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INTEGRITY COMMISSIONER REPORT

TO: Committee of the Whole, Town of Wasaga Beach

FROM: Robert Swayze, Integrity Commissioner

SUBJECT: Interim report of the Integrity Commissioner

DATE: November 22, 2016

RECOMMENDATION

That the report of the Integrity Commissioner dated November 22, 2016 be received.

BACKGROUND

I received a complaint from Councillor Bray on October 7 alleging that Mayor Smith contravened the Code of Conduct by disclosing confidential information on a radio interview taped on October 4, 2016 and aired on October 5, 2016. He answered questions about the possible sale of the hydro utility owned by the Town, Wasaga Resources Inc., including its estimated value and that the Board of the utility had recommended that the Town sell it. These matters had only been discussed in closed session.

I listened to the entire interview and can confirm that these disclosures were made by the Mayor.

The Code of Conduct prohibits disclosure of information discussed in closed session as follows:

“12.6 Under the Town of Wasaga Beach Procedural By-law as amended from time to time a matter that has been discussed in a closed meeting remains confidential. Members have a duty to hold information received at closed meetings in strict confidence for as long and as broadly as the confidence applies. Members shall not either directly or indirectly, release, make public or in any way divulge the content of any such matter, or the substance of deliberations, of the closed meeting including memorandums and staff reports that are distributed for consideration during the closed meeting to anyone, unless specifically authorized by Town Council resolution or required by law.”

In accordance with the complaint protocol requirements, I served a copy of the complaint on the Mayor and requested a response within 14 days which was received in that time frame.

DISCUSSION

When a municipality is contemplating the sale of any asset, the release of inside information may compromise the sale, eliminate bidders and/or cost the municipality a substantial loss in sale price.

The Mayor responded to the complaint as follows:

1. He discussed options available to the Town on the radio show, which were taken from a Municipal World article published in May of 2016 which were not confidential and constituted general knowledge.
2. He openly admitted that he made the disclosures claimed in the complaint but advised me that he expected all of the disclosed information to be made available to the public at the Committee of the Whole open session meeting to be held immediately after the taping. A resolution was passed at that meeting to “begin a public consultation process on the future disposition of Wasaga Resources Services Inc.” but no valuation or intent of the board to sell was included in the agenda for or presented at, such meeting.

DECISION

The Mayor has admitted his mistake and told me that he “accepts full responsibility for this matter.” For this reason, it is not necessary for me to conduct any further investigation. I believe that he was honestly mistaken on what information would be available to the public at the later meeting. I must find that he contravened the Code of Conduct by disclosing confidential information but do not recommend that any sanctions be applied to him.

I feel it necessary to further stress the importance of keeping all discussions in camera absolutely confidential. As in this case, disclosure can be damaging to the Town and it is important that members of Council and staff feel confident that anything said in closed session will not be leaked.

Respectfully Submitted,



Robert Swayze
Integrity Commissioner