



Staff Report

Report To: Dan Best, Chief Administrative Officer

From: **Don Giberson, Director of Infrastructure & Development**

Date: December 6 2021

Report: ESD.21.28

Subject: Tender for Lease of Surplus Farmland at Weber Pit and closed Stephen Landfill Site

Recommendations:

That South Huron Council receive the report from Don Giberson, Director of Infrastructure and Development re: Tender for Lease of Surplus Farmland at Weber Pit and closed Stephen Landfill Site; AND

That South Huron Council accept the tender received from the high bidder, Ryan Van Mittenburg, in the amount of \$420.00 per acre (plus HST) and authorize the Mayor and Clerk to execute a farmland lease agreement for 44 acres of surplus farmable land at the Weber Pit property; AND

That South Huron Council accept the tender received from the high bidder, Limerick Acres 2015 Ltd, in the amount of \$455.00 per acre (plus HST) and authorize the Mayor and Clerk to execute a farmland lease agreement for 17 acres of surplus farmable land at the closed Stephen Landfill Site property.

Purpose:

The purpose of this report is to notify Council of the tender results for the lease of surplus farmland at the Weber Pit and the closed Stephen Landfill Site and to obtain authorization to enter into an Agreement with the bidder that submitted the highest price.

Background and Analysis:

Weber Pit and the closed Stephen Landfill Site Surplus Farm Land Leases are five year terms and are due to expire on December 31, 2021. Accordingly, a tender was advertised in the local newspaper, posted on the Municipal web site and closed on November 10, 2021.

Due to the COVID19 pandemic tenders were opened virtually by zoom and recorded for transparency. Don Giberson opened the tenders, as witnessed by Mayor George Finch, Maggie McBride, Financial Services Officer and two of the bidders. The following are the tender results:

Weber Pit 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	Ryan Van Mittenburg	\$420.00	\$54.60	\$474.60	44	\$20,882.40
2	Shawn Ryan	\$380.00	\$49.40	\$429.40	44	\$18,893.60
3	Soestdale Holsteins Inc.	\$377.25	\$49.04	\$426.29	44	\$18,756.87
4	Michael Becker	\$371.00	\$48.23	\$419.23	44	\$18,446.12
5	Brockwood Farms	\$360.00	\$46.80	\$406.80	44	\$17,899.20
Stephen 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	Limerick Acres 2015 Ltd	\$455.00	\$59.15	\$514.15	17	\$8,740.55
2	Shawn Ryan	\$315.00	\$40.95	\$355.95	17	\$6,051.15

All tenders were checked and confirmed to be in accordance with the tender specifications. However, the tender submitted by Soestdale Holsteins Inc. did not include the required bid deposit and was automatically rejected.

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
- ✓ Increased Communications and Municipal Leadership
- ✓ Transparent, Accountable and Collaborative Governance
- ✓ Dedicated Economic Development Effort

Financial Impact:

The revenue generated from the surplus farm leases is included in the proposed 2022-2026 Operating Budget forecasts. Annual revenue of \$18,480 from the Weber Pit surplus farmland lease will be applied to the Transportation Services 2022 Operating Budget. This represents an annual increase of \$4,004 over the previous five-year surplus farmland lease.

Annual revenue of \$7,735 from the Closed Stephen Landfill Site surplus farmland lease will be applied to the Environment Services 2022 Landfill Operating Budget. This represents an annual increase of \$3,468 over the previous five-year farmland 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.

Communication Actions:

Tender notice was posted on the Municipal Web Site and in the HUB. Unofficial tender results were provided to all bidders. Contract award will be communicated to the public through the publishing of the Council Minutes.

Policies/Legislation:

1. Procurement By-law #09-2021

Consultation:

Sandy Becker, Director of Financial Services/Treasurer; Shane Timmermans, Manager of Transportation Services; and Shawn Young Manager of Environmental Services.

Related Documents:

1. DRAFT Farm Land Lease Agreement

Respectfully submitted,

Don Giberson, Director of Infrastructure & Development