



For Immediate Release

May 9, 2024

Town Council approves award of contract for Replacement Civic Centre

Georgina, ON – Council voted to award the contract for the Replacement Civic Centre project to Maystar General Contractors Inc.

“We have studied many different options for the Replacement Civic Centre since Council approved a new building in 2018,” said Mayor Margaret Quirk. “It has not been an easy or quick decision. Three different Councils have been involved in what has been a very public process. We have a solid financial plan in place to ensure the project is managed properly. The Replacement Civic Centre has been designed to accommodate staff who work in the office and those who work hybrid. It will be accessible for everyone and provide functional space for staff and residents.”

Council approved proceeding with the full design and tender of a Replacement Civic Centre in March 2023. The Replacement Civic Centre will provide for the Town’s staffing and public needs today and in the future. It has been designed with a focus on energy efficiency, sustainability and accessibility. The results of the tender were presented in the Council Report (SI-2024-0008) dated May 8, 2024.

The increase in the project budget is as a result of the competitive bidding process that resulted in the best price based on the current economic market and what bidders were willing to commit to for a lump sum price. The lowest bid price of \$41.85M is \$3.65M above the Class D estimate of \$38.2M. This, along with the increases in contingency and effective taxes, has resulted in an increase of approximately \$4M leading to the increased required project budget of \$54.1M.

The financial plan to fund the new Replacement Civic Centre will use a combination of the Replacement Civic Centre reserve, a short-term debenture and internal borrowings. In January 2023, Council unanimously approved the creation of a separate Civic Centre reserve. This reserve was funded by using existing annual reserve contributions that were previously set-aside for repairs of the existing Civic Centre and contributions towards a new Civic Centre by reallocating from the Facility Repair and Replacement reserve, New Infrastructure reserve, and the internal borrowing repayment for the Link that was completed in 2023. As well the annual two per cent infrastructure levy for 2023 and 2024 only was allocated to the reserve. This results in an annual reserve contribution of \$3.5M per year that was fully accounted for in the 2024 approved budget. As the Town needs to ramp up funding to this reserve, a combination of a \$20M short-term debenture, not to exceed 10 years, along with internal borrowings against reserves, will result in the \$54.1M project budget being fully repaid within 13.5 years of project completion, with no additional tax levy increases relating to the replacement Civic Centre in future budgets. This includes all associated principal and interest on the short-term debenture. Once repaid, the \$3.5M reserve contribution could be reallocated in the future to other infrastructure requirements.

The process of building a new standalone replacement Civic Centre began in March 2018, when Council approved the construction of a new building to be located on site within the present Civic Centre campus.

To learn more about the replacement Civic Centre project, visit georgina.ca/CivicCentre.

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