

Minutes of the Town of Olds Special Council meeting held on Thursday, August 26, 2021 at 1:00 p.m. in the Council Chambers, at the Municipal Office at 4512 – 46 Street in Olds, with the public body present at meeting location.

**PRESENT – ELECTED OFFICIALS:**

In the Chair, Mayor Michael Muzychka

**PRESENT – ELECTED OFFICIALS:**

Councillor Debbie Bennett, Councillor Wanda Blatz, Councillor Mary Jane Harper, Councillor Mary Anne Overwater, Councillor Heather Ryan and Councillor Mitch Thomson

Invited Guests: Brownlee Representative, Mr. Rodd Thorkelsson  
BDO Representative, Mr. David Lewis

**ABSENT– ELECTED OFFICIALS:**

**STAFF PRESENT for the Regular meeting of Council**

Michael Merritt, Chief Administrative Officer; Sheena Linderman, Director of Finance; Monica Leatherdale, Communications Coordinator, and Marcie McKinnon, Legislative Clerk

**1. CALL TO ORDER**

Mayor Michael Muzychka called the meeting to order at 1:10 p.m.

**A.) ADDED ITEM(s)**

None

**B.) ADOPTION OF THE AGENDA**

Moved by Councillor Harper, “to accept the Special Council meeting agenda for the Thursday, August 26, 2021 at 1 p.m. as presented.”

Motion Carried 21-357

**2. PRESENTATIONS AND DELEGATIONS**

**2A) BDO Delegation: Presentation of the *Summary of the Financial Advisor Report***

Mr. David Lewis, with BDO presented the *Summary of the Financial Advisors Report*, dated August 25, 2021 as contained in the agenda package.

*Due to a technical disruption the ZOOM Meeting was ended at 1:25 p.m.*

*Mayor Muzychka called a recess at 1:25 p.m.*

*Mayor Muzychka reconvened the meeting at 1:51 p.m.*

Mr. Lewis continued presenting his report.

Council discussion ensued.

Mr. Lewis and Mr. Thorkelsson responded to questions from Council.

*Monica Leatherdale left the meeting at 2:00 p.m.*

*Monica Leatherdale rejoined the meeting at 2:07 p.m.*

Moved by Councillor Ryan, “that Council accept the BDO report as presented.”

Motion Carried 21-358

**3. CLOSED SESSION**

Section three (3) business will be conducted in a CLOSED SESSION under FOIP as follows:  
FOIP Section 16 – Disclosure harmful to business interests of a third party  
FOIP Section 25 – Disclosure harmful to economic and other interests of a public body  
FOIP Section 27 – Privileged Information

Moved by Councillor Blatz, “that Council move to closed session in accordance with Section 197(2) of the *Municipal Government Act* to discuss matters exempt from disclosure under FOIP Section 16, 25 and 27 at 2:48 p.m. with CAO Merritt, Director Linderman, Rodd Thorkelsson, David Lewis, Monica Leatherdale and Marcie McKinnon to remain in attendance.”  
Motion Carried 21-359

*No public was present in the council chambers.*

*Mayor Muzychka recessed the meeting at 2:49 p.m.  
Mayor Muzychka reconvened the meeting at 3:00 p.m.*

Confidential presentation of:  
BDO Business Plan and Supplement Business Plan for OFL  
Acquiring the shares of OFL from the Receiver  
Unanimous Shareholder Agreement

Moved by Councillor Bennett, “that the meeting reconvene to the regular Council meeting.”  
Motion Carried 21-360

*Mayor Muzychka reconvened the meeting at 3:50 p.m.*

## **RISE AND REPORT**

Councillor Harper read the following into the record:

### **WHEREAS**

- A. *Olds Fibre Ltd. is incorporated pursuant to the Business Corporations Act (the “BCA”);*
- B. *The Town of Olds (the “Town”) intends to acquire the all of the issued and outstanding shares of Olds Fibre Ltd. (the “OFL”) from the Olds Institute for Community and Regional Development (“Olds Institute”) in order to operate and maintain the Olds Connected Community Network and ensure continuity and quality in the provision of fibre optic internet services to the residents and businesses of the Town and the surrounding services areas as set forth herein;*
- C. *The Olds Institute is the sole shareholder of OFL;*
- D. *The Olds Institute has been placed into receivership by its creditors, one of which creditors is the Town;*
- E. *The Court appointed receiver of the Olds Institute is BDO Canada Limited (the “Receiver”);*
- F. *The Town proposes acquiring all of the shares of OFL from the Receiver;*
- G. *If the Town acquires the shares of OFL from the Receiver, OFL shall be deemed to be a municipally controlled corporation (“MCC”) as per Division 9 of Part 3 of the Municipal*

*Government Act (the "MGA") and the Municipally Controlled Corporation Regulation (the "MCC Regulation");*

- H. *Pursuant to both the terms of the MGA and the MCC Regulation, a Town may only control a corporation incorporated pursuant to the BCA if certain preliminary steps are taken;*
- I. *Prior to acquiring the shares of OFL, the Town must first consider a business plan which shall satisfy the obligations of the MGA and the MCC Regulation;*
- J. *OFL has prepared a business plan, as presented in an in-camera meeting of the Council of the Town on 26th day of August, 2021; (the "Business Plan");*
- K. *A supplemental business plan has been prepared, as presented in an in-camera meeting of the Council of the Town on 26th day of August, 2021, to address the mandatory legislative obligations of the MGA and the MCC Regulation (the "Supplemental Business Plan").*

Moved by Councillor Harper, "that the Town has considered both the Business Plan and the Supplemental Business Plan and has approved the contents of both of them, in consideration of the decision in order to acquire the shares of OFL."

Motion Carried 21-361

Councillor Overwater read the following into the record:

**WHEREAS**

- A. *Olds Fibre Ltd. is incorporated pursuant to the Business Corporations Act (the "BCA");*
- B. *The Town of Olds (the "Town") intends to acquire the all of the issued and outstanding shares of Olds Fibre Ltd. (the "OFL") from the Olds Institute for Community and Regional Development ("Olds Institute") in order to operate and maintain the Olds Connected Community Network and ensure continuity and quality in the provision of fibre optic internet services to the residents and businesses of the Town and the surrounding services areas as set forth herein;*
- C. *The Olds Institute is the sole shareholder of OFL;*
- D. *The Olds Institute has been placed into receivership by its creditors, one of which creditors is the Town;*
- E. *The Court appointed receiver of the Olds Institute is BDO Canada Limited (the "Receiver");*
- F. *The Town proposes acquiring all of the shares of OFL from the Receiver of the Olds Institute;*
- G. *If the Town acquires the shares of OFL from the Receiver, OFL shall be deemed to be a municipally controlled corporation ("MCC") as per Division 9 of Part 3 of the Municipal Government Act (the "MGA") and the Municipally Controlled Corporation Regulation (the "MCC Regulation");*
- H. *Pursuant to both the terms of the MGA and the MCC Regulation, a municipality may only control a corporation incorporated pursuant to the BCA if certain preliminary steps are taken;*

- I. *The Town has considered the contents of both the business plan respecting OFL, as well as the supplemental business plan respecting OFL, both as presented in an in-camera meeting of the Council of the Town on 26th day of August, 2021;*
- J. *The Town has considered a proposed Unanimous Shareholder Agreement with OFL contents of both the business plan respecting OFL, as presented in an in-camera meeting of the Council of the Town on 26th day of August, 2021;*
- K. *On the 26th day of July, 2021, the Town held a public hearing respecting the control of the MCC;*
- L. *The Council of the Town wishes to comply with all obligations under the MGA and the MCC Regulation to acquire the shares of OFL can control OFL.*

Councillor Thomson requested the vote be recorded.

Moved by Councillor Overwater, "that

1. Upon the Receiver obtaining all necessary judicial consents from the Court of Queen's Bench of Alberta to sell the shares of OFL to the Town, the Town shall acquire all the shares of OFL, resulting in the Town as the sole shareholder of OFL.
2. Further, upon the Town acquiring all the shares of OFL from the Receiver as stated in section 1 of this Resolution, the Town shall enter into the Unanimous Shareholder Agreement with OFL, in form and in content as presented in an in-camera meeting of the Council of the Town on 26th day of August, 2021, as required by the MGA and the MCC Regulation.
3. The Town shall appoint its Chief Administrative Officer to do all things as necessary in order to implement the transactions considered herein."

Motion Carried 21-362

Muzychka, Blatz, Ryan, Overwater, Harper, Bennett voted in favor of this motion  
Thomson voted against this motion

**3, ADJOURNMENT**

Moved by Councillor Blatz, "that this meeting be adjourned at 3:58 p.m."

Motion Carried 21-363



Michael Muzychka,  
Mayor



Michael Merritt,  
Chief Administrative Officer

These minutes were approved on the 13<sup>TH</sup> day of September, 2021.