Construction restarts on Sydney Apartments

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Beaufort Construction to complete project

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Construction will soon resume after major delays at the partially completed Sydney Apartments.

The Sydney Apartments project has stood abandoned all winter, but the NWT Housing Corp. says construction will restart in short order. - Sarah Ladik/NNSL photo

Work was stopped on the NWT Housing Corp. project last summer after the original contractor, Millennium Construction, went deeply into debt and out of business.

"We want to ensure these units are available as quick as possible," said NWT Housing Corp. spokesperson Revi Lau-a on July 25. "We want to hit the ground running."

The latest contract to complete the building, worth \$3.3 million, was awarded to 6240 NWT Ltd. which operates in the NWT as Beaufort Construction.

According to the GNWT's contract registry, the original contract in 2014 was worth close to \$3 million. Lau-a said he did not know how much had been paid out for the partially-complete building.

The Drum reported in February that Millennium Construction owed about \$1.44 million in back taxes to the Canadian Revenue Agency which has since been paid in full.

Questions have been raised, however, about connections between Millennium Construction and Beaufort Construction.

According to corporate registry documents, David Kassem was a director of both corporations until he ceased to be one for 6240 NWT Ltd. (Beaufort Construction) in August 2015, a week after a writ was dropped for the seizure and sale of Millennium's assets to pay off its debts.

Mike Kilpatrick, also a director at Millennium, is currently listed as the construction manager on the Beaufort Construction website. The two companies share the same address in Edmonton.

Max Mustafa, president and CEO of Beaufort Construction, told Inuvik Drum there is "no real relationship" between his company and Millennium Construction.

"We're not the same but we are acquainted," he said, acknowledging he knows both Kassem and Kilpatrick. As for operating out of the same Edmonton address, he said it's hardly uncommon for stores to replace other stores in the same location.

When contacted, David Kassem also said there was "no relationship" between the companies.

As for the housing corp., Lau-a said the government is aware of the people involved.

"From our review, they are two different companies with respect to the (Business Incentive Policy) registry," he said in an interview. "We followed all legal procedures in awarding this contract."

Lau-a reiterated that the housing corp.'s priority is to get the building completed on schedule for January 2017. To that end, the housing corp. and representatives from Beaufort Construction met for a pre-work meeting July 22.