



The Corporation of the Town of Moosonee

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PUBLIC NOTICE #2 REGARDING STATUS OF THE BUTLER CREEK BRIDGE REPLACEMENT PROJECT

The Mayor and Council of the Corporation of the Town of Moosonee are writing to inform the public of recent events with regard to the Project, and on-going litigation.

As stated previously, following Guardian's abandonment of the Project last August, the Town of Moosonee immediately filed a Statement of Claim against Guardian Bridge on September 27th, 2010 to claim losses and damages and to enforce our rights under the provisions of the contract. Legal Counsel for the Town of Moosonee then brought a Motion for an Order of Recovery of the Bridge prefabricated bridge components and other construction documents and materials to permit the Municipality to complete the contract work. Although Guardian Bridge had not yet completed the work, they demanded full payment of the balance of the contract price before surrendering the bridge and refused to cooperate. On February 25th, 2011, the Motion was heard before Her Honour, Justice C.A. MacDonald, in the Ontario Superior Court of Justice and the Town was successful in obtaining the Order to recover the contract assets. Costs were also awarded to the Municipality on the Motion.

Over the coming weeks, the Town will be making the arrangements to have the Bridge and components transferred into our control. Once the components and documents are in our possession, we will assess the status of the project and Guardian's compliance with the contract work and we will then determine when construction can re-commence. Given the required tender processes for Project construction, and extensive review of work-to-date that will be required, it is possible that completion of construction may be delayed until 2012.

The litigation as against Guardian to recover damages and expenses incurred due to their abandonment of the Contract will continue. It is expected, in the usual course of this type of litigation, that this will take some time to complete. Due to the nature of the litigation, Council is required, in some cases, to observe confidentiality and privilege rules relating to disclosure of information regarding the case. Council will accordingly continue to restrict all public comments on this issue and updates will be limited to information provided in these Public Notices. As progress is made, we will provide updates. We appreciate your understanding.