



Union Water Supply System Inc.

Board of Directors Meeting

Wednesday, January 21, 2026

9:00 am

Kingsville Arena

1741 Jasperson Ave.

AGENDA

A. Call to Order:

B. Land Acknowledgement

The Union Water Supply System Inc. Board of Directors acknowledges the Three Fires Confederacy (Ojibwe, Potawatomie and Odawa) and the Traditional ancestral, unceded territory of Caldwell First Nation; the original people of Point Pelee, Pelee Island and its surrounding waters. We recognize and respect the First Nations who are stewards of the land and waters of Turtle Island and who have embraced this stewardship since time immemorial. We would also like to acknowledge all the moccasins who have walked the lands of Turtle Island.

C. Welcoming Remarks:

D. Election of Chair and Vice Chair of the UWSS Inc. Board of Directors

UWSS/01/26 Procedure for the Election of the UWSS Inc. Chair and Vice Chair
dated January 16, 2026

Pages 3 - 5

E. Disclosures of Pecuniary Interest:

F. Approval of Minutes:

Minutes of the Board of Directors Meeting held on Wednesday, November 19, 2025
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G. Business Arising Out of the Minutes

H. Items for Consideration:

1. Verbal update on 2025 Year End Financials

2. Report UWSS/03/26 dated January 16, 2026 re: Proposed 2026 UWSS Inc.
Operations and Capital Budget
Pages 13 - 15

I. **New Business:**

J. **Action Items:**

K. **Comments, Announcements, and Other Business:**

L. **Adjournment:**

M. **Date of Next Meeting:** February 18th, 2026, 9:00 am, Kingsville Arena

/kmj

UWSS/01/26

TO: Board of Directors of UWSS Inc.
FROM: Rodney Bouchard, CEO, UWSS Inc.
DATE: January 16, 2026
RE: Procedure for the Election of the UWSS Inc. Chair and Vice Chair



AIM:

To inform the Board of the procedure for the election of a Chair and Vice-Chair of the Board of Directors.

BACKGROUND

The General Bylaw No. 1 dated July 7, 2023, was established for the Union Water Supply System Inc. (UWSS) Board of Directors and sets out certain rules. The following are among the items specified in the Bylaw No. 1 regarding the Chair and Vice-Chair:

- That the Board members are appointed by the municipalities for a term of four (4) years.
- That there is to be a Chair and Vice-Chair elected from amongst the members of the Board of Directors.
- That the Chair and Vice-Chair must be from different municipalities.

DISCUSSION:

Functions of a Chair and Vice-Chair

The Chair and Vice-Chair are positions that are prescribed in the UWSS Bylaw No. 1. The Chair is responsible for the following duties under said Bylaw:

1. Chairing of meetings of the Board of Directors.
2. Calling meetings of the Board of Directors.
3. Executing agreements and conveyances entered into by the Board of Directors.
The Chair co-signs with another member of the Board.

The Vice-Chair is designated under the Bylaw No. 1 to act as Chair in the absence of the Chair.

January 16, 2026 - UWSS/01/26

Re: Election for the 2025 Chair and
Vice Chair for the UWSS Inc. Board of Directors

In addition to the functions that are set out in the Bylaw No. 1, the Chair and Vice-Chair undertake the following tasks:

1. The Chair and Vice-Chair have signing authority on the UWSS Inc. bank accounts along with the UWSS Inc. CEO. Account transfers require two (2) signatures, one (1) of the Chair or Vice-Chair and one (1) of the CEO.
2. The Chair conduct an annual performance appraisal of the CEO.

The Chair and Vice-Chair are generally elected from different municipalities. This requirement is intended to ensure that the Board acts in the overall system's interest and in the interest of all the municipal shareholders.

This memorandum is intended to allow the Board of Directors to prepare for the election. Any questions regarding the procedure should be given to the CEO before the meeting if possible.

Election Procedure

The established procedure for the election of the Chair and Vice-Chair of the Board of Directors should be as follows:

The CEO will chair the meeting until the election of the new Chair.

The CEO will call the meeting to order.

The first order of business is the election of the Chair.

The CEO will ask for nominations from the Directors for the position of Chair. Nominees must have a proposer and a seconder (neither of which can be the nominee) and the nominee will be asked if they are willing to accept the nomination. The list of candidates will be made up of those nominees who accept their nomination.

If there is only one (1) successful nomination, that candidate will be acclaimed as Chair.

If there are two (2) or more nominations, there will be an election. The CEO will state the names of the nominees in alphabetical order by surname. After each name is announced there will be a show of hands by those wishing to vote for that candidate. Board members shall only vote for one candidate. Candidates can vote for themselves.

The recording secretary will record the number of votes for each candidate. The nominee with the most votes will be declared to be the Chair for the term.

If there is a tie for the most votes cast, the name of each nominee who is tied will be written on a slip of paper by the CEO and the slips will be placed in a hat or box. The recording secretary will draw one slip and the name on that slip will be declared as the new Chair.

January 16, 2026 - UWSS/01/26

Re: Election for the 2025 Chair and
Vice Chair for the UWSS Inc. Board of Directors

The CEO will ask for a motion confirming the appointment of the successful candidate as Chair.

The new Chair will then take charge of the meeting.

The Chair will then proceed with the election of the Vice-Chair. If the Chair is from a municipality with more than one (1) member on the Board, no Board member from that municipality is eligible to serve as Vice-Chair.

The Chair will ask for nominations from the Board for the post of Vice-Chair. Again, nominees must have a proposer and a seconder and the nominee will be asked if they are willing to accept the nomination. The list of candidates will be made up of those nominees who accept their nomination.

If there is only one (1) nomination, that candidate will be acclaimed as Vice-Chair.

If there are two (2) or more nominations, there will be an election by show of hands. The Chair will say the names of the nominees in alphabetical order by surname. After each name is announced there will be a show of hands by those wishing to cast a vote for that candidate. Board members shall only vote for one candidate. Candidates are allowed to vote for themselves.

The recording secretary will record the number of votes for each candidate. The candidate with the most votes will be declared to be the new Vice-Chair.

If there is a tie for the most votes cast, the name of each candidate who is tied will be written on a slip of paper by the CEO and the slips will be placed in a hat. The recording secretary will draw one slip and the name on that slip will be declared as the new Vice-Chair.

The Chair will ask for a motion confirming the appointment of the successful candidate as Vice-Chair.

Immediately after the election of the Vice-Chair, the meeting will proceed with the rest of the business on the Agenda.

Respectfully submitted,



Rodney Bouchard, CEO
Union Water Supply System Inc.

rb/kmj



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UWSS Inc.
Board of Directors
Meeting

Wednesday, November 19, 2025
9:30 am
Fogolar Furlan, 1800 N Service
Road, Windsor, Ontario

MINUTES

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| Directors | Hilda MacDonald (Chair) Kim DeYong (Vice Chair) Sherry Bondy Kirk Walstedt Dennis Rogers Mike St. Amant Lori Atkinson Tom Kissner - absent Sebastian Schmoranz - absent John Tofflemire Wayne Wharram Larry Verbeke |
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| Also in Attendance: For UWSS | Rodney Bouchard, UWSS Inc. Chief Executive Officer Khristine Johnson, UWSS Inc. Office Administrator Erin McKee, UWSS Inc. HR Generalist (guest) |
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| Guests | Sabrina Nazzani, Capital Assist (Valuation) Inc. - CFO William Willis, Willis Business Law - Legal |
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| Other Staff Present | Dave Jubenville - Ontario Clean Water Agency Robin Trepanier - Ontario Clean Water Agency |
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Call to Order: 9:31 am

Land Acknowledgement, as read by the Chair

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.

Welcoming Remarks:

The CEO welcomes everyone and thanks them for travelling to Windsor for this meeting, and indicates that the agenda is light, due to the joint meeting scheduled following this meeting.

Disclosure of Pecuniary Interest: none**Approval of Minutes****No. UWSS Inc-32-25**

Moved by: Director Verbeke

Seconded by: Director Atkinson

That the Minutes of the following are approved:

- Minutes of the UWSS Inc. Board of Directors meeting held on September 24th, 2025

Carried

Business Arising out of the Minutes

There is none.

Items for Consideration**Report UWSS/15/25 dated November 14, 2025, re: UWSS Inc. 2025 Financial Update**

The CEO notes that this update is from January 1st to August 31st. He then turns the meeting over to Sabrina Nazzani, UWSS's CFO.

The CFO provides an update on what has been happening, financially, at UWSS Inc. over the first 8 months of 2025. She notes that revenues have been broken down by class, such as treatment and transmission, investment income. She notes that the fluctuations on the interest rate this year have made revenue lower on the investment side. She also notes that rental income is on budget.

She moves on to expenses and notes that the operating expenses are approximately \$1.5 million lower than expected at this time, mainly due to timing and that could smooth out as the year ends. The OCWA budget is slightly lower and that is due to deferred staffing allocation, and she does not anticipate this to change prior to year end. She notes that utilities are on budget so far.

The CFO moves on to the administrative side and directs members to the operating line that has been advanced for the capital improvement project for Reservoir #3. The wages and benefits are lower than anticipated, again due to timing and staff hiring deferrals. She does not expect this to change prior to year end.

On the balance sheet side of things, she notes a strong balance in reserves, and an adjustment of capital assets, primarily due to DAF #2 and the Reservoir #3. She feels UWSS Inc. has a strong financial position as of August 31, 2025.

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Director Bondy seeks clarification on the non water revenue loss. The CFO explains how the revenue was initially recorded, versus the adjustment that has been made for water loss, originally UWSS Inc. was billing at 8-10% water loss, and now is billing at 3%, sharing the remaining difference with the municipalities.

Director Bondy asking if staffing deferrals is wise and whether UWSS Inc. is running low on staffing levels. The CEO speaks to that question, noting that UWSS Inc. is currently in negotiations with OCWA to finalize a new contract, which he hopes to be in place early next year.

Director Rogers voices praise for the Finance & Audit Committee and expresses his confidence in how this report has been presented and reviewed at the Committee level and here at the Board level.

No. UWSS-33-25

Moved by: Director Walstedt

Seconded by: Director Wharram

That report UWSS/15/25 dated November 14, 2025 re: UWSS Inc. 2025 Financial Update is received.

Carried

Verbal update: Operations and Projects

The CEO provides an update on a few outstanding items. He notes that he has a scheduled meeting with OCWA representatives in the coming week and should finalize the next contract. He is hoping to bring the amended agreement before the board in January or February 2026.

Another outstanding item he references is the HR staffing review. He notes that he and the HR Generalist have had several meetings with the HR Consultant, Marianne Love, and expects to bring the results first to the Governance & Finance & Audit Committees and then before the board.

He moves on to the capital side, first bringing up items on the screen, providing members with pictures of the progress of the large capital projects. He then notes that the Low Lift generator and pump replacement have been purchased. He explains that the carbon scrubber will be moved into the new year. He then notes that the SCADA system is now out of date, as it was purchased in 2020, and needs an upgrade. The new costs coming in are very high, and he is in negotiations to see if there is any movement on the price. The cost has doubled over the last several years.

The CEO then moves onto the distribution system, noting that the budget for chamber upgrades in 2025 will be moved into 2026. The OCWA staff are identifying chambers that might not require upgrades. However, he notes the purchase of further AI hydrant monitors, this will continue to assist with water loss, monitoring and other benefits.

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He also notes the purchase of a new valve maintenance trailer, and a back up generator for the water treatment plant. He then explains the new pumps that will be required going forward.

Architects have been hired to design space for the new administration building; several workshops have been completed. He notes that an elevator will be added to the building to ensure accessibility and a large board room, to accommodate our meetings. A report will be brought to the Board in early Spring 2026.

As for the water treatment plant expansion, he reminds members that a moratorium is still in place for large service applications. However, the Environmental Assessment (EA) is complete and the design is commencing, which will include new filtration building and UV.

The CEO briefly reviews the flows so far in 2025, reminding them of no major issues this year and the WTP is running well.

The Dechlorination system is now implemented and running smoothly and the Reservoir #3 and High Lift Station projects are all moving along according to schedules.

The Directors ask several questions on the budgets shown, the projects and whether the Finance & Audit Committee will be presented actuals compared to budget at its meeting next week. The Chair asks for clarification on the height of the New Reservoir #3, she assumed that it would not be visible once completed. The CEO explains that the cost to de-water the ground was not an economical decision, so it will be slightly above ground, and back filled to disguise it and it will eventually look like a rounded hill.

No. UWSS-34-25

Moved by: Director St. Amant

Seconded by: Director DeYong

That the verbal update presented is received.

Carried

Consent Agenda

No. UWSS-34-25

Moved by: Director Rogers

Seconded by: Director Wharram

That the Finance & Audit Committee meeting minutes held on Wednesday, July 16, 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.

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) proposed or pending acquisition or disposition of land by the municipality or local board:

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

Motion into closed session:**No. C-UWSS-05-25**

Moved by: Director Verbeke

Seconded by: Director Atkinson

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

Time: 9:48 am

Motion out of closed session**No. C-UWSS-04-25**

Moved by: Director Wharram

Seconded by: Director Verbeke

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

Time: 11:12 am

Report on Closed session:

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UWSS Inc. Board of Directors entered 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) proposed or pending acquisition or disposition of land by the municipality or local board:

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

No. UWSS-35-25

Moved by: Director St. Amant

Seconded by: Director Rogers

That the information provided within the closed session is received; and

That the decision on approval of the budget to undertake the functional design will be deferred to a later meeting pending additional evaluation of the design budget and cost allocation and proposed 2026 Budget.

Carried

Discussion on the Motion

The Directors seek clarification on proposed timing for the UWSS moving forward with the budget. The CEO notes that there are several items that might not be completed prior to year end, including UWSS-OCWA agreement negotiation and consultant evaluation of salaries and pay equity. Therefore, he is looking to skip the December meeting and bring the draft budget to the January 2026 meeting.

Director DeYong feels that the discussion on the UWSS-WUC study might have been better suited in public session, especially when it comes to the fiscal responsibility.

William Willis, legal counsel, notes that yes, any mention of property should be contained within closed session, but when speaking of finances, it is more appropriate to have those discussions in a public session.

The CEO receives directions to bring the proposed 2026 UWSS Inc. budget to the Board of Directors at the January 21, 2026 Board meeting.

New Business

The CEO indicates that he was hoping to discuss Bill 60 but will save that for another meeting.

Comments, Announcements, and Other Business

There are none

Adjournment:

No. UWSS Inc-36-25

Moved by: Director Verbeke

Seconded by: Director DeYong

Time adjourned: 11:16 am

Date of Next Meeting: to be determined

/kmj

UWSS/02/26

To: UWSS Inc. Board of Directors

From: Rodney Bouchard, UWSS Inc. CEO

Date: January 16, 2026

Re: Proposed 2026 UWSS Inc. Operations and Capital Budget



Recommendation

That the Union Water Supply System Inc. Board of Directors (Board) adopts the Proposed 2026 Operational and Capital Budget for the Union Water Supply System;

And further, that the Board approves a total increase of \$0.0588 per cubic metre to the existing 2025 UWSS water rate of \$0.7767. This proposed rate increase is inclusive of the following components:

- A \$0.0088 per cubic meter increase for CPI and non-revenue water adjustments.
- A \$0.0500 per cubic meter Capital Program Rate.
- A \$0.0200 per cubic meter Lifecycle Rate.

The proposed total 2026 UWSS billing rate to UWSS Inc. customers of \$0.8555 per cubic meter is to be implemented on April 1, 2026.

And further, that the Board approves a capital improvement levy of \$0.03 per cubic meter to be applied to greenhouse operations customers to support the treatment plant capacity expansion infrastructure project.

Background:

On January 1, 2024, management of the Union Water Supply System was transferred from the UWSS Joint Board of Management to UWSS Inc. The approval of UWSS Inc. Operations and Capital Budgets is the responsibility of Union Water Supply System Inc. Board of Directors. UWSS Inc. management is accountable for development and implementation of the UWSS inc. budget on behalf of the Board of Directors. UWSS Inc. management is seeking approval of the proposed 2026 UWSS Budget so that critical studies and major capital upgrades and improvements can be initiated without delay.

This budget report is outlined to provide details on the following:

- Projected revenue for 2026 from sale of treated water to customers in the municipalities of Leamington, Kingsville, Essex and Lakeshore.
- Projected revenue from other sources including rental income from telecom companies for leased space on UWSS water towers and rental income from UWSS Inc. owned property.
- Projected investment income revenue.

Re: UWSS/02/25 - 2025 UWSS Inc. Operations and Capital Budgets

- Projected operating expenditures for 2026 including estimated costs for operation and maintenance of UWSS facilities by the Ontario Clean Water Agency (OCWA), under its contract with UWSS.
- Proposed cash funded capital works and major maintenance program for 2026.
- Debt funded infrastructure projects for 2026.

Discussion:

The proposed 2026 UWSS Inc. Budget documents have been prepared by the UWSS Inc. Chief Executive Officer (CEO) and UWSS Inc.'s virtual Chief Financial Officer (CFO). The 2025 Budget was developed in collaboration with OCWA management, and operations/ maintenance staff for UWSS Inc. facilities.

The preliminary 2026 UWSS Inc. Operations and Capital Budget were reviewed with UWSS Inc. Finance & Audit Committee (FAC) at two meetings held on November 26th, 2025 and January 14th, 2026. UWSS Inc. management received the FAC's endorsement to present the 2026 preliminary Budget to the UWSS Inc. Board of Directors for consideration and approval at the January 21st, 2026 UWSS Inc. Board meeting.

A summary of the 2026 UWSS Inc. budget is provided below:

Budget Highlights

- Potable water demand from UWSS facilities is projected at 22,791,000 m³ for 2026. This represents an increase of 4.3% over 2025 budgeted water demand.
- An increase of \$0.05888/m³ is proposed to the total rate UWSS Inc. applies to end-users. This increase incorporates adjustments for CPI and non-revenue water, a levy of \$0.05/m³ to fund the capital improvement program and a Lifecycle levy of \$0.02/m³ to fund future renewals. The total water rate to be applied to UWSS Inc. end-users in 2026 is \$0.8555/m³. This new rate would become effective on April 1, 2026.
- A levy of \$0.03/m³ is proposed for greenhouse customers to support the water treatment plant capacity expansion projects.
- UWSS Revenue for 2026 is estimated at \$20,026,742. This includes estimated Rate revenue of \$18,753,243, investment income of \$1,219,661, and property rental income of \$53,838.
- Expenses for 2026 are estimated at \$12,526,383. This includes Operating Expenses of \$9,359,254, General & Admin Expenses of \$1,433,788, and interest costs for Debt Funded Capital of \$1,733,341. Operating Expenses include the OCWA Operations & Maintenance Contract that is valued at \$5,216,375 for 2026. General & Admin Expenses includes 2 new proposed staff for UWSS Inc.
- A cash funded capital program of \$8,705,000 is proposed for 2026. This includes but is not limited to distribution system improvements, residuals management system upgrades, SCADA system upgrades, Admin Building expansion, etc.
- As of January 1, 2026, UWSS Inc. cash & short-term investments and reserves funds totalled \$24.74 million.
- A debt funded capital program of \$30.6 million is proposed for 2026. This includes the on-going construction of reservoir #3, with a total value of \$54 million, which expected to be completed by December 2026.
- As of January 1, 2026, UWSS Inc. had debt owing in the amount of \$28.05 million.

Re: UWSS/02/26 - 2026 UWSS Inc. Operations and Capital Budgets

Additional details for the 2026 UWSS Inc. Operations and Capital Budget are included in the Union Water Supply System Inc. Budget Plan 2026 presentation document to be provided to UWSS Inc. Board of Directors under separate cover.

Closing Comments

It is the UWSS Inc. management's opinion that the 2026 Budget and 5-year projection presented in this report delivers a Budget for UWSS that is fiscally prudent while also providing for the major maintenance and lifecycle replacements needed to ensure that UWSS facilities and operations are effective and sustainable for the future.

Respectfully submitted,



Rodney Bouchard, CEO
Union Water Supply System Inc.

/kmj