



Vaudreuil-Dorion

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A Second Call for Tenders will be Launched for the Municipal Hub

Vaudreuil-Dorion, May 3, 2022 – During the municipal council meeting on May 2nd, Notice of Motion was given by the City of Vaudreuil-Dorion's Municipal Council for the authorization to increase the expenditure and loan related to Loan by-law No. 1755-01 for the construction of the Municipal Hub, which will encompass the library, City Hall, and a public space.

The first invitation to tender had been cancelled on June 21st, 2021 due to market conditions and the fact that only one bid had been received in the amount of \$49.9 million before taxes. "It should be remembered that during this same period, a number of tenders were rejected by other cities as well as the government due to the overheating of the market and labor shortages. Our estimates were made prior to the price explosion in the fall of 2020. It has become clear that the market is showing no sign of declining and could very well increase instead. We see this with the real estate market where prices are reaching record highs. Therefore, we have to face the facts. We must move forward with our construction project and adjust to the reality of the market, because waiting is surely no longer the solution," said Mayor Guy Pilon.

The Municipal Hub will be located on rue Émile-Bouchard, close to the Centre Multisports and the Vaudreuil train station. A grant exceeding \$4.8 million, which will expire in 2025, has already been announced by the governments of Quebec and Canada for the construction of the new library. This funding is part of the New Building Canada - Quebec Fund, Provincial-Territorial Infrastructure Component — Small Communities Fund. There is also a plan to use a portion of the Gas Tax Program for the costs related to the public space.

"We are confident that we will have more than one bidder, as we have made changes to our invitation to tender, including a price adjustment clause for certain materials according to variations in the price index while the work is underway. We have been monitoring the bids that have been opened recently, especially those related to senior homes, and we know that our new estimates reflect the realities of the current market. The future library is eagerly awaited by users. There will be no comparison with the current library, which is the most frequently visited building in our city. It is worth noting that libraries are places that welcome all clientele free of charge, from infants to seniors. Recently, I was reading an article about new public libraries that have become living environments that provide wide bright spaces, meeting rooms, Youth Zones, 3D printers, digital art creation laboratories, learning spaces, webcast studios. This is what the Vaudreuil-Dorion municipal library will be, a unique space that is a symbol of living together," added Mayor Guy Pilon.

Other Options

Before making the decision to issue a new Call for Tenders, City Council was considering two other options: Abandoning the project and designing a new set of plans, and long-term rental. A new design would have involved losing the sums already invested, as well as the government's financial assistance and time delays. There would have been no financial gain since material costs are expected to increase and the project is already in line with the 2022 market average. It would therefore be very difficult to modify the current components with a view to reducing the total bill. The second option, a long-term lease, is a scenario where the City of Vaudreuil-Dorion would still not be the owner of its City Hall and would also have to find a new lessor landlord at the end of its current lease, which is two years, at a cost that will undoubtedly reflect the realities of the market. This also represents a loss of the sums invested and a new design for the municipal library, no longer being able to benefit from the government's financial assistance which will have expired.

Mayor Guy Pilon wished to underline that "the option to call new tenders was unanimously accepted by the Council. The Municipal Hub is a wonderful project and we will respect our commitment to limit the impact on citizens' tax bills. We will use a good part of our unrestricted accumulated surplus, in the sum of \$10 million, which is the result of the record property sales that occurred in our territory in 2021. In addition, the financial impact on the citizen's tax account will only be felt in a few years and the effect will be gradual. I must remind you that only a few years ago, in the case of our water filtration plant (drinking water) and water treatment plant (waste water), two by-laws were in place totaling more than \$80 million. We had made a commitment not to overtax our population and we kept our promise. We are fortunate to be a city in excellent financial health and the many investments to come, including the hospital, will ensure significant revenues," added Mayor Guy Pilon.

Amendment to the current Loan by-law

By-law No. 1755, adopted in 2020, provided for an expenditure of \$39.1 million for the construction of a library, a city hall and a public space, including related work. The proposed amendment will increase the total expense charged to the by-law by \$34.5 million. The loan by-law expense, amounting to \$73.6 million, includes market-adjusted construction costs, financing costs, an enhanced reserve for risks and contingencies (as the name suggests, this is a reserve that may not be used) and applicable taxes. The financial structure of the project provides for a shared funding approach between the loan, the financial aid from the provincial and federal governments and municipal surpluses. After deductions, an estimated maximum of \$47 million will be borne by taxpayers over a 30-year period.

The Municipal Hub Project

The Municipal Hub aims to eventually bring together on a single site the library, City Hall, a public square and an aquatic complex. The library and City Hall will be located within the same building. The aquatic complex will be built in a subsequent phase of the project according to the government grant programs that will be in place. It is expected that the construction of the building combining City Hall and the library, along with the development of the public square, will begin by the end of 2022.