



**Minutes of Guelph City Council Meeting as Shareholder of
Guelph Municipal Holdings Inc.
Held in the Council Chambers, Guelph City Hall on
Monday, October 24, 2016 at 5:00 p.m.**

Attendance

Council: Mayor C. Guthrie
Councillor P. Allt
Councillor B. Bell
Councillor C. Billings
Councillor C. Downer
Councillor D. Gibson
Councillor J. Gordon
Councillor J. Hofland
Councillor M. MacKinnon
Councillor L. Piper
Councillor M. Salisbury
Councillor K. Wettstein

Absent: Councillor A. Van Hellemond

Staff: Mr. D. Thomson, Chief Administrative Officer
Mr. M. Amorosi, Deputy CAO of Corporate Services
Ms. C. Clack, Deputy CAO of Public Services
Mr. S. Stewart, Deputy CAO of Infrastructure, Development and Enterprise Services
Ms. D. Jaques, General Manager/City Solicitor
Ms. T. Sprigg, General Manager, Corporate Communications and Customer Service
Ms. B. Swartzentruber, Executive Director, Intergovernmental Relations, Policy, and Open Government
Mr. S. O'Brien, City Clerk
Ms. G. van den Burg, Council Committee Coordinator

Others Present: Mr. P. Sardana, Chief Financial Officer, GMHI

Call to Order (5:00 p.m.)

Mayor Guthrie called the meeting to order.

Authority to Resolve into a Closed Meeting of Council

1. Moved by Councillor Piper
Seconded by Councillor Billings

That the Council of the City of Guelph now hold a meeting that is closed to the public, pursuant to Section 239 (2) (b) and (g) of the Municipal Act with respect to personal matters about an identifiable individual and a matter in respect of which a council, board, committee or other body may hold a closed meeting under another Act, respectively.

Carried

Closed Meeting (5:02 p.m.)

Disclosure of Pecuniary Interest and General Nature Thereof

There were no disclosures.

The following matters were considered:

GMHI-C-2016.3 Decision Making: Terms of Reference/Scope – Follow Up on February 29, 2016 Matter

Rise and recess from Closed Meeting (5:24 p.m.)

Council recessed.

Open Meeting (5:30 p.m.)

Mayor Guthrie called the meeting to order.

Closed Meeting Summary

Mayor Guthrie spoke regarding the matters addressed in closed and identified the following:

Minutes – Council as Shareholder of Guelph Municipal Holdings Inc. Closed Session – September 26, 2016

These minutes were adopted by Council as Shareholder of GMHI.

GMHI-C-2016.3 Decision Making: Terms of Reference/Scope – Follow Up on February 29, 2016 Matter

Staff were given direction on this matter.

Disclosure of Pecuniary Interest and General Nature Thereof

There were no disclosures.

Items for Discussion

GMHI-2016.6 Rationalization of GMHI Corporate Structure

Mr. Derrick Thomson, Chief Executive Officer of GMHI, presented recommendations on the implementation of transitioning oversight of Guelph Hydro to the City, deferring active operations of GMHI and the oversight and management of Envida.

Councillor Billings raised a point of privilege regarding the language used to describe the situation of Guelph Municipal Holdings Inc.

2. Moved by Councillor Wettstein
Seconded by Councillor Downer
 1. That the CAO be directed to begin implementing:
 - (a) The transfer of functional control of Guelph Hydro Electric Systems Inc. ("Guelph Hydro"), currently owned by Guelph Municipal Holdings Inc. ("GMHI"), to the City;
 - (b) Deferring active business operations of GMHI and the development corporation until it is determined by Council that there are adequate City resources to support this activity or a clear objective with corresponding and compelling business case; and,
 - (c) Transfer oversight and management of Envida Community Energy Inc. ("Envida") and the Strategies and Options Committee to City management, with support from Guelph Hydro, who will report to Council.
 2. That, to initiate the process of implementation of the actions in recommendation 1:
 - (a) The CAO, Derrick Thomson, is appointed as the director of GMHI for a term commencing on the date of appointment and ending at the June 2017 AGM;
 - (b) The CAO continue as the CEO of GMHI and the Guelph Hydro CEO continue as the CFO of GMHI and the sole director and CEO of Envida;
 - (c) Mr. Thomson shall be appointed by the GMHI Board as a member of the Guelph Hydro Board of Directors for a term commencing on the date of appointment and ending at the June 2017 AGM;
 - (d) The existing City-GMHI and GMHI-Guelph Hydro Shareholder Declarations are rescinded; and,
 - (e) The CAO is directed to execute the new City-GMHI and City-GMHI-Guelph Hydro Shareholder Declarations attached as Attachment 1 and Attachment 2, respectively, to Report GMHI-2016-10 Rationalization of GMHI Structure dated October 24, 2016.
 3. That the CAO shall report back to Council at a January, 2017 Council meeting with the required actions to complete the implementation of the actions in Recommendation 1.

First Amendment

3. Moved by Councillor Wettstein
Seconded by Councillor Hofland

That the word "new" be inserted between the words 'Deferring active' in clause 1 (b) so as to read "Deferring new active business operations...".

Voting in Favour: Mayor Guthrie, Councillors Allt, Bell, Billings, Downer, Gibson, Gordon, Hofland, MacKinnon, Piper, and Wettstein (11)

Voting Against: Councillor Salisbury (1)

Carried

Second Amendment

4. Moved by Councillor Billings
Seconded by Councillor Gibson

That the organizations "GHESI, and Envida" be inserted between the words 'GMHI, and the consolidated statements' noted in Article 6.02 (a) of Attachment 1 – City-GMHI Shareholder Declaration with summary.

Voting in Favour: Mayor Guthrie, Councillors Allt, Bell, Billings, Downer, Gibson, Gordon, Hofland, MacKinnon, Piper, Salisbury, and Wettstein (12)

Voting Against: (0)

Carried

Main Motion as Amended

5. Moved by Councillor Wettstein
Seconded by Councillor Downer

1. That the CAO be directed to begin implementing:
 - (a) The transfer of functional control of Guelph Hydro Electric Systems Inc. ("Guelph Hydro"), currently owned by Guelph Municipal Holdings Inc. ("GMHI"), to the City;
 - (b) Deferring **new** active business operations of GMHI and the development corporation until it is determined by Council that there are adequate City resources to support this activity or a clear objective with corresponding and compelling business case; and,
 - (c) Transfer oversight and management of Envida Community Energy Inc. ("Envida") and the Strategies and Options Committee to City management, with support from Guelph Hydro, who will report to Council.
2. That, to initiate the process of implementation of the actions in recommendation 1:
 - (a) The CAO, Derrick Thomson, is appointed as the director of GMHI for a term commencing on the date of appointment and ending at the June 2017 AGM;
 - (b) The CAO continue as the CEO of GMHI and the Guelph Hydro CEO continue as the CFO of GMHI and the sole director and CEO of Envida;

- (c) Mr. Thomson shall be appointed by the GMHI Board as a member of the Guelph Hydro Board of Directors for a term commencing on the date of appointment and ending at the June 2017 AGM;
 - (d) The existing City-GMHI and GMHI-Guelph Hydro Shareholder Declarations are rescinded; and,
 - (e) The CAO is directed to execute the new City-GMHI and City-GMHI-Guelph Hydro Shareholder Declarations attached as Attachment 1 and Attachment 2, respectively, to Report GMHI-2016-10 Rationalization of GMHI Structure dated October 24, 2016.
 - (f) **That the organizations "GHESI, and Envida" be inserted between the words 'GMHI, and the consolidated statements' noted in Article 6.02 (a) of Attachment 1 – City-GMHI Shareholder Declaration with summary.**
3. That the CAO shall report back to Council at a January, 2017 Council meeting with the required actions to complete the implementation of the actions in Recommendation 1.

Voting in Favour: Mayor Guthrie, Councillors Allt, Bell, Billings, Downer, Gibson, Hofland, MacKinnon, Piper, and Wettstein (10)

Voting Against: Councillors Gordon and Salisbury (2)

Carried

Council as Shareholder of Guelph Municipal Holdings recessed at 7:10 p.m. and reconvened at 7:22 p.m.

GMHI-2016.7 Strategies and Options Committee Communications and Engagement

Mr. Derrick Thomson provided an overview of the purpose and role of the Strategies and Options Committee in relation to investigating opportunities for Guelph's energy assets.

Ms. Tara Sprigg, General Manager, Corporate Communications and Customer Service, outlined how the city will proceed with engaging the community on the future of Guelph Hydro.

- 6. Moved by Councillor MacKinnon
Seconded by Councillor Hofland

That CAO Report GMHI-2016-11 titled "Strategies and Options Communications and Engagement", dated October 24, 2016, be received.

Voting in Favour: Mayor Guthrie, Councillors Allt, Bell, Billings, Downer, Gibson, Gordon, Hofland, MacKinnon, Piper, Salisbury, and Wettstein (12)

Voting Against: (0)

Carried

Adjournment (7:35 p.m.)

7. Moved by Councillor Bell
Seconded by Councillor Allt

That the meeting be adjourned.

Carried

Minutes to be confirmed at the November 28, 2016 Council Meeting.

Mayor Guthrie

Stephen O'Brien - City Clerk