



**WINDSOR  
UTILITIES  
COMMISSION**

**REGULAR MEETING OF THE COMMISSION**

**THURSDAY, AUGUST 20, 2009**

A meeting of the Windsor Utilities Commission was held on Thursday, August 20, 2009 in the Board Room at 787 Ouellette Avenue, Windsor, Ontario.

The meeting commenced at 9:52 a.m.

**PRESENT:**

Acting Chair George Sandala, Bill Marra, Rocco Lucente, Karen Plunkett, Loretta Stoyka, Jim Drummond, Mayor Francis (via teleconference), Ron Jones, General Manager John Wladarski, Chief Operating Officer John Stuart, Chief Financial Officer Victoria Zuber, Manager Corporate Communications Sylvia De Vries, Director Water Production Garry Rossi, Director of Engineering Norbert Poggio, Director of District Energy Veronica Friesen, Director of Operations David Melnyk, City of Windsor Helga Reidel and Tony Ardovini, Residents Les Chaif, Al Nelman and Alex Foley, CBC Radio Gino Conte, CKLW Teresinha Medeiros, Executive Assistant to CFO Tara Liebrock, Recording Secretary Wendy Howlett.

Regrets: Chair Ken Lewenza

There being a quorum, the Acting Chair called the meeting to order.

**APPROVAL OF THE AGENDA**

Moved by J. Drummond

Seconded by R. Lucente

That the agenda be approved as presented. A revised copy of Page 39 of the Agenda, "Service Breaks Summary 2005 – YTD 2009" was circulated, as was a revised version of the attachment to the CFO Report 2<sup>nd</sup> Quarter 2009. The draft minutes of the August 6, 2009 Audit and Finance Committee meeting were noted as filed.

**DECLARATION OR CONFIRMATION OF CONFLICT OF INTEREST(S)**

Nil.

**MINUTES OF MEETING**

Moved by B. Marra

Seconded by K. Behune Plunkett

That the Commission approve the minutes of the Commission meetings held June 25, 2009.

- CARRIED

Moved by J. Drummond

Seconded by B. Marra

That the Commission approve the minutes of the Commission meeting held July 30, 2009.  
- CARRIED

**CORRESPONDENCE/INFORMATION**

The Commission extended congratulations to senior management for the success in meeting the requirements of Ontario's Drinking Water Quality Management Standard to the satisfaction of the Canadian General Standards Board's Accreditation Program for Operating Authorities. It was requested that a letter of appreciation be sent to the individuals involved in this project.

It was further suggested that details of this achievement be headlined on the WUC website.

Moved by B. Marra

Seconded by J. Drummond

That the Commission receive as information the correspondence/information as presented.  
- CARRIED

**DELEGATIONS**

Registered delegates Messrs. Foley and Nelman responded to the Chair of the Audit and Finance Committee's response to their August 20, 2009 presentations, as attached to the June 25, 2009 meeting minutes as Appendix "A".

Discussion ensued with respect to the possible sources of non-revenue water. The current 21 percent of non-revenue is calculated by reconciling the amount produced versus sales. Attributable factors for non-revenue water may include, but not be limited to:

- Leaks in mains, services, valves
- Watermain breaks
- Pipe Patrol Program – flushing of hydrants
- Water used by the City to fight fires
- Unauthorized use of water by contractors

The percentage of non-revenue water is steadily improving as watermain replacement, rehabilitation and other programs progress.

**GENERAL MANAGER'S REPORT**

The General Manager's Report consisted of the following items:

- 1) Strategic Planning
- 2) Council Presentation
- 3) Development Charges
- 4) 2010 OMWA/OWWA Joint Annual Conference
- 5) Enterprise Resource Plan (ERP) Impact
- 6) Rates Survey

- 7) Community Lead Testing Program
- 8) Presentation – Alex Foley

It was noted that the Strategic Planning Session III scheduled for September 9, 2009 has been rescheduled to September 17, 2009.

The graphs for the Rates Survey, Appendices “A” and “B” depict average monthly municipal residential water bills throughout Ontario.

A meeting with Mr. Foley was held on August 10, 2009 to provide background and explanation with respect to the WUC asset reinvestment strategy, the budget process, as well as the future rate requirements. A summary of the meeting details will be forwarded to Mr. Foley, with a copy to the Commission.

The Lead Testing Program is now in its fourth cycle and is running on schedule. WUC will be required to submit to the Ministry of the Environment (MOE) details of a corrosion control program, in accordance with guidance documents that are expected to be circulated by the MOE this fall.

Moved by R. Jones

Seconded by K. Behune Plunkett

That the Commission receive as information the General Manager’s Report, attached hereto as Appendix “B”.  
- CARRIED

### **MANAGEMENT/ADMINISTRATIVE REPORTS**

#### **CHIEF OPERATING OFFICER**

The Chief Operating Officer’s Report consisted of the following items:

- 1) DWQMS Update
- 2) Master Plan Update
- 3) SCADA Upgrade
- 4) Plant Filter Upgrade
- 5) Meter Investigations
- 6) OHSAS 18001
- 7) 2009 – 2014 Goals and Objectives

Moved by J. Drummond

Seconded by K. Behune Plunkett

That the Commission receive as information the Chief Operating Officer’s Report, attached hereto as Appendix “C”.  
- CARRIED

#### **PLANT PRODUCTION REPORT**

Moved by B. Marra

Seconded by J. Drummond

That the Commission receive as information the Plant Production Report, as presented.  
- CARRIED

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**WATER QUALITY REPORT – 2<sup>ND</sup> QUARTER 2009**

Moved by J. Drummond

Seconded by R. Lucente

That the Commission receive as information the Water Quality Report for the Second Quarter, 2009, as presented. – CARRIED

**DIRECTOR OF OPERATIONS**

Moved by R. Lucente

Seconded by B. Marra

That the Commission receive as information the Director of Operations Report, as presented. – CARRIED

**DIRECTOR OF ENGINEERING**

Discussion ensued with respect to the proper routing of the recommendation to amend the capital renewal budget as, normally, this would first be vetted by the Audit and Finance Committee. As time is of the essence, the decision was made to pre-approve the request with the proviso that Finance submit a report to the Audit and Finance Committee, outlining financing options.

It was noted that the funding received through the government's stimulus funding program has been channeled into 2010 projects; therefore, alternate sources of funding must be identified to cover the additional \$1.3M required to keep up with the city's accelerated capital sewer and road renewal program.

Moved by B. Marra

Seconded by K. Behune Plunkett

That the Commission pre-approve the amendment of the 2009 watermain renewal budget to \$14,331,550, prior to review by the Audit and Finance Committee. - CARRIED

**OTHER**

**OCCUPATIONAL HEALTH AND SAFETY REPORT**

In response to a question posed by L. Stoyka, it should be noted that Bill C-45 legislation training was provided by Nancy Jammu-Taylor of the McTague Law Firm.

Moved by Bill Marra

Seconded by R. Lucente

That the Commission receive as information the Occupational Health and Safety Report, as presented. – CARRIED

**CORPORATE COMMUNICATIONS REPORT**

Moved by J. Drummond

Seconded by B. Marra

That the Commission receive as information the Corporate Communications Report as presented. – CARRIED

**STRATEGIC MATTERS**

**2009 WUC GOALS AND OBJECTIVES**

Moved by B. Marra

Seconded by J. Drummond

That the Commission receive as information the Report on 2009 Goals and Objectives – second Quarter, as presented. – CARRIED

**CONTRACT APPROVALS**

**RIVERSIDE DRIVE E. WATERMAIN RECONSTRUCTION**

Moved by B. Marra

Seconded by R. Lucente

That the Commission approve the Riverside Drive East Watermain Reconstruction tender to M R Dunn Construction at a value of \$994,000.00 plus GST. – CARRIED

**FINANCIAL BUSINESS**

**2009 Q2 FINANCIAL STATEMENTS**

Moved by B. Marra

Seconded by R. Jones

That the Commission approve the 2009 Q2 financial statements. – CARRIED

**AGENDA COMPLIANCE PLAN – AUDIT AND FINANCE COMMITTEE**

Moved by J. Drummond

Seconded by B. Marra

That the Commission receive the Audit and Finance Committee's 2009 Second Quarter Agenda Compliance Plan. – CARRIED

**MINUTES OF MEETINGS**

Moved by J. Drummond

Seconded by K. Behune Plunkett

That the Commission receive the minutes of the Audit and Finance Committee meeting held May 7, 2009. – CARRIED

The minutes of the Audit and Finance Committee meeting held August 6, 2009 were noted as filed.

**CHIEF FINANCIAL OFFICER REPORT – SECOND QUARTER 2009**

G. Sandala provided an overview of the second quarter financial statistics, based on a management accounting perspective versus a financial accounting perspective. While the year-to-date financials identify \$635,000 favourable Net Income to budget and virtually meeting budget at year end, this is only due to favourable book entries in the Post Employment Retirement Benefits and Depreciation. These are non cash items. For the year, the impact will be \$905,000 from these book entries. In actual fact, for the full

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year an unfavourable variance is anticipated in Retail Revenue of \$588,000 and \$267,000 in Watermain Levy. These are cash items, thereby resulting in a year-end cash shortfall.

Moved by B. Marra

Seconded by K. Behune Plunkett

That the Commission receive as information the Chief Financial Officer Report for the second quarter of 2009, as presented. – CARRIED

**NEW BUSINESS**

**COMMISSIONERS' QUESTIONS AND STATEMENTS**

Nil.

**TERMINATION OF MEETING**

There being no further business, it was Moved by R. Jones, Seconded by K. Behune Plunkett

That the meeting terminate at 11:05 a.m.

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Recording Secretary

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Chair