



The Corporation of the Town of Moosonee

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PUBLIC NOTICE 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 issues with the Project. The Town of Moosonee received notice on August 25th, 2010 from Guardian Bridge Inc., the contracted Design/Builder for the Project, demanding payment of the FINAL progress payment in the Project for Construction Work not yet completed, and alleging that the Town has been late in progress payments throughout the project. The Town, in consultation with our lawyer, responded to the allegation on September 8th reminding Guardian of the payment terms defined in the contract and demonstrating that the Town of Moosonee has paid all invoices early, and in some cases, for work not yet completed, though recommended for payment by our Project Manager. The Town stated to Guardian that our most recent progress payment included delivery of the prefabricated bridge and equipment to Moosonee, and Guardian has failed to deliver the bridge and adhere to their Schedule of Work. The Town stated that it would not advance the final progress payment until the Work was completed and certified, as is required contractually.

Over the past few weeks, a great deal of correspondence has been sent between the lawyer representing Guardian Bridge Inc., and our lawyer. The Town's position is that we will not release the final progress payment until the work is completed, as is our right contractually. Further, we have demanded immediate shipment of the municipally owned bridge and components. The Town of Moosonee 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.

Mayor and Council cannot speculate on what will happen next, or how quickly the issue will be dealt with in Court. As this will now be an ongoing litigation matter in the Ontario Superior Court of Justice, comments on the issue will be limited to the information provided in public notices. As progress is made, we will provide public updates. We appreciate your understanding as we continue to pursue our legal rights under the Contract.

September 29th, 2010