

**WINDSOR UTILITIES COMMISSION  
BOARD OF COMMISSIONERS MEETING  
PUBLIC MEETING MINUTES  
WEDNESDAY, APRIL 22, 2020**

A public meeting of the Windsor Utilities Commission Board of Commissioners was held on Wednesday, April 22, 2020, via Zoom Conference call due to the COVID-19 pandemic. As a result, ENWIN offices remain closed to the public.

**ATTENDANCE**

Commissioners: Drew Dilkens (Chair), Julian Hawkins, Doug Lawson, Kieran McKenzie, Jim Morrison, Mario Sonego, Joanne Gignac and Egidio Sovran

Management: President & CEO Helga Reidel, VP Corporate Services & CFO Matt Carlini, VP Customer Operations and Business Development & COO John Wladarski, VP Water Operations Garry Rossi, VP Hydro Operations James Brown, Director of Regulatory Affairs and Corporate Secretary Paul Gleason, Director of Customer Service Robert Spagnuolo, Director Finance, Geoff Boose, Director Information Technology Brigitte Rivest, Governance and Records Coordinator Andrea Pelacci and Recording Secretary Nicole Dumais.

Guests: Cynthia Swift – KPMG, T. Ardovini – City of Windsor

**CALL TO ORDER & DECLARATION OF CONFLICTS OF INTEREST**

There being a quorum and proper notices received, the Chair called the meeting to order at 10:30 a.m.

No conflicts of interest were declared.

**COMMUNICATIONS AGENDA**

Moved and seconded

That the following Communication Agenda items be received as recommended:

3.1 EWU Group and WUC 2020 Meeting Dates

**-CARRIED**

## **ENWIN EXECUTIVE REPORTS**

### **4.1 TEMPORARY AMENDMENTS TO WUC BY-LAW NUMBER 93 TO ALLOW FOR ELECTRONIC MEETING PARTICIPANTS DURING A DECLARED EMERGENCY**

Moved and seconded

That the Commission APPROVE temporary amendments as outlined in this report, to WUC's Procedure By-law #93, to allow for electronic participation at Commission and Committee Meetings for Commissioners, on a temporary basis during the Novel Coronavirus (COVID) pandemic, in accordance with Bill 187, approved March 19, 2020 by the Province of Ontario (as attached as Appendix "A"), and further,

That the WUC annual general meeting required under Part B, Section 3 of the Procedure By-law be deferred to a date later than April 30<sup>th</sup>, 2020, such date to be determined by the Chair of WUC.

**-CARRIED**

### **4.2 ENWIN ACTIONS IN RESPECT TO THE COVID-19 EMERGENCY**

ENWIN has seen a little more email spam than usual. Employees have received training on how to manage this while working from home.

With regard to customers, there was discussion on ratifying a disconnection moratorium for residential water customers. ENWIN has seen an increase in late and non-payments and this is putting ENWIN and WUC at some risk of exposure of bad debts beyond the deposits that might be in place. We are about one month away from some of these customers being at risk of disconnection. Customer Service is working with customers in arrears to structure payment arrangements on a case-by-case basis. We could potentially see some impacts on our revenue if some of the customers do not recover from the economic downturn.

The call centre employees are all working from home and doing well. The phones are not recording at home. This will take a number of months to resolve.

There was discussion on construction projects and the legal opinion provided by a solicitor as to whether ENWIN/WUC is exempt from O.Reg 82/20. This also covers the site consolidation work at Rhodes Drive, which is behind schedule due to COVID-19. We are currently working on a contingency plan that will keep people working from home until construction is complete so that the sale of Ouellette can occur on June 30 as planned.

Some watermain projects have started and are close to completion and others are scheduled to start. Contractors have been dealing with their own issues with regard to COVID-19 and confusion regarding the current Closure of Places of Non-essential Businesses regulation. WUC construction projects do not appear meet the definition of

“essential businesses” in the regulations. Those projects being constructed in conjunction with the City can move forward.

Helga commended Garry Rossi, David Melnyk and Dan Mustac at the water treatment plant for their work on their plan for “non-sequestered” and “sequestered” work shifts. This will allow all the operators to share in the 24 hours duties (12 hour day / 12 hour night for one week and off for one week). If the pandemic should worsen, there is a plan to move to “sequestered” shifts, where the operators would work and sleep at the plant. The pay would be a little more expensive (paying for 24 hours/day). This has not been implemented yet. The Union has not signed the MOU. This, however; can be implemented under emergency provisions. The plan is ready to implement. Community cases of COVID-19 and ENWIN cases will determine whether there is a need to move to the non-sequestered schedule or sequester. A large roster of personnel is also ready to help implement the plan, which includes plant retirees.

There has only been one (1) confirmed case of COVID-19 at ENWIN. This individual was not in the work place due to isolation from travel but eventually took sick time due to contracting the virus.

Generally, we are watching our cash flow/revenue. WUC is down between \$300K and \$600K per month. Water usage is down which is believed due to the commercial/industrial not operating right now. The reduced capital program might help offset the reduced amount of revenue coming in.

Natural savings have been made by not posting for vacancies, no student hiring or grass cutting. We are starting to see much more normal work being done (i.e. Water Inspectors are doing survey work on future watermain projects, in lieu of watermain inspection while capital projects are on hold).

Financially, the Q1 report will be provided at the May board meeting, with a forecast provided at the June meeting. Budgets will be presented in September.

A question was asked regarding cleaning protocols in the critical controls rooms. Buildings/work areas are regularly sanitized, but Garry Rossi spoke of the two additional controls rooms that were created (A.J. Brian and the old centrifuge room) to ensure that staff are not working together. Each has its own washroom and eating areas to ensure safety and proper social distancing.

A question was asked regarding construction and the penalties that could be incurred. The MECF is putting the onus on the owners. Any penalties incurred would go to the owner of the system, not the contractor. IN light of this management is hesitant to proceed with projects although it is believed that the unusual structure of WUC was overlooked in the regulation exempting municipalities from the regulation.

A Commissioner asked if there has been any attempt to have WUC added to the essential businesses regulation (as one of three public utilities where the waterwork is

outside of the City). Mayor Dilkens indicated that he is moving forward with a discussion with provincial authorities and believes this was merely an oversight by the Ontario Government.

A Commissioner asked for more information on liability and insurance coverage in the event that ENWIN/WUC was to return to work. What would also be done in the event of a second wave of the virus? Matt Carlini to clarify any insurance coverage. Any decision made will be carefully documented.

Commissioner Jules Hawkins – Stepped away from call at 11:03 am to take a personal call.

A suggestion was also made to speak with the other two PUC's to join in seeking clarification from the Ontario Government.

There was concern that if the legislation to return to work is not amended; WUC will be behind on the lead removal schedule (\$2M). Also, the plan to reinstate fluoride will also fall behind, as the lead pipes required for the pipe loop have not been removed from the ground from the stalled capital project. There are also issues with working in close proximity to install the piping which cannot be done at this time and so has been put on hold.

A question was also asked on the late payments and how ENWIN is going to deal with this moving forward. Has an analysis been done on the best way to prompt individuals to pay in a reasonable amount of time? There is concern that there should be a certain degree of tolerance to keep people as rate payers so this does not lead to mass disconnections of individuals who will be struggling to get back on their feet. Management will continue to work with individual businesses and in the case of water and wastewater; the bill eventually ends up as property lien through tax.

Moved and seconded

That the Report of the President & CEO of ENWIN Utilities Ltd. outlining actions taken with respect to the COVID-19 emergency BE RECEIVED; AND

That the Windsor Utilities Commission RATIFY the decision of the ENWIN President & CEO to implement a water disconnection moratorium for residential customers during the COVID-19 emergency until further notice, with a report back to the WUC prior to June 30, 2020 with a recommendation on the end date for the moratorium.

**-CARRIED**

#### **4.3 2020 DEVELOPMENT CHARGE FUNDS REQUEST**

There was discussion of the recent barge incident, where there was a potential of diesel fuel being leaked in the water way. This incident underscores the need to put a plan together for a redundant intake. The entire community would benefit. A question was

asked, "Can the cost of the redundant intake be built into the city development charges?" Garry Rossi will do some research and work with the City committee planning this and provide information at a future board meeting.

Moved and seconded

That the 2020 Development Charges Funds Request Report be RECEIVED;

And that 2020 Development Charges funds held by the City in the amount of \$70,610 be APPROVED for release.

**-CARRIED**

#### **4.4 WINDSOR UTILITIES COMMISSION 2019 FINANCIAL REVIEW**

2019 was very successful year. The CFO reported that WUC performed very well and was ahead of budget by \$2M on the combination of lower spending and some higher revenue. Although ahead budget with respect to revenue, the consumption numbers were down and continue to decline. We will likely see this same decline in consumption in 2020 as well. Also some very strong capital spend occurred.

Moved and seconded

That the Windsor Utilities Commission 2019 Financial Review be RECEIVED.

**-CARRIED**

#### **4.5 WUC AUDIT FINDINGS REPORT**

Cynthia Swift of KPMG confirmed that the audit went well. There were no changes to the audit plan as discussed with the audit committee. She indicated that KPMG is in a position to issue an unmodified audit opinion subject to the board's approval. KPMG is still tracking down two outstanding legal letters and hopes to receive them soon.

There were no audit differences, either corrected or uncorrected, nor were there any significant internal control deficiencies. Materiality was \$1.7M. Management also added a subsequent event note concerning COVID-19.

A question was asked if there has been any discussion on the impact of COVID-19 over the audit plans moving forward. KPMG has not spoken to the ENWIN audit team. They indicated they would have to look at certain non-material accounts and ensure the cash flow is appropriate. Discussions for the 2020 audit will take place in the fall and KPMG will review the pandemic situation at that time. A good portion of the annual audit can be done virtually.

Moved and seconded

That the WUC Audit Findings Report be RECEIVED.

**-CARRIED**

#### **4.6 WINDSOR UTILITIES COMMISSION 2019 AUDITED FINANCIAL STATEMENTS**

Cynthia Swift of KPMG reiterated that KPMG is in a position to issue an unmodified audit opinion subject to the board's approval and the two legal letters.

Matt Carlini commented that these audited financial statements are public statements that will be released. The statements show strong results, capital continues to grow, working capital is strong. Net income is increasing and so are the contributions to capital. A note was added about possible impacts by the pandemic.

A question was asked about whether WUC receives any political pushback on the annual rate increase and the strong result. Matt Carlini is not aware of any concern. noting that all of the net income is put back to the capital program.

Moved and seconded

That the Windsor Utilities Commission 2019 Audited Financial Statements be APPROVED.

**-CARRIED**

#### **4.7 MEETING WITH THE AUDITORS**

##### **4.7.1 Meeting with Auditors without Management**

The Chair and the members of the Commission proceeded to discuss the conduct of the audit with the external auditor. All questions were answered to the satisfaction of the Commission.

##### **4.7.2 Meeting with Management without Auditors**

N/A.

Moved and seconded

That the comments regarding the meeting with auditors without management be RECEIVED.

**-CARRIED**

#### **MEETING TERMINATION**

Moved and seconded

That the meeting be terminated.

**-CARRIED**

Meeting terminated at 11:35 a.m.

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Recording Secretary

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Board Chair