



Media Advisory

Was the Town thinking with its heart, rather than its head?

Newmarket, ON, September 19, 2016 – The grand opening of the renovated Newmarket Old Town Hall is this week. This project is finally ending, and the taxpayers are paying an excessive amount for it.

The renovation, which began in 2009, and scheduled to end in 2014, was rife with delays and cost overruns. After numerous indecision points, design changes, budget modifications, and specific tendering options demanded by Town Council, the project was approved by Council to proceed in 2013 at a budgeted cost of \$10.6 million.

NTAG has consulted with professionals in the building construction and engineering industry. We have shared with them the documents received from the Town of Newmarket from our Freedom of Information request.

Of their concerns, two were prominent in their review:

1. In 2009 the geotechnical firm hired to assess and analyse the Old Town Hall prior to renovations, were limited in their ability to perform a full assessment. The COMMISSIONER OF DEVELOPMENT AND INFRASTRUCTURE SERVICES REPORT 2013-34, dated July 29, 2013 [see attached], stated that the geotechnical firm did not receive existing or past renovation drawings; and, the Town of Newmarket limited the geotechnical firm access around the Old Town Hall to do the necessary tests.
Upon commencement of construction and renovation in 2013, it was determined the foundation of the building was unsafe. *“... due to loose and dropping stones the work was deemed unsafe and stopped. On June 18, 2013, the Town’s building inspector issued a stop to any further similar work until an external engineer’s review and report is provided that demonstrates the foundations are sound.”* [Report 2013-34]. Had adequate due diligence been permitted in 2009, this likely would have been discovered prior to the start of construction.
2. Council was provided the opportunity, days after this report, to terminate the project at a cost of \$1.7 million, reassess the future of the building, solicit public consultation, and develop another plan. Instead, Council voted 4-3 to pay an additional \$1.4 million, for a total cost of \$10.6 million. The project was to be completed in 2014.

In 2010, a Town Councillor was quoted in the Newmarket Era as being concerned that the initial cost for the project had jumped *“...from \$5.1 million to \$8.9 million in a matter of months and with the potential for the number to climb higher with the final cost analysis was frightening, according to Councillor Dave Kerwin, who is convinced the town could produce a beautiful building at a fraction of the cost.”* He is

further quoted as stating, “We need to be mindful of the taxpayers.” [Newmarket Era, Apr 07, 2010, “Newmarket town hall plan hits wall”]

“This is another example of a large capital project that will cost the taxpayers millions, with little oversight, poor planning and questionable due diligence”, states Teena Bogner, President of NTAG. “This project started at \$5.1 million, rose to \$8.9 million, and is budgeted for \$10.6 million. How is this being fiscally responsible to the taxpayers who fund this exorbitant and ridiculous amount? While the Town did receive \$3.4 million in grant funding from the provincial and federal government, even our Mayor acknowledges the lack of due diligence.”

“Because we were faced with a very short time frame to submit the application, the grant request was submitted without the benefit of the advice from an architect, prior consultation with the user groups or the community at large.” – Tony Van Bynen <http://www.vanbynen.ca/uncategorized/newmarket-old-town-hall-worth/>

The Town of Newmarket is currently carrying \$36.9 million in debt for capital projects that are 10-15 years old, such as the Magna Centre, Youth Centre parking lot, the Stickwood-Walker farm purchase, and the new Operations Centre.

“We have questions: How many taxpayers is the Old Town Hall going to truly benefit? How will the Old Town Hall and the Newmarket Theatre, (currently at a deficit of \$750,000 a year) co-exist? More importantly, what debt load are we leaving for future generations of Newmarket taxpayers? All taxpayers should be asking the same.” states Bogner.

All large construction projects have a working budget with projections and any cost exposures, with current and anticipated costs. NTAG made several requests to the Town of Newmarket for the current cost of the Old Town Hall renovation – the information was not available.

The Newmarket Taxpayers Advocacy Group Inc. (NTAG) is a provincially incorporated non-for-profit ratepayers group in Newmarket, ON. NTAG is a non-political, non-partisan, advocacy organization dedicated to fair taxes, less waste and transparent and accountable government in all levels of government (town, region and school boards) in Newmarket, Ontario, Canada.

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