

King blasts 'sad scenario'



By [GORD YOUNG](#), The Nugget

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Mayor Al McDonald makes a point during council discussions Monday.

City politicians were called on the carpet Monday by one of their own over the cost overruns at Memorial Gardens.

"I fully expected this project to go off the rails," said Coun. Mark King, who was recently appointed to council and was not involved in approving the arena renovations.

King said he can't understand what went wrong with the project and described it as "unbelievable" that the finance department wasn't involved.

"This is a sad scenario," he said, suggesting the public is demanding consequences. "I really feel that there are repercussions that need to take place with regard to staff."

King credited some city politicians for taking responsibility for the overruns. But he called on other council members, as well as "certain individuals" who were front and centre on the project, to follow suit.

"We can't slide this under the carpet," he said.

His remarks came as council adopted several recommendations of a KPMG audit of the arena renovations which was presented last week aimed at preventing future projects from going awry. Council also went in-camera for several hours Monday following the public portion of the meeting to discuss a confidential report from Jerry Knox, the city's chief administrative officer, regarding personnel matters about an identifiable individual and potential litigation matters. City politicians did not emerge from the in-camera session before press time and it's unknown if the report was related to the arena overruns.

King's comments, meanwhile, were not well received by some around the table, including Coun. Daryl Vaillancourt who said he took offence to the statements despite feeling responsible for the overruns.

"Do I feel responsible? Absolutely," said Vaillancourt, noting he has thought day and night since the issue came to light in December about what he should have done differently.

Deputy mayor Tanya Vrebosch also responded to King's remarks, suggesting council is doing the exact opposite of sliding the issue under the carpet after holding a news conference to announce the overruns and hiring an auditor to shed light on the matter.

She also came to the defence of staff, chastising King for implying city employees don't feel apologetic or responsible for what's happened.

"There was a mistake made," said Vrebosch, suggesting the city is taking action to address the issue by adopting the audit recommendations.

She was also among several council members, including Mayor Al McDonald, Vaillancourt and Coun. Dave Mendicino, who agreed the city needs to deal with the matter and then move forward.

Most members around the table acknowledged they believe council bears responsibility for the overruns. But the remarks of some members appeared more heartfelt than others.

"There's definitely enough blame to go around . . . but, ultimately, the responsibility lies with council," said Coun. Judy Koziol, who apologized to city taxpayers.

Coun. Sarah Campbell also offered an apology, suggesting it's something she should have said last week when the audit findings were presented.

McDonald said he believes all council members feel responsible for the arena overruns. But he also suggested the city has been open and transparent about the matter and has taken the right steps to deal with it.

"I accept my responsibility as mayor," he said.

Coun. Mac Bain said he was "dumbfounded" by the findings of the audit last week, pointing specifically to confusion over HST, numerous change orders and lack of a proper budget.

"I am responsible for this fiasco," he said, noting he trusted that the project was on budget rather than asking to see spreadsheets.

The audit found there was no basis for the original \$12-million price tag for the arena renovations which have escalated to \$16.2 million, and that costs which exceeded that amount early on should have been reported to council as early as last February. It also suggested the city consider mandatory involvement of the finance department on major capital projects; prohibiting the use of the construction management approach to projects; establishing contingency provisions based on historical experience; and creating steering committees involving council representation for major projects.

All but one of those recommendations were adopted Monday – prohibiting the use of the construction management approach.

Although construction management saves time, the auditor indicated it comes with a large financial risk because it involves proceeding with the project before final design drawings are complete.

City politicians, however, left the door open to construction management, indicating it's prohibited unless formally approved by council. Some members also noted that the approach has worked well in the past for other projects.

Campbell called for construction management to be prohibited altogether, suggesting it was the “biggest failure” of the arena project. And, as a result, she voted against adopting the recommendations. King also voted against the measures.

Coun. George Maroosis supported the recommendations, but suggested that passing them now is like “closing the barn door after the cow has escaped.”

gord.young@sunmedia.ca