

**WINDSOR UTILITIES COMMISSION
BOARD OF COMMISSIONERS MEETING
PUBLIC STRATEGIC PLANNING SESSION MINUTES
WEDNESDAY, JUNE 19, 2019**

A public meeting of the Windsor Utilities Commission Board of Commissioners was held on Wednesday, June 19, 2019, in the Boardroom at 787 Ouellette Avenue, Windsor, Ontario.

ATTENDANCE

Commissioners: Drew Dilkens (chair), Julian Hawkins, Doug Lawson, Kieran McKenzie, Jim Morrison, Mario Sonogo and Egidio Sovran

Regrets: Irek Kusmierczyk

Management: President & CEO Helga Reidel, VP Shared Services & COO John Wladarski, VP Water Operations Garry Rossi, VP Hydro Operations Jim Brown, Director of Finance Matt Carlini, Director of Regulatory Affairs and Corporate Secretary Paul Gleason, Director of Customer Service Rob Spagnuolo, Director of Water Engineering Chris Manzon, Director of Water Operations Dave Melnyk, Manager Project Management Office Dragan Savic, and Recording Secretary Debbie DeDona

Guests: Tony Ardovini, City of Windsor, Chris Hatley and John Todd of Elenchus

CALL TO ORDER & DECLARATION OF CONFLICTS OF INTEREST

There being a quorum and proper notices received, the Chair called the meeting to order at 9:27 a.m.

The Chair turned the meeting over to C. Hatley of Elenchus, the meeting facilitator. C. Hatley opened with a background about Elenchus and the services they provide. An explanation of the materials and the expectations of the strategic planning meeting were offered to the Commissioners.

REPORT OF ELENCHUS INTERVIEWS – FACILITATED DISCUSSION

SWOT

The SWOT Analysis and the interview process were discussed. Feedback indicated that SWOT factors were accurately reflected with additional consideration of wastewater merger; climate change (risk assessment and monitoring) and WUC's role in economic development.

Management will review WUC's role in economic development. Wastewater merger will not be pursued as it was considered in 2006 and rejected.

Mission, Vision, Values and 5 Themes

This was discussed and feedback indicated that these were accurately reflected with no amendments.

There was a discussion about environmental sustainability. A Commissioner suggested that climate change isn't expressed clearly in the mission statement and that maybe management could look for language to embed in the mission and vision statement as a public communication piece and to staff, that these are important considerations.

J. Wladarski advised that WUC was part of the Great Lake City initiative in the past which helped to preserve and protect the Great Lakes fresh water supply. WUC was recognized for its efforts in terms of reducing non-revenue water and continues to make this a priority.

G. Rossi advised that examples of how WUC has contributed to the environmental impact have been by replacing water mains and assets; and installing automatic on/off LED lighting at the Water Treatment Plant.

Project/Initiatives Supporting the 5 Themes

This was discussed and feedback indicated that these were accurately reflected with no amendments.

Management will provide to the Commission, water rate comparisons with other municipalities and consider inclusion of information on water losses on the website, including consideration of the risk/threat in doing so.

Long Term Financial Targets

This was discussed and feedback indicated that these were accurately reflected with no amendments.

Management will explore full cost recovery, rate stability (affordable and sustainable), managed debt, managed cash flow including sinking fund, fiscal planning to ride out economic downturns and continuing asset investment.

PRESENTATION BY VICE PRESIDENT OF WATER OPERATIONS

Highlights of the presentation include the following:

- Reintroduction of fluoride project is on track for 2020
- Lead service line replacement is in compliance and ahead of schedule for removal of WUC owned lead service lines.
- Lead service replacement chart is ahead of schedule and management is working in collaboration with the City of Windsor.
- No significant regulatory changes for the next 3-5 years.
- Lead regulation is expected to be amended to reflect the new Health Canada guideline of 5 ug/L
- Blue green algae concerns are the number one threat to drinking water supply. WUC uses an ozone treatment which is the top treatment methodology to combat this issue and currently is not a concern to WUC drinking water.
- Canada recently announced the banning of all single use plastics in 2021. Sources from various items find their way into the wastewater stream as micro plastics. There will be little regulatory change for both WUC and ENWIN.
- WUC will be looking at different options for alternate source of water supply and at regionalization of water.
- WUC will be exploring the option of one water system. Management is confident that WUC has the framework to build upon to promote one water system. WUC's model lends itself to being competitive across the province.

Moved and seconded

That the presentation by the VP of Water Operations be received for information (presentation appended at Attachment 1).

-CARRIED

Non-Regulated Business Opportunities

There was a discussion about whether to divest of the District Energy (DE) system or continue forward. There was some concern about the financial risk involved if WUC were to continue as owners of DE. There was discussion about potential partnership options which would mitigate some of the financial risk and would also assist and allow for market growth. There was also discussion about moving the district energy business into the unregulated part of the ENWIN group of companies (through ENWIN Energy Ltd.)

Discussion and feedback indicated that these were accurately reflected. Management will look at partnership options, look at how to mitigate risks, review the market to grow and if there is potential for the market to grow, is it appropriate to grow within WUC or move into EWE and would be involved in doing so. Management has agreed to provide a report in the next six months, taking into consideration the limited financial resources at present time.

MAADs

This was discussed and feedback indicated that these were accurately reflected with no amendments.

Management will explore an in-depth analysis and caution with respect to regionalization, to seek economies of scale and redundancy of supply.

Moved and seconded

That the report of Elenchus be received for information.

-CARRIED

2019 STRATEGIC PLANNING AND 2020 – 2023 STRATEGIC PRIORITIES (4 YEAR CYCLE)

H. Reidel advised that the suggestion to the change in wording of the mission/vision statement will be made to the remaining boards, to include the reference to sustainable, as follows: “To provide safe and reliable energy and water services in a cost effective **sustainable** manner.”

Moved and seconded

That the Windsor Utilities Commission RECEIVE this report for information, along with the accompanying report of Elenchus consultants and following the strategic planning session, APPROVE the top up to three strategic priorities for WUC for 2020 through 2023 (subject to review in 2021) as follows:

1. Regionalization/Supply of Water
2. Investment in Infrastructure/Cost effective water supply (safety and reliability); and
3. District Energy Windsor (Invest or Divest);

And THAT the Windsor Utilities Commission DIRECT that EWU Management REPORT to WUC by Q1 2020, regarding all management action items identified herein and the tactics/projects, budgets and measurable metrics, to execute on the strategy in 2020 to 2023; and

That, subject to approval of the plan, that the Windsor Utilities Commission DIRECT EWU Management to REPORT quarterly on progress to the plan.

-CARRIED

MEETING TERMINATION

Moved and seconded

That the meeting be terminated.

-CARRIED

Meeting terminated at 11:57 a.m.

Recording Secretary

Board Chair

Attachments (1): Presentation by Vice President of Water Operations