

Council Chambers
September 29, 2008 7:00 p.m.

A meeting of Guelph City Council

Present: Mayor Farbridge, Councillors Beard, Bell, Billings, Burcher, Farrelly, Findlay, Hofland, Kovach, Laidlaw, Piper, Salisbury and Wettstein

Staff Present: Mr. H. Loewig, Chief Administrative Officer; Mr. M. Amorosi, Director of Human Resources; Chief S. Armstrong, Director of Emergency Services/Fire Chief; Ms. M. Neubauer, Director of Finance; Dr. J. Laird, Director of Environmental Services; Ms. L.E. Payne, Director of Corporate Services/City Solicitor; Mr. J. Riddell, Director of Community Design & Development Services; Ms. A. Pappert, Director of Community Services; Ms. T. Sinclair, Manager of Legal Services; Mrs. L.A. Giles, Director of Information Services/City Clerk; and Ms. D. Black, Assistant Council Committee Co-ordinator

DECLARATIONS UNDER MUNICIPAL CONFLICT OF INTEREST ACT

There was no declaration of pecuniary interest.

PRESENTATIONS

Proposed Hydro Merger

Ms. Jasmine Urisk, Vice-Chair of Guelph Hydro Board advised every effort has been made to address all the issues brought forward. She advised that the Councils of St. Catharines and Hamilton have voted unanimously for the merger proposal and stated Guelph Hydro endorses the motion before Council.

Mr. Art Stokman, President of Guelph Hydro outlined the benefits that the proposed merger should bring and provided clarification of information regarding the business case.

Mr. Ron Clarke provided information regarding the process of disposition of shares.

Mr. John MacNeil of BDR, provided information regarding the projected cost savings.

Mr. Hans Loewig, Chief Administrative Officer provided information regarding the merger process to date. He

addressed legal aspects, the human resource strategy and financial implications of proceeding with the merger.

1. Moved by Councillor Findlay
Seconded by Councillor Piper

THAT persons wishing to address Council be permitted to do so at this time.

Carried

Mr. Patrick Vlanich, on behalf of the International Brotherhood of Electrical Workers, Local Union 636 was present to advise the union members are unconvinced the merger is a positive move.

Ms. Tracy O'Meara was also present to answer questions and she advised that the merger will affect their collective agreement. It would affect wages and benefits of Guelph employees – favorably for some and unfavorably for others.

Mr. Lloyd Longfield, on behalf of the Guelph Chamber of Commerce outlined the consultation process the Chamber of Commerce undertook and outlined the various components of the operational and strategic aspects of the merger that were examined. He stated the Chamber of Commerce supports the recommendations of the Guelph Hydro Board of Directors to merge Guelph Hydro with Horizon Utilities.

Mr. Stephen Rodd expressed concern that the complex organization of the merged companies will not be able to adjust to future trends and ecological challenges in an effective manner.

Mr. Dennis Galon challenged the premise of economies of scale that would be achieved through the merger, and suggested that such economies have not been examined thoroughly enough and evidence has not been presented to support same.

Ms. Annie O'Donahue, representing the Guelph Civic League was present to address concerns regarding the public process.

Mr. David Birtwistle expressed opposition to the merger. He raised the issue of the condition of Horizon's infrastructure and believes that the merger will result in less control.

Dr. Hugh Whiteley expressed his view that the merger would diminish Guelph's potential. He stated not merging is critical to ensure the CEP is implemented properly and feels the City would lose its principal partner for the CEP if the merger happens. He stated that the merger would result in losing influence and decisions could result in Guelph losing some of their specific initiatives and approvals would be hard won and slow to occur.

Mr. Richard Chaloner, representing the Council of Canadians, expressed concern about the possibility of a path to privatization. He stated that Horizon is undercapitalized compared to Guelph and would like the City to reconsider the utilities that were approached prior to discussions with Horizon.

Council recessed for five minutes.

The meeting resumed at 10:33 p.m.

2. Moved by Councillor Piper
Seconded by Councillor Burcher
THAT the procedural by-law be suspended to allow the meeting to continue until 11:30 p.m.

Carried

3. Moved by Councillor Laidlaw
Seconded by Councillor Salisbury
THAT the procedural by-law be suspended to allow the meeting to continue until 11:45 p.m.

Carried

4. Moved by Councillor Hofland
Seconded by Councillor Beard
THAT City Council accept the recommendations of the Board of Directors of Guelph Hydro Inc. for the merger of the assets of Guelph Hydro Electric Systems Inc. with those of Horizon Utilities Corporation.

VOTING FOR: Councillors Beard, Hofland, Salisbury, Wettstein and Mayor Farbridge (5)

VOTING AGAINST: Councillors Bell, Billings, Burcher, Farrelly, Findlay, Kovach, Laidlaw, Piper (8)

Defeated

Mr. H. Loewig
Mayor Farbridge

- 5. Moved by Councillor Piper
Seconded by Councillor Burcher
THAT the CAO and the Mayor, as the Guelph Hydro Inc. shareholder representative, meet with the Guelph Hydro Board to discuss possible next steps.

VOTING FOR: Councillors Beard, Bell, Billings, Burcher, Farrelly, Findlay, Hofland, Kovach, Laidlaw, Piper, Salisbury, Wettstein and Mayor Farbridge (13)

VOTING AGAINST: (0)

Carried

BY-LAWS

- 3. Moved by Councillor Findlay
Seconded by Councillor Bell
THAT By-law (2008)-18644 is hereby passed.

Carried

The meeting adjourned at 11:40 o'clock p.m.

Minutes read and confirmed October 27, 2008.

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Mayor

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Clerk