

Council leaves the door open to dive deeper into JOC costs

By Brock Weir

Council has left the door open for a deeper dig into the construction and development of Aurora's Joint Operations Centre after moving forward with an independent audit.

Lawmakers gave the green light to a \$29,000 limited scope audit by Brook Laker & Associates, external auditors for the Region of York, to help answer lingering questions over the true costs of the Joint Operations Centre.

The Joint Operations Centre (JOC) is the new municipal building on Industrial Parkway North which now houses the Departments of Public Works, Parks & Recreation, and other municipal staffers.

Built at costs estimated to be between \$20 million at the lowest and \$26 million at the highest, the project has been plagued by questions from Council over what the building has and will ultimately cost after items now deemed necessary were taken out of the building scope to meet budget targets.

The external audit will focus on validating the reported budget and cost figures, analysing the scope reductions and costs to complete the project, and is expected to provide a confirmation of the final costs versus what was in the original budget.

With their approval of this option, however, Council has left the door open to broadening the scope of the analysis after some voiced concerns the limited scope did not delve deep enough.

A further option, totalling \$72,500 and billed as a full audit, was also presented to Council.

This would have peeled the onion back to its first layer as soon as land to build the JOC was acquired.

For some, this was the preferred option, but Council nevertheless voted to go ahead with the limited scope while tasking staff with reporting back on a full qualitative report, an amendment offered by Councillor Harold Kim, who said he was looking for more information on how the project was managed.

The project management piece and all downstream impacts on that has huge impacts, said Councillor Kim. These are not some of the kinds of projects Council aims to pursue down the road [but] we do have Library Square, potentially a new Rec centre and other items. I would hate to put Town assets or financial resources into those projects without really learning some of the things we need to have learned from the JOC project in particular. I think this will give us a lot of lessons learned and, in the long run, I think we will recoup the costs.

Councillor Tom Mrakas said he too supported Councillor Kim's amendment, adding: I felt this wasn't going to really give us what some are actually looking for in terms of the project management of this, the scope into that, and what happened to those terms. I am in full support of this and look forward to getting a report back.

Earlier in the Council meeting, Councillor Wendy Gaertner spoke in favour of going ahead with the full audit.

I think that would serve us and the public better, she said, reiterating some of the comments she made at the Committee level the previous week.

Staff, however, said the limited scope audit was the best path forward in uncovering the information Council was looking for.

We felt [this option] aligned closely with what Council asked which was to finally pin down all the costs [and for a third party to look at] the budget versus the actual costs, said CAO Doug Nadorozny. In particular, [it will provide] a breakdown of those reductions that were made throughout the project and ultimately what those costs will mean in the future for things that were taken out of the project to get it in to completion and under budget.

Option 1 was basically right back to the [first steps of] land acquisition, decisions that were made, contract management, the oversight of the architects and so on. We just felt this was a much broader scope than what Council intended. Being that the project was completed within the original budget amounts, not including, of course, the things that were not done, we didn't see a whole lot of value in spending [the money] for that full analysis.

Responding to questions from Councillor Kim on whether or not the limited scope audit would look at the role of the project manager leadership, process and communication, Mr. Nadorozny said those items would be touched upon in the audit.

If you had a concern about management and wanted a managerial audit, you would scope the work to make sure that it thoroughly included what you intended to find out, he said. When you look at change orders and look at how the whole reporting was done and look at decisions around land acquisition you're inevitably going to be bringing out some of the things you've listed. If Council wanted to get that deep into the audit, you would want to make sure this was specified in the terms. The terms were a little different than just this.