

Township of
DELHI



REPORT

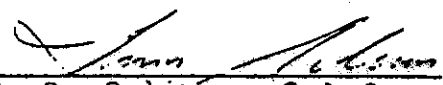
DATE: January 17, 1996	REPORT NO.: CAO-04-96
TO: Public Works Committee	
PREPARED BY: F.D. Gelinás	
SUBJECT: Nichols Gravel Ltd. - Deputation December 6, 1995	
TO COMMITTEE: February 7, 1996	APPROVED Y N OTHER _____ RECOMMENDATION NO. _____
TO COUNCIL: February 12, 1996	APPROVED Y N OTHER _____ RESOLUTION NO. _____

RECOMMENDATION:
THAT Report #CAO-04-96 Nichols Gravel Ltd. deputation December 6, 1995 be received as information.

REPORT:
On December 6, 1995, Mr. Gary Nichols attended the Public Works Committee as a deputation and discussed, among other things, the 1995/96 Winter Sand Quotation Process. Mr. Nichols questioned why the Township of Delhi was not purchasing sand from Nichols Gravel Limited.

As Committee is aware, the Township of Delhi has had a great deal of difficulty dealing with Nichols Gravel in the past. More specifically, in March of 1995, Mr. Nichols refused to complete a previous contract we had for winter sand. Consequently, legal proceedings ensued and the municipality's actions were confirmed by the courts. This was a very expensive and time consuming process.

Needless to say, our working relationship with Nichols Gravel is very poor. Given the March 1995 winter sand problem and the outstanding litigation situation, Council directed staff to cease commercial operations with Nichols Gravel. This action is in accordance with our purchasing policy which provides that past performance may be considered when making a purchasing decision. Consequently, even though Nichols Gravel may have been the lowest quote, the Township of Delhi chose the next lowest acceptable bid.


F. D. Gelinás, C.A.O.

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