



UNION WATER SUPPLY SYSTEM INC.

ADMINISTRATION'S ANNUAL REPORT 2025

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2025 Overview



RODNEY BOUCHARD

General Manager &
Chief Executive Officer

Land Acknowledgement

Union Water Supply System Inc. 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.

In 2025, Union Water Supply System Inc. (UWSS Inc.) continued to focus on providing reliable water service, maintaining its infrastructure, and planning for future needs.

Construction continued on Reservoir #3 and its new Transfer Pumping Station at the Ruthven Water Treatment Plant, which will add 30 million litres of treated water storage when complete. DAF #2 was commissioned and placed into active operation, strengthening pretreatment capabilities and improving the plant's ability to manage challenging raw water conditions. Design work also progressed on the Water Treatment Plant expansion, which will add filtration capacity and UV disinfection.

Maintenance and improvements to existing infrastructure continued throughout the year, including equipment servicing, repairs, inspections, and other work to support reliable day-to-day operations and the long-term condition of the system.

Regulatory compliance and water quality remained important areas of focus. UWSS Inc. successfully completed its DWQMS reaccreditation audit and addressed the corrective actions identified through the January 2025 MECP inspection, resulting in a final inspection rating of 100%.

While flows decreased from 2024, 2025 demand remained 4.4% above the previous four-year average and continued the upward trend observed since 2018. Residential growth, agricultural expansion, and economic activity across the service area continue to influence water demand.

Looking ahead, continued investment in infrastructure, asset management, technology, and system improvements will help UWSS Inc. maintain reliable service and meet the future water needs of the communities it serves.

Infrastructure



Building for Today. Planning for Tomorrow.

In 2025, UWSS Inc. continued to advance a substantial portfolio of critical infrastructure projects and planning studies aimed at expanding system capacity, modernizing operations, strengthening resiliency, improving water quality, and supporting long-term growth. Capital expenditure figures for these projects are reported in the Financials section.

Major 2025 Infrastructure Projects

Reservoir #3

Water Storage Expansion

- +30 million L of treated water storage
- 56 million L of total on-site storage when complete
- Construction continued on Reservoir #3 and its new Transfer Pumping Station at the Ruthven Water Treatment Plant. The project will more than double available on-site treated water storage, strengthening system resiliency and supporting future growth, peak demand, and changing operating conditions.

Capital investment continues to strengthen the Union Water Supply System — from additional water storage and treatment capacity to emergency power, digital tools, and long-term resiliency planning.

Infrastructure



Dissolved Air Flotation Unit - DAF #2

(Clarifier #4 Conversion)

Operational - July 2025

- DAF #2 was commissioned and placed into active operation in July, strengthening the Water Treatment Plant's pretreatment capabilities. As part of the Water Quality Master Plan, the new Dissolved Air Flotation process improves the plant's ability to manage challenging raw water conditions, including high turbidity, cold-water conditions, flow fluctuations, and algae blooms. This investment supports consistent treated water quality under changing raw water conditions.

Water Treatment Plant Expansion

Expanding Treatment Capacity

Future Capacity: 209 ML/day

- Design work continued on a major expansion of the Water Treatment Plant that will add filtration capacity and UV disinfection. The project now incorporates the scope of the previously planned Coagulant Storage Expansion, creating a more integrated approach to the plant's future treatment requirements.
- Target completion: Late 2028 / early 2029

Infrastructure

Other Key Infrastructure Projects

PROJECT	2025 HIGHLIGHT
Residual Management Ponds	8,500+ metric tonnes of sludge removed and disposed of from the south residual pond.
High Lift Pump #10	New pump acquisition and installation advanced, with pump pre-selection completed.
High Lift Pumps #5 & #6	Pumps refurbished and reinstalled, with final adjustments and commissioning underway.
WTP Façade Improvements & Elevator Design	Engineering advanced, with the project scope refined to focus on façade improvements and elevator design.
Backup Power System Upgrades	New standby generators procured, providing 2 MW at High Lift and 1.25 MW at Low Lift to strengthen emergency power resiliency.
Electrical Upgrades	Analysis completed to support the review and replacement of aging electrical equipment at the High Lift and Low Lift pumping stations.
Cottam Watermain Replacement	Planning advanced for approximately 12 km of new 600 mm watermain.
Master Water Meter Chamber Improvements	Multi-year program planned to improve 16 billing meter chambers.
Kingsville Tower Utility Building	Construction and installation of the utility building completed in 2025.
New Dechlorination System	New system advanced in response to Ministry corrective action NC-2, supporting improved wastewater discharge compliance.

Planning & Engineering

Investing in Knowledge, Technology & Resiliency

Infrastructure investment goes beyond construction. In 2025, UWSS Inc. continued to advance engineering studies, digital integration, research, and long-term resiliency initiatives that will guide future decisions.



UWSS Water Model

An updated hydraulic model of the UWSS was completed with CIMA+. The final report was received and circulated, providing an updated foundation for system planning and operational decision-making.



Resiliency & Redundancy

UWSS Inc. and Windsor Utilities Commission continued joint planning with CIMA+ to identify opportunities to strengthen system redundancy, reliability, and resilience.



Digital System Integration

Continued integrating Hydrant AI, GIS and SCADA platforms to improve access to infrastructure information and support asset and operational management.



Microplastics Research

In partnership with the University of Toronto, UWSS Inc. continued research into microplastics within the distribution system.



Lake Erie Raw Water Research

The UWSS/RIPPLE initiative continued collecting Lake Erie raw water data in partnership with the University of Windsor and GLEIR, supporting ongoing source-water and water quality research.

Looking Ahead

Together, these projects and initiatives are helping UWSS Inc. build capacity, strengthen resiliency, improve water quality, and prepare the system for the needs of tomorrow.

Operations & Maintenance

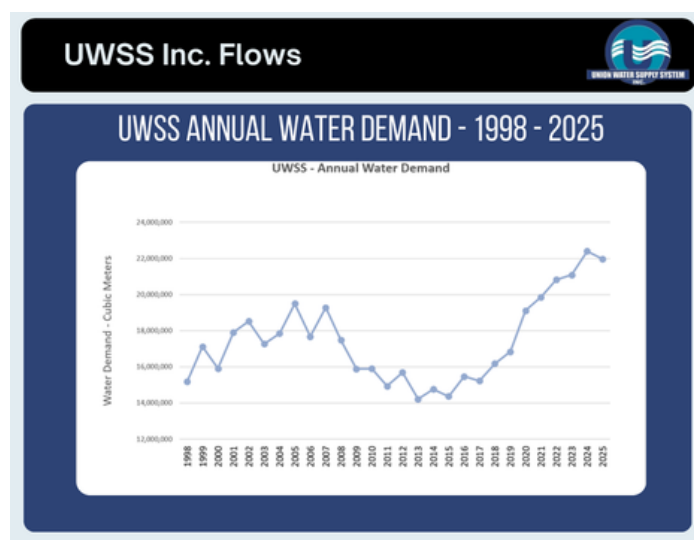
Throughout 2025, Operations and Maintenance activities focused on maintaining the reliability, safety, and performance of the drinking water treatment and distribution system. Work included preventive and corrective maintenance, instrumentation replacement and calibration, pump and motor servicing, process equipment repairs, electrical improvements, facility maintenance, and infrastructure inspections.

The maintenance program addressed both routine equipment needs and larger asset-related requirements across the treatment facilities, water towers, pumping systems, and associated process equipment.

2025 Water Demand

Flows were down 435 ML (1.94%) in 2025 compared to 2024. Despite this year-over-year decrease, 2025 demand remained 4.4% above the previous four-year average, continuing the sustained upward trend observed since 2018. This trend reflects continued residential growth, agricultural expansion, and economic activity within the service area.

2025 Operations & Maintenance Highlights



Maintaining Critical Infrastructure

Routine and preventive maintenance kept essential systems operating safely and reliably throughout the year.

Protecting Water Quality

Maintenance and monitoring of treatment systems supported consistent water quality and reliable process performance.

Improving Equipment Reliability

Repairs, replacements, and targeted upgrades addressed equipment needs and supported reliable system operation.

Proactive Asset Management

Inspections and condition assessments helped identify emerging needs and guide maintenance priorities.

Operations & Maintenance



2025 Key Maintenance Activities

 Focus Area	 2025 Activities
Instrumentation & Controls	Replaced level transmitters and level sensors; serviced pressure gauges; maintained flow monitoring equipment; repaired and serviced chlorine analyzers; maintained control valve actuators.
Pumping & Mechanical	Completed pump repairs and rebuilds, including pump motors and components; replaced/serviced a sump pump; serviced the DAF pump head; completed emergency repairs to chlorine sampling and pumping equipment.
Treatment Systems	Maintained chlorination and filtration equipment; serviced carbon filtration components; completed maintenance on the DAF system; repaired and maintained process valves and actuators.
Electrical Systems	Completed plant lighting replacements and improvements; performed maintenance on transformer and main-plant electrical equipment; serviced electrical components supporting treatment operations.
Water Towers & Storage	Replaced or serviced water-level monitoring equipment; maintained reservoir access hatches; serviced water tower generators; completed an ROV inspection of the Albuna Water Tower.
Preventive & Condition-Based Maintenance	Performed equipment inspections, vibration analysis, condition assessments, and targeted component replacements to identify maintenance needs and support long-term asset reliability.

Asset Reliability & Looking Ahead

A proactive maintenance approach in 2025 helped identify equipment needs before they became larger operational issues. Moving forward, O&M will continue using condition assessments, preventive maintenance, and lifecycle planning to prioritize critical assets, address emerging needs, and support reliable long-term service.

Regulatory Compliance

UWSS Inc. maintained full regulatory compliance under Ontario’s Safe Drinking Water Act and O. Reg. 170/03, as reported in the 2025 Annual Performance Report.

- **Microbiological Safety:** All 52 treated water microbiological samples met requirements, with no detections of E. coli or total coliforms.
- **Water Quality:** No exceedances of Maximum Acceptable Concentrations (MAC) or ½ MAC were identified for any tested inorganic or organic parameters.
- **Lead Monitoring:** Schedule 15.1 testing confirmed alkalinity levels of 79–80 mg/L and pH levels of 7.25–7.45, with no exceedances.
- **Incident Reporting:** No Spills Action Centre notifications for the UWSS Distribution System were required during the 2025 reporting period.
- **MECP Inspection:** Achieved a 100% final inspection rating following the successful completion of corrective actions identified during the January 23, 2025 inspection.

DWQMS Audits & Reaccreditation

UWSS Inc. successfully completed its DWQMS reaccreditation audit in 2025, resulting in the issuance of a renewed Certificate of Accreditation. UWSS Inc. also completed both internal and external DWQMS audits during the year. No major or minor non-conformances were identified through any of the audits; all findings were limited to Opportunities for Improvement (OFIs), as summarized below.

Audit	Result
Internal DWQMS Audit	1 OFI
External DWQMS Audit — Stage 1 System Audit	No OFIs
External DWQMS Audit — Stage 2 On-Site Reaccreditation Audit	2 OFIs

MECP Inspection

The Ministry of the Environment, Conservation and Parks (MECP) conducted a detailed inspection of the Union Water Supply System on January 23, 2025, covering the 2024 review period. The inspection identified four non-compliances and two recommendations, primarily related to operator certification and documentation, wastewater discharge quality, and disinfection procedures.

UWSS Inc. implemented the required corrective actions, including operator training and documentation improvements, enhancements to the dechlorination system, and strengthened disinfection procedures.

All identified items were successfully addressed, resulting in a final inspection rating of 100%.

Regulatory Compliance

Water Quality at a Glance

Water quality monitoring continued throughout 2025 in accordance with Ontario's drinking water requirements. Routine sampling and analysis demonstrated consistent treated water quality across the system.

PARAMETER	SAMPLES	2025 RANGE / AVERAGE	UNIT
Treated Water – Turbidity	8,760	0.01 – 1.263	NTU
Treated Water – Chlorine	8,760	1.03 – 2.00	mg/L
Distribution – Chlorine	193	0.70 – 1.77	mg/L
Raw Water – E. coli	52	<10 – 100	CFU
Raw Water – Total Coliform	52	<10 – 2,280	CFU
Treated Water – E. coli / Coliform	52	0 – 0	CFU
Distribution – E. coli / Coliform	56	0 – 0	CFU
THM – Annual Average	4	19.5	µg/L
HAA – Annual Average	4	8.6	µg/L

0 E. coli / Coliform

No E. coli or total coliform was detected in treated water or UWSS distribution system samples during 2025.



All reported results met applicable Ontario Drinking Water Quality Standards. No exceedances were reported for the monitored inorganic parameters, organic parameters, nitrate/nitrite, sodium, or lead/alkalinity/pH testing.

Communications



In 2025, UWSS Inc. continued to strengthen communication and engagement with the communities it serves through public information, digital communication, infrastructure project updates, community events, and opportunities for public participation.

Communication & Engagement Highlights

Expanded Digital Communications: Launched UWSS Inc.'s Instagram account and continued sharing timely information through its website, social media, local media, and public information sessions.

Public Consultation: Engaged residents on major infrastructure initiatives, including Reservoir #3 and the proposed UWSS–Windsor Utilities Commission water system interconnection.

Community Engagement: The UWSS Inc. Community Hydration Station supported local events throughout the summer, promoting safe tap water and reusable bottles.

Youth & Education: Continued school and student engagement through facility tours, educational visits, Take Our Kids to Work Day, and the OneWater program.

Community Support: Supported the Kingsville Community Food Bank and provided water supply assistance to Wheatley and Harrow during periods of need.

Media & Public Awareness: CEO Rodney Bouchard was featured by CBC in a national report discussing the challenges water utilities face in responding to evolving PFAS guidelines.

Organizational Development: Strengthened internal HR practices through the development and implementation of new HR policies and a comprehensive salary review process, supporting consistency, transparency, and alignment across the organization.

Building Connections



Through expanded digital communication, public consultation, community initiatives, education, and community partnerships, UWSS Inc. continued to build awareness, encourage participation, and strengthen relationships across the communities it serves.

Financials

Financial Overview

UWSS Inc. maintained a strong financial position at December 31, 2025. Financial performance for the fiscal year ending December 31, 2025, was favourable to budget by approximately \$2.2 million due primarily to higher water supply service revenue and lower operating expenditures than budgeted.

Revenues

Total revenues for the year were \$17.9 million, comprising primarily from:

- **Water supply services** – \$17.0 million, which contributed a favourable 7% variance to budget due primarily to a modest increase in water demand and a reduction in water losses.
- **Investment interest income** – \$0.8 million, which was unfavourable to budget, primarily due to lower prevailing interest rates.

Operating Expenditures

Operating expenditures, excluding depreciation, totalled \$8.6 million, representing 48% of total revenues. Major expenditures were primarily comprised of the following:

- **Water maintenance service** – \$4.6 million, representing a 4% favourable variance to budget, primarily attributable to lower-than-budgeted retroactive regulatory salary adjustments mandated in Ontario.
- **Utilities** – \$1.7 million, consistent with budget.
- **Wages and benefits** – \$656,198, representing an 11% favourable variance to budget due to lower-than-budgeted salaries and benefits for additional personnel.
- **Repairs and maintenance** – \$272,065, representing an unfavourable variance to budget, primarily due to unbudgeted residual pond maintenance costs.
- **Professional services** – \$244,317, representing a 60% favourable variance to budget, primarily attributable to the capitalization of engineering costs on projects, partially offset by higher legal costs related to corporate contract negotiations and governance requirements.
- **Operational programs and studies** – \$194,402, representing a 66% favourable variance to budget due to the deferral of certain operational programs and studies during the year.
- **Administrative fees** – \$192,904, representing a 58% unfavourable variance to budget due to the higher municipal salary and benefit costs relative to the original budget.

Overall, operating expenditures, excluding depreciation, were approximately \$1.1 million below the 2025 approved budget.

Capital Expenditures

Cash and debt-funded capital expenditures totalled \$33 million in 2025. Notable projects completed or advanced include:

- Reservoir #3 (\$19 million);
- Dissolved Air Flotation Unit (DAF) #2 (\$12 million);
- Back up generators (\$885,000);
- Dechlorination (\$554,000).

A detailed discussion of the major capital projects is discussed in the Infrastructure section of this report.

Financial Position

At December 31, 2025, UWSS Inc. continued to maintain a strong financial position, supported by cash, operating reserves, and capital reserves totalling \$24.7 million. Accounts payable and accrued liabilities were approximately \$10.1 million and related primarily to the Reservoir #3 project.

As at year-end, UWSS Inc. had drawn \$28.0 million on its operating line to support the Reservoir #3 and DAF #2 capital projects.

