



**MINUTES OF
SPECIAL CITY COUNCIL MEETING AND
ANNUAL GENERAL PUBLIC SHAREHOLDER'S MEETING OF
GREATER SUDBURY UTILITIES INC./SERVICES PUBLICS du GRAND SUDBURY**

Held at the offices of: City of Greater Sudbury
Tom Davies Square
Room C-12
Date of Meeting: Tuesday, May 30, 2017
Time: 2:30 p.m.

The Special City Council Meeting was opened at approximately 2:30 p.m. The meeting was called to order by the City Clerk.

MOMENT OF SILENT REFLECTION

ROLL CALL BY THE CITY CLERK

DECLARATIONS OF PECUNIARY INTEREST AND THE GENERAL NATURE THEREOF

Resolution to temporarily suspend the rules of procedure of the City of Greater Sudbury Procedure By-law 2011-235 for the portion of the Special Council Meeting of May 30, 2017 that relates to those matters on the Greater Sudbury Utilities Inc./Services Publics du Grand Sudbury Inc. Annual General Meeting portion of the agenda.

RESOLUTION PREPARED, READ AND CARRIED

The Chair of the City Council Meeting invited the Chair of GSU to preside over the GSU Annual General Shareholder's Meeting.

Chair: Councillor Mark Signoretti, Chair of the Board of Greater Sudbury Utilities Inc. in the Chair

Present: Mayor Brian Bigger, Councillors: Gerry Montpellier, Evelyn Dutrisac, Robert Kirwan, René Lapierre, Mike Jakubo (arrived at 3:05 p.m.), Al Sizer, Deb McIntosh, Lynne Reynolds, Joscelyne Landry-Altman

Regrets: Councillors: Michael Vagnini, Fern Cormier

Also present, with the consent of the meeting:

City Officials: Caroline Hallsworth, Executive Director of Legislative Services and Christine Hodgins, Legislative Compliance Coordinator

Greater Sudbury Utilities Inc.: Frank Kallonen, President & CEO; Dawn Bates, HR Manager, Lorella Hayes, Vice President – Corporate Services; Josey Frescura, Vice President – Competitive Services; Kerry Taylor, Vice President – Engineering & Operations; Wendy Watson, Director of Communications, Gerry Labelle, Director GSHI, André Thibert, Director GSUI; Victoria Benkovich, Marketing Assistant, Hailey Hastings, Marketing Summer Student, and Cheryl Wilson, Executive Assistant to the President & CEO (acted as Recording Secretary)

Chair

AM#2017-P-01-01

The GSU Public meeting was called to order at approximately 2:30 p.m.

Constitution of Meeting

AM#2017-P-01-02

Notice of this meeting had been duly given to the Shareholder of the Corporation in accordance with the by-laws and a quorum being present, the meeting was declared properly constituted for the transaction of business.

Councillors present were provided with an information package containing the Agenda, Minutes of Special City Council Meeting and Annual General Meeting of Greater Sudbury Utilities Inc./Services publics du Grand Sudbury June 7, 2016, Motion to receive Minutes of June 7, 2016, Report to Shareholders, 2016 brochure and financial statements to December 31, 2016. Motion to approve consolidated financial statements to December 31, 2016 and Motion to conclude the Public Annual General Meeting of the Shareholder held on Tuesday, May 30, 2017.

The Chair thanked the Mayor and fellow Councillors for attending the Shareholder AGM as part of a Special Council Meeting allowing GSU to report on various current and future projects. The Chair also thanked his fellow Board members, Directors Labelle and Thibert for attending and supporting the GSU Board. The Chair introduced GSU staff in attendance.

Declarations of Conflicts of Interest

AM#2017-P-01-03

No declarations made.

Minutes

AM#2017-P-01-04

After consideration, upon motion duly made, seconded (Sizer/McIntosh) and carried, **IT WAS:**

“RESOLVED THAT the Minutes of the Annual General Public Shareholder’s Meeting of Greater Sudbury Utilities Inc./Services Publics du Grand Sudbury Inc., held on Tuesday, June 7, 2016, be taken as read, verified and approved.”

Annual Report and Financial Statements

AM#2017-P-01-05

The Chair introduced Frank Kallonen, President & CEO of Greater Sudbury Utilities. The President & CEO discussed the accomplishments in 2016 and what to expect in 2017 and beyond. The President & CEO reviewed “Where a Dollar Went in 2016”. Included in the 2016 report was the energysavers incentives and programs offered through CDM and the importance and value of the Non-Regulated Affiliates, Covergen, Agilis Networks and @home Energy. GSU and affiliates transferred \$60,715,344 to the City of Greater Sudbury since 2001.

The President & CEO introduced Lorella Hayes, VP-Corporate Services to discuss the GSU Consolidated Financial Statements for the fiscal year ended December 31, 2016. The VP-Corporate Services summarized the Consolidated Balance Sheet Assets, Liabilities and Shareholder's Equity and Statement of Earnings and Comprehensive Income Revenues and Expenses.

The Report to Shareholder by the President & CEO resumed with "Our Customers, Our Community". Favourable survey results from Oraclepoll Research in addition to GSU and its affiliates involvement in our Community through "Waste Less – Do More", paperless campaign resulting in a \$50,000 donation to NEOkids, the partnership with Laurentian University Research, Innovation and Engineering Centre, the partnership with Cambrian College's PLE (Powerline Electrician) Program and the inception of "The Workshop", GSU's own Innovation Centre were presented to the Shareholder. The presentation concluded with "The Workshop" video, good ideas made real.

In conclusion, the President & CEO requested any comments or questions. A question and answer period followed. Councillor Landry-Altman enquired if GSU was looking into and preparing for electric cars and charging stations in addition to the one presently located at Science North. GSU applied for a provincial initiative, however only one vendor north of highway 7 was successful. Currently R&D costs are still high, however GSU is interested in future projects and continues to monitor opportunities. Councillor Landry-Altman requested the ratio of online bills to paper bills given our current NEOkids campaign. Currently out of approximately 70,000 customers, 11,000 customers receive bills electronically, approximately 15% which is average compared to other comparably sized utilities. Paper bills presently outnumber electronic bills due to a number of reasons including demographics, preference and connectivity. Councillor Landry-Altman asked what safeguards GSU had to prevent "hacking". Cybersecurity is a concern for GSU and the IT department. The IT staff of 5 continues to be proactive, diligent and vigilant safeguarding our system and working with 3rd parties including audits and surveys. Unfortunately the only way to be 100% effective is to be totally disconnected, which is not an option. Councillor Landry-Altman enquired what GSU's policy was when addressing contractors and customer service complaints. Contractors are subject to prequalification standards, assessments and reviews through an audit system resulting in root cause analysis to ensure problematic issues are resolved. The President & CEO indicated certain contractors require distinct specifications limiting the number of successful contractors for specific projects in the Greater Sudbury Area, however, our primary concern continues to be our customers. Councillor Landry-Altman commended GSU staff for their exemplary customer service, above and beyond what is expected or required.

Councillor Kirwan requested an update on Hydro One's sale of assets to GSU. The President & CEO responded that Hydro One is now a publicly held company so any proposal to purchase is no longer at the provincial level but through the company itself. Cost effectiveness would minimize even further for Hydro One if they sold the densely populated areas and retained only the remotely inhabited areas. The prospect for a sale to GSU, presently, is minimum. Councillor Kirwan also requested the impact of the province's 25% bill reduction on GSU and its customers. The President & CEO responded that the bill reduction will impact 86% of the bill and will flow through to all customers in the province through our regular billing process.

The Chair thanked the President & CEO, management and staff for the presentation.

AM#2017-P-01-06

The Chair requested the Shareholder to receive and consider the financial statements for the year ended December 31, 2016, containing the balance sheet and accompanying statements, together with the Auditor's Report thereon. The financial statements were considered and adopted by the Board of Directors of Greater Sudbury Utilities Inc. on April 24, 2017.

After consideration, upon motion duly made, seconded (Montpellier/Landry-Altman) and carried, **IT WAS:**

“RESOLVED THAT the consolidated financial statements of Greater Sudbury Utilities Inc./Services Publics du Grand Sudbury Inc., for the fiscal year ended December 31, 2016, (containing the balance sheet and accompanying statements, together with the auditor's report thereon) be approved.”

Conclusion of Meeting

AM#2017-P-01-07

Upon motion duly made, seconded (Dutrisac/Lapierre) and carried, **IT WAS:**

“RESOLVED THAT this Public Annual General Meeting of the Shareholder of Greater Sudbury Utilities Inc./Services Publics du Grand Sudbury Inc. held on Tuesday, May 30, 2017 be concluded.”

There being no further business on motion, the meeting then terminated at approximately 3:37p.m.

Councillor Mark Signoretti, Chair
Chair of the Meeting

Frank Kallonen, President & Secretary

THE CHAIR OF GSU RETURNED THE MEETING TO THE CITY OF GREATER SUDBURY.

**MAYOR BRIAN BIGGER REQUESTED A RESOLUTION TO ADJOURN AT 3:37 P.M.
CARRIED**