

ST. CATHARINES HYDRO INC.
(The Corporation)
MINUTES OF ANNUAL SHAREHOLDER'S MEETING
Council Chambers, City Hall, 50 Church Street, St. Catharines
Monday, May 13, 2013, 5:30 p.m.

Present: Mayor Brian McMullan
Councillors Mark Elliott, Matt Harris, Joseph Kushner,
Bill Phillips, Jennifer Stevens, Bruce Williamson

Absent: Councillors Jeff Burch, Dawn Dodge, Peter Secord,
Mat Siscoe, Len Stack and Greg Washuta

St. Catharines
Hydro Inc. Board: Chair, Robert Marshall
Vice Chair, Rob Cary
Director, John Bergsma
Director, Timothy Curtis
General Manager, Frank Perri
Auditor, Mark Palumbi
Recording Secretary, Pat Yanik

Officials Present Colin Briggs, Chief Administrative Officer
Dan Carnegie, Director of Corporate Support Services
Shelley Chemnitz, Director of Financial Management Services
Christopher Cooper, Acting City Solicitor

By Invitation: Max Cananzi, President & CEO, Horizon Utilities Corp.
John Basilio, Sr. VP & CFO, Horizon Utilities Corp.

Constitution of Meeting

The Chair, Robert Marshall took the Chair and called the meeting to order in Council Chambers, City Hall at 5:34 p.m. The Chair noted those present, namely the sole Shareholder as represented by Mayor McMullan and the Council of the Corporation of the City of St. Catharines, City Staff, the Directors of the Corporation, Auditor, Mark Palumbi, CA, of Crawford Smith & Swallow.

Presentation of the Auditors' Report for 2012

Mark Palumbi, Crawford, Smith and Swallow presented the Auditors' Report for 2012.

Presentation of 2012 Annual Report

The Chair, Robert Marshall, presented the 2012 Annual Report.

Approval of the 2012 Annual Report S2013-004

Moved by Councillor Stevens

Seconded by Councillor Kushner

Resolved that the 2012 Annual Report of the Corporation is hereby received.

Carried

Approval of the Minutes S2013-001

Moved by Councillor Kushner

Second by Councillor Elliott

Resolved that the Minutes of the Annual Shareholder's Meeting held May 14, 2012, be approved as circulated.

Carried

Approval of Audited Financial Statements S2013-002

Moved by Councillor Phillips

Seconded by Councillor Harris

Resolved that the Audited Consolidated Financial Statements, including the Balance Sheet as of December 31, 2012, the Statement of Profit and Loss for the fiscal year of the Corporation ended on such date are hereby approved and adopted.

Carried

Appointment of Auditor S2013-003

Moved by Mayor McMullan

Seconded by Councillor Elliott

Resolved that the appointment of the Auditor of the Corporation be the same as chosen by the City of St. Catharines pursuant to the required selection process and authorizing the Directors to fix the auditor's remuneration.

Carried

Presentation of Resolution to Increase the Number of Directors S2013-005

Moved by Councillor Harris

Seconded by Councillor Phillips

Resolved that the City, as Shareholder approves the special resolution of St. Catharines Hydro Inc. (the Corporation) pertaining to the number of directors comprising the board of directors of the Corporation shall be increased from seven (7) to eight (8), being a number within the prescribed range.

Carried

Presentation of Resolution for Approval of the Amended Shareholder Declaration Pertaining to the Number of Directors S2013-006

Moved by Councillor Harris

Seconded by Mayor McMullan

Resolved that the City, as Shareholder approves the amended Shareholder Declaration (Section 5(13)) pertaining to the number of directors comprising the board of directors of the subsidiary, St. Catharines Hydro Generation Inc. which shall be increased from the range of three (3) to five (5) to a range of six (6) to eight (8).

Carried

Appointment of the SCHI Directors S2013-007

Moved by Councillor Kushner

Seconded by Councillor Stevens

Resolved that the following persons are hereby appointed as directors for the term as set out herein, pursuant to the provisions of the by-laws, Shareholders' Declaration of St. Catharines Hydro Inc., and the provisions of the *Business Corporations Act*.

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|--------------------------|-------------------------|
| 1. Annette Poulin | term to May 2016 |
| 2. David Heath | term to May 2016 |

As of this date, the Board of Directors of St. Catharines Hydro Inc. is as follows:

1. Annette Poulin	until May 2016
2. David Heath	until May 2016
3. Bob Marshall, (SCHI and SCHGI Chair)	until May 2015
4. Robert Cary, (SCHI Vice Chair)	until May 2015
5. John Bergsma (SCHGI Vice Chair)	until May 2014
6. Timothy Curtis	until May 2014
7. Mayor Brian McMullan	until term of Council
8. Councillor Matthew Harris	until term of Council

Carried

Board of Directors Stipend S2013-008

Moved by Councillor Harris

Seconded by Councillor Stevens

Resolved that the Shareholder approves the Directors' stipend as per the guideline used by the City of St. Catharines for Councillors.

Carried

2013 Business Plan S2013-009

Moved by Mayor McMullan

Seconded by Councillor Harris

Resolved that the Shareholder waives the requirement of an In Camera meeting for the presentation of the Business Plan.

Carried

Presentation of Five Year Plan 2013 – 2017

The Chair, Bob Marshall presented the Five Year Plan.

Chairman's Comments on the 2013 Business Plan

The Chair, Bob Marshall provided comments on the 2013 Business Plan and responded to questions.

General Manager's Presentation – Shickluna Project

Frank Perri, General Manager commented on the status of the Shickluna Project.

2013 Business Plan S2013-010

Moved by Councillor Elliott

Seconded by Councillor Phillips

Resolved that the 2013 Business Plan is hereby approved.

Carried

Chairman's Acknowledgements

The Chair, Robert Marshall welcomed the new members to the board and congratulated Horizon Utilities Corporation for being designated by CEA as the first ever Sustainable Electricity Company™ in Canada.

Acknowledged Honorable Jim Bradley MPP and Mayor McMullan for their political efforts regarding the Shickluna Project. He thanked Rob Cary and John Bergsma for their efforts as SCHI representatives on the Horizon Utilities Corporation, Board of Directors.

Confirmation of all Acts S2013-11

Moved by Councillor Williamson

Seconded by Councillor Phillips

Resolved that all acts, contracts, proceedings, appointments, by-laws, elections and payments enacted, made, done, given and taken by the Directors and the Officers of the Corporation since the date of its incorporation as the same are set out or referred to in the Minutes of the Corporation or in the Financial Statements submitted to this meeting be and the same are hereby approved, sanctioned and confirmed.

Carried

Transact such other business as may properly come before the meeting or any adjournment thereof.

Having determined that there was no further business, the Chair adjourned the meeting at 6:16 p.m.

Clerk

Mayor