HAMILTON ENTERPRISES HOLDING CORPORATION
SHAREHOLDER ANNUAL GENERAL MEETING
MINUTES 18-001

June 6, 2018, 4:25 p.m.
Council Chambers, Hamilton City Hall, 71 Main Street West

Present: Deputy Mayor B. Johnson (Chair)
Councillors T. Jackson, C. Collins, S. Merulla, M. Green, J. Farr, A. Johnson, D. Conley, M. Pearson, L. Ferguson, A. VanderBeek

Absent with Regrets: Mayor F. Eisenberger, T. Whitehead – Other City Business
Councillors D. Skelly, J. Partridge, R. Pasuta – Personal

THE FOLLOWING ITEMS WERE REFERRED TO COUNCIL FOR CONSIDERATION:

1. Local Representation on the Hamilton Enterprises Holding Corporation Board (Item 4.4)

(Conley/Green)
That, effective in 2019, with the appointment of the new Hamilton Enterprises Holding Corporation Board at the next Annual General Meeting, with the exception of the two the members currently holding a two-year term, the majority of Directors of the Hamilton Enterprises Holding Corporation Board be residents of the city of Hamilton.

CARRIED

2. Confirmation of By-law No. 1 (Hamilton Enterprises Holding Corporation General By-law) (Item 4.1)

(Pearson/Merulla)
WHEREAS**,** By-Law No. 1 of the Corporation, being a by-law relating generally to the conduct of the business and affairs of the Corporation (herein referred to as the "General By-Law"), was enacted by the first Director of the Corporation on December 19, 2017;

WHEREAS**,** the General By-Law must be confirmed by the Shareholder at the next Meeting of the Shareholder in order to continue to be in effect;

WHEREAS**,** this meeting is the first meeting of the Shareholder since the General By-Law was enacted; and,

WHEREAS**,** it is desirable for the Shareholder to confirm the General By-Law:

THEREFORE, BE IT RESOLVED:

That the General By-Law made by the first Director of the Corporation is hereby confirmed without variation as a By-Law of the Corporation and, further, that the Chair of the Board of the Corporation is authorized to sign and seal the General By-Law so as to indicate that the General By-Law has been confirmed by the Shareholder of the Corporation and that the General By-Law so identified and signed and sealed by the Chair of the Board of the Corporation as such shall be the General By-Law of the Corporation.

CARRIED

3. Appointment of Hamilton Enterprises Corporation Board of Directors, Appointment of KPMG LLP as the Auditor of the Hamilton Enterprises Holding Corporation (Item 4.2)

(Pearson/Collins)

(a) Appointment of Directors to Hamilton Enterprises Holding Corporation ("HEHCo")

That the Resolutions set forth below be presented to the City of Hamilton for passage as Resolutions of the Shareholder of the new Corporation, Hamilton Enterprises Holding Corporation:

Number of Directors

WHEREAS, the incorporator of the Corporation, who as such is the initial director of the Corporation, has resigned as a director of the Corporation, and it is desirable to accept such resignation; and,

WHEREAS, it is desirable for the new Corporation to have six Directors;

(i) That the resignation of the incorporator of the Corporation as the initial director of the Corporation be accepted effective immediately;

(ii) That, as a special resolution, that henceforth Hamilton Enterprises Corporation shall have six Directors;

(iii) That the following person(s), having heretofore consented to serve as a Director of the new Corporation, are elected as a Director of Hamilton Enterprises Corporation, for the period set opposite below and thereafter until the next annual general meeting of the Corporation:

(1) Joseph Rinaldo one-year term commencing June 30, 2018
(2) Laurie Tugman one-year term commencing June 30, 2018
(3) Daryl Wilson one-year term commencing June 30, 2018
(4) Christa Wessel two-year term commencing June 30, 2018
(5) Lesley Gallinger two-year term commencing June 30, 2018

(iv) That, inasmuch as the Shareholder of the Corporation has previously directed that the Mayor or the Mayor' designate is to be a Director of the Hamilton Utilities Corporation and the Mayor is presently serving as a Director of the Alectra Utilities Corporation, the Mayor's Designate, Councillor Maria Pearson, having heretofore consented to serve as a Director of the Hamilton Enterprises Holding Corporation, is confirmed as elected as a Director of the Corporation except and provided that the term shall end upon the earlier of the end of the term of the Mayor as mayor of the city or the end of the term as Councillor for the City; and,

(v) That these Directors comprise the Hamilton Enterprises Holding Corporation Board of Directors, effective June 30, 2018.

(b) Appointment of the Auditor

That KPMG LLP, Chartered Accountants, the present Auditor of the Hamilton Utilities Corporation, is appointed the Auditor of Hamilton Enterprises Holdings Corporation for the 2018 fiscal year of the Corporation.

CARRIED

4. Shareholder Direction and Unanimous Shareholder Declaration – Hamilton Enterprises Holding Corporation (Item 4.3)

(Green/Conley)
WHEREAS, the City of Hamilton (the "Shareholder"), as the sole shareholder of Hamilton Utilities Corporation ("HUC"), approved the amalgamation of Horizon, PowerStream, Enersource and HydroOne Brampton to create Alectra on October 30, 2015;

WHEREAS, in light of the Alectra Inc. amalgamation HUC was restructured for, among other reasons, to create improved corporate governance and to avoid negative tax implications;

WHEREAS, upon restructuring the assets of Alectra Inc. remained with HUC, but all other assets were transferred to the newly formed Hamilton Enterprises Holding Corporation ("HEHCo") or its subsidiaries;

WHEREAS, as prudent practice, new unanimous Shareholder declarations were required for both HUC and HEHCo as a result of the HUC restructuring;

WHEREAS, the Board of Directors of HUC and staff for the Shareholder have been involved in the drafting of the new unanimous Shareholder declarations for HUC and HEHCo; and,

WHEREAS, the Board of Directors of HUC passed a resolution on May 24, 2018 in the form set out in Appendix "A" that recommends the adoption of the new unanimous Shareholder declarations by the Shareholder;

THEREFORE, BE IT RESOLVED:

(a) The City of Hamilton, acting in its capacity as sole shareholder of Hamilton Enterprises Holding Corporation, adopt the Unanimous Shareholder Declaration for Hamilton Enterprises Holding Corporation in the form attached in Appendix "B"; and,

(b) The Mayor and Clerk of the City of Hamilton, acting in its capacity as sole shareholder of Hamilton Enterprises Holding Corporation, be authorized and directed to execute the Unanimous Shareholder Declaration for Hamilton Enterprises Holding Corporation in the form attached in Appendix "B".

CARRIED

FOR THE INFORMATION OF THE SHAREHOLDER:

(a) CHANGES TO THE AGENDA (Item 1)

The Committee Clerk advised that there were no changes to the agenda.

(Pearson/Conley)
That the agenda for the June 6, 2018 Hamilton Enterprises Holding Corporation Inaugural meeting be approved, as presented.

CARRIED

(b) DECLARATIONS OF INTEREST (Item 2)

There were no declarations of interest.

(c) PRESENTATIONS (Item 3)

(i) Hamilton Enterprises Holding Corporation (Item 3.1)

Joe Rinaldo, Chair of the Hamilton Utilities Corporation Board of Directors, addressed Committee respecting the Hamilton Enterprises Holding Corporation.

(Pearson/Farr)
That the presentation, respecting the Hamilton Enterprises Holding Corporation, be received.

CARRIED

(d) SHAREHOLDER RESOLUTIONS (Item 4)

(i) Shareholder Direction and Unanimous Shareholder Declaration – Hamilton Enterprises Holding Corporation (Item 4.3)

(Conley/Green)
That Section 4:07 – Qualifications of Directors, of Appendix "B" to the Hamilton Enterprises Corporation Shareholder Declarations, be amended by adding the words "***Notwithstanding the foregoing, the majority of Directors shall be residents of the city of Hamilton."***, to read as follows:

> **4.07 Qualifications of Directors:** When selecting persons to recommend to the Shareholder to be directors of the Corporation, the Nominating Committee of the Board and the Board will, generally, consider all of qualifications of candidates including sound judgment and personal integrity. In evaluating and nominating potential independent nominees for the Board, the Nominating Committee shall strive to achieve a Board composed of members that, as a group, have skills, experience and expertise in, among other things corporate and/or public management including strategic planning, governance, human resources including compensation and health and safety, finance, project development and operations, telecom, non-regulated energy services, environmental matters, municipally-owned corporations and government relations. Preference may be given to qualified candidates who are residents of the City of Hamilton, however non-residents of the City of Hamilton shall not be excluded from serving as directors of the Corporation. ***Notwithstanding the foregoing, the majority of Directors shall be residents of the City of Hamilton.*** Candidates for being a director of the Corporation must consent to the disclosure of his or her director's remuneration to Council for the City of Hamilton and placed on the public record each fiscal year in a form and with sufficient details as prescribed by the Shareholder from time to time.
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> **CARRIED**
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> Councillor M. Pearson wished to be recorded as OPPOSED to the amending motion above.

(ii) Local Representation on the Hamilton Enterprises Holding Corporation Board (Item 4.4)

Councillor M. Pearson wished to be recorded as OPPOSED to this motion.

(e) ADJOURNMENT (Item 7)

(Collins/Jackson)
That, there being no further business, Hamilton Enterprises Holding Corporation Inaugural meeting, be adjourned at 4:36 p.m.

CARRIED

Respectfully submitted,

Mayor Fred Eisenberger

Stephanie Paparella
Legislative Coordinator
Office of the City Clerk