
SPECIAL COUNCIL MEETING MINUTES

Monday November 15, 2021 | 6:00pm
Zoom Virtual Meeting

MEMBERS PRESENT Mayor Sue Paterson
Deputy Mayor Selwyn Hicks
Councillor Warren Dickert
Councillor Steve Fitzsimmons
Councillor Harold Fleet
Councillor Brandon Koebel

MEMBERS ABSENT Councillor Dave Hocking

STAFF PRESENT Brian Tocheri, CAO/Clerk
Vicki McDonald, Administrative Assistant/Deputy Clerk

OTHERS PRESENT J. Mark Rodger, Borden, Ladner, Gervais
Malcolm McCallum, Westario Power

CHAIRPERSON – Mayor Sue Paterson

1. CALL TO ORDER

Mayor Paterson called the meeting to order at 6:00 pm.

2. DISCLOSURE OF PECUNIARY INTEREST – None

3. CLOSED MEETING

- 143-21 Moved by COUNCILLOR DICKERT | Seconded by COUNCILLOR FITZSIMMONS**
THAT the Council of the Town of Hanover meet in closed session in order to receive advice that is subject to solicitor-client privilege, including communications necessary for that purpose.
CARRIED

Hanover Council reconvened in open session at 6:27pm and the Chair confirmed that Hanover Council had gone in closed session in order to receive advice that is subject to solicitor-client privilege, including communications necessary for that purpose.

- 144-21 Moved by DEPUTY MAYOR HICKS | Seconded by COUNCILLOR DICKERT**
WHEREAS The Corporation of the Town of Hanover is a shareholder of Westario Power Inc. (“Westario”);
WHEREAS Westario is governed by the terms and conditions of a shareholders’ agreement between The Corporation of the Township of Huron-Kinloss, The Corporation of the Municipality of Kincardine, The Corporation of the Municipality of South Bruce, The Corporation of the Town of Saugeen Shores, The Corporation of the Town of Wingham, The Corporation of the Municipality of Brockton (the “Specified Municipalities”), The Corporation of the Town of Hanover, 1445674 Ontario Inc., Hanover Electric Services Inc., The Town of Minto (The Corporation of the Town of Hanover and The Town of Minto are referred as the “Amalgamated Municipality”, and together with the Specified Municipalities, the “Municipalities”), Minto Hydro Inc., Minto Hydro Services Inc., Canadian Niagara Power Company Limited, 1446563 Ontario Inc., Westario Power Holdings Inc., Westario Power Services Inc. and Westario Power Inc. dated October 26, 2000 (the “Westario Shareholders Agreement”);
WHEREAS The Westario Shareholders Agreement sets forth a ownership structure that consists of a holding company (defined in the Westario Shareholders Agreement as the Corporation or Holdco) held by the Municipalities and two wholly owned subsidiaries of the holding company, with one operating a regulated local distribution company pursuant to the *Electricity Act, 1998* (defined in the Westario Shareholders Agreement as Wiresco) and an unregulated subsidiary that would operate business as permitted by the *Energy Competition Act, 1998* and other applicable legislation (defined in the Westario Shareholders Agreement as Servco);
WHEREAS It is not known why the shareholders of Westario deviated from the terms and conditions of Westario Shareholders Agreement or if there are any amendments to the Westario Shareholders Agreement, oral or written, that authorize Westario’s current ownership and operating structure; and
WHEREAS The Corporation of the Town of Hanover has determined that it is advisable and in the best interest of Westario to implement a reorganization and to carry out the original

intent of the Westario Shareholders Agreement which includes, among other things, the transfer of all of the issued and outstanding shares of Westario to Holdco following its incorporation by the shareholders of the Corporation (the “Reorganization”).

NOW THEREFORE BE IT RESOLVED THAT the Reorganization, described in Schedule ‘A’ attached hereto, is hereby authorized and approved;

THAT the execution, delivery and performance of all agreements, documents, certificates and instruments contemplated by the Reorganization (the “Reorganization Documents”) is hereby authorized and approved;

THAT the Chief Administrative Officer/Clerk or his or her delegate is authorized and directed, on behalf of the Corporation of the Town of Hanover, to execute and to deliver all documents, instruments and other writings and to perform and do all acts and things as that director or officer considers necessary or desirable to give effect to these resolutions;

THAT the Chief Administrative Officer/Clerk or his or her delegate is authorized and directed, on behalf of the Corporation of the Town of Hanover, to negotiate, finalize, execute and deliver the Reorganization Documents, and with any additions, deletions, amendments or other changes which Chief Administrative Officer/Clerk or his or her delegate officer may approve, that approval to be conclusively evidenced by the execution and delivery of the final form of the Reorganization Documents by the Chief Administrative Officer/Clerk or his or her delegate;

THAT the Chief Administrative Officer/Clerk or his or her delegate is authorized and directed, on behalf of the Corporation of the Town of Hanover, to execute and to deliver all documents, instruments and other writings and to perform and do all acts and things as that director or officer considers necessary or desirable to give effect to these resolutions;

THAT all current members of the Westario board are hereby appointed as directors for all newly created companies pursuant to the Reorganization with a governance review to occur in the future depending on the new areas of business to be pursued and formalized.

CARRIED

5. ADJOURNMENT

145-21 Moved by COUNCILLOR FITZSIMMONS | Seconded by COUNCILLOR DICKERT

THAT this meeting of Hanover Council now be adjourned at 6:31pm.

CARRIED

Susan Paterson, Mayor

Brian Tocheri, CAO/Clerk