



## Staff Report

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**Report To:** Dan Best, Chief Administrative Officer  
**From:** **Don Giberson, Environmental Services Director**  
**Date:** May 22 2018  
**Report:** ESD.18.23  
**Subject:** Tender for Lease of Surplus Farm Land at South Huron Landfill Site

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### Recommendations:

**That** South Huron Council receive the report from Don Giberson, Environmental Service Director re: Tender for Lease of Surplus Farm Land at South Huron Landfill Site; and

**That** South Huron Council accept the tender received from the high bidder, Michael Becker, in the amount of \$380.00 per acre (plus HST) and authorize the Mayor and Clerk to execute a farm land lease agreement for 45 acres of surplus farmable land at the South Huron Landfill Site property.

### Purpose:

The purpose of this report is to notify Council of the tender results for the lease of surplus farm land at the South Huron Landfill Site and to obtain authorization to enter into an Agreement with the bidder that submitted the highest price.

### Background and Analysis:

The existing South Huron Landfill Site Surplus Farm Land Lease is for a five year term and that lease expired on December 31, 2017. Accordingly, a tender was advertised in the local newspaper, posted on the Municipal web site and closed on April 30, 2018. Tenders were opened publically by the Director of Financial Services/Treasurer, Councillor Wayne Deluca and one bidder.

The following are the tender results:

South Huron Landfill Site Farm Land Lease - Tender Results						
	Tender Submitted by:	Price per Acre (Excluding HST)	HST	Total Cost per Acre (Including HST)	Acres	Total Annual Cost (Including HST)
1	Michael Becker	\$380.00	\$49.40	\$429.40	45	\$19,323.00
2	P.J.G.J. Farms	\$252.00	\$32.76	\$284.76	45	\$12,814.20

## Operational Considerations:

There were no alternatives considered.

## South Huron's Strategic Plan:

Section 6.2.2 of the Municipality of South Huron 2015- 2019 Strategic Plan identifies key objectives that are reflective of the collective perspectives of the strategic planning process.

The recommendations and actions outlined in this report are reflective of the following strategic objectives:

### Administrative Efficiency and Fiscal Responsibility

Leasing municipally owned farm land, surplus to our operations, is fiscally responsible as it generates revenue; reduces land maintenance costs; and ensures that the value of this land asset is maintained by good farming practices and by keeping the land in production.

### Increased Communications and Municipal Leadership

The Surplus Farm Land Lease Tender was publically advertised and promoted on the Municipal Web Site. Increased communication results in greater interest in our tenders and better prices.

### Transparent, Accountable and Collaborative Governance

The Surplus Farm Land Lease Tender was by public tender to ensure the integrity of municipal procurement process and public confidence in the process. Leasing municipally owned farm land, surplus to our operations, is sustainable and environmentally conscious. This also conforms to the Provincial Policy Statement by protecting agricultural land and keeping farm lands in production.

### Dedicated Economic Development Effort

Leasing municipally owned surplus farm land assists economic development in the farming sector by making farmable land available to the farming industry and increasing the efficiency of local farm operations.

### **Financial Impact:**

Revenue generated from the lease of surplus farm land at the South Huron Landfill Site is included in the 2018 Operating Budget at the previous total lease amount of \$11,925.00 including HST (ie. 45 acres at \$265.00 per acre plus HST).

The annual revenue from the new farm land lease is \$17,100.00 plus HST (ie. 45 acres at \$380.00 per acre plus HST). This represents an annual increase of \$5,175 plus HST over the previous five year farm land lease.

### **Legal Impact:**

There are no legal implications for the Corporation resulting from the proposed recommendation.

### **Staffing Impact:**

There are no staffing implications for the Corporation resulting from the proposed recommendation.

### **Policies/Legislation:**

1. Procurement By-law #33-2017

### **Consultation:**

Sandy Becker, Director of Financial Services/Treasurer

### **Related Documents:**

1. Farm Land Lease Agreement

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'Don Giberson', is written over a faint, light-colored rectangular stamp or watermark.

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**Don Giberson, Environmental Services Director**