

**HYDRO VAUGHAN HOLDINGS INC. & HYDRO VAUGHAN ENERGY CORP. –  
APPROVAL OF RESOLUTIONS**

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**Recommendation**

The Commissioner of Finance & Corporate Services recommends:

That the following resolutions passed by the Board of Directors for Hydro Vaughan Holdings Inc. and Hydro Vaughan Energy Corporation be approved by Council as per the Shareholder Agreement;

That resolutions approving the Financial Statements for the years 2000, 2001 and 2002 for Hydro Vaughan Holdings Inc. and Hydro Vaughan Energy Corporation be adopted;

That the firm of KPMG LLP be appointed to provide auditing services for fiscal 2003 and the auditing services resolution for Hydro Vaughan Holdings Inc. and Hydro Vaughan Energy Corporation be adopted; and

That the Toronto Dominion Bank continue to provide banking services and the banking resolution for Hydro Vaughan Holdings Inc. and Hydro Vaughan Energy Corporation be adopted.

**Purpose**

As per the shareholder agreement that the resolutions of Hydro Vaughan Holdings Inc. and Hydro Vaughan Energy Corporation should be approved by the City as the shareholder.

**Background - Analysis and Options**

Hydro Vaughan Holdings Inc. (HVHI) and Hydro Vaughan Energy Corporation (HVEC) were incorporated on October 24, 2000 under the Ontario Business Corporations Act. Both HVHI and HVEC are 100% owned by the Corporation of the City of Vaughan. Hydro Vaughan Holdings Inc. was formed to act as a competitive holding company related to the transition to the energy market in Ontario and Hydro Vaughan Energy Corp. was formed to provide energy and other non-regulated business activities.

The City of Vaughan as shareholder owning 100% of both HVHI and HVEC must per the Shareholder Agreement, approve the resolutions as passed by both corporations. The above resolutions were passed during the Hydro Vaughan Holdings Inc. and Hydro Vaughan Energy Corp. Directors meeting on September 12, 2003.

**Conclusion**

That the resolutions approved by the Hydro Vaughan Holdings Inc. and Hydro Vaughan Energy Corporation be adopted by Council as the shareholder, per the Shareholder Agreement.

**Attachments**

None

Respectfully submitted,

Clayton D. Harris, CA

Commissioner of Finance & Corporate Services