	Findings and Impact	Observations and Evidence
<p>policy, in line with public procurement laws.</p>		<p>exception is if there is a protection of a trade secret, only one proposal or geographic restrictions. None of which applies to Renfrew.</p> <p>If the requirements are met, it is incumbent on the Town to issue an ‘Notice of Planned Procurement’ or “Advanced Contract Award Notice” which must “contain a clear statement of any criteria that could prevent the qualification of a potential supplier. The Town must be cognizant of the potential challenges when recommending a sole sourced contract.</p>
<p>3.6 COVID – Supply Chain/Inflation/Interest Rates and Zoom</p>		
<p>3.6.1 Supply chain delayed the project and resulted in soaring costs which negatively impacted the project. More detailed reporting would have allowed Council time to review these impacts and identify the concerns ahead of Zoom meetings.</p>	<p>3.6.1 COVID supply chain issues were not disclosed to Council in a timely manner, nor were they provided an opportunity to look at alternat</p> <p>IMPACT> Supply chain delayed the project and resulted in soaring prices. As soon as the tenders were received, these should have been brought to Council (early fall 2021) for review and assessment. More detailed reporting would have allowed Council time ahead of meetings to review impacts ahead of Zoom meetings.</p>	<p>Ma-te-Way project was awarded in the middle of COVID. This should have alerted staff and Council of the risks related supply chain, inflation, interest rates etc. Further, meeting over Zoom for a facility project is challenging and there appears to have been some reluctance by certain members of Council to ask questions during those live broadcasted sessions.</p> <p>If there were written staff reports provided ahead of Council, it would have been prepared to ask questions and make decisions regarding variances based upon options that should have been analyzed and presented for approval (e.g. Winter construction start).</p>
<p>3.7 Weather -Winter Start, Additional Delays</p>		
<p>3.7.1 Proper planning including Gantt charts with progress and predecessors should be developed for every project to reduce likelihood of these types of delays. Complete</p>	<p>3.7.1 The decision to construct and heat during winter should have been brought forward to Council for a decision.</p> <p>IMPACT> Winter heating requirements and other unplanned requirements added to</p>	<p>In the fall of 2021, the foundations for the building were being poured. The contractors ran into significant issues with respect to winter construction challenges and the requirement to heat the concrete to ensure it cured appropriately. Recommendations were made by construction professionals to delay the start to spring, however the advice was not taken seriously and Council was not made aware of that option in time to make a decision to delay. This was partly due to the fact that the drawings were late and incomplete as well as poor planning processes. However, regardless of the reason for the delays, the decision</p>

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Recommendation	Findings and Impact	Observations and Evidence
drawings should be approved before any procurement to mitigate the delays and cost overruns.	the cost and time to complete (at least \$800K). Drawings not complete had huge impact on the delay into winter.	to proceed should have been made by Council not Town staff. The project was already delayed and appeared early on that the timeline was not going to be met. As mentioned in this report, the false belief regarding the grant, likely had much to do with this 'push'.
E.4 MEASURES AND SYSTEMS		
4.1 Inadequate Financial and Project Reporting, Forecasting and Oversight		
<p>4.1.1 The Town needs to procure and implement a new modernized financial management software system that would enable it to address project management, financial tracking to accurately record invoices and supporting documents for accurate project payment certificates and provide the appropriate level of analysis.</p>	<p>4.1.1 The Town’s financial practices, records and systems are substandard. Neither the Town’s ‘project manager’ nor the Treasurer tracked this project nor analysis undertaken.</p> <p>IMPACT> Council was not kept abreast of the cost overruns or delays.</p>	<p>Prior to making the award, the Council relied upon financial forecasts and information assembled by the Director which was not based upon experience or professional advice. The current construction reconciliation of the Buttcon invoices is extremely difficult to follow and contained some inconsistencies. We have yet to receive answers to those issues which have been identified. The back-up supporting details have been difficult to trace to ensure no duplicates and to ensure that the work was performed or materials delivered. These were 'certified' by N45 however with "caveats". No Town analysis was undertaken to validate the invoices. It was not uncommon to receive invoices from sub contractors that were over 9 months old. It is impossible based upon the documentation to determine if the work was completed.</p> <p>The Financial assessment of this project has been fraught with innumerable challenges. The oversight and accountability from the very outset have been challenged by the lack of a professional project manager. The number of staffing changes (<i>Finance and Parks and Recreation</i>) and turnover has added to the issues respecting this matter. The reliance upon Buttcon to provide the necessary documentation has also impacted our ability to accurately respond to this issue. Ongoing efforts continue to be made between Buttcon, N45, Renfrew Finance Staff (current professional project manager - Colliers) and the 3rd party reviewer.</p>
<p>4.1.2 As part of future projects, the Town needs to put together project files and processes to analyze invoices, forecasts. The Town must implement purchase</p>	<p>4.1.2 Project was set up in the financial system as a General Ledger account but there were no controls in place to avoid miscoding of invoices. Further, no one was analyzing the Buttcon</p>	<p>Buttcon provided the Construction Management reports commencing December 2021. This was the first time that it was forecasted that the project would be \$800K over budget - but no analysis from the Town or reporting to Council. As well, the Gantt chart was not updated. The February 2022 report showing a \$1M deficit was forwarded to Council without a report but was discussed at Council.</p>

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Recommendation	Findings and Impact	Observations and Evidence
<p>orders/commitments with the implementation of its new financial system.</p>	<p>invoices to ensure that they were accurate.</p> <p>IMPACT> No independent forecasts were available for Council review.</p>	<p>The questions did not focus on what to do to manage the variances (the purpose of variance reporting). Nor did Council request the tender commitments, change orders or process regarding changes. These reports were not analyzed or presented again until August 2022. The Town is still waiting for the final report and errors were included in the tenant green sheets, that have yet to be rectified (<i>incorrect management fee</i>).</p> <p>The lack of forecasting and insisting Earned Value reporting did not allow for early resolution and discussion of options, such as waiting for spring. There also was no analysis of the tendering undertaken to see if Buttcon was expanding its searches.</p> <p>We also noted that the Town was undertaking its own procurement and no mechanism was in place to bring both reporting mechanisms together. The Town does not use commitments (purchase orders) in its current purchasing process. Further, there is no central repository of all tenders/RFPs, their status or performance evaluation. There was also no repository of all payment certificates, change orders at the Town – these should have been analyzed together with the additional Town costs.</p> <p>The Town did have read access to Buttcon’s Procure software but this does not provide for easy download to a project management file or an Excel file.</p>
<p>4.2 Not Using Full Cost, Operating Costs not known, No detailed tracking ineligible costs Agreements made before costs known</p>		
<p>4.2.1 In future, processes need to be put in place to assign costs to assets and projects to meet the requirements of O.Reg 588/17 and made decisions based upon full cost. The Treasurer should develop a Net Present Value approach (all current and future cash</p>	<p>4.2.1. Asset is undervalued by a minimum of \$740K.</p> <p>IMPACT> The assets will be undervalued from the Asset Management Plan perspective and will impact future replacement cost and OMPF funding. Further, when Council make decisions without full costs, these future costs will be borne by future generations.</p>	<p>The Town did not capture full costs of this project (or many others) such as equipment, payroll costs, lifecycle costs. PSAB requires that full costs be allocated to assets. As part of this project, all of the work done to date including studies, drawings, consultations should be allocated to the fixed asset. O.Reg 588/17 Asset Management Plan require that life cycle costs be captured.</p> <p>WSCS has made a conservative estimate of \$740K for the utilization of Town staff (Figure 6) but because the Town has not had a practice of capturing staff costs against assets, this is an estimate only. Due to its significance, the Town auditors have been alerted to determine the total value of the asset but also if a restatement of the work in progress amount is required.</p>

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Recommendation	Findings and Impact	Observations and Evidence
flows) to project evaluation.		
<p>4.2.2 Undertake a detailed fee study for rates (recreation as well as leases). Council should be made aware of subsidies and make fact-based decisions and a recreation subsidy policy.</p>	<p>4.2.2 Lease rates are undervalued as the decision was made before the project costs were known.</p> <p>IMPACT> Ultimately, the revenue generated will not cover the costs. These leasehold spaces will also be subject to municipal property taxes.</p>	<p>The tenant spaces are considered to be 'ineligible' under the ICIP grant but are needed in order to develop appropriate pricing for lease agreements. No process was set up as part of the contract to allocate costs by area, for capital or operating. Buttcon provided estimates or 'green sheets' for the leasehold improvements but it is important to note that some costs were not included as per direction by the Town. It is unclear the rationale for that decision. Further, operating costs associated with the expansion are not yet fully known. However, a proper study as part of the construction would have provided some estimates but lease agreements should not have been agreed to without full cost information. It appears that verbal agreements were made and draft leases but not finalized until late 2023/24. Council should make itself familiar with the potential of bonusing a commercial operation. It is important that the lease rates at the Ma-te-Way facility are consistent with market rates in the community to avoid any concerns or arguments that the Town is bonusing certain businesses.</p> <p>As can be seen by Figure 10:Ma-te-Way Lease Revenue and Leasehold Improvements, lease improvements were estimated to be \$6M exclusive of common areas. Lease revenues will be approximately \$300K with escalation clauses annually. Net of leasehold improvements, the revenues will be \$35K. When factor in these elements, the total revenues will be \$28K, exclusive of debt financing. Most of the leases are based upon 10-year terms (with the exception of BAFN – 25 years, and the Youth Center – 3 years) so the rates are based upon the current negotiated rates with inflation applied each year. It will be important that the Town track costs by area – based upon square footage and any direct costs to each area.</p> <p>This is also important for each area of the complex (e.g. Arena, gym, fitness centre etc.) so that attributable costs can be utilized to undertake a fee study.</p>

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Recommendation	Findings and Impact	Observations and Evidence
E.5 MATERIALS AND POLICIES		
5.1 Violation of Trade Agreements/Purchasing Policy, Code of Conduct and Public Procurement Practices		
<p>5.1.1 Procurement and contract manual should be developed including mandatory scoring with established criteria, timing and contract performance evaluation</p>	<p>5.1.1 Public Procurement laws were violated in the project among others.</p> <p>IMPACT> A lack of open procurement leads to reduced competition and higher prices.</p>	<p>There were 8+ Tenders/RFP processes for the Ma-te-Way Activity Expansion plus a variety of tender processes for services and equipment over the past 10 years in the Parks and Recreation Department. In all cases, the processes did not follow public procurement processes with open advertising, proper specifications, bidding, evaluations and timelines. Quotes were sometimes requested of vendors over text messages, emails and release of improper information to vendors. Contacts between vendors and the Town were not properly documented. In most cases, the procurement policy was not adhered to, single point of contact and no panel to receive, review or evaluate tender results.</p> <p>Requirements for effective evaluation was also not undertaken and were not arms length. RFPs were issued, questions received, responded, received, opened, ‘evaluated’, and awarded by the same person.</p> <p>It is important to note that the process of evaluation of the tenders and proposals for this project were erroneous or not done at all. The focus was on the financial results which is a concept for a tender. Tenders are only effective if there are detailed specifications and all are bidding on the same basis. In the case of the RFP for Construction Management Services as well as the earlier ‘tenders’, were not evaluated based upon set criteria nor were they presented. We also noted that the Director created the RFP and unilaterally allowed addendums to extend the experience criteria to 10 years from 5 years. When this occurred, as well as requirements regarding Certificate of Recognition for Health and Safety purposes, the evaluation was no longer comparable. It was clear that the proposals were not comparable on a number of fronts (financial, experience in the municipal arena business and understanding of the requirements). This failing was in part due to the quick turnaround (less than 10 calendar days) but also poor document preparation, lack of understanding of the CCDC 5B contract and procurement. The financial analysis should have been undertaken by a professional accountant at minimum with all the risks outlined in all three proposals.</p>

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Recommendation	Findings and Impact	Observations and Evidence
		<p>In short, all of the procurements undertaken with respect to this project were flawed, up to including, tenders issued during construction. The result is that the Town did not get the best value for money.</p>
<p>5.1.2 Procurement plans should determine the best method to ensure competition. The tender should have been reissued as an RFP as soon as the change in contract was decided.</p>	<p>5.1.2 It was inappropriate to change the contract type to a CCDC 5B without issuing a new RFP. Further, as the drawings changed, the opportunity should have been advertised as a new tender/RFP. The procurement bylaw was violated.</p> <p>IMPACT> Less competition, higher costs.</p>	<p>In the case of the Ma-te-Way Expansion specifically, it started with a Prequalification process (April 2018) that was based upon a General Contractor provision. This was not advertised on a public bidding site, simply sent to selected contractors by the Director, not copied to the Treasurer. The addenda and 'opening' was performed by the Director.</p> <p>It is important to note that the time to respond was only 15 days. Five of eight proponents (Hein, Laurin, MBC, Frecon, Sullivan) were prequalified. The Prequalification evaluation matrix or scores could not be located and the scoring was not shared with Council.</p> <p>The proponents were then required to submit their response to a Tender by May 28, 2018 for a 49,500 sq ft arena and recreation centre with future pool (Hein, Laurin, MBC, Frecon). This was followed by negotiations with Laurin Construction. That process was subsequently cancelled, and this tender was utilized again in 2019 (Hein, Frecon, Laurin, MBC, M. Sullivan, 2020 (Hein, Sullivan) and 2021 (Hein and Sullivan) were solicited to provide updated costs but also a change in contract to a Construction Management Contract (approved by email) all of which were cancelled.</p> <p>These first four tender proposals were responded to by different vendors at different times and based upon different terms and contract type.</p> <p>Clearly, the lack of public procurement processes as well as so many iterations, clearly impacted competition and contributed to bidding fatigue. It is a costly exercise to provide competitive bids on projects. When you go to the well so many times eventually bidders lose hope of getting a contract and will drop out. The mechanism used was also not appropriate: change to a construction management contract without changing the prequalification.</p>

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Recommendation	Findings and Impact	Observations and Evidence
<p>5.1.3 Contract review should occur BEFORE award and not executed until final legal review. Scoring and evaluations should be made public and references contacted to ensure the proponent has completed projects of comparable scope in a successful manner.</p>	<p>5.1.3 The proposals were not comparable, evaluation was flawed.</p> <p>IMPACT> The quick turnaround of this process did not allow for adequate analysis of the results or the consideration of the implications of the contract.</p>	<p>On May 26, 2021, the ‘tender’ for Construction Management was cancelled. This was a copy and replace from Parkland County in Alberta. It is important to note the turnaround of the development of the RFP (received converted document on June 7, 2021 and issued by Director Hill to eight proponents via email on June 8, 2021 at 12:23 pm (closing June 18, 2021) It was not reviewed by additional staff, Treasurer, Council. The RFP contained a variety of errors and omissions, including a reference to the requirement that the project team have ‘experience with working within greater Edmonton’. These errors were revealed by the bidders.</p> <p>Three bids were received MBC (the only prequalified contractor), Ball and Buttcon. The Director replied to questions, issued Addenda (address errors and reduce the experience requirement, a request by Buttcon). On June 18, 2021, Director received the proposals. Questions were posed by the Director after the proposals were received. Further, it is important to note that, because there was no standard financial template, that the submissions significantly differed in content and coverages. It is not clear if all interviewees were provided copies of the proposals, however, Mayor Sidney indicated that he did not see the proposal.</p> <p>Therefore, it was not possible to adequately evaluate based upon comparable information. No project references were contacted from what we could find.</p> <p>In terms of experience, the request by Buttcon for changes to experience was due to the fact that their Maple Leaf Garden project was not within the five-year period.</p> <p>On June 29, 2021, MBC and Buttcon were interviewed by Director Hill, Jordan Wall, Joanne Caldwell, Councillor Sidney as well Gerry Mallette of N45. According to evidence gathered, no evaluation criteria was provided to the interviewees nor specific interview questions. At this interview, the key questions surrounded whether or not the proponents could deliver on time and on budget. According to evidence, Buttcon confirmed it could do the project for the quoted estimate of \$18.9M by Fall 2022.</p>

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Recommendation	Findings and Impact	Observations and Evidence
		<p>Council meeting awarded this contract on this evening. CCDC 5B Contract was signed on July 5, 2021 and executed by the Clerk and Mayor. At that meeting, Councillor Heins requested the scoring and asked if that could be made available. Despite assurances that additional information per Council’s request could be made available, this was never provided and no follow up by Council or the Clerk occurred. The contract itself was not analyzed by the Treasurer or Director Asselin. Therefore, many provisions were not challenged. Legal opinion was received December 21, 2021 but the final amended contract was not located.</p>
<p>5.2 Sole Sourcing – Direct by Town</p>		
<p>5.2.1 Sole sourcing should be justified and ensure that the award is arms length. This process should be more rigorous to ensure that there is both transparency and accountability built into the process.</p>	<p>5.2.1 Sole sourced contracts were awarded in many instances. In some cases, requests for quotes were sent out to several businesses but without proper specifications.</p> <p>IMPACT> Sole sourced contracts result in less competition. There are some situations that make sense (very specialized) but should be declared and documented.</p>	<p>There is ample evidence that suggests that the Parks and Recreation Department had engaged in sole/direct source contracts both in this project as well as a number of others. These procurements were also above the threshold in the procurement policy which would have mandate some additional oversight. This includes some non arms length vendors. There were situations noted where the recommendation went to Council without a formal report.</p> <p>Of particular note what the suggestion by M. Sullivans and Sons to move to a Construction Management Contract CCDC 5B and ‘sole source’ in August 2019. While it did not happen, the idea of sole sourcing was contemplated by Director Hill in an email to Sullivans, if the amount of the contract was reduced to \$11M. Director Hill continued to engage Sullivan, and Brent Gould, their estimator, in particular to assist with the pricing for the BAFN space, and an offer to pay for the service but the decline for payments. On October 23, 2019, Brent Gould provided an estimate of \$4.05M or \$327.25/sq ft. It is interesting that the costing for this piece was not updated for the rest of the building prior to the finalization of the grant.</p> <p>It is important to note that Mr. Gould became the estimator at Buttcon in December 2020 and remained there until 2022. Consequently, Mr. Gould was a contributor to Button’s Construction Management Services proposal response to RFP submitted on June 18, 2021 and present as a representative at the interview with the Town on June 29, 2021. Buttcon was ultimately awarded the contract in June 2021. Mr. Gould has subsequently returned to M. Sullivan and Sons in May</p>

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Recommendation	Findings and Impact	Observations and Evidence
		2022 and is also the current General Manager of the Renfrew Wolves Junior A team after Mr. Leonard departed. ¹⁵
5.3 "Donations" Conflict of Interest		
5.3.1 Implement/update the policy with respect to evaluation of tenders.	<p>5.3.1 Some of the tenders received during this project indicate incentives were offered which raise some questions.</p> <p>IMPACT> Awarding contracts on the basis of incentive as opposed to merit.</p>	As well as sole sourcing, there was evidence of some non arms length activities as well as incentives, some of which were not disclosed to Council. These can and should result in disqualification.
5.4 Practice of purchasing For Owned Companies/self (Materials delivered to offsite)		
5.4.1 Eliminate practice of allowing non arms length transactions with employees. Enforce strict Code of Conduct.	<p>5.4.1 Code of Conduct was violated by staff on more than one occasion.</p> <p>IMPACT> Non arms length transactions, sole sourced likely higher costs.</p>	The prior Director operates businesses that also provide services to the Town either directly or through Buttcon. Staff also indicated that they have worked for these businesses but did not declare as required under the Code of Conduct.
5.5 Poor Document Management/ Contracts Unexecuted		
5.5.1 Develop a document management strategy and implement a paperless document management system to ensure all resolutions, reports and contracts are accessible with version control.	5.5.1. IMPACT> Unable to enforce decisions or agreements, Freedom of Information Act and Municipal Act violations.	This review illustrated the poor document management practices - very difficult to locate project files. Many verbal reports and agreements with lessees, sponsors, hand written notes, limited analysis, and lost contracts
5.6 Poor Internal Controls/ Lack of Financial Policies		

¹⁵ <https://www.renfrewtoday.ca/2024/04/29/renfrew-wolves-general-managercoach-relieved-of-duties/>

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Recommendation	Findings and Impact	Observations and Evidence
<p>5.6.1 Implement a full set of financial policies and new internal control framework in conjunction with new financial system (paperless). Recommended in the Financial Services Review.</p>	<p>5.6.1 Financial approvals were left unchecked or monitored. Financial policies were very weak</p> <p>IMPACT> Inappropriate approvals and poor financial analysis. Poor reporting lack of reconciliation resulted in cost overruns and ability for staff to approve their 'own' expenses.</p>	<p>All of the findings point to poor internal controls over approvals. This stems from poor policies, lack of training in financial management practices and understanding of the impact. The practice of simply signing the cheque register is not enough. Governance-related practices demand a higher level of scrutiny by Town Officials. No questions by approving authorities when signing cheques.</p>
<p>E.6 METHODS AND PROCESSES</p>		
<p>6.1 Lack of Segregation of Duties, Undocumented procurement, Inconsistent RFP Evaluations</p>		
<p>6.1.1 Implement an internal control framework including independent review of financial transactions.</p>	<p>6.1.1 Incompatible duties were observed in a variety of areas including approvals of drawings, contracts, invoices, RFP processes, cheque issuance.</p> <p>IMPACT> Losses and increased costs. Approvals well above the delegated authorities. Opportunity for asset losses. No warranties on self built assets and possibility of injury/health and safety issues.</p>	<p>Lack of Segregation of duties was evident - Directors could purchase, award and pay for goods and services including 'vouchers'.</p> <p>The most significant incompatible duties were witnessed by the fact that the PR Director made decision to proceed with a Recreation Centre and Second Ice Pad and no further scrutiny occurred with respect to leases, sponsorships, change of contract type, issuance of tenders, approvals of drawings, invoices, even though the project was significantly over budget. No processes in place to validate invoices against inventory. In many cases, there was no adequate back up for expenses. There is no application of the 'four eyes' principle. There were instances whereby the department would purchase and build assets. It was a total failure of delegated authority framework and breach of good governance principles.</p>
<p>6.1.2 Implement independent processes to review procurement. All tenders and RFPS should include a detailed log of activities, receipt of questions, proposals, and evaluation. This evaluation should be done</p>	<p>6.1.2 Many procurement processes undertaken in the Parks and Recreation Department were not adequately documented, had no evaluation processes or formal analysis to compare value of potential purchases</p>	<p>The procurement processes that were undertaken did not follow the procurement bylaw (as poor as it was), the basics did not occur. The Town needs to centralize procurement to ensure that there are detailed procedures in place to ensure arms length transactions and adherence to procurement policies and laws.</p>

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Recommendation	Findings and Impact	Observations and Evidence
<p>independently by each member of the panel. References should be contacted through independent sources.</p>	<p>IMPACT> It would appear that the evaluation of the vendors was not based upon best value.</p>	
<p>6.2 Billing and Progress processes lack of oversight on construction, Structure or assurance, forecasts, No commitments in Systems</p>		
<p>6.2.1 The Town needs to develop a process to evaluate billing and commitments including the assignment a full time PM in all future projects and its own system for evaluation of invoices, labour and materials.</p>	<p>6.2.1 Buttcon invoices were a culmination of subcontract invoices but no mechanism to evaluate duplicates, work performed.</p> <p>IMPACT> Without good Town oversight - onsite every day, one would not be able to adequately ensure that there were not double payments, undelivered materials or labour hours.</p>	<p>Buttcon billing and progress reporting was very substandard. While it provided the 'work' completed and any deficiencies, it did not provide sufficient analysis of the impact on the project.</p> <p>In many cases, recommendations did not include the delays or cost impacts. The Town over-relied on N45 for approvals, who admittedly stated that they did not certify accuracy. The invoices provided were too difficult to perform reconciliations to ensure that materials and labour were actually performed on the job. No full time PM from the Town meant that there was no proper oversight. On several occasions throughout the project, there were delays due to 'waiting' for approvals from N45 or the Town, as well as 'waiting' for updated drawings. There is no doubt that delays in the project stemmed from a lack of a dedicated, trained Project Management professional as well as delays in drawings. At one point, Buttcon indicated these delays amounted to 120 days.</p>

F. THE FINANCIAL REALITY OF THE MA-TE-WAY EXPANSION

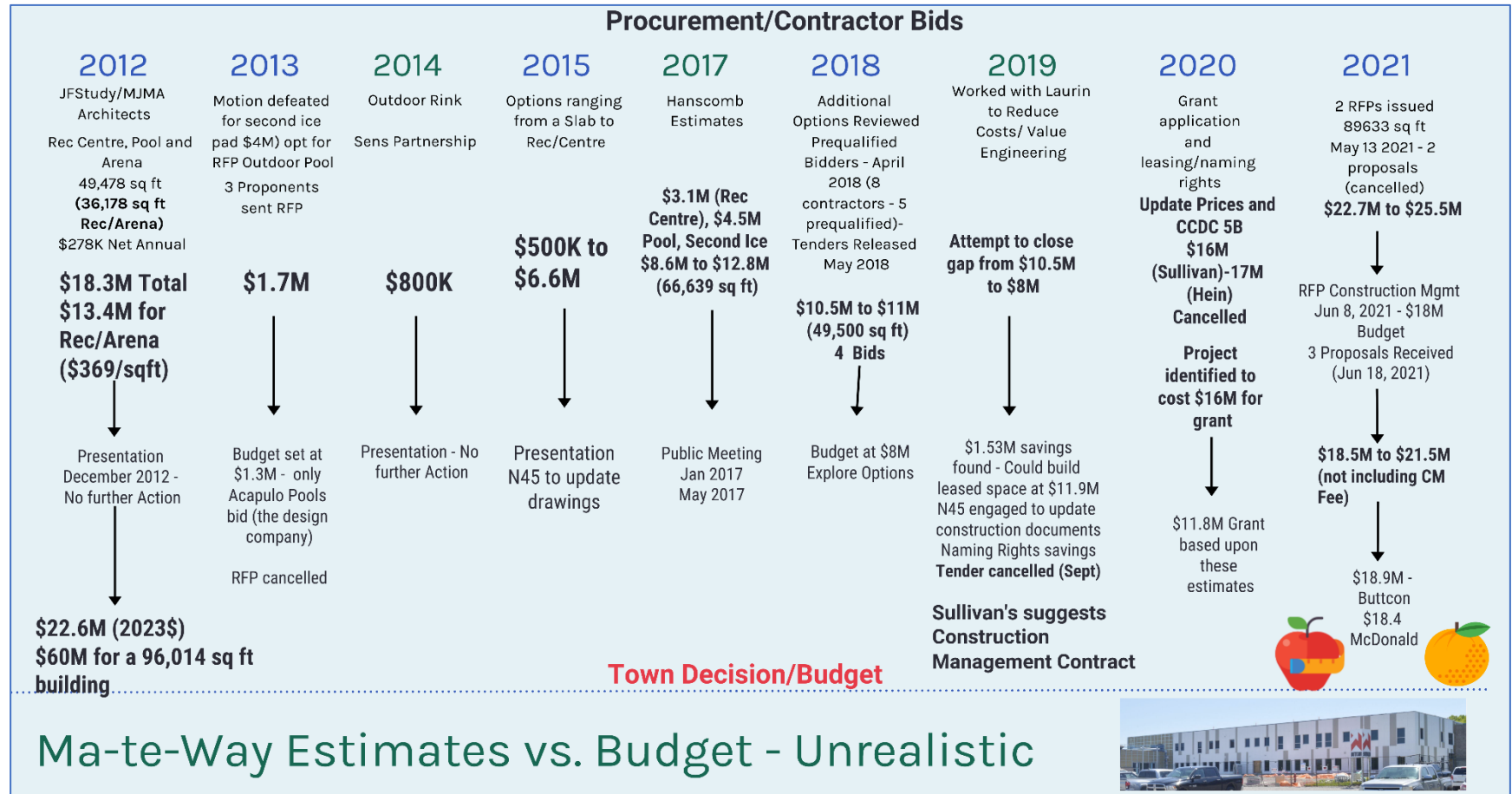


Figure 3: Ma-te-Way Procurement

Town set Unrealistic Budget and Revenue Estimates from the outset and continued throughout the project

From the conception to the signing of the contract for construction, the Town set budgets unrealistically low, ignoring professional estimates, and tender results.

Town of Renfrew – Ma-te-Way Activity Centre Expansion Project – Third-Party Review

**2012 Original estimate \$13.4M
for recreation centre plus second
ice pad for 49,578 square foot**

**Unrealistic budget set at \$8M
based upon 'updated' costs**

In 2012, the JF Group estimated that the proposed 49,578 square foot facility would cost \$18.3M with an annual deficit of \$747K (\$13M excluding the aquatic facility for the recreation centres and second ice pad). These estimates appear to be realistic based upon the construction of other facilities at the time. The Town decided not to proceed at the time. Over the next 5 years, various options were explored including an outdoor pool, outdoor rink, again cancelled when the tenders received bids higher than the Town's 'budget'.

In late 2016, the focus returned to the expansion of Ma-te-Way with a recreation centre and second ice pad, with continued 'promise' to include an aquatic facility in the future. Public meetings were held in 2017, to which the desire for an aquatic facility was strong. However, the focus continued on the second ice pad. 'New' estimates were provided by Hanscomb, through a sole sourced contract, in 2017 that indicated the costs would be \$8.6M to 12.8M with a pool. No challenge was made by staff or Council on these numbers even though they were significantly lower than that provided for a smaller facility in 2012. This budget was used for the next to years as the estimate even though tender results received in 2018 and 2019 ranged from \$10.5M to \$13.3M. The Town undertook negotiations and attempted to 'value-engineer' the project to get closer to \$8M. Instead of scaling back the project, the Town started to explore leased space, expand the project, and the contractor, Laurin Construction, provided estimates at \$11.9M, not close to the budget. In 2019, M. Sullivan's and Sons, the other contractor to respond to the tender, suggested that the Town consider a Construction Management Contract (CCBC 5B) as opposed to a Stipulated Price Contract. While the contract type had significantly changed, it was not fully discussed nor approved by Council. It has become evident that there was limited knowledge of the risk and impacts of this contract. Information on this contract was forwarded by email from the Director to the Committee but not formally presented to Committee or Council in writing or through a staff report.

At this time, there were several municipal arenas that were estimated to cost \$15-69M¹⁶ so it is unclear how these estimates were arrived at and not challenged by the Town.¹⁷ In fact, the

¹⁶ [North bay \\$69M arena 2021](#)

¹⁷ [Town of Kirkland Lake, Timmins, Complex costs.](#)

Town of Renfrew – Ma-te-Way Activity Centre Expansion Project – Third-Party Review

2019 Grant announcement led to increased scope – costing submitted unrealistic

Budget updated to \$18M but still unrealistic as supply chain issues arose – Tenders not posted or updated

Costing analysis flawed – “Zero tax increase or maybe a surplus with the debenture proceeds”

Grant was executed in August 2021

Strathcona Paper Center, in the Town of Greater Napanee, opened in 2004, almost 12 years earlier, very similar to the Ma-te-way Expansion, 93,315 square feet, final cost was \$9.8M¹⁸. Given that Director Hill claimed to have significant experience in facility construction, as the former Director at the Town of Greater Napanee and involved in the Strathcona project, it would seem that the estimates should have been questioned.

In late 2019, a major turning point in the project occurred: The opportunity to get a grant through the Investing in Canada Infrastructure Program (ICIP): Community, Culture and Recreation Stream was announced. This grant was a cost-share arrangement between the Federal, Provincial and Municipal governments. There were also opportunities for Indigenous recipients, which prompted the Town to seek the formalize partnership with the Bonnechere Algonquin First Nation (BAFN). The Town worked on the application and engaged other partners. The Ma-te-way Expansion project was submitted based upon updated estimates provided by a variety of sources including the BAFN portion by M.Sullivan and Sons, to be \$16.1M. The project was approved for the grant in April 2021 for a total of \$11.8M (\$6,440,586 Federal, \$5,366,619 Provincial). The remaining portion to be borne by the Town. It is important to note that the leased space was considered ‘ineligible’ costs.

In the news release on April 20, 2021, it was stated that ***“The 76,500 square foot expansion project will see the current community arena and hall enhanced to include an Indigenous Cultural Centre, an NH- sized ice surface, six dressing rooms, an elevated walking track, fitness centre, regulation sized gymnasium, multi-purpose rooms, administrative offices and lease space...In September 2019 pre-qualified general contractors submitted proposals and a grant application was submitted in November 2019. The contract for the work will be awarded in May with construction slated to begin this May or June with the facility expected to open in the summer of 2022.”*** There is continual reassurance that the project will not result in a tax increase

The grant agreement was executed by the Mayor and Clerk on August 17, 2021 with specific requirements in terms of public procurement and project management oversight. It is important to note that the ICIP grant allowed for expenditures until March 31, 2028, the Town chose to limit this

¹⁸ <https://www.hockeycanada.ca/en-ca/news/2008-nwu18-001-en>

Town of Renfrew – Ma-te-Way Activity Centre Expansion Project – Third-Party Review

Inaccurate communication that the grant funds had to be spent by 2023 – The program allows expenditures up to March 31, 2028

to the end of March 2023. This created an unnecessary sense of urgency and likely did not allow the Town to do its due diligence with respect to risk assessments and costing analysis. The PR Committee Minutes of the meeting held on June 15, 2021 illustrate this erroneous belief that there was pressure to spend the funds as follow *“Members of the Committee were concerned with timelines for the grant. Director Hill informed the Committee that spending was approved over two years (70% in 2021/2022 and 30% in 2022/2023).”* While this was what was submitted, the Town could have and should have spread it over a longer, more reasonable period given that the drawings were not complete. This illustrates the lack of knowledge of the grant process as well as the ‘desire’ or ‘pressure’ to complete the project. This pressure was self-imposed by the Town and not by the grant as the agreement clearly indicated that the project had to be completely by March 31, 2028.

In April 2021, the Town requested updates to the ‘quotes/tenders’ of M.Sullivan and Sons, and R.E. Hein for Construction Management Services (note that no tender was issued for this type of contract to this point). The tender results were submitted following a granted extension on May 13, 2021 and prices were based upon a CCDC-5B contract. Budget was not disclosed during this round of procurement, but cost estimates ranged from \$22.7M (*Sullivan including the Construction Management fees of 3.75% to \$25.7M. Hein including the Construction Management fees – not based upon a rate - \$1.1M flat fee*). It is critical to note that there were no templates from which to analyze comparable costs or inclusions (*e.g. bonding, insurance*). It was also important to note that both proposals indicated that the pricing would be updated when the drawings were final. Hein provided the offer to move to a Stipulated Price Contract after pre-construction and value engineering sharing with the Town (60-40) whereby any savings would be split. At this point, there was interest expressed by three other potential proponents but the proposal had not been advertised on public procurement sites. Drawings were forwarded to Buttcon during this process even though they were not invited to bid.

On May 26, 2021, the ‘Request for Proposal’ was cancelled in a letter from Director Hill to the two proponents which stated ***“Unfortunately, it is clear to the Town that the funding formula based on your updated budget dated May 13, 2021 is not viable. The Town will be releasing updated drawings in the coming weeks in hopes of proceeding with the Ma-te-Way Expansion project this year. Accordingly, I fully anticipate that I will be inviting all pre-qualified contractors and other interested qualified contractors to submit a request for proposal in the near future.”***

Town of Renfrew – Ma-te-Way Activity Centre Expansion Project – Third-Party Review

All 3 proposals received on June 18, 2021 were over the budget set out in the RFP at \$18M – this was not reported to Council

RFP Evaluation criteria was not appropriately applied

On June 8, 2021, the Town released a Request for Proposal for Construction Management Services (for the first time) for an 89,633 square foot facility to eight proponents via email invitation with a closing date of June 18, 2021 (8 business days). Three proposals were received:

1. Buttcon \$18.3M+3.9% CM Fee (*insurance not included*)
2. McDonald Brothers - \$17.6M + 4.4% CM Fee including \$221K insurance
3. Ball Construction - \$21.5M + 3.75% CM Fee (*including insurance \$250K as well as design/construction drawings and offer to move to Stipulated Price Contract*).

It is important to note that the proposals are not comparable in terms of approach and/or financial information provided. The evaluation criteria required that the proponents provide the following in terms of experience:

“Demonstrate corporate experience and suitability for providing the services related to this RFP; Provide similar corporate project experience with examples for the deliverables as described in the RFP and References, from municipal government clients, for services provided similar to those requested in this RFP in the last five (5) years”.

While the number of years was changed in the span to 10 years via addendum, the requirement that the references be municipal governments was not changed. Further, the services provided ‘similar’ would suggest that it would be required to include an arena (very specialized) as well as a Construction Manager under a CCDC 5B contract.

According to the Buttcon proposal, it had not had recent experience in the building of arenas nor in the municipal sector with the exception of a joint project between the school board and City of Toronto for a Community Centre, child care facility and two schools (2020). The other references were for a track facility for the York University High Performance Centre (2016) and finally the Athletic Centre for Centennial College for a gym (2011). None of these references included an arena. This would be the reason that they requested that the criteria be expanded to 10 years. Based

CCDC 5B – Construction Management Services Contract awarded to Buttcon East Limited on June 29, 2021

CCDC 5B Contract executed without legal review

No evidence that Council approved the \$18.9M budget or the increases as the project progressed

upon the criteria set out in the RFP, it would appear that Buttcon did not demonstrate that it met the minimum requirements as the references are not municipal

As well, there were some differences in terms of hourly rates of staff that was not included in the evaluation. Buttcon and McDonald Brothers were interviewed on June 29, 2021, however, no specific questions were provided to the interview panel. Further, the scoring matrix that was located was on paper with one set of scores that appear to have been completed by the Director but not shared with the interviewees or Council. Best practice would have been to have an established RFP Evaluation Committee, including a finance professional, whereby all participants would evaluate the proposals independently, then a consolidation and averaging of scores based upon objective criteria.

At the Council meeting held on June 29, 2021, Director Hill recommended Buttcon based upon several factors (see Appendix A on this date for details). One of the factors was experience with Maple Leaf Gardens (completed in 2012) but it is not clear that Buttcon East Limited was involved in that project nor was it listed as a reference for a completed project, and therefore, should not have been part of the evaluation. Another factor was the commitment to utilize local businesses and of course, the estimator, Brent Gould, was well known to hockey in Renfrew. It is critical to note that the International Trade Agreements (ITAs) do not allow for local preference in public procurement and therefore, that should not have been a rated factor in the evaluation. There was no evidence that references were contacted to validate experience or performance.

Following this presentation, Buttcon East Limited was awarded the contract with the CCDC-5B contract signed on July 5, 2021. The contract was not reviewed by Town’s legal before the execution. In fact, it was sent to the lawyers the following day indicating it was ‘draft’ but that was not the case. It was not until December 22, 2021 that the Town lawyers returned their changes and Buttcon sent it back on January 18, 2022. However, the Town is unable to locate the executed copy.

At that meeting of Council, comments included the Director of Parks and Recreation and facilities which says “residents will not need to worry about seeing an impact on their taxes. **“There will actually be a surplus as identified on an annual basis,” he said. “Depending on whether we explore a 20-year or 25-year debenture, this will determine the amount of surplus remaining at the end of the annual contribution that will have to be made.”**

Town of Renfrew – Ma-te-Way Activity Centre Expansion Project – Third-Party Review

Town costs incurred for Ma-te-Way Expansion up until contract award to Buttcon estimated to be over \$687K

Given that the project took several years (well over a decade), the Town incurred significant costs from conception to contract award. Costs included a number of consultants, architects, legal fees as well as multiple iterations of procurement processes, all of which required significant time on the part of staff, Council, legal advisors among others. This time, unfortunately, was not captured but, the Public Sector Accounting Board Standards for Tangible Capital Assets, PS 3150, requires costs to be capitalized against the asset. WSCS has attempted to gather the direct costs from the Town’s financial records, but, unfortunately, the financial practices of the Town made it difficult as expenses were charged to a variety of general ledger accounts and ‘miscellaneous vendors’. Further, the Town has not had a practice of charging staff or equipment time to projects in the past. This results in an undervaluation of all assets and will impact the Town’s asset management plan and replacement costs.

Based upon the information that WSCS was able to locate, the ‘conservative’ estimate of these costs is \$687K of which \$271K is attributable to staff time from the period 2012 to contract award in June 2021 as follows:

Vendor/item	2012	2013	2015	2016	2017	2018	2019	2020	2021	Grand Total
1060-Wentworth Landscapes			\$13,250.00							\$13,250.00
1070-N45 Architecture Inc.			\$8,559.95		\$5,639.84	\$297,463.62				\$311,663.41
1086-Cunningham Swan LLP									\$559.68	\$559.68
424-MISCELLANEOUS	\$305.14			\$45,034.30	\$5,995.50		\$3,614.26	\$95.94	\$7,513.98	\$62,559.12
825-The JF Group	\$18,498.20									\$18,498.20
MJMA Architects	\$3,000.00	\$6,500.03								\$9,500.03
PAYROLL			\$2,682.38	\$2,252.58	\$65,413.34	\$65,849.76	\$67,423.75	\$67,692.05		\$271,313.87
Grand Total	\$21,803.34	\$6,500.03	\$24,492.33	\$47,286.88	\$77,048.68	\$363,313.38	\$71,038.01	\$67,787.99	\$8,073.66	\$687,344.31

Estimated capital costs expected to be 100% over budget at \$38.5M + \$15M interest costs over 30 years = \$53M total – the JF Study was the most realistic estimate.

The original 2021 ‘budget’ was ‘set’ at \$18M based upon an 89,633 square foot building. The final square footage based upon the drawings is 96,014, almost double the original 49,578 building designed by MJMA in 2012 that included an aquatic facility. The final estimated costs are \$37M which will require the issuance of a debenture of \$17M, \$16.5M more than was estimated when the project was approved. As presented by JF Group in 2012, the estimate costs for the 36,178 square foot recreation facility and second ice pad were \$13.4M (or \$369/square foot). Using the Hanscomb Escalation Calculator, which calculates the changes in labour and material cost for non-residential construction based on the Ottawa census data surveyed by Statistics Canada, indicates that in 2023

Council and the public were misled by the low estimates in an environment of rising construction costs coupled with the “cost plus” CCDC-5B contract

Cost overages were experienced within months of executing contract and not actioned nor reported.

Delays due to the incomplete drawings let to construction during winter months significantly added to the costs for heat – Council was not informed or requested for guidance.

dollars, that the same project would cost \$22.6M in 2023. While the costs of Ma-te-Way will be approximately \$400 per square foot based upon current financial information, will be double of that anticipated by the budget of \$18M which equated to \$200/square foot.

In our opinion, the low budget number misled the public and Council given the escalating costs that were being experience across the sector and reported by many other municipalities embarking on arena projects around the country. Further, the misrepresentation of debentures as ‘revenues’ and that the project would ‘make a surplus’ on this basis was inappropriate and poor financial advice, left unchallenged.

At the outset of the project, it became evident that the \$18M budget was unrealistic. In fact, the proposals were all over this amount, including Buttcon, but this was not disclosed nor properly calculated. The original budget identified by Buttcon in its report for the period ending December 31, 2021 was \$18,965,724 and this did not include Town planned procurement. Within four months of commencement of the project, Buttcon was forecasting a \$800K deficit. The first report was delivered in early 2022. Further, the requirement to move the Tennis Courts as a result of the new facility was not contemplated in the budget, amounting to \$592K, the construction of which was undertaken by the Town. Other costs were removed from the Buttcon contract and procurement undertaken by the Town, without approvals.

Because the drawings were not complete upon contract award, and many months – into 2022, tendering was delayed. There is evidence that mechanical, electrical drawings were not received until mid-2022, others later than that such as shop drawings, stairs, decks. Because of the delays, construction was delayed into the winter, adding costs of waterproofing foundations, heating, to which the Town ‘lent’ its generator (from the Kedrosky water booster) at great expense and risk as it is a back up for the booster. It has not been possible to isolate the cost of the fuel for running the generator 24/7 during the period but the direct costs are approximately \$800K. It is important to note that during interviews with contractors, that there was a suggestion that the Town consider waiting to break ground until the spring to avoid these costs. This was not entertained and was not brought forward to Council for consideration.

Town of Renfrew – Ma-te-Way Activity Centre Expansion Project – Third-Party Review

Significant scope creep led to approximately \$2.4-\$7.5M to the cost of the project.

Final drawings were not approved by Council.

It is also important to note that, at no time, were the final drawings brought to Committee or Council for approval. In minutes of the Ad-Hoc Committee dated February 13, 2018, it states *“Concept Design Update - Director Hill signed off on Ma-te-Way Activity Centre Expansion design on February 12, 2018. The changes since the last design (February 9, 2018) were discussed.”* This was not challenged by the Committee which continued until the Committee ‘disbanded’. It would therefore appear, that Director Hill made the decisions without Council approval and/or challenge.

The posted floorplans on the website as well as those attached to the Council agenda on June 21, 2021 which are those that were sent as part of the grant application were not complete. The drawings presented made by Director Hill on that date had hand drawn additions that were not part of the package provided to Council. It was strange that representatives from N45 were not at this meeting nor any Committee meetings. In fact, when questioned about the drawings, Mr. Gerry Mallette from N45 stated that *“I have no idea what council saw. Kevin’s remarks on the new layout suggest that he was going to bring the additional floor areas to their attention. (The floor areas being the additional tenant Ultimate Fitness and the 2nd floor -TOR gym) The plans that were used in the report are not correct. I did not proof that report or was requested to do so.”* The section for Ultimate Fitness was added as per request by Director Hill via email to N45 on May 3, 2021, illustrating that the scope continued to change, adding space and cost to the project without understanding the implications. This was the first that N45 became aware of another tenant. The updated plans, with the additional space were sent to the proponents as part of the RFP on June 8, 2021. They were not approved by Committee or Council. In fact, the PR Committee was held on June 15, 2021 and the minutes do not reflect that the drawings had changed. As discussed above, this meeting further indicated ‘pressure’ to proceed, erroneously, due to grant provisions. It also illustrated the lack of governance over the project. This ‘pressure’ and lack of governance resulted in incomplete final drawings, lack of scope/vision, led to the Construction Management Contract CCDC 5B – cost plus approach and a lack of risk or financial analysis. These root causes also contributed to the flawed procurement process and significant cost overruns, delays in construction timelines, deficiencies and client impacts.

In interviews with two former Councillors and the former Mayor, they did not have copies of the plans presented and did not approve the additional space.

Town of Renfrew – Ma-te-Way Activity Centre Expansion Project – Third-Party Review

It is also not clear why the tennis courts had to be moved – there were iterations of plans that maintained the existing tennis courts– another indicator of scope creep (approximately \$700k). A detailed analysis with a staff report, supported by N45, should have occurred with Council prior to proceeding with the change. The discussions and financial reporting with respect to the tennis courts was also flawed. The decision to have the Town construct the courts at a lower price has now left the Town without a warranty on the work and deficiencies have been reported. Therefore, the true cost of the move of the tennis courts was not properly analyzed or presented.

The walking track being changed to an elevated version, also had a significant impact on time and cost, approximately \$450K. The membrane was added after the project at a cost of \$175K. Again, the ‘approval’ of the changes was not made by Council but at a meeting with Buttcon by staff on August 10, 2021.

Public criticism was raised in that the public was not further consulted on the final drawings, as was promised by the Town during the early consultations. This consultation as well as full Council assessment, approval of the drawings and contract type, should have happened BEFORE the RFP was issued. Council should also have approved the evaluation criteria and be provided with the evaluation of all the proposals.

The change in scope to 96000+ square feet from the original version clearly had a significant impact on the overall cost of the project. Much of this added square footage was for commercial space but additional services not originally envisioned. The advertised square footage to the public in 2021 was 76,000, the tenders was based upon 89,633, the final drawings resulted in 96,014 square feet. Consequently, the additional space cost approximately \$7.5M and \$2.4M respectively based upon the current cost of \$373/square foot.

Director Hill states that Council will get reports with respect to overages as well as the option to accept contractors that are tendered by Buttcon – neither

As reporting in various news articles, “Kevin Hill, the town’s Director of Parks and Recreation, provided a verbal update for council” on December 14, 2021 which was reported in various news articles which states “he is pleased with the early developments. There will likely be cost over-runs due to an unavoidable global shortage of goods, but the town is in good shape to acquire all materials due to its early tenders and RFPs (Request for Proposal) being issued. Hill also pointed out the contracts and sub-contractors that are awarded contracts are based on criteria provided by the

Town of Renfrew – Ma-te-Way Activity Centre Expansion Project – Third-Party Review

happened – and most reports were verbal

The first report to Council was provided by Buttcon – no staff report accompanied this report with the full budget analysis.

Very limited questions were raised despite the concerning issues and risks raised by Buttcon and the projected deficit was a minimum of \$794K.

town including the provision that effort be made to award the contracts to as many local businesses as possible. All contracts are brought before council with the option to accept or reject any contractors selected by Buttcon.... Hill said he will bring forward a listing of all current costs to the next meeting, adding the greatest impact has been in acquiring steel. There have been some overages in this area and that will be contained in the report.”

As costs continued to rise, the first report that was provided to Council based upon the Buttcon report dated January 2022 was presented by Director Hill on February 8, 2022. This report indicated that 6 change orders (owner initiated) had already been issued. This was not a staff report but rather a verbal report based upon that forwarded the Buttcon report. According to Director Hill ‘everything is going extremely well and not much changes to the budget and only one additional change order, schedule has not changed as provided to Council’. There was no specific strategy to address the overages. It was surprising that Council and Director Hill did not raise the issue stated “Buttcon formally presented an updated schedule on January 20th to the Town of Renfrew based on all information received to date. The late issuance of drawings and missing information is greatly impacting the project schedule and procurement process. Buttcon proposed a substantial completion date of December 16, 2022. Extreme cold and adverse weather has greatly impacted the site progress and production. Shortage of propane within the region also impacted the pour sequence. Snow accumulation of over 45cm during a 48-hour period caused a snow removal of operation of three (3) days. Based on the Buttcon recorded a total of five (5) lost days in January 2022.”

The report also states: PROJECT RISKS, CONCERNS AND ISSUES: The following are the current risks affecting or have the potential to affect the progress of the work:

- Location of existing storm line differs from the mechanical drawings and is interfering with the proposed footings. Direction is required from consultants to proceed with work on-site.*
- Existing waterline is within the proposed building footprint. Additional investigation will be required.*
- Late Issuance of Architectural drawings, specifications, and addendums.*
- Late issuance of M&E drawings, specifications, and addendums.*
- Cost increases and availability of material.*

Buttcon Report dated February 2022 was sent via email to Council but no staff report was presented – deficit projected to be \$911K

The project was over budget, beyond scope and delayed from the outset. Oversight of this project was flawed. The full financial impact will not be understood for several more months, years.

Deficient Works

Embeds for masonry support were not installed due to time constraint. The project team agreed that an alternate detail (i.e. “Fero Fast Brackets”) will be required.

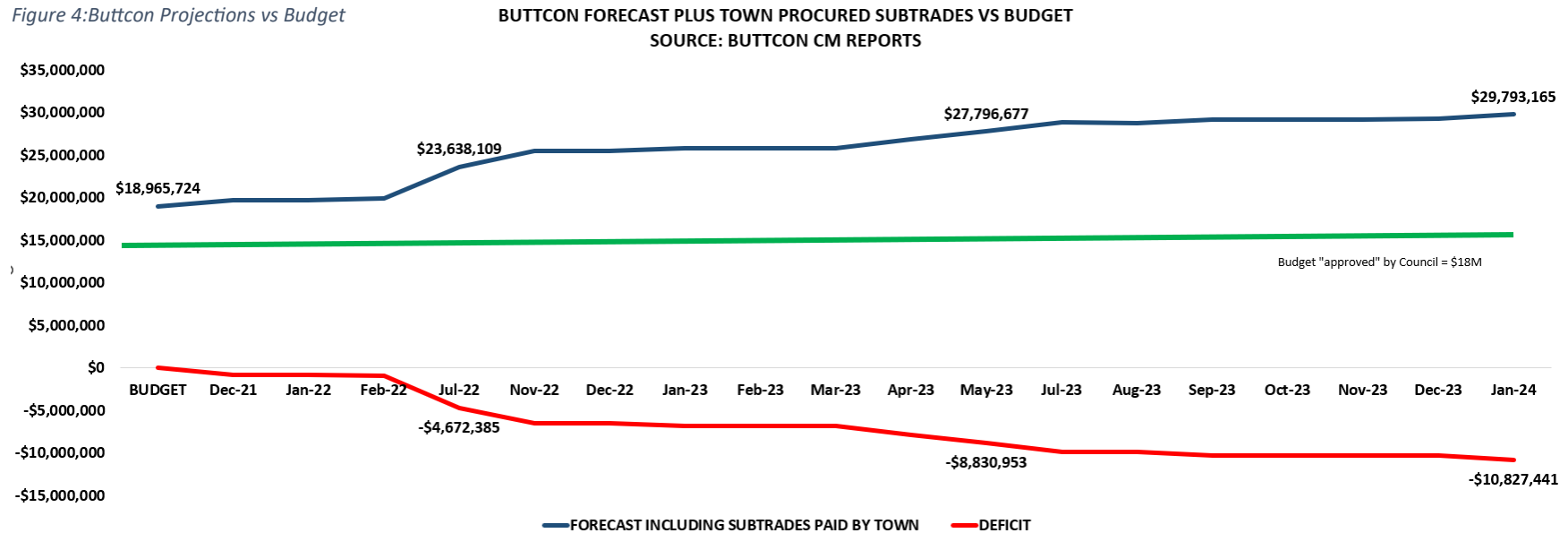
Only questions raised surrounded the storm line, weekly cleanup, but nothing about the fact that the drawings have been late or the cost issues except with respect to Earthworks. Director Hill stated that it will be within budget.

It is important to note that the February 2022 report was sent to Council via email on March 6, 2022 with no analysis, staff report or strategy to address the cost overruns or issues. The report identified additional risks, issues and lost days were recorded in the CM report dated February 2022 as follows: *“For the month of February, Buttcon recorded a total of four (4) weather days in February 2022. Due to delays in response regarding the existing storm conflict, Buttcon cannot complete a significant amount of foundation works. We have estimated the impact of this design issue at ten (10) days for the month of February. To date, we have recorded a total nineteen (19) lost days.”* Further, in one month, an additional 25 Change orders were issued. None of which were presented or approved by Council.

The next time that Council became aware of the budget shortfall occurred in August 2022 when the new Chief Administrative Officer insisted on a presentation. At a Special Council Meeting held on August 18, 2022, Buttcon representatives were in attendance and indicated that most of the \$4M overage was due to steel. However, analysis of the reports indicate that winter heat, electrical costs had some impacts. As can be seen in Figure 4, the monthly Construction Management Reports provided by Buttcon showed an ever-increasing projection from contract award. Further, there were Town procured contracts that were not included in these reports. It was imperative that staff reports be prepared and presented to Council each month during this project. Further, Council decisions should have been sought for drawing changes, change orders and contracts. That did not happen. Further, the Treasurer was not involved in this project nor undertook financial analysis which is a key responsibility, particularly a project of this magnitude. In short, the governance, financial and project oversight of the Ma-te-Way Expansion was flawed. The Director walked into the management of this project without the requisite professional credentials (project or financial management) and was allowed to make decisions without the proper oversight by the committee and/or council the project at the outset.

Town of Renfrew – Ma-te-Way Activity Centre Expansion Project – Third-Party Review

Figure 4: Buttcon Projections vs Budget



	BUDGET	Dec-21	Jan-22	Feb-22	Jul-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Apr-23	May-23	Jul-23	Aug-23	Sep-23	Oct-23	Nov-23	Dec-23	Jan-24
FORECAST INCLUDING SUBTRADES PAID BY TOWN	\$18,965,724	\$19,760,630	\$19,760,630	\$19,877,069	\$23,638,109	\$25,500,000	\$25,500,000	\$25,786,239	\$25,786,239	\$25,786,239	\$26,858,189	\$27,796,677	\$28,827,294	\$28,808,241	\$29,209,780	\$29,214,980	\$29,214,980	\$29,287,985	\$29,793,165
DEFICIT	\$0	-\$794,906	-\$794,906	-\$911,345	-\$4,672,385	-\$6,534,276	-\$6,534,276	-\$6,820,515	-\$6,820,515	-\$6,820,515	-\$7,892,465	-\$8,830,953	-\$9,861,570	-\$9,842,517	-\$10,244,056	-\$10,249,256	-\$10,249,256	-\$10,322,261	-\$10,827,441

Buttcon rarely awarded to local contractors

While the ‘selling’ point to approve Buttcon as the preferred Construction Management Company, the reality was that very few contracts were actually awarded to ‘local’ companies. But it is important to note that the ITAs do not allow local preference. Figure 5: Buttcon Contracts and Change Orders by City: Source: Buttcon is provided for information only. As can be seen, 6 contracts were awarded to local contractors for a total of \$4.8M or 22%. This chart does not include Town direct procurement.

Town of Renfrew – Ma-te-Way Activity Centre Expansion Project – Third-Party Review

Figure 5: Buttcon Contracts and Change Orders by City: Source: Buttcon

Contract Company	Description	Original Contract Amo	Approved Change Ord	Revised Contract Amo	City
Preco-MSE	Rock Anchors	\$175,000.00	\$12,635.00	\$187,635.00	Vaudreuil-Dorion
MANSTEEL REBAR LTD	Rebar	\$658,630.00	\$43,935.50	\$702,565.50	RICHMOND HILL
ADSEAL SERVICES INC.	Waterproofing	\$8,770.00	\$0.00	\$8,770.00	Carp
CIMCO REFRIGERATION	Ice Rink Refrigeration	\$870,000.00	\$0.00	\$870,000.00	Kanata
MACDOUGALL STEEL ERECTORS	Structural Steel	\$3,576,890.00	\$267,421.95	\$3,844,311.95	BORDEN-CARLETON
SCHINDLER ELEVATOR CORPORATION	Elevator	\$88,500.00	\$0.00	\$88,500.00	Toronto
ATHLETICA SPORT SYSTEMS INC.	Dasher Boards	\$222,300.00	\$1,400.00	\$223,700.00	Waterloo
RYAN MECHANICAL ENTERPRISES INC.	HVAC	\$1,673,000.00	\$164,722.09	\$1,837,722.09	Casselton
POWERTEK GROUP	Plumbing	\$672,000.00	\$94,305.02	\$766,305.02	Stittsville
TYCO INTEGRATED FIRE & SECURITY	Sprinkler	\$210,000.00	\$23,613.25	\$233,613.25	Ottawa
DWS ROOFING & WATERPROOFING SERVICES INC	Roofing	\$1,074,000.00	\$14,695.47	\$1,088,695.47	Gloucester, ON
PORTELANCE CUTTING AND CORING	Cutting / Coring	\$8,500.00	\$12,850.00	\$21,350.00	VARs
WESTMOUNT STOREFRONT	Windows	\$469,700.00	\$4,652.00	\$474,352.00	Kitchener
RELIANCE PAINTING SERVICES	Painting	\$575,000.00	\$60,487.75	\$635,487.75	Ottawa
SELECT DOOR & FRAME	Doors & Hardware	\$440,000.00	\$14,204.07	\$454,204.07	Kingston
DURON SERVICES LTD	Concrete Finishing	\$270,000.00	\$3,800.00	\$273,800.00	Gloucester
BBS CONSTRUCTION (ONTARIO) LTD.	Siding	\$876,000.00	\$115,771.07	\$991,771.07	OTTAWA
SAMANA CONSTRUCTION INC	Drywall , Steel Studs , Ce	\$1,300,000.00	\$241,463.51	\$1,541,463.51	Ottawa
LARIN SHEET METAL	Miscellaenous Metals	\$100,000.00	\$0.00	\$100,000.00	CORNWALL
OLSON FAB METAL FABRICATION	Medicine Wheel Structur	\$320,000.00	\$21,728.66	\$341,728.66	Cornwall
JOHN PYKE ENTERPRISES	Miscellaenous Metals	\$239,500.00	\$65,377.65	\$304,877.65	Lunenburg
ADVANTAGE SPORT	Gymnasium Flooring	\$163,300.00	\$0.00	\$163,300.00	Cambridge
JPB FABRICATION SERVICES (2019) INC.	Miscellaenous Metals	\$150,000.00	\$139,770.75	\$289,770.75	Smiths Falls
CORFLEX INC	Cultral Centre Room Div	\$22,280.00	\$0.00	\$22,280.00	Delson
PAUL S. LESKEW & ASSOCIATES INC	Scoreboards	\$44,856.20	\$0.00	\$44,856.20	ORILLIA
CAPITAL TILE AND FLOORING LTD	Flooring	\$620,000.00	\$23,542.69	\$643,542.69	Ottawa
GNI MANAGEMENT GROUP INC	Firestopping	\$12,400.00	\$37,980.93	\$50,380.93	WOODSTOCK
AL PARSONS ELECTRONICS LTD	OH Doors	\$41,500.00	\$0.00	\$41,500.00	OTTAWA
TELK COMMUNICATIONS INC	Comms & Security	\$123,996.00	\$11,564.00	\$135,560.00	Scarborough
DWS ROOFING & WATERPROOFING SERVICES INC	Medicine Wheel Roofing	\$300,000.00	\$0.00	\$300,000.00	Gloucester, ON
HOUSE OF CANVAS	Canoe	\$37,000.00	\$0.00	\$37,000.00	Ottawa
INTER-CO DIVISION 10 INC.	Washroom Accessories	\$36,500.00	\$20,263.00	\$56,763.00	WESTON
CONSTRUCTION SPECIALTIES INC.	Expansion Joints	\$56,822.00	-\$10,031.00	\$46,791.00	Mississauga
QUEENSWAY CAULKING LTD.	Caulking	\$30,000.00	\$0.00	\$30,000.00	CARLSBAD SPRINGS
SIGN.FX	Signs	\$24,600.00	\$33,163.00	\$57,763.00	Ottawa
CONTRACT DOOR INSTALLATION SERVICES	Door Hardware	\$7,423.00	\$0.00	\$7,423.00	Orleans
JANI KING	Final Cleaning	\$33,996.00	\$12,950.00	\$46,946.00	Kingston
Jamieson-Mackay Forming & Construction Ltd.	Formwork	\$1,099,999.00	\$520,918.18	\$1,620,917.18	Beachburg
Adam Kasprzak Surveying Ltd.	Surveying / Layout	\$10,000.00	\$18,400.00	\$28,400.00	Renfrew
R&R ELECTRIC	Electrical	\$995,750.00	\$104,353.96	\$1,100,103.96	Renfrew
McGONIGAL CONSTRUCTION LTD	Masonry	\$1,964,250.00	\$43,780.01	\$2,008,030.01	ARNPRIOR
VALLEY STEEL(RENFREW)LTD	Miscellaenous Metals	\$23,000.00	\$0.00	\$23,000.00	Renfrew
SPORT SYSTEMS CANADA	Gymnasium Equipment	\$14,475.00	\$11,111.00	\$25,586.00	Almonte
TOTAL		\$19,639,937.20	\$2,130,829.51	\$21,770,766.71	
TOTAL 'LOCAL')		\$4,107,474.00	\$698,563.15	\$4,806,037.15	
%AGE LOCAL		21%	33%	22%	

Town of Renfrew – Ma-te-Way Activity Centre Expansion Project – Third-Party Review

Estimated capital costs expected to be 100% over budget at \$38.7M + \$15M interest costs over 30 years = \$53-57M total – This may increase as there is about \$5M unfunded expenses.

Based upon the most recent information provided by the Town and from the Buttcon reports, the Ma-te-Way Expansion will cost approximately \$38.7M, (see Figure 6) which is \$20.7M or 115% over the budget set at \$18M and delayed opening of 2 years. At \$38.7M, the complex cost \$397 per square foot which is \$197 per square feet over budget (excluding the cost to move the tennis courts). However, it is important to note that the costs are comparable to that seen in other similar projects in other municipalities¹⁹ such as Brockville’s arena which is estimated to cost \$41M or \$395 per square foot. That being said, we are of the opinion that savings would have been realized if the Town hired a qualified Project Manager at the outset, ensured it had complete drawings, undertook open public procurement and seek a Stipulated Price Contract to limit its exposure to some of the cost overruns

Of this deficit, \$9M (46% over the original budget) can be attributable to change orders under the Buttcon Construction Management Contract CCDC 5B which had little incentive to complete the contract on time or on budget. In fact, the incentive was to have increased costs as the management fee of 3.9% was added to all construction costs, including the \$1.5M Town procured contracts.

Buttcon filed Substantial Completion Certificate on March 1, 2024. There are several deficiencies being handled by Buttcon and the holdbacks have yet to be released. Until the project is complete, the amount of the debenture is still uncertain. Other costs have been identified by the Town in the amount of \$2.4M (see Figure 7) primarily exterior but also costs not anticipated during the design and project planning.

In terms of funding sources, the grant of \$11.8M represents 30% of the project costs. The remaining 70% will come from reserves, taxation and debentures. The original estimate at \$17M for 30 years at 4.79% (Infrastructure Ontario lending rate at July 2024) would cost \$15M in interest costs over 30 years. If the remaining amount to be funded \$5M is debentured, the additional interest cost would be \$4.7M (see Figure 8).

¹⁹ [Brockville arena estimates, https://www.recorder.ca/news/arena-cost-pegged-at-41-3m](https://www.recorder.ca/news/arena-cost-pegged-at-41-3m), [Wasaga Beach twin pad arena](#)

Town of Renfrew – Ma-te-Way Activity Centre Expansion Project – Third-Party Review

Town Original budget	\$ 18,000,000	89,633	Square feet (RF)	96,014	Square feet (Actual)		
BUTTCON	Buttcon Original Adjusted Budget	Change Orders to Date	Commitments	Buttcon Forecast	\$ Variance to Buttcon Budget	Percentage Variance	
10 - SPECIALTIES	\$226,000	\$52,037	\$254,039	\$344,719	\$118,719	52.5%	
11 - EQUIPMENT	\$184,000	\$1,400	\$223,700	\$223,700	\$39,700	21.6%	
13 - SPECIAL CONSTRUCTION	\$0	\$0	\$37,000	\$37,000	\$37,000		
14 - CONVEYING SYSTEM	\$90,000	\$0	\$88,500	\$88,500	-\$1,500	-1.7%	
15 - MECHANICAL	\$3,476,000	\$287,860	\$3,707,640	\$3,741,694	\$265,694	7.6%	
16 - ELECTRICAL	\$740,000	\$111,331	\$1,231,077	\$1,236,196	\$496,196	67.1%	
18 - ALLOWANCES/CONTINGENCY	\$450,000	\$6,339,714	\$0	\$69,980	-\$380,020	-84.4%	
95 - FEE	\$428,322	\$192,258	\$0	\$629,336	\$201,014	46.9%	
95 - MANAGEMENT FEE	\$301,272				-\$301,272	-100.0%	
1 - GENERAL CONDITIONS	\$1,100,902	-\$6,240	\$75,346	\$1,963,241	\$862,339	78.3%	
2 - SITEWORK	\$1,362,000	\$16,563	\$208,985	\$2,047,327	\$685,327	50.3%	
3 - CONCRETE	\$2,322,000	\$614,858	\$2,588,372	\$3,329,021	\$1,007,021	43.4%	
4 - MASONRY	\$2,200,000	\$26,595	\$2,008,030	\$2,014,262	-\$185,738	-8.4%	
5 - METALS	\$2,530,000	\$776,956	\$4,903,689	\$4,912,395	\$2,382,395	94.2%	
6 - WOOD AND PLASTICS	\$88,000	\$0	\$0	\$677,836	\$589,836	670.3%	
7 - THERMAL AND MOISTURE PROTECTION	\$1,788,000	\$121,595	\$2,469,617	\$2,802,926	\$1,014,926	56.8%	
8 - DOORS AND WINDOWS	\$762,000	\$18,856	\$977,479	\$1,110,145	\$348,145	45.7%	
9 - FINISHES	\$1,218,500	\$324,272	\$2,983,794	\$2,998,885	\$1,780,385	146.1%	
Grand Total	\$19,266,996	\$8,878,054	\$21,757,269	\$28,227,163	\$8,960,167	46.5%	
Town Costs Mateway (INCLUDES \$1.56M PAID BY TOWN TO SUBTRADES THAT ARE SUBJECT TO BUTTCON MGMT FEE)				\$6,821,246			
Town Costs Mateway (Estimated Payroll not charged to project)				\$740,327			
Total Mateway Project (at March 18)				\$35,788,736	\$17,788,736	99%	
Town Costs Tennis Courts (part of original budget)				\$507,976			
Town Costs (Estimated Payroll) Tennis Courts (part of original budget)				\$84,398			
Total Mateway Project Including Tennis Courts				\$36,381,110	\$18,381,110	102%	
						Variance to Initial Budget	
MATEWAY ADDITIONAL COSTS EXPECTED							
ADDITIONAL COSTS FORECAST				\$2,376,311			
Total Mateway Project Including Tennis Courts and additional costs				\$38,757,421	\$20,757,421	115%	

Figure 6: Ma-te-Way Construction Costs to date (July 31, 2024)

Town of Renfrew – Ma-te-Way Activity Centre Expansion Project – Third-Party Review

Vendor	Description	Left to Pay	Funding Source
9828745 Canada Inc.	Lindsay Field Watermain	-	Contingency
AAR	Structural Def	16,790.00	Funding Source TBD
AAR	Remedial	18,300.00	Funding Source TBD
ABC Group	Lockers	9,496.24	Funding Source TBD
Exel	Sod	-	2024 Capital Item
Goodkey	Commissioning	11,500.00	Funding Source TBD
Goodkey	Lighting Design	1,800.00	Funding Source TBD
Goodkey	Emergency Power	6,500.00	Funding Source TBD
Goodkey	Mechanical Engineer	17,800.00	Funding Source TBD
Greenwood Paving	Paving	500,000.00	2024 Capital Item
LTR Benches	Benches	117,735.17	Funding Source TBD
Novatech Civil	Grading, Asphalt Work	39,864.59	Funding Source TBD
Renfrew Hydro	Transformer	93,454.72	Unallocated Reserve
Run DMC	Fire/Evac Plans	2,100.00	Operating
Valley Automation	Temp Construction	1,244.30	Funding Source TBD
TBD	Generator	1,000,000.00	Funding Source TBD
TBD	Walking Track	175,000.00	2024 Capital Item
TBD	MyFM Centre Finishing Items	50,000.00	2024 Capital Item
REMAINING FORECAST AT MARCH 20, 2024		2,061,585.02	
Estimated Vendor - Not awarded	Description	Left to Pay	
TBD	Sod Around Building	100,742.40	2024 Capital Item
TBD	Sod @ Daycare	40,968.00	2024 Capital Item
Greenwood Paving	Splash Pad Accessible Sidewalk	3,917.76	2024 Capital Item
Greenwood Paving	Sandboxes and Sunshades	23,580.80	2024 Capital Item
Greenwood Paving	Culvert Crossing	22,387.20	2024 Capital Item
Greenwood Paving	Concrete Pad - Tennis Sheds	11,193.60	2024 Capital Item
TBD	Accessible Door Operators	89,548.80	2024 Capital Item
TBD	Misc. Door Items	5,596.80	2024 Capital Item
TBD	Reception Desk	16,790.40	2024 Capital Item
TBD	Pressure Assist Toilets - TBD as was deferred	-	
Additional costs as Per May 21 Report		314,725.76	
REMAINING FORECAST AT MAY 22, 2024		2,376,310.78	

Figure 7: Additional Ma-te-Way Additional Town Expenses

Town of Renfrew – Ma-te-Way Activity Centre Expansion Project – Third-Party Review

Total Mateway Project Including Tennis Courts and additional costs			\$38,757,421
FUNDING SOURCES - GRANTS	NON TOWN	ICIP GRANT - CANADA	-\$6,440,486
		ICIP GRANT - ONTARIO	-\$5,366,619
		REMAINING TO BE FUNDED BY OWN SOURCE REVENUES	
OWN SOURCE REVENUES (TOWN)	TENNIS COURTS	RESERVE	-\$350,000
		TAXATION	-\$269,524
	MATEWAY	RESERVES (PRE 2023)	-\$522,599
		RESERVE - EQUIPMENT	-\$13,228
		RESERVE - RECREATION MATEWAY	-\$139,514
		RESERVES UNALLOCATED	-\$438,170
		RECREATION FUNDRAISING COMMITTEE	-\$46,844
		CONTINGENCY	-\$499,564
REMAINING TO BE FUNDED			\$24,670,873
FUNDED BY DEBENTURE			-\$17,000,000
REMAINING TO BE FUNDED - AWAITING FINAL COSTS			\$5,741,431
DEBENTURE INTEREST COSTS	TOTAL DEBENTURE \$17M 4.79% 30 YEARS		\$15,072,539
DEBENTURE INTEREST COSTS IF REQUIRED	ADDITIONAL \$5.4 M 4.79% 30 YEARS		\$4,787,746
Total Mateway Project Including Tennis Courts, Debentures and additional costs			\$58,617,706

Figure 8:Ma-te-Way Funding Sources

Town of Renfrew – Ma-te-Way Activity Centre Expansion Project – Third-Party Review

Additional fundraising and grant opportunities were not pursued, Second Ice Pad Committee funds not available

Impact on taxpayers was sold as negligible or even a ‘surplus’

From the initial presentations dating back to 2017, the recommendations to proceed with the expansion were predicated on the idea that there would be limited, no impact on the taxpayers based upon the revenue projections including \$140K from the Second Ice Pad Committee, Fundraising (\$172-500K), Naming Rights and Leases, User surcharge \$10K as well as ‘net incremental revenue of \$140K. It was further stated in 2019, that staff had applied for a Jumpstart Grant \$500K, AgriSpirit Fund of \$25K and the Enabling Accessibility Grant with ESDC. Ontario Trillium Grant was mentioned but no information was found to confirm it was pursued. The Jumpstart application was denied as being weak and did not identify how the project was innovative, collaborative, and focus on persons with disabilities.

In 2019, the focus shifted leases as well as the ICIP potential funding, development charges and use of debentures to finance the project, but still based upon no impact to the taxpayer. Even with the increase in capital costs and change in contract type, Staff presented a ‘surplus’ budget.

At the presentation on June 22, 2021, there was no longer discussion respecting any fundraising or other grants but still identified an annual ‘surplus’ of \$16-29K²⁰ with ‘revenue’ of \$8-8.9M from debentures. Debentures are debt and, even at the rates at the time (2.6%) would be committing the Town to \$13M in interest costs over 25 years. And the idea that a municipality would borrow funds to create a surplus is flawed. This presentation was misleading and should have been questioned by finance staff and Council. Further, the question as to why fundraising initiatives stalled should have been pursued.

²⁰ [Town of Renfrew Council Meeting - Ma-te-way presentation](#)

Town of Renfrew – Ma-te-Way Activity Centre Expansion Project – Third-Party Review

Sponsorships/Naming Rights were ‘preset’ and not put out to tender – revenues may have been higher if the Town had a competitive process.

At the presentation to the ‘Committee of the Whole’ on May 15, 2018, Director Hill indicated that “Staff has met with with a number of local businesses, groups and organizations. To date, expressions of interest has been received for the: Complex, Rink, Hall, Walking Track, Lobby
A formal legal agreement is being drafted by Cunningham Swan.” From that point forward, the Ad Hoc Committee discussed naming rights but there was no consideration to make this a public process.

In 2019, Staff issued a “Naming Rights Sponsorship” document which identified the options with terms and rates set as follows:

Complex	\$10,000 per year
Current Rink	\$6,500 per year
Expansion Rink	\$5,000 per year
Gymnasium	\$3,500 per year
Community Hall	\$3,000 per year
Ice Resurfacers	\$2,500 per year
Fitness Centre	\$2,000 per year
Walking Track	\$2,000 per year
Lobby	\$1,750 per year
Multipurpose Rooms (3)	\$1,500 per room per year
Meeting Room	\$1,250 per year
Dressing Rooms (10)	\$1,000 per room per year

*10 Year Term

* All signage cost are the responsibility of the Naming Rights Sponsorship business/organization.

This is a highly unusual approach. In most municipalities, these would be advertised as an RFP with proposals for both rates and terms, or at minimum, an auction type process to secure the municipality with the maximum revenues possible. This would have allowed for a fair, open, transparent and competitive process. In contrast, the Naming Rights were set and agreed to verbally and committed through ‘sole source’ approach, which unfortunately, likely resulted in lower revenues. Further, these discussions failed to identify that naming rights are subject to HST.

Town of Renfrew – Ma-te-Way Activity Centre Expansion Project – Third-Party Review

Comparator municipalities have been able to secure additional funds through open processes.²¹ We note that the Town of Greater Napanee recently announced on December 19, 2023 that it would be developing a Naming Rights Policy and issue an RFP to entice competition on the heels of a 20-year agreement with Strathcona Paper.²² A recent RFP resulted in a new agreement that saw an increase to \$30K (up from \$20K) per year for 10 years.

In future, all advertising and naming rights opportunities should be awarded through an open, transparent, competitive process whereby rates and terms are part of the proposal process.

Because agreements were made verbally in advance of the project initiation, the Town honoured these commitments for a five-year period with possibility of one extension of five years. Figure 9:Ma-te-Way Naming Rights Agreements shows the current agreements commencing in 2024. Not all opportunities had been sold at the time of the report.

²¹ [Wasaga Beach \\$400K Naming Rights](#), [Oshawa Naming rights](#),

²² [Napanee Naming Rights Policy](#), [Napanee RFP results - Naming Rights](#)

Town of Renfrew – Ma-te-Way Activity Centre Expansion Project – Third-Party Review

NAME	AREA	Term Start	Term End	Number of years	ANNUAL	TOTAL TERM
MyFM	Complex	2024-01-01	2028-12-31	5	\$10,000	\$50,027
Deslaurier Custom Cabinets	Existing Rink	2024-01-01	2028-12-31	5	\$6,500	\$32,518
Bonnechere Excavating	Expansion Rink	2024-01-01	2028-12-31	5	\$5,000	\$25,014
Renfrew Home Hardware	Gymnasium	2024-01-01	2028-12-31	5	\$3,500	\$17,510
Recreation Fundraising Committee	Community Hall	2024-01-01	2028-12-31	5	\$3,000	\$15,008
Renfrew Prof. Firefighter Association	Ice Resurfacers	2024-01-01	2028-12-31	5	\$2,500	\$12,507
McGrimmon Holdings	Fitness Centre	2024-01-01	2028-12-31	5	\$3,000	\$15,008
Sunlife Financial	Walking Track	2024-01-01	2028-12-31	5	\$2,000	\$10,005
Kelly Homes	Lobby	2024-01-01	2028-12-31	5	\$1,750	\$8,755
Ontario Power Generation (Renfrew)	Multipurpose Room 2	2024-01-01	2028-12-31	5	\$1,500	\$7,504
Millar Family	Multipurpose Room 3	2024-01-01	2028-12-31	5	\$1,500	\$7,504
TOTAL					\$40,250	\$201,360

Figure 9:Ma-te-Way Naming Rights Agreements

Leases Rates were negotiated before costs were known – Not put out to tender.

The original design and consultations in 2018 indicated that the building would have 2,000 square feet of commercial space. By 2019, this started to expand, partly from suggestions by contractors and staff that leases could ‘cover’ the operating costs and the debenture interest charges. The communication to the public and Council was that there may be a ‘surplus’. However, the lease rates and verbal agreements were decided without full cost, leasehold improvements or operating costs. The final commercial leasable space is 27,970 or 29% of the expansion of 96,014. Based upon the information provided by Buttcon, the total leasehold improvements were \$6.1M, \$4.9M of which was attributable to the BAFN space. As can be seen by Figure 10, the total annual revenue before leasehold improvements and debenture interest payments will be \$302K, but only \$35K after leasehold improvements (\$199K not including BAFN).

These numbers, however, are low. Buttcon states in its Tenant’s Space Green Sheets: “*Note that the following have been excluded per Owner's request (typically included in tenant improvement costs):*”

- *All miscellaneous metals work.*

- *Firestopping*
- *Miscellaneous Caulking*
- *Roofing (Additional penetrations)*
- *Acoustical Ceiling (Additional exterior track)*
- *Painting (Only primer included in base building)*
- *HVAC (Ductwork, diffusers, & distribution from central drop locations)*
- *Plumbing (Rough-In's & Distribution from central tie-in locations)*
- *Sprinklers*
- *Electrical (Outlets, switches, wiring, & distribution from central panel)*
- *Communication/Security"*

Given that the current estimated cost of the building is at \$397 per square foot, the leasehold improvement amounts do not take into accounts significant capital costs. On that basis, the total leasable space costs would be approximately \$11M (27,970 square feet x \$397), without the cost of debenture interest, which is an additional \$207 per square foot over a 30-year period (\$5.8M). It is also important to note that the leases, with the exception of the BAFN, range from 3 to 10 years, and therefore, no guarantee that the leasable space will be rented for the full 30-year debenture period.

It is also important to note that the annual operating costs for the additional space are not yet fully known. *Error! Reference source not found.* shows the forecast based upon the year-to-date actuals (July 2024). This should provide some indication of the annual operating costs. However, the determination of required debentures, additional costs yet to be realized with ice start up, BAFN occupancy could have an impact. In summary, it would appear that the shortfall will be approximately \$2M of which is comprised of \$178K operating and \$1K debenture costs. The estimated shortfall (tax burden will increase by to \$300K depending upon the final debenture amount. A full analysis will be provided in late Fall 2024.

Town of Renfrew – Ma-te-Way Activity Centre Expansion Project – Third-Party Review

NAME	AREA	SQUARE FOOTAGE	% OF EXPANSION (96,014 SQ FT)	Term Start	Term End	Number of years	ANNUAL (1ST YEAR - CPI APPLIED EACH YEAR)	Annual \$/Square Foot	TOTAL ESTIMATED LEASE OVER TERM (ASSUME 3% CPI)	ESTIMATED LEASEHOLD IMPROVEMENT COST (INCL NON REFUNDABLE HST)	CAPITAL COST/SQUARE FOOT	NET TOTAL LEASE (AFTER IMPROVEMENTS)	Net Annual \$/Square Foot	ANNUAL REVENUE FROM LEASE
MY FM	Leased Space - 2nd	2,943	3.1%	2024-02-01	2034-01-31	10	\$45,000	\$15.29	\$582,339	\$163,901	\$ 55.69	\$418,438	\$14.21	\$41,821
Ultimate Fitness	Leased Space - 1st	3,086	3.2%	2024-02-01	2034-01-31	10	\$48,204	\$15.62	\$623,802	\$126,005	\$ 40.83	\$497,797	\$16.12	\$49,752
Renfrew Chiropractic Rehabilitation Centre	Leased Space - 2nd	3,017	3.1%	2024-02-01	2034-01-31	10	\$48,574	\$16.10	\$628,590	\$192,025	\$ 63.65	\$436,565	\$14.46	\$43,633
Childs Paradise	Leased Space - 1st	5,939	6.2%	2024-02-01	2034-01-31	10	\$122,772	\$20.67	\$1,588,777	\$562,677	\$ 94.75	\$1,026,100	\$17.27	\$102,554
Youth Centre	Leased Space - 2nd	3,019	3.1%	2024-03-01	2027-02-28	3	\$12,000	\$3.98	\$49,431	\$163,901	\$ 54.30	-\$114,469	-\$12.65	-\$38,191
TOTAL NOT INCLUDING BAFN		18,003	18.8%				\$276,550	\$15.36	\$3,472,940	\$1,208,510	\$ 67.13	\$2,264,430	\$49.41	\$199,568
Bonnechere Algonquin First Nation	Leased Space 1st and 2nd	7,692	8.0%	2024-09-01	2049-08-31	25	\$25,000	\$3.25	\$752,938	\$3,405,820	\$ 442.77	-\$2,652,883	-\$13.79	-\$106,057
Bonnechere Algonquin First Nation	Medicine Wheel (not commercial space)	2,275	2.4%	2024-09-01	2049-08-31	25	TBD			\$1,461,827	\$ 642.56	-\$1,461,827	-\$25.69	-\$58,441
BAFN		9,967	10.4%				\$25,000		\$752,938	\$4,867,647	\$ 1,085.34	-\$4,114,709	-\$39.48	-\$164,498
TOTAL		27,970	29.1%				\$301,550	\$10.78	\$4,225,878	\$6,076,157	\$ 217.24	-\$1,850,279	\$9.93	\$35,070

BAFN LEASE CHARGES COMMENCE JAN 1 2026

Figure 10: Ma-te-Way Lease Revenue and Leasehold Improvements

Account Category	2022	2023	2024 Budget Presented	2024 July YTD	Forecast 2024	Estimated 2024 Variance	2025 Estimate
EXPENSE	\$409,777	\$608,698	\$1,718,437	\$999,427	\$2,000,779	-\$282,342	\$2,043,582
1. SALARIES AND WAGES	\$159,676	\$258,095	\$193,046	\$252,394	\$504,789	-\$311,743	\$504,789
2. DEBENTURE INTEREST			\$697,500	\$467,633	\$697,500	\$0	\$741,724
2. DEBENTURE PRINCIPAL			\$239,691		\$239,691	\$0	\$238,270
3. MATERIALS AND SUPPLIES	\$55,676	\$60,631	\$106,700	\$76,097	\$152,195	-\$45,495	\$152,195
4. CONTRACTED SERVICES	\$194,425	\$229,172	\$420,500	\$203,302	\$406,605	\$13,895	\$406,605
7. TRANSFER TO RESERVES		\$60,800	\$61,000		\$0	\$61,000	\$0
REVENUE	-\$317,661	-\$361,165	-\$929,800	-\$379,330	-\$885,527	-\$44,273	-\$917,156
ADVERTISING REVENUES	-\$22,468	-\$18,099	-\$70,000		-\$40,250	-\$29,750	-\$40,250
ATM COMMISSION	-\$2,060	-\$2,269	-\$2,500	-\$1,844	-\$3,688	\$1,188	-\$3,688
CANTEEN LEASE REVENUE	-\$6,583	-\$6,742	-\$6,800	-\$6,883	-\$13,766	\$6,966	-\$13,766
CONCESSION REVENUES	-\$1,487	-\$1,749		-\$1,600	-\$3,200	\$3,200	-\$3,200
FACILITY RENTALS	-\$20,669	-\$23,144	-\$22,000	-\$20,133	-\$40,267	\$18,267	-\$40,267
ICE RENTAL REVENUES	-\$259,040	-\$304,356	-\$475,000	-\$250,666	-\$501,332	\$26,332	-\$501,332
MISCELLANEOUS REVENUES			-\$24,000	-\$14,664	-\$29,328	\$5,328	-\$29,328
OTHER FEES AND CHARGES	-\$180			-\$41	-\$82	\$82	-\$82
PROPERTY RENTALS	-\$4,042	-\$4,142	-\$327,000	-\$82,946	-\$252,508	-\$74,492	-\$284,137
PUBLIC SKATING REVENUE	-\$1,132	-\$664	-\$2,500	-\$553	-\$1,106	-\$1,394	-\$1,106
Net	\$92,116	\$247,533	\$788,637	\$620,097	\$1,115,252	-\$326,615	\$1,126,426

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In summary, there are many root causes contributing to the cost overruns and project failure.

In short, some stakeholders wanted the Ma-te-Way Expansion to proceed and policies, processes and laws were ignored to make it happen without regard to what it would cost.

In summary, the lack of oversight by Council of the project as well as the Director led to the flawed financial strategy and analysis. The budget was unrealistic from the outset and continued to be presented as a 'surplus' where no taxpayer dollars would be required to fund the project.

Council placed an unreasonable and ill-informed amount of confidence in the Director without understanding the implications at a time of organizational restructuring. Consequently, Council allowed the Director to make decisions with respect to design, partnerships and construction tenders without approval or oversight.

Weak internal controls allowed for inappropriate transactions to be approved, conflict of interest and Town policies, code of conduct and bylaws violated.

The misrepresentation that the grant funds needed to be spent by March 2023 created a false sense of 'pressure'. That together with scope creep meant that drawings were not complete and not approved by Council. This pressure also led shortened procurement timelines and 'pushed' the misunderstood CCDC 5B (cost plus) contract.

Council did not insist on regular written reporting, did not challenge the Director nor Treasurer on key financial statements/presentations nor did it require variance and risk analysis be undertaken, leading to cost overruns. A lack of knowledge of project, contract management, role of a Constructor and violation of public procurement laws resulted in non-competitive rates/costs and put the Town at significant risk.

The result is a project that is 115% over budget and delayed two years and a loss of confidence by the public. The Town will need a strategy to become open, transparent and accountable to its taxpayers and demonstrate it can and will make the changes needed to ensure that a failure of this nature never happens again.

APPENDIX A: THE CHRONOLOGICAL HISTORY OF THE MA-TE-WAY EXPANSION

About the Town of Renfrew

Located in the Upper Ottawa Valley, the Town of Renfrew spans almost 13 square kilometres and has a population of 8,190 residents, and has seen growth and contraction over the last few decades. The average age of the population is 49.5 with 37.8% over the age of 65, 12.1% under the age of 14. Average income is \$43k annually which \$13k less than the provincial average.²³

The Town is located less than an hour west of Ottawa, along Provincial Highway 17. The Town of Arnprior is the closest urban centre, about 29 kilometres to the southeast. The Town of Renfrew has a recreation agreement with Arnprior for the utilization of their pool. The Town has agreements for recreation services with its neighbouring municipalities, given their rural environment, do not have recreation facilities.

Various Parks and Recreation Studies undertaken by the Town

Over the last 50 years, the Town has undertaken several recreation studies and formed various committees to evaluate options. The consultants that were engaged to undertake the 2010 Parks and Recreation Master Plan point to two main relevant studies: the Town of Renfrew Official Plan and the 1985 Arena/ Pool Feasibility Study undertaken by Environmental Research. This study indicated:

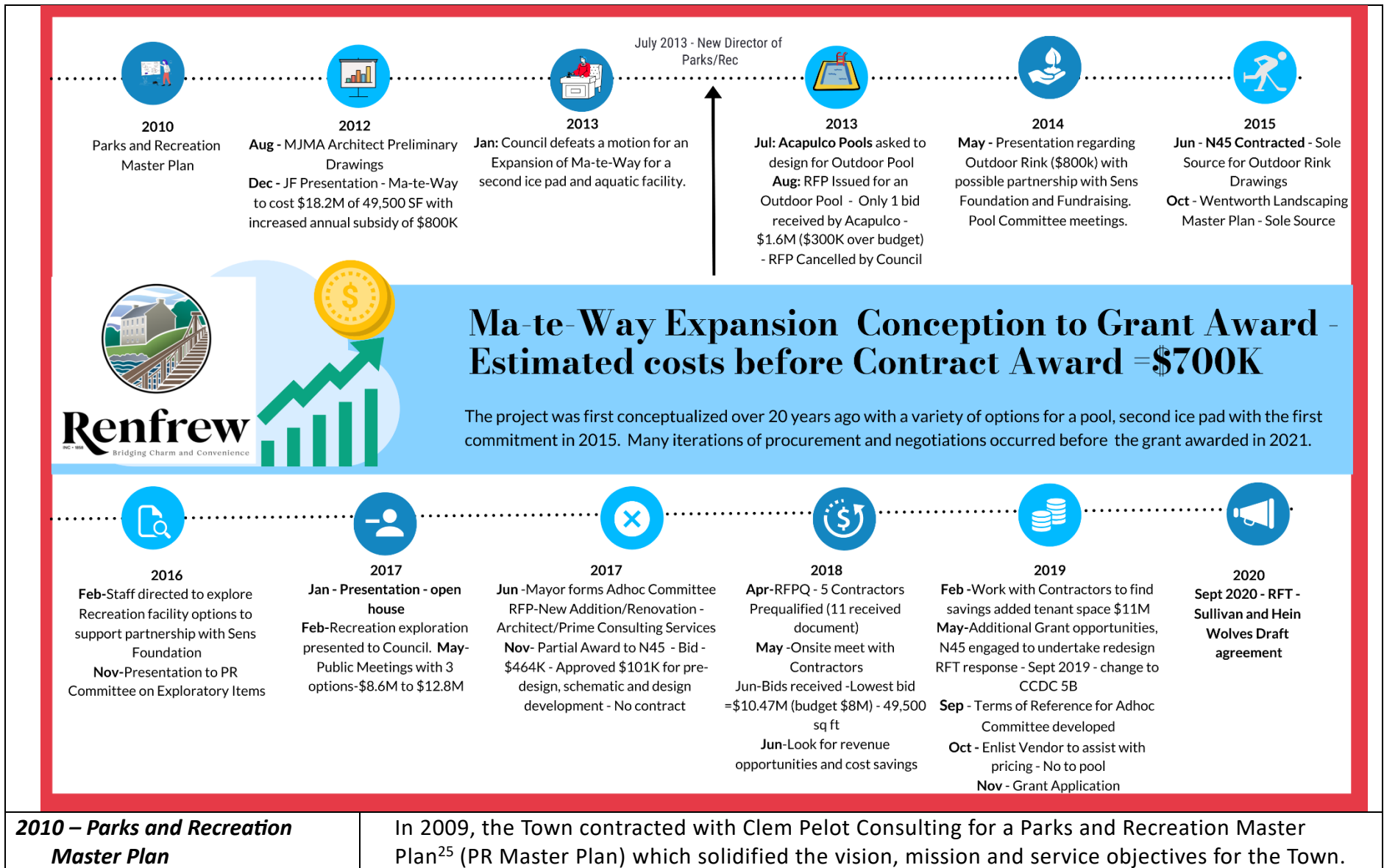
- *The need for an indoor swimming pool in Renfrew was expressed by almost 76% of respondents.*
- *Less than half of respondents said a new arena was needed, while a similar percentage (44%) felt that improving the existing arena was an acceptable alternative to a new arena.*
- *Almost 60% indicated a pool would be more desirable than a new arena and should have a higher priority for development.*
- *About 63% were very willing or somewhat willing to support the construction of an indoor pool through increased taxes.*

²³ Statistics Canada, 2021 Census

<p><i>The History of the Original Ma-te-Way Activity Centre</i></p>	<p>The Town had the original Ma-te-Way Activity Centre built in 1989 for approximately \$4 million. The 24,960 square foot facility includes an ice surface, canteen, community hall as well as the museum for the ‘Birthplace’ of the National Hockey Association (NHA) later became the National Hockey League (NHL)²⁴. There is no doubt that the Town is proud of this facility, it is well-utilized by many residents that support hockey. According to the 2010 Parks and Recreation Master Plan, <i>“the arena has seating capacity for 681 spectators and six large dressing rooms”</i> and <i>“some of the arena’s refrigeration equipment came from the old Town arena and as a result, that equipment is reaching the end of its lifespan. The original design of the Ma-te-Way Activity Centre anticipated the eventual addition of an indoor pool and a second ice surface.”</i></p>
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²⁴ <https://www.nhanhl.ca/a-brief-history>

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²⁵ [Renfrew Parks and Recreation Master Plan 2010](#)

<p>Recommendations with respect to Ma-te-Way Expansion</p> <p>Several recommendations in the PR Master Plan identified expansion opportunities of the Ma-te-Way Activity Centre</p>	<p>In order to develop the plan, a survey was developed and the consultants received 507 responses of which “Over three quarters of respondents (77%) felt that now is a good time to invest in new or improved indoor recreation facilities. A large majority of those (78%) favour investing in an indoor swimming pool, while 32% favour investing in a second ice surface” and “The importance placed on an indoor pool is consistent across all demographic sub groups in the survey. Recreational swimming, swim lessons, rehab/ therapy and fitness are the most needed types of aquatic opportunities.”</p> <p>The PR Master Plan contained 42 recommendations of which several specifically identified strategies for the future of the Ma-te-Way Activity Centre based upon the consultations. These are important considerations given the events that occur from 2010 to 2021, when the Ma-te-Way Expansion Project is approved. The following are excerpts from that plan:</p> <p>Recommendation 16: Reaffirm Ma-te-Way Park as preferred site for future facilities “A commitment was made in the late 1980’s to develop Ma-Te-Way Park as the Town’s recreation hub, where all major indoor and outdoor amenities would be located.”</p> <p>Recommendation 17: Develop a modest but attractive indoor pool at the Ma-te-Way Activity Centre</p> <p>“A new indoor pool should be Renfrew’s highest priority future recreation facility. A large majority (78%) of the respondents in the 2009 public survey favoured investing in an indoor swimming pool. Almost 76% of respondents to the 1985 public survey said the same thing. The importance placed on an indoor pool is consistent across all demographic sub groups.”</p> <p>“Based on technical advice from MacLennan Jaunkalns Miller Architects (Toronto), the consultants estimate the 2010 construction cost for a modest indoor pool at the Ma-Te-Way Activity Centre at about \$7M.” “The annual net operating cost of this type of indoor pool is typically in the range of \$150,000.”</p> <p>Recommendation 18: Develop a second ice surface at the Ma-te-Way Activity Centre</p>
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“The greatest opportunity presented by a second ice surface would be its anticipated operating surplus, which would help to offset the net annual operating cost for the Ma-te-Way activity Centre.”

“The biggest challenge in developing a second ice surface within the next ten years would be the Town’s ability to pay its share of the capital cost, in addition to the cost of building the new indoor pool. The 28,000 square foot building with an indoor walking track, described in the Second Ice Pad Committee’s recent business plan, would probably cost between \$5.6M and \$6.3M to build.

Recommendation 20: Explore alternative options for the Renfrew Recreation Centre

The annual subsidy at the time was \$158k. “Closing the facility would generate the greatest savings, but alternative solutions are available to reduce the Town’s costs. A second option would be to find a suitable community organization (or a consortium of organizations) with the desire and capacity to take over the operation of a repurposed centre, perhaps with a focus on senior adults, youth or the arts. In this case some of the programs currently available at the Recreation Centre might remain there (although possibly having to pay higher user fees) and others could be relocated to the Ma-Te-Way Activity Centre.”

Recommendation 26: Increase the recreational use of Ma-Te-Way Community Hall

The hall was underutilized at the time that the master plan was developed.

Recommendation #32: Initiate a community fundraising campaign for expansion of the Ma-Te-Way Activity Centre

“This fundraising partnership should begin immediately so that the Town of Renfrew can be fully prepared if and when capital (infrastructure) grants are announced and the two projects can be considered together.”

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<p>2012-Nov-16: MJMA Architect Preliminary Drawings and JF Group Study - Ma-te-Way to cost \$18.2M of 49,500 SF with increased annual subsidy of \$800K.</p>	<p>In 2012, the Town contracted with MJMA Architects that produced preliminary drawings (49,578 square feet) and the JF Group undertook a study of the project Ma-te-Way expansion which indicated the costs for expansion would be \$18.3M in 2012. Several scenarios with respect to utilization were provided but consistent with strategies the low-end total net costs (based upon best case utilization and revenues) were presented as follows:</p> <p>Option 1: Recreation Centre and Ice Pad (36,178 square feet)- Cost of \$13.4M and annual deficit of \$268,993,</p> <p>Option 2: New Recreation Centre and Pool (16,538 square feet - no track) - Cost of \$6.1M with an annual deficit of \$558,057.</p> <p>Option 3: Ice Pad and Pool (46,990 square feet) - Cost of \$17.4M with an annual deficit of \$667,844.</p> <p>Option 4: New Recreation Centre, Pool and Ice Surface (49,478 square feet) at a cost of \$18.3M and an annual deficit of \$747,447.</p>
<p>2013-Jan-14: Council defeats a motion for an Expansion of Ma-te-Way for a second ice pad and aquatic facility.</p>	<p>Council Resolution 2013-1-4: Defeated. <i>“Moved by Councillors Evans and Miller THAT Renfrew Town Council supports the proposed Ma-te-way expansion project that includes an aquatic facility and second ice pad, and which requires the following commitment:</i></p> <ul style="list-style-type: none"> • <i>a municipal capital expenditure of approximately \$4 Million.</i> • <i>an additional operating deficit of approximately \$500,000.00 and</i> <p><i>FURTHER THAT no changes to the Recreation Centre operations are being considered as part of the project. “</i></p> <p>Note: The origin of the \$4 million capital estimate was not provided.</p>
<p>2013-Jul-15: New Director of Parks and Recreation Hired as part of the Senior Management Model</p>	<p>According to evidence provided by former staff, following the departure of the former Director of Parks and Recreation in April 2011, there was a competition with no successful applicants. The role was filled on a part-time basis until 2013 when a nationwide recruitment was undertaken for a full-time Director. The new Director, Kevin Hill, was hired in July 2013, previously with the Town of Greater Napanee.</p>

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<p>2013-Aug-23: RFP Issued for an Outdoor Pool</p>	<p>The RFP was issued to three invited proponents: (Acapulco Pools, Canada Pools, Emmons and Mitchell Construction Ltd). Acapulco had provided estimates to the Town prior to the release of the RFP. The RFP outlined the following dates:</p> <ul style="list-style-type: none"> • RFP Issued: August 23, 2013 • Mandatory Site Meeting: August 30, 2013 • Proposal Submission Deadline: September 11, 2013 • Review Proposal Submissions: September 12-18/13 • Council Consideration: September 23, 2013 • Award Contract: September 24, 2013 • Substantial Completion of Contract: June 20, 2014
<p>2013-09-23: Council terminates the RFP for an Outdoor Pool</p>	<p>Only Acapulco Pools responded to the RFP. The staff report provided the following information: THAT Council terminates the Ma-te-way Activity Centre Outdoor Pool project at this time as the Request for Proposal received did not meet the stipulated price or design expectations of the Town. The Request for Proposal clearly indicated that the stipulated price for the project was \$1.3 million with a \$200,000.00 contingency (including H.S.T.).</p> <p>The base bid received was for \$1,661,455.00 with a \$200,000.00 contingency (plus H.S.T.). The proponent provided voluntary alternates of \$288,126.00 which would lower the base bid to \$1,373,329.00 with a \$200,000.00 contingency (plus H.S.T.).</p>
<p>2014-Feb-21: New Supervisor of Recreation hired</p>	<p>Jordan Wall hired as the Supervisor of Recreation, previously with the Town of Greater Napanee.</p>
<p>2014- May-5: Outdoor Rink Presentation - \$500K to \$1.8M</p>	<p>Following the hiring of the new Director of Parks and Recreation, the option of an Outdoor Rink was explored. The Second Ice Pad Committee indicated a commitment of \$140k and discussions with the Sens Foundation ensued. Kevin Hill presented an option of an Outdoor Rink, drawings donated by Sullivan and Sons Ltd. Proposed budget of \$800K. Indicated that the Second Ice Pad Committee would pledge \$400K, 140K committed.</p>
<p>2014 – October – Municipal Election</p>	<p>Mayor Don Eady, Reeve Peter Emon, Councillors Tom Sidney (Chair of the Parks and Recreation Committee), Michael Coulas, Andrew Evans, Arlene Jamieson and Kate Windle were elected.</p>
<p>2015-Jun-2: N45 and Wentworth Landscaping (Picton) sole</p>	<p>N45 Architects was engaged by the Director of Parks and Recreation (sole sourced) to undertake drawings for an Outdoor Rink with the promise of additional work. Wentworth Landscape</p>

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<p><i>sourced to provide Outdoor rink drawings and master plan</i></p>	<p>Architects provided a master plan for Ma-te-Way as well as preliminary development budget figures of \$690K.</p>
<p><i>2015-12-17: Ottawa Senators Foundation expresses interest in a partnership</i></p>	<p>Mayor Eady informs Council about the Sens Foundation interest in partnering in a community project - discussions are preliminary and non-committal. The current outdoor ice facility at Ma-te-way Park is due for replacement. The general concept in partnering with the Sens Foundation would be to create a four-season facility accessible by all.</p>
<p><i>2016-Feb-10: Staff Directed to explored options - \$3M to \$12.8M</i></p>	<p>In February 2016, staff were directed to explore Recreation facility options to support partnership with Sens Foundation. In November, the Director presented Exploratory Items to the PR Committee which ranged from a Recreation Centre (20,000 sf) for \$3M, to a Second Ice Surface, Recreation Centre and Pool (66,600 sf) for \$12M. It is unclear if any professionals were consulted with respect to the costing for this larger project.</p>
<p><i>2017 – Several Public Meetings held</i></p>	<p>On January 12, 2017, the Town meetings to gather information with respect to options for a new Recreation Centre and Second Indoor Ice Surface as being the most ‘financial responsible options’. Several presentations made to Council in the spring as well as reports outlining the construction documents and tenders.</p>
<p><i>2017-April – Accountability and Transparency Policy passed by Council</i></p>	<p>In 2006, Subsection 270(1) of the Municipal Act was amended to require all municipalities to adopt and maintain a policy with respect to the manner in which the municipality will ensure that it is accountable and transparent to the public for its actions. The Town passed its policy in 2017 which stated that the following policies, procedures ensure the Town is transparent in its operations: Procedural By-law; Public Posting and Distribution of Council Agenda Meeting Documentation; Public Notice By-law; <u>Purchasing/Tendering By-law</u>; Land Sale By-law; <u>Records Retention By-law</u>; Social Media Policy and Accessibility Plan. The Town Clerk is responsible for receipt of complaints/concerns and upon receipt shall notify the Department Head, in the case of closed meeting the Ombudsman Office or Closed Meeting Investigator or in the case of Council, Mayor to the appointed Integrity Commissioner.</p>
<p><i>2017-May 16: Ma-te-Way Open Houses and Special Council held with 3 New Recreation Facility options.</i></p>	<p>On May 16, 2017, updated presentation at a Special Council Meeting utilizing the same financial information from the 2016 presentation. Aquatic Committee appears before Council. The Second Ice Pad Committee President presents to Council on June 6, 2017.</p>
<p><i>2017-May 29: Costing provided by Hanscomb Consulting which</i></p>	<p>This formulated the presentation for the open house held on May 29, 2017 which included three options for the proposed expansion:</p>

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<p>were \$6M less than the costs presented by JF in 2012</p>	<p>Option 1: Recreation Centre and Ice Pad - Cost of \$8.61M of which \$7.898M would be funded by a 30-year debenture plus a 1% tax impact.</p> <p>Option 2: New Recreation Centre and Pool - Cost of \$7.33M of which \$6.665M would be funded through a 30-year debenture plus a 5.6% tax increase.</p> <p>Option 3: New Recreation Centre, Pool and Ice Surface at a cost of \$12.779M of which \$11.863 M would be debentured over 30 years and a 6.8% tax increase.</p> <p>The options were also posted in the local newspaper for public consideration.</p>
<p>2017- June 8– Mayor forms the Ma-te-Way Expansion Ad Hoc Committee</p>	<p><i>On June 8, 2017, Mayor Eady created the Expanded Ma-Te-Way Activity Centre Ad Hoc Committee via memorandum which stated: “for the purpose of meeting with community stakeholders, collecting information and public input necessary to support good decision making, and reporting back to Council.</i></p> <p><i>The Committee will be comprised of the following members:</i></p> <ul style="list-style-type: none"> • <i>Mayor Don Eady, Chair</i> • <i>Reeve Peter Emon</i> • <i>Councillor Tom Sidney</i> • <i>Director Kevin Hill (Staff Support)</i> <p><i>This committee is intended to assist in simplifying the process of providing Council with the information it needs to move this important issue forward. It will be the Committee’s intention to report back to Council through a meeting(s) of a Committee of the Whole to ensure that all Members receive timely, accurate and consistent information.”</i></p> <p>No official Terms of Reference were brought to Council at this time.</p>
<p>2017-June-13: Aquatic Committee meets with Ad Hoc Committee</p>	<p>Aquatics Committee attends the Ad Hoc Committee to discuss the options and the history. Following the June 13, 2017 Meeting with the Aquatic Committee the following concerns are</p>

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	<p>raised by the group following the Mayor's inviting participation on the Ad Hoc group. The concerns raised are as follows: 1) the reputation of this project is a source of division in the community and a problem. The committee has long been an advocate for the aquatic facility. 2). Councillor Sydney said at the June 13th meeting that he could not support an aquatic facility if it is going to cost taxpayers money - so the question is why then devote time to exploring the idea at all? 3). Is the Ad hoc committee an appointment of council if so, how will recommendations being arrived at? 4) Are all three options per the Directors report still under consideration? The Aquatic committee issued a statement that reads in part: (paraphrased). Decision is ultimately Council's. Overwhelming sentiments in the community through various surveys and open house suggest the wish is for an aquatic facility. Public perception is that private interests rather than community needs may be driving the second ice pad proposal. The current ice surface operates at a deficit of \$275K annually. Doubtful that the second ice pad would double the deficit but it certainly will not turn a profit of reduce the current deficit. Equally doubtful an aquatic facility would be profitable but given the health benefits for people of all ages that expense should be as acceptable as it is with other public health services. Major concern is that the project becomes so large as to become unaffordable as has previously happened. We support the aquatic facility and are certain there is a strong desire to financially support the project but there is a fear that without a firm commitment the events of 1989 will repeat themselves.</p>
<p>2017-Jul-17: Ad Hoc Committee Meeting</p>	<p>Mayor Don Eady, Director Kevin Hill, Leo Hall, Tyson Andress Regrets: Tom Sidney, Peter Emon</p> <ul style="list-style-type: none"> • Leo informed us that the YMCA needed a population of 60,000 encatchment area to consider setting up an Aquatic Facility. <p style="padding-left: 40px;">Meeting started at 9:40 am New Endeavor</p> <ol style="list-style-type: none"> 1. Town is willing to take the leadership role on the project. <ul style="list-style-type: none"> • We need to know what type of facility you are looking for • Who are the users, groups? 2. Who are our partners? <ul style="list-style-type: none"> • We need to start some place. We may proceed with Recreation Centre and Second Ice Pad.

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- o Mayor spoke about tax shift. Director Hill suggested that Council would support a 3% increase. Mayor disagrees due to tax shift.
- o It is all in how it is financed. Front load or back loaded. Invest and use interest to fund operating.
- o Trying to put together a plan to have it forward. We are a positive council.
- o Need the Aquatic Committee to support the Recreation Centre and Second Ice Pad expansion. Need to spend \$3 million regardless. Do nothing attitude.
- o Have not spoken with the Second Ice Pad Committee
- o Mayor told the Pool Committee members we are looking to proceed due to :
- o 51 of 54 hours booked
- o Jr. A Hockey is coming which would provide a huge economic spin off
- o Hotel study being completed
- o Government is looking at allowing Municipalities to charge a tax on room nights
- o Home Shows will expand
- o People won't book a room in Renfrew 4 – 5 stars
- o The Town of Renfrew is not growing, if we work today on same page we can make it happen.
 - Leo mentioned \$3 million needs to be spent
- o Address outdoor rink issue
- o Option 1 makes sense – what do we need from our group? We are leaning to make the project work
 - Tyson recognizes that we need direction on an Aquatic Facility
 - o Community has said we need a pool
 - o Problems with being put on back burner again
 - Leo – You summarized it very well. This will be tough to frame for the Aquatics Committee.
 - How committed to Second Ice Pad are users?
 - Demographics don't match well with ice surface expansion
 - Could town put aside annual funds to assist with funding?
 - Schedules presented at the Open Houses threw people off.

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<p>2017-Jul-21: Meeting with Kanata Lasers – Interest in relocating to Renfrew</p>	<p>The Junior A team expressed interest in moving from Kanata. Did look at other municipalities but with the possible expansion in Renfrew, the opportunity presented itself. The Town met with the owner of the Lasers to discuss options.</p>
<p>2017-Aug-29: Ad Hoc Committee Meeting</p>	<p>Mayor Don Eady, Director Kevin Hill, Reeve Peter Emon, Councillor Tom Sidney</p> <ul style="list-style-type: none"> • Mayor Eady and Director Hill met with Aquatics Committee on July 17, 2017. Minutes attached. They needed their support moving forward. <ul style="list-style-type: none"> o We are awaiting a position and response from the Aquatic Committee. o Looking ahead. Shawn Menard was contacted. Federal Government is providing \$25 million. Mr. Menard feels pretty confident the funding will be available. o <u>Councillor Sidney would like to proceed with the project regardless of the grants.</u> o Mayor would like to look at funding options. o Reeve Emon felt we should contact the MP in late September. o Survey 45 km radius for aquatics. Dealing with funding in short term in Arnprior and who research who would be willing to pay for an aquatic membership. o Director Hill was instructed to explore Architectural and Engineering firms to secure pricing with penalties should the project not proceed. o Next step is to take to a Committee of the Whole of all of council. September 11, 2017 7:30 pm o Update o Copies of all correspondence to date o Release agenda o Press release to public on project.
<p>2017-Sep-11: Council Meeting (framed as a Committee of the Whole) – Director provides presentation and reason to move forward on Expansion</p>	<p>Committee of the whole meeting was held to update Council on the work of the Ad Hoc Committee vis a vis Expanded Ma-te-Way Activity Centre.</p> <p>The following details presented: (May 29/17 two public open houses- present options) June and July series of meetings Ad Hoc and stakeholders but no formal minutes provided.</p> <p>Rational for moving forward includes: Current Recreation Centre outdated not meeting AODA needs about \$2.1 to \$2.3 Million whereas new facility would be \$3.2 M and have elevator, washrooms Ramp and parking requirements. The existing outdoor ice facility requires \$825K to \$2.1M investment whereas new second ice pad construction would require \$5.5M.</p>

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	<p>Survey of existing users and new groups indicates 51 of 54 prime time ice would be immediately be spoken for. Local Jr A Hockey club in Kanata (Lasers) interested in immediately relocating to Renfrew. Owner is willing to enter into long term agreement with the Town. The Director indicates that a CCHL Tier 1 Franchise to community would be in the range of \$1.4 to \$1.6M per year.</p> <p>It was also indicated that the Second Ice Pad Committee have raised \$140K Town has \$307,800 in Reserves for Rec Major Capital. The Director notes fundraising opportunities including grants - informs Council that he and Mayor Eady have spoken with Shawn Menard about potential infrastructure funding. Suggestion is there will be annual savings in operating included in revenue projections.</p> <p>There are also comments about naming rights and potential of leased space as well as a rate fee increase of \$5 ice user surcharged through the duration of the debenture. The presentation also promotes a CBRE Hotel study authorized by Council on July 18, 2017. In addition to boosting that tournaments in a double ice pad facility will provide from \$395K to \$632K to the Community. The presentation notes that there would be a year-round walking track, gymnasium, administration offices as well as 2,000 square feet of leasable space. The presentation notes that the plans will include a future aquatic facility (conceptual design). There is a one option presented with a second ice pad and rec centre which shows the annual cost of a 30-year debenture at \$37,000 or an impact of .3%. Finally, the presentation closes with a recommendation that there be a detailed communications plan prepared to keep residents informed on the project status.</p>
<p>2017-Sep-22: Request for Proposal for Prime Consulting Services issued</p>	<p>Committee of the Whole Presentation dated September 11, 2017 presented by the Director of PR states that "Director Hill has issued a Request for Proposal to four Architectural/Engineering Firms. Proposals to be submitted September 21, 2017. The RFP was actually issued on Friday, September 22, 2017 at 3:25 pm with a closing date of October 3, 2017 subsequently extended to October 5, 2017 at the request of the N45 and Hobin).</p> <ul style="list-style-type: none"> • Barry Bryan Associates (The preliminary plans were provided by (BBA) dated September 20, 2017 which were sent to the proponents). • Hobin Architecture

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	<ul style="list-style-type: none"> • N45 Architecture (had been engaged for various services since 2015) • Shoalts and Zaback Architects Ltd.
<p>2017-Oct-5: Three proposals received for the RFP</p>	<p>Proposals Received:</p> <ul style="list-style-type: none"> • Barry Bryan Associates: PRE-Design \$51,820; Schematic Design \$51,320; Design Development \$54,930; Construction Documents. \$145,400; Construction Tender. \$12,500; Construction Administration \$111,250; Post Construction Warranty \$2,000; Total with HST \$485,018 • Hobin Architecture: Pre- Design \$13,600; Schematic Design \$41,500; Design Development \$84,000.00.; Construction Documents. \$150,900.00.; Construction Tender \$27,500; Construction Administration \$137,000; Post Construction Warranty \$9,700. Total with HST \$524,546 • N45 Architecture: Pre-Design \$24,955; Schematic Design \$24,955; Design Development \$49,910; Construction Documents \$163,990; Construction Tender \$ 3,565; Construction Administration \$85,560; Post Construction Warranty \$3,565; Total with HST \$402,845
<p>2017-Nov-2 - Request for Proposal for Prime Consulting Services partially ‘awarded’ to N45 Architects</p>	<p>Presentation made by Director Hill at Special Council Meeting with rationale to move forward with the following recommendation:</p> <p><i>“THAT Council authorize staff to contract N45 Architecture Inc. to complete the detailed design of a new Recreation Centre and Second Ice Surface and a conceptual design of an Aquatic Facility at a cost of \$101,576.83 inclusive of non-refundable HST for pre-design, schematic design and design development</i></p> <p><i>And further, that council authorize staff to work towards finalizing the funding formula for the expansion</i></p> <p><i>And further, that Council authorize the Ad Hoc Committee and staff to research the opportunities for an Aquatic Facility.”</i></p> <p>No scoring matrix was provided of other evaluation criteria. The recommendation was for a ‘portion’ of the RFP.</p>
<p>2017-Nov-14: Council Bylaw to award N45 Contract for conceptual design</p>	<p>By-law to award contract to N45 Architecture Inc to complete the detailed design of a New Recreation Centre and Second Ice Pad Surface and a conceptual design of an Aquatic Facility. The proposed expenditure to proceed with Construction Documents and Construction Tender.</p>

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	<p>Staff will pre-qualify five firms, through an invitation process to bid the project. Staff working to finalize the details within the funding formula. According to the report, Ad Hoc Committee and staff are working on a survey to all residents within a 25-30 minute radius to assess potential utilization of an Aquatic Facility. Open House is planned for February 22, 2018 to present process to date.</p> <p>Note: The N45 Contract was never executed and on February 20, 2018, the Clerk posted the following attachment to the Bylaw: <i>"Advised by Kevin Hill, Director Parks & Recreation, that there will be no agreement required to formalize the acquisition of professional services from N45 Architecture Inc. to complete the detailed design a New Recreation Centre and Second Ice Pad Surface and a conceptual design of an Aquatic Facility."</i></p>
<p>2018-Jan-12: Ad hoc Committee Meeting</p>	<p>Mayor Don Eady, Reeve Peter Emon, Councillor Tom Sidney, Director Kevin Hill</p> <ul style="list-style-type: none"> • Director Hill reviewed the draft design of the proposed expansion of a new Recreation Centre and Second Ice Surface at Ma-te-way Activity Centre. <ul style="list-style-type: none"> o The ground floor and second floor plans were reviewed at length. o Proposed changes were discussed. • Director Hill informed the committee that he has met with staff and seeks direction, in the near future, on the following: <ul style="list-style-type: none"> o Fundraising o Naming Rights o Leased Space o Ice Users Surcharge o Aquatics o Design o Partners o Survey o Neighboring Municipalities o Institutional/Commercial Users o Tour o Grants o Public Meeting • Director Hill suggested he meet with the stakeholders to review the proposed design for sign off.

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	<ul style="list-style-type: none"> • It was suggested that staff continue to develop draft documents for the Ad Hoc Committees review and approval. • Mayor Eady asked if staff have had the opportunity to meet with the Aquatics Committee to discuss design of the Aquatics Facility. • Reeve Emon informed the Committee that he has forward his thoughts on the Aquatics Survey. • Director Hill informed the Committee that N45 has been very good to work with.
<p>2018-Feb-09: Ad hoc Committee Meeting</p>	<p>Chair Mayor Don Eady, Reeve Peter Emon, Councillor Tom Sidney, Director Kevin Hill, Program Developer Jo-anne Caldwell, Recreation Facilities Coordinator Jordan Wall.1. Director Hill presented an update on the Ma-te-Way Activity Centre Expansion. The Concept Plan dated February 6, 2018 was presented.</p> <ol style="list-style-type: none"> 2. Director Hill provided correspondence considerations to be distributed to user groups, service clubs, sponsors and the public at large. 3. Current federal, provincial and private grant opportunities were discussed. <p><u>Action Required:</u> Committee members directed staff to make modifications to concept plans, additions to correspondence presented and apply for any applicable grants. The deadline to make additions to the February 13 Regular Council meetings passed which caused Committee members to request a Special Meeting of Council to be called on Thursday February 15, 2018 at 7:00P.M. to pass motion to proceed with a detailed design at a cost of approximately \$165, 000. Committee Members directed staff to plan and advertise a Public Open House at Ma-te-Way Activity Centre on Thursday February 22, 2018 at 7:00pm to inform residents of Renfrew and surrounding municipalities.</p>
<p>2018-Feb-13: Director Hill informs Expanded Ma-te-Way Activity Centre Ad Hoc Committee that he signed off the expansion design</p>	<p>The minutes of the Ad Hoc Committee state that <i>“Concept Design Update - Director Hill signed off on Ma-te-Way Activity Centre Expansion design on February 12, 2018. The changes since the last design (February 9, 2018) were discussed.</i></p> <p><i>Timeline and schedule update - N45 Architecture suggests Tender Release May 14 and Tender close June 1 and to Special Council meeting June 5.</i></p> <p><i>Parks and Recreation Staff to commence an aggressive sponsorship and naming rights campaign. A fundraising goal of \$500k has been set. Treasurer Keray O'Reilly confirms tax receipts can be issued. Advertising in local newspaper looking for potential tenants for lease space to commence immediately. Modifications and additions were made to slides for special meeting.</i></p>

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	<p><i>Aquatic Survey changes were made to current version and will be distributed on white paper with blue in and water make across page to Ontario households within 30 kms of Renfrew. Surveys to be returned to ballot boxes located at Town Hall, Rec Centre and Ma-te-way Activity Centre by March 16, 2018”.</i></p> <p>Note: No advertising for leases has been located.</p>
<p>2017-Feb-15: Special Meeting of Council to proceed with Construction Tender documents</p>	<p>Report by Director Hill concerning the preparation of construction documents and construction tender for new Recreation Centre and Second Ice Surface. <i>Recommendation is to authorize</i> N45 Architecture to proceed with documents and tender. Director Hill authorized to pre-qualify contractors to bid on the project Presentation slide deck informs Council numerous revisions to the drawings have been undertaken. Staff met with the Second Ice Pad Committee on Jan 25, 2018, Ice Users on Jan 30, 2018 and internal Parks staff on Feb 1, 2018 to solicit input and feedback on the design. Features at that time included: NHL Ice size surface; Walking track, four change rooms and two multi-purpose rooms; a 54 X84 foot gymnasium with two change rooms with adjacent washrooms and showers. Centralized Admin/Operations Offices; Sports Museum, 46 X 49-foot Fitness Centre with two change rooms with adjacent washroom and showers, three muti-purpose rooms and retail/leasable space. Staff indicated they would be placing an ad in the local paper requesting potential business interest.</p>
<p>2018-Feb-22: Public Open House</p>	<p>Mayor Eady provides welcoming remarks followed by Presentation by Director Hill. Public Comments for those in attendance. The presentation document notes that the anticipated schedule would be March 2018 -prequalification of General Contractors; Site plan approval through April 2018, Demolition of outdoor rink in April 2018, Tender documents to be released in May, 2018. Tender closing on June 1, 2018 - Special Council Meeting on June 5, 2018 with award of Tender. Facility opening in Summer of 2019.</p> <p>Funding formula indicates \$8.3M capital expense for a Second Ice Pad and Recreation Centre with funding from the Second Ice Pad Committee (\$140k), Recreation Capital Reserve (\$307.8k), Fundraising (\$500k) and a debenture of \$7.4M. The tax impact would be 0% based upon incremental revenues, naming rights, leasing revenues, an ice surcharge and savings from the existing recreation centre. The tax impact was \$153k at the time.</p>

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	<p>Presentation indicates that "Staff would like to take a proactive approach to securing Sponsorship and Naming Rights Agreements Complex, Rinks, Gymnasium, Community Hall, Fitness Centre, Walking Track, Lobby, Multi-purpose Rooms, Meeting Room and Dressing Rooms 10-year Agreements".</p> <p>With respect to Leased Spaces, "Staff have met with three interested business to date. An ad will be placed in the local paper requesting potential businesses to submit proposals and Rents would be set at fair market value"</p> <p>Resolution Passed: "THAT Council authorize N45 Architecture Inc. to proceed with the preparation of Construction Documents and Construction Tender for the new Recreation Centre and Second Ice Pad, and FURTHER THAT Director Hill be authorized to pre-qualify contractors to bid on the project, and FURTHER THAT Director Hill is authorized to issue the tender documents upon their completion."</p> <p>The public open house was attended by 38 people and comments included that there was still a desire for an aquatic facility and retail space should be a last priority. The low turnout was noted.</p>
<p>2018-Apr-06: Ad Hoc Committee Meeting</p>	<p>Director Hill distributed the finalized Naming Rights and Sponsorship Package that will be going out to potential businesses. Some 32 businesses will be visited with the naming rights/sponsorship package. Director Hill reviewed a draft of the fundraising package with several options. A couple of folks have been approached to spearhead the fundraising campaign. - 3 year term is committee recommendation for the fundraising package. Reeve Emon notes the opportunity for tax receipts. Ad Hoc Committee directs that the fundraising campaign be put together and finalized in a flyer format, receipt and update the pledge form. A draft should be sent to the Ad Hoc Committee. The Post Office has been sold so they need to relocate the NHA/NHL Museum. Town to get moving ASAP on the Museum and to get all of the storage out of the building. Town will pay for each users' storage for up to a year.</p>
<p>2018-Apr-8: Request for Pre-qualification issued, closed on 2018-04-20 extended to 2018-04-23</p>	<p>The RFP for the Prequalification for General Contractors was sent to 11 Construction companies provided by N45 based upon interest in bidding on a subsequent Stipulated Price Contract (CCDC 5A) and 6 companies submitted proposals: Frecon Construction Ltd, Laurin & Company, McDonald Bros, R.E Hein Construction and M. Sullivan and Sons were pre-qualified. Wade General Contracting was</p>

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	not pre-qualified. Ellis Don, Morley Hoppner, MP Lundy, PCL, Saumure, Peak did not submit proposals.
2018-Apr-27: Ad Hoc Committee Meeting	The Prequalification process and results were discussed. Eleven firms received the prequalification documents, two withdrew their interest early in the process and five firms were prequalified. These include Frecon Construction Limited, Laurin & Company General Contractor, McDonald Bros Construction Inc., R.E. Hein Construction and M. Sullivan & Son Limited. A General Contractor/Sub Contractor Meet and Greet will be held on May 9, 2018 at Ma-te-Way Activity Centre. The prequalified firms and local sub contractors and trades people will be invited to attend.
2018-May-11: Ad Hoc Committee Meeting	Chair Mayor Don Eady, Reeve Peter Emon, Councillor Tom Sidney, Director Kevin Hill, Program Developer Jo-anne Caldwell, Recreation Facilities Coordinator Jordan Wall. 2. Project Update – Director Hill provided an update on the Expansion Project. A Meet and Greet was held on May 8th with five general contractors and six sub contractors in attendance. Two additional subcontractors showed interest, however they were unable to attend the meeting. An updated timeline was discussed with a Tender Release date of May 28, 2018, Tender Closing on June 22, 2018 and a Special Meeting of Council on June 26. N45 Architecture will review drawings and remaining coordination items with staff and Ad Hoc Committee members next week. Date to be confirmed. 3. Presentation Update – Director Hill presented the power point presentation for the upcoming Committee of the Whole. Action Required: Parks and Recreation staff to research 8-10 pools in Ontario in communities of similar size to Renfrew. Information to acquire includes number of members, public swim tally, number of people in lessons, revenues and expenditures. Also, research pools built in last decade in Ontario. Do analysis and plan pool tour based on findings.
2018-May-28 – Request for Tenders issued to the Prequalified Contractors – Received 2018-Jun-28- \$10.5-11.2M	The tender documents were sent to the five Pre-qualified General Contractors and four responses were received with the following tender results: <ul style="list-style-type: none"> • Laurin Gen Contractors \$10.474M • McDonald Bros Const. Inc \$10.494M • Frecon Const. \$10.897M • R.E. Hein \$11.019 M. Tender Results
2018-Jul-03: Ad Hoc Committee	Ma-te-Way Activity Centre Expansion Update

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<p>2018-Jul-07: Council Report – Tender Results – All over the \$8M budget – Enter negotiations</p>	<p>The Town had set a budget of \$8M for the Expansion and all of the tenders exceeded this amount. The following resolution 2018-7-2 was passed: <i>“THAT Renfrew Town Council authorize staff to continue to explore revenue generation opportunities and cost savings with N45 Architecture and Laurin General Contractors”.</i></p>
<p>2019-Apr-23: Verbal update By Director of Parks and Recreation with Respect to Ma-te-Way Expansion</p>	<p>Director Hill presented a verbal report, detailing the chronology of efforts invested to date regarding the investigation of an expanded Ma-Te-Way Activity Centre. A copy of Director Hill's presentation notes has been appended to the original copy of the minutes. Some highlights of this Verbal report include: In light of the fact that a major funding program directed at culture and recreation is expected to be released this coming fall, much Council debate ensued as to the pros and cons of putting the expansion project on hold until the possibility of obtaining this grant can be considered. The Senior Management Team will discuss and determine how best to advance this important matter for additional discussion and formal decision-making by Council.</p>
<p>2019-May-14: Special Committee of the Whole Meeting: Grant Opportunities Announced</p>	<p>Special Purpose meeting for Ma-te-way Expansion - Director presented an update to the Expanded Ma-te-way Activity Centre Project, some concerns raised about the Town becoming a landlord given some retail tenants. It highlights the activities that were undertaken since July 2018 as follows:</p> <ul style="list-style-type: none"> • July 19th, 2018 Legal Opinion Received regarding Tender Negotiations • July 25th, 2018 Staff met with N45 Architecture Inc. • August 2nd, 2018 Staff met with Laurin General Contractor • August 7th, 2018 Staff met with the Ad Hoc Committee • August 15th, 2018 Staff met with potential Tenants • October 4th, 2018 Staff met with N45 Architecture Inc. • January 18th, 2019 Staff met with N45 Architecture Inc. • February 7th, 2019 Legal Opinion Received regarding Continued Negotiations • February 28th, 2019 Mayor and staff met with Laurin General Contractor • April 23rd, 2019 Council Meeting – <u>Verbal</u> Update on Ma-te-Way Activity Centre Expansion Project

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	<p>The program is a 10-year federal-provincial infrastructure program that will invest \$30B in combined federal/provincial and other partner funding to critical local and regional infrastructure needs. In Ontario, he \$11.9 Billion for the province \$407 Million is for community, culture and recreational infrastructure over the 10-year program.</p>
<p>2019-May-24: Council Meeting N45 additional Contract Approved</p>	<p><i>Council meeting with a staff report which made the following recommendation:</i></p> <p><i>“THAT Council authorize staff to contract N45Architecture Inc. to complete the redesign and engineering of the Expanded Ma-te-way Activity Centre Project at a cost of \$157,200 inclusive of non-refundable HST,</i></p> <p><i>Further that Council authorize staff to work with Laurin General Contractors towards finalizing the costing of the redesign and engineering of the Expanded Ma-te-way Activity Centre Project,</i></p> <p><i>Further that Council authorize staff to work with tenants and naming rights partners to finalize leases/agreements,</i></p> <p><i>Further that Staff report back to Council when the guidelines and criteria are released for the Investing in Canada Infrastructure Program - Community Cultural and Recreation al Stream or once the redesign, engineering and costing has been completed.”</i></p>
<p>2019-Jul-10: Laurin informs the Town that the budget is now at \$11.8 and can no longer build at original price due to delays</p>	<p>Following several meetings and iterations including adding leased space, Laurin provides updated estimate of \$11.84M and indicates that they have wrestled with the program reality of its costs and that although they retail space may be creative from a financing aspect the complexity of the fit-out requirements is more significant than the simple retail shell that is tied into the budgets. In addition, the delays have now pushed this project into the next year's construction cycle which will add more pressures on the costs and timing. Laurin advised that they can no longer build for the amount originally provided.</p>
<p>2019-Jul-18: Drawings are sent to M. Sullivan and Sons</p>	<p>Over the next month, Brent Gould, estimator with Sullivans provides pricing to Director Hill based upon tender drawings provided by N45 as well as Laurin’s updated quote. At this point, Andre Roy suggests to Director Hill to consider changing the contract type to a Construction Management Services CCDC 5B and outlines the ‘benefits’ and Sullivan’s would be an excellent</p>
<p>2019-Aug-23: Email changing contract to CCDC 5B</p>	<p><i>Email from Kevin Hill to Council to change the contract – not a report which states:</i></p>

“I’m sure you are all aware that the Investing in Canada Infrastructure Program – Community, Cultural and Recreation grant application is set to be released on September 3, 2019. Staff have been working as directed by Council at the May meeting:

THAT Council authorize staff to contract N45 Architecture Inc. to complete the redesign and engineering of the Expanded Ma-te-way Activity Centre Project at a cost of \$157,200.00 inclusive of non-refundable HST,

And further, that Council authorize staff to work with Laurin General Contractors towards finalizing the costing of the redesign and engineering of the Expanded Ma-te-way Activity Centre Project,

And further, that Council authorize staff to work with tenants and naming rights partners to finalize leases/agreements,

And further, that staff report back to Council when the guidelines and criteria are released for the Investing in Canada Infrastructure Program – Community, Cultural and Recreational Stream or once the redesign, engineering and costing has been completed.

Staff has been working with N45 Architecture to make the necessary changes to the project to ensure it is able to be constructed within our budget.

Unfortunately, the cost of the proposed redesigned project will exceed our funding formula. As a result, staff reached out to look at other opportunities that could bring the project within the funding formula. Staff and N45 met with M. Sullivan to explore other possibilities. M. Sullivan suggested that the Town look at a Construction Management Contract to help get the best value for your money on a project of this scope.

I have spoken to our lawyer and he has assured me that there is no issues proceeding as recommended below;

Staff are recommending that we ask the five prequalified contractors to submit a proposal for the Towns consideration to manage the project with a Construction Management. I am proposing

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	<p><i>that contractors be given the opportunity to submit a proposal prior to 4:00 p.m. on Friday, September 6, 2019. This would allow the Town to evaluate the proposals and select a preferred contractor to work with to finalize a construction budget by Friday, September 20, 2019 to include as part of the grant application. We believe this will put the Town in a positive position to be ready for construction once the grant results are announced.</i></p> <p><i>Should you have any questions or concerns with the above approach could you please contact myself directly at your earliest convenience. I would like to release a Request for Proposal as soon as possible.</i></p> <p><i>Thank you very much. Kevin Hill</i> <i>Director of Parks and Recreation</i></p>
<p>2019-Sep-06: Ad Hoc Committee Terms of Reference</p>	<p>Terms of Reference developed by K. Bulmer with assistance. No evidence that it was presented nor adopted.</p>
<p>2019-Sep-09: Email and letter to proponents “RFP” for Construction Management Issued</p>	<p>September 9, 2019</p> <p>Pre-Qualified General Contractors</p> <p>Re: Project No. 17-230 MAC</p> <p>Please be advised that the Town of Renfrew is inviting Pre-Qualified General Contractors to submit a proposal to construct Project No. 17-230 MAC as tendered on May 28, 2018 under a Construction Management Contract (Option A).</p> <p>The Town of Renfrew will be accepting proposal until 4:00 pm on Thursday, September 19, 2019. The successful General Contractor will work with the Town of Renfrew to make the expansion project a reality.</p> <p>On September 3, 2019 the Investing in Canada Infrastructure Program Grant-Community Culture & Recreation Stream was released. The Town of Renfrew is extremely excited about the announcement and will be making application. In an effort to ensure the funding formula works for the project the Town of Renfrew is looking to add a retail component to the project (Option B).</p>

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General Contractors interested in the project should submit the following:

- Any changes to the pre-qualification and tender documents that you wish to edit.
- A revised budget for Option A (Previously tender documents issued May 28, 2018 inclusive of all 7 addendums).
- A budget for Option B (Retail addition as per attached revised conceptual floor plans. Both presentation and preliminary construction drawings and tenant fit up proposals).
- A detailed construction schedule.
- A detailed fees schedule for Construction Management Contract.
- Exclusions from the May 28, 2018 Tender:
 - o All work and proposed equipment associated with the proposed office fit ups, Hall of Fame and existing lobby.
 - o Storm line to construction area
 - o Seating revisions

Should you have any questions please email khill@renfrew.ca by 4:00 pm on Thursday, September 12, 2019. All questions will be answered on Friday, September 13, 2019 and be sent to all Pre-Qualified General Contractors.

N45 Architecture will be sending under a separate email a complete set of drawings complete with 7 addendums for Option A as well as conceptual drawings for Option B. Scope of work for Option B is to be similar to that of construction in original tender documents including tenant fit ups.

I look forward to the opportunity of working with you on this project.

Thank you for your consideration.

Sincerely,

Kevin Hill

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	Director, Parks, Recreation and Facilities
2019-Sep-19: 'RFP' Closed	Received four proposals: Hein, McDonald Brothers, Frecon, M. Sullivan and Sons.
2019-Sep-24: Ad Hoc Committee Meeting	Director Hill to provide update on Ma-te-way Activity Centre Expansion - short handwritten notes located on paper dated Tuesday Sept 24 6:00 pm. Of note in attendance are Don Eady; Tom Sidney; Peter Emon and Mike Coulas - majority of Council?
2019-Sep-24: Ad Hoc Committee Meeting	<p>Mayor Don Eady, Reeve Peter Emon, Councillor Tom Sidney, Director or Parks, Recreation and Facilities Kevin Hill, Recreation Facilities Coordinator Jordan Wall, Recreation Program Developer Joanne Caldwell</p> <ul style="list-style-type: none"> • Director Hill discussed RFPs and will continue to keep in touch and work with M. Sullivan & Sons, RE Hein and McDonald Bros., however The Department will not enter into a contract with any parties. • The Investing in Canada Infrastructure Program: Community Culture and Recreation Grant was formally announced and opened on September 3, 2019. Successful applicants will be contacted in Winter/Spring 2020. Applicants will most likely hear from the Provincial Government before the Federal Government. • Recommendation: The Ad Hoc Committee recommends the Town of Renfrew refrain from entering into agreements with General Contractors until information is received from the provincial and federal government with regard to grant application as per grant requirements. <ul style="list-style-type: none"> o Moved by Reeve Emon, Seconded by Councillor Sidney • Recreation Staff met with Richard Zohr and Bruce Thompson, representatives from Bonnechere Algonquin First Nation, to discuss construction of an off reservation Cultural Centre as part of the proposed expansion and partner on the current grant opportunity. • Director Hill presented three options for grant application: <ul style="list-style-type: none"> o Option A o Option B o Option C ☑ The Grant will not cover costs of construction for retail purposes • Recommendation: The Ad Hoc Committee recommends the Town of Renfrew apply under the Multi-Purpose Category for full eligible amount. Budget as provided by N45 Architecture. • Continued Discussion <ul style="list-style-type: none"> o Green Energy features of proposed expansion

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	<ul style="list-style-type: none"> o Staff authorized to proceed with talks with local First Nations to develop a Cultural Centre as part of the proposed expansion o Staff to attend grant webinars (dates and times to be released) o Grant to be submitted in late October or early November o Effective grant writers available in Ontario <ul style="list-style-type: none"> • Recommendation: The Ad Hoc recommends the local First Nations work exclusively with the Town of Renfrew on the Investing in Canada Infrastructure Program: Community Culture and Recreation Grant and provide a letter of exclusivity. <ul style="list-style-type: none"> o Moved by Reeve Emon, Seconded by Councillor Sidney
<p>2019-Oct-23:Email Brent Gould – BAFN Estimate</p>	<p>I have come up with a number of \$4,050,000.00. That works out to about \$327.25/sq ft. I can send you a breakdown if you require.</p> <p>There were subsequent emails with respect to the awarding of the contract.</p>
<p>2019-Oct-28: Email from N45 – regarding adding pool –</p>	<p>Director Hill responds “No” to adding pool to drawings</p>
<p>2019-Nov-11: ICIP Grant Submitted</p>	<p>Confirmation of submission of ICIP grant and documents.</p>
<p>2019-Dec-20:Ad Hoc Committee – Appears to be the Last formal meeting</p>	<p>Mayor Eady, Reeve Emon and Tom Sidney</p> <p>Director Hill provides Committee with an overview of several Ontario arenas (smaller communities) along with the revenues derived from the naming rights.</p> <p>A formal document is attached detailing the following: Cornwall Benson Centre - 11-year deal at \$600k; Essroc/Kehigh Arena- Wellington - 15 year with \$225k in kind; Huff Estates Arena Picton - \$50,000 lifetime; Ingredion Centre- Cardinal 5 years total of \$50k; and Napanee - Strathcona Paper Centre at \$200k/10 years (HST included)</p>
<p>2020-Feb-6: Kanata Lasers presents to Council – Economic Impact of the Wolves moving to Renfrew</p>	<p><i>Presentation identifies the Spin off Benefits as well as direct benefits.</i></p> <ul style="list-style-type: none"> • Fuel for player’s car 18 cars at average of \$75/week x 8 months = \$43,000 • Billet Food - average family spends about \$700 taking everything into account (x8 months) = \$134,400 • Fast Food Restaurants - 24 players at around \$75/week (x8 months) = \$57,600

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	<ul style="list-style-type: none"> • Family Visits - average family visits twice a year (sometimes more) at about \$1000/visit = \$48,000 • Vehicle Repairs/Tires = \$15,000 • Ice Time/Gym Memberships = \$45000 • Training Camps 2 a year average of 40 kids staying in Renfrew for weekends \$80.000 • Alcohol Sales \$10,000 • Recruiting Visits = \$15,000 • Visiting Teams = \$10,000 • Local Shops, Bus Repairs, etc. = \$15,000 • Bus Fuel = \$10,000 • Visiting Fans Restaurant, Gas, etc. = \$10,000 • Team Groceries/canteen = \$15,000 <p>Requirements of the Junior A Team:</p> <ul style="list-style-type: none"> • Nonprime time ice during weekdays at \$125.00 - 6 hrs a week 1.5 hrs day for 8 months. • Game time ice 3 hr blocks no later then 730 puck drop at \$160.00 - 29 home games plus playoffs • When canteen contract runs out in September, we would need this at same monthly rate. • We would need dedicated Jr A dressing room and coaches/trainers office available or built • We would need a business office up front of arena accessible and big enough for 3 staff • We would need advertising opportunities in arena for Corporate sponsorship. • We are looking for a 5-year contract. • Ability to partner with a group or organization for sales of alcohol during home games. <p>The Board of Directors was not formed.</p>
<p>2020-May 14: PR Committee</p>	<p>Director informs the committee that staff has been working with our legal team to draft the leases and agreements. Mayor has spoke with MPP Yakabuski and is confident that he is doing all he can to advance the Town's project. Committee wants to continue to be shovel ready.</p>
<p>2020-Jul-21: PR Committee</p>	<p>Province sends an e-mail to inquire if the Town would still move forward if funding was available. Director Hill informs the committee that all leases and agreements have been drafted by legal. Mayor Eady informs the committee he sat in on a webinar with Premier Ford and was pleased to note the province was working hard to secure Federal funding for the project</p>

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2020-Jul-23: Finance Committee	Procurement Policy Tabled
2020-Aug-07: E-mail from ICIP Culture (MOI) Province	Seeking confirmation from the Town that it still intends to proceed with the project and is able to fund its portion of 26.67% or \$4,294,261.12 plus any cost overruns
2020-Aug-14: Funding formula	Spread sheet reflects total construction (including cultural component) \$18,503,727 less Revenue of \$12,320,005 leaving a debenture number of \$6,183,722 *25 years at 2.25% requires annual payment of \$323,600 less savings from old rec centre of \$62,800 plus net incremental revenue of \$140k plus naming rights \$20k plus leased space \$160k plus BAFN Cultural Centre Lease of \$50k plus Ice user surcharge of \$20k plus NHA/NHL Museum \$16,800 leaves a balance (Surplus) of \$146k
2020-Sep-09: RFP for Construction Management Updated	Sullivan and Hein shortlisted and requested for updates to costing.
2020-Sep-19: RFP for Construction Management Received and Cancelled	Sullivan \$16M and Hein \$17M based upon a CCDC 5B Contract

CONTRACT CHANGED FROM STIPULATED PRICE TO CCDC 5B (CONSTRUCTION MANAGEMENT SERVICES - COST PLUS)



2021

May - RFP - 2 Proposals Received
 Jun- New RFP for Construction Management CCDC 5B (2010) - 3 Proposals Received, 2 Interviewed
 89,633 sq ft



2021 - June 29 -Buttcon Awarded Contract - Special Council Meeting
 2021 -Jul 5 - Bylaw Executed
 CCDC B5 - Buttcon and Town (no legal advice)
 \$18.9M



Jul 2021
 Jul - Soil Turning Ceremony
 CAO Model
 Revised Lease Agreements - Drafted
 Pre Construction Meetings held
 96,014 sq ft - Additional space and elevated walking track



Aug 2021
 Aug -Execute Grant \$11.8M based upon \$16.1M Expenditures
 Buttcon - Council Meeting
 Pre Construction Meetings



Sep 2021
 Sep - Tennis Court impacted by Expansion
 Splash Pad Expansion proceeds



Renfrew
 Bridging Charm and Convenience



**Ma-te-Way Expansion
 Contract Award \$18.9M Cost Plus to Election 2022**

Contract awarded to Buttcon in June 2021 - Completion Date estimated to be September 2022 with a budget of \$18M. Considerable increases in costs and delays experience ahead of Election.



Dec 2021
 Changes from Lawyer to Town - Buttcon and Town have not found signed/executed version
 First Buttcon Progress Meeting - Winter costs Generator -Increasing - Late Drawings greatly impacting schedule
 First Report indicated \$800K overage - winter heat



Winter 2022
 BEI - Procured by Town for Excavating
 Town providing Generator and Fuel
 Feb Report indicates \$911K Over budget
 Transformer - \$201K - Renfrew Hydro 'quote' - Misinformation to Council
 Minor deficiencies



Spring/Summer 2022
 MyFMCentre named
 May - CAO announced, late June start
 Jun - Concrete Pour and testing
 Jul-32 Site instructions - raising costs - structural deficiencies noted.
 Frustration of delays for drawings.
 Buttcon Budget to Completion: \$23.6M
 Presentation by Buttcon to Council - \$26M
 Leases \$300K annual (26,000SF - Fit up \$1.6M)
 Sponsors: \$40K annual



Oct 2022 -
 Municipal Election
 Fall 2022
 \$6.5M in Change Orders
 Buttcon Budget to Completion \$25.5M + \$500K
 Town paid Contractors
 49 Site instructions
 Ice Resurfacers Award - 2 quotes
 Scoreboard Award - Eastern Rink Services to Install - one quote (invoice over approved amount)

Town of Renfrew – Ma-te-Way Activity Centre Expansion Project – Third-Party Review

<p>2021- Apr-28: Director Hill informs Senior Management Team that the Ad Hoc Committee is disbanded</p>	<p>Director of Parks and Recreation informs the SMT that <i>the "Ad Hoc Ma-te-way Activity Centre Committee is now disbanded. Expansion matters will be dealt with by Committee of the Whole."</i></p>
<p>2021-May-13: RFP updated</p>	<p>Sullivan submits proposal for Construction Management Services (CCDC 5B) Fee for Services monthly fixed rate \$19,915.00 Plus HST (17 months) Construction manager's fee set at 3.75% of the cost of work plus HST - reimbursable expenses invoiced at cost plus 3%. Construction Estimated Budget approximately \$21,939,070 Plus HST with the following exclusions: Contingency (\$380k) Quality Control Inspector (hourly rate TB Negotiated); Continuous Negative Air (quote to be obtained for review). Commissioning Agent estimated at \$45k. Bonding for subtrades not included.</p> <p>Hein Proposal CCDC 5B. With a provision that once the contract drawings are 90% complete to discuss the potential of converting to a Construction Contract to a Lump Sum Stipulated Price. Lump Sum Fee of \$1.1M plus HST. Arena Budget Est. for 60,000 sq ft \$14,190,000 and Cultural Centre of 10,800 square ft to cost \$3,154,000, Tenant space of 25,600 square feet \$5,430,000. and General Site staff \$1,870,000 Plus the Const Management Fee \$1,100,000 for a total project cost of \$25,744,000. Includes a winter construction allowance of \$400,000</p>
<p>2021-May-26: Cancelled</p>	<p>Letter to Hein and Sullivan from Kevin Hill informing that Town will not be proceeding with the Ma-te-way expansion through the RFP that closed on May 13, 2021. Indicates that the Town will be releasing updated drawings in the coming weeks in hopes of proceeding with the project later this year. Will be inviting all pre-qualified contractors and other interested qualified contractors to submit a request for proposals in the near future.</p>
<p>2021-Jun-8: RFP Re-issued to include 3 additional vendors (not pre-qualified)</p>	<p>The RFP was a 'copy and replace' from Parkland County and contained errors and discrepancies. The RFP did not require specific costing elements or template. sent to 8 proponents - the 5 prequalified and 3 others that expressed interest in the project following the ICIP Grant Announcement</p>
<p>2021-Jun-10: Questions – McDonald Brothers</p>	<p>McDonald Brothers - sent questions regarding the RFP- COR (Certificate of Recognition) also questions related to the submission requirements -re: electronic or hard copy requirements etc</p>
<p>2021-Jun-11: Questions - Buttcon</p>	<p>Brent Gould from Buttcon sent questions seeking clarification regarding "the Greater Edmonton" area s/b Renfrew. Clarification on pages 18-19 of RFP section 4.5 proposed format on pages 20-22 of the RFP seem to be many differences. Although RFP states hard copies they want to</p>

Town of Renfrew – Ma-te-Way Activity Centre Expansion Project – Third-Party Review

	<p>provide digital given the Pandemic restrictions. Also requesting that experience be changed from 5 - 10 years.</p>
<p>2021-Jun-14: Addendum Issued by Director Hill to proponents</p>	<p>Addendum 1</p> <p>“Good Afternoon Please find listed below responses to questions raised for the above-mentioned Request for Proposal. The responses will identified as Addendum 1 of 1. Section 2.1.2, the RFP document states that “Proponents should email or submit two (2) original proposals along with one (1) electronic copy in Microsoft Word or PDF format on a USB drive in a sealed package.” and in Section 4.2.1, the RFP document states that “The Construction Manager shall submit one (1) unbound original and electronic editable file of the draft deliverables one week prior to the due dates to Town of Renfrew for review and comment.” However, if we intend to email our package, do we need to deliver hard copies along with one (1) digital copy?</p> <p>* Proponent can either email their proposal OR provide two (2) hard copies with one (1) digital copy.</p> <p>Section 2.3.3 (a), the RFP document states that “Proponents must have obtained a Certificate of Recognition (COR) appropriate to their industry by the Canadian Construction Safety Association or other certifying partner. Respondent must submit with their submission a copy of their COR which shall be valid at the time of the stated Submission Deadline for this RFP” However, if our firm previously enrolled and is in the process of obtaining COR, would proof of registration in this program, along with our internal Company Health & Safety Policies, be sufficient to satisfy this requirement?</p> <p>* The Town of Renfrew will accept proof that the proponent is registered in this program, along with their internal Company Health & Safety Policies.</p> <p>Section 4.3.1 (d), the RFP document states that “References, from municipal government clients, for services provided similar to those requested in this RFP in the last five (5) years.” However, we request that the project experience requirements be changed from the past 5 years to 10 years to allow us to provide a greater portfolio of similar projects.</p>

Town of Renfrew – Ma-te-Way Activity Centre Expansion Project – Third-Party Review

	<p>* The Town of Renfrew will extend project experience from 5 to 10 years to allow proponents a greater portfolio of similar projects.</p> <p>Section 4.3.1 to 4.3.5 and section 4.5 of the RFP document identifies “many differences in the 2 different criteria sections.”</p> <p>* The Town of Renfrew will be utilizing 4.3.1 to 4.3.5 as the priority criteria section.</p> <p>Section 4.3.2(d), the RFP document states that “Requests experience with working within greater Edmonton area and knowledge of local trade market.” However, please confirm that Edmonton is meant to state Renfrew?</p> <p>* It is to be confirmed that experience and knowledge of local trade market in proximity to Renfrew.</p> <p>This ends the responses to Addendum 1 of 1.</p> <p>I look forward to seeing all proposals on Friday.</p> <p>Thank you! Kevin Hill Director of Parks, Recreation and Facilities”</p>
<p>2021-Jun-18: RFP for Management Services Closed – 3 bids received</p>	<p>Proposals were received from Buttcon East Limited, Ball Construction and McDonald Brothers</p>
<p>2021-Jun-21: Director Hill requests clarification from RFP Proponents</p>	<p>Various questions were asked: Ball: Is markup fee included (3.75%)? Buttcon: Please confirm if \$18k including in management fees, any other fees, is bonding and insurance included in cm fees, included any cash allowances/landscaping in budget? \$75k included in top soil for around building. McDonald Brothers: construction contingency, budget for site exterior work? (no response)</p>

Town of Renfrew – Ma-te-Way Activity Centre Expansion Project – Third-Party Review

<p>2021-Jun-22:Email from M.Asselin to K.Bulmer</p>	<p>Expressed significant concerns with the presentation and the contract type as well as cost inclusions.</p>
<p>2021-Jun-22: Special Council Meeting (Virtual) – Director Hill provides update and drawings</p>	<p>Presentation: Motion: That Council support and endorse the Ma-te-Way Activity Centre Expansion Project as presented; and Further that Council authorize staff to enter into CCDC 5B Contract negotiations with the successful proponent following final review of the Request for Proposal evaluations and</p> <p>Further that Council authorize staff to continue to negotiate a financial commitment with the Renfrew Tennis Club and to report back to the next Regular Meeting of Council; and</p> <p>Further that a Special Meeting of Council be held the week of June 28th of 2021 to consider a by-law authorizing the Mayor and Clerk to execute a CCDC 5B Contract with the successful proponent.</p> <p>Council supports staff recommendation - Kevin Presentation setting out first floor square footage at 60,678 sq ft and 2nd floor at 28,955 sq ft for a total facility of 89,633 square feet. There is no drill down to ascertain the real financial numbers. Note that the drawings were not final. Those provided in the agenda did not include the hand drawn addition.</p>
<p>2021-Jun-29:2 RFP Proponents Interviewed – Contract Awarded to Buttcon at Special Council Meeting</p>	<p>On June 29, 2021, Buttcon and McDonald Brothers representatives were interviewed. According to evidence gathered, the Town participants included Director Hill, Jordan Wall, Joanne Caldwell, Councillor Sidney and Gerry Malette from N45. The interview was informal and no recording of minutes was taken or shared. Buttcon was represented by five staff including Brent Gould, Chief Estimator and M. Mercier.</p> <p>Both proponents were apparently asked if they could meet the budget and timelines provided in their proposals.</p>
<p>2021-Jun-29: Council Meeting to Award Contract – Information provided and requested.</p>	<p>Presentation by Director Hill: "Stage IV Completed Today - Gerry (N45), Tom (Sidney), Jordan (Wall), Joanne (Caldwell), and I met with representatives MacDonald Bros (3) and Buttcon (5). Both very positive interviews that staff would have no problem recommending either.</p> <p>Discussed Proponents Knowledge of Project. They were asked to walk us through their schedule and budget. Risk, Challenges and Mitigation were discussed, Staff raised the questions of</p>

proposed finishes; supporting local trades; What impressed us most about the recommended proponent is - knowledge of the project; confidence in the schedule and budget; support of local youth apprenticeship in the trades; there recognition of the Towns support of local businesses; proponent expressed a desire to engage the public through community initiatives throughout the build process. Based on our evaluation of the proponents, our team is pleased and confident to recommend to council Buttcon Limited to be the construction Management Contractor for the Ma-te-way Activity Centre Expansion Project."

This reflects Stage 4 of RFP process according to Kevin. Interviews were conducted by Chair Sidney, Kevin, Joanne, Jordan and Gerry from N45 - and included both McDonald Bros and Buttcon interviews - we looked at their "knowledge of the project - did their homework, completed their research and understood the issues which council and staff would have in a project of this magnitude". Councillor/Chair of P & Rec Sidney - both companies are capable but 100% support Director Hill - Timelines and Budgets will be met and the company had full answers to our questions. Both companies were great but Director Hill and the staff have made the right choice.

Reeve Emon, was there a scoring process? Kevin - there was a full scoring system and we narrowed down to the top two - then a three-stage process to lead through the interview - team of 5 evaluated on budget and presentation.

Reeve Emon not aware of Buttcon but do know McDonald Brothers.

Buttcon 42 years in business - involved in similar projects such as ours - most notably the renovation of Maple Leaf Gardens - but the team they brought to the table was really the deal maker - confidence in being able to deliver on-time and on budget gives us the confidence - Chair Sidney and our Architect were also confident in the Buttcon team and their ability to get the project done.

We had a great feeling throughout the interview - not one person wasn't unanimous in making this recommendation.

Chair Sidney - one thing that was interesting was their desire to engage young people for apprenticeships and supporting local.

Councillor Coulas - the bidding is within budget and affordable but what about the contingency funds - are they being withheld or being spent?

Kevin responds this is no different than any major capital budget - We are hoping to use those funds for enhancements like paving the parking area and roads or for unforeseen things that may be beyond our control. The biggest concern is steel right now but until you start excavating you really don't know what issues you might encounter. There are a number of other unknowns but we go into the project with our eyes open but our intention is to bring this project in on time and on budget to we can better manage the future debenture issue.

Councillor Heins asks is there is still going to be a formal report to make the decision? Essentially summarizing the details and background.

Kevin says no problem to provide the details, I can provide all of the scoring and detailed notes that we took during today's interviews and present a summary of the information that has been presented. Passing the by-law will allow us to enter into a contractual agreement. I plan to provide bi-weekly updates based upon the proponents' updates and we will have access to their program. The construction management process is really transparent and we can be at every tender opening to witness and oversee the process. We can get you as much detail as you might want to see. I will be keeping council fully informed.

Councillor Heins is happy to get the summary details from tonight's presentation.

Councillor Jaimeson - do you have any timelines from start to finish? We have asked for a Fall opening of 2022. full sets of drawing of the rear part of the building are complete so they will start from the rear to the front. Buttcon will be exploring options with their steel suppliers to provide options for the Town. They don't want to panic at the end so they will do every thing possible to panic at the start to get things moving.

Town of Renfrew – Ma-te-Way Activity Centre Expansion Project – Third-Party Review

	<p>Mayor Eady expressed concern to bring in the project with 0% impact on the Renfrew Taxpayers.</p> <p>Kevin states that there will actually be a surplus depending on whether there will be a 20 or 25 year debenture. The numbers they have presented will work. The office areas will have adequate flooring - ceramic tiles in the lobby and washrooms. We want to have the same pride in the new expansion as much as we are with the existing building. Mayor talks about the grant process and the rental units. Grant was for the 2nd ice pad, gymnasium, admin offices, walking track , program space along with the indigenous space are all eligible under the grant application. Kevin indicates that the tenant space is not part of the grant program but the lease revenues will enable us to sustain this build and help pay for the debenture and post debenture support the replacement.</p> <p>Reeve Emon will there be penalties for failure to complete the schedule as promised? Kevin no discussion on this but any penalties would also mean that we would need to discuss bonuses for early completion.</p> <p>Chair/Councillor Sidney requested a recorded vote.</p> <p>Kevin commits to presenting a summary report just prior to the recorded vote based upon the questions arising from Reeve Emon.</p> <p>Kevin indicates that there will be a detailed budget presented following the pre-construction meeting process.</p> <p>Reeve Emon asks that Council hold a special quarterly meeting for the duration of this project simply to ensure that the Council remains informed and engaged in this significant project.</p> <p>Mayor Eady requests to Kevin to coordinate the quarterly meetings rather than to the Clerk as direction. This should have been a motion.</p>
<p>2021-Jul-5: CCDC 5B Construction Management Services Contract Signed</p>	<p>The CCDC 5B contract was executed by the Clerk and Mayor Eady prior to legal review. Areas that were not explored included the transference to a Stipulated Fixed Price Contract. The Town’s legal counsel provided feedback on the contract on December 21, 2021 and was</p>

Town of Renfrew – Ma-te-Way Activity Centre Expansion Project – Third-Party Review

	<p>forwarded to Buttcon. Emails indicate that this new version was signed by Buttcon on February 22, 2022. However, it does not appear that the Town executed this new version.</p>
<p>2021-Jul-06: Request for Legal Opinion on CCDC 5B after the contract was signed</p>	<p>Cunningham Swan requested to review the ‘draft’ CCDC 5B but it had already been signed by the Mayor and Clerk.</p>
<p>2021-Jul-12: First meeting with Buttcon</p>	
<p>2021-Jul-15: Sod Turning Event</p>	<p>"Town of Renfrew dignitaries gathered outside of the Ma-te-Way Activity Centre on Thursday morning in what felt like the first time in months. There, they broke ground on the Ma-te-Way Expansion Project (Thursday, July 15, 2021). Mayor Don Eady says the project is significant since it'll usher in healthy economic activity. t's been more than six years in the making and politicians, staff and community members were thrilled to celebrate the expansion of Renfrew's Ma-Te-Way Activity Centre (MAC) at a groundbreaking event July 15.</p> <p>Actual shovels should be in the ground in early August for the \$16-million project, which entails more than \$11 million in funding from the federal and provincial governments, and \$4.2 million from the Town of Renfrew. The project involves expanding the current community arena and hall to include an Indigenous Cultural Centre, additional ice pad and fitness centre. The planned opening for the facility is fall of 2022.</p> <p>"This has been a long time coming," said parks and recreation director Kevin Hill, noting staff and council had been working on plans for more than six years. "It's a day of celebration." Mayor Don Eady thanked MP Cheryl Gallant and MPP John Yakabuski for their governments' support for the project.</p> <p>He also thanked Bonnechere Algonquin First Nation for its partnership on the cultural centre. He praised neighbouring communities for their letters of support.</p> <p>"It takes a community to make things come together," said Eady. "For Renfrew to flourish it takes our good neighbours to come to Renfrew to use our facilities, shop in Renfrew, etc."</p> <p>And he noted council and the recreation committee's work on the project.</p> <p>"I have to extend a thank you to our council for having the patience and fortitude to wait and make the final decision when we felt we got it right," he said</p>

He noted council challenged Hill to bring the project in at a zero per cent increase on the municipal tax bill

“The numbers are very clear that he has achieved that goal,” said Eady Along with thanking Hill, senior management and staff, he praised members of the recreation and second ice-pad committees.

The benefits of the project will be enjoyed for years to come, he said.

“The economic impact of this complex for the town of Renfrew is going to be something else.” He noted the town’s pre-COVID-19 Bluegrass Festival, during which he saw plenty of attendees heading into town to shop and dine.

With the hassle of the recent main street revitalization and then the pandemic, local businesses have “really been having a hard time,” he said. “Many thousands of people will be walking into our town because of this.” Recreation committee chair Tom Sidney reiterated the mayor’s thanks to all involved and said he is “very proud and happy” to see the project going ahead.

Sidney credited recreation staff for their hard work on the proposal and their ongoing commitment to the Ma-Te-Way Activity Centre.

“This building is 30 years old and it looks like it’s brand new and without the staff here doing the work, I know they take pride in it, and I know 30 years from now when this expansion is that old I know the staff will continue to take pride in it,” he said. He noted how impressed he is with the contracted company Buttcon Ltd.

“I can’t tell you how impressed I am, I can’t tell you how grateful for your knowledge, your expertise, your commitment, your involvement in community efforts, we look forward to that and I have every confidence this building is going to be top notch,” said Sidney.

Yakabuski noted the co-operation on the project is what made it possible. Without the three levels of government working together on these things, they just don’t happen,” he said.

The recent downtown revitalization, ongoing construction that is improving the area’s roads and the upcoming Highway 17 four-laning to Renfrew will do much to attract residents and visitors.

Town of Renfrew – Ma-te-Way Activity Centre Expansion Project – Third-Party Review

	<p>“When we have all of these things working together in conjunction you are making Renfrew a big-time destination,” he said.</p> <p>Mike Mercier is president and CEO at Buttcon East Limited.</p> <p>“As a company we are thrilled to be selected. There’s no question the municipality went through a very diligent process,” he said, noting that in the company’s 42 years in business officials have learned some lessons.</p> <p>“One very important lesson is the economy. In the municipalities that we work, we have a firm opinion, that to the very best of our abilities, we like to see maximum participation of local content,” said Mercier. “So that would include suppliers, subtrades as well as any other people, tradespeople, who are able to bring a benefit to the project.”</p> <p>Renfrew recreation officials say construction should not have much effect on upcoming fall and winter programs at Ma-Te-Way.</p> <p>STORY BEHIND THE STORY: After many years following this story, editor Sherry Haaima attended the ceremony for an expansion that will have an impact on Renfrew and area for many years to come."</p>
<p>2021-Aug-17:PR Committee Update and Council meeting – Tennis Club</p>	<p>Ma-te-way expansion project update provided by the Director. Pre-construction process is underway and progressing well. Staff has attended and participated in a number of meetings with the construction team. Tenders are near completion and will be released shortly for site works, footings and foundations, steel, rebar and concrete finishing. The Director updated the committee on the progress with the Renfrew Tennis Club and the relocation of the current courts. Two quotations as well as a detailed sub-contracting budget were discussed with the committee. Committee provided the Director with instructions to negotiate a new agreement with the Renfrew Tennis Club and report back.</p>
<p>2021-Oct-08: Council – Construct new Tennis Courts</p>	<p>Seeks Council to authorize the construction of six new courts and to ensure completion prior to June 21, 2022, approve the court membership fees and hourly rate charge and proceed with demolition of the existing courts immediately, that the court facility fencing be deemed surplus</p>

Town of Renfrew – Ma-te-Way Activity Centre Expansion Project – Third-Party Review

	and allow Horton Township to remove it. and use at their own expense; and the service agreement with Renfrew Tennis be presented to Council before year end,
2021-Oct-12: Council – Construct new Tennis Courts	Renfrew Tennis Club submits the Proposal for Cost Sharing Tennis Facility and appears before council as a deputation. Report from the Director indicates under the DISCUSSION Section of the Staff Report dated October 8, 2021 that "as part of the Ma-te-Way Expansion Project it was identified that the new building footprint would encroach onto the existing Tennis Courts to accommodate the new Indigenous Culture Centre. Staff and the Architects looked at other options and it was felt that to maintain the area directly in front of the current facility for future expansion and the cost impacts to reconfigure the expansion, it would be more costs effective to relocate the tennis courts. The Council hears for the first time that the costs of the relocation of the tennis courts is included in the expansion project. \$600k
2021-Oct-19: Council – Construct new Tennis Courts	Seeks Council authorization to demolish existing courts and construction of six new courts, "utilizing quality contractors"; approve a new court membership fee and hourly rate charge consider a memorandum of understanding with the Renfrew Tennis Club before year end
2021-Nov-15: BEI Sole Sourced \$585K	Earthworks sole source for \$585K through Buttcon but paid through the Town (non-union).
2021-Nov-23: Requirement to get Builders Insurance	Construction Insurance Form to be completed and to be sent to Municipal Insurer.
2021-Dec-02: First Construction Meeting and Financial Report provided by Buttcon to Director Hill	The first 'construction meeting' was held on December 2, 2021 whereby the issues of winter heating were raised. The financial report provided by Buttcon indicated that the project was estimated to be over budget by \$800k.
2021-Dec-14: Council	UNDER REPORTS VI) Recreation Verbal Report from Director Hill respecting Ma-te-way Activity Centre Expansion Project
2021-Dec-17: Town's Backup Generator used on the construction site	Director Asselin expressed concerns respecting the use of a backup generator to power the construction trailer at the Ma-te-Way site - more cost-effective approach to bring additional electrical service to the site
2021-Dec-22: Legal review of the CCDC 5B contract received	
2021-Dec-31: Concerns by Buttcon with respect to drawings	Buttcon provides a monthly summary of the work progress on the Ma-Te-way project for the month of December. Continues to be COVID 19 protocols for workers on site. On site works

Town of Renfrew – Ma-te-Way Activity Centre Expansion Project – Third-Party Review

	include the pouring of footings and excavation work formwork rebar and concrete works. "The late issuance of drawings and missing information is greatly impacting the project schedule and procurement process. Buttcon is proposing a substantial completion date of December 16, 2022. Buttcon will be providing by-weekly four week look ahead schedules to client, design consultants, engineers, and all trade partners breaking down the overall construction schedule within a four-week block of time."
2022-Jan-14: CIMCO Refrigeration – Sole Sourced Contract signed	CIMCO Refrigeration provided proposals dating back to 2018. Sole Sourced contract awarded through Buttcon for \$870K.
2022-Jan-18: Buttcon forwards updated Contract	Contract signed and sent to Director Hill but no copy has been found.
2022-Jan-25: Council receives first report from Buttcon	<p>Kevin notes that he received the Buttcon report late over the weekend - promise to provide updated Buttcon report next council meeting - 5 change orders to date but no costs to the project! - Grand opening potentially now New Years eve 2022 to welcome in 2023. Budget is now updated to \$800k currently over budget - going well pleased with the way the project is going a positive vibe at the worksite. Supply chain implications, need to adjust some of the design and finishes to bring costs down and ensure supply is available.</p> <p>Question from Reeve Emon about Committee minutes and process or policy respecting change order thresholds? Decisions coming to committee or to Council - Good reporting is critical - document the journey.</p> <p>Director Hill states "I can provide access to the builders portal to all of Council Members so they can stay informed. We can walk you through the portal and based upon my experiences with a number of big projects the reporting by Buttcon has been second to none. We are involved in every decision that is required."</p> <p>Reeve Emon states "We need a paper flow to be accountable for the public money that we are spending."</p>
2022-Apr-28: New Transformer required	Renfrew Hydro provides Contestable work for Ma-te-way Expansion 44KV Transformer and Primary Service Supply \$249,332.64 (50% deposit required)

Town of Renfrew – Ma-te-Way Activity Centre Expansion Project – Third-Party Review

<p>2022-Jul-06: Buttcon report received</p>	<p>Attaching an updated Class C Budget including several items - Jamieson Potential Claim Settlement, \$100k, MSE Potential Claim Settlement \$150k, Potential Increase of \$40k (subject to N45) Additional Under slab Insulation \$50k, Projected Drywall increase on permit drawings \$300k. Buttcon estimate now \$23,638,109. Note that over the course of the year, there were several requests for drawings that were affecting tenders.</p>
<p>2022-Jul-13: Telk originally sole sourced for CCTV and Sound System</p>	<p>CAO Tremblay requires this to go to Council for approval \$84K</p>
<p>2022-Jul-19:PR Committee</p>	<p>The Director provided an update of the expansion project to the committee. It was noted that Director Hill and staff are currently reviewing the Draft Class D Budget (which is the estimator's best estimate of the potential costs). A Class D Budget will be presented to Council on August 9, 2022. Currently, scheduled completion is projected for April 1, 2023. Director Hill requested a quotation from Telk Communications for the closed-circuit televisions and sound system for both the old and new arenas be supported. Telk Communications has extensive experience installing systems in municipal arenas across Ontario. Director Hill informed the committee that the five new tennis courts and four new pickle ball courts were completed on July 13, 2022. Staff and contractor is still working on small details and landscaping around the courts.</p>
<p>2022-Aug-18:Special Council presentation – \$4.6M over Buttcon’s original budget indicated ‘mostly’ due to steel prices – No additional report received until Nov 2022</p>	<p>Power Point presentation prepared for the August 18th 2022 SPECIAL COUNCIL MEETING providing a recap and some financial details on the Ma-Te-Way Activity Centre Expansion Project Grand Total Projected Expense\$26,453,631</p>
<p>2022-Oct-24: Municipal Election</p>	
<p>2022-Nov-14: Leskew and Associates awarded Sole Source Contract – Eastern Rink Services as subcontractor for installation</p>	<p>Paul Leskew and Associates sole sourced for scoreboards \$44.8K through Buttcon. Eastern Rink Services subcontracted to install for \$8.5K (over budget by \$14K).</p>

2023 - COSTS ESCALATED - THIRD PARTY REVIEW



Winter 2023

Buttcon \$25.8M + \$500K Town Subcontractors

Ongoing deficiencies



Spring 2023

Changes at Director Level

Total of 120 lost days

Ongoing issues with delay in decisions and drawings

Buttcon \$26.4M with \$500K Town subcontracts



May 2023

Third Party Review Launched



Renfrew
INC. 1984
Bridging Charm and Convenience



Ma-te-Way Expansion 2023 - Third Party Review and New Leadership

Council requests Third Party Review, New Leadership and Project Management.
As at December 2023, the occupancy date is not set, estimated budget at \$35M+.



June 2023

Colliers hired to act as PM for Town

Buttcon \$27.3M + \$500K Town Sub
Contractors

Delays ice surface due to weather,
water meter, gas station and drawings,
engineering



Aug 2023

Sub Committee formed with Regular Meetings -
Additional leadership assigned

Buttcon \$27.5M + \$1.3M Town subcontractors

Financials late
Waterline issues \$80K
Leases and naming rights agreements discussed



Fall 2023

Buttcon Budget to Completion \$27.8M +
\$1.3K Town paid Contractors

Town \$30.1M Estimated Total Cost + \$3M
additional costs

Presentation by Town staff:
Nearing completion in many areas -
Occupancy in Two Stages 2023, 2024



December 2023

Third Party Review - Interim
Report

WSCS estimates \$35M total Cost
including Tennis Courts

2024 - ESTIMATED TOTAL COSTS AT \$38M + \$15-19M DEBENTURE INTEREST COSTS



January 2024
 Buttcon \$25.M + \$1.5M
 Town Subcontractors
 WSCS Tour of Ma-te-Way with
 M.Asselin
 Ice Installed - First Tournament
 Vote of Non-Confidence



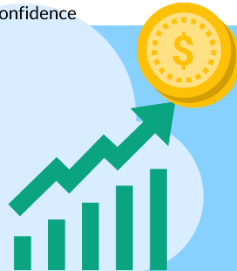
February 2024
 Occupancy
 Tenants and lease agreements
 with Exception
 Fitness centre and Walking track opens



March 2024
 Substantial completion posted by Buttcon
 Closure of the Recreation Centre
 Third Party Review Updated Report
 Total Costs = \$52M with Debenture Interest



Renfrew
INC. 2008
 Bridging Charm and Convenience



**Ma-te-Way Expansion
 2024 - Third Party Review Continues and Occupancy**

Occupancy, Substantial Completion
 As at March 2024 .

What's Next?



Spring 2024
 Finalize Third Party Review
 Remaining Earthworks
 BAFN Occupancy



Summer 2024
 Issue Debenture
 \$17M+ @ 4.79%



Fall 2024
 BAFN Lease and Move in
 Finalize Costing/Release Holdback?