



## **FOUNDATION DOCUMENT**

### **PART II: FUNDING THE RECREATIONAL FACILITIES AT CENTRAL PARK AND HERITAGE PARK**

**Chapter 14: Council Approves Competitive Pool Upgrades; Council Allocates the Collus Share Sale Proceeds to the Arena and Pool Construction and Hume Street; An OPP Investigation is Launched; The Arena and Pool Open**

**Commissioner: The Honourable Frank N. Marrocco, Associate Chief Justice, Superior Court of Justice, Ontario**

**Please note that the statements in this Foundation Document have not been tested for the truth of their contents. The contents may be tested, challenged, supplemented, proven false, or discredited through the evidence called and the submissions made at the Inquiry. It will be for the Commissioner to consider all the evidence before ascribing any weight to anything contained in the Foundation Document**

## Chapter 14: Council Approves Competitive Pool Upgrades; Council Allocates the Collus Share Sale Proceeds to the Arena and Pool Construction and Hume Street; An OPP Investigation is Launched; The Arena and Pool Open

### 14.1 Council Distributes a “Half-Time” Newsletter

806. In early January 2013, Councillor Chadwick drafted a news letter entitled “Half-Time”. The newsletter summarized Council’s activities during the first half of the 2010-2014 Council term and was sent out to Collus customers along with their utility bills between January 18 and February 7, 2013. More information about the drafting of the newsletter and Collingwood constituents’ responses to the newsletter can be found in [Summary Document 2-5](#).

[Summary Document 2-5](#): *Council, Staff and Public Discussion Related to the Town’s Recreation Facilities, chapter 1.12*

### 14.2 Abby Stec Sends Acting CAO Ed Houghton and Paul Bonwick Information about Green Leaf’s Business Plans; Abby Stec Acknowledges she sent the Email to Ed Houghton in Error

807. On January 4, 2013, Abby Stec sent a memo of ongoing Green Leaf projects to Ed Houghton and Paul Bonwick. The memo outlined Green Leaf’s business interests including the solar vent project, Amaizeingly Green, the composting proposal, and property management. Ms. Stec’s memo said, “LEED/Sprung: Green Leaf is officially a Manufactures Rep for Sprung; Working on a written agreement with Sprung, BLT, LEED for comprehensive approach to projects in the region.” It also indicated, “LEED™ Feasibility Studies are underway for both Collingwood projects (studies to be completed by Jan 31, 2013).” Ms. Stec’s cover email to Mr. Houghton and Mr. Bonwick said:

Hi Guys,

I put together a very brief overview of some of the current initiatives I am working on. I have outlined those that are a priority for January/February and thought they could be the basis for conversation the next time we touch base. Included, is a brief

update regarding the property on Stewart Rd. I will have all of the current information for you on Monday. The land has quite a history.

*Email from and attachment from Abby Stec to Paul Bonwick and Ed Houghton, January 4, 2013, [TOC0261151](#) and [TOC0261152](#)*

808. Ed Houghton wrote back to Abby Stec and said, “I’m not sure why you sent this to me.? I’m sure it was in error.” Ms. Stec apologized to Mr. Houghton and wrote that the email was meant for “another of my contacts”.

*Email chain including Ed Houghton, Paul Bonwick, and Abby Stec, January 4, 2013, [TOC0261286](#)*

#### 14.3 Council is Asked to Move the Planned Entrance for the Central Park Arena

809. The January 7, 2013 Council Meeting Agenda included a December 7, 2012 letter with 9 signatures from Lorne Avenue residents expressing safety concerns related to anticipated increased traffic flow arising from the main entrance to the new Central Park Arena (the “Lorne Entrance Letter”). The minutes of the January 7, 2013 Council Meeting indicated that Council received the letters for information and Staff was to provide an update.

*Letter from Lorne Avenue Residents, December 7, 2012, Council Agenda January 7, 2013, [CJI0008125](#), p 35*

*Council Minutes, January 7, 2013, [CJI0008179](#)*

810. On January 14, 2013 at 10:10 am, Manager, Engineering Services Brian Macdonald emailed Ed Houghton and Marta Procter a draft memorandum about the proposed entrance to the new arena off Lorne Avenue, asking for comments before he sent it to Council. The memorandum stated, among other things, that the arena’s location “although not insurmountable does have its design changes with respect to access and parking”. The memorandum noted that Lorne Street residents had petitioned for an alternate entrance at the junction of Hamilton and Paterson. The memorandum stated that while this was possible, it presented different design challenges and “could add an additional \$150,000 to \$200,00 to overall project cost”.

*Email and attachments from Brian MacDonald to Ed Houghton and Marta Proctor, January 14, 2013, [TOC0264500](#), [TOC0264501](#), [TOC0264502](#), [TOC0264503](#), [TOC0264504](#), [TOC0264505](#)*

*Memorandum from Brian MacDonald to Mayor Cooper, Deputy Mayor Lloyd and Council, January 9, 2013, [TOC0264504](#)*

811. Ed Houghton replied to Brian Macdonald: "I have some real sensitives related to this memo. Can we discuss before this ever goes anywhere else?" Mr. Macdonald replied: "ok."

*Email chain including Brian MacDonald, Ed Houghton, Marta Proctor, January 14, 2013, [TOC0264546](#)*

812. At the January 14, 2013 Council Meeting, the minutes recorded that Councillor Keith Hull inquired about the petition regarding the proposed entrance to the Central Park arena that had been raised at the previous week's meeting. Mayor Cooper advised that staff had prepared a report that was to be presented to Council "in the near future".

*Council Minutes, January 14, 2013, [TOC0000709](#)*

*Email and attachment from Becky Dahl to Sara Almas, January 14, 2013, [TOC0549499](#) and [TOC0549500](#)*

#### 14.4 Staff Respond to Further Questions and FOI Requests About the Recreation Facilities Process and Decision

813. On January 10, 2013, Steve Berman sent further Freedom of Information requests to Sara Almas. Mr. Berman's requests included the following:

...

7. Arena - The town was approached to put in double ice rink, by a private company and all they had to do was cancel sprung and waive development charges. This was just before Christmas. A copy of that email/letter

....

The 3 questions that would may need to be asked of the EMT are

1. I have not heard back fro anyone other than the DM about the Clippers Trillium app. I would just want a simple yes or know the the A-CAO as to whether he, or anyone he is aware of, endorsed or signed anything to do with it. He still has not answered my email.

2. I would like to know the cost of the "Why Sprung" fliers that have gone out in the the past 2 Collus bills, and which budget that comes out of.

3. I would like to know (yes/no) if the "arrangement (for lack of a better word) between Green Leaf and Collus, can in anyway be tied to the Collus/Town of Collingwood partnership.

*Email chain including Steve Berman and Sara Almas, January 10, 2013, [TOC0549485](#)*

814. Clerk Sara Almas replied to Steve Berman on January 15, 2012. She did not provide responses to his questions about the arena, the Clippers Trillium funding application, the "Why Sprung" fliers, or the question of a connection between Green Leaf and Collus.

*Email chain including Sara Almas and Steve Berman, January 10 and 15, 2013, [TOC0549489](#)*

#### 14.5 Treasurer Marjory Leonard Circulates a Summary of Suggested Uses for the Collus Funds Received at the December 1, 2012 Public Meeting

815. On January 17, 2013, Marjory Leonard sent a "summary of all the suggestions received regarding how we should use the Collus funds" to Ed Houghton, Larry Irwin, Sara Almas, Marta Proctor and certain other Town staff members, asking for help "putting approximate numbers" to items on the list. She explained that, "It is my intention to let Council know what was suggested, what we approximate as the cost and ask them which items they want us to pursue."

*Email and attachment from Marjory Leonard to Ed Houghton, Larry Irwin, Marta Proctor, Marianne Nero, Brian Macdonald, Marcus Firman, Nancy Farrer, Bill Plewes, Ron Martin, Trent Elyea, and Sara Almas, January 17, 2013, [TOC0266594](#) and [TOC0266595](#)*

#### 14.6 Councillor Kevin Hull Brings a Motion Seeking Another Public Meeting About the Use of the Collus Share Sale Proceeds

816. Councillor Keith Hull provided notice of the following motion at the January 21, 2011 Council meeting:

Whereas on January 23, 2012, The Corporation of the Town of Collingwood sold 50% of Collingwood Utility Services Corporation to our new partner PowerStream Incorporated, enacted through the passing of By-law 2012-011;

Therefore be it resolved as these COLLUS shares were owned by the taxpayers and residents of Collingwood that the total proceeds as they are received be held in an interest bearing account until the following is completed by the Municipality:

Identify a minimum of three strategic opportunities for the use of the proceeds on behalf of the taxpayers;

The preparation of Staff Reports for each of the identified opportunities outlining the economic and social benefits and financial investment of each opportunity;

And lastly, hold further public dialogue to engage the citizens of the Town of Collingwood for their input and comments on the various opportunities identified by Council and Staff to ensure that the proceeds of this public sale are being used in the best interest of the taxpayers and residents of the Town of Collingwood.

*Council Minutes, January 21, 2013, [TOC0000711](#)*

817. Three days after the meeting, Simcoe.com published an article titled, “Hull still upset over rec decision.” The article outlined Councillor Hull’s criticism of the decision to sole source the Sprung structures, the lack of site planning for the arena, and his disappointment that a committee was not struck to examine potential funding options.

*“Hull still upset over rec decision”, Simcoe.com, January 24, 2013, [TOC0512648](#)*

818. On January 30, 2013, Councillor Ian Chadwick emailed a blog post he wrote to Councillor Kevin Lloyd and Deputy Mayor Rick Lloyd. The blog post explained that Councillor Chadwick would be opposing Councillor Hull’s motion seeking another public meeting regarding the use of the Collus share sale proceeds. In that blog post, Councillor Chadwick stated that the motion was “inefficient and unnecessary”, explaining that the public had already been consulted. Councillor Chadwick dismissed the notion that some people did not provide input on the use of the funds because they thought the funds had already been allocated. Councillor Lloyd and Deputy Mayor Lloyd both replied voicing agreement.

*Email from Ian Chadwick to Rick Lloyd and Kevin Lloyd, January 30, 2013, [TOC0272181](#)*

*Email chain including Ian Chadwick, Rick Lloyd and Kevin Lloyd, January 30, 2013, [TOC0272207](#)*

## 14.7 Centennial Pool Enhancements are Put to Tender

819. The minutes of the January 16, 2013 PRCAC meeting recorded, amongst other things, that,

The Director confirmed that the frame over Centennial Pool is being installed. The Consultant has drafted the tender package for the requested enhancements to Centennial Pool. The Department is continuing to work cooperatively with YMCA to develop operating and programming synergies.

*PRCAC Meeting Minutes, January 16, 2013, [TOC0271188](#)*

820. On January 20, 2013, Lisa Rennie sent “FINA Info” to Paul Waddell at BLT, Brad Bryson of Advanced Commercial Pool & Spa, and Ed Houghton. She wrote:

Just wanted to pass along my disappointment at having not been sent the final drawings and designs with the appropriate dimensions before they went out to tender...in this particular portion of the project, I am the client, at least in my capacity as liaison to the club. We are also paying the fee for Mr. Bryson. I would have expected him to send those drawing along to me before sending them out for full tender. I trust that when the bids come in, that this wont happen again, and we will be fully included in the discussions regarding the appropriate bid...

*Email chain including Lisa Rennie, Ed Houghton, Paul Waddell, Brad Bryson, Ed Houghton and Ron Martin, January 20 and 21, 2013, [TOC0267606](#)*

821. On January 21, 2013, Brad Bryson replied:

...

I understand that the Clippers are forking over the cost to hire us on as consultants and again I have nothing but sure gratitude for that however, I received a purchase order from BLT Construction which is why I utilize them as my main contact...I was under the impression that BLT was going to be the main Liason between all of us working on and reviewing this project.

To this point we have not received any questions on the project but I will be sure to inform you if we do receive any and do my best to keep you in the loop more from my end...

*Email chain including Lisa Rennie, Ed Houghton, Paul Waddell, Brad Bryson, Ed Houghton, and Ron Martin, January 20 and 21, 2013, [TOC0267606](#)*

822. Ed Houghton replied to Brad Bryson, asking who had submitted tenders. Mr. Bryson replied that he did not know as Paul Waddell was handling the tendering process.

*Email chain including Lisa Rennie, Ed Houghton, Paul Waddell, Brad Bryson, and Ron Martin, January 20 and 21, 2013, [TOC0267721](#)*

823. Paul Waddell, Dennis Seymour, Ron Martin and Mike (the “Site super”) met on January 22, 2013. Mr. Martin subsequently sent “...a very rough list of our discussion items from this morning’s meeting...” to Mr. Waddell, Mr. Seymour, Ed Houghton and Brian MacDonald. The list included several items relating to both the arena and the pool, including that BLT was to meet with the Town and the Clippers on January 24, 2012 with “total costing and recommendation on selected pool contractor”.

*Email from Ron Martin to Paul Waddell, Dennis Seymour, Ed Houghton and Brian MacDonald January 22, 2013, [TOC0268441](#)*

824. On January 22, 2013, Paul Waddell sent Ron Martin a proposal that BLT had received for the improvements to the Centennial Pool, noting, “Some people are submitting via email early!” Mr. Martin responded, “Is this in line with your original breakdown? (\$500k).” Mr. Waddell responded: “Waiting for one more. Hopefully they are low, not holding my breath. Looks like the project could get scuttled.” Mr. Waddell then provided some budget calculations, noting that he would send, “a fully finished spreadsheet upon completion but here’s what we’re looking at so far”. The calculations stated that the “Adjusted Amount” was \$584,378.60.

*Email chain including Brian Kimmons, Paul Waddell and Ron Martin, January 22 and 23, 2012, [TOC0513848](#)*

825. On January 23, 2013, Paul Waddell sent Ed Houghton and Ron Martin an email with the subject line “Pool Tender Analysis breakdown.” The email included a budget for the “Clippers Recommended Pool Tank Improvements to FINA Standards.” Mr. Waddell wrote that the proposed total amount was \$583,976.

*Email from Paul Waddell to Ron Martin and Ed Houghton, January 23, 2013, [TOC0513847](#)*

826. On January 24, 2013, Deputy Mayor Rick Lloyd emailed Mayor Sandra Cooper, copying all Councillors and the EMC, writing:

As a result of the accusations made by Councillor Hull in the Collingwood Connection I would respectfully ask you to have staff provide an



update on the financial status of the Centennial Pool Project and the new Central Park Arena at Mondays Council Meeting. Councillor Hull suggests that we are getting close to these projects costing us \$35 million dollars as well he suggests that we still wont have 2 Arenas...has something changed that I am not aware of? I would like a complete list of any Provincial or Federal grants that could have been acquired for these projects that this article alludes too as from my understanding that no Grants were available to even apply for.

in addition a update on the proposed changes at Heritage park this article implies and why these changes are now the direct result of the approved Centennial Pool Project and the Central Park Arena projects but would perhaps not been necessary had the 35 Million Dollar Central Park Project been approved or is this Heritage Park proposal a stand alone project that if the Central Park Project been approved then would the total price tag be 35 million plus the 15 Million making the total 50 Million if approved?

An update on the capital improvements of Eddie Bush Arena if any for 2013.

... I take these accusations seriously and have concerns that Councillor Hull has information as one of our Parks, Recreation and Culture representatives the we the rest of Council have not had the privilege of acquiring.

*Email chain including Rick Lloyd, Sandra Cooper, Kevin Lloyd, Mike Edwards, Ian Chadwick, Keith Hull, Dale West, Sandy Cunningham, Joe Gardhouse, Ed Houghton, Marjory Leonard, Sara Almas, and Larry Irwin, January 25, 2013, [ARB0000225](#)*

827. Councillor Kevin Lloyd replied, writing:

In addition, I would like a comparison of operational cost between the old Fitness Center and our new combined Aquatic Center.

Also, if Eddie Bush is, as described "Run Down" then we'd best make sure it is fit for current usage. I would like to be confident, because this statement may put the Town at serious risk.

*Email chain including Rick Lloyd, Sandra Cooper, Kevin Lloyd, Mike Edwards, Ian Chadwick, Keith Hull, Dale West, Sandy Cunningham, Joe Gardhouse, Ed Houghton, Marjory Leonard, Sara Almas, and Larry Irwin, January 25, 2013, [ARB0000225](#)*

#### 14.8 Treasurer Marjory Leonard Advises Acting CAO Ed Houghton of the Tax Implications of Paying for the Sprung Structures Through Debentures

828. On January 26, 2013, Ed Houghton emailed Marjory Leonard, and asked, "if the cost of the buildings is \$10,972.478, what would be the applicable taxes?" Ms. Leonard replied:

...

If we raise it all in 2013 it would increase taxes 44.91% or \$318.30 per \$100,000 of Current value assessment (this would be approximately \$795.75 per the average assessment of \$250k)

If we debenture for 5yrs the rate today is 2.16% we would need to raise \$2,327,006 per year this would increase taxes 7.33% or \$61.03/\$1 00k of CVA(\$1 52.60/average assessment)

If we debenture for 10yrs the rate today is 2.79% we would need to raise \$1,265,000/yr. This would increase taxes 5.18% or \$29.43/\$1 00k of CVA (\$74.60/average)

If we debenture for 15yrs the rate today is 3.20% we would need to raise \$926,799/yr increasing taxes 3.79% or \$19.36/\$1 00k of CVA (\$48.40/average)

If we debenture for 20yrs the rate today is 3.48% we would need to raise \$766,102/yr increasing taxes 3.14% or \$14.58/\$1 00 of CVA (\$36.45/average)

I wouldn't consider a longer period than 20yrs for any building unless we had an aggressive maintenance plan in place...

*Email chain including Ed Houghton and Marjory Leonard, January 26 and 27, 2012, [TOC0516945](#)*

829. Ed Houghton responded, "... My question was simply what do we pay in sales tax for the structures?" Ms. Leonard replied that the sales tax was 1.95% resulting in a payment of \$214,021 on \$10,972,748. Mr. Houghton responded, asking, "...the cost of the structures was just under \$11 M, the site servicing was \$700 K and the taxes are \$230 K for a total of \$11,930,000. It seems to me that if we add \$5 K at the ice pad and approx \$60 K for the pool we are bang on \$12 M. Do you agree?" Ms. Leonard replied, "My calculations on the capital sheets I have for tomorrow show \$11,931,811 so \$12 m is bang on. This does not include the \$559,680 (\$550,000 + taxes) for the therapeutic pool." Mr. Houghton replied again that he agreed, asking, "Do you include the extras like I have which is currently \$5 K (storm drain), \$50 K (rock ex), \$8 K (piping) and \$3 K (asbestos)." Ms. Leonard replied, "Yes and estimated taxes on those items as well."

*Email chain including Ed Houghton and Marjory Leonard, January 26-27, 2013, [TOC0516945](#)*

## 14.9 The Town Accepts a New Payment Schedule Proposed by BLT

830. On January 24, 2013, Ron Martin wrote to Town Manager of Engineering Services Brian MacDonald, Paul Waddell, and Ed Houghton stating,

Paul and I have been discussing the site work at the pool and arena and would appreciate your thoughts and comments on how to best complete the work.

...

Would you prefer BLT to tender the work based on CCTA plans and specs and add the work to their contract or would we tender it and have BLT retain the successful bidder.

Either way I think we all agree that for safety and overall site coordination the work should be under the BLT contract.

*Email chain including Ron Martin, Brian MacDonald, Ed Houghton, Paul Waddell, and Dan Hurley, January 24-25, 2013, [TOC0270167](#)*

831. Brian MacDonald forwarded the email to Dan Hurley of C.C. Tatham on January 25, 2013 and said, "We have looked at your revised plans and have some thoughts on moving forward and how we can do this without constructor issues. maybe we can discuss this early next week. We need to know how much needs to be done for tendering etc." Mr. MacDonald said he would call Mr. Hurley the following week.

*Email chain including Ron Martin, Brian MacDonald, Ed Houghton, Paul Waddell, and Dan Hurley, January 24-25, 2013, [TOC0270167](#)*

832. On January 25, 2013, Dave Barrow emailed Paul Waddell and said,

Can you forward the correct party for the new billing schedule for Collingwood. We need these paid 1st of each month so first will be due Feb 1st. Need this for sprung being delivered Monday. Hard copy mailed

*Email chain including Paul Waddell, Dave Barrow, Ron Martin, Ed Houghton, Marjory Leonard, January 25, 2013, [TOC0511164](#)*

833. On January 25, 2013, Paul Waddell forwarded Dave Barrow's "Billing" email to Ron Martin, and said:

Further to our conversation regarding the current contract payment structure... we hereby suggest we amend the contract with you to reflect a billing that would divide

the current remainder of the contract into 5 equal payments rather than maintain the current payment structure.

The current contract, while more favorable to BLT at this point in the billing cycle is not in keeping with the spirit of our relationship with the Town and slightly outside the boundaries of common sense and common practice.

Although this is a unique design build contract...we'd still prefer it to be fair in nature to both parties involved.

These amounts do NOT yet include the current extension of the Centennial Pool building to accommodate the Therapy pool as approved by Council, nor any other extras contemplated or otherwise approved. We can deal with those shortly, perhaps once we get an understanding of the direction the town will take on the Proposed Pool Revisions for the Clippers...

*Email chain including Paul Waddell, Dave Barrow, Ron Martin, Ed Houghton, Marjory Leonard, January 25, 2013, [TOC0511164](#)*

834. Ron Martin forwarded Paul Waddell's email to Ed Houghton and Marjory Leonard, explaining,

I am personally much more comfortable with the restructured payment schedule and believe that it more accurately represents actual work being completed each month. The payment schedule would be simply an amendment to the original contract...

*Email chain including Paul Waddell, Dave Barrow, Ron Martin, Ed Houghton, Marjory Leonard, January 25, 2013, [TOC0511164](#)*

*Email chain including Paul Waddell, Dave Barrow, Ron Martin, Ed Houghton, Marjory Leonard and Sara Almas, January 25, 2013, [TOC0516952](#)*

835. Marjory Leonard and Ed Houghton replied that they had no problems with the new schedule. Ron Martin replied that he would advise BLT that the Town agreed and they would proceed on the revised payment schedule for the duration of the two projects.

*Email chain including Paul Waddell, Dave Barrow, Ron Martin, Ed Houghton, Marjory Leonard, January 25, 2013, [TOC0511164](#)*

*Email chain including Paul Waddell, Dave Barrow, Ron Martin, Ed Houghton, Marjory Leonard and Sara Almas, January 25, 2013, [TOC0516952](#)*

#### 14.10 Clerk Sara Almas Raises Concerns with Continuing the EMC

836. On January 29, 2013 at 9:40 pm, Clerk Sara Almas emailed the EMC a draft slide presentation entitled “Operational Review” with the subtitle “Service Inventory/Governance Structure.” In the covering email, Ms. Almas wrote “...just REALLY need input on the content and direction we are looking for! HELP!” Ms. Almas also sent a meeting invitation for the next day.

*Email and attachment from Sara Almas to Ed Houghton, Marjory Leonard, Larry Irwin, January 29, 2013, [TOC0549527](#) and [TOC0549528](#)*

*Calendar Invitation from Sara Almas to Ed Houghton, Marjory Leonard, Larry Irwin, “EMT Meeting”, January 30, 2013, [CPS0003977](#)*

837. At 10:19 pm on January 29, 2013, Clerk Sara Almas sent another email to the EMC with the subject “Next Steps! – concerns ...” In the body of the email, Ms. Almas wrote:

...If an EMT is desired -- regardless the Chair would be the presumed CAO in the public's perception (and staffs). I am not sure if I can commit more than what I am doing now! I am trying so hard to keep up with everything and cannot afford any mistakes as the Clerk and for my family (as everyone is replaceable)I really appreciate Ed's role - as the Acting CAO it has been so important!! I am sure Ed and us all realize how important HE has been! (hence Ed's personal and professional responsibilities being compromised) Can we discuss tomorrow ... am very sorry to bring this up now -- but I feel we need to discuss before any decisions are made.

*Email from Sara Almas to Sara Almas, Ed Houghton, Marjory Leonard and Larry Irwin, January 29, 2013, [TOC0516942](#)*

838. A Special Meeting of Council was held on January 30, 2013. At the meeting, Clerk Almas provided a brief overview of an operational review that had been undertaken by Town Staff on behalf of the EMC. At the meeting, Council voted to direct staff to develop terms of reference for:

- a. A CAO Review and Recruitment Strategy
- b. An Operational Service Review; and
- c. A Committee/Board Governance Review

*Council Minutes, January 30, 2013, [CJ10008183](#)*

#### 14.11 Acting CAO Ed Houghton Reports on the Results of the Competitive Tendering Process for Pool Upgrades; Council Approves Upgrades

839. On January 31, 2013, Marta Proctor sent Ed Houghton, the EMC, and Ron Martin a revised version of a PRC Staff Report titled “Centennial Pool Enclosure – Update” (the “Pool Update Report”). In her covering email, Ms. Proctor wrote: “...Ron, I don’t have accurate information resulting from the Tender so I’ve purposely highlighted sections in yellow for you/and others to review and provide comment on.”

*Email and attachment from Marta Proctor to Ed Houghton, Marjory Leonard, Sara Almas, Larry Irwin, Ron Martin, Dennis Seymour and Michelle Kusiar, January 31, 2013, [TOC0273069](#) and [TOC0273070](#)*

840. On February 1, 2013, Ron Martin emailed Marta Proctor requesting a phone call to discuss several items, including:

...the extensive consultation process with the Clippers as well as the consultants, detailed specifications and tendering process to ensure that we were transparent and received competitive bids to complete the work.

Also that the work has to form part of the BLT contract and the matrix evaluation that they completed to make their recommendations.

*Email from Ron Martin to Marta Proctor, February 1, 2013, [TOC0513834](#)*

841. On February 8, 2013, Paul Waddell emailed Ed Houghton, writing,

Are you presenting the pool next week? I’m getting worried about the schedule if it’s a go.

Do you know what the earliest possible date we could advise PPL to order the trench drains from the US? 17 weeks of work puts completion on June 15th if purchase order approved on Feb 18th...

*Email chain including Abby Stec, Paul Waddell, Taryn Moore, Ron Martin, Dennis Seymour, Ed Houghton, Marta Proctor, Sara Almas, Dave Wood, and Dan Hurley, January 29, February 4, 7-8, 2013, [TOC0276889.0001](#)*

842. Ed Houghton replied, “If it gets approved Monday we can order the next day.” Mr. Waddell replied, “Great, buys us a week.”

*Email chain including Abby Stec, Paul Waddell, Taryn Moore, Ron Martin, Dennis Seymour, Ed Houghton, Marta Proctor, Sara Almas, Dave Wood, and Dan Hurley, January 29, February 4, 7-8, 2013, [TOC0276889.0001](#)*

843. Council met on February 11, 2013. Ed Houghton presented the final version of Staff Report PRC2013-07 (the “Pool Update Report”).

*Council Minutes, February 11, 2013, [CJ10008177](#)*

*Staff Report PRC2013-07, February 11, 2013, [TOC0516920](#)*

844. The Pool Update Report stated that the Clippers had informed Council of a potential \$150,000 donation, contingent on the Town implementing specific upgrades to the pool. It explained that the donation would be paid over a three-year period and applied to necessary competitive swim equipment. The Report advised that, “Public tenders were received and evaluated by BLT. Following their review BLT recommended the lowest bid of \$583,000 be accepted.”

*Staff Report PRC2013-07, February 11, 2013, [TOC0516920](#)*

845. The Pool Update Report recommended that Council receive the information on the enhancements to the existing Centennial Pool and proposed operating model, and that Council direct staff to proceed with the recommended enhancements to the Centennial Pool. If approved by Council, the Report said that Staff would work with BLT/Sprung to incorporate the facility enhancements, as requested.

*Staff Report PRC2013-07, February 11, 2013, [TOC0516920](#)*

846. The Pool Update Report outlined the effect on Town finances as follows:

The upgrades, if approved by Council, could be funded in the following manner:

- \$150,000 from donations
- \$28,000 from the Clippers Swim Team fundraising efforts; and
- \$405,000 from the Town of Collingwood

The Town’s portion could be funded through debenture, share sale proceeds, internal borrowing or any combination thereof.

If Council supports these enhancements, it will represent approximately 10% of the construction cost to achieve a quality and desirable competition facility that could increase significant programming opportunities.

*Staff Report PRC2013-07, February 11, 2013, [TOC0516920](#)*

847. The Pool Update Report also provided information about the Town's ongoing discussions with the YMCA. It advised that the YMCA had prepared a proposal to run the swim lesson program and estimated the facility operating costs would fall in the range of \$250,000 - \$350,000. The Report stated that,

After reviewing the proposed options, it was mutually recognized that the current discussions with respect to the operation of the pool facility may be premature at this time. Staff from both organizations agreed that the Town is likely in a better position to operate the facility during the first year during which time costs and efficiencies can be better evaluated.

*Staff Report PRC2013-07, February 11, 2013, [TOC0516920](#)*

848. At the February 11, 2013 meeting, Council directed staff to proceed with the recommended enhancements to the Centennial Pool by a vote of 8 to 0. Councillor Keith Hull was absent from the meeting.

*Resolution 068, February 11, 2013, [TOC0513499](#)*

*Council Minutes, February 11, 2013, [CJ0008177](#)*

849. On February 19, 2013, BLT submitted a Job Change Order for the Collingwood Pool for "Pool Tank Improvements." The Job Change Order attached the Chart, "Clippers Recommended Pool Tank Improvements to FINA Standards Tender Analysis and Recommendations", which had been sent to Acting CAO Ed Houghton and Chief Building Officer Ron Martin on January 23, 2013. The total BLT Contract amount, and cost identified on the change order, was \$583,976.00.

*BLT Change Order #1, February 19, 2013, [TOC0513488](#)*

*Schedule B "Clippers Recommended Pool Tank Improvements to FINA Standards Tender Analysis and Recommendations" undated, [TOC0513489](#)*

*Email from Paul Waddell to Ron Martin and Ed Houghton, January 23, 2013, [TOC0513847](#)*



#### 14.12 Council Agrees to Consider a Request Apply Collus Funds to the Hume Street Reconstruction

850. Mark Palmer and Scott Strandholt (Bay Haven Nursing Home) gave a deputation on allocating proceeds of the Collus sale to Hume street reconstruction at the February 11, 2013 Council Meeting. The meeting minutes recorded that

Deputy Mayor Lloyd, Public Works Liaison, reviewed the detailed status of the project, the required upgrades and reconstruction of Hume Street and cost of \$9.2M to complete the project.

Council agreed to consider their request when reviewing the use of the Collus share funds and suggested that possibly the Town and Hospital Board could make a presentation to the Province...for government funding assistance.

*Council Minutes, February 11, 2013, [CJ10008177](#)*

*Email chain and attachments including Mark Palmer, Sara Almas, Scott Strandholt, J Palmer, Cynthia Strandholt, Cynthia Chartrand, Sandra Cooper, Ed Houghton, Marjory Leonard, Larry Irwin, Christa Carter, and Becky Dahl, January 13, 14, 31, February 8, 2013, [TOC0516906](#), [TOC0516907](#) and [TOC0516908](#)*

#### 14.13 February 25, 2013 Council Meeting: Council Receives a Staff Report about the Use of the Collus Funds; Council Defeats a Motion for Further Public Consultation About the Use of the Collus Funds and a Motion for a Feasibility Study on the Eddie Bush Memorial Arena

851. At a Department Head meeting on February 12, 2013, Marjory Leonard confirmed that she was finalizing a Staff Report regarding the allocation of the Collus funds.

*Department Head Meeting No. 2013-07 Minutes, February 12, 2013, [TOC0000498](#)*

852. On February 22, 2013, Mark Palmer emailed Sara Almas, Council, Ed Houghton, Marjory Leonard, and Coordinator of Clerk Services Christa Carter. He indicated that he had reviewed Council's meeting agenda for February 25, 2013 and the Use of Funds Report. Mr. Palmer identified certain individuals and businesses that had indicated their support for the Hume Street Reconstruction but whose names were not included in the Appendix to Staff Report T2013-04. Mr. Palmer's comments were addressed in the staff report included in the final version of the agenda package.

*Email chain and attachment including Mark Palmer, Sara Almas, Rick Lloyd, Mike Edwards, Kevin Lloyd, Ian Chadwick, Keith Hull, Sale West, Sandy Cunningham, Joe Gardhouse, Sandra Cooper, Ed Houghton, Marjory Leonard, Christa Carter, and Larry Irwin, February 22, 2013, [CPS0004027](#) and [CPS0004028](#)*

*Collingwood Council Agenda, February 25, 2013, [CJ10008124](#), p 49 and 65*

853. Council received Staff Report T2013-04 regarding, “Use and Allocation of the Share Sale and Dividend Funds” at the February 25, 2013 Council Meeting (the “Use of Funds Report”). The Use of Funds report recommended, “THAT Council receive staff report T2013-04 including all the public comments and input on the use of the ‘funds’ and deliberate the use during the upcoming budget discussions.”

*Collingwood Council Agenda, February 25, 2013, [CJ10008124](#), p 49 to 65*

*Council Minutes, February 25, 2013, [CJ10006145.0001](#)*

854. The Use of Funds Report included the following estimates for the final “settle up” figures for the Collus share sale:

Promissory Note -	\$1,710,170
Cash Dividend -	\$11,598,389
Funds held in Escrow -	\$1,000,000
Future Dividend -	\$150,000
Total -	\$14,458,559

*Collingwood Council Agenda, February 25, 2013, [CJ10008124](#), p 49 to 65*

*Staff Report T2013-04, February 25, 2013, [TOC0517438](#)*

855. The Use of Funds Report stated that the top three public responses received for the use of the Collus sale funds related to Hume Street Reconstruction, Harbour enhancements, and decreasing the Town’s debt. It noted that public comments were still being received. The Report included a chart setting out the options from the public survey along with associated ideas and related cost estimates, where available. A summary of the comments received was attached as “Appendix A.”

*Town of Collingwood Survey re Allocation of Collus Funds, Undated, [TOC0250627](#)*

*Town of Collingwood Survey re Allocation of Collus Funds, Undated, Council Agenda Materials, February 25, 2013, [CJ10008124](#), p 55-65*

*Staff Report T2013-04, February 25, 2013, [TOC0517438](#)*

856. The Use of Funds Report discussed the option of paying down the Town debt, explaining that the Town could only repay one debenture at its discretion. The Report stated that the repayment cost was \$12,639,610, which included an estimated \$1,585,521 penalty for early repayment. The Use of Funds Report estimated the cost of the Hume Street reconstruction to be \$9.2M. It provided the following estimates for the Harbour enhancements:

Purchase and repairs to lighthouse - \$4 - \$5 million;

Purchase land - \$2.9m

General harbour restoration - \$4.2

Plan for redevelopment - \$120,000

*Staff Report T2013-04, February 25, 2013, [TOC0517438](#)*

857. The Use of Funds Report also discussed using the Collus funds to pay for the construction of the arena and pool. The Report provided the following information:

...

**Aquatic therapy pool** – the estimated cost of adding the therapy pool component to the current Centennial pool project is \$559,000...

**Pay for the new arena and pool projects** – the overall cost for the new arena and pool projects excluding the Clipper upgrades and therapy pool is \$11.8m.

**Eddie Bush Memorial Arena** – refurbishment costs are estimated at \$3.1m

**Heritage Park ball diamonds, facilities and park areas** – completion of the Heritage Park site including relocation of the skatepark is estimated at \$2.1m.

**Fisher Field amenities** – the type of amenities will be dependent on the availability of servicing in the park and the time frame for that to occur. There is no estimate available

*Staff Report T2013-04, February 25, 2013, [TOC0517438](#)*

858. The minutes record that Councillor Hull brought a motion, seconded by Councillor Gardhouse, that the proceeds from the Collus sale be held in an interest

bearing account until the Town: (i) identified a minimum of three strategic opportunities for the use of the proceeds on behalf of the taxpayers, (ii) a staff report was prepared for each opportunity, outlining the economic and social benefits and financial investment of each opportunity, and (iii) further public dialogue is held to engage citizens for their input and comments on the opportunities. The motion was defeated.

*Council Minutes, February 25, 2013, [CJ10006145.0001](#)*

859. The minutes also record that Council defeated a motion brought by Councillor Hull to direct "...that the Eddie Bush Memorial Arena be maintained in its current use until a feasibility study is completed and considered by Council" and that Staff be requested to prepare a report by March 17, 2013 defining the scope of such feasibility study,

...that includes consideration for refurbishing or repurposing the facility and further identifies the historical, economic, and social impacts of each option, and provides recommendations on appropriate resources to complete the study.

*Council Minutes, February 25, 2013, [CJ10006145.0001](#)*

#### 14.14 Town Manager of Engineering Services Brian MacDonald Provides a Revised Memo About Moving the Planned Central Park Arena Entrance to Acting CAO Ed Houghton

860. On March 6, 2013, Brian MacDonald sent Ed Houghton a draft of the memorandum he initially provided on January 14, 2013. Mr. Houghton replied indicating he had made a couple minor changes. Compared to the January 14, 2013 version, the memo, now dated March 5, 2012, had removed the sentence that the arena's location had "not insurmountable" "design changes" and reduced the estimated cost of the proposed alternate entrance from \$150,000-\$200,000 to \$100,000.

*Email chain and attachment including Brian MacDonald and Ed Houghton, March 6, 2013, [TOC0287072](#) and [TOC0287073](#)*

*Email and attachments from Brian MacDonald to Ed Houghton and Marta Proctor, January 14, 2013, [TOC0264500](#), [TOC0264501](#), [TOC0264502](#), [TOC0264503](#), [TOC0264504](#), [TOC0264505](#)*

*Memorandum from Brian MacDonald to Mayor Cooper, Deputy Mayor Lloyd and Council, January 9, 2013, [TOC0264504](#)*

#### 14.15 Deputy Chief Building Officer Ron Martin Reports to the Town on the BLT Change Orders for the Central Park Arena and Centennial Pool to Date

861. On March 11, 2013, Ron Martin emailed Paul Waddell, copying the EMC and Marta Proctor, to follow up on a meeting on March 7, 2013 and change orders received. He wrote:

...

Invoice were received for CO #1, CO#2, CO#3 and CO#5. (attached)

The invoices are under review subject to the following comments.

BLT Change orders received to date were reviewed as noted.

- CO#1 for the main pool upgrades ( Clippers) has been approved by Council on February, 11, 2013.
- CO#2 for the therapy pool has been presented to Council and approved for construction
- CO#3 for the soil removal, installation and compaction of new soil. BLT to provide additional information including test reports and sub trade invoices
- CO#4 to reroute the original underground pool piping. BLT to provide details and sub trade quotation.
- CO#5 to test for and remove asbestos in the original pool building. BLT to provide test documentation, final approval and sub trade quotation.
- CO#6 for the addition of a multi- purpose room was withdrawn and cancelled.

Other items discussed at our meeting:

- BLT requires a decision on the transformer and secondary duct bank installation as soon as possible. Info sent to Collus for comment and or approval.
- BLT and TOC to investigate procedure to have gas service installed to the new arena. Martin to contact CCTA for information. Waddell to contact BLT engineers.
- Until further notice or direction the TOC will proceed with site work engineering including site work exterior lighting. TOC will issue tender call for site work to verify exact costing and then review project management options with BLT based on actual cost.

- BLT to provide plans and interior finish details to TOC for review, discussion, and approval as soon as possible.

Please let me know if you would like to make any comments or add to my notes

*Email from Ron Martin to Paul Waddell, Ed Houghton, Marjory Leonard, Sara Almas, Larry Irwin and Marta Proctor, March 11, 2013, [TOC0289276](#)*

862. Details about the change orders BLT issued during the construction of the Central Park Arena and Centennial Pool are in [Summary Document 2-8](#).

[Summary Document 2-8](#): *Cost of Arena and Pool and Sources of Funding, chapter 1.4*

#### 14.16 Paul Bonwick's Involvement in Public Projects Receives Media Attention; Rallies are Held at Town Hall

863. On March 8, 2013, the CBC published an article titled "Collingwood mayor's brother paid by casino, power companies." The article reported that the Ontario Provincial Police were investigating "...complaints of potential conflict of interest", including Paul Bonwick, and noted that two Collingwood citizens had "...complained to police that they fear some members of council are being improperly influenced by Bonwick and are failing to disclose their close relationships with him." The article referred to Mr. Bonwick's alleged involvement with PowerStream and attempts to bring a casino to Collingwood, but did not reference the construction of the Sprung facilities.

*"Collingwood mayor's brother paid by casino, power companies", March 8, 2013, [CJ10007669](#)*

864. The minutes of the March 11, 2013 council meeting recorded that "Mayor Cooper provided a statement regarding an alleged police investigation, confirming that the concerns are rumours and Council will continue to work in the best interest of the Town."

*Council Minutes, March 11, 2013, [CJ10008193](#)*

865. Three days after the CBC article was published, the Collingwood Connection reported that approximately 130 people held a rally outside of Collingwood Town Hall. The rally was organized by Steve Berman, who noted that the CBC article, "presented a good opportunity for the public to comment on these and other complaints towards

council...people are upset about the recreation facility and the lack of transparency.” In a Collingwood Connection article covering the rally, Mr. Berman noted that he believed “that the rec facility decision was made by council before it was introduced to the public” and that he organized the protest, “to give people the opportunity to voice their concerns.”

*“130 turn out to town hall rally”, March 11, 2013, [CPS0004084](#)*

*“Residents protest at town hall”, March 14, 2013, [TOC0290557.0001](#)*

#### 14.17 Council Discuss the Search for a new CAO

866. On March 19, 2013, Councillor Keith Hull emailed Council and the EMC about the “CAO Position”, writing:

...

As the RFP has only gone out to hire a consultant to review the organization, it is possible that we may go sometime between the hiring of this person/firm, the receiving of their report and process to undertake and hire a new CAO. I recognize that timelines were attached to the RFP but timelines change.

Given what has transpired in the past couple of weeks (regardless of ones opinion) I think it is reasonable to suggest that qualified candidates may be leary in applying for a leadership position within the Municipality until there is more clarity with regards to some of the questions being raised by the media/public etc.

Therefore would it be prudent to consider the hiring of full-time CAO on a short-term contract basis? I am thinking of perhaps someone who has recently retired that may consider this short-term opportunity. Locally, Gord Norris is someone that comes to mind. However, across the Province there maybe others that fit this description that could be approached.

...

*Email chain including Keith Hull, Sandra Cooper, Town Councillors, Ed Houghton, Sara Almas, Marjory Leonard, and Larry Irwin, March 19, 2013, [TOC0292324](#)*

867. Mayor Sandra Cooper replied, “This is one of the options being discussed with staff.”

*Email chain including Keith Hull, Sandra Cooper, Town Councillors, Ed Houghton, Sara Almas, Marjory Leonard, and Larry Irwin, March 19, 2013, [TOC0292324](#)*

#### 14.18 Council Approves Relocating the Planned Central Park Arena Entrance

868. Council held a Special Meeting of Council on Wednesday, March 20, 2013. The minutes recorded that Brian MacDonald reviewed the proposed entrance design for Central Park from Patterson Street, which had an approximate cost of \$100,000. The minutes state that Council agreed “to revisit this request after hearing from the public at the Saturday meeting and during the Collus share sale and dividend fund proceed discussion.”

*Special Meeting of Council Minutes, March 20, 2013, [CJI0008195](#)*

869. On April 22, 2013, Council directed Staff to prepare the necessary site plan changes for the new arena at Central Park, to provide the entrance from Paterson street.

*Town of Collingwood Resolution No. 171, April 22, 2013, [TOC0550091](#)*

#### 14.19 March 23, 2013 Council Meeting: Treasurer Marjory Leonard Presents the 2013 Budget

870. The minutes from the March 23, 2013 meeting record that Marjory Leonard provided a brief presentation and overview of the 2013 budget, following which members of the public had the opportunity to address Council. The minutes recorded that:
- a. One resident requested that Council allocate the funds from the Collus share sale to the Hume Street reconstruction.
  - b. Another resident inquired as to the status of the Collus Share Sale funds. Ms. Leonard replied that the funds “had not been included in the budget and the use would be decided at a later date.”

*Special Meeting of Council Minutes, March 23, 2013, [CJI0008196](#)*

871. The 2013 Town of Collingwood budget for Central Park totalled \$8,349,050, made up of expenditures of \$3,550,940 incurred in 2012 and \$4,798,110 forecasted for 2013. The budget for the Centennial Pool totalled \$3,582,761, made up of expenditures incurred in the prior year of \$1,549,081 and 2013 forecasted expenditures of \$2,033,680. These



projects were to be funded through allocated reserves, development charges and debentures. The Table below summarizes the budget information.

**Table 14-1**

	Arena (\$)	Pool (\$)	Total (\$)
<b>Budget:</b>			
Prior Year Expenditure	3,550,940	1,549,081	5,100,021
2013 Forecast	4,798,110	2,033,680	6,831,790
Total Budget	\$8,349,050	\$3,582,761	\$11,931,811
<b>Internal Financing:</b>			
Development Charges	1,071,594	94,050	1,165,644
Debenture	7,277,456	1,555,116	8,832,572
Allocated Reserves		1,933,595	1,933,595
Total Financing Sources	\$8,349,050	\$3,582,761	\$11,931,811

*Town of Collingwood Multi Year Capital Project 2013 Budget, New Arena, [CJ10011155](#)*

*Town of Collingwood Multi Year Capital Project 2013 Budget, Centennial Pool, [CJ10011154](#)*

872. At the end of the March 23, 2012 Special Meeting, Council carried a motion “...to provide direction to staff to prepare the final budget estimates for consideration.”

*Special Meeting of Council Minutes, March 23, 2013, [CJ10008196](#)*

#### 14.20 April 9, 2013 Council Meeting: Staff Receive an Update on the Eddie Bush Memorial Arena

873. The minutes from the April 8, 2013 Council Meeting record that Council received Staff Report PRC2013-08, titled “Eddie Bush Memorial Arena Update” (the “Eddie Bush Update Report”). The Eddie Bush Update Report provided, amongst other things, information about the current condition of the Arena, stating,

...

The recent Building Condition Assessment was conducted at the end of 2011 by WGD Architects...Using an industry accepted Facility Condition Index, the condition of the building was rated a mid-level C with minor distress observed. The report further outlines necessary repairs to increase the performance and useful life expectancy as well as recommendations for compliance with current building codes and standards...

*Council Minutes, April 8, 2013, [CJ10008167](#)*

*Staff Report PRC2013-08, April 8, 2013, [TOC0009379](#)*

874. In the Eddie Bush Update Report, Staff recommended that the arena be upgraded and updated through three phases over several years. The report stated that the cost of this work was approximately \$3 million and noted that "...This plan may be further refined based on the consultation and feedback of key stakeholders." It stated that,

PRC staff will continue to operate the Eddie Bush Arena as approved through the Budget process and will bring forward any future recommendations for Councils consideration and approval.

*Staff Report PRC2013-08, April 8, 2013, [TOC0009379](#)*

#### 14.21 April 15, 2013 Council Meeting: Ed Houghton Steps Down from the Acting CAO Role

875. The Department Head meeting minutes from April 9, 2013 record that "The Acting CAO advised that he would step down as Acting CAO at the April 15th meeting of Council and concentrate on his role at COLLUS / Power Stream."

*Department Head Meeting Minutes No 2013-15, April 9, 2013, [TOC0304296](#)*

876. On April 13, 2013, Mayor Sandra Cooper sent Karen Gordon, a communications professional, an email about Ed Houghton's departure. She wrote:

You are correct that Ed has not received compensation. 'volunteering his time'. Council has not discussed this, but he may be recognized/ compensated at some point in time. It remains a sensitive matter at this point in time.

*Email chain including Sandra Cooper, Karen Gordon, and Ed Houghton, April 13 and 15, 2013, [CPS0004191](#)*

877. On April 15, 2013, Ed Houghton stepped down from the role as Acting CAO of the Town of Collingwood. He remained as the President and CEO of Collus PowerStream until his retirement from that position in June 2016.

*Council Minutes, April 15, 2013, [CJI0008168](#)*

*“Ed Houghton Departure Statement”, undated, [TOC0503489](#)*

#### 14.22 April 22 and 29, 2013 Council Meetings: Council Approves Payment to BLT and Receives a Construction Update

878. The April 22, 2013 Council Meeting Agenda was distributed to Council on April 18, 2013. Deputy Mayor Rick Lloyd forwarded the agenda to Ed Houghton.

*Email from Christa Carter, April 18, 2013, [TOC0307073](#)*

*Email chain including Christa Carter, Rick Lloyd and Ed Houghton, April 18, 2013, [TOC0307082](#)*

879. The minutes of the April 22, 2013 Council Meeting recorded that Council voted that “...the Accounts Payable Voucher to B.L.T. Construction in the amount of \$1,115,901.90 be approved.” Councillor Hull opposed this motion. Council also carried a motion to “...direct staff to prepare the necessary site plan changes for the new arena at Central Park, to provide the entrance (across) from Paterson Street.” The minutes stated that, “Councillor West requested an update on the Recreation Facilities.”

*Council Minutes, April 22, 2013, [CJI0008169](#)*

880. The minutes from the April 29, 2013 Council Meeting stated that Marta Proctor, Ron Martin, Brian MacDonald, and Paul Waddell, “provided a brief presentation on the construction schedule for the new arena and centennial pool facilities and addressed questions from Council”.

*Council Minutes, April 29, 2013, [CJI0008170](#)*

881. The slides from the presentation on the recreation facilities projects featured site plans, photographs and timelines for the completion of the two Sprung facilities. The Centennial Pool structure was scheduled for substantial completion on June 30, 2013 before being turned over to the Town for occupancy in July 2013. The Central Park arena

was scheduled for substantial completion in September 2013, before being turned over to the Town the same month.

*New Recreation Facilities Construction Update, April 29, 2013, [TOC0312557](#)*

882. During the presentation, Paul Waddell addressed the schedule for completing the Centennial Pool, stating: “We sincerely thought we could get in for the Clippers tournament. It was all with great intention that we would hold the schedule and have all of these increases in the scope of work and maintain the schedule. It's just the reality is we need more time to do it and that's why we have met with everyone and it will be the end of June, which is targeting a July occupancy date”. Later, in response to a question from Councillor Dale West about whether there would be a “Clippers swim event this year”. Marta Proctor confirmed that the tournament could not proceed in June.

*Transcript of April 29, 2013 Council Meeting, [CJI0011232](#)*

883. Councillor Dale West continued by asking Ron Martin what the status would have been “if we had not made the two changes to the pool”. Mr. Martin replied that the question was “pretty hypothetical” and that “we added almost two totally new components as well as increased the size of the building”.

*Transcript of April 29, 2013 Council Meeting, [CJI0011232](#)*

884. With respect to the Central Park Arena, Ron Martin said: “The original date for completion was in, I mean, the contract was July, but the original date that we always had was August. ... We are not that far off.”

*Transcript of April 29, 2013 Council Meeting, [CJI0011232](#)*

885. Councillor Keith Hull asked Ron Martin about the cost of the additions and the efforts being made to complete the recreational facilities as soon as possible. Mr. Martin replied that the “major two items” were the therapy pool and the pool upgrades. He then identified other unforeseen costs:

- a. \$63,507 for soil removal. Mr. Martin explained: “when we increased the size of the building to the south, we had to excavate some of the old earth that had

probably been put there in 1967 when the original pool was excavated, and we had a third party engineer come and it was deemed incapable of supporting the weight of the building. So, we had to remove that soil, bring in new soil, compact it under the supervision of a soils engineer”.

- b. \$14,926 for new piping in the pool. Mr. Martin explained: “We didn't realize, nor anybody did, that the actual piping that came out of the old equipment room actually went to the east, then ran north, and then ran back under the pool. And when it was an outside pool, it didn't really matter, but when we built the new building, our piping was outside the building. ... and it wasn't in great shape anyway.”
- c. \$6,318 for removing asbestos.
- d. \$2,819 for Enbridge to disconnect service during construction.
- e. \$5,000 for disconnecting an old storm drain that would run under centre ice in the Central Park Arena.

*Transcript of April 29, 2013 Council Meeting, [CJI0011232](#)*

#### 14.23 Council Receives Questions about the CAO Position and the Supervision of the Sprung Construction

886. On April 24, 2013, Steve Berman sent an email to Council, asking,

1. Now that Mr. Houghton has stepped down from his role as acting-CAO, what assurance do the residents have, that he is no longer participating in any way with the recreation facilities, casino, or any other projects he was part of in his previous role?
2. Who is the new contact for the town with (a) Sprung/BLT, and (b) OLG and other parties regarding an integrated destination resort. Mr. Houghton was previously identified as contact for both projects.
- ...
4. Why has the recreation facilities project been largely looked after by the executive management team, and not by Parks & rec, and the Planning department?

*Email chain including Steve Berman, Sandra Cooper, Keith Hull, Ian Chadwick, Dale West, Joe Gardhouse, Kevin Lloyd, Mike Edwards, Rick Lloyd, Sandy Cunningham, and Ed Houghton, April 24, 2013, [TOC0309936](#)*

887. Deputy Mayor Rick Lloyd forwarded Steve Berman's email to Ed Houghton. Mr. Houghton responded: "I can help you with your response." Deputy Mayor Lloyd said he would appreciate the assistance.

*Email chain including Steve Berman, Sandra Cooper, Keith Hull, Ian Chadwick, Dale West, Joe Gardhouse, Kevin Lloyd, Mike Edwards, Rick Lloyd, Sandy Cunningham, and Ed Houghton, April 24, 2013, [CPS0004232](#)*

888. On May 2, 2013, Sara Almas emailed Mayor Cooper, Marjory Leonard, Rick Lloyd, and Larry Irwin with "...suggested responses that Marjory and I have drafted" to Steve Berman's questions. In response to the question about whether Mr. Houghton had ceased all involvement in Town projects, the suggested response was: "The public can be assured that all municipal matters are addressed by appropriate staff." With respect to the EMC's role in the recreational facilities project, the suggested response said: "After Council's direction last August, our Deputy Chief Building Official was assigned as the project manager and coordinator." Deputy Mayor Lloyd replied: "I like it! Thanks."

*Email chain including Sara Almas, Sandra Cooper, Marjory Leonard, Rick Lloyd, and Larry Irwin, May 2, 2013, [TOC0314512](#)*

889. At 5:39 pm on May 2, 2012, Mayor Sandra Cooper sent responses to Steve Berman's questions to Mr. Berman and Council, stating:

1. The public can be assured that all municipal matters are addressed by appropriate staff.
2. Until the Town completes our CAO recruitment, all public inquiries should be directed to Clerk Services to respond or disseminate to appropriate staff.

...

4. After Council's direction last August, the town Deputy Chief Building Official was assigned as project manager and coordinator.

*Email from Sandra Cooper to Steve Berman and Town Councillors, May 2, 2013, [TOC0314545](#)*

890. Deputy Mayor Rick Lloyd forwarded Mayor Sandra Cooper's email to Larry Irwin.

*Email chain including Sandra Cooper, Steve Berman, Town Councillors and Larry Irwin, May 2, 2013, [TOC0314554](#)*

891. On May 10, 2013, Steve Berman published a blog post to reflect on “...what has been learned...” since the Town published its answers to Councillor Keith Hull’s 20 questions on September 18, 2012. The blog post set out Councillor Hull’s questions and the EMC’s answers, along with Mr. Berman’s commentary, which suggested that the Town’s answers had been evasive and, in some cases, wrong.

*“A Look at Keith Hull’s 20 Questions – 8 Months Later”, May 10, 2013, [CJ10006640](#)*

#### **14.24 Councillor Joe Gardhouse asks Ed Houghton if Paul Bonwick is Green Leaf; Ed Houghton Denies that Paul Bonwick is Involved with Green Leaf**

892. On May 30, 2013, Councillor Joe Gardhouse sent Ed Houghton a letter from Don Gallinger, asking, “Was Bonwick the distributor for Sprung?” Mr. Gallinger’s letter stated that Paul Bonwick’s office had advised the Pretty River Academy (the “PRA”) that it was the Mid-Ontario Distributor for Sprung Structures. Gallinger stated that he met with Mr. Bonwick regarding a Sprung structure for the PRA in June 2012. At that meeting, “...The Sprung reps said to have 3 Domes in Collingwood would be fantastic...”

*“Letter from Don Gallinger regarding Sprung”, May 24, 2013, [CPS0010743\\_00001](#)*

*Email from Joe Gardhouse to Ed Houghton, May 30, 2013, [CPS0010922\\_00001](#)*

893. Ed Houghton responded, “I asked the same question and the answer is no. Abby who worked at PRA was still working on behalf of the academy and that’s why she was the conduit.” Councillor Joe Gardhouse replied, asking, “So Green Leaf was distributing for Sprung & that wasn’t Bonwick?” Mr. Houghton responded, “Green Leaf is not distributing. I called Abby and asked her to explain to you. I understand the emails are pretty clear that Abby was working on behalf of the PRA and not Green Leaf.”

*Email chain including Joe Gardhouse and Ed Houghton, May 30, 2013, [CPS0010922\\_00001](#)*

894. Councillor Joe Gardhouse replied, “I don’t know who Abby is...this letter sent to me says green leaf/Bonwick is a distributor for Sprung & they were using a sales pitch they’d

then have 3 sprung in Collingwood. Is Green Leaf Bonwick?” Ed Houghton replied, “...Bonwick is not involved. Abby is Green Leaf. Talk. To her and she can tell you the facts.”

*Email chain including Joe Gardhouse and Ed Houghton, May 30, 2013, [CPS0010922 00001](#)*

895. In a later email to Councillor Joe Gardhouse, Ed Houghton wrote, “...In a nut shell, Bonwick nor Green Leaf was involved. Just Abby as a former employee of PRA and a friend of the Academy. She was helping not being paid. She is part owner of Green Leaf.” In another email to Councillor Gardhouse, Mr. Houghton wrote, “The emails clearly show Abby who is Green Leaf is working as a contact for the Academy to Sprung. Not that Green Leaf is working for Sprung trying to sell another building”.

*Email chain including Joe Gardhouse and Ed Houghton, May 30, 2013, [CPS0010922 00001](#)*

#### **14.25 June 10, 2013 Council Meeting: Council Votes to Allocate the Collus Funds to the Recreational Facilities and the Hume Street Redevelopment Project**

896. At its June 10, 2013 meeting, Council voted to allocate the funds from the Collus share sale. The minutes of the June 10, 2013 Council meeting recorded that:

Moved by Councillor Cunningham  
Seconded by Councillor Chadwick

**THAT** Council waive the notice requirements of the Procedural By-law to consider a motion with respect to the use of the Collus Funds.

CARRIED

Moved by Councillor Cunningham  
Seconded by Councillor Chadwick

**THAT** Council herein direct the Collus Funds be allocated towards the Central Park Arena and the Centennial Pool redevelopment including the unbudgeted expenditures and an appropriate construction allowance;

**AND FURTHER** that any remaining funds be transferred to a reserve fund for the Hume Street Redevelopment Project, and further direct Staff to prepare the necessary by-law.



The above motion was divided as follows:

**Moved by Councillor  
Cunningham  
Seconded by Councillor  
Chadwick**

**THAT** Council herein direct the Collus Funds be allocated towards the Central Park Arena and the Centennial Pool redevelopment including the unbudgeted expenditures and an appropriate construction allowance.

COUNCIL	Yea	Nay
Cooper	x	
R. Lloyd	x	
Edwards	x	
K. Lloyd	x	
Chadwick	x	
Hull		x
West	x	
Cunningham	x	
Gardhouse	x	
<b>TOTAL</b>	<b>8</b>	<b>1</b>

**CARRIED (recorded vote)**

**Moved by Councillor  
Cunningham  
Seconded by Councillor  
Chadwick**

**THAT** any remaining funds be transferred to a reserve fund for the Hume Street Redevelopment Project, and further direct Staff to prepare the necessary by-law.

**CARRIED (recorded vote)**

COUNCIL	Yea	Nay
Cooper	x	
R. Lloyd	x	
Edwards		x
K. Lloyd	x	
Chadwick	x	
Hull	x	
West	x	
Cunningham	x	
Gardhouse	x	
<b>TOTAL</b>	<b>8</b>	<b>1</b>

Council Minutes, June 10, 2013, [TOC0534947](#)

897. The June 10, 2013, minutes record that, before the vote, Marjory Leonard “addressed questions of Council, reviewing the details of the recreation facility funds outstanding, confirmed the allocation of monies available”, among other things. As part of this discussion, Ms. Leonard advised Council that the total for the Central Park Arena and

Centennial Pool was \$13,263,000, including the additional costs of moving the arena entrance and \$88,871 in “unforeseen expenses”. Ms. Leonard then stated:

We have recalculated the funding amounts available through development charges and that’ll be 1,264,000. We also have in our general reserve 1,947,000 to apply to these projects. There are also donations from an anonymous donor and the Clippers of 178,000 which would leave \$9,873,776 required to come out of those funds.

I would personally recommend that we would include \$200,000 contingency in the event that we run into amounts that – or Central Park. We don’t know what we’ll get into there when we start digging up where the old horse barns were. And I believe that it would leave ... I’ll just do the calculation. It would leave 2,206,000 in cash in a reserve and the 1,700,000 in the promissory note.

*Council Minutes, June 10, 2013, [TOC0534947](#)*

*Transcript of June 10, 2013 Council Meeting, [CJ10011235](#)*

898. During Marjory Leonard’s presentation, Councillor Keith Hull asked about the status of the \$1.3 million from the sale of the Poplar Sideroad. Ms. Leonard responded that the she did not expect receiving that funding until 2016, at which point it would be applied to roads. Councillor Hull then commented:

So I just want to clarify. I mean I guess we’re talking about having a conversation this evening of allocating the majority of the portions now from the proceeds of the Collus sale to the recreation facilities but the dollars that we’re talking about are considerably different from what was actually presented the evening that the decision was made to acquire these two rec facilities.

We had a number of dollars that were broken down and now we’ve just learned that 1.3 million, a) it hasn’t actually been received, b) when it is received it will be allocated elsewhere which is not necessarily a bad thing because as we’re having a conversation about Hume perhaps that 1.3 could go into something like a Hume Street project.

..... On the 28th of January I put forward a motion that had three steps identified ... part of that was to a) have a more fulsome staff report come forward that would actually look at the projects that are identified. It appears that the desire of council is that we are going to sidestep that and that we’re – it appears that the direction tonight is that council will be allocating the monies for the rec facilities and that’s fine if that is what you choose.

... I’m disheartened that all of the monies given the lengthy – given the length of the report and all of the consideration and feedback that’s come in from the

municipality or from the residents would go to these two rec facilities but I'll leave it at that.

*Transcript of June 10, 2013 Council Meeting, [CJ10011235](#)*

899. During the June 10, 2013 Council Meeting, KPMG services provided an overview of Phase One of its organizational review, which is described in Chapter 8 of Foundation Document 1. KPMG suggested the next phase of the project be deferred until the Town appointed a new CAO, who would guide and manage the process.

*Council Minutes, June 10, 2013, [TOC0534947](#)*

900. Following the KPMG presentation, Council held an *in camera* session involving the remaining members of the EMC. The minutes record that the EMC recommended that Council consider appointing an interim CAO.

*In-Camera Agenda, June 10, 2013, [TOC0534948](#)*

*In-Camera Minutes, June 10, 2013, [TOC0534949](#)*

#### 14.26 June 24, 2013 Council Meeting: Council Establishes a Reserve Fund for the Hume Street Reconstruction

901. By June 2013, the Hume Street Reconstruction process had been underway for over 6 years. In 2006, the Town of Collingwood proposed to reconstruct Hume Street from Hurontario Street to Pretty River Parkway in order to improve traffic flow and replace aging infrastructure. A public information session regarding the reconstruction was held on November 22, 2006 and construction was slated to begin in 2008.

*Requested Public Comments for the Use/Allocation of the COLLUS/Powerstream Strategic Partnership Funds: Hume Street Reconstruction Project, February 11, 2013, [TOC0276646](#), p 7, 8, 12-14*

902. By June 2009, the Hume street reconstruction had not yet begun. Another public information session regarding the reconstruction was held on September 15, 2009. A Class Environmental Assessment of Hume Street was undertaken in 2010, but the Reconstruction had yet to commence by September 27, 2012, as Mayor Cooper and Deputy Mayor Lloyd noted that the Town was hoping to obtain provincial and federal

funding for the project. As noted above, Mark Palmer along with Scott Strandholt of Bay Haven Nursing Home gave a deputation regarding allocating proceeds of the Collus sale to Hume street reconstruction at the February 11, 2013 Council meeting.

*Requested Public Comments for the Use/Allocation of the COLLUS/Powerstream Strategic Partnership Funds: Hume Street Reconstruction Project, February 11, 2013, [TOC0276646](#), p 14-17, 19 and 20.*

*Council Minutes, February 11, 2013, [CJ10008177](#)*

903. At the June 24, 2013 Council Meeting, Marjory Leonard presented Staff Report T2013-18: “Establish Hume Street Reconstruction Reserve Fund and Policy, and Allocation of Funds” (the “Hume Street Staff Report”). The Hume Street Staff Report recommended that Council establish a Hume Street Reconstruction Reserve Fund. The Hume Street Staff Report stated that it had been prepared in response to the “verbal motion” that Council passed on June 10, 2013 that directed the Collus share sale funds to be first allocated to the Central Park Arena and the Centennial Pool and that any remaining funds be transferred to a reserve for the Hume Street Redevelopment Project.

*Council Minutes, June 24, 2013, [CJ10008191](#)*

*Staff Report T2013-17, June 24, 2013, [CJ10011161](#)*

904. The Hume Street Staff Report stated that the Town had received \$13,992,158 from the Collus sale. The report continued that the “2013 budget and subsequent staff report requests contained the following provisions, which include site works and non-recoverable HST amounts for the Central Park Arena and Centennial Pool redevelopment projects”:

Central Park Arena	\$ 8,349,050
Patterson Street Entrance	100,000
Centennial Pool	3,582,761
Therapeutic Pool	559,680
Pool Upgrades	583,000
	\$13,174,491

*Staff Report T2013-17, June 24, 2013, [CJ10011161](#)*

905. The Hume Street Staff Report continued:

To date, we have encountered \$88,871 in unforeseen costs related to the pool and \$6,000 related to the arena. Council has approved “an appropriate construction allowance” which staff recommended be \$200,000. This brings the total cost of the projects in at an estimated \$13,469,362

*Staff Report T2013-17, June 24, 2013, [CJ10011161](#)*

906. The Hume Street Staff Report also stated that the “2013 budget and subsequent staff reports” considered “external donations, development charges, reserves and debentures” as the sources of funds for “the projects.” The report continued: “Current estimates of funds available to apply to the projects are as follows:

Reserves	\$ 1,947,156
Development Charges – Arena	1,159,423
Development Charges – Pool	105,007
External Donations	<u>178,000</u>
	\$3,389,586

*Staff Report T2013-17, June 24, 2013, [CJ10011161](#)*

907. The Hume Street Staff Report concluded:

The remaining estimated funds required from the Collus sale proceeds is \$10,079,776. As an aside to this statement, it should be noted that the 2013 budget and subsequent staff reports included the provision for funding the remaining amount required through debentures in the amount of \$9,897,252 without “an appropriate construction allowance”.

The above calculation would result in an estimated transfer to the Hume Street Reconstruction Reserve Fund in the amount of \$2,202,213 plus retention of the Promissory Note.

Once the final costs have been reconciled staff will bring forward a report that provides the disposition of the Collus sale proceeds. This report will also include the furniture and equipment costs previously approved to be funded through the PRC – Capital Reserve to an upset limit of \$135,000.

*Staff Report T2013-17, June 24, 2013, [CJ10011161](#)*

908. The Hume Street Staff Report included the Hume Street Reconstruction Reserve Fund Policy and Hume Street Reconstruction Reserve Fund Establishing By-law. The policy stated, among other things:

POLICY STATEMENT: To provide a source of financing for a portion of the reconstruction costs of Hume Street.

SCOPE: This policy applies to the funds “remaining” from the COLLUS share sale and dividend proceeds. The “remaining” funds shall be calculated as the cash proceeds received from the transaction less the funds required to fund the Central Park Arena and the Centennial Pool redevelopment projects after all other sources of funding are applied.

*Staff Report T2013-17, June 24, 2013, [CJI0011161](#)*

909. At the June 24, 2013 meeting, Council approved the proposed Hume Street Reconstruction Reserve Fund, enacting the by-law and supported the funding allocations as proposed in the report.

*Council Minutes, June 24, 2013, [CJI0008191](#)*

#### 14.27 July 3, 2013 Council Meeting: Council Appoints John Brown as Interim CAO

910. On July 3, 2013, Council enacted a by-law appointing John Brown as interim CAO.

*In-Camera Minutes, July 3, 2013, [CJI0008184](#)*

#### 14.28 The Pool is Vandalized; Councillor Ian Chadwick Questions Why Promised Aluminum Shield Was Not Installed

911. On July 12, 2013, Director of Planning Services Nancy Farrer reported to Council, John Brown and Ron Martin that there had been a break in at the Centennial Pool, causing “damage to equipment and to the building”.

*Email from Nancy Farrer to Town Councillors, John Brown and Ron Martin, July 12, 2013, [TOC0342852](#)*

912. That same day, Paul Waddell sent a letter to Ron Martin reporting on the incident. The letter advised that BLT had discovered a tear in the north east membrane by the exit door, that individuals had entered into the pool through the resulting hole and that a

scissor lift was found submerged in the pool. According to the letter, police advised it “...was likely the work of 3 individuals and they are also possibly young teenagers.” Mr. Waddell confirmed that the site was still in BLT’s possession and that “...this is our issue to deal with.” The letter concluded:

The fact the vandals gained access through the building in that particular location is most disturbing. In almost all other locations there is another layer of obstruction such as concrete block wall, intricate structural webbing, and electrical chase way and so forth. It would have been far easier to merely break the window in the door that was 10 feet away. This was also done in a very well lit portion of the outside of the building.

If someone wants in badly enough to any building they can gain access I suppose.

*Letter from Paul Waddell to Ron Martin, Mark Watts and Dave Barrow, July 12, 2013, [TOC0343054](#)*

913. The next day, July 13, 2013, Councillor Ian Chadwick emailed Marta Proctor, Brian MacDonald, John Brown, Mayor Sandra Cooper, and Deputy Mayor Rick Lloyd about the vandalism:

...In the presentations on the fabric buildings, in 2012, we were told that they had an 8 foot aluminum shield around their base. This was said a few times and the impregnability was one of the reasons I considered the buildings suitable.

I learned, Friday, that they don’t have the shield. I don’t recall a single discussion on not installing what were were told would be integral...

*Email from Ian Chadwick to Marta Proctor, Brian MacDonald, John Brown, Sandra Cooper and Rick Lloyd, July 13, 2013, [TOC0343141](#)*

914. Deputy Mayor Rick Lloyd forwarded Councillor Ian Chadwick’s email to Ed Houghton, who replied: “No idea what he is talking about. At the time I never knew about the Sprung shield until after.” Later, Mr. Houghton wrote:

Tell him to stop talking about it or we will all look stupid. We have the good membrane. We chose not to spend the money on the other because they can break into any building. The Sprung shield is just a barrier not a guarantee.

*Email chain including Ian Chadwick, Marta Proctor, Brian MacDonald, John Brown, Sandra Cooper, Rick Lloyd, and Ed Houghton, July 13, 2013, [CPS0004325](#)*

915. In response to Councillor Ian Chadwick’s email, Deputy Mayor Rick Lloyd wrote:

...we have the good membrane and even with the sprung shied it doesn't make the structure impermeable. Anyone can break into a building regardless, and in the case of the break in at Centennial I personally believe it was conveniently planed to try and embarrass this Council and the Town as a whole. It is rather interesting that they wanted to prove the building was easily broke into and as well they tried to damage the old pool and in my opinion to try and make this Council look bad.

*Email chain including Ian Chadwick, Marta Proctor, Brian MacDonald, John Brown, Sandra Cooper, and Rick Lloyd, July 14, 2013, [TOC0343161](#)*

916. Councillor Ian Chadwick replied to Deputy Mayor Rick Lloyd that his point was that Council was told this was a feature that would protect the facilities and it was not installed. He wanted to know who made the decision and why.

*Email chain including Ian Chadwick, Marta Proctor, Brian MacDonald, John Brown, Sandra Cooper, and Rick Lloyd, July 13, 2013, [TOC0343161](#)*

917. Mayor Sandra Cooper replied to Councillor Ian Chadwick on July 14, 2013, indicating she could ask Ed Houghton to provide an explanation for his question regarding “the fabric” the next day.

*Email from Sandra Cooper to Ian Chadwick, Marta Proctor, Brian MacDonald, John Brown, cc Rick Lloyd, and Ed Houghton, July 14, 2013, [TOC0343171](#)*

918. On July 14, 2013, Councillor Ian Chadwick forwarded his initial July 13, 2013 email about the break-in to Ron Martin, who forwarded to Paul Waddell. Mr. Waddell then forwarded it to Dave Barrow, writing, “Everyone’s memory fades all of a sudden.” Mr. Barrow replied, “Paul this was discussed and the answer was not in the budget. This was at the town meeting we had with all parties of the town. How do you want to handle as I would think it is on record??”

*Email chain including Paul Waddell and Dave Barrow, July 15, 2013, [CJ10007301](#)*

919. On July 15, 2012, Dave MacNeil emailed Dave Barrow and Paul Waddell asking them to confirm pricing he set out for “the repair on the pool”, which he totalled at \$8,055.00 plus HST. Dave Barrow then replied,

This is not only costly but a big issue for us with the city for comments on the building being almost indestructible. Can you look at the pricing as we are already at \$40,000.00 for cost do to the break in? I think Sprung can for go some profit on us



as partners and help us as we are helping with the publicity the city has with the building and how it is so easily broken into.

*Email chain including Dave MacNeil, Dave Barrow, Paul Waddell, Tom Lloyd and Jim Avery, July 15, 2012, [CJI0007300](#)*

920. On July 16, 2012, Dave Barrow sent another email to Dave MacNeil, writing: “There are still big issues with the building that we are letting you know we still need fixing in order to fully release you from the building completion.” Mr. Barrow continued:

...

1> We need the fabric for the exterior and interior to fix the break in damage. Big issue for the town and there outlook on how easy it is to break in but more how long it takes to fix. ... Today Paul at 230 will be questioned by city council on the building and how easy it was to break into. He will handle the questioning but we do this for both our companies and future work these buildings can provide. ... Tom when you talk to the city in open council we need to watch how we answer the questions on damaging or breaking into the structure. They are going back to all your comments on you will break your hand if you hit it and prisoners can't break out. We had a 12 -14 yr old kid break in inside of 2 mins. Not that the door would not have been easier and quicker to get in cause it would have but they are looking at statements by Sprung as to how tough your product is...

*Email from Dave Barrow to Dave MacNeil, Jim Avery, Tom Lloyd, and Paul Waddell, July 16, 2013, [CJI0007299](#)*

921. Dave Barrow’s email also identified other outstanding issues, repairs and replacements, including that the doors, “...do not close down flush and rodents can enter so health and building will not pass this.”

*Email from Dave Barrow to Dave MacNeil, Jim Avery, Tom Lloyd, and Paul Waddell, July 16, 2013, [CJI0007299](#)*

922. On July 16, 2013, Dave MacNeil advised Dave Barrow that “The people at the first town meeting where we talked about design...” were Marjory Leonard, Ed Houghton, Larry Irwin, Rick Lloyd, and Dave McNalty.

*Email chain including David MacNeil and Dave Barrow, July 16, 2013, [CJI0007296](#)*

#### 14.29 BLT and Ed Houghton Explain that the Aluminum Security Shield Was Not Included in Pool Building Due to Cost and Low Risk of Vandalism

923. At 11:19 am on July 22, 2013, Ron Martin emailed Dave Barrow and inquired why the aluminium shield had not been included in the project. Mr. Barrow replied at 1:04 pm that BLT had discussed the matter at a meeting with Ed Houghton, Marjory Leonard, and Larry Irwin “way back before the building was being erected.” He added that “the cost was too high and they said vandalism was very low and did not think it an issue.” Mr. Barrow continued that BLT “suggested doing the requirements in behind the fabric in case you wanted later but it was just not in the budget.” He added that BLT could still install the shield, but it would be “very costly” since the building was now finished.

*Email chain including Ron Martin, Dave Barrow, Paul Waddell, Ed Houghton, Marjory Leonard and Larry Irwin, July 22, 2013, [TOC0345937](#)*

924. At 2:22 pm, Ron Martin forwarded Dave Barrow’s response to the EMC and asked if they agreed with Mr. Barrow’s comments. Ed Houghton responded directly to Mr. Barrow at 2:56 pm, stating that there was a conversation about the aluminum shield “but the group was much larger than you suggested.” Mr. Houghton then identified reasons why the Town did not include the shield, including that the membrane “was very robust in itself and that anyone wanting to cut into it would certainly have to work at it”, that “anyone wishing into the building has other opportunities including the glass doors”, and that “any building can be broken into”. Mr. Houghton continued:

The discussion then went to the cost, which was substantial, then to the amount of vandalism expected, which we felt was less and finally that it can be installed after the fact if vandalism proved to be an issue. I don't recall that it was going to be significantly more after the fact as you have noted.

I'm hoping that you remember my points and you revise your comments since this will be an issue.

*Email chain including Ron Martin, Dave Barrow, Paul Waddell, Ed Houghton, Marjory Leonard and Larry Irwin, July 22, 2013, [TOC0345937](#)*

925. At 5:17 pm on July 22, 2013, Dave Barrow sent a second response to Ron Martin’s original email from 11:19 am, stating:

This topic was brought up by us to Ed Houghton, Marjory Leonard, and Larry Irwin and roughly 7-8 other city staff members as well as Sprung and ourselves that were at this meeting at city hall way back before the building was being erected. The Aluminum shield was one of the topics at the meeting. At the time when discussed the consensus was the town was not a high vandalism area and the membrane was harder to get threw than simply breaking the glass in a door. We suggested doing the requirements in behind the fabric in case you wanted later it would make it easier to install but it just was not in the budget and as a group it was decided that if somebody wants into the structure they will get in weather the Sprung shield was on or not. This is an extra cost to add to the building and we can install there are just a few extra steps involved in doing this after the building is finished. The person or persons that broke in cut them substantially trying to get in as blood was all over the entry and the exits of the building. I believe a rock to the window would have been a lot easier than the route they chose they just thought it would be an easy entry. At the end of the day if somebody wants in the building they will get in.

*Email chain including Ron Martin, Dave Barrow, Paul Waddell, Ed Houghton, Marjory Leonard and Larry Irwin and John Brown, July 22-23, 2013, [CJ10006198](#)*

926. Ron Martin forwarded Dave Barrow's 5:19 pm response to Collingwood CAO John Brown the following day stating, "as discussed."

*Email chain including Ron Martin, Dave Barrow, Paul Waddell, Ed Houghton, Marjory Leonard and Larry Irwin and John Brown, July 22-23, 2013, [CJ10006198](#)*

927. On July 23, 2013, Councillor Keith Hull emailed Mayor Cooper, John Brown, Sara Almas, and Ron Martin a copy of the Staff slide presentation from the August 27, 2012 Council meeting. Councillor Hull wrote that the chart on page 28 of the presentation stated that "Sprung Structures offer a 'vandal proof' Sprung Shield." Councillor Hull added that the chart could be found in several marketing materials provided to Council. He wrote: "...the Sprung Shield is identified not as a option or upgrade but as a reason for purchasing these structures over a traditional means of build." Councillor Hull then asked four clarifying questions, including whether the aluminium shield had been installed and, if not, who made that decision.

*Email from Keith Hull to Sandra Cooper, John Brown, Sara Almas and Ron Martin, July 23, 2013, [TOC0000557](#)*

928. On July 25, 2013, Ed Houghton answered Councillor Keith Hull's questions as follows:

1. Do either of the structures being built in Collingwood have the "Sprung Shield"

Answer — No.

2. If so why was a person(s) able to break into the pool so easily?

Answer—...the Tedlar membrane is puncture resistant.

3. If not, when and who made the decision not to include the Sprung Shield as part of the "turn-key" purchase?

Answer —Sprung offers an optional 8' -foot -high Sprung Shield system typically made available for "extreme security -sensitive applications". The Sprung performance architectural Tedlar membrane is durable, fire-resistant, and virtually maintenance -free. The membrane has a ripstop construction that will help mitigate tearing should it be punctured. On July 27th, 2012, prior to Council making the decision to proceed, town staff along with the Deputy -Mayor met with both Sprung and BLT representatives to discuss the various aspects of the new facilities. At that time, the need for a "Sprung Shield was discussed. At that time I made the decision that there was no need for the additional cost of the Sprung Shield. Please review the attached product information.

4. Is it too late and/or if not at what cost can the Sprung Shield be purchased to protect these two Municipal assets?

Answer —As mentioned previously, the Sprung representatives advised us that the Shield can be installed at a later date if necessary. The costs could be provided by Sprung BLT once the scope of work was determined.

*Email chain including Ed Houghton, John Brown and Keith Hull, July 25, 2013, [TOC0000559](#)*

929. On August 21, 2013, David MacNeil emailed Dave Barrow: "Can you send me the pool cost break down for Collingwood, I have a client very very interested and I just want to use it as a budget. Or can you tell me exactly what the pool cost was all in." Mr. Barrow responded that day: "\$4.6 million or \$248.64 sq/ft."

*Email chain including David MacNeil and Dave Barrow, August 21, 2013, [CJI0007268](#)*

930. On August 23, 2013, Councillor Joe Gardhouse sent John Brown an email entitled "FOI." The email attached a letter from Councillor Gardhouse to Mr. Brown. The letter began: "I just read the soon to be released FOI on the Sprung Wall system deficiency." The letter continued: "I am to assume the FOI will become public ... thus advertise the fact that anyone with access to a sharp object can easily access our buildings. SOO..... I would strongly suggest the following". The letter then listed five suggestions. The fifth suggestion read:

Politics & procedure: It's clear thru this FOI & previous ones that certain members of Council knew a lot more than others on what they were voting for or against. If any of the dozens of discussions & decisions made prior to the August 27 meeting had of been aired prior ; the decisions at least could have been defensible. Some councilors & staff hadn't even heard of a Sprung pre 08/27 ... while others were picking out colors, adjusting building specs, creating site plans, obtaining tenders that weren't, & generally ( without credentials) operating like we were building a homeowner back yard rink & pool .....as early as 03/12.

*Email chain and attachment including Joe Gardhouse, John Brown, Peter Dunbar and Christa Carter, August 23, 2013, [TOC0359134](#) and [TOC0359001](#)*

931. Councillor Joe Gardhouse concluded his letter: "Fact: I voted for the rink ...but would not have without the 'Sprung Shield' as illustrated. Fact: I voted against the pool.... & would have stated for the record the lack of a Sprung Shield was yet another reason why."

*Email chain and attachment from Joe Gardhouse and John Brown, August 23, 2013, [TOC0359134](#) and [TOC0359001](#)*

932. On August 27 and August 30, 2013, Town Staff and BLT exchanged emails about the options and costs of installing the security shield on the Sprung structures going forward.

*Email chain including Dennis Seymour, Paul Waddell and Ron Martin, August 27, 2013, [TOC0359555](#)*

*Email from Ron Martin to Paul Waddell, Dave Barrow, Peter Dunbar and Dennis Seymour, August 30, 2013, [TOC0360670](#)*

933. On September 6, 2013, Joe Gardhouse asked Ron Martin for a copy of the build contract for Sprung. He said, "I am particularly interested in the part where it says the shield is optional as written in the newspaper."

*Email from Joe Gardhouse to Ron Martin, September 6, 2013, [TOC0362600](#)*

934. On September 9, 2013, Ian Adams emailed Sandra Cooper to ask, among other questions, whether there had been a breakdown in communication about the Sprung aluminium shield. Mayor Cooper responded: "There is always room for improvement in communication."

*Email chain including Ian Adams and Sandra Cooper, September 10, 2013, [TOC0365308](#)*

935. Ian Adams published a second article about the aluminium shield on September 12, 2013.

*Email from Ian Chadwick to Rick Lloyd and Kevin Lloyd, September 13, 2013, [TOC0364989](#)*

936. At the September 30, 2013 Council Meeting, Council directed staff to prepare a report on the Sprung facilities with respect to the cost to install the “Sprung Shield”, insurance implications, and investigate alternative security options such as fencing.

*Council Minutes, September 30, 2013, [TOC0000730](#)*

*Email from Becky Dahl to Peter Dunbar, Marta Proctor, Dave McNalty, Ron Martin and Mandy Long, October 10, 2013, [TOC0372769](#)*

937. At the February 3, 2014 Council meeting, Marta Proctor presented Staff Report PRC2014-01, “Sprung Facilities – Shield Insurance and Security Update” (the “Security Report”). The Security Report stated that if the Sprung Shield had been included at the time of construction it would have cost \$180,000, however, a “...decision was made not to include this optional feature.” The report continued that the estimated cost of adding the shield as a retrofit to both structures would cost an estimated \$352,008. The Security Report further stated that Sprung advised that approximately 5% of Sprung Structure installations in the last 10 years have incorporated the shield.

*Council Minutes, February 3, 2014, [CJ10008273](#)*

*Staff Report PRC2014-01, February 3, 2014, [TOC0000118](#)*

938. In respect of other options, the Security Report stated that the OPP had conducted a security review of the Sprung Structures and provided a series of environmental design recommendations. Those recommendations included additional lighting, surveillance systems with alarms and cameras, and fencing.

*Staff Report PRC2014-01, February 3, 2014, [TOC0000118](#)*

939. The Security Report then stated, in respect of the recommendations:

...there have been numerous components included in the construction process to address safety and crime prevention and are in compliance with the recommendations of the audit. The completed and scheduled components are deemed to be fiscally responsible measures to address safety and security within the Council approved budget.

*Staff Report PRC2014-01, February 3, 2014, [CJI0008227](#), p 26 and 27*

940. Council received the Security Report for information purposes at the February 3, 2014 Council meeting.

*Council Minutes, February 3, 2014, [CJI0008273](#)*

#### 14.30 BLT Pays Green Leaf for LEED Environmental Design Consulting

941. Green Leaf issued an undated invoice to BLT for \$38,700 plus tax of \$5,031 for a “Collingwood Arena-Feasibility Study” and a “Collingwood Pool-Feasibility Study”. The invoice bears a date stamp of June 19, 2013. Handwritten notes on the invoice stated “past due” and “Pay \$20 075 include HST full and final payment.”

*Green Leaf Invoice, undated, [CJI0011198](#), p 97*

942. BLT’s Cost Entries for the Collingwood Arena record a \$17,765.49 payment to Green Leaf for “LEED Consulting” dated September 30, 2013. BLT paid Green Leaf \$20,075 (\$17,765 plus HST) on October 21, 2013. This amount was deposited to the Green Leaf Account October 29, 2013.

*BLT Construction cheque stub, October 21, 2013, [CJI0011198](#), p 98*

*Cost Entries by Job, Collingwood Arena, September 24, 2012, [CJI0007624](#), p 1-2*

*Cost Entries by Job, Collingwood Pool, September 24, 2012, [CJI0007625](#), p 3*

*Green Leaf CIBC Account Statements, Account Number 30-19314, for the period October 1-31, 2013, [CJI0006839](#)*

943. A Green Leaf cheque dated October 30, 2013 was made out to Yolles Accounts Receivable in the amount of \$20,075. The memo on this cheque stated “partial payment invoice #1964, 2594”. Yolles was a structural engineering firm in Toronto.

*Green Leaf cheque 287, October 30, 2013, [CJI0009181](#)*

*Green Leaf CIBC Account Statements, Account Number 30-19314, for the period November 30, 2013, [CJI0006840](#)*

*Halcrow bought by CH2M HILL, Canadian Consulting Engineer, no date, [CJI0011219](#)*

#### 14.31 The Sprung Structures Open

944. The Centennial Pool officially opened to the public on August 27, 2013. Issues with the therapy pool continued into March 2014.

*“Collingwood Centennial Aquatic Centre Opens”, undated, [CJI0010945](#)*

*Email Chain including Paul Waddell, Paul Denstedt, Ron Martin, Dennis Seymour, and Marta Proctor, March 4, 2014, [TOC0513311](#)*

945. The Central Park Arena had a “soft opening” on October 14, 2013.

*Email chain including Jennett Mays, Marta Proctor, Dennis Seymour, Michelle Kusiar, Wendy Martin, Karen Cubitt, Mandy Long, Taylor Bach, October 16, 2013, [TOC0514845](#)*

946. On October 13, 2013, Councillor Keith Hull emailed Council, John Brown and Marta Proctor, writing that he had been approached by “several parents” to discuss the fact that the Central Park Arena was about to open when it was not complete. Councillor Hull stated: “I was under the impression that items like the elevator were still to be installed but I have now learned that the seating for the 250 spectators has yet to be installed”. He noted that Collingwood Minor Hockey planned to host a tournament the following weekend. Councillor Hull ended his email by asking what was “the exposure to the Municipality and therefore taxpayers for opening and using a facility that is not complete”?

*Email from Keith Hull to Sandra Cooper, Town Councillors, John Brown and Marta Proctor, October 13, 2013, [TOC0373573](#)*

947. In response, Deputy Mayor Rick Lloyd directed Councillor Keith Hull to Ron Martin. Mr. Martin replied that a meeting and inspection had been scheduled for the next day “to ensure that all safety components of the arena are complete and that it is ready for partial occupancy as scheduled.”



*Email chain including Keith Hull, Sandra Cooper, Town Councillors, John Brown, Marta Proctor, Ron Martin, Peter Dunbar, and Town Staff, October 13, 2013, [TOC0373609](#)*

*Email chain including Keith Hull, Sandra Cooper, Town Councillors, John Brown and Marta Proctor, Ron Martin, Peter Dunbar, and Paul Waddell, October 13, 2013, [TOC0373612](#)*

948. The next day, October 14, 2018, Councillor Keith Hull emailed Ron Martin, copying Council, and thanked him “for the tour this afternoon”. He wrote: “As discussed directional signage (even if temporary) needs to be in place for the weekend. Local residents will find there way to the parking lot but guests from out of town may not find the entry points with ease.” The email ended: “Again, thank you for the tour and I look forward to seeing and using the completed product in the coming weeks.”

*Email chain including Keith Hull, Sandra Cooper, Town Councillors, John Brown, Marta Proctor, Ron Martin, Peter Dunbar, and Town Staff, October 14, 2013, [TOC0373698](#)*

949. The Arena officially opened on November 29, 2013.

*Email from Jennett Mays to Town Councillors, Town Department Heads, Karen Cubitt, November 29, 2013, [TOC0514444](#)*

#### 14.32 The Allocation of the Collus Funds

950. On December 31, 2013, the Town removed \$10,081,989 from the Reserve Account and allocated those funds to the Central Park Arena (\$7,487,132) and the Centennial Pool (\$2,594,857). The balance remaining in the Reserve Account at the end of 2013 was \$2,199,999.

*Town of Collingwood, Historical Detailed Trial Balance for 2013, Account 01-000-0004-31675, December 31, 2013, [CJI0011163](#)*

*Town of Collingwood, Historical Detailed Trial Balance for 2013, Account 02-701-9715-42550, December 31, 2013, [CJI0011169](#), p 4*

*Town of Collingwood, Historical Detailed Trial Balance for 2013, Account 02-701-9720-42550, December 31, 2013, [CJI0011165](#), p 7*

951. The \$2,199,999 remaining in the Reserve Account at December 31, 2013 was allocated to the Hume Street reconstruction project.

*Untitled and undated document provided by Marjory Leonard, [CJI0011156](#)*

952. Details of the allocation of the proceeds of the Collus share transaction are set out in [Summary Document 2-8](#).

[Summary Document 2-8](#): Cost of Arena and Pool and Sources of Funding, chapter 2

#### 14.33 The Remaining Collus Funds Are Transferred to the Hume Street Reconstruction Reserve Fund

953. On December 31, 2014, the remaining \$2,199,999 from the Collus share sale proceeds was transferred to the Hume Street Reconstruction Reserve Fund.

[Summary Document 2-8](#): Cost of Arena and Pool and Sources of Funding, chapter 2

#### 14.34 The Total Cost of Pool and Arena

954. [Summary Document 2-8](#) details the total cost of the Centennial Pool and Central Park Arena construction, including change orders, as well as the payments made to BLT in relation to the projects. The total costs are summarized in Tables 14-2 and 14-3 below:

**Table 14-2**

##### Central Park Arena Summary

	2012 (\$)	2013 (\$)	2014 (\$)	Total (\$)
<i>Contracted Services</i>	3,881,141	3,895,668	3,688	7,780,497
<i>Engineering</i>	13,621	21,569	5,300	40,490
<i>Furniture &amp; small equipment</i>	0	51,734	(2,252)	49,482
<i>Land, Building &amp; Other</i>	0	85,974	90,740	176,714
<i>Professional Services</i>	32,039	13,425	0	45,464
<i>Salaries - Allocated</i>	0	3,375	4,101	7,476
<i>Site Preparation &amp; Clean Up</i>	8,175	667,365	12,461	688,001
<i>Sundry</i>	0	61,299	0	61,299
<b>ANNUAL EXPENSES</b>	<b>3,934,976</b>	<b>4,800,409</b>	<b>114,038</b>	<b><u>8,849,423</u></b>

<b>CUMULATIVE EXPENSES</b>	3,934,976	8,735,385	8,849,423
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**Table 14-3**

**Centennial Pool Summary**

	<b>2012 (\$)</b>	<b>2013 (\$)</b>	<b>2014 (\$)</b>	<b>2015 (\$)</b>	<b>Total (\$)</b>
<i>Contracted Services</i>	1,667,861	2,927,970	1,074	47,614	4,644,519
<i>Engineering</i>	11,057	7,844	5,393	0	24,294
<i>Furniture &amp; Small Equipment</i>	0	31,005	4,449	0	35,454
<i>Land, Building &amp; Other</i>	83,639	21,164	33,360	1,244	139,407
<i>Professional Services</i>	5,193	0	0	0	5,193
<i>Site Preparation &amp; Clean Up</i>	2,340	200,151	0	0	202,491
<i>Sundry</i>	16,065	13,093	1,105	0	30,263
<b>ANNUAL EXPENSES</b>	1,786,155	3,201,227	45,381	48,858	<b><u>5,081,621</u></b>
<b>CUMULATIVE EXPENSES</b>	1,786,155	4,987,382	5,032,763	<b><u>5,081,621</u></b>	

[Summary Document 2-8](#): *Cost of Arena and Pool and Sources of Funding, chapter 1*

955. The Town paid BLT \$13,906,886 (including HST) for the Central Park Arena and Centennial Pool as set out in Table 14-4:

**Table 14-4**

	<b>Contract and Change Orders (\$)</b>	<b>Tax (\$)</b>	<b>Total (\$)</b>
Original Contract	10,972,479	1,426,422	12,398,901
Accepted Change Orders	1,338,381	173,976	1,512,357
Total	12,310,860	1,600,398	13,911,258
Credit Memo			(4,362)
Payments Identified			(13,906,886)

956. The dates of payments to BLT are set out in Table 14-5:

**Table 14-5**

<b>Document ID</b>	<b>Document Date</b>	<b>Cheque Number</b>	<b>Amount (\$)</b>
<a href="#">TOC0510558</a>	30/08/2012	00033892	3,099,725.24
<a href="#">TOC0510269</a>	17/12/2012	00035326	2,479,780.19
<a href="#">TOC0511161</a>	07/02/2013	00036049	1,115,901.09
<a href="#">TOC0511166</a>	13/03/2013	00036430	1,115,901.09
<a href="#">TOC0511196</a>	17/05/2013	00037185	892,720.86
<a href="#">TOC0511203</a>	18/07/2013	00037996	446,360.43
<a href="#">TOC0511222</a>	09/10/2013	00039120	649,892.00
<a href="#">TOC0511214</a>	04/11/2013	00039495	111,187.27
<a href="#">TOC0511208</a>	14/11/2013	00039613	533,925.00
<a href="#">TOC0510014</a>	17/01/2014	00040444	875,911.96
<a href="#">TOC0511675</a>	15/05/2014	00041883	84,750.00
<a href="#">TOC0511171</a>	12/04/2013	00036799	1,514,356.80
<a href="#">TOC0511250</a>	22/07/2013	00038001	754,797.87
<a href="#">TOC0511188</a>	09/05/2013	00037094	67,773.37
<a href="#">TOC0511239</a>	30/09/2013	00039040	93,056.66
<a href="#">TOC0511669</a>	05/06/2014	00042175	5,464.68
<a href="#">TOC0510017</a>	26/11/2015	049559	65,381.66
<b>Total Payments</b>			13,906,886.17

#### 14.35 CBC News Publishes OPP Investigation Documents

957. On June 19, 2018, CBC News published Ontario Provincial Police investigative documents relating to Council's decision to purchase the Sprung Structures for the Centennial Pool and the Central Park Arena. The documents included and "Information to Obtain a Production Order" sworn by Detective Constable Marc Lapointe on July 23, 2014. The covering page to the OPP investigative documents stated: "\*\*\*\* This document contains allegations that have not been tested in court. \*\*\* As of June 17, 2018 the OPP has laid no charges in this matter."

*Ex-MP received 'secret' cut of \$12.4M deal in resort town run by his sister, OPP probe alleges, June 19, 2018, [CJI0011220](#)*