



TOWN OF COLLINGWOOD

IN-CAMERA MINUTES

January 16, 2012

An in-camera session of Council is scheduled for January 16th, 2012 in the Council Chambers, Town Hall, Collingwood during the regular meeting of Council to be held at 5:00pm.

MAYOR COOPER CALLED COUNCIL TO ORDER AT 6:19 pm.

Members of Council Present:

Mayor Cooper
Deputy Mayor Lloyd
Councillor Edwards
Councillor Lloyd
Councillor Chadwick
Councillor Hull
Councillor West
Councillor Cunningham
Councillor Gardhouse - *Regrets*

THAT this Council proceeds in Camera in order to address a matter pertaining to:

- the security of the property of the municipality or local board;
- a proposed or pending acquisition or disposition of land by the municipality or local board;

Items for Discussion

a) COLLUS Strategic Partnership

Staff Present: Kim Wingrove, CAO
Sara Almas, Clerk
Ed Houghton, Executive Director
Larry Irwin, Operations Direction COLLUS
Leo Longo, Municipal Solicitor
Mr. Ron Clarke, Aird & Berlis
Mr. John ...

Mr. Houghton introduced the presentation.

Mayor Cooper reviewed a letter received from the Chair of COLLUS on this conclusion of the ...

Mr. Clarke reviewed the presentation --- need to get a copy of the presentation!! Sale between Collingwood utility services (and not just COLLUS). (will include ... COLLUS, Collus Solutions Corp., Collus Energy Corp.)

Will a new entity needed in accordance with the shareholder agreements....

\$8M (from Power Stream)

*\$7M (includes the \$1.7M of the promissory) (from Collus Energy through the CUS.
COLLUS POWER will have higher debt (higher leveraged) 60% : 40% debt to equity.*

Cash dividend -- \$300K, previously. Now what??? Will have a dividend earnings will be available in the future.

2013 – will have a similar dividend (even with half the shares) – However the new Board will have to finalize the dividend policy.

Process and OEB filing, and public appeal process. Since it is not a “sale of control” it avoids the MADS application process (merger, amalgamations, divestitures). May still continue with a MADD application, as it is a good example for other local distribution companies.

Addressed question with respect to dividend from interest on promissory note – keeping it or not??

New Shareholder agreement will be in place following the sale...

- 1) Should there be a holding company – (not agreed to yet, but may be best to incorp a holdco.)
- 2) Powerstream is owned by various municipalities(??)

Guiding principles – if our neighbours want to join this kind of structure – built into a right of first refusal collingwood has the right to participate in the new structure. If Collingwood says no, than Powerstream can proceed on there own.

Ed – emotional allergy – concern with “CHECK” group – and looking at those customers. Do not want to target other members, yet we maintain a 1st right of refusal. Will be covered in a confidential “side letter”??

Shareholder can nominator director. Director has fiduciary duties to the Board (not representing the town). Cannot instruct a director to vote in certain ways. However, the Municipality can dissolve the appointment of a director.

Receive negotiation update with respect to the recommended COLLUS Strategic Partner.

Thanked Ed ...

Public approval will be included on the January 23rd Council Agenda.

b) Rail Disposition

Staff Present: Kim Wingrove, CAO
Sara Almas, Clerk
Larry Irwin, IT Director

Kim reviewed proposals ...presentation provided.

Is County interested in buying for \$2M??? Do the lines remain?? County has initially discussed keeping the lines.

Are options 2 and 3 time sensitive? Should have a decision by spring.

Consideration to a 4th option – that could include a trail from poplar sideroad north.

DM Lloyd – has had discussion with Rick Newlove ... County in negotiations with CN. County is still interested in a trail network. Prefer the rail first, secondly consider trail.

Council agreed to defer a decision on the matter until next week??

ADJOURNED at 8:17pm to rise in open session.

MAYOR

CLERK

CONFIDENTIAL