

**NICHOLS GRAVEL LIMITED**

P.O. BOX 172  
DELHI, ON. N4B 2W9

Phone: 519-582-3354 Fax: 519-582-2143

October 28, 1996

The Corporation of the Township of Delhi  
P.O. Box 182  
183 Main St.  
DELHI, On. N4B 2W9

To All Members of Council:

This presentation provided without malice or prejudice for Councils' consideration, so that this governing body may become aware of certain facts which require that appropriate action be taken in order to protect the public interest.

First reference Item #1, quote of Judge Carvarzan in his Reason for Judgment, 2<sup>nd</sup> page, 1<sup>st</sup> paragraph in red. In particular quote: "Anderson had been employed between 1986 and 1990 as Construction Manager for the Town of Ajax." unquote.

Reference Item #2, F.O.I. request Town of Ajax 2<sup>nd</sup> paragraph. It would appear that Mr. Anderson provided false information to the courts on his curriculum vitae. He would have us believe that he held a position for 4 years that wasn't in existence until the following year after he left Ajax, and had there been this position, the man in charge would have been Frank Hull.

I suggest that Council investigate information provided on Mr. Andersons' resume to ensure that employment with the Township was not procured under false pretense.

Reference Item #3, Examination for Discovery Page 44, #299 & 300. Mr. Anderson stated material supplied from Ontario Hydro at no cost.

Reference Item #4, Letter and Billing Statement from Ontario Hydro.  
Bear in mind Mr. Anderson's statement made while sworn under oath.

Reference Item #5, Letter to Public Works Committee July 21, 1993, see Page 3, last paragraph. Mr. Anderson state: "E1/4 Line and Arena Parking Lot, these have been the only experience with this type of failure.

Reference Item #6, my letter December 28, 1993 Page 4 my comparison of Road 6 and E1/4 Line and the Arena Parking Lot.

Reference Item #7, Mr. Anderson's Examination for Discovery May 4, 1994 after my comparison, he had all kinds of problems on Road 6 which he failed to remember in his letter of July 21, 1993.

Reference Item #8, Mr. Anderson's Cross Examination at trial regarding the use of Hydro material on Road 6. Stated: "None was used on Road 6." See Page 42 and again later Page 70 Trial Transcript.

On September 18, 1996 I also spoke with Reg Wood who also confirmed Hydro gravel was used on Road 6.

Reference Item #9, Letter Mr. & Mrs. K. Walker residents on Road 6.

Reference Item #10. Letter Mr. & Mrs. W. Waugh residents on Road 6.

Reference Item #11, Mr. Anderson's statement at trial regarding the stated direction from Council to cease all business operations with Nichols Gravel Limited received towards the end of 1994.

Reference Item #12, F.O.I. request 16-96 Minutes of Council Meetings. No record in minutes "in camera" or otherwise in late 1994 to indicate any direction.

Reference Item #13, F.O.I. request 15-96 The date of the Council meeting when staff received this direction (June 26, 1995).

Reference Item #14, Cross Examination of Mr. Gelinis at trial.  
See Pages 46, 47, 50

Testimony of Mr. Gelinis at trial conflicts with this June 26, 1995 date as he stated direction received August 1994 and again August 1995. If in fact any of these dates are correct, consider the following facts:

1. With every 4 different dates of direction it would appear that every 3 months or so, staff was receiving direction from Council not to deal with our Company.
2. Why did Mr. Thompson on October 16, 1995 advise my son that the Township Winter Sand purchase was a Regional decision? Why were we sent on this wild goose chase, when he could have simply informed us that staff was under direction not to deal with our Company?
3. When we requested clarification of this sand purchase at the December 6, 1995 Public Works Meeting, why did Mr. Gelinis advise Committee not to respond, and then stated that he would reply in writing in a couple of weeks? If staff was under Councils' direction at this point, why was that not so stated at that time?
4. Why did it take over 2 months to receive his reply?

5. If there was in fact such direction why did we receive the following correspondence from the Township:

Reference Item #16, 17, 18, 19, 20.

Reference Item #12, Minutes of the Council Meeting June 26, 1995 identified as providing direction to staff Page 3, Item #13 In Camera session to discuss a litigation or potential litigation matter.

Then Reference Item #15, A letter from our lawyer to Mr. Cline. We find this to be the time frame of the Winter Sand litigation with the Township.

The date of the Council Meeting, Mr. Cline's letter of June 30, 1995 and the fact that I had a telephone conversation with Mr. Cline between June 26, and June 30, 1995 whereby an out of court settlement was discussed, confirmed that the direction staff received on June 26, 1995 was to contact the Township Solicitor to attempt to settle the Winter Sand litigation out of Court.

Common sense and logic would dictate that Council would not be directing punitive action at our Company at the same time as they were attempting to resolve a litigation out of court.

It is quite obvious when all of the facts are considered, that there was no direction from Council not to deal with our Company, but this was in fact a conspired scheme by Mr. Anderson and Mr. Gelinas independent of Council.

I have been advised by my lawyer, that based on sufficient evidence of Criminal Activity, we can petition the Crown Attorney's office that criminal charges be filed.

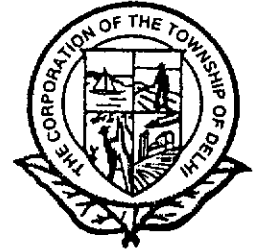
Please be informed, that if all outstanding issues between our Company and the Township of Delhi have not been resolved by November 30, 1996, this and all related documentation shall be released to the major daily newspapers and T.V. stations in the Province and we shall proceed to the Crown Attorney's office immediately thereafter.

Yours sincerely,

Gary Nichols, President  
Nichols Gravel Limited

# Township of DELHI

P.O. Box 182 • 183 Main Street • Delhi, Ontario CANADA N4B 2W9  
Tel: (519) 582-2100 Fax: (519) 582-4571



November 20, 1996

Nichols Gravel Ltd.  
P.O. Box 172  
Delhi, Ontario  
N4B 2W9

Dear Mr. Nichols:

Please be advised that at their meeting held November 18, 1996, the Council adopted Resolution No. 12.

\*Resolution No. 12

THAT the correspondence from Nichols Gravel dated October 28, 1996 be received as information.

Should you require any further information or clarification please do not hesitate to contact the undersigned.

Yours truly,

*Betteanne M. Cadman*  
Betteanne M. Cadman, CMC CMO  
Clerk

BMC/sh