Union Water Supply System Inc.
Board of Directors Meeting

Wednesday, September 16th, 2026
9:00
Kingsville Arena
1741 Jasperson Ln, Kingsville, Ontario

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. Disclosures of Pecuniary Interest:

E. Approval of Minutes:

Minutes of the Board of Directors Meeting held on Wednesday, June 17, 2026
Pages 3 - 12

F. Business Arising Out of the Minutes

-

G. Attendance of UWSS Board of Directors

Page 13

H. Items for Consideration:

1. Report UW/18/26 dated September 9, 2026 re: UWSS 2026 YTD June 2026 Financial Update
   Pages 14 - 16

2. Report UW19/26 dated September 9, 2026 re: UWSS Inc. Governance Committee Vacancy
   Pages 17 - 18

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 for the following items:

Item 1 – Confidential Report Boil Water Advisory of July 25th, 2026 to be heard under Section 239 (2)(e)(f), being litigation or potential litigation, including matters before administrative tribunals, affecting the municipality or local board; and being advice that is subject to solicitor-client privilege, including communications necessary for that purpose; and

Item 2 – Update on water allocation to be heard under Section 239 (2)(e)(f), being litigation or potential litigation, including matters before administrative tribunals, affecting the municipality or local board; and being advice that is subject to solicitor-client privilege, including communications necessary for that purpose.

J. Disclosures of Pecuniary Interest and the General Nature Thereof (closed meeting)

K. Adjournment of Special Closed Meeting:

L. Report on Closed Session:

3. Report UW/20/26 dated September 10, 2026 re: Report on the July 25th, 2026 Kingsville Water Tower Low Pressure Event
   Pages 19 - 23

M. Consent Agenda

That the item on the consent agenda are received, as the minutes have been approved through the Finance & Audit Committee

1. Finance & Audit Committee meeting minutes held on Wednesday, June 3rd, 2026
   Pages 24 - 27

N. New Business:

O. Comments, Announcements, and Other Business:

P. Adjournment:

Q. **Date of Next Meeting:** October 21st, 2026, Kingsville Arena, 9:00 am

/kmj

UWSS Inc. Board of Directors Meeting

Wednesday, June 17, 2026
9:15 am
Lion's Hall, 21 Mill Street W, Kingsville

MINUTES

Directors	Kim DeYong (Chair) Hilda MacDonald (Vice Chair) Sherry Bondy Kirk Walstedt Dennis Rogers Lori Atkinson Tim Sunderland John Tofflemire Wayne Wharram Barry Wilson Larry Verbeke
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) Andrew Plancke, UWSS Inc. Senior Manager Infrastructure (guest)
Guests:	William Willis, Willis Business Law – Legal Counsel Sabrina Nazzani, Capital Assist (Valuation) Inc. – CFO Calvin Dawson, Partner Baker Tilly Trillium LLP Austin Paparola, Manager Baker Tilly Trillium LLP
OCWA Staff	Ken Penney, Robin Trepanier, Dale Dillen, Tim Woolner

Call to Order: 9:19 am

Land Acknowledgement, as read by the Chair

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.

Welcoming Remarks:

The Chair welcomes everyone.

Disclosure of Pecuniary Interest: none

Approval of Minutes

No. UWSS Inc-23-26

Moved by: Director Rogers

Seconded by: Director Sunderland

That the Minutes of the following are approved:

- Minutes of the UWSS Inc. Board of Directors meeting held on Wednesday, April 15, 2026

Carried

Business Arising out of the Minutes: none

Attendance of UWSS Inc. Board of Directors

The Chair notes that all members are present.

Items for Consideration

Report UWSS/12/26 dated June 12, 2026 re: 2025 Draft Audited Financial Statements

The CFO notes to members that the UWSS Inc Finance & Audit Committee have already reviewed the information being presented. She indicates that the growth of the assets has been due to the capital spending in 2025. UWSS Inc. has a strong financial position, which includes higher cash balances. She does indicate that interest earned is slightly less, due to the lower rates throughout the industry. The income statement is presented relative to the budget. Overall, the budgeted expenses are slightly lower than actual expenses due to a few factors; ongoing negotiations with OCWA, retroactive salary adjustments and deferred studies. There were some higher costs that were not budgeted, which included the residual ponds, that is now a line item within the budget.

The CEO introduces the auditors from Baker Tilly Trillium. Calvin Dawson speaks to the directors and notes that the UWSS Inc. 2025 Financial Statements are in order. He makes note of a few small items, namely that there was no interest on long term debt, which is notes in the Notes. He thanks the team from UWSS Inc working well with Baker Tilly's team.

Director Wilson asks about the retirement provision of $327,000, which is explained as retirement provision to several staff members.

No. UWSS Inc-24-26

Moved by: Director Wilson

Seconded by: Director Verbeke

That the Board of Directors approve the 2025 Financial Statements of UWSS Inc.; and

That the 2025 Financial Statements are to be brought forward to the Annual General Meeting.

Carried

Report UWSS/13/26 dated June 13, 2026 re: Union Water Supply System Joint Board of Management - Dissolution

The CEO explains that this is the same report that was just presented at the UWSS Joint Board of Management, as six (6) directors also sit on that board.

Legal counsel, William Willis, reminds all directors that all items have been transferred over to UWSS Inc. from the Joint Board of Management (JBM). He is recommending dissolution of the JBM, which just recently passed a similar resolution. He notes the JBM was a legacy governing body and at this time should be formally dissolved. He further recommends that each municipality pass similar by-laws. He further explains that the dissolution does not change any of the governance structure or operational aspects. This is basically cleaning up lingering governance paperwork.

No. UWSS Inc.-25-26

Moved by: Director Wharram

Seconded by: Director Wilson

That report UWSS/13/26 dated June 12, 2026 re: Joint Board of Management - Dissolution is received; and

No. UWSS Inc.-26-26

Moved by: Direction Tofflemire

Seconded by: Direction Atkinson

WHEREAS Union Water Supply System Inc. was established by the Municipalities as the municipal services corporation to own, manage and operate the Union Water Supply System;

AND WHEREAS the Municipalities and Union Water Supply System Inc. have entered into an Asset Transfer Agreement effective January 1, 2024 and related agreements to implement the transfer of the Union Water Supply System to Union Water Supply System Inc.;

AND WHEREAS the Union Water Supply System Joint Board of Management remains as a legacy governance body and the board of directors of Union Water Supply System Inc. considers it appropriate for the Municipalities to formally dissolve the Joint Board of Management;

BE IT RESOLVED THAT:

1. Union Water Supply System Inc. supports and recommends the dissolution of the Union Water Supply System Joint Board of Management by the Municipalities;

2. Union Water Supply System Inc. recommends that each Municipality pass a by-law approving the dissolution of the Joint Board of Management effective on a common date to be determined by the Municipalities;

3. Union Water Supply System Inc. confirms that it is prepared to continue as the management and operating vehicle for the Union Water Supply System and, subject to applicable law and the required municipal approvals, to accept any remaining rights, records, obligations or administrative matters of the Joint Board of Management required to complete the wind-up of the Joint Board of Management;

4. the Chair and Chief Executive Officer of Union Water Supply System Inc. are authorized and directed to take all steps and execute all documents necessary or desirable to support the municipal dissolution process and complete any remaining transfer, assignment, assumption, records, banking or administrative matters related to the wind-up of the Joint Board of Management; and

5. the Chief Executive Officer is directed to circulate this resolution to the CAOs, clerks and municipal solicitors for the Municipalities and request that the necessary municipal by-laws and/or resolutions be brought forward to each municipal council

Carried

Report UWSS/14/26 dated June 10, 2026 re: Approvals for Design and Engineering Services for Electrical System Upgrades to the Ruthven Water Treatment Plant and Low Lift Pumping Station

The CEO reminds the directors of the heavy capital program taking place with the UWSS. He reviews the pH Adjustment system, the chlorine disinfection system, DAF #1 & DAF #2, and indicates that the next phase is the UV filtration and design. With that a thorough review of the electrical system has taken place with coordination between OCWA and

Associated Engineering (AE). He notes from this inspection it has been determined that there are many areas of the facility that have electrical systems that are original in nature.

He explains that an electrical upgrade is necessary, which will take place concurrently with the UV filtration building. AE will provide a complete design to both the high lift and low lift properties. This is a direct negotiation with the AE as they are the design engineer UWSS Inc has been working closely with over the last decade and the CEO feels they have a true understanding of all projects as the facilities.

The CEO further notes that he is not asking for any additional funding, as the administration building (a 2026 capital project) has now been abandoned. He would like to move funding earmarked for the administration building over to this electrical system upgrades project.

The directors ask the CEO questions about Hydro One, whether this funding change had been presented to the Finance & Audit Committee and if there will be a request for additional funding.

No. UWSS Inc.-27-26

Moved by: Director MacDonald

Seconded by: Director Wilson

That the UWSS Inc. Board authorizes the UWSS Inc. CEO to retain Associated Engineering under Direct Negotiation for Design Engineering Services for the Electrical System Upgrades to the Ruthven Water Treatment Plant and Low Lift Pumping Station valued at $1,574,400

Carried

Report UWSS/15/26 dated June 10, 2026 re: Update on Exiting Moratorium on Applications for UWSS Treatment Capacity Allocations

The CEO summarizes the sequence of events that have taken place over the last five (5) years regarding the large service application moratorium. He notes that the initial moratorium lies with the former Joint Board of Management. A copy of the report is attached to his current report, and he explains that we are still under those same conditions at the water treatment plant.

He then explains the improvements made to the treatment plant to address the issues, however it is now time to move towards a new filtration plant to allow for more capacity, with the plan in place to build a 92 ML per day facility.

Director Bondy asks about data centres, as there has been a lot of conversations happening locally, and she wants to reassure residents that this is not possible. The CEO the moratorium covers any large application of 50,000 l/day, which would include data centres.

Director Rogers wants to know how this expansion could affect water rates in the coming years. The CEO notes that he will be bringing a report to the board once engineers get to a class B pricing. His intent is not to have massive rate increases, but regular rate increases are part of the plan. He then briefly discusses the potential allocation of water once the facility is built, but that requires further discussion and reminds members that growth should be paying for growth.

Director Verbeke seeks clarification of small greenhouse operations selling to larger operations, and how does that situation work. The CEO notes that the allocations are non-transferable.

No. UWSS Inc.-28-26

Moved by: Director Verbeke

Seconded by: Director Tofflemire

That the UWSS Inc. Board of Directors receives this report for information.

Carried

Report UWSS/15/26 dated June 11, 2025 re: MECP Drinking Water Inspection Report for the UWSS February 2026 Inspection

The CEO reminds members of the 2025 inspection report and low rating received from the Ministry. He UWSS worked closely with the OCWA staff to address all of the issues that carried over from the 2025 report, with many being addressed from corporate down to the local level.

He is happy to confirm that the 2026 inspection garnered a 100% rating from the Ministry and thanks OCWA staff for working diligently to address all of the issues.

Director Bondy asks if there is training or webinars to educate staff of changes within regulations and guidelines. The operations manager confirms that training is required regularly and completed in a timely manner.

Director Sunderland asks a few clarifying questions regarding some of the issues, mainly regarding the clearwell #1. The CEO explains the plan for this item going forward and notes that it has been provided to the ministry as well. Director Sunderland also congratulates the team as achieving 100% is a difficult task.

No. UWSS Inc.-29-26

Moved by: Director Sunderland

Seconded by: Director Atkinson

That the UWSS Inc. receives this report for information.

Carried

Report UWSS/15/26 dated June 12, 2026 re: Performance Management Policy and Evaluation Templates

The CEO explains that the policy was developed for CEO and staff and has been presented to the Governance Committee, with their approval to bring forward to the board.

Ms. McKee then explains that this is the next step suggested by ML Consulting to have a guide on how UWSS Inc. conducts performance review and probationary periods. She notes that this policy provides the framework for follow for best practices.

The CEO further notes that this policy basically follows the templates of the municipal shareholders. The Chair provides further details explaining that there was a good discussion surrounding this item at the Governance Committee.

No. UWSS Inc.-30-26

Moved by: Director Rogers

Seconded by: Director MacDonald

That the Board of Directors of Union Water Supply System Inc. (UWSS Inc.) approve the Performance Management Policy and associated evaluation templates, as recommended by the Governance Committee at its May 13, 2026 meeting

Carried

Verbal update on the 2026 Budget

The CEO reminds members that the 2026 budget had been approved in January 2026, however since then there have been some major changes that should be noted.

Some of the major changes include the elimination of the Administrative Building project. After careful consideration and discussion with staff, engineering and OCWA he feels that accommodations can be made for UWSS Inc. staff and board room within the new UV filtration facility. This will allow for better workflow for both OCWA staff and UWSS Inc staff, as well as provide for a board room to accommodate director meetings. There would be minimal additional costs to the filtration building.

He then provides details for several unbudgeted occurrences this year. Namely DAF #2 has experienced some significant issues, which caused a collapse of its centre column, which cost an estimated $300,000 to repairs. Filter #2 has also collapsed and at this point he is unsure of why this happened but does require expense and expertise to make the necessary repairs. He believes this filter #2 collapse will cost approximately $500-600,000. He is hoping that the filter #2 can be back online by the end of July.

He then notes that for the Reservoir #3 project, there has been a slight delay, due to the war overseas. He explains that an important, specialized pipe is stuck in the Straight of Hormuz.

The CEO confirms that the forecast budget will be presented in September. He also notes that this verbal information was provided to members of the Finance & Audit Committee.

No. UWSS Inc.-31-26

Moved by: Director Atkinson

Seconded by: Director Tofflemire

That the verbal update, regarding the 2026 capital budget, as presented by the CEO is received.

Carried

Consent Correspondence

That the correspondence presented are received; the correspondence presented below have been provided to the shareholders.

- Letter to the Shareholders dated January 8, 2026 re: UWSS Inc. Director Vacancy – Director Tom Kissner
- Letter to the Shareholders dated March 17, 2026 re: UWSS Inc. Director Vacancy – Director Sebastian Schmoranz
- Letter to the Shareholders dated June 11, 2026 re: UWSS Inc. Director Vacancy – Director Mike St. Amant
- Memo to the UWSS Inc. Shareholders dated April 30, 2026 re: UWSS Inc. Director Appointments

No. UWSS Inc.-32-26

Moved by: Director Rogers

Seconded by: Director Bondy

That the consent correspondence is received.

Carried

Consent Agenda

No. UWSS Inc.-33-26

Moved by: Director Verbeke

Seconded by: Director Sunderland

That the items 1 & 2 on the consent agenda are received, as the minutes have been approved through the UWSS Governance Committee and the Finance & Audit Committee

1. Governance Committee meeting minutes held on Wednesday, April 8th, 2026

2. Finance & Audit Committee meeting minutes held on Wednesday, April 8th, 2026

Carried

New Business

Director Walstedt asks the CEO for an update on the UWSS-WUC redundancy study, and whether he will be making presentations to the local shareholder council. The CEO explains that the intent is to come back to the board however, he is waiting on Technical Memo #2, prior to any presentations. He notes that UWSS is currently moving through the approved budget for this project to complete the Environmental Assessment and conceptual design. He does note that with the current election cycle timing of any presentations might better suited once the new councils are in place.

Director Rogers would like to see the costs and cost sharing that might be involved in this project. The CEO explains that financial information will be part of the conceptual design.

Director Walstedt is concerned that UWSS Inc. is in too far with this project already, and won't be able to remove itself. The CEO explains that UWSS Inc. has only committed $300,000, as have WUC. He further notes that this project will not move forward without substantial funding from senior government.

The Chair asks that the whole history of the UWSS-WUC redundancy project be available for our September meeting.

Director Verbeke asks the CEO why water flows are no longer being presented, as he enjoyed reading through this information. The CEO notes that was part of the Joint Board of Management, as it was more on the operations side of things, and with the governance change it has been removed.

No. UWSS Inc.-34-26

Moved by: Director Verbeke

Seconded by: Director Walstedt

That the water flows are provided under the Consent Agenda going forward for the UWSS Inc. Board of Directors reporting.

Carried

Comments, Announcements, and Other Business

No. UWSS Inc.-35-26

Moved by: Director Verbeke

Seconded by: Director Sunderland

That the Annual General Meeting date is set for September 16, 2026.

Carried

The CEO provides an update on the issues with the Windsor Essex County Health Unit (WECHU) regarding Boil Water Advisories (BWA). He notes that the municipal working group have met and discussed the issue. A draft protocol has been circulated to all members looking for comments and feedback, with the CEO creating an email to circulate to the WECHU.

Adjournment:

No. UWSS Inc-36-26

Moved by: Director Robers

Seconded by: Director Wilson

Time adjourned: 10:43 am

Date of Next Meeting: September 16th, 2026 at the Kingsville Arena.

/kmj

Union Water Supply System Inc. - Attendance (July - September 2026)

	Finance & Audit Committee September 9, 2026		September 16, 2026 UWSS Inc Board of Directors	Total
Hilda MacDonald (Vice Chair)				
Larry Verbeke				
Lori Atkinson	☑			1
Chris DelGreco				
John Tofflemire				
Wayne Wharram	☑			1
Kim DeYong (Chair)				
Tim Sunderland	☑			1
Dennis Rogers	☑			1
Barry Wilson				
Sherry Bondy				
Kirk Walstedt				

To: UWSS Inc. Board of Directors

From: Rodney Bouchard, UWSS CEO
Sabrina Nazzani, UWSS Virtual CFO

Date: September 9, 2026

Re: UWSS June 30, 2026 Financial Summary

RECOMMENDATION

That the Union Water Supply System Inc. Board of Directors receives this report.

PURPOSE

The purpose of this memorandum is to provide the Board of Directors with a summary of Union Water Supply System (UWSS) Inc.'s financial position as at June 30, 2026 and operating results for the six-month period then ended.

EXECUTIVE SUMMARY

Overall, UWSS maintained a strong financial position at June 30, 2026. Year-to-date operating results, excluding interest expense, were favourable to budget by approximately $360,000 for the six months then ended. The favourable variance was primarily driven by lower than budgeted operating and general and administrative expenses, reflecting timing differences, utility savings, and deferred hiring and Board training. These savings were partially offset by lower treatment and transmission volumes and reduced other income, as well as higher residual pond maintenance and legal costs.

FINANCIAL POSITION – BALANCE SHEET SUMMARY

($'000)	June 30, 2026	December 31, 2025	$ Change	% Change
Cash and Short-Term Investments	$ 29,330	$ 24,737	$ 4,593	19%
Accounts Receivable	2,306	2,316	(10)	(0%)
Other Current Assets	5,220	4,612	608	13%
Capital Assets	98,957	92,724	6,233	7%
Total Assets	**$ 135,813**	**$ 124,389**	**$ 11,424**	**9%**
Accounts Payable and Accrued Liabilities	$ 5,580	$ 10,135	$ (4,555)	(45%)
Operating Line	39,613	28,045	11,568	41%
Long-Term Liabilities	1,590	1,590	-	0%
Total Liabilities	**$ 46,783**	**$ 39,770**	**$ 7,013**	**18%**
Shareholders' Equity	**$ 89,030**	**$ 84,618**	**$ 4,412**	**5%**

- UWSS' balance sheet and liquidity remain strong, with changes in cash, receivables, payables and other working capital balances consistent with the timing of operations.
- Other current assets include government rebates of $3.7 million from 2025 that have been processed and refunded in August 2026.

- Capital asset and operating line movements reflect planned capital investment and scheduled financing activity.

YTD JUNE 30, 2026 INCOME STATEMENT SUMMARY – ACTUAL VS. BUDGET

($'000)	YTD Actual June 30, 2026	YTD Budget June 30, 2026	$ Variance	% Variance
Treatment and Transmission Revenue	$ 8,339	$ 8,783	$ (444)	(5%)
Other Income	408	605	(197)	(33%)
Total Revenue	**$ 8,747**	**$ 9,388**	**$ (641)**	**(7%)**
Operating Expenses				
OCWA operating contract	$ 2,262	$ 2,608	$ (346)	(13%)
Utilities	707	875	(168)	(19%)
Operational Programs and Studies	255	529	(274)	(52%)
Residual Pond Maintenance	167	125	42	34%
Other Operating Expenses	189	305	(116)	(38%)
Total Operating Expenses	**$ 3,580**	**$ 4,442**	**$ (862)**	**(19%)**
General and Administrative Expenses				
Personnel Costs	$ 387	$ 490	$ (103)	(21%)
Board Costs	74	100	(26)	(26%)
Professional Fees	72	35	37	106%
Municipal Administrative Charges	98	100	(2)	(2%)
Other General and Admin Expenses	125	170	(45)	(26%)
Total General and Administrative Expense	**$ 756**	**$ 895**	**$ (139)**	**(16%)**
Net Income before Budgeted Interest Expense	**$ 4,411**	**$ 4,051**	**$ 360**	**9%**

- Total Revenue was unfavourable to budget, primarily due to:
  - Lower treatment and transmission volumes, reflecting the inclusion of Wheatley water supply volumes in the 2026 budget, with no corresponding supply volumes realized in 2026; and
  - Lower other income, driven by reduced interest rates and lower cash and reserve balances.
- Total Operating Expenses were favourable to budget, primarily due to:
  - The timing of OCWA operating contract expenditures;
  - The timing of spending on operational programs and studies;
  - Reduced utilities cost attributable to UWSS' participation in Essex Power's global incentive program to reduce large consumer utility costs; and
  - Partially offset by higher residual pond maintenance expenditures.
- General and administrative expenses were favourable to budget, primarily reflecting:
  - Lower personnel costs due to the timing of 2026 new hires, not realized;
  - Lower board costs due to the deferral of budgeted 2026 Board training to 2027; and;
  - Partially offset by higher professional fees related to higher legal costs associated with OCWA contract negotiations and other initiatives.

- Interest expense on the operating line related to the Reservoir #3 project has been capitalized (approx. $582,000) as part of the project cost in accordance with accounting policy. Accordingly, the year-to-date net income presentation is before budgeted interest expense (approx. $643,000).

Respectfully submitted,

Rodney Bouchard, CEO
Union Water Supply System Inc.

To: UWSS Inc. Board of Directors

From: Rodney Bouchard, UWSS Inc. CEO

Date: September 9, 2026

Re: UWSS Inc. Governance Committee Vacancy

Recommendation:

That the Board provide direction regarding whether the Governance Committee should continue with four (4) voting members or whether an additional Director should be appointed to the Governance Committee.

Background:

At the February 21, 2024 UWSS Inc. Board of the Directors meeting, the Board adopted the Terms of Reference for the establishment of a UWSS Inc. Governance Committee. (Committee). The Terms of Reference provide the following guidance on membership within the Committee:

*The Board shall elect from its members, not less than four (4) Directors to serve as voting members on the Committee (each voting member herein referred to as a "**Member**") for a term equal to the remainder of the then current four (4) year term of the Board (and the Board from time to time shall thereafter fill Member vacancies on the Committee). The number of Members on the Committee shall not exceed half of the number of directors of the Corporation.*

At the April 17, 2024 UWSS Inc. Board of Directors meeting, the Board appointed the following UWSS Inc. Directors and Officers to the Governance Committee:

Voting Members

- Hilda MacDonald - Municipality of Leamington Director/UWSS Inc. Board Chair
- Kim DeYong - Town of Kingsville Director / UWSS Inc. Board Vice-Chair
- Tom Kissner - Town of Kingsville Director
- John Tofflemire - Municipality of Leamington Director

Non-Voting Members

- Rodney Bouchard - UWSS Inc. CEO

Discussion:

Since its inception the Governance Committee has been working diligently to ensure that policy management, approvals, reviews and other matters of corporate governance are inline with the Terms of Reference. This committee continues to meet regularly to ensure that management reports are reviewed and allows the members insights to be considered prior to bringing relevant information to the Board of Directors.

Re: UWSS Inc. Governance Committee Vacancy

At the July 16, 2025 UWSS Inc. Board of Directors meeting, Director Bondy was then added as a member of the Governance Committee under motion UWSS-24-25. She has participated since that time, which brought the total number of directors on the Committee to five (5).

Unfortunately, in January of 2026 UWSS Inc. learned of the passing of Director Kissner, who was a valued member of the Governance Committee, his insight and water industry knowledge provided guidance during UWSS Inc.'s initial years as a corporation. His insight will be missed. Following Director Kissner ceasing to serve on the Governance Committee, no replacement has been appointed. The Governance Committee currently consists of four (4) voting members.

The Governance Committee Terms of Reference provide that the Board shall elect from its members not less than four (4) Directors to serve as voting members of the Committee and contemplate the Board filling Member vacancies from time to time.

Accordingly, the current composition of four (4) voting members complies with the Terms of Reference.

Given that the Board had previously determined that the Governance Committee should consist of five (5) voting members, Administration is seeking Board direction as to whether the Committee should continue with four voting members or whether the Board wishes to appoint a fifth voting member to fill the vacancy created by Director Kissner's departure.

Respectfully submitted,

Rodney Bouchard, CEO
Union Water Supply System Inc.
/kmj

UWSS/20/26

To: **UWSS Inc. Board of Directors**

From: **Rodney Bouchard, UWSS Inc. CEO**

Date: **September 10, 2026**

Re: **Report on the July 25, 2026 Kingsville Water Tower Low Pressure Event**

Recommendation:

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

Background:

In the early evening of July 25th, 2026, the residents and businesses within the Kingsville water tower pressure zone experienced a low water pressure event that resulted from an issue with the control valve that supplies water to the Kingsville Water Tower. The low water pressure event was relatively short lived. However, due to the low water pressure, the Windsor Essex County Health Unit (WECHU) issued a Boil Water Advisory (BWA) for the affected area. The BWA was subsequently rescinded by WECHU in the afternoon of July 28, 2026.

Details on the cause of the low water pressure event, response to the event, issuance and lifting of the BWA, and follow up corrective actions are provided in the Discussion section of this report.

Discussion:

The discussion on the July 25th, 2026 KWT low pressure event includes separate components: the low-pressure event and response; Boil Water Advisory; and the corrective and follow up actions.

Low Pressure Event and Response:

At 10:14am on Saturday July 25, 2026, the OCWA operator on duty at the Ruthven Water Treatment Plant (RWTP) received an alarm for a power failure at the Kingsville Water Tower (KWT) control panel. However, communication between the RWTP and the KWT remained since backup power systems were in place.

At 12:57pm that day, the on-duty operator received an alarm of a communication failure between the RWTP and KWT. The water level reading at the KWT at the time of the communication failure was 6.21 meters (m). The top water level in the KWT is 8.2 m and the low water level is 4.2 m. As such, the KWT was about half full at that time.

At approximately 2:25 pm, noting that the power failure at KWT had not yet been resolved, the on-duty operator contacted on-call OCWA operations/maintenance staff to go check on the KWT power/communication issue. The operator also directed on-call staff to switch control valve (VC-16), which controls the filling for the KWT, into the "hydraulic" mode so that treated water could be delivered directly from treatment plant pressure zone to the Kingsville water tower pressure zone.

On-call operations/maintenance staff were on-site at VC-16 at approximately 2:35pm and switched the valve into hydraulic mode. On-call staff then went to the KWT and noted that the pressure gauge at the KWT had a reading of 42 psi. Normal operating pressures for the KWT are between approximately 35-49 psi. This reading indicated that the KWT was about half full. On-duty operator noted this information in the logbook. On call staff also noted that there was no power at the KWT control panel. Communications between RWTP an KWT were not restored due to this power failure. However, this was not a significant concern since VC-16 had been switched to hydraulic mode. On-call staff informed the on-duty operator that VC-16 was in hydraulic, provided the operator with KWT pressure/water level reading and left the site.

At approximately 7:30pm, the on-duty operator received a call from a resident about low water pressure in the downtown Kingsville area. The on-duty operator contacted on-call operations/maintenance staff and directed staff to check on the KWT. On-duty operator also contacted operations management and apprised them of the situation.

On-call maintenance staff responded and was on-site at VC-16 by 7:46pm. During the response, on-call maintenance staff contacted Town of Kingsville water distribution staff to inform them of the situation. On-call maintenance staff noted that there was no flow going through VC-16 and determined that there was an issue with the valve. In the meantime, OCWA operations management dispatched a second OCWA operations/maintenance staff to assist. By approximately 7:55pm, on-call maintenance staff successfully opened the VC-16 valve by-pass and restored water flow to the KWT and the affected area.

At approximately 9:10pm, OCWA operations management met with OCWA on-call maintenance staff and went to KWT to assess the control panel power failure. It was discovered that a breaker in the power panel had failed. It was noted that this failure had never occurred before. The issue was corrected and communication between the RWTP and KWT was restored at approximately 9:30pm. On-duty operator noted that communications had been restored between the RWTP, KWT and VC-16. The operator also noted that the level in the KWT was exceeding the "high-high" level and would be overflowing anytime. The OCWA staff at KWT informed Kingsville water staff, who were at VC-16 at the time, to close the VC-16 bypass so that the KWT didn't overflow.

Between 9:30pm on July 25th and 8:00am on July 26th, OCWA operations/maintenance staff assisted Town of Kingsville water department staff with flushing watermains in the KWT pressure zone that were affected by the low water pressure.

Boil Water Advisory

At approximately 7:35pm on July 25th, 2026, the UWSS Inc. CEO received a call from the Kingsville CAO reporting on resident complaints about low or no water pressure in the downtown Kingsville area. After following up with OCWA operations management on this issue, UWSS Inc. CEO reported to Kingsville CAO and Director of Public Operations that there was an apparent equipment failure associated with KWT components that resulted in low pressure in the KWT and associated pressure zone.

As part of phone conversation that occurred at approximately 8:00pm between UWSS Inc. CEO, Kingsville CAO and Director of Public Operations, it was agreed that a Boil Water Advisory would likely be issued due to the water pressure in parts of the KWT pressure zone going below 20 psi, which is a low threshold for distribution system pressures. Subsequent conversations occurred between UWSS, Kingsville and OCWA management to get this process going. OCWA, as the operating authority for UWSS Inc., would be responsible for contacting WECHU on-call staff to determine next steps regarding the low-pressure event. OCWA operations staff began this process upon arrival at the RWTP at approximately 8:45pm.

It was noted that at approximately 8:00pm, Town of Kingsville posted a notice to the public indicating that the Town and Union Water were investigation a water outage in Kingsville. At approximately 8:15pm, UWSS Inc. administration noted that a boil water advisory notice had been posted on Town of Kingsville website. This post was later copied and posted on UWSS Inc. website and social media.

Due to some delays associated with availability of after hours staffing, resources and information, and confusion resulting from conflicting information between various entities involved, the official Boil Water Advisory was finally issued by WECHU Medical Officer of Health (MOH) at approximately 11:40pm. This notice was subsequently shared to all parties involved.

During the morning of Sunday July 26th, 2026, UWSS Inc. administration received a number of messages with complaints about the quality of the map identifying the Kingsville BWA affected area. UWSS Inc. administration worked with Kingsville administration and OCWA to try and get a better map issued. However, since it was a weekend, staff and resources were not readily available to address this issue. A better map was posted later that day, but it still did not clearly address the boundaries of the BWA. A better map was finally produced and posted on the morning of Monday July 27th, 2026 with the assistance of Town of Kingsville GIS staff.

At 11:45am on July 26th, OCWA compliance staff started the collection of the samples from the affected area of the Kingsville distribution system and submitted the samples to an accredited laboratory for bacteriological testing. Laboratory results for these samples were returned the afternoon of July 27th, 2026 with negative results for Total Coliforms and E. coli.

A telephone meeting was held at 2:30pm on July 27th, 2026 between UWSS Inc. CEO, Town of Kingsville administration, and WECHU to discuss the cause and response to the low-pressure event. During that meeting, it was noted that the results of the bacteriological samples collected the previous day were returned by the lab as "clean". However, the MOH determined that it would be prudent to extend the BWA by another day and obtain another round of samples for confirmation that there was no bacteriological contamination to the affected area from the low-pressure event. OCWA staff had already collected regulatory samples from the Kingsville distribution system earlier that day and these would be used for this purpose as well. Following this meeting, Town of Kingsville and UWSS Inc. updated their website and social media posts to reflect the extension of the BWA.

At approximately 1:00pm on Tuesday, July 28th, 2026, OCWA compliance staff received the results from the laboratory for the previous day's sample collection. The results were returned as "clean". OCWA compliance staff contacted WECHU to start the process to rescind the BWA. WECHU issued the notice to rescind the BWA at approximately 2:35pm.

It should be noted that UWSS Inc. received subsequent calls and messages from residents about what should be done after the BWA. There was uncertainty about whether internal plumbing should be flushed, water filters changed, refrigerator made ice thrown out, etc. UWSS Inc. administration noted that this is an area of improvement and would require discussions with municipalities and WECHU.

Post BWA Corrective Actions and Follow-up Activities

After the BWA was rescinded, OCWA operations/maintenance staff completed an investigation to ascertain the cause of the KWT control panel power failure and the failure in the VC-16 control valve hydraulic function. It is believed that the KWT control panel power failure that resulted due to a failed breaker was caused by an errant power surge. This had never occurred in the past. OCWA will be relocating the control panel and its components from its existing external location into the utility building that has recently been constructed at the KWT. Improvements to the back up power system will be undertaken as part of this process. This work is scheduled to be completed during the week of September 14th, 2026.

A "smart hydrant" unit is scheduled to be installed in the fire hydrant adjacent to the KWT property location. These hydrant monitoring unit are permanent installations that continuously record water pressure, temperature and include a hydrophone to "listen" for leaks in the watermain. Data is sent via cellular device to a data server and is available for viewing on a dashboard by treatment plant operators and OCWA operations management. The system includes alarm setpoints that sends alarms to operators when the measured data are above or below the setpoints. Since these monitoring units are battery powered, they are not subject to electrical power grid failures. The addition of this monitoring unit adjacent the KWT will help manage any pressure issues associated with the KWT.

The failure associated with the VC-16 control valve resulted from a wiring issue with the controller mechanism. It needs to be noted that a whole new control valve and control

panel for VC-16 was purchased in Spring 2026 and installed by the panel manufacturer. OCWA's investigation identified that the new system had been tested during power failures and worked as intended. However, it was identified that the control valve would only fail to "hydraulic" mode if it was a subject to full power failure. The VC-16 control mechanism communicates with the KWT control panel. Since the power failure did not also affect the control mechanism, the control valve did not recognize a problem even when it was manually switched to hydraulic mode. The VC-16 control system has been rewired and tested for this type of scenario. Any partial or full power failure will now result in the VC-16 to fail in the hydraulic mode.

It is also noted that OCWA operations management have revised appropriate Standard Operating Procedures (SOPs) to improve the response to these types of issues and to address BWAs. The following documents have been revised or are currently under revision:

- Facility Emergency Plan Emergency Contacts and Essential Supplies and Services List
- SOP OCWA-C6-14 Low Distribution System Pressure
- SOP OCWA-C3-10 Kingsville Tower Hydraulic Mode for Operators
- SOP OCWA-C3-10a Kingsville Tower Hydraulic Mode for Maintenance
- SOP OCWA-C7-07 Reporting Adverse Water Quality

On September 3rd, a virtual meeting was scheduled by WECHU as a follow-up to the July 25th Kingsville BWA. This meeting included participants from WECHU, Kingsville administration, UWSS Inc. administration and OCWA management/compliance staff. The purpose of the meeting was to review timeline of the BWA event prepared by staff from each organization. The main goal of the meeting was to review underlying cause of the low-pressure event, discuss actions undertaken to prevent a similar future event, and to identify improvements in communication, roles and responsibilities regarding response to such events and BWAs.

Closing Comments and Recommendations:

UWSS Inc. administration and its accredited operations contractor, OCWA, are committed to working with municipal partners and with WECHU to improve communication and collaboration for responses to adverse water quality incidents and BWAs.

Respectfully submitted,

Rodney Bouchard, CEO
Union Water Supply System Inc.
/kmj

UWSS Inc. Finance & Audit Committee Meeting

Wednesday, June 3, 2026
9:00 am
1615 Union Ave, Ruthven WTP
Board Room

MINUTES

Directors	Dennis Rogers Wayne Wharram Lori Atkinson Tim Sunderland
Also in Attendance: For UWSS	Rodney Bouchard, UWSS Inc. Chief Executive Officer Khristine Johnson, UWSS Inc. Office Administrator (Recording Secretary)
Guest	The CFO Nazzani, CPA, CA Capital Assist Valuation

Call to Order: 9:00 am

Welcoming Remarks:

Chair Rogers calls the meeting and welcomes everyone. He notes the fantastic weather that has arrived in our area.

Disclosures of Pecuniary Interest

There are none.

Adoption of the Minutes of April 8, 2026

No. FAC-08-26

Moved by: **Director Wharram**

Seconded by: **Director Atkinson**

That the Minutes of the Finance & Audit Committee of April 8th, 2026 are approved and shall be brought forward on the next Board of Directors meeting

Carried

Business Arising out the Minutes

Director Wharram asks for follow up on previous minutes. The CEO notes there is follow up further down the agenda, which hopefully covers all of his concerns.

Items to Discuss

The CFO then takes over the discussion and notes that she is presenting internals, as we are still waiting for a draft Financial Statements from Baker Tilly. We are unsure of what the delay is but working closely to push for these documents.

She reminds members that Finance & Audit Committee (FAC) members have not seen any financial reports since December 2025. She reviews the Notes attached to the draft financial statements. The recording secretary will upload these to the Director Portal.

The CFO notes that the HST audit for 2024 has been completed and she is waiting on the 2025 audit information, and potential refunds. She also explains that our rebates will be significant due to the Reservoir #3 construction.

She reviews the OCWA true up information received for 2025 and then reviews the Income Statement side, which includes revenues, interest on long term debt and reclassification into fixed assets from work in progress (WIP).

Director Atkinson seeks clarification on the Bad Debt expense. The CEO notes that this is due to a greenhouse bankruptcy in Leamington. He further notes that UWSS has filed a claim and is unsure if any of the bad debt expense is recoverable. If this is the case this will be reflected in next year's rate structure. Director Atkinson further notes a few formatting errors to be looked at, which occurred when moving from excel to PDF. She then seeks clarification on dividends, which the CEO notes UWSS does not participate in. Any profits are returned back to the system.

The CFO moves onto the quarterly results for UWSS Inc. She notes that revenues are below budget, which could be because of several factors, shift in the greenhouse growing seasons, more efficiencies in the water meters, no longer feeding the Wheatley Water Treatment Plant, and weather.

She also notes that investment income is also down slightly, due to lower rates throughout 2025.

She then explains that OCWA is now billing under actuals, which includes details on the chemical actuals, as well as the operations & maintenance actuals. Those invoices are slightly behind, but they are coming in now and we should catch up as the year progresses.

There is a discussion on the funds recovered from the Windsor Utilities Commission, for the redundancy study project. Director Atkinson feels that the monies should be netted again the original costs, like other revenues. This is taken as direction to staff.

Director Atkinson feels that there should also be an investment policy, which the CEO confirms that the County of Essex has shared their policy in order to create one for UWSS Inc.

The CEO then provides a verbal update on the capital budget, wherein he proposes significant changes. He is suggesting that the changes are brought forward at the June 17th meeting. The reasons include significant issues that have occurred at the WTP over the past few months which will require some costs. He notes several of the items including the

chemical feed system (now moving into the new filtration building), SCADA upgrades to be pushed into 2027 (as a newer version is coming out next year), the Administration Building will be removed entirely from the budget (as administrative space will be included in the new filtration building), and the electrical upgrades required (which will be phased in over several years)

The removal of the administration building from the budget will allow for significant savings in the 2026 budget. He further explains that UWSS Inc. staff will move into this new build, which will also house the new board room, allowing for directors meeting space and seven (7) staff members.

The CEO explains that the DAF #2 had a central column collapse, and that filter #2 has had a underdrain collapse, which was significant reason to review the budget to find some savings to cover the cost, without going into reserves.

The directors were favourable for the changes.

No. FAC-09-26

Moved by: Director Wharram

Seconded by: Director Sunderland

That the revised 2026 Capital Budget is presented to the Board of Directors on June 3, 2026;

Carried

Follow up Items from April 8, 2026 meeting

The CEO explains that he is working with a team at OCWA to collaborate on completing the Risk Management evaluation. OCWA is presenting to their EMT in the coming week and he should have more details shortly.

The CFO notes that the OCWA audit had not been completed at our last meeting, but it is now basically complete, as was noted in her presentation.

The investment policy for UWSS Inc. should be ready to present to the FAC at the next meeting.

There is then a discussion regarding the Operating Line of Credit. The CFO notes that at the April meeting Director Atkinson suggested that perhaps a portion could be converted to a loan, as rates seem favourable at this time. However, the CFO explains that the current operating line does not allow for any conversion until the project is complete and would require an entire new negotiation, therefore, she feels this is not worth it at this point of the project.

The CFO also indicates that she did not receive any comments regarding the previously supplied financial policies and would have the recording secretary send them out once again.

New Business

There is a small discussion on the Director Portal. Many of the members do not have access to it yet, which the recording secretary would look into immediately. The Chair asked about security of the portal, which is managed through our IT services and only directors can access it.

There is a brief discussion regarding funding for future projects and the CEO notes that he is working with Canadian Infrastructure Bank (CIB) and WFCU, hoping to work collaboratively with these partners. The Chair asks whether the CEO had an opportunity to discuss this opportunity with Infrastructure Ontario (IO) and the CEO explains that he did have a meeting, but this option may still require municipal sign off, as their policies have not yet been updated to reflect changing times.

Director Wharram asks if there was any feedback on the second Public Information Centre (PIC) for the redundancy project. We are unaware of any additional feedback at this time but will wait for the engineers to close out the portal on the website to review.

The administrative staff receives additional direction to bring forward all of the resignations to the meeting for June 17th, 2026.

Adjournment
No. FAC-10-26

Moved by: Director Atkinson

Seconded by: Director Wharram

Time adjourned: 10:25 am

Date of Next Meeting: to be determined

/kmj