

**THE NINTH MEETING OF THE ONE HUNDRED AND TWENTY-FIFTH
COUNCIL OF THE CORPORATION OF THE CITY OF ST. THOMAS**

**COMMITTEE ROOM #204
CITY HALL**

FEBRUARY 28th, 2005

4:35 p.m. The meeting convened with His Worship, Mayor J. Kohler, presiding.

ATTENDANCE

Members

Mayor J. Kohler
Alderman B. Aarts
C. Barwick
H. Chapman
T. Johnston
T. Shackelton
M. Turvey
D. Warden

Officials

W. Graves, City Clerk
G. Dart, Director Human Resources

DISCLOSURES OF INTEREST

Nil.

SPECIAL MEETING

This special meeting was called to deal with the following matters.

Elgin - St. Thomas Health Unit Smoking By-Law Agreement - By-law 89-2004

The City Clerk informed Council that the City had just received an agreement to be entered into between the City and the Health Unit for the provision of funding and enforcement services relating to the Smoking By-Law. The Agreement would run until May 31, 2005 and would provide up to \$15,000 in funding. The City would reserve the right to define enforcement levels under the agreement and further the City would be responsible for any legal costs arising out of the enforcement.

Alderman Shackelton questioned who would be responsible for legal costs.
The City Clerk stated that it would be the City's responsibility.

Alderman Warden asked the Finance Chairman, Alderman Barwick, if the City had a budget for legal costs.

Alderman Barwick stated that there was a fund for legal costs that was a standard budget item however; large legal costs relating to the Smoking By-law have not been contemplated.

Motion by Alderman Johnston – Warden:

THAT: Council authorize the Mayor and Clerk to enter into an agreement with the Elgin-St. Thomas Health Unit in order to provide funding and enforcement services for By-Law 89-2004.

Carried.

St. Thomas Energy

The City Clerk stated that Council would be discussing St. Thomas Energy. Further, the Clerk informed Council that any discussion relating in general terms to the recent press release from St. Thomas Energy should be conducted in open session. Any questions or comments relating to specific business interests of St. Thomas Energy should be held in closed session due to the confidentiality of the information.

Mayor Kohler stated that the public has the right to know as much as possible but at the same time given the potential partnerships involved some of the information has to remain confidential.

CITY CLERK _____ CONFIRMED _____ MAYOR _____

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Mayor Kohler stated that the public has the right to know as much as possible but at the same time given the potential partnerships involved some of the information has to remain confidential.

Alderman Barwick stated that he was aware of the confidential aspects of the business but that some of the information should be public.

Mayor Kohler stated that Council has had information sessions with St. Thomas Energy and that there would be another meeting tomorrow. Mayor Kohler stated that St. Thomas Energy would be retaining its own control.

Alderman Barwick questioned whether there would be direct contact with the consumer with the proposal. Further, he stated that the information meetings stimulated questions after the fact that needed answers. Alderman Barwick stated that the proposal involved a structural change and that the shareholders should have been involved from the beginning.

Mayor Kohler stated that the St. Thomas Energy Board Chair had been to Council and that Alderman Johnston had asked for an information night. Mayor Kohler stated that there was no structural change and that the current structure would stay in place. Mayor Kohler felt that the information session that had taken place did not provide a clear overview and that a new chart had been developed showing the proposal.

Alderman Johnston asked who authorized the media release?

Mayor Kohler stated that it was from the Board of Directors and the Board Chair of St. Thomas Energy.

Alderman Johnston asked who owned St. Thomas Energy?

Mayor Kohler stated that the City did.

Alderman Johnston stated that he understood the new proposal would improve efficiencies and shareholder value.

Mayor Kohler stated that the new company would buy assets together and that St. Thomas would be a one third partner. Under the new partnership, inventory costs could be reduced and equipment such as transformers sitting on the shelf would not have to be paid for until they are taken off the shelf and used.

Alderman Johnston asked the Mayor for some examples of efficiencies.

Mayor Kohler stated that a large component would be inventory.

Alderman Johnston asked if the City would retain control?

Mayor Kohler stated that the integrity of St. Thomas Energy would remain the same.

Alderman Johnston asked how much energy costs would go down?

Mayor Kohler stated that the energy costs were regulated by the Ontario Energy Board. Benefits as a result of this partnership would be the result of increased dividends.

Alderman Warden stated that the public needs to know this information. Alderman Warden's number one concern is that the company remain profitable. Alderman Warden stated that he took exception to the comment that the company may go bankrupt.

Mayor Kohler stated that there is no other way to go.

Alderman Chapman stated that she thought Council would have opportunity to come back with questions after the information night and that she did not know the media release was coming out.

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Alderman Barwick asked how energy rate increases would affect this partnership since the province controlled the rates.

Mayor Kohler stated that energy costs were a separate matter controlled by the province.

Alderman Barwick asked if there was an exit strategy for this new partnership and if shareholders would be given ample warning about an exit if it occurred.

Mayor Kohler stated that an exit strategy would be in place.

Alderman Warden stated that greater communications and perhaps quarterly meetings with St. Thomas Energy would be very helpful.

Alderman Turvey reinforced the need for an exit clause in the new proposal.

CLOSED SESSION

Motion by Alderman Johnston – Shackelton:

THAT: This meeting be closed to deal with a matter protected under the Municipal Freedom of Information and Protection of Privacy Act and 2 personal matters about identifiable individuals at 5:31 p.m.

Carried.

OPEN SESSION

Motion by Alderman Johnston – Turvey:

THAT: We do now rise from closed session at 6:12 p.m.

Carried.

Honours and Awards Committee - Appointment

Alderman Warden refrained from voting on this matter as he is named in the resolution.

Motion by Alderman Chapman – Johnston:

THAT: Council approve the following individuals as members on the Honours and Awards Committee:

Judy Upsdell
Carol Ewaskiw
Alderman David Warden.

Carried.

ADJOURNMENT

Motion by Alderman Johnston – Turvey:

THAT: We do now adjourn at 6:13 p.m.

Carried.