

THE UNION WATER SUPPLY SYSTEM
JOINT BOARD OF MANAGEMENT
MINUTES OF MEETING
HELD JUNE 20, 2018 AT 9 AM
IN KINGSVILLE COMMUNITY ROOM - KINGSVILLE ARENA

Members Present: Deputy Mayor MacDonald (Chair); Mayor Paterson, Councillors Dunn, Jacobs, Verbeke - Leamington
Mayor Nelson Santos (Vice-Chair); Deputy Mayor Queen, Councillors Gaffan, Patterson - Kingsville

Members Absent: Councillor Hammond - Leamington
Councillor Neufeld - Kingsville
Mayor McDermott - Essex
Councillor Diemer - Lakeshore

Staff Present: Laura Rauch, Shannon Belleau - Leamington

OCWA Staff Present: Susan Budden, Dave Jubenville
Dale Dillen, Ken Penney

Call to Order: 9:00 am

Disclosures of Pecuniary Interest: none

Adoption of Council Minutes:

No. UW-26-18

Moved by: Councillor Jacobs

Seconded by: Councillor Patterson

That Minutes of the UWSS Joint Board of Management meeting of May 16, 2018 be received.

Carried

Business Arising Out of the Minutes:

There was none.

Report UW/13/18 dated June 15, 2018 re: Status Update of the UWSS Operations & Maintenance Activities and Capital Works to June 15, 2018

The Manager informs board members that rehabilitation work is progressing well on the Essex Water Tower (EWT). He notes that the intermediate exterior coating will need inspection and then a final paint coat will be applied as well as the logo. He also confirms that the project is moving ahead of schedule.

The Leamington Water Tower (LWT) has been taken offline to allow for time for the paint inspection. The inspection is part of warranty process for the rehabilitation that took place in 2015. During the down time a new cathodic protection system will be installed.

The Manager reminds members of the board that the UWSS has transitioned from the process of chloramination to free chlorine. This process started on June 4th and is expected to last approximately eight (8) weeks. He further notes that all municipalities are working in conjunction with OCWA staff to ensure that the new water is pushed through the system. He also indicates that there could be an extension to the free chlorine process, but he will be evaluating whether it is necessary or not and then report back to the UWSS Board.

He reports on two (2) items that required notification to the MOECC. On May 19th a PLC failure resulted in a coagulant pump failure as the feed was stopped for a period of time; and secondly, an AWQI was reported for a low chlorine residual in Lakeshore. However, as this was the result of the transition to free chlorine the MOECC granted relief as flushing is being undertaken during this process.

The Manager then notes that the aluminum residuals are starting to creep higher as the lake warms. Therefore, staff have adjusted to an alternative coagulant, which is the same as last year. This will help maintain the aluminum residuals.

He then reminds board members of the issue within Meter #8 which occurred last summer and required repairs. He notes that the same meter chamber has now developed a leak. At this point it is not causing any issues however he will be working with Kingsville staff to determine the best course of action to make repairs over the next couple of weeks.

Watech Services has inspected the two (2) raw water intakes on June 14th and a report is expected shortly to indicate any concerns or possible repairs.

The Manager notes that the flows are up over last year and the four (4) year average.

The board was concerned that with the extra flushing occurring for the free chlorine process, this could be adding to the increased flows. The Manager states that flows have been higher right from the beginning of the year.

Members are also concerned about whether or not UWSS can handle the increased flows. The Manager notes the plant capacity and that the plant is sitting at approximately 65% and he will be closely monitoring the peak days. He also notes that UWSS is doing many updates and upgrades to increase its efficiency which will allow for an increase to the plant capacity.

Finally, the Manager mentions that the MOECC has started their inspections of the Town of Essex and the Municipality of Leamington.

No. UW-27-18

Moved by: Councillor Dunn

Seconded by: Councillor Verbeke

That report UW/13/18 dated June 15, 2018 re: Status Update of the UWSS Operations & Maintenance Activities and Capital Works to July 15, 2018 is received.

Carried (UW/13/18)

Report UW/14/18 dated June 15, 2018 re: Legal Review of UWSS Wholesale Water Rate

The Manager reminds members of the board of the many discussions that have occurred regarding the UWSS rates over the past several years. He notes that back in 2014 there was a discussion of looking at various rate structures for the UWSS wholesale water rate.

He also reminds members of the board of the extension of the former Heinz rate to Highbury Canco as a courtesy, which was meant to be temporary in nature, until UWSS could determine a rate structure. However, that has not occurred at this time. The Manager felt that a legal review was appropriate to ensure that Highbury Canco was not receiving a rate that was considered bonusing.

The Manager retained Willis Business Law to provide a legal opinion regarding this situation and after review it was determined that such a rate provided to Highbury Canco could be considered bonusing and as such should be discontinued.

The Manager then recommends that the change take place on December 31, 2018.

There is then a discussion from the board members. The members ask how Highbury Canco will be billed. The Manager notes that Meter #4 is dedicated to Highbury Canco and will continue to be so in the future. Mayor Paterson thanks the UWSS board for allowing Highbury Canco to have been offered the old Heinz rate, while getting off the ground.

Mayor Santos questioned the Manager as to whether or not it was prudent to allow the UWSS to continue extending Highbury Canco the current rate until the end of the year, when in similar circumstances 30-60 days has been considered sufficient. The Manager notes that since it is mid-way through the year budgets had been planned and because there is a plan in place it fits within the legal review. He feels there should be no issues going forward.

Councillor Patterson asks the Manager if it is decided to amend the rate change to September 1, 2018 does Highbury Canco have grounds to appeal the rate change date. The Manager indicates that Highbury Canco has no grounds to appeal as they are not part of the Transfer Order.

Councillor Gaffan asks if there are other large users that consume the same amount as Highbury Canco. The Manager indicates that there are. Councillor Dunn asks the Manager for the increased costs that will be extended to Highbury Canco. The Manager estimates that they could face \$150,000 from the UWSS wholesale rate, this does not include the rate from the Municipality of Leamington.

Councillor Verbeke indicates that he feels the rate should not be changed mid-way through the year, due to budgeting purposes.

Mayor Paterson asks for a recorded vote on the recommendation as presented:

Recorded Vote

In Favour: Mayor Paterson, Deputy Mayor MacDonald, Deputy Mayor Queen, Councillors Jacobs, Verbeke, Dunn

Opposed: Mayor Santos, Councillors Patterson and Gaffan

No. UW-28-18

Moved by: Mayor Paterson

Seconded by: Councillor Verbeke

That the Union Water Supply System (UWSS) Board receives report UW14/18 dated June 15, 2018 re: Legal Review of Wholesale Water Rates for information and;

That the UWSS Board endorses the termination of the UWSS reduced wholesale water rate to Highbury Canco on December 31st, 2018 and;

That effective January 1, 2019, Highbury Canco becomes a direct customer of the Municipality of Leamington for water services and that the Municipality of Leamington be subject to regular wholesale water rate for Highbury Canco water demand.

Carried (UW14/18)

Report UW/15/18 dated June 14, 2018 re: Design, Engineering and Construction - Primary Chlorine Disinfection Systems Improvement

The Manager reminds members of the Water Quality Masterplan (WQMP) which reviewed all water treatment processes at the Ruthven facility to identify any improvements that could be made. It was noted at the time that there were several health and safety issues that should be remedied within the chlorine disinfection system. The Manager indicates that presently it is difficult for staff to move around inside the chlorine building while changing out the tonners. There is also some venting issues that should be addressed as well.

Associated Engineering (AE) is currently working on the CO₂ project and has suggested that there is potential to combine this project and the chlorine building upgrades to save some engineering costs.

The Manager explains that he is looking for \$900,000 unplanned budget for this project and asking for the funds to come from the reserves.

No. UW-29-18

Moved by: Councillor Patterson
Seconded by: Councillor Jacobs

That the Union Water Supply Joint Board of Management (UWSS Board) receives report UW/15/18 re: Design, Engineering and Construction - Primary Chlorine Disinfection System Improvements for information;

And further, that the UWSS Board approves a budget of \$900,000 to be funded from the UWSS Operating and Capital Funds Reserve for the undertaking of Design, Engineering and Construction services for improvements to the Primary Chlorine Disinfection System at the Ruthven Water Treatment Plant

Carried (UW15/18)

No. UW-30-18

Moved by: Mayor Paterson
Seconded by: Councillor Dunn

That report UW/16/18 dated June 15, 2018 re: Payments from May 11 to June 15, 2018 is received.

Carried (UW16/18)

New Business

The Board asks the Manager what his response will be if members of the public question him regarding the Highbury Canco rate. The Manager indicates that his response will be that the rate was only supposed to be temporary in nature, the UWSS had been looking at a rate structure change and also that just recently had a legal review completed and all was completed within the framework of the Municipal Act 2001. He confirms that a plan is in place.

Adjournment

No. UW-31-18

Moved by: Councillor Verbeke
Seconded by: Councillor Gaffan
That the meeting adjourn at 9:34 am

Carried

Date of Next Meeting: Wednesday, July 18, 2018 at 9:00 am, Ruthven Water Treatment Plant, Board Room