

\$19,000,000+

Raises Many Questions

A Community Matters Deputation to
The Town of The Blue Mountains Council
January 26, 2026

Presented by John Milne

Community Matters

The \$19M Surprise

- Staff brought forward a request for an additional \$19 million (\$19M) for the Craigleith SLS, Mill St. SPS, and Bay–Grey St. linear works
- A late-stage increase of this size raises questions about **cost estimating, risk tracking, and how/when Council and the public are updated**
- Council carried a motion (Councillor Porter) calling for answers and reporting timelines—**with clear timelines and sufficient detail**
- Given recent major-project post-mortems (e.g., Gateway Housing Project, Campus of Care, Thornbury West), residents are looking for **clear, complete, transparent explanations, consequences and remedial actions**

Can We Expect the Answers to These Questions?

1. **Will the report explain how the overrun reached \$19M before Council was advised, including what “red flags” should have been visible around the \$2M, \$5M, and \$10M marks?**
2. **Will the report show when members of the Senior Management Team became aware of the escalation?**
3. How was the decision made about when to bring the \$19M escalation to Council, and who was involved?
4. What roles did the CAO and Director of Finance play in overseeing the escalation and the reporting process?
5. **Will the report identify the specific reporting and oversight gaps that allowed the escalation to grow, and how those gaps will be eliminated in the future?**
6. Will the report explain how this escalation was handled during the 2026 budget process, including how it was reflected in budget discussions at the time?
7. **Will the report explain why the escalation was not reflected in the “Forecasted Total Reserves and Reserve Funds” table (p.167, 2026 Budget Book)?**
8. When was the Mayor briefed on the escalation, and by whom?

Can We Expect the Answers to These Questions?

9. **Will the report include all funding sources for both the \$19M overrun and the overall project budget?**
10. **Will the report explain how the \$19M will be funded or recouped?**
11. Will the report clarify why the contingency in the \$19M is so large (34%)?
12. What is the approval process for expenditures at each stage of a project of this magnitude?
13. What was the rationale for undertaking the \$150,000 value engineering exercise **at this stage** of the project, rather than earlier?
14. Was the Deputy Mayor (Finance Chair) briefed on the escalation before it became public? If so, when and by whom?
15. **Will the report identify the key process and oversight gaps, clarify how information was escalated to Council, and outline corrective actions and accountability measures?**
16. **How will staff and Council rebuild credibility and regain public trust going forward?**

Thank You



We look forward to the report and Council's discussion