



Date and Time:	Public Utilities Commission Thursday, November 27, 2025 – 12:00 p.m.	
Location:	Hybrid: Zoom/500 Second Line East	
Members Present:	Mark Howson – Chair Musa Onyuna	Chris Graham Sandra Hollingsworth
Staff Present:	Rob Brewer Mark Faught Robert Battisti Orlan Euale	Jairus Patterson Stephanie Morin Sarah McLeod Laurie Burrows
Guests:		
Absent:		

1.0 CALL TO ORDER

M. Howson called the meeting to order at 12:01 p.m.

2.0 APPROVAL OF AGENDA

On a **MOTION** moved M. Onyuna, seconded by C. Graham, and carried:
The Commission approved the agenda as presented.

3.0 CONFLICTS OF INTEREST

No conflicts were declared.

4.0 SAFETY MOMENT

O. Euale presented a safety briefing focused on holiday season precautions. Topics addressed included electrical safety related to Christmas lights, ladder safety guidelines, fire hazards associated with fireplaces and candles, and recommendations for the care of natural trees.

5.0 OPEN SESSION MINUTES – October 1, 2025

On a **MOTION** moved C. Graham, seconded by M. Onyuna by and carried:
The Commission approved the open session minutes dated October 1, 2025.

6.0 BUSINESS ARISING FROM MINUTES

None noted.

7.0 OPEN SESSION ITEMS

7.1 Q3 Financial Results

M. Faught delivered the Q3 financial results as outlined in the package. Hydrant revenue has been deferred due to anticipated billing interests; projections indicate both items will proceed as planned through year-end. Revenue stands at \$722k and the total surplus is \$1.1M. Capital costs are expected to be fully recovered by the fourth quarter, and current forecasts project expenditures remain within budget.

Questions/ Discussion

On a **MOTION** moved S. Hollingsworth, seconded by M. Onyuna by and carried:
The Commission approved the Q3 financial results as presented.

7.2 Financial Plan for Water Supply Services

M. Faught provided an update regarding the Water Financial Plan, noting the complete report was included in the package. This financial plan was developed to comply with the requirements of the Safe Drinking Water Act. The rationale for this initiative prompted by the Walkerton incident is to ensure that utilities follow a sustainable path for reinvestment in infrastructure and remain independent from shifting political influences. KPMG was engaged to support this process.

Key deliverables include financial models, a seven-year outlook, consideration of the Commission's asset portfolio, and a summary of the rate structure focusing on both affordability and effective asset management. Primary assumptions encompass production capacity, historical data, and customer consumption profiles. Next steps involve submitting the documentation to the Ministry of Municipal Affairs and Housing, and forwarding it to the Ministry of Environment, Conservation, and Parks who will issue the license.

Questions/ Discussion

On a **MOTION** moved by S. Hollingsworth, seconded by C. Graham, and carried:
The Public Utilities Commission of the City of SSM approves the Financial Plan for Water Supply Services, recognizing that the Financial Plan requires continuous monitoring and updating.

7.3 2026 Budget

M. Faught presented the proposed 2026 budget as outlined in the accompanying materials. L. Burrows continued by providing further details, emphasizing alignment with the strategic plan, enterprise risk management, and long-term sustainability objectives.

- Revenue is projected at \$31.2M, from consumption and hydrants, reflecting a 5% increase over 2025 which is consistent with the Water Financial Plan (WFP).
- Expenses are estimated at \$21.9M, representing an increase of just over 1% from 2025.
- The budget aims to balance affordability with ongoing infrastructure renewal needs.
- For billing impact, the average residential customer is expected to see an increase of approximately \$2.62 on their bill, which is in line with the recommendations of the financial plan.

Questions/ Discussion

M. Onyuna asked about city infrastructure not planned for renewal, and R. Brewer noted that 1-2 kilometers are replaced each year, with an additional 3-4 kilometers improved through lining.

S. Hollingsworth inquired about any remaining lead in city pipes to which R. Brewer said all identified lead services are replaced immediately, with a yearly budget set aside for unforeseen problems.

S. Hollingsworth also asked if developers are consulted before budget planning, to which it was explained that the engineering team works closely with them and uses past trends to guide decisions.

On a **MOTION** moved C. Graham, seconded by S. Hollingsworth and carried:

1. **That the Public Utilities Commission of the City of Sault Ste. Marie approve the 2026 Budget of the Commission.**

On a **MOTION** moved C. Graham, seconded by M. Onyuna, and carried:

2. **That the Public Utilities Commission of the City of Sault Ste. Marie approve the 2026 Water Rates By-law No. 421 – A By-Law to Establish New Water Rates for 2026**

7.4 Terms of Reference

R. Brewer provided an update regarding the terms of reference. Approximately eighteen months ago it was recommended to council that future appointments to the Commission be considered as four-year terms rather than two, due to the complexity of the utility. Unless specified otherwise, terms remain consistent with city council appointments.

Questions/ Discussion:

7.5 Operations Report

O. Euale presented the operations report. The unidirectional flushing program was completed in August, with future planning targeting 2026. Testing of both public and private hydrants has been finalized. The city road project on People's Road proceeded without significant issues during construction. Approximately two km of water main were lined using CIPP technology. Funds originally allocated for East Street were deferred to the SIPP program, allowing for additional work to be completed.

Questions/ Discussion:

None noted.

8.0 President's Report

A review of health and safety statistics was conducted, noting security-related incidents and property damage involving copper and downed grounds, as well as minor vehicle collisions that occurred in Q3.



An overview of consumption levels was provided, and key financial highlights were presented. Updates were shared on strategic initiatives, including the e-billing campaign, Christmas cheer program, school tours, donations, and the Illuminate the Season ARCH event.

9.0 NEW BUSINESS

None noted.

10.0 Next Meeting – April 30, 2026

11.0 ADJOURNMENT

On a **MOTION**, moved by C. Graham, seconded by S. Hollingsworth and carried:
The Open meeting was adjourned at 1:02 p.m.

12.0 CLOSED SESSION

None required.

M. Howson adjourned the meeting at 1:03 pm.

Chair

Secretary