

JohnQ Public Inc.

Office of the CEO

September 15, 2026

To: Reeves, Mayors, and Chief Administrative Officers, Member Municipalities of JohnQ Public Inc.

Re: East St. Paul Daycare Facility – Peguis First Nation Real Estate Trust

Dear Reeves, Mayors, and CAOs,

You may have seen yesterday's CBC Manitoba story, and the social media commentary that followed it, about the \$5.5-million daycare facility built in East St. Paul for the Peguis First Nation Real Estate Trust. The story reports that the facility, completed in 2024, has never opened, has been vandalized and damaged by flooding while sitting vacant, and that damage is estimated at more than \$1 million. Given the attention this has drawn – including questions raised publicly about JohnQ Public's governance – I want to give you and your Council accurate, complete information directly, rather than have you rely on secondhand accounts.

What the reporting describes is an unresolved land-ownership and compliance dispute between the Trust and the Province of Manitoba, arising from a change in ownership of the land-holding company in 2024. That dispute – not any design or construction issue – is why the Province has withheld authorization to open the facility, and why the building has sat vacant and been exposed to vandalism and water damage.

JohnQ Public's role

I want to be precise about JohnQ Public's connection to this specific facility:

- The facility was funded under a Financial Assistance Agreement between the Government of Manitoba (Minister of Education and Early Childhood Learning) and the Trustees of the Peguis First Nation Real Estate Trust. JohnQ Public is not a party to that agreement.
- Design and construction were carried out under a separate Design-Build contract directly between the Trust, as Owner, and Pretium Projects Ltd., as Design-Builder, with Chagas Architecture + Development Inc. engaged as the project's architect and consultant. JohnQ Public is not a party to that contract, and was not the facility's owner, designer, builder, or operator.

- JQ Built Inc. administered the request-for-proposal process that established the broader nine-building daycare program – across twenty-one municipalities and this Peguis First Nation site – and, on that basis, is identified in the Design-Builder's contract as the program's project manager and founder for the purpose of the program's public materials. That role is distinct from ownership, design, or construction responsibility for any individual site, and does not make JohnQ Public a party to the Trust's contracts, or to the current land-ownership dispute or the resulting vacancy and damage.

Where this leaves member municipalities

This matter has been reviewed with JohnQ Public's outside legal counsel, DD West LLP. Based on that review, JohnQ Public has no financial, legal, or governance exposure or obligation arising from the East St. Paul facility or the dispute between the Trust and the Province. We will continue to monitor the matter and will update you if anything changes that bears on JohnQ Public or its member municipalities.

If you or your Council have questions – including questions raised locally in connection with this story – I am glad to speak with you directly or to brief your Council. Please don't hesitate to reach out.

Sincerely,



Michelle Pereira
Chief Executive Officer
JohnQ Public Inc.