

## Message

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**From:** Mark Palmer [/O=GREENLANDINT/OU=FIRST ADMINISTRATIVE GROUP/CN=RECIPIENTS/CN=MPALMER]  
**Sent:** 10/24/2012 9:13:11 AM  
**To:** Brian + [REDACTED] Saunderson [REDACTED]  
**BCC:** Miceli, Frank [fmiceli@ameresco.com]  
**Subject:** RE: some pertinent reading

Hi Brian:

I reflected on your email last night about what you have in hand and where you are going.

I truly commend your efforts and like me - always in the best interest of all residents and businesses.

However, it appears the information you are sitting on now maybe damaging and especially past steps by other(s) that may have gone well beyond proper municipal process and procedures, given the timeline you laid out (as far back as June 14, 2012). As you know, the Ameresco-Greenland Team was active in its discussions with the Town "at the very same time" and with the same other(s). Therefore, our unsolicited proposal was not respected via the Town's written guidelines. If we had known about the June 14<sup>th</sup> memo and direction taken without Council direction and support, it would have had a major influence on our approach and subsequent efforts. In other words, our unsolicited information was used against us on August 27<sup>th</sup>.

My biggest concern right now (i.e. when you x-reference the final August 30<sup>th</sup> contract against my comments - which I want to pass onto you) is that the signed agreement says another large payment draw is coming (very soon!). If what you are saying is true, and it can be further supported by an FOI response (with or without what you are looking or have already), I am wondering if NOW is the time for independent authorities to be contacted and bring all of this to a head.

I would hate to see more taxpayers money being wasted via the next project draw and especially if you feel something has been in play and can be proven.

You and the others standing with you have more expertise in the legal field than I do . I will leave it to you.

However, you can count on Ameresco and Greenland to share its story, if via an independent inquiry or similar process.

Take care.

Mark

P.S. This all sounds like a season opener for W5 episode. I will leave a copy of my comments about the signed agreement at the front office for you.

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**From:** Brian + [REDACTED] Saunderson [mailto:[REDACTED]]  
**Sent:** October 24, 2012 12:36 AM  
**To:** Mark Palmer  
**Subject:** Fw: some pertinent reading

Mark;

I am getting a copy of the WGD report for you. The attached is a critique of the WGD report which did not support a Sprung Structure as prepared by Dave McNalty to qualify or rebut the findings of WGD. Interestingly the actual report that Ed Houghton is quoting here is a memo from Dave to Ed and is dated October 5 - So Council did not have this info when it voted on August 27. Much of the info we are getting in response to our FOI requests post dates the decision and it is very clear that Council made this decision in advance of the August 27 meeting and with little to no substantive info or hard financial projections. For example, we have received a draft of the contract with BLT dated August 21 and a memo from the Deputy Mayor dated June 14 asking staff to research Sprung membrane structures (you will recall that Council did not pass a motion instructing staff to look into membrane structures until July 16).

Brian

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**From:** Ed Houghton [mailto:ehoughton@collus.com]  
**Sent:** October-15-12 1:09 PM  
**To:** 'Michael Lewin'; Ian Chadwick; Sandra Cooper; Rick Lloyd  
**Cc:** Marjory Leonard  
**Subject:** RE: some pertinent reading

Dr. Lewin:

As I explained previously, the architect's report was originally based on a fabric building with no insulation. When we spoke to them they amended a portion of the report but not the energy conservation portion nor the costs associated with that. So when you read the report it only considers a portion of the whole picture.

The following is a report from Mr. McNalty to Council:

**WGD Comparison of Various Construction Options for Arena at Central Park**

*In the course of providing a cost estimate for a pre-engineered steel style arena for Central Park, WGD Architects provided comments on the inherent differences in this type of construction versus fabric membrane structures.*

*Initially, the basis that WGD was comparing to was an un-insulated membrane system as would be typical for enclosures that would have an ambient indoor environment. These structures are typically constructed using manufactured steel trusses with a single fabric membrane stretched over and may be quite suitable for applications such as dry storage, various agricultural, industrial and manufacturing purposes. We have noted that these structures have also been adapted to cover various types of outdoor sports facilities and even seasonal ice arenas.*

*WGD correctly identified that the pre-engineered steel structure with insulated sandwich panel wall cladding (R-12) and roof panels (R-19) would clearly provide better energy performance over the un-insulated fabric membrane structure that they were comparing to. Their comments, on this basis, agreed with our own research over the past three to four years which has indicated that an un-insulated steel structure over an ice arena would provide only a marginal improvement over a completely outdoor facility (the existing Central Park outdoor rink).*

*The basis set out for a new arena in Central Park, however, was a 12 month ice surface that would provide an energy conscious solution and reduced operating costs over the existing year round ice*

facility (EBMA). The alternative insulated architectural membrane structure, such as supplied by Sprung, was introduced to WGD and many of their comments were retracted. Prior to our suggestion, the architects seemed to be quite unaware of this advanced technology available in the market, and are naturally focused on the delivery of brick and mortar, concrete and steel facilities.

A schematic wall section of the Sprung building system was provided to WGD and they acknowledged that with the enhanced wall cavity and additional insulation (R-30), thermal performance as compared to a typical pre-engineered steel structure may be superior. They suggested that a similar thermal resistance could be achieved in the pre-engineered steel building with the addition of more insulation. This would be a customized option and specific pricing on this option was not requested or provided although our budget worksheet carried a placeholder for this additional cost.

In order to provide a realistic comparison between the proposed Sprung arena and a pre-engineered steel facility, the options that were provided by WGD to improve the energy efficiency and bring the proposed arena to a LEED Silver equivalent were included in the project budget. The Sprung facility would be provided with that level of qualification and also included a second floor mezzanine and lounge area that was also added into the basic budget provided by WGD. The estimated cost reduction of \$500,000 for a fabric structure that WGD Architects provided at the end of their report would have been baseless as it was not for an insulated architectural membrane system. It has no relevance to the comparison.

WGD was cautious with regard to the thermal bridging opportunity at each of the aluminum support frames that form the structure for the insulated architectural membrane structure. We had already addressed this question with Sprung, and the explanation that was provided was satisfactory. The aluminum frame does extend through the insulated wall without a thermal break, however the spacing of the frames is typically 10 – 15 feet depending on the snow loading requirement and the span of the structure. There are thermal caps affixed on the inside and outside of the aluminum frames to help reduce the effect of the potential bridge. In consideration of the spacing and the large thermal barrier between the frames, thermal bridging does not present an issue and there have not been issues associated with this in Sprung's experience in various climactic locations.

It was suggested in the WGD report that accurate energy modelling that compared the insulated architectural membrane structure to other construction methods could be performed. A published third party comparison (copy attached) has already been performed on actual operating facilities, which is arguably more reliable than a theoretical model. The comparison was based on similar sized worship facilities that are constructed using a traditional method and a Sprung structure. The investigation focused on Energy Star performance rating criteria, energy consumption and cost data, and annual carbon emission relationships. Both facilities are located in Central Ontario.

The third party audit and report presents a clear advantage in favour of the insulated architectural membrane structure. The investigation included thermal imaging of the facilities which illustrates the inherent problems associated with air infiltration in traditional construction. The air-tightness of the continuous architectural membrane panels on both the interior and exterior improves thermal performance of the facility (air tightness test report from another Sprung facility attached). The potential for thermal bridging discussed above is also illustrated by the thermal images and in comparison to component built structures would seem to be superior.

Additional comments were provided by WGD regarding future maintenance considerations. Steel roof and wall panels on a pre-engineered steel building are provided with a variety of coatings to provide longevity. Depending on the coating, various warranties and anticipated life spans may be available.

*Experience shows that re-painting of the steel panels is likely to be required at some point in the life of the pre-engineered steel structure. Flat sections of the roof, as were proposed for the entrance and lobby areas of the arena, would include a membrane roofing system with a life expectancy of approximately 25 to 30 years.*

*In comparison, the exterior membrane panels of the Sprung structure are fully warrantied for 20 years, and would be expected to require full replacement after approximately 30 years. Renewal of the exterior membrane is performed completely from the outside without any disruption to ongoing activities within the facility. Either the steel structure or the aluminum substructure would be expected have a life span in excess of 60 years.*

*WGD provided a typical schedule for the design and construction of a pre-engineered steel arena which illustrates an inherent issue with traditional construction techniques. The project would include a 7 to 8 month design period followed by 10 to 12 months for procurement and physical construction. A design-build option to construct an insulated architectural membrane arena may be completed from beginning to end with a 8 to 9 month time frame.*

I apologize for my comments but I have tried my very best to provide the facts and the rationale for the decisions that have been made. I understand that you fundamentally disagree with those decisions but I have always felt that working in a cooperative manner is far more productive than to continue to down the same path.

Respectfully.....Ed

Mr. Ed Houghton, President & CEO, Collingwood Utility Services  
Chief Administrative Officer, Town of Collingwood

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**From:** Michael Lewin [mailto: ]  
**Sent:** October-15-12 12:55 PM  
**To:** Ed Houghton; Ian Chadwick; Sandra Cooper; Rick Lloyd  
**Cc:** Marjory Leonard  
**Subject:** RE: some pertinent reading

Mr. Houghton,

If you can explain to me how I am misrepresenting & disrespecting everything then maybe I can explain it to the growing numbers of frustrated people in our community. I would like nothing more than to be happy about a plan for our town's recreation needs.

Mike Lewin

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**From:** Ed Houghton [mailto:ehoughton@collus.com]  
**Sent:** October-15-12 12:37 PM  
**To:** 'Michael Lewin'; Ian Chadwick; Sandra Cooper; Rick Lloyd  
**Cc:** Marjory Leonard  
**Subject:** RE: some pertinent reading

I'm really getting tired of this man totally misrepresenting information and disrespecting everything we have done.

Ed

Mr. Ed Houghton, President & CEO, Collingwood Utility Services  
Chief Administrative Officer, Town of Collingwood

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**From:** Michael Lewin [mailto: ]  
**Sent:** October-15-12 12:29 PM  
**To:** Ian Chadwick; Sandra Cooper; Rick Lloyd  
**Cc:** Ed Houghton; Marjory Leonard  
**Subject:** RE: some pertinent reading

Councillor Chadwick,

I appreciate your reply. I did manage to get through all of the legal jargon of that webpage. My point in sending it was that these are guidelines for the expenditure of public money. Any guidelines allow for exceptions when exceptions are necessary. This is where I continue to struggle with the whole plan. If this were an emergency situation, I could understand. But it is not. We do have a desperate need for water & ice in this town but the need is no more desperate than 5 years ago. The Clippers do need a better pool but there are less than 80 Clippers this year. Should such a big decision for such a small user group? This is not meant to disrespect the Clippers and my daughter will likely be one next year. I know that Sprung is felt to be the only company that can provide the type of structure that they make. There are other companies that would debate that but I am not interested in that argument. I wonder why a membrane structure was necessary. Why not a structure made of steel or bricks? The town has an architect's comparison report that states that a steel structure would be a superior choice, costing only a little more, could be built just as fast and would be more energy efficient. This is a comparison of an R-30 membrane structure to a steel clad structure. Even more troubling is that the staff report for this project seems to contradict the architectural report. Were there other neutral expert opinions that favoured a membrane structure?

I also appreciate your comments regarding the proposed casino. I agree that there are few if any benefits to a casino in our community. I also worry that a nearby casino (ie Wasaga Beach) would have a similar impact on our community.

Mike Lewin

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**From:** Ian Chadwick [mailto:ichadwick@collingwood.ca]

**Sent:** October-15-12 7:26 AM

**To:** 'Michael Lewin'; Sandra Cooper; Rick Lloyd

**Cc:** Ed Houghton; Marjory Leonard

**Subject:** RE: some pertinent reading

Thank you, Mike. I'm sure you read the clauses that permit non-competitive procurement, including:

**“5. EXEMPTIONS, EXCEPTIONS, AND NON-APPLICATIONS UNDER TRADE AGREEMENTS**

An Organization asserting that procurement is subject to an exemption, exception, or non-application clause under a trade agreement must formally establish applicability of this clause.

**7.2.21 Mandatory Requirement #21: Non-Competitive Procurement**

Prior to commencement, any non-competitive procurement of goods or non-consulting services must be approved by an authority one level higher than the AAS requirements for competitive procurement.

- i. Organizations should employ a competitive procurement process to achieve optimum value for money. It is recognized, however, that special circumstances may require Organizations to use non-competitive procurement.”

You might also find this industry column interesting:

<http://www.dcnonl.com/article/id47763/--a-guide-to-restrictions-on-municipal-sole-source-contracting-in-canada>

“If, for instance, a municipality wishes to buy widgets, and one supplier holds a patent on the manufacture of the product, then there is no point in seeking alternative bids: the patent grants a monopoly. Where such a situation exists, a sole source (or direct) contract must be let.”

Note that the City of Windsor has sole-source clauses in its procurement policy:

[http://www.citywindsor.ca/cityhall/By-laws-Online/Documents/Purchasing\\_By-law\\_93-2012.pdf](http://www.citywindsor.ca/cityhall/By-laws-Online/Documents/Purchasing_By-law_93-2012.pdf)  
as do other Ontario municipalities, including Collingwood.

Recently, Ottawa City Council went through a similar process over non-competitive contracts and won a court case over them.

From <http://www.ottawasun.com/2012/05/22/city-defends-sole-source-lansdowne-contract>

“A city spokeswoman said the sole-source contract complies with the purchasing bylaw because CDS is "uniquely qualified for the specialized historical restoration work." CDS is expected to have competitions for subcontracts related to the work.

The city has been eying CDS for some time. A report dated October 2010 already talked about retaining the company for the job after the firm's assessment of the work. The city liked CDS's previous work relocating the historic March House in 2007.

"Their approach to dealing with an historic building is respectful and ensures a high rate of success," the 2010 report says.

Council approved the work earlier this month. A staff report said the combined work in these two contracts costs about \$14 million.

The Friends of Lansdowne lost its judicial challenge of the redevelopment but has until June 29 to ask the Supreme Court to hear the case.”

You can read this story about their legal appeal over sole-sourcing:

<http://www.ottawasun.com/2012/04/27/lansdowne-appeal-decision-set-for-monday>

“The group objected to the deal made between the city and Ottawa Sports and Entertainment Group in June 2010, saying the city violated its procurement policy after handing a contract to OSEG instead of landing a deal in a competitive bidding process.

When a decision was made in July 2011 in a lower court ruling that the city was within its right to partner with OSEG, Friends of Lansdowne appealed.”

Here’s a presentation about the legal and ethical issues of sole sourcing:

[http://www.cipmm-icagm.ca/download/mmnw/presentations/2011/6\\_Leschinsky\\_E\\_206.pdf](http://www.cipmm-icagm.ca/download/mmnw/presentations/2011/6_Leschinsky_E_206.pdf)

It points out that sole-sourcing is allowable under conditions such as lack of appropriate competition for the product or service. It also covers the sections of the Municipal Act that permit municipalities to create their own procurement policies, and how sole-sourcing is defensible under that Act.

As for BLT, I will have to let someone else answer that. My understanding is that they are simply the contracted builder, and that Sprung does the design. From the images and slides shown both on their website and in their presentation, Sprung has that expertise. However, perhaps Mr. Houghton will clarify. Just to be clear: the main component of the aquatic facility – the tank – is not being rebuilt, only the change rooms/admin, deck and storage areas.

Sincerely,  
Ian

~~~~~  
Ian Chadwick

*Councillor, Town of Collingwood*

E-mail: [ichadwick@collingwood.ca](mailto:ichadwick@collingwood.ca)

Phone: 705-445-1030 Cell [REDACTED]

*Dum tempus habemus, operemur bonum - While we have the time, let us do good.*

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-----Original Message-----

From: Michael Lewin [mailto:[REDACTED]]

Sent: Sunday, October 14, 2012 2:34 PM

To: Sandra Cooper; Rick Lloyd; Kevin Lloyd; Mike Edwards; Keith Hull; Sandy Cunningham; Ian Chadwick; Joe Gardhouse; Dale West

Subject: some pertinent reading

Your Worship Mayor Cooper & Honourable Councillors:

I have a question regarding BLT. Have they ever built an arena or aquatic facility? From there website it would appear that they have not.

I have also included a weblink to the Ministry of Finance's position on procurement when public funds are involved.

[http://www.fin.gov.on.ca/en/bpssupplychain/documents/bps\\_procurement\\_directive.html](http://www.fin.gov.on.ca/en/bpssupplychain/documents/bps_procurement_directive.html)

Mike Lewin

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