



OAKVILLE

## REPORT

COUNCIL MEETING

MEETING DATE: MARCH 29, 2021

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**FROM:** Commissioner of Corporate Services

**DATE:** March 16, 2021

**SUBJECT:** **Oakville Enterprises Corporation (OEC) Quarterly Update and Authorization Request**

**LOCATION:**

**WARD:** Town wide

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### RECOMMENDATION:

1. That the presentation from Rob Lister, President and CEO of the Oakville Enterprises Corporation (OEC), regarding the Oakville Enterprises Corporation Quarterly Update, be received.
2. That the amendment contained in the correspondence to the Commissioner of Corporate Services dated March 10, 2021, from Karen Marnier, Chief Financial Officer, Oakville Enterprises Corporation, attached as Appendix A, be approved.
3. That the Mayor, as Shareholder Representative pursuant to the Shareholder Declaration, be authorized to sign the resolution for and on behalf of the Town in its capacity as the sole shareholder.

### KEY FACTS:

The following are key points for consideration with respect to this report:

- On a quarterly basis, Council is provided with progress reports from Oakville Enterprises Corporation (OEC).
- The Amended and Restated Shareholder Direction and Unanimous Shareholder Declaration, dated June 8, 2011 has been approved by the Oakville Enterprises Corporation Board and requires confirmation by the Town as sole shareholder. This request is contained in Appendix A to this report.

### BACKGROUND:

The Corporation of the Town of Oakville (the "Town") is the sole shareholder of Oakville Enterprises Corporation ("OEC").

The shareholder direction has been amended from time to time. The Board has made recommendations to the Town regarding the Shareholder Declaration. Town staff have reviewed the recommendation and consider the changes appropriate, and are therefore proposing a modification to the June 8, 2011 Amended and Restated Shareholder Direction and Unanimous Shareholder Declaration:

Oakville Enterprises Corporation is seeking Council approval as set out in Appendix A as follows:

1. The Shareholder Direction be amended by:
  - a. replacing Oakville Hydro Corporation with Oakville Enterprises Corporation pursuant to the July 22, 2015 Articles of Amendment.
  - b. changing the debt/equity ratio of the Corporation and its Affiliates on a consolidated basis, as described in Section 10 (7) of the Shareholder Direction, to "70:30" from "60:40".
2. The Corporation be and is hereby authorized to increase its debt capacity resulting in a debt/equity ratio of the Corporation and its Affiliates on a consolidated basis of up to 70:30.

**COMMENT/OPTIONS:**

Oakville Enterprises Corporation President and CEO, Rob Lister will present the Oakville Enterprises Quarterly Update.

Karen Marnier, Chief Financial Officer will be available to answer any questions regarding amending the shareholder agreement.

**CONSIDERATIONS:**

**(A) PUBLIC**

The public can view this report as part of the Council agenda.

**(B) FINANCIAL**

Oakville Enterprises Corporation is an important asset of the town.

**(C) IMPACT ON OTHER DEPARTMENTS & USERS**

The Legal and Finance departments has been consulted regarding this requested change for any resulting impacts.

**(D) CORPORATE AND/OR DEPARTMENT STRATEGIC GOALS**

This report addresses the corporate strategic goal to:

- be accountable in everything we do

**(E) COMMUNITY SUSTAINABILITY**

The matter addressed in this report does not directly affect climate change however, Oakville Enterprises Corporation is an important asset of the town and it is important to ensure its growth as our community grows and energy demands change.

**APPENDICES:**

Appendix A dated March 10, 2021 – Authorization Request – Shareholder Direction and Unanimous Shareholder Declaration Amendment.

Submitted by:  
Nancy Sully,  
Commissioner, Corporate Services