



Union Water Supply System Inc.

Board of Directors Meeting

Wednesday, November 19, 2025

9:30 am

Fogolar Furlan

1800 Service Road N, Windsor,
Windsor Hall South

AGENDA

A. Call to Order:

B. Land Acknowledgement

The Union Water Supply System Inc. Board of Directors acknowledges that this land is the traditional territory of the Three Fires Confederacy of First Nations, comprised of the Ojibway, the Odawa, and the Potawatomie Peoples. The UWSS Inc. Board of Directors values the significant historical and contemporary contributions of local and regional First Nations and all who have been living and working on the land from time immemorial.

C. Welcoming Remarks

D. Disclosures of Pecuniary Interest:

E. Approval of Minutes:

Minutes of the Board of Directors Meeting held on Wednesday, September 24th,
2025
Pages 3 - 8

F. Business Arising Out of the Minutes

G. Items for Consideration:

1. Report UWSS/15/25 dated November 14, 2025, re: UWSS Inc. 2025 Financial Update
Pages 9 - 14
2. Verbal update on UWSS Inc. Projects & Operational Items,

H. Consent Agenda

That item 1 on the consent agenda is received, as the minutes have been approved through the UWSS Inc. Governance Committee

1. Finance & Audit Committee meeting minutes held on Wednesday, July 16, 2025
Pages 15 - 17

I. Special Closed Meeting of the UWSS Inc. Board of Directors**Recommendation:**

That the UWSS Inc. Board of Directors move into a Special Closed Meeting, pursuant to the Municipal Act section 239 (2)(c) for the following reason:

Matters for Consideration:

Legal discussion Under Municipal Act Sections 239 (2) wherein UWSS Inc.'s solicitor will provide guidance for a (c) a proposed or pending acquisition or disposition of land by the municipality or local board:

- Report provided under separate cover
- Discussion and Report on the study between Union Water Supply System Inc. and the Windsor Utilities Redundancy Project.

J. Disclosures of Pecuniary Interest and the General Nature Thereof**K. Adjournment of Special Closed Meeting:****L. Report on Closed Session:****M. New Business:****N. Action Items:****O. Comments, Announcements, and Other Business:****P. Adjournment:****Q. Date of Next Meeting:** December 17th, 2025, location to be determined.

/kmj



Page 3 of 17
UWSS Inc.
Board of Directors
Meeting

Wednesday, September 24, 2025
9:30 am
Roma Club
19 Seacliff Drive, Leamington

MINUTES

Directors

Hilda MacDonald (Chair)
Kim DeYong (Vice Chair)
Sherry Bondy
Kirk Walstedt
Dennis Rogers
Mike St. Amant - absent
Lori Atkinson
Tom Kissner
Sebastian Schmoranz
John Tofflemire
Wayne Wharram
Larry Verbeke

Also in Attendance: Rodney Bouchard, UWSS Inc. Chief Executive Officer
For UWSS Khristine Johnson, UWSS Inc. Office Administrator
Andrew Plancke, UWSS Inc. Senior Manager Infrastructure
Erin McKee, UWSS Inc. HR Generalist

Guest

Sabrina Nazzani, Capital Assist (Valuation) Inc. - CFO
William Willis, Willis Business Law - Legal

Municipal Staff Present

Laura Rauch, Shannon Belleau - Municipality of Leamington
Rob Mackie - Town of Essex
Jason Barlow - Municipality of Lakeshore
Ken Penney, Dale Dillen, Tim Woolner, Zach Gossmann, Robin Trepanier - Ontario Clean Water Agency

Call to Order: 9:33 am

Land Acknowledgement

The Union Water Supply System Inc. Board of Directors acknowledges that this land is the traditional territory of the Three Fires Confederacy of First Nations, comprised of the Ojibway, the Odawa, and the Potawatomie Peoples and specifically, the traditional territory of the Caldwell First Nation. The UWSS Board of Directors values the significant historical and contemporary contributions of local and regional First Nations and all of the

Minutes of Union Water Supply System Incorporated

Date: September 24, 2025

Page 2

Original Peoples of Turtle Island - North America who have been living and working on the land from time immemorial.

Welcoming Remarks:

The CEO welcomes everyone and notes that year end for 2024 has now been completed and UWSS Inc. will immediately start the budgeting process for 2026. He also makes note of appreciating both UWSS Inc. administrative staff as well as OCWA employees for making 2025 a great year so far.

Disclosure of Pecuniary Interest: none

Approval of Minutes

No. UWSS Inc-26-25

Moved by: Director Tofflemire

Seconded by: Director Kissner

That the Minutes of the following are approved:

- Minutes of the UWSS Inc. Board of Directors meeting held on June 20th, 2025
- Minutes of the UWSS Inc. Board of Directors meeting held on July 16th, 2025.

Carried

Items for Consideration

Report UWSS/13/25 dated September 10, 2025, re: UWSS Administration Review of the UWSS Inc. Restructuring/Governance Review

The CEO reminds the members of the Board of Directors of their resolution to review the main governance restructuring documents, including General By-Law No. 1, Shareholders Agreement and the Water Service Agreement. He was instructed to review after one (1) year of operations, which has now been undertaken in conjunction with legal counsel. He reports nothing critical has been observed.

He further explains that nothing is required to be updated immediately, however, if there had been immediate pressing items to be updated then this would have to be taken to the Board and then the Shareholders for a full legal review.

The CEO notes that the timing for a full legal review is not ideal as this would most likely run into the upcoming election cycle in 2026 and feels at this time it is best to wait. He further notes that this review has been presented to the UWSS Inc. Governance Committee and the recommendation has also been to wait until 2027 to undertake a full review.

Minutes of Union Water Supply System Incorporated

Date: September 24, 2025

Page 3

The CEO further explains that things are running smoothly with UWSS Inc., and we are working well with the shareholder municipalities, financial directors as well as their water departments.

No. UWSS-27-25

Moved by: Director Wharram

Seconded by: Director Tofflemire

That report UWSS/13/25 dated September 10, 2025 re: UWSS Inc. Administrative Review of UWSS Inc. Restructuring/Governance Documents is received; and

That UWSS Inc. management recommends that a full review of UWSS Inc. restructuring documents with its municipal shareholders be initiated in early 2027; and

That regular reviews of the UWSS Inc. incorporation and restructuring documents be undertaken every five (5) years thereafter.

Carried

Verbal update: Operations and Flow Data

The CEO provides an update on the water flows from the Ruthven Water Treatment Plant (WTP), noting that flows are slightly lower than in 2024. He presents a visual chart on the overhead projector. He goes on to explain that flows are presenting that way in part due to the large watermain break, flows to Wheatley and Colchester and in the end, there is an actual increase in demand of 2.5% in 2025 compared to 2024.

He notes that the summer of 2025 was very hot and dry, and so far, a very dry fall season. From a WTP perspective things ran smoothly on high demand days, and the increases produced through the DAF system has helped as well. He reminds members that the moratorium on large service applications is still in place.

The CEO provides comparisons between several years to demonstrate the increase in demand and the trends that are happening. He notes that low and average day demands have increased slightly.

The CEO then provides an update on the capital projects happening at the WTP. Notably, the Reservoir #3 project is moving along smoothly. He receives regular updates and reminds members that this project is expected to be completed by the fall of 2026. He then provides a few constructions photos to demonstrate the progress from spring through early fall.

He then notes that DAF #2 is completed, with substantial completion occurring on August 6th, 2025. Dale Dillen, Operations Manager of OCWA, indicates there is no significant issues with this project.

Minutes of Union Water Supply System Incorporated

Date: September 24, 2025

Page 4

Director Bondy asks if there will be opportunities for public tours. The CEO notes that there is nothing scheduled as this time. However, he notes that UWSS Inc. does provide tours to schools, community groups and other members of the public. Perhaps something can be scheduled in the future.

Director Verbeke asks if water is still being provided to Wheatley WTP. The CEO notes that currently there is no water being provided. Shannon Belleau, of Leamington, notes that the Wheatley Treatment Plant was expected to be online very soon, however, if it is not then they may have to ask UWSS Inc. to provide water for a while longer to this system until they are back to running at full capacity.

Chair MacDonald notes that for the newer Directors, the water flow information presented this morning provides a good indicator of why UWSS Inc. is doing some of the improvements and how things came to be especially with the huge development in greenhouses over the past decade and the demand on the system.

No. UWSS-28-25

Moved by: Director DeYong

Seconded by: Director Tofflemire

That the verbal update presented is received.

Carried

Report UWSS/14/25 dated September 18th, 2025 re: Adoption of Various UWSS Inc. Human Resources and Administrative Policies

The CEO notes that as we move into a corporate organization UWSS Inc. need to put policies in place. He reminds the Directors that some policies have already been put in place, however, this pertains to the Administrative and HR perspective.

He notes that there are seven (7) policies being presented:

- UW-A08-001 Records Retention Policy
- UW-A15-001 Privacy Policy
- UW-A21-001 Accessibility Policy
- UW-B12-003 Whistleblower Policy
- UW-H06-001 Workplace Violence and Harassment Policy
- UW-H06-002 Health and Safety Policy
- UW-H06-003 Return to Work Policy

He further explains that the policies have been reviewed by HR, legal counsel and have been discussed and reviewed at the UWSS Inc. Governance Committee.

Director Atkinson notices that there is no Code of Conduct Policy and recommends considering one moving forward. The CEO notes that there will be more policies as we move forward, and this is just a starting point.

Minutes of Union Water Supply System Incorporated

Date: September 24, 2025

Page 5

No. UWSS-29-25

Moved by: Director Atkinson

Seconded by: Director Schmoranz

That the report UWSS/14/25 dated September 18th, 2025, re: Adoption of Various UWSS Inc. Human Resources and Administrative Policies is received; and

That the following policies are approved:

- UW-A08-001 Records Retention Policy
- UW-A15-001 Privacy Policy
- UW-A21-001 Accessibility Policy
- UW-B12-003 Whistleblower Policy
- UW-H06-001 Workplace Violence and Harassment Policy
- UW-H06-002 Health and Safety Policy
- UW-H06-003 Return to Work Policy

Carried

Consent Agenda

No. UWSS-30-25

Moved by: Director Schmoranz

Seconded by: Director Rogers

That the Governance Committee meeting minutes held on Wednesday, June 11, 2025
Is received.

Carried

Special Closed Session:

Disclosure of Pecuniary Interest and General nature thereof: None

Chair MacDonald reads the recommendation to go into closed session.

Motion into closed session:

No. C-UWSS-03-25

Moved by: Director Kissner

Seconded by: Director Wharram

That the UWSS Inc. Board of Directors moves into closed session.

Time: 10:13 am

Minutes of Union Water Supply System Incorporated

Date: September 24, 2025

Page 6

Motion out of closed session

No. C-UWSS-04-25

Moved by: Director Schmoranz

Seconded by: Director Rogers

That the UWSS Inc. Board of Directors moves out of closed session.

Time: 10:28 am

Report on Closed session:

UWSS Inc. Board of Directors entered into closed session under the Municipal Act section 239 subsection 2, and parts (f) and (j) a trade secret or scientific, technical, commercial, financial or labour relations information, supplied in confidence to the municipality or local board, which, if disclosed, could reasonably be expected to prejudice significantly the competitive position or interfere significantly with the contractual or other negotiations of a person, group of persons, or organization.

The CEO provided a verbal update on the correspondence between UWSS Inc. and OCWA regarding the MECP Inspection Report dated January 23, 2025, for the UWSS Inc. January 2025 Inspection.

New Business

Director Tofflemire asks the CEO if he feels that the contract between UWSS Inc. and OCWA will be completed by the end of 2025. The CEO is hopeful that there will be a contract in place by the end of the year and is hoping to bring forward for Directors review shortly.

Comments, Announcements, and Other Business

The CEO explains that the Steering Committee Members for the UWSS and WUC project has been confirmed and thanks both Chair MacDonald and Director Kissner for assisting with said committee. This Steering Committee will meet and going forward there will be a joint meeting between both the WUC board the UWSS Inc. Board of Directors.

Adjournment:

No. UWSS Inc-31-25

Moved by: Director DeYong

Seconded by: Director Walstedt

Time adjourned: 10:34 am

Date of Next Meeting: November 19th, 2025 at 9:30 am at the Fogolar Furlan Club,

To: UWSS Inc. Board of Directors
From: Rodney Bouchard, UWSS Inc. CEO
Date: November 14, 2025
Re: UWSS Inc. 2025 Financial Update



Recommendation:

That the Union Water Supply System Inc. Board of Directors (Board) receives this report for information.

Background:

The restructuring of UWSS into a Municipal Corporation resulted in a change in UWSS' financial reporting structure. UWSS Inc. has retained Capital Assist Inc. to provide Virtual CFO and accounting services. Capital Assist's services include preparation of UWSS Inc. financial reports.

Discussion:

Capital Assist has prepared the UWSS Inc. Financial Overview - Administrator's Report (attached) that presents the financial status of UWSS Inc. as of August 31, 2025. The information included in the attached report was presented to the UWSS Inc. Finance and Audit Committee at a meeting held on October 17, 2025.

Respectfully submitted,

A handwritten signature in blue ink, appearing to read 'R. Bouchard', is positioned above the printed name.

Rodney Bouchard, CEO
Union Water Supply System Inc.

/kmj

UNION WATER SUPPLY SYSTEM INC.

FINANCIAL OVERVIEW ADMINISTRATORS' REPORT



ADMINISTRATORS' REPORT - YTD AUGUST 31, 2025

FINANCIAL OVERVIEW

Union Water Supply System Inc.'s ("UWSS") financial performance for the eight months ending August 31, 2025 compared to budget are discussed below. A summary table of the financial results is presented below:

<i>Amounts in thousands ('000)</i>	Actual	Budget	Increase (Decrease) to Budget (\$)	Increase (Decrease) to Budget (%)
Revenues				
Treatment and transmission services	11,883	10,914	969	9%
Investment income	514	776	(262)	(34%)
Rental and other income	71	36	35	97%
Total Revenues	12,468	11,726	742	6%
Operating expenses				
OCWA Operating Contract	2,690	3,238	(548)	(17%)
Utilities	771	1,188	(417)	(35%)
Operational Programs & Studies	114	340	(226)	(66%)
Professional Fees - Engineering	37	120	(83)	(69%)
Other	450	444	6	1%
Total Operating Expenses	4,062	5,330	(1,268)	(24%)
<i>% of treatment and transmission revenue</i>	<i>34%</i>	<i>49%</i>		
Administrative expenses				
Wages and benefits	394	477	(83)	(17%)
Interest expense	146	509	(363)	(71%)
Other	424	213	211	99%
Total Administrative Expenses	964	1,199	(235)	(20%)
<i>% of treatment and transmission revenue</i>	<i>8%</i>	<i>11%</i>		
Net Income	7,442	5,197	2,245	43%

ADMINISTRATORS' REPORT - YTD AUGUST 31, 2025

REVENUES

UWSS reported total revenues of \$12.5 million for the eight months ending August 31, 2025, exceeding budget by 6% due primarily to:

- **Treatment and transmission services** – \$11.9 million, approximately 9%, or \$1 million, higher than budget attributed primarily to lower non-revenue water loss than budget.
- **Investment interest income** – \$0.5 million, declined approximately 34% from budget reflecting lower than budgeted cash balances and interest rates.
- **Rental and other income** – \$0.071 million, nearly doubled the budget due to a one-time recovery of costs from UWSS' special project with Windsor Utilities Commission, not budgeted.



ADMINISTRATORS' REPORT - YTD AUGUST 31, 2025

OPERATING AND ADMINISTRATIVE EXPENDITURES

Operating and administrative expenditures totalled \$5.0 million, 23% below budget due primarily to:

- **Water maintenance service** – \$2.7 million, approximately 17% lower than budget due to deferred staffing allocations and the timing of invoicing.
- **Utilities** – \$0.8 million, reflecting a 35% decrease from budget due to timing of billings not consistent with budget.
- **Operating programs and studies** – \$0.1 million, approximately \$0.2 million, or 66%, lower than budget due to timing of spend compared to budget.
- **Wages and benefits** - \$0.4 million, lower than budgeted salaries and benefits of \$0.5 million due to the deferral of hiring of operational personnel.
- **Interest on operating line** – \$0.2 million, approximately \$0.4 million lower than budget due to timing of draws for the new Reservoir #3 project, and lower interest rate compared to budget.

Overall, total operating and administrative expenditures were below the 2025 approved budget by \$1.5 million.



ADMINISTRATORS' REPORT - YTD AUGUST 31, 2025

FINANCIAL POSITION

At August 31, 2025, UWSS maintained a strong financial position with cash, operating and capital reserves of \$22.8 million. Property, plant, and equipment increased approximately \$14.5 million from year-end primarily due to the new Reservoir #3 project and DAF#2 project. Approximately \$14 million was advanced on its operating line for the new Reservoir #3 project.

Rodney R. Bouchard, P.Geo.
Chief Executive Officer & General Manager
Union Water Supply System Inc.





**UWSS Inc.
Finance & Audit
Committee
Meeting**

Wednesday, July 16, 2025
9:00 am
Roma Club, 19 Seacliff Drive

MINUTES

Directors Dennis Rogers
 Mike St. Amant
 Tom Kissner
 Wayne Wharram
 Lori Atkinson

Also in Attendance: Rodney Bouchard, UWSS Inc. Chief Executive Officer
For UWSS Khristine Johnson, UWSS Inc. Office Administrator (Recording Secretary)

Guest The CFO Nazzani, CPA, CA Capital Assist Valuation

Call to Order: 8:59 am

Welcoming Remarks:

Chair Rogers calls the meeting and welcomes everyone.

Disclosures of Pecuniary Interest

There are none.

Business to Discuss

The CFO reminds members that the draft audited Financial Statements have been seen and reviewed by the members many times. She notes that these are the final numbers. She highlights a few areas that have been adjusted since the last meeting: the utility invoices have been adjusted to show actuals to December, land transfer tax is captured and there are some smaller accruals as well. In total about \$178k of extra expenses have been added since the previous version.

There is further discussion on the clean up of the Financial Statements for 2024, some editorial notes that have been adjusted, and reminds members that there is no residential exposure, however that might change going forward.

She further notes that the cash flow is a bit different in this version, the long term Sun Life debt has been paid off, post retirement benefits are now included and construction costs need to be corrected by auditor.

Minutes of Union Water Supply System Inc. Finance & Audit Committee

Date: July 16, 2025

Page 2

The CFO apologizes for the lateness of the statements however the audit took longer than anticipated as there was a lot to understand and she is planning on ensuring that going forward there is collaborative planning with the auditors.

The CEO clarifies that the 2024 audit is taking longer due to the transition between the Joint Board of Management and the new corporation and extra time is needed to ensure that we get it right.

There is a discussion around the asset retirement obligation.

The CFO and Director St. Amant discuss whether the auditor will provide an audit package. The CFO will reach out to the team at Baker Tilly to see if that is something they can provide.

Director St. Amant feels the auditors should be part of this meeting and given an opportunity to speak, in camera, if need be. He makes a motion.

No. FAC-11-25

Moved by: Director St. Amant

Seconded by: Director Atkinson

That the auditors from Baker Tilly are given an opportunity to attend this meeting; and

That we move in camera to allow time to discuss any sensitive material or issues regarding the audit of the UWSS Inc. 2024 Financial Statements.

Carried

Director Wharram suggests that if the above motion is something that is going to happen on a regular, yearly basis, that a policy should be created, as this feels a bit rushed. The CFO indicates that the auditor never raised this issue with her and she feels they do not need the opportunity this year, however asking them is certainly an option.

Director Kissner doesn't feel this item should be delayed any longer. He agrees with Director Wharram that a policy should be established. He makes a motion.

No. FAC-12-25

Moved by: Director Kissner

Seconded by: Director Wharram

That the UWSS Inc. create a policy to allow the auditors, of the UWSS Inc. Financial Statements, have the opportunity to attend the Finance and Audit Committee meeting prior to the regular Board of Directors meeting when bringing forward future years' Financial Statements.

Carried

Minutes of Union Water Supply System Inc. Finance & Audit Committee

Date: July 16, 2025

Page 3

The CEO suggests that the FAC speaks to the auditors prior to the Board of Directors meeting, which is taking place immediately following this meeting, and ask them if they wish to speak in camera.

No. FAC-13-25

Moved by: Director St. Amant

Seconded by: Director Kissner

That the Chair speak with the auditor immediately to determine if they wish to have the opportunity to attend this Finance and Audit Committee meeting or speak in camera regarding any sensitive material.

Carried

The auditors arrive. The Chair and the CFO speak to the Baker Tilly representatives and ask if they have any need to move into a closed session within the Finance and Audit Committee to discuss any sensitive materials relating to the UWSS Inc. 2024 Financial Statements. The Chair confirms the representative do not wish to move into camera. They feel they only need to attend the regular Board of Directors meeting taking place immediately following this meeting.

Adjournment

No. FAC-14-25

Moved by: Director Atkinson

Seconded by: Director Wharram

That the meeting is adjourned

Carried

Time adjourned: 9:27 am

Date of Next Meeting: To be determined.

/kmj