

Message

From: Dan Horchik [REDACTED]
Sent: 6/22/2016 9:19:20 AM
To: Ed Houghton [ehoughton@collus.com]
Subject: Fwd: Confidential-Letter of Resignation-Collus PowerStream

FYI?

Dan

Begin forwarded message:

From: Dan Horchik <[REDACTED]>
Date: June 21, 2016 at 10:18:41 PM EDT
To: Brian Bentz <brian.bentz@powerstream.ca>, Jeff Lehman <jlehman@barrie.ca>
Cc: Dennis Nolan <dennis.nolan@powerstream.ca>, Vinay Mehta <vinay.mehta@powerstream.ca>
Subject: Fwd: Confidential-Letter of Resignation-Collus PowerStream

John Worts sent his letter below to the Town today. He certainly pulls no punches. He confirmed that I could share his letter with you.

Dan Horchik

Begin forwarded message:

From: "John Worts" <[REDACTED]>
Date: June 21, 2016 at 10:43:26 AM EDT
To: "Dan Horchik" <[REDACTED]>
Subject: FW: Confidential-Letter of Resignation-Collus PowerStream

As promised.

From: John Worts [REDACTED]
Sent: June-21-16 8:06 AM
To: 'Bob Madigan'; 'Brian Saunderson'; 'Cam Ecclestone'; 'Deb Doherty'; 'Kathy Jeffery'; 'Kevin Lloyd'; 'Mike Edwards'; 'Sandra Cooper'; 'Tim Fryer'
Cc: Sara Almas (salmas@collingwood.ca); John Brown (jbrown@collingwood.ca)
Subject: FW: Confidential-Letter of Resignation-Collus PowerStream

COMMENTS/OBSEVATIONS

Your Worship Mayor Cooper and Council,

As indicated my Letter of Resignation, below, I wish to forward my comments/observations in hopes that might just have some relevance in sorting out the current mess between the Town and Collus PowerStream. Please consider this as my one and only report to Council.

When appointed, I was really looking forward to getting back into the electricity/utility sector but had absolutely no idea of the bees nest I was jumping into. It has been quite a ride.

I heard that some members of Council are of the opinion that municipalities should not be in the LDC business as they are depreciating in value and they can be an

operational nightmare with all the changing regulations. This is absolutely true if that utility is considered a “stand alone” one as it is an ever changing industry and one which could result in very expensive adjustments. However, I must applaud the previous Council, and their Team, for having the foresight to understand this and seek out a suitable “partner” to tackle the challenges. The formation of Collus PowerStream, along with Solutions concept, was the perfect solution to meet the requirements the Town was looking for and the proof is in the results of the first two years. Financially sound and from an HR point of view...positive. As a result, this partnership became the model/poster child in the industry and numerous other municipalities showed interest in partnering with CPS to enable economies of scale. Now, I realize some of you, who claim to have some business acumen, have challenged some of the numbers in the posted results, and that is fine. However, that is what your Board is for as they have the fiduciary responsibility to the Company, (not Council), to see that the company is managed efficiently in this highly regulated environment. And should questions need answering, any Board member would have been happy, and proud, to attend Council and address concerns. As long as I have been involved, we have been denied access to any kind of info session. And further, I have never received a call from any Councillor asking for information. Rather interesting, on the flip side, Chairman McFadden and I have been told “nothing” as to Council’s thinking as everything you discuss about his mess is “In Camera”. - talk about a very serious disconnect.

Moving forward, my next comments are directed to the “new” Council members only. As I have had to research this Town/Collus PowerStream relationship on my own it is absolutely amazing how much documentation has accumulated. The dots are now starting to connect, very clearly.

The new members of Council came into office on the platform of finding that the previous Council had done something terribly wrong and your fickle voting base played right along. (talk about a negative kick start to your term). The tactics used in the campaign are somewhat questionable but I won’t even go there as I think you are going to find that the general population are going to be asking some very pointed questions as the truth unfolds. I remember mentioning to your CAO that I was concerned about the fact that you are just moving backward and he “assured” me that Council was only looking forward. Well, folks, to date I have seen absolutely nothing to show any forward thinking.

The fact that you used a perfectly good operating company, and a major asset of the Town, as your vehicle to pursue your “other” agenda is disgraceful. We know now that you are clearly after individuals who in your mind have done something nefarious or whatever. Or, maybe you just don’t like them, for whatever distorted reasons. Canadians are great....we love to eat our own. Especially home grown. Your devastation of the Collus PowerStream concept was totally unnecessary. In any partnership, if one has an issue they usually sit down, as grown up individuals, identify their concerns and agree to a solution. Could have so easily been done here. But no, you people, with the direction of your CAO and in camera voting block, chose to use the back door approach to pursue your reckless agenda and look at where we are now. By having all your secret meetings and only leaking what you want to the media, you have played to your base magnificently....and accordingly, they seem to love it. Add to that some very questionable “consulting” reports and a “legal” opinion paper, which was depressingly inaccurate (and he knew it) you were able to project that just maybe Collus PowerStream did something wrong,... through your ambiguous statements. The irony here is that all this proved that the previous Council and Collus did nothing wrong and further that any blame should be placed on the record keeping/keeper of the Town. Quite a shame that “in Camera” minutes aren’t available....but hardly

mentioned. If only you had put all this energy and expense into making the Town even better that it was when you came to Council.

Some rather interesting statements made in the press recently which plays to your base making you all look very foolish....based on the fact that you claim to know so much about business.

A few examples....

Councillor Doherty: the question in my mind is one of allegiance right now. We ask for information, we ask for representation and support at the Board level and we don't get it.

Note: She absolutely knows that this is not true. About a month ago, I spent about an hour and a half with Councillor Doherty explaining that we have never been asked for information and have been conveniently denied any attempts to approach Council. I also explained our legal fiduciary responsibilities to the Corporation....and she seemed to get it. She appeared to understand and in my view it was a good two way conversation. Then, she makes a statement like that. Sure plays to the base though, doesn't it.

Councillor Jeffery: their actions only reflect concerns about the appointed representatives. Not PowerStream. Need to refresh the Board to improve communications. This is a business and it is a business decision we need to make.

Note: As noted previously, we have been denied access to Council and I don't recall ever receiving a phone call/correspondence from Councillor Jeffery expressing her "business" concerns. Once again, sure plays well in the media.

Councillor Fryer: Apparently, he is still looking for a business plan.

Note: This is a strange one. Coming from a past employee of Collus and presumably knowledgeable of the systems, how could he possibly think that with all the turmoil being created by you folks that a business plan/projection of any substance could be tabled. Could he be just mad from another movie and just helping to stir the plot. I should have thought he would have taken a pass on all this.

Mark Rodger: has concerns about the lack of records re the development of the partnership.

Note: statement certainly plays to the base, once again, but in reality what he was really saying is that it is the lack of Town records which he is referring to and all this mess should be focused on the Clerk's Dept. Isn't "in Camera" stuff just great?

Will be very interesting to watch as the Public learn the truth and how badly this new Council has spun the facts in efforts to make Collus PowerStream and some individuals look like the villains. Too much info on file now to avoid it.

And to this new Council, I say Shame on all of you, and your high priced help, for sending this great Town back years. It will take a very long time to recover and I feel we, the taxpayers, are going to be paying a heavy price for your utter foolishness.

Some of you will say...How disrespectful....Well, so be it. Give me something to respect and I will gladly change my view. But, please don't be so naïve as to demand it.

One final point I think you should all be aware of. Shortly after I was appointed, Mr Brown asked for a meeting. During that meeting he "warned me to be careful" no less than three times. I remember leaving the meeting feeling that this was rather odd as he wouldn't explain why. Well, after getting to know and see the issues at hand, I realize that wasn't a warning...it was a threat.

I would have liked to end this by saying that I wish you all well....but I can't. I can only hope that some of my observations/opinions may be constructive in your future actions. And thank you, once again, for the brief appointment. I met some lovely people at the Collus PowerStream operation and through Board contacts.

And, all this is only a preview of Chapter One.

John

From: John Worts [REDACTED]
Sent: June-13-16 2:35 PM
To: 'Sandra Cooper'; 'Bob Madigan'; 'Brian Saunderson'; 'Cam Ecclestone'; 'Deb Doherty'; 'Kathy Jeffrey'; 'Kevin Lloyd'; 'Mike Edwards'; 'Sandra Cooper'; 'Tim Fryer'
Cc: 'cao@collingwood.ca'; 'Sara Almas'
Subject: Confidential-Letter of Resignation-Collus PowerStream

DICTATION – CGM

Your Worship Mayor Cooper and Council:

I hereby submit my resignation as a member of the Board of Directors of Collus PowerStream Corp. effective upon the election of a new director in my place.

I certainly appreciated the opportunity to serve on the Board of such a progressive company and shortly after I am released from this great institution I shall be submitting my further comments accordingly.

Sincerely,

John Worts

[REDACTED]